

**EMPLOYEE ENGAGEMENT AND PERFORMANCE OF DEPOSIT- TAKING
SACCOs IN NAIROBI, KENYA**

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A Thesis Submitted in Partial Fulfillment of the Requirements for the Award of The Degree
of Masters of Science in Human Resource Management of Masinde Muliro University of
Science and Technology

2025

DECLARATION AND CERTIFICATION

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

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DEDICATION

This thesis is dedicated to my dear wife Hildegard Kasiti. My cherished children, Ian Muteshi, Michelle Musabi, Beryl Nune and Melvin Alusa. I will be forever grateful to them for the support, patience, encouragement and consideration they accorded me during the course of the study.

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ABSTRACT

Many organizations recognize the importance of cultivating a focused and highly engaged workforce. Employee engagement and organizational performance has been a topic of interest for both scholars and human resource practitioners over the previous 20 years with diverse findings; but still limited comprehensive studies have been conducted to offer an outline on the impact employee engagement on deposit-taking Saccos performance. The main objective of the enquiry was to determine the effect of employee engagement and performance of deposit-taking Saccos in Nairobi, Kenya. The specific objectives of the investigation were to explore the influence of employee vigor on organizational performance; to evaluate the effect of employee consultation on organizational performance; to assess the effect of employee's absorption on organizational performance; to assess the effect of employee dedication on organizational performance and to analyze the effect of human resource management practices on the associations amid employee engagement and organizational performance. The research was anchored on Personal Engagement Theory as the main theory and Social Exchange Theory as the supplementary theory. The enquiry applied a cross-sectional design through a census technique of forty-six (46) deposit-taking Saccos in Nairobi. The respondents were the Human Resource Managers of the selected deposit-taking Sacco's that gave data completed in a structured questionnaire. Reliability of the concepts was tested using Cronbach alpha analysis while validity was tested using average variance extracted in a pilot study of three (3) deposit-taking Saccos in Western Kenya. The data was analyzed using descriptive and inferential analysis. The correlation coefficient amongst employee vigor and organizational performance ($r= 0.303$; $P\text{-value} = 0.076 > 0.05$), which show that the associations among the two concepts is not statistically noteworthy. The regression results indicate that employee consultations ($R^2 - 0.575$; $t=6.680$; $P\text{-value}=0.000 < 0.05$), employee dedication ($R^2 - 0.394$; $t =4.629$; $P\text{-value}=0.000 < 0.05$) and employee absorption ($R^2 - 0.282$; $t=3.602$; $P\text{-value}=0.001 < 0.05$) had a significant linkage with organizational performance. In addition, human resource management practices ($R^2 = 0.752$; $P=0.001 < 0.05$) had a significant effect on the connection amongst employee engagement and performance of DT-Saccos in Nairobi, Kenya. However, employee vigor ($R^2 - 0.092$; $t =1.829$; $P\text{-value}=0.076 > 0.05$) did not have a significant influence on organizational performance. This research presents a fresh perspective and understanding of the relationship between employee engagement and organizational performance by focusing specifically on deposit-taking saccos in Nairobi, Kenya context. The study recommends that DT - Saccos should critically address and put more resources towards HRM practices that improve employee engagement as it highly influences organizational performance. The scholar suggests that future study should incorporate additional control variables and use a mixed approach of quantitative and qualitative techniques to validate the results.

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LIST OF ABBREVIATIONS AND ACRONYMS

AVE	Average Variance Extracted
DT-SACCOs	Deposit - Taking Sacco Societies
FOSA	Front Office Savings Accounts
HRM:	Human Resource Management
ICA:	International Co-operative Alliance
NGOs:	Non-Governmental Organizations
NON-WDT-SACCOs	Non-Withdrawable Deposit -Taking Saccos
SASRA	The Sacco Societies Regulatory Authority
VIF	Variance Inflation Factors

DEFINITION OF TERMS

Employee Absorption:	Describes the degree of immersion and preoccupation of employees to the realization of organizational objectives.
Employee Consultation:	Refers to the process of exchanging perspectives between employers and workers or their representatives throughout the decision-making process.
Employee Dedication:	Refers to the level of employee commitment, loyalty and passion towards their work and the organization.
Employee Disengagement:	Describes the state of being emotionally detached from one's work performance. Employee disengagement negatively affects the productivity and accomplishments of disengaged colleagues.
Employee Engagement:	Describes the extent to which employees are dedicated to achieving the objectives of the company.
Employee Productivity:	Refers to the effectiveness and efficiency of the employees in completion of assigned duties and contribution to the realization of organizational goals.
Employee Vigor:	Refers to the levels of employee enthusiasm, zeal and excitement in discharge of the assigned duties.
Employee Satisfaction:	Describes the levels of staff fulfilment and gratification with the overall staff treatment by the organization.
HRM Practices:	Refers to training and development, workforce diversity and reward management systems developed and implemented by an organization to improve employee's efficiency, engagement and work quality.

Reward Management System: Describe the payment received for a job well done, an action taken to support acceptable conduct, and it is synonymous with success. It includes both monetary and non-monetary or otherwise referred to as extrinsic and intrinsic rewards.

Organizational Performance: Refers to the collective outcomes of individuals efforts, progress, and undertakings in realization of its objectives.

Training and Development: Refers to the methodical use of formal procedures to improve staff members' knowledge, competencies, and attitudes.

Workforce Diversity: Refers to existing differences or similarities that influence attitudes and perceptions among workers in an organization.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Human resource has been recognized as a critical economic component of organizational success. Corporations rely on their people to get a competitive advantage (Etaan & Jain, 2019; Collins, 2021). This has led to increased interest among management scholars and practitioners in seeking an understanding of the linkages amid employee engagement and organizational performance with diverse outcomes. Employee engagement is a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Engaged staff typically work hard, are deeply involved and happily occupied in their assigned duties (Schaufeli, 2018; Turner, 2020). Staff are an integral part of any organization due to their value, and how they assist the institution realize its objectives. Hence, employee engagement is a process of ensures workers wilfully commit themselves on execution of duties without coercion.

In Europe, the most engaged countries are found in North Western and in the Alpine states of (the Benelux countries, Ireland, Norway, Denmark, Austria, Switzerland), with the Netherlands ranking first with 19% highly engaged employees (Schaufeli, 2018). Empirical studies have shown that the least engaged countries in Europe are (Turkey, Portugal, Greece, Montenegro, Serbia, Croatia, Albania) and that work engagement is positively and curvilinear related to the nation's economic activity and productivity but with different patterns of engagement (Schaufeli, 2018; Ferreira, 2020). While, Hammoud (2017) posit that disengaged workers typically cost U.S. organizations approximately \$350 billion annually. There are limited comparative studies that have been conducted in the African context.

Muller, Smith and Lillah (2018) debate that organizations that promote engagement for value success focus on key priority factors that include superior levels of customer service, effective communication, strategic leadership, productivity, continuous quality improvement, innovation, strong sales and marketing capabilities. In order to boost staff engagement, corporate leaders apply different strategies that include reward management systems, employee empowerment and building a strong bond amongst leaders and employees. Mvuyana *et al.* (2025) argue that lack of a structured probationary period, discrimination of staff in terms of differences in retention strategies, and inadequate administration focus to employee engagement are main factors that contribute to disengagement tendencies within the organization.

Schaufeli (2018) posit that the levels of work engagement among individuals that is characterized by happiness and job satisfaction differs between different European countries as it resonates with the national variances. Thus, management should not only focus on strategizing on disparities in human resource management practices but also on variances in engagement levels of business units across countries. Employee engagement is critical in building the devotion and passion of workers and senior executive support for superior corporate performance (Gede & Huluka, 2024). The study tested employee engagement using variables of employee's vigor, consultations, absorption and dedication.

Human Resource Management (HRM) is a comprehensive and strategic approach to managing an organization's workforce. It incorporates the policies and processes intended to attracting, motivating, developing, and retaining optimal staff required to effectively and efficiently achieve the organization's objectives (Khan & Abdullah, 2019; Kareska, 2023). Human resource management practices are structured to offer a role in shaping the degree to which staff are

energetically engaged or disengaged, the direct influence of employee engagement on entity performance still remains unclear (Alnuaimi, 2022). Hence the scholar's interest in understanding the bearing of HRM applications on the connections amid employee engagement and organizational performance.

Organizational performance is the capacity of the entity to realize its mission and strategic plan. Institutional performance is the summative of personal deliverables in the organization (Otuohere, 2021). Corporate performance comprises of three ranges of returns on investment, profit returns on assets; market share performance and stakeholders return on total venture (Holston & Kleiner, 2017). Corporation performance could be determined in several ways like monetary performance, return on equity, employee turnover and others (Stackhouse, Zaman, & Turner, 2022). Sacco's financial performance maybe assessed on the degree to which the front office savings accounts (FOSA) is liquid and its capital adequacy (SASRA, 2023). However, the study applied human resource management measures of employee productivity and job satisfaction in analyzing organizational performance.

In Kenya, Savings and Credit Cooperatives (Sacco's) play a critical role in encouraging financial inclusion(SASRA, 2023). The deposit- taking (DT) Sacco's are expected to support the achievement of both economic and social pillars of Vision 2030 through promotion of a saving culture. Despite of the efforts by the Kenyan government in implementing cooperative policies and regulations with a view of improving this financial sector (SASRA, 2023); it has been observed that when subjected to similar environment there are still variations in Sacco's performance.

1.2 Problem Statement

Over the last two decades majority of the organizations have found themselves in financial difficulties due to decreased staff engagement levels (Ferreira, 2020; Mvuyana *et al.*, 2025). Workforce attraction, retention, job satisfaction and customer delight have been a concern to several institutions' management (Martínez-Mejía, & Prado, 2022). Hence, the study analyzed the effect of HRM practices on the linkages amid employee engagement and organizational performance.

Previous studies have determined the independent interaction among the research concepts of employee engagement, human resource management practices and organizational performance applying different conceptual frameworks (Barang'a & Maende, 2019; Raza & Nadeem, 2019; Chukwuemeka, 2020; Francis *et al.*, 2020; Hembadon, *et al.*, 2022; Mutiria *et al.*, 2022; Gitonga, Egessa & Tibbs, 2024). However, there is limited existing studies that conceptualized the influence of employee engagement, HRM practices and performance of deposit - taking Saccos in Nairobi, Kenya.

Ferreira (2020) examined employee engagement among different generations tourism workers across European countries using hierarchical multiple regression analysis. Mvuyana *et al.* (2025) explored the relationship between employee engagement and counterproductive work behaviors in the USA. Martínez-Mejía *et al.* (2022) analyzed the psychological contract and the perception of organizational support/betrayal, as predictors of burnout and turnover intentions in Mexico. Raza and Nadeem (2019) studied the association of the three drivers of employee engagement and its impression on turnover intentions and job satisfaction in five organizations

based in Islamabad and Rawalpind. The studies did not teste the key variables in the Kenyan context.

Mvuyana *et al.* (2025) utilized thematic content analysis to examine the connections amongst staff engagement and unproductive occupation attitudes. Raza and Nadeem (2019) used structural equation modeling to determine the drivers of employee engagement and their impact on job satisfaction and turnover. Nyawira & Wainaina (2023) applied stratified sample approach to evaluate the effect of consultative management on organizational performance. Ooi *et al.*, (2022) used Pearson Product Moment Correlation Coefficient and Multiple Linear Regression Analysis to explore HRM practices of performance appraisal, compensation, training, and employee engagement. The current study applied census techniques and regression analysis model to analyzed the linkage among employee engagement, HRM practices and organizational performance.

In addressing the identified knowledge gaps in the previous empirical investigations and management challenges faced in the sector, the enquiry sought to assess the influence of employee engagement and performance of DT- Saccos in Nairobi, Kenya. The study sets out to answer the following research question; does HRM practices have an effect on the linkages between employee engagement and organizational performance?

1.3 Objective of the Study

The general objective of the study was to examine the influence of employee engagement on performance of deposit - taking Saccos in Nairobi, Kenya.

1.3.1 Specific Objectives

The explicit objectives of the study are to: -

- i. Determine the effect of employee vigor on performance of deposit - taking Saccos in Nairobi, Kenya.
- ii. Evaluate the effect of employee consultation on performance of deposit - taking Saccos in Nairobi, Kenya.
- iii. Assess the effect of employee's absorption on the performance of deposit - taking Saccos in Nairobi, Kenya.
- iv. Determine the effect of employee dedication on the performance of deposit - taking Saccos in Nairobi, Kenya.
- v. Analyze the moderating effect of human resource management practices on the relationship between employee engagement and performance of deposit - taking Saccos in Nairobi, Kenya.

1.4 Research Hypotheses

- H₀₁** Employee vigor has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.
- H₀₂** Employee consultations has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.
- H₀₃** Employee absorption has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.

H04 Employee dedication has no significant on performance of deposit - taking Saccos in Nairobi, Kenya.

H05 Human resource management practices have no significant moderating effect on the relationship between employee engagement, and performance of deposit - taking Saccos in Nairobi, Kenya.

1.5 Significance of the Study

The study is useful to the body of researchers, practitioners and policy makers in many ways. Firstly, the enquiry contributes to bridging the gap in literature of the existing theories and empirical studies on employee engagement and performance henceforth building the frontier of knowledge on the linkages of employee engagement, HRM practices and performance of DT-Saccos in Nairobi, Kenya.

Secondly, the study informs the management in making strategic decisions on effective functional practices. This is likely to result in improved development and implementation of employee engagement, HRM practices for improved organizational performance, create employment opportunities and increase the industry overall contribution to economic transformation.

Thirdly, the study will act as a reference material to future scholars in understanding employee engagement and organizational performance as it offers guidance on areas for further studies in terms of conceptual and methodological gaps. This will validate the results of the current research.

Fourthly, the research provides a platform for judging the relevance of postulated theories of Personal Engagement Theory establishing employee engagement and how the concept of human resource management practices affects organizational performance. The study will strengthen PET which postulates that individual psychological state are essential determinants of organizational performance. The SET will also benefit from the arguments of employee engagement, human resource practices and organizational performance.

Lastly, the results will enable the Kenyan government and the Sacco Societies Regulatory Authority (SASRA) in formulating policies, regulations, standards, guidelines and procedures for the sub-sector in order to improve its performance. The findings give an exploration advance in the understanding of the association amid employee engagement and organizational performance as moderated by HRM practices.

1.6 Scope of the Study

The study aimed to assess the influence of employee engagement on the performance of DT-Saccos in Nairobi, Kenya. The main motive for the selection was that these Saccos are likely to have diverse employee engagement and human resource management practices.

The interrogation only assessed the variables of employee engagement, HRM practices and organizational performance of the DT- Saccos and did not cross-examine the concepts in the non-withdrawable deposit -taking Saccos who are considered as external to the scope of the study.

The organization's Human Resource Manager (HRM) who is a senior officer of the Sacco was the target respondent. The HRMs were selected for the research because characteristics to be measured are well known to them. The time scope for the study was a one-year period commencing from April 2024 to March, 2025. This time-frame included the process of proposal writing, data collection, data analysis and thesis presentations.

1.7 Limitation of the Study

The study collected data from the selected population which was independent from the researcher's manipulation. There is a probability that some respondents may have a wrong perception on the goal of the enquiry that may have led to misinformation. Therefore, the scholar applied a structured questionnaire to guide the respondents and limit them to the scope of the study.

There is the likelihood of some rejoinders fearing to answer questions which may hinder the investigator in attaining the objectives of the research. The scholar clearly informed the respondents on the purpose of the enquiry as being purely for academic and also assured them of the confidentiality on their responses. The scholar's assumption was that the informants would be willing to give the sought information. The study expected that management of DT-Saccos have embraced employee engagement and HRM policies and procedures that are paramount to organizational performance improvements.

Limitations of study ethical considerations was addressed through obtaining an introductory letter from MMUST and SASRA, securing an approval from NACOSTI and respondents informed consent of all the participants by providing detailed information about the study purpose, procedures and potential risks. The study debriefed the research assistants on the work

and how to respond to any clarifications. This ensured that the study design met all ethical standards.

Data security and storage concerns by the respondents on the collected information. This was addressed through encryption and storage of the data in a secure, password protected server.

Physical documents were kept in a locked cabinet in a secure room.

The scholar involved complex data analysis of the gathered information. Quantitative method approach required advanced statistical techniques that I wasn't initially familiar with. I addressed this by consulting with an experienced statistician and dedicating extra time to self-study using online resources. In adhering to these ethical principles, the researcher ensured that the enquiry not only produced valuable results but also respected and protected the rights and well-being of all the participants.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter covers the empirical studies on the relationship of employee engagement and human resource management practices on organizational performance. The chapter starts by presenting the debate on the conceptual framework synthesis, theories underpinning the variables and then delves in a pair-wise discussion of the empirical evidence on the construct's connections. This is followed by a summary of research information identified which finally culminates in the extraction of conceptual framework and linkage of the hypotheses.

2.2 Theoretical Review

Theoretical explanations of the study are based or use the ideas and abstracts and principles of Personal Engagement Theory (PET) of Khan (1990) and The Social Exchange Theory (SET) of Blau (1968) as they apply to employee engagement, HRM practices and organizational performance rather than its practical aspect or application.

2.2.1 Personal Engagement Theory

The study was directed by Personal Engagement Theory (PET) as developed by Khan (1990). Theory guided the concepts of employee engagement and organizational performance. The PET informs that individuals make cognitive and emotional decisions built on the levels of work involvement and responsibility (Martínez-Mejía, & Prado, 2022).

The underlying framework behind the investigation was the philosophy of employee engagement. Khan (1990) formulated the idea of personal engagement postulation, which has since been used by scholars in academic and consultancy studies that focused on employee

engagement. Khan (1990) asserts that three psychological elements, namely meaningfulness, availability and safety affect employee engagement as well as disengagement in work settings. Psychological states refer to how individuals respond or function in their environment, together with the emotions linked to the situation. Engagement among workers may be defined as the antithesis of burnout, signifying the active participation and feeling of responsibility that workers have towards their workplace (Martínez-Mejía, Alcover & Prado, 2022).

Khan (1992) examined human resource management concerns and conducted additional studies on elements influencing employee motivation. He proposed that personal commitment involves aligning the organization's workforce with their job responsibilities. Khan's tactic evaluates employee engagement or disengagement echelons through commitment to the organization. Employees turn out to be physically immersed in their assignments, whether in a group dynamic or individually, and develop cognitive vigilance and empathically allied to the team members through a personal connection in implementing an activity (Yondonrenchin *et al.*, 2023).

Staff engagement refers to the mindset and behavior of an employee that is centered on achieving certain organizational objectives (Adrianto & Riyanto, 2020). Employees may have a feeling of ownership over their employment when they are deeply committed to the firm. The notion of employee engagement is intricately linked to the discourse around personal involvement, which suggests that the psychological process of engagement enhances citizenship behavior and contributes to corporate performance (Mvuyana *et al.*, 2025). This highlights the significance of worker engagement and its impression on the overall effectiveness of the company.

Critics of the theory posit that employee emotions and behaviors are not the only determinants for engagement; organizations also have a role to play through strategic leadership, development of progressive human resource policies and provision of good working environment (Singh & Varasi, 2019). Research on employee engagement in developing economies mostly focused on the benefits and factors that contribute to engagement, while overlooking the potential impact of organizational deficiencies on individual productivity and general institutional success (Nugrahadi, Erni, & Syahrizal, 2021). However, the scholar's proposition was that these key antidotes are entrenched in the targeted Sacco's corporate governance structures.

2.2.2 Social Exchange Theory

The research was also grounded on the Social Exchange Theory (SET). The advocates of this idea are Blau (1968) and Emerson (1976). The SET is about the employee expected returns after successfully offering services to the employer (Ooi *et al.*, 2022). The SET was the secondary theory that anchored the variable of HRM practices. Though several previous studies have been conducted on the topic (Nigusea & Getachew, 2019; Ooi *et al.*, 2022); the concepts have been used differently from the study model. There has been also no consensus among scholars on how employee engagement, HRM practices and organizational performance interact.

The social exchange theory explains the social interaction people have is explained in terms of cost, reward development and rationale for continuation of relationships among parties (Miriam, 2018). The theory posits that when one provides services to someone, you anticipate receiving money in the near future. The theory is one of the most prominent theoretical foundations in explaining workplace behavior, group identity and the linkages amongst employees and employers and levels of cohesiveness with affinity among the group members (Coyle-Shapiro & Conway, 2005).

Cook and Whitmeyer (1992) argued that SET is driven by three premises. Initially, the reasoning posits that workers will repeat a conduct that leads to favorable outcomes in the future. Furthermore, actions that have been positively reinforced before may be imitated. Finally, it postulates that the perceived worth of the outcome of an activity enhances the likelihood of actually carrying out the action. Similarly, when workers provide their skills, time, and effort to the company, they anticipate receiving fair compensation that reflects their accomplishments (Khan, 1990; Saks, 2019). Scholars have contended that there is a positive correlation amid strong employee engagement and improved job performance (Adrianto & Riyanto, 2020). The principle debates that any action that is rewarded will be replicated and reinforced.

Critics of SET postulates that staff belong to numerous different social assemblies and sort to identify themselves into distinct groupings built upon salient features and that they behave in conformity with their classes and prefer settings that uphold cluster identity (Kareska, 2023). Though, the researcher contends that the theory is still fundamental in anchoring studies on employee engagement, HRM practices and organizational performance.

2.3 Conceptual Framework Review

The conceptual review involves evaluation and synthesis of theories and reports of previous studies as they relate to the concepts of the problem being studied on casual relationships of employee engagement and HRM practices as they relate to performance of deposit - taking Saccos in Nairobi, Kenya.

2.3.1 Employee Engagement

Employee engagement has been empirically linked to beneficial organizational outputs such as enhanced productivity, customer satisfaction and profitability (Turner, 2020). Employee engagement is a fulfilling, positive work-related mindset that is informed by vigor, absorption and dedication (Schaufeli, 2018; Gruman & Saks, 2020). Thus, employee engagement is a multidimensional concept that includes perceived organizational support, rewards and cognition systems, supervisor direction, distributive and procedural justice (Saks, 2019). While, Nugrahadhi, Erni and Syahrizal (2021) debate that organizations that focus on provision of specific job capabilities such as trade tools and equipment, superintendent coaching, co-worker support, autonomy and performance feedback, boost employee engagement.

Employee engagement predicts four performance outcomes in an organization namely growth, achievement, contribution, and customer satisfaction (Muller *et al.*, 2018). Studies have determined that employee engagement has an influence on employee commitments (Ulabor & Bosede, 2019), employee turnover (Mumin & Iddrisu, 2022), customer satisfaction (Cheche *et al.*, 2017), among other related concepts supporting organizational performance. It's argued that employee engagement is limited when employees are not challenged beyond the level of their competences. Organizations need to fully facilitate an engagement process that contributes to the wellbeing of individuals if they expect high performance and productivity improvement (Githinji & Muli, 2018). Job engagement, emotional and physical engagement has significant relationships with institutional performance (Eresia-Eke, Ndlovu & Nyanga, 2023). Hence its critical to analyze the degree of employee engagement on organizational performance.

According to Bailey *et al.* (2017), employee engagement has been theorized inside the ‘job demands–resources’ model. Five assemblies of aspects serve as antecedents to engagement namely job design; psychological states; leadership style; organization culture; group dynamics and corporate strategies. Hembadoon *et al.* (2022) studied employee engagement as an independent variable on organizational performance by indicators of vigor, dedication and absorption. Njuki, Nzulwa and Kwena (2017) conceptualized employee engagement as a dependent variable using the predictors of employee productivity, commitment, goal achievement and individual well-being. To prevent overlaps among issues due to role expansion, personal initiative coupled with extraordinary efforts and making discretionary judgments; the researcher conceptualized employee engagement with the indicators of employee vigor, consultations, absorption and dedication.

2.3.2 Human Resource Management Practices

Globalization which is the process of integrating a business's operations and strategies across a wide array of cultures, products and ideas, is having an impact on the role of human resource managers. HRM practices are defined as systems of deliberated strategies and policies that ensure human resource efficiently and effectively supports the achievement of organizational objectives. (Etaan & Jain, 2019). To register a competitive advantage, human resource experts must consider the effects of training and professional development, workforce diversity, reward management systems as it inspires employee engagement and organizational performance relationships.

HRM applications include a range of functions such as HR planning, recruitment, training and development, incentive systems, workforce diversity, employee performance management, labour relations, occupational safety and health systems, and work-life balance, among other functions. Contemporary organizations remain besieged with the challenge of limited resources, inadequate employee training, meagre training design, evaluation of training needs and constant brain drain (Gbemi *et al.*, 2020). Thus, entities are putting efforts to allocate substantial financial resources to human resource training in attempt to improve the competencies of its human resource as it has been realized to plays a crucial role in achieving organizational goals.

Different and similar aspects of workforce diversity like age, gender; ethnicity have diverse impact on employee performance (Ahmad & Rahman, 2019). Workforce diversity is the inclusion of diverse social groups, based on gender, ethnicity, age group, sexual orientation, nationality, education levels and physical disablement within a staff establishment. Entities stand aware of the potential profits of a diverse workforce, comprises more innovation, superior customer service, and a better knowledge of market desires (Mary *et al.*, 2023). Thus, HRM capabilities resulting from workforce diversity can enable organizations to be more creative, innovative, risk-taking and implement practical corporate strategies.

Workforce diversity can be classified under the personal attributes of individuals, which form identity distinctions within a group. The approach classifies the personal attributes based on how observable or non-observable they manifest. More observable characteristics, such as gender, ethnicity, race, and age, are categorized as primary diversity, while less observable differences, such as education, religion, nationality, income levels, work experience, marital status, language are classified as secondary diversity (Qasim, 2017). In effect, primary facets

comprised of inborn qualities that remain constant, whereas secondary diversity consists of acquired or developed attributes that can be changed in a person's life.

Reward management is one method that inspires staff to put more effort, speed and to exert more exertion in performing their work (Mutiria *et al.*, 2022). The most unending challenge facing Human Resource Managers in majority of the organizations today is lack of a well-structured compensation mechanism that support employee performance (Karuri, 2021). While, Francis *et al.* (2020) opine that rewards adopted by an institution sways workers' behavior and mind-set towards their job. Performance-based incentives and recognition guarantee staff engagement and adherence to predetermined goals (Raza & Nadeem, 2019). Various sorts of rewards, both monetary and non-monetary (such as extrinsic, intrinsic, and social rewards), have been shown to promote employee recognition and motivation. Consequently, this results in elevated levels of staff engagement and improved efficiency (Maina & Makokha, 2020). Hence, it is vital to scrutinize the bearing of HR management procedures on staff engagement and organizational success.

Mugaa, Guyo and Odhiambo (2018) conceptualized reward management system as an independent variable in terms of acknowledgment schemes, financial rewards, non-monetary benefits and career progression opportunities. Karuri (2021) looked at how reward management systems affect worker performance by looking at three types of rewards: monetary, non-monetary, and psychological. These studies didn't look at how human resource techniques affect the link between engaged employees and good business success. The study analyzed reward management system as a moderating variable applying the indicators of compensation, empowerment and commendation.

2.3.3 Organizational Performance

Organizational performance is a factor of all synchronized efforts of staff engaged together to achieve organizational objectives (Mutiria, Ngugi & Senaji, 2022). Therefore, performance encompasses the institution's results as measured against its intended goals. The variable that is influenced by or reliant on other factors in the study is considered to be the achievement of the organization. Thus, organizational performance is directly linked to how well the company does generally in pursue of its mission.

Companies in the top class for employee engagement have better output, low absenteeism, job satisfaction, customer satisfaction, quality flaws, and profits than enterprises in the bottom category (Ngaochai & Amara, 2021). Employee performance is influenced by several factors that include clear objectives and expectations, equipment and tools, motivation and positive organization culture, continuous competency training, harmonious industrial relations and competitive reward policies (Francis *et al.*, 2020). Hence, performance is the tangible manifestation of the actions and conduct shown by institution owners, managers, and workers inside the organization, ultimately contributing to the overall effectiveness of the firm.

Wardani and Eliyana (2020) argue that organizational performance encompasses the amount, excellence, and efficiency of completed tasks. Nevertheless, the justification aligns with other preceding research directed by (Maina & Makokha; 2020; Hembadon *et al.*, 2022). The primary objective of adopting performance improvement management for human resources strategies and initiatives is to stir the attainment of the organization's broad mission.

2.4 Empirical Review

The study reviewed and appreciated the works of previous scholars that have researched the concepts in the area of employee engagement, HRM practices and organizational performance with different conceptualization, methodology and context.

2.4.1 Employee Vigor and Organizational Performance

Vigor is the energy and mental resilience while working, the willingness to invest effort in one's work, and persistence also in the face of difficulties (Schaufeli, 2018). Staff vigor is a critical and independent feature that direct realization of a positive individual behaviour towards duty and the organization (Wefald, *et al.*, 2017). Employee engagement mentions to an individual's motivation and preferred way of carrying out duties that boost their self-esteem, physical, cognitive, and emotional presentation, and demonstrate high levels of performance (Khan, 1990). Studies have indicated that debate that there is a favorable linkage among engagement and personal morale, extra-work delivery, and organizational success (Bailey *et al.*, 2017; Gede & Huluka, 2024).

Lalitha (2022) argue that employee engagement has a considerable influence on teamwork and organizational performance linkages. Adiasany *et al.* (2024) posit that the number of disengaged staff when compared to that exhibit vigorous engagement at work can be accredited to poor communication, lack of harmonious industrial relations, poor working environments and inferior strategic leadership. Juliana *et al.* (2025) argue that the impact of staff engagement and employee performance is moderated by corporation dedication. The study analyzed employee vigor using indicators of levels of absenteeism, retention rate and degree of staff empowerment.

.Robbins, Decenzo and Coulter (2017) submits that staff who are highly involved in their work are more likely to be proud of the tasks they do and have genuine interest in their profession. Therefore, employees that exhibit a higher degree of engagement in their job will provide valuable insights and recommendations that increase the quality of work. In addition, they will also have no reservations in adhering to the norms and regulations of the organization. Various prior research has shown divergent conclusions about the consequence of worker commitment, energy, engagement, and corporation success.

Maisyuri and Ariyanto (2021) debate that vigor has a substantial influence on corporation performance. K'osuri, *et al.* (2020) argue that the perception of strategic leadership governance can serve as a valuable capability for enhancing employee engagement and organizational performance. This is because employees place importance on management support that aligns with their needs, helps them manage stress, boosts their psychological well-being, and increases their level of engagement.

2.4.2 Employee Consultations and Organizational Performance

Top executives in the corporations must inspire employee consultations during weekly meetings, monthly strategic performance reviews and team building assemblies or interface sessions, staff must be stimulated to discourse on issues connected to their duties or share knowledge on what means necessary to advance current regulations, strategies and instructions that can expand corporation performance (Chukwuemeka, 2020). The performance of academic institutions differs based on the extent of employee involvement (Gede & Huluka, 2024). Therefore, employee participation in strategic decision-making has a bearing on organizational performance. Senior executives should employ effective participative methods in administration and decision-making to foster employees' positive dedication to organizational objectives

(Nwoko & Emerole, 2017). Hence, consultative engagement has the capacity to immediately impact all employees in terms of their allocated duties, job organization, and working circumstances.

Iyke-Ofoedu, Adaora and Adigwe (2023) debate that there is a positive and significance effect of workers participation on institutional performance since staff consultation inspires them to ponder about the problems of the firm that require solutions for boosting corporate performance. Senior management incorporation of employee participation in work decision and representative participation has a significant inspiration on the quality of work and achievement of set performance targets (Yusuf, Olorunisola & Sikirulahi, 2022). Employee participation has a positive and significant effect on employee job satisfaction. Worker occupation satisfaction does not have a positive and significant impact on organizational performance (Bram, 2022). However, the responsibility and accountability of organization decisions still remains with the senior management and board.

Senior managers stay persuaded to design organizational structures, systems and mechanisms that promote effective collaboration in their institutions and that gives scope for maximum engagement and participation of its employees to create efficiency on organizational strategic direction (Ijeoma & Chimaobi, 2020). Prior to adopting successful consultative management techniques, organizations must have comprehensive understanding of their company environment. The comprehension is crucial for enhancing performance improvement via practices such as openness, respect, information sharing, and recommendation plans (Nyawira

& Wainaina, 2023). Thus, the essence of investigating the upshot of employee consultations on corporation output.

Employee consultation; employee engagement and employee commitment had a significance positive effect on organizational performance (Chukwuemeka, 2020). Kim, Han and Park (2019) contend that the involvement of workers, both directly and indirectly, serves as a spring of impetus, driving to a greater sense of acceptance and engagement within the firm. The scholars further argued that staff self-esteem, work contentment, and collaboration with administration may experience enhancement. These actions exemplify respect and strengthen the perception that management intends to act in a fair manner. Ultimately, these results have a beneficial impact on the general functioning of the firm.

The degree of discretion in decision-making is argued in numerous studies to be a vital predictor of engagement and cheer employees to exert more of their competencies (Stackhouse *et al.*, 2022). Whereas, Kim and Hong (2021) posits that leaders and practitioners should concentrate on developing employee comfortable environment and psychological management that utilize direct employee consultation. Ullrich (2023) debate that it is not essential the extent of participation but a context-specific assortment of actions, the quality of implementation as well as the actual acceptance of ideas and innovations advanced by employees that promote workers involvement in objective-directed improvements. Therefore, organizations can improve their performance through consultations by engagement in structured and unstructured deliberations with employees in order to generate ideas and thoughts of organization control.

2.4.3 Employee Absorption and Organizational Performance

Absorption is characterized in terms of staff being fully focused on and happily engrossed in individual's duty, whereby time passes quickly and one demonstrating worries with detaching from allocated work (Schaufeli, 2018). Organizations attain its strategic objectives and get a competitive edge in the marketplace by resourcing and maintaining high-performing workers (Andrew, 2017). Many executives recognize that having impressive ideas and mission statements, together with top-notch processes and technology, is futile without considering the human element. Leaders must effectively cultivate and maintain their employees' participation and foster a strong feeling of alignment (Niguse & Getachew, 2019). Employee performance is significantly influenced by organizational devotion, extrinsic incentive, and interpersonal trust (Gunawan, Haerofiatna & Haryadi, 2022; Gede & Huluka, 2024). The scholars were unable to establish a definitive comprehension of the associations amid employee absorption and realization of business goals.

Management and employee representative's joint consultations are mostly on how work is organized, working conditions, health and safety measures and operationalization of human resource and administration policies and procedures. Highly motivated people demonstrate a willingness to exceed expectations when their profession demands it. Individuals that exhibit higher levels of productivity, energy, engagement, and creativity have been shown to contribute positively to performance of their business (Ngaochai & Amara, 2021). Governance scholars have argued that outside the elementary subjects of social impartiality in promotion and resourcing, diversity of the labor force may also impact on the potential of the organization to realize its mission of prudently meeting customer expectations and inspiring communal

confidence and linkages (Barang'a & Maende, 2019). The study aimed at validating these arguments in the DT-Saccos context.

Work engagement, communication satisfaction and co-worker support are directly associated to job satisfaction (Nugrahadi, Erni, & Syahrizal, 2021). In order to promote good attitude towards work that enhance employee productivity, top management should inspire staff to have a feeling of being proprietors and critical stakeholders to the organization (Iyke-Ofoedu *et al.*, 2023). Psychological enquiry has shown that changing intention serves as a direct antecedent to income actions (Alice & Marek, 2021). To effectively manage talent in businesses, Human Resource Development (HRD) specialists must possess the essential skills and strategies to traverse the intricacies of the continuously changing business environment (Ulabor & Bosede, 2019). Therefore, the study aims at interrogating the influence of employee absorption and organizational performance.

Kim, Han, and Park (2019), argue that staff engagement is essential for mediating the connections between various concepts and may help decrease both high rates of staff turnover and performance problems. Othman *et al.* (2019) contend that subjective job satisfaction does not quantify the level of enjoyment obtained from particular job attributes, but rather assesses the degree to which individuals consider their employment circumstances to be attractive in relation to specified objectives and accessible options. However, this contradicts the claims made by Khan and Abdullah (2019). Based on the existing contradicting results among scholars the study evaluated employee absorption and organizational performance linkages.

2.4.4 Employee Dedication and Organizational Performance

Dedication is the employee state of being strongly involved in one's work, and experiencing a sense of significance, enthusiasm, inspiration, pride and challenge (Schaufeli, 2018). Highly

engaged and devoted employees contribute significantly to increased productivity, competitive advantages, and lower staff turnover (Muller *et al.*, 2018; Otuohere, 2021). Employee dedication is a very essential factor to any growth and profitability of a company as it determines the degree of identification, engagement, participation and loyalty to an enterprise and influences its performance (Maina & Makokha, 2020). Employee dedication is the intense determination of workers to maintain their loyalty and dedication to the firm. It entails their willingness to adopt a favorable mindset and accept the goals, principles, and considerable exertion demanded by the institution (Stackhouse *et al.*, 2022). The commitment of workers is a pivotal factor in attaining success inside a corporation. Individuals that possess a limited degree of dedication will only attain a tolerable level of performance and are often more focused on personal accomplishments rather than organization's aims and objectives.

Stackhouse *et al.* (2022) argue that employee commitment is the intense determination of workers to maintain their loyalty and dedication to the firm. It entails their willingness to adopt a promising mentality and accept the goals, principles, and extensive exertion demanded by the institution. Dedication and engagement boost worker performance (Maisyuri & Ariyanto, 2021). Therefore, firms may gain advantages by recruiting people who possess personal qualities that demonstrate a higher leaning towards service delivery and quality of work as a personal culture.

Organizations need to embrace development of a good working environment, implement training programmes, management policies and procedures that give workers an opportunity to raise innovative and implementable ideas (Githinji & Muli, 2018). Previous studies conducted discovered that dedication has a momentous upshot on corporate performance (Bilal *et al.*, 2019; Jemesunde & Ng'eno, 2022). Managers should focus on improving job commitment in

order to boost service delivery. These workers get fully immersed in the establishment's culture and mission, and repetitively ponder methods to improve productivity. When faced with an attractive job offer in another location, it is very unlikely to result in their willingness to relocate.

To foster engagement, corporations must harness workers' ardor, dedication, and sense of affiliation with the institution. Some people are more probably to demonstrate inherent engagement qualities in the workplace compared to others, and this has consequences for increasing engagement levels (Martínez-Mejía et al., 2022). Amalgamation of commitment and consultation has a favorable and extensive stimulus on employee performance. (Maisyuri & Ariyanto, 2021). Therefore, firms may gain advantages by recruiting people who possess personal qualities that demonstrate a higher inclination towards engagement prior to appointment into the organization.

HRM practices like employee resourcing, performance management and appraisal systems and talent management are crucial in driving employee engagement and motivation, principal to enhanced personal and organizational performance (Kareska, 2023). Sentimental work satisfaction refers to the emotional experience individuals have towards their employment (Othman *et al.*, 2019). Organizations need to increase job engagement through workers participation in decision-making, encourage transparency, open and free communication as it facilitates working condition of trust and which eventually increase staff dedication (Stackhouse *et al.*, 2022). Therefore, job performed is a determinant of employee dedication.

Empirical research has shown that there are numerous factors that inspire employee dedication. According to Ngaochai and Amara (2021), the primary factors that contribute to an employee's devotion are their degree of education, personality traits, and position within the firm. Ulabor

and Bosede (2019) determined that employee commitment significantly affects staff turnover and may be impacted by characteristics such as gender, job type, and leadership style. Nevertheless, the study failed to concentrate on the inspiration of employee dedication on the organizational performance.

2.4.5 Employee Engagement, Human Resource Management Practices and Organizational Performance

The rapid growth of interest in organizational engagement, HRM practices in both academic and organizational circles raises questions about why it has risen to prominence. Mudany *et al.* (2021) debate that people tend to be more engaged in achievement of enterprise objectives if their leadership focuses more on facilitating provision of basic, social and egocentric motivational needs. Organizations with a psychological risk exchange relationship with its workforce where employers generate distrust and betrayal, diminish the quality of work life, decrease job assurances leads to hopelessness and mistrust, increasing burnout and turnover intentions amongst employees (Martínez-Mejía *et al.*, 2022). Therefore, the top executives should have the ability to understand and connect to the desires of their subordinates is directly linked to employee engagement.

Workers that are engaged demonstrate higher levels of motivation, commitment, creativity, and innovation, which ultimately leads to advanced competitiveness for the firm (Ngaochai & Amara, 2021). Managers should structure work plans in a way that develops employee absorption and dedication through rewarding and promoting devoted employees to foster corporate performance (Hembadon, *et al.*, 2021). Employee engagement is a crucial aspect that

contributes significantly to achieving high levels of success and value. It occurs when dedicated workers actively participate in and execute their job in a manner that promotes the entity's interests (Ulabor & Bosede, 2019). This is due to the fact that workers choose to extend their stay, even when job possibilities arise.

Saks (2019) asserts that engagement is long-lasting and widespread condition characterized by both emotional and cognitive factors. Nevertheless, an excessive level of engagement may result in burnout for a person. Therefore, capabilities like the social welfare, leadership, expertise, and autonomy contribute to increased engagement. Nigusea & Getachew (2019) argue that there is an association that is statistically significant between different sorts of rewards and the performance of employees. Hence, executives should possess a profound level of dedication towards the matter of compensating staff. Thus, to increase engagement for organizational performance, leadership of companies should focus on the effect of HRM practices like reward management systems, workforce diversity and staff training and development.

Corporations need to use performance-based remuneration, where the amount of money earned is directly linked to the level of production and work performance. The method is expected to incentivize employees and foster a drive for enhanced performance and productivity (Waithira & Obare, 2018). The implementation of a reward management system by a business will influence the behavior and attitude of workers, provided that the awards meet their desires and help them achieve their particular goals (Francis *et al.*, 2020). Additionally, Mumin and Iddrisu (2022) opine that salary, working conditions, working environments, career development, associations with co-workers have significant correlation with job satisfaction and turnover levels of lecturers in higher learning institutions. Hence, when employees have assurance in

their mental, physical, and cognitive capacities, they will be capable of wholeheartedly dedicate themselves to their assignment.

Organizations should give priority to executing strategies aimed at enhancing worker engagement due to the evident correlation between employee engagement and favorable results as success, expansion, productivity, and client satisfaction (Ngaochai & Amara, 2021). Institutions should facilitate the participation of their workforce in decision-making processes, improve internal communication that is both effective and transparent, promote employee development and empowerment, and provide an efficient system for recognizing and rewarding employees (Bale & Pillay, 2021). Though there is a debate over the responsibility of people in promoting engagement, organizations also have a crucial role in establishing conducive settings that promote a sense of meaning and purpose. Failure to do so may result in individuals becoming disengaged.

Training and development are organizations main concentration in creating a high- performance culture that promotes continuous product and services innovation and improvement (Kareska, 2023). Training is a medium that facilitates the acquisition of task-specific competences that augment workers' skills, knowledge, and abilities, which in turn improves their performance (Ooi *et al.*, 2022). Career development has a moderate significant effect on talent engagement. Organizational culture had a moderating effect on career development' and talent engagement relationships (Gitonga, Egessa & Tibbs, 2024). Hence, the study conceptualized training and development as an indicator of the regulating variable of human resource management practice on the linkages amid employee engagement and organizational performance.

Employee capacity development are central to enhancement of future employee performance by facilitating learning, fostering attitude adjustment, and building skills and knowledge for personal growth and future career prospects (Ooi *et al.*, 2022). Training activities prioritize immediate performance outcomes, while development activities that emphasize on cultivating a deep grasp of long-term perspectives, expanding workers' knowledge and providing abundant prospects for professional progression (Rothwell & Bencoter, 2023). Therefore, the study aimed to analyze the effect of training and development on the relationship amongst employee engagement and organizational performance.

Organizations that attract and nurture talent, embrace workforce diversity and adapt to operational changes, create a high-performance culture (Kareska, 2023). The existence of a wide range of age groups might potentially hinder worker efficiency owing to differences in views, attitudes, and interests among various age cohorts. Generation gaps sometimes serve as a catalyst for reduced productivity, disagreements, and conflicts. The presence of age diversity in the workplace expands the range of knowledge, values, and preferences. Organizations must prioritize developing strategies to address the problems posed by age diversity, since all generations have the potential to significantly enhance institutional outcomes (Barang'a & Maende, 2019; Chepkemoi *et al.*, 2022).

The success and efficiency of a corporation depend on its capacity to accept diversity and understand the affiliation amongst age and staff productivity (Ouma & Webi, 2017). Progressive companies systematically assess their approach to addressing diversity concerns in the workplace and develop and execute plans to promote diversity. Zhuwao *et al.* (2019) propose that age, gender, ethnic diversity's, and employee output have a positive and noteworthy linkage. Thus, in order to address workplace cohesiveness difficulties, managers must

demonstrate sensitivity towards multicultural diversity and reduce the emphasis on ethnicity, which ultimately enhances employee interactions.

Johnson, Tomi, and Makoji (2019) opine that age difference, physical capacity, and religion differences positively impact patients' happiness. Expressively, there may be a variety of religious beliefs among personnel, including Christianity, Islam, Hinduism, and many Earthiest groups. The incorporation of employees' religious convictions within the workplace promotes organizational cohesion. When it comes to managing religious diversity, it is important to cultivate a mindset among workers that promotes acceptance and appreciation of their colleagues' views.

Barang'a and Maende (2019) contend that the presence of several ethnicities among staff members has several benefits. It enhances staff welfare and productivity, reduces turnover costs, minimizes internal conflicts, prevents the marginalization and discrimination of workers, and promotes social cohesion. The growing heterogeneity in the workplace may be ascribed to the influence of worldwide financial integration and globalization, which have converted the world into an international community (Inegbedion, *et al.*, 2020). Organizations should aim to minimize disparities in norms and values, since this fosters a positive sense of mutual understanding among workers.

In contemporary times, the notion of worker diversity incorporates several elements, such as ethnicity, language, ethnic background, socioeconomic status, and organizational culture. Multinational firms employ individuals from many nationalities, resulting in establishment of a diverse workforce (Goel, 2019). Workforce diversity in multicultural organizations is becoming

a critical concern due to its impact on the organization's competence, efficiency, and overall development. Employees in Non-Governmental Organizations (NGOs) have challenges related to cultural compatibility in their work environment, which hinders their ability to adapt and boost their communication skills (Kipsang, & Kagwe, 2022). Nevertheless, expatriates who embrace team dynamics demonstrate enhanced proficiency in fulfilling their responsibilities.

Raza and Nadeem (2019) said that specialists in human resource and governance should prioritize performance-based incentives, include workers in decision-making processes, and promote effective communication. These elements have been shown to improve occupation gratification, staff engagement, and dedication. Hembadon, *et al.* (2022) argue that organizational management should foster employee devotion by implementing incentive systems and promoting those who demonstrate dedication. Furthermore, firms should strategically structure workers' job schedules to increase their engagement and commitment to the tasks they are assigned, hence promoting overall concern performance.

Francis *et al.* (2020) contend that the rewards control system is a human resource strategy that aims to recruit, retain, and motivate outstanding individuals in order to improve business performance and that a well-structured incentive system may effectively encourage and invigorate people by acknowledging their accomplishments. Maina and Makokha (2020) opine that salary and other incentives, such as bonuses and allowances, significantly enhance employee performance. Nevertheless, the prior research failed to observe the inspiration of workforce diversity on the connection among staff engagement and organizational success.

Millinga and Barongo (2024) argue that institutions that have reward systems that include overtime pay, staff pension plan, fringe benefits and recognition schemes have significant effect on employees' engagement. An organization's strength to provide fair compensation is crucial

for attracting, motivating, and retaining skilled individuals, which ultimately develops general organizational performance (Waithira & Obere, 2018). To foster employee innovation and achieve corporate goals, it is crucial for executives to use both extrinsic and intrinsic compensation systems (Nigusea & Getachew, 2019). The reward system has the possibility to inspire the magnitude of employee engagement, since it is believed that by reimbursing people for their effort, they will achieve maximum performance (Mutiria *et al.*, 2022). Hence, incentive management systems establish the employer's willingness to provide rewards and directly influence the employee's willingness to provide in return.

Mugaa *et al.* (2018) argue that reward management systems including monetary reimbursement, fringe benefits, appreciation systems, and promotion, continue to be essential factors in motivating employees to contribute their best efforts and innovative ideas, leading to enhanced entity performance in relation to monetary and non-financial factors. The majority of workers express dissatisfaction with their compensation, and there is doubt over whether their present financial remuneration contributes to steering organizational success (Waithira & Obere, 2018). Saks (2019) argue that there is an inverse correlation between reward and admiration in respect to engagement. Contradictory research exists about the interconnections amongst methods of human resources management, staff engagement, and organizational success.

2.4.6 Employee Engagement and Organizational Performance

The primary concentration of any Chief Executive Officer should be employee engagement, since the lasting success of an institution relies on the ability to effectively motivate and empower workers who are committed to the company's objective and knowledgeable on how to

accomplish it. Employee engagement development is a momentous feature that creates organizational competitive advantages while promoting job satisfaction and achievement of set performance standards (Saks, 2019). Organizations strategizing to improve engagement must focus on employees' devotion, enthusiasm, and attachment to the institution (Otuohere, 2021). Engaged and dedicated staff have a noteworthy effect on productivity and overall profitability of the company (Gede & Huluka, 2024)

Ferreira (2020) argue that in Europe there are three different group of countries with different patterns of engagement and among different generations. Additionally, Bjōrk-Fant, Bolander and Forsman (2023) contend that there is a statistically significant linkage amid work-life balance and work engagement across the European workforce. However, Mvuyana, Nzimakwe and Utete (2025) debate that there is an opposite relationship between employee engagement and counterproductive work behaviour.

Studies have indicated that the top management attitude and qualities play a critical role in promoting employee loyalty and improving engagement levels. Transformational leadership style has a significant connection on employee loyalty and engagement (Yondonrenchin, Zanabazar & Baljinnyam, 2023). Employees must be given sufficient data and time for their involvement in decision-making processes if they are expected to share ideas on how to progress prevailing practices, policies and procedures for performance improvement (Chukwuemeka, 2020; Ullrich, 2023). Likewise, in businesses where workers are given the authority to take verdicts and take initiative, they build a mentality of proprietorship to their occupation, which in turn enhances their creativity and self-esteem. On the other hand, empowerment gives staff the enthusiasm to take responsibility and impact performance of the organization (Niguse & Getachew, 2019).

An accessible leadership team is optimal for fostering employee engagement in identifying appropriate practices to address debate topics, as suggested by Kim and Hong (2021). The organization may mitigate conflicts and stress, foster more dedication to its mission, and cultivate a higher capacity for adapting to change that ultimately result in improved general performance (Otuohere, 2021). That is the reason why top executives consider employee engagement to be an important priority in their business agenda.

The development and implementation of systems and structures to manage human resource, along with the practice of direct consultations, may greatly influence employee values. Consequently, this encourages worker conduct that is beneficial to the general success of the business, including reduced rates of staff turnover and absences, and improvement in both productivity and product quality (Ulabor & Bosede, 2019). The ability of supervisors to strategically magnet from several human resource talent pools, creating a competitive advantage for companies is critical in building employee engagement for overall organizational performance (Williams, Van Fleet, & Wright, 2021). Collaborative consultation may strengthen employee confidence in senior executives and the legitimacy of management communications, while also reinforcing a conviction in management's commitment to fair behavior. These outcomes eventually influence the general effectiveness of the firm.

Employee engagement, as shown by high levels of enthusiasm, devotion, vigor, and absorption, has a beneficial impact on organizational accomplishment (Gruman & Saks, 2020; Hembadon *et al.*, 2022). Employee engagement is directly linked to several business results, counting customer satisfaction and loyalty, revenue growth, efficiency, turnover of workers, and safety (Ngaochai & Amara, 2021). Examining business-unit-structure linkages is crucial since firms

often use staff polling information at this level. Absorption comprise delegation, enthusiasm and autonomy of employee at work place. Modern corporations continuously strategize for high planes of employee engagement on realization that it leads to greater personal development and fiscal performance (Raza & Nadeem, 2019). Hence, development of human resource policies is not necessarily directly linked to promotion of worker engagement and organizational success.

Nwoko and Emerole (2017) argue that there is a direct correlation amid workers' participation in important decision-making processes and their level of devotion to the organizations. Nonetheless, the researcher opines that the involvement of staff in making decisions has a little impact on productivity and company performance. Singh & Varasi (2019) debate that promotion of employee satisfaction, does not translate to improvement in overall organizational performance. The investigator defined employee engagement grounded on signs of energy, consultation, absorption, and devotion.

The major challenges to employee engagement include workload, ineffective communication and poor management (Mosadeghrad & Ansarian, 2014). This is because leaders are unable to effectively fulfill their primary responsibilities when they are excessively burdened and on the verge of burnout (Martínez-Mejía *et al.*, 2022). To improve the education and training of staff members, as well as boost productivity and service delivery, leadership should increase the participation of workers in development and training initiatives (Oluwaseun, 2018). Compensation is defined as the total remuneration received by workers, including both indirect and direct benefits (Idris *et al.*, 2017). The reason for this is that workers trade their time, effort, and commitment in return for both fiscal and incentive compensation. Payment of insufficient remuneration from the company might lead to employee dissatisfaction.

The HRM techniques pertaining to remuneration, making verdicts, and communications significantly influence both staff engagement and corporate performance. Moreover, the implementation of performance-based incentives greatly improves job satisfaction and decreases the probability of workers resigning from their employment (Raza & Nadeem, 2019; Etaan & Jain, 2019). To address conflicts interests between workers and employers, it is advisable for corporations to improve their consultations and include them in their decision-making procedures (Ijeoma & Chimaobi, 2020). Therefore, application of HRM practices could be the separation among organizations staff levels of engagement and organizational performance.

The human resources management regulations pertaining to employee compensation and opportunities for advancement positively influence employee engagement heights (Ahmed & Islam, 2018). Nevianto *et al.* (2021) contend that there are multiple concepts, both substantiated and unsubstantiated, that have an important impact on businesses. They propose that worker productivity is not affected by employee engagement, but rather by workplace spirituality and disciplinary measures. However, the researcher assessed how HRM practices can affect the associations of employee engagement and organization performance in deposit - taking Sacco's.

2.5 A Summary of Empirical Review

The prior research has examined the correlations between the variables, but the present study differs in terms of how the constructs are contextualized, conceptualized, and how the data was collected and analyzed (Raza & Nadeem, 2019; Chukwuemeka, 2020; Ngaochai & Amara, 2021; Hembadon *et al.*, 2022; Mutiria *et al.*, 2022; Mvuyana *et al.*, 2025). The ideas seem to have been explored throughout time, although there are disagreements on the links, and

experimental evidence is required to find-out the impact of HRM strategies on the correlation amid staff engagement and performance of organizations. Table: 2.1 below summarizes relevant prior studies, research methodology utilized, outcomes, and current knowledge gaps, with instructions on means that the study would apply to address them.

Table 2. 1: Summary of Information Gaps

Study	Focus of The Study	Methodology	Study Findings	Information Gaps
Barang'a & Maende (2019)	Employee performance was positively and significantly influenced by educational background, ethnicity, age, and gender diversity.	Multiple regression analysis	The unique perspectives of employees with varying educational backgrounds foster a greater sense of consistency and originality	The research did not look at impact of other HRM strategies, such as development and training, and reward management systems, on staff engagement and company performance.
Raza & Nadeem (2019)	The factors that influence staff engagement and their impact on satisfaction with work and intentions to depart.	Structural Equation Modeling	Low turnover intention is an important result of engagement among staff members, and employee engagement serves as an incomplete intermediary between causes and outcomes.	The enquiry did not consider employee engagement to be a factor independently influencing organizational performance.
Ferreira (2020)	employee engagement among different generations tourism workers across European countries	hierarchical multiple regression analysis	Three groups of countries with different patterns of engagement and revealed variances between generational groups	The study did not focus on employee engagement as a factor of organizational performance
Gitonga,	Effect of Career	Correlation	Career	The enquiry did not look

Study	Focus of The Study	Methodology	Study Findings	Information Gaps
et al, (2024)	Development on Talent Engagement	Analysis	development and talent engagement have a significant relationship.	at the moderating effect of HRM practices on the linkages amid employee engagement and organizational performance.
Hembado on et al. (2022)	Impact of Engagement of Employees on Performance	Regression analysis	Vigor, dedication, and absorption had a positively affects organizational performance	Neither the associations between employee engagement nor organizational performance was examined in regard to the moderating effect of HRM practices.
Mutiria et al. (2022)	Influence of reward management system on organizational performance.	Simple and Multiple Regression Models	The system for rewarding employees has a significant impact on the accomplishments of commercial state companies.	The research did not account for the moderating influence of the incentive management system on engagement among staff members and performance in the organization.
Ooi et al. (2022)	Influence of four HR practices on employee engagement.	Methods for Multiple Linear Regression and Pearson's Correlation	Employee engagement is positively affected by human resource procedures such as performance evaluation, staff development, and training.	The study did not analyze the role of HR procedures in influencing the link with employee engagement and organizational performance.
Mary et al. (2023).	Effect of Employee Cultural diversity on Performance in an Organization.	Statistical methods	Organizations that employ employees from a variety of origins are more likely to exhibit superior	The research did not assess the moderating bearing of other human resources management techniques on the link amid employee

Study	Focus of The Study	Methodology	Study Findings	Information Gaps
			performance levels, as assessed by metrics such as employee satisfaction, efficiency, and creativity.	engagement and organizational success.
Nyawira & Wainaina (2023)	Effect of consultative management on organizational performance	Stratified sample approach	The use of consultative management significantly influences the achievement of organizational success.	The enquiry did not examine the impression of other characteristics of employee engagement, such as vigor, absorption, and devotion, on organizational success.
Mvuyana et al. (2025)	The relationship between engagement and counterproductive work behavior	Thematic analysis	The is inverse relationship between engagement and counterproductive work behavior	The research did not look at the moderating effect of human resource practices on the linkages amongst employee engagement and organizational performance.

Source: Researcher, 2025

The information gaps in Table 2.1 are compiled from an appropriate academic work review of prior investigations on the connections amongst employee engagement and organizational performance, with a focus on areas of concentration, methodical issues plan, study conclusions, and information gaps that need further exploration and inquisitive in describing the phenomenon. These previous studies laid the groundwork for the transplantation of the conceptual model.

2.6 Conceptual Framework

The model in figure 2.1 focuses on the general objective of the study. The proposition of the research is that (employee engagement) which is the independent variable has a significant relationship with (organizational performance), which is the dependent variable. While (HRM practices) has a moderating effect on the associations among employee engagement and organizational performance.

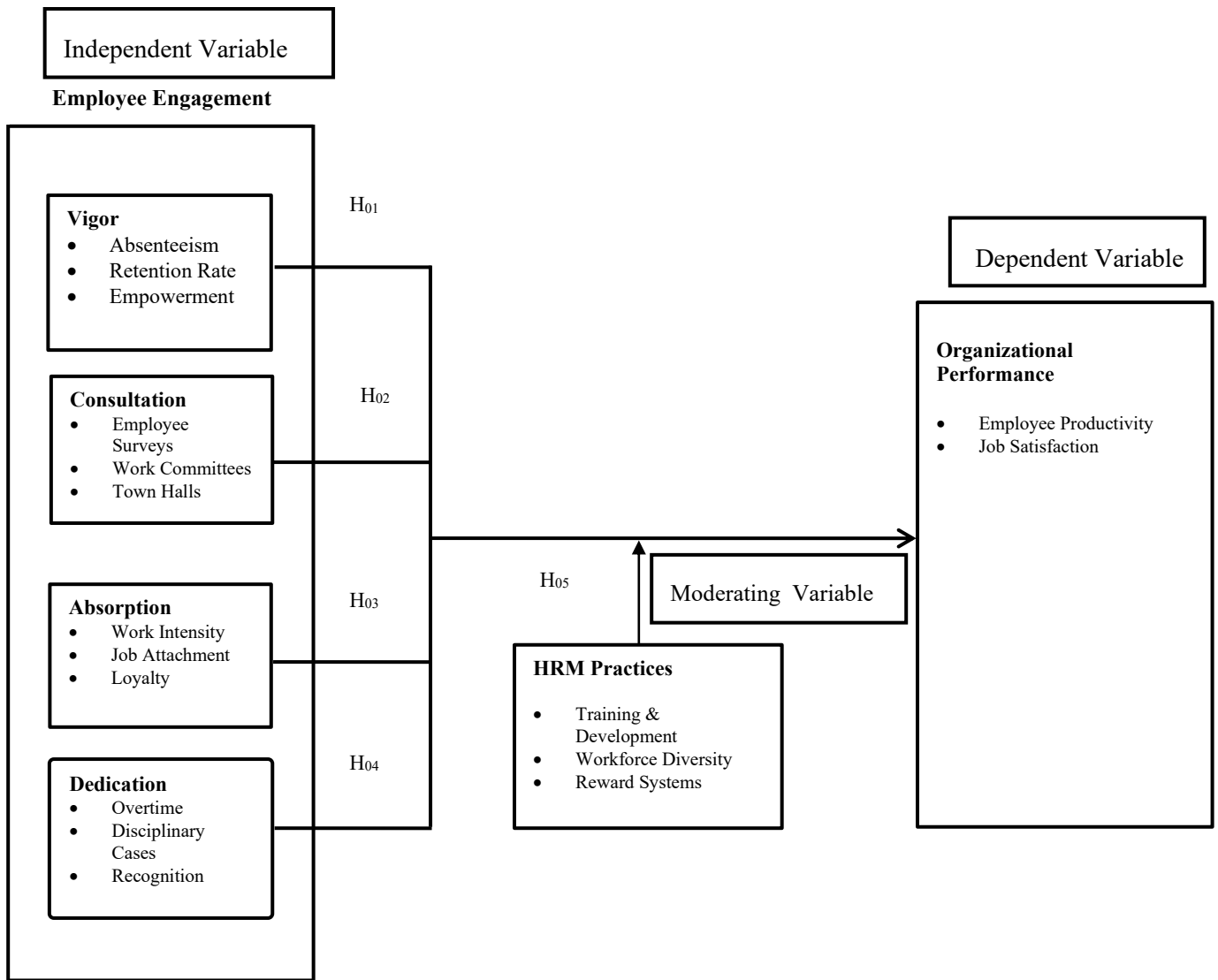


Figure 2.1: Conceptual Framework

Source: (Schaufeli, 2018; Raza & Nadeem, 2019; Ferreira, 2020; Mutiria *et al.*, 2022; Mary *et al.*, 2023; Mvuyana *et al.*, 2025)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter discusses and describes in depth the area of study, research design, target population, data collection approaches, reliability and validity tests, and operationalization of key study concepts. The chapter also explains the data analysis models and data presentation approaches.

3.2 Study Area

The study area was Nairobi city in Kenya. Nairobi is located in South-central part of Kenya with approximately one hundred and forty (140) kilometers south of the equator. The city is situated on a plateau, with the eastern edge of the Rift Valley to the west, the Nairobi National Park to the south, and the Ngong Hills adjacent. This area was purposefully selected because Nairobi City and its environs accounts for more than 70% of the total capital base of DT-Saccos in the country (SASRA, 2023). This makes Nairobi the business hub of Kenya and the city is critical to the socio-economic transformation of the country through Sacco movement. The urban business centre becomes crucial for any research on the sector if the scholar has intentions of generalizing the results to the whole population of DT-taking Saccos in Kenya.

3.3 Research Design

The research was done using a cross-sectional design. An observational study that analyzes data from a population at a specific time, providing a snapshot of features of a state within that group

(Kothari, 2023). This was found suitable since the issues under inquiry are evaluated in the way they naturally exist, without modification or control by the scholar. Cross-sectional design use sample members as the primary source of data to establish the effect of aspects on the population (Mugenda & Mugenda, 2019). Descriptive study defines phenomena and their characteristics; exploratory research tests existing theories and empirical studies to highlight relationships between variables; and casual enquiry is conducted when there is a lack of exploration on an issue or a specific aspect of that issue (Kothari, 2023).

The descriptive survey is intended to collect detailed information on the state of a phenomena. Mixed research includes fieldwork, feature description, and informal interactions via hypotheses, which are well-defined or exploratory inquiries that fulfill many studies aims (Cooper & Schindler, 2018). The scholar thought it suitable to adopt a descriptive research methodology for the study since the enquiry was to do with finding out what elements of employee engagement and quantitative HRM practices impact organizational success.

3.4 Target Population of the Study

The sample for the study comprised of a census of all the DT- Saccos in Nairobi (Appendix 5) who remain registered business entities by SASRA (SASRA, 2023). A sample of forty-six (46) DT-Saccos in Nairobi was targeted for the enquiry. The three DT-Saccos tier categories (small, medium and large) will be included in the research to support generatability of the results. The DT- Sacco's is a segment under the Sacco industry and comprises cooperative's that are involved in saving and credit facilities to its members. Their financial business model is of FOSA operations which is similar to the commercial banks.

The responders to the research was one Human Resource Manager's per each DT-Sacco in Nairobi. The HRMs information was censused because the total population was less than one hundred (100) subjects. Additionally, the offers are crucial informants due to their strategic position in the organization. The main reason for the choice is that these respondents is that they are likely to exhibit an elaborate management philosophy and make use of best practices in corporate governance.

3.5 Data Collection

The primary data utilized for the study on the correlation among employee engagement, HRM practices, and organizational success was gathered through quantitative approaches (Steinbock, 2022). The data was acquired via structured questionnaires (see Appendix 2). The questionnaire is a favored data collecting device because it allows the investigator to get information from all respondents within a given time-frame. It is also advantageous for eliciting replies that respondents may have been hesitant to provide in alternative data gathering method like personal discussions (Kerlinger, 1992). The scholar distributed the questionnaire to the different participants with the assistance of skilled research assistants.

Human resource managers are the senior managers of the organization. They constituted the target population. The data collection technique is through drop and pick of the structure research questionnaire. Respondents provided data on a 5-point Likert scale, ranging from 1-strongly disagree and 5-strongly agree (Likert, 1961). The data on Sacco performance for the period of 2019 to 2023 was reviewed from the Sacco documentation, industry records, and government archives.

3.5.1 Pilot Testing of the Instrument

A trial study is an essential component of a well-designed research plan. Undoubtedly, a pilot study is a crucial first stage in scientific enquiry. A diagnostic study is a small-scale experiment conducted to evaluate the techniques and processes that will be utilized on a larger sample. The questionnaire's reliability and accuracy were evaluated through initial evaluation by the researcher. This was done on a small and homogeneous sample so as to enhance the instrument. A pilot enquiry was conducted on three (3) DT-Saccos namely Invest and Grow (IG), Wevarcity and Mudete Factory Tea Growers (MUFATEG) Saccos in Kakamega County. The trial study participants were excluded from the final study.

Fink and Kosekoff (1985) propose that during the pilot-testing phase, one should be vigilant for instances when respondents fail to answer questions, provide several responses to the same question, or include written remarks. These occurrences may serve as indications that the instrument being tested is unreliable and requires change. Pretesting the questionnaire was imperative for an assortment of reasons. First, it helped identify any ambiguous or vague questions that may be interpreted differently by respondents. Secondly, it allowed for the collection of valuable comments and suggestions from informants, which was used to enhance the questionnaire. Lastly, pretesting helped uncover any deficiencies in the questionnaire, and during pilot study, scholars carefully examine the questionnaires to ensure that the methods of analysis are appropriate (Junod & Jacquet, 2022). The scholar conducted a pre-test on another comparable group to authenticate the reliability and validity of the enquiry instrument, which was modified to include all the observed recommendations. The scholar deemed the instrument appropriate for the study after it fulfilled the established criteria.

3.6 Operationalization of Key Study Variables

The process of operationalizing essential study variables involves transformation of abstract ideas into measurable qualities, allowing for examination of linkages between concepts in a theoretical model (Bougles & Sekaran, 2020). Below is a concise overview of how the enquiry constructs were put into practice. Employee engagement is the factor that was manipulated or controlled, whereas organizational performance was the one to be measured or observed. Equally, the research analyzed as to whether HRM practices, when utilized as a moderating concept, had a substantial stimulus on the connections among the independent and dependent variables. In order to put the conceptualization of the study into practice, different aspects of the concepts are clearly defined and suitable measurement scales determined. The questionnaire sections that corresponded to each construct are also presented. The study principles are implemented as shown in Table 3.1.

Table 3. 1: Operationalization of Key Study Variables

Variable	Indicator	Measure of Indicator	Questionnaire Items	Supporting Literature
Employee Engagement (Independent Variable)	Vigor	5- point Likert Type Scale Ratios, Percentages, CV values, t-values	Section B of the questionnaire in appendix 2	(Schaufeli, 2018; Raza & Nadeem, 2019; Ferreira, 2020; Hembadon <i>et al.</i> , 2022; ; Mvuyana <i>et al.</i> , 2025)
	Consultation			
	Absorption			
	Dedication			
HRM Practices (Moderating Variable)	Training and Development	5- point Likert Type Scale	Section C of the questionnaire in appendix 2	(Barang’a & Maende, 2019; Mutiria <i>et al.</i> , 2022; Ooi <i>et al.</i> , 2022; Mary <i>et al.</i> , 2023; Gitonga, <i>et al.</i> , 2024)
	Workforce Diversity	Ratios, Percentages, CV values, t-values		
	Reward Systems			
Organizational performance (Dependent Variable)	Employee Productivity	5- point Likert Type Scale Ratios, Percentages, CV values, t-values	Section E of the questionnaire in appendix 2	(Holston & Kleiner, 2017; Otuohere, 2021; Williams <i>et al.</i> , 2021; Mutiria <i>et al.</i> , 2022)
	Job Satisfaction			

Source: Researcher, 2025

Employee engagement was defined as the independent variable in Table 3.1 and assessed as vigor, consultation, absorption, and devotion, as adopted from (Schaufeli, 2018; Muller *et al.*, 2018; Hembadon *et al.*, 2022). HRM practices (moderating variable) was analyzed in the dimensions of training and development, workforce diversity and reward management systems as revised from (Barang’a & Maende, 2019; Alice & Marek, 2021; Chepkemoi *et al.*, 2022; Hembadon *et al.*, 2022; Ooi *et al.*, 2022). While organizational performance was measured using human resource management indicators of employee productivity and job satisfaction as adopted from (Ouma & Webo, 2017; Ferreira, 2020; Mutiria *et al.*, 2022; Mary *et al.*, 2023).

3.7 Reliability Tests

Reliability is the degree to which the enquiry is impartial and consistently measures various items in the instrument over time (Bougles & Sekaran, 2020; Clark *et al.*, 2021). Reliability is a metric that is used to weigh the value of a measurement by assessing the instrument's consistency and reliability in quantifying the idea. Reliability may be assessed by using methods such as test-retest, use of comparable or standard form, internal consistency methodology, and approaches to test the consistency amongst different raters. Cronbach's α (alpha) was utilized to compute the reliability of the research instrument. The mean association among the items was subsequently assessed using the Cronbach alpha coefficient values.

The alpha coefficient scores vary from 0 to 1, with a high coefficient indicating strong correlation across the items. This suggests that there is consistency in assessing the idea of interest among the items (Mugenda & Mugenda, 2019). The Cronbach's Alpha Coefficient of 0.5 has been recommended by the preponderance of exploration studies (Nually, 1978). The research employed an acceptable threshold of 0.7 to enrich dependability.

3.8 Validity Tests

Validity tests are conducted to measure how well the results from examining the data actually reveal what was being studied (Bougles & Sekaran, 2020). The test checks how well the study tools measure the important factors correctly (Barbour, 2019). There are many ways to test validity, including criterion validity, construct, and topic validity.

Experts in human resource and management sciences are consulted to provide feedback on the questionnaire, hence addressing face validity (Saunders *et al.*, 2019). To enhance the content validity, the study included measurement instruments developed in prior pertinent studies, together with concepts acquired from published literature. Construct validity may be categorized into two types: discriminatory validity and convergent validity. Convergent reliability is the amount of agreement between tests that were to be taken at different times, even though they should be related theoretically. Discriminate validity refers to the absence of a correlation amongst measurements that are not expected to be connected founded on theory. Construct validity was assessed using factor analysis. A preliminary research was conducted by testing the questionnaire on a small sample of three (3) DT - Saccos in Kakamega County, which represents 7% of the total target population of forty-six (46) DT - Saccos in Nairobi, Kenya.

The researcher assessed the subject matter validity of staff engagement and achievement in deposit-taking Saccos in Nairobi, Kenya by seeking input from experts and professionals in the areas of Human Resource Management and Corporate Governance. Criterion-related validity, commonly referred to as instrument validity, evaluates the accuracy and reliability of an assessment or investigative technique. The scholar determined the criteria validity of the study by comparing it with other measures or processes that have already been shown to be valid.

3.9 Data Analysis

Data analysis is a methodical procedure that involves organizing, modifying, categorizing, and manipulating data to extract meaningful statistical insights. The data was scrutinized by means of descriptive statistics of percentages, mean and standard deviations to get the average and proportions of the variables. Inferential statistics that was utilized included correlation, simple and multiple regression analysis, and Student's t-test. The tools were applied to analyze the

study concepts linkages. Homoscedasticity tests of the error term among the connections between the independent and the dependent variables was conducted using Breusch-Pagan and Koenker Tests. Many independent variables affected a single dependent variable, as are predicted using regression analysis (Saunders *et al.*, 2019). The coefficient of determination (R^2) assesses the predictor indicators' contribution to the dependent variable's change (Mugenda & Mugenda, 2019).

The first step of analysis was linking employee engagement to corporate performance. During the second phase, the system included HRM practices and an interaction term as predictors of organizational success so as to assess employee engagement. Moderation is only possible if the effect can account for a significant amount of change in organizational performance.

To examine the combined impact of employee engagement sub-variables (vigor, consultation, absorption, and devotion) on organizational performance, a hierarchy analysis is normally conducted (Cooper & Schindler, 2018). Hierarchical multiple regression was used to evaluate linear and causal correlations between the variables in the organization's data analysis (Hair *et al.*, 2018).

The following general regression equation explored how HRM practices (training and development, workforce diversity, and reward management) affect employee engagement and organizational performance. $Y = \text{Organizational Performance} = f(\text{Employee Engagement} + \text{HRM Practices} + \text{Error Term})$. Y was led to be the dependent variable, X_1, X_2, X_3, X_4 be the independent variables, and Z be the moderating variable.

Model 1

The first simple linear regression model for the study was to test the linkages amongst employee vigor and organizational performance was depicted by the model;

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon \quad (1)$$

Where Y= Performance of deposit-taking Saccos in Nairobi City

β_0 = (constant)

β_1 = Régression coefficients of the predictor for employee vigor

X_1 = Employee vigor

ε_1 = Error Term.

Model 2

The second simple linear regression model for the enquiry was to test the connection amid employee consultations and performance of DT-Saccos was represented by the model;

$$Y = \beta_0 + \beta_2 X_2 + \varepsilon \quad (2)$$

Where Y= Performance of deposit-taking Saccos in Nairobi City

β_0 = Constant

β_2 = Régression coefficients of the predictor for consultations

X_2 = Consultations

ε_1 = Error Term.

Model 3

The third simple linear regression model for the research on testing the association among employee absorption and organizational performance was stated by the model;

$$Y = \beta_0 + \beta_3 X_3 + \varepsilon \quad (3)$$

Where Y= Performance of deposit-taking Saccos in Nairobi City

β_0 = Constant

β_3 = Régression coefficients of the predictor for employee absorption

X_3 = Employee absorption

ε_1 = Error Term.

Model 4

The fourth simple linear regression model for the study was to test the linkages among employee dedication and organizational performance was depicted by the model;

$$Y = \beta_0 + \beta_4 X_4 + \varepsilon \quad (4)$$

Where Y= Performance of deposit-taking Saccos in Nairobi City

β_0 = Constant

β_4 = Régression coefficients of the predictor for employee dedication

X_4 = Employee dedication

ε_1 = Error Term.

Model 5

The fifth hierarchical regression test on the moderating effect of HRMP on the relationship between employee engagement and organizational performance is portrayed by the summary of the model given by;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + Z + \varepsilon \quad (5)$$

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

Where Y= Organizational Performance of DT-Saccos.

X₁, X₂, X₃, and X₄ represents (Employee Vigor, Consultations, Employee Absorption and Employee Dedication) respectively.

Z represents HRM Practices.

β_0 = Constant

β_1, β_2 = Régression coefficients of the predictor variables.

ε_1 = Error Term.

3.10 Data Presentation

Data presentation could be defined as the different types of methods a scholar can use to present data or a step-by-step guide on how to disseminate data with the audience. Examining, showcasing, and utilizing data to produce informed choices is a critical responsibility for managers throughout various sectors. Efficient data organization and sharing enhance the influence of research, disseminate knowledge, and inspire stakeholders to undertake desired actions. The researcher applied textual, diagrammatic and tabulation data presentation methods.

3.11 Ethical Consideration

Mirza, Bellalem and Mirza (2023) opine that ethical methods benefit both the research process and all those participating in the entire study effort. Authorization from the appropriate authorities is necessary for every study. Consent was obtained from several groups for the investigation. The scholar started with securing a Masinde Muliro University of Science and Technology introductory research letter. A NACOSTI enquiry permission was also sought and granted. Furthermore, a request for permission was sent to SASRA which is the regulator of deposit-taking Saccos in Kenya.

The scholar observed data accuracy and integrity standards in the enquiry data collection process. The respondents gave consent for voluntary data sharing was sort before administering the research questionnaire; Sacco representatives that did not show eager to participate in the study were treated as non- responsive and excluded from the final analysis and dissemination of the study. Data security ensures that the collected data is safeguarded from unauthorized access and theft by competitors (Sun, *et al.*, 2024). The investigator achieved data security through employment of encryption, access controls, and provision of secure information storage methods. Confidentiality, data archive, data sharing, and respondent's protection are paramount processes in quantitative research (Thompson *et al.*, 2023). Privacy and secrecy of participants and their data was assured by the scholar throughout the enquiry process.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION

4.1 Introduction

The chapter presents statistics on the response rate, DT-Sacco demographic results that include organizational profile, scope of operation and size of the Sacco. Respondents demographic profile in terms of gender distribution and length of service in the organization. The chapter offers results for the reliability and validity tests. Diagnostic tests of regression assumption test are also presented. Further, the chapter offers the descriptive statistics of the study variables and inferential statistics of correlation and regression results for the stated hypotheses.

4.2 Response Rate

A total population of forty-six (46) registered DT - Saccos in Nairobi, Kenya formed the sample size. The study focused on collecting information from one respondent from each Sacco. The Human Resource Managers were identified as the key respondents for the study. Thirty-five (35) respondents filed analyzable research questionnaires, translating to a response rate of 76%. Eleven (11) organizations did not respond citing confidentiality of their information as per their Sacco policy. The response rate was adequate for analysis and a representative of the population as it falls within acceptable return rate. A summary of the return rate is depicted in Table 4.1.

Table 4.1 Questionnaire Return Rate

	Frequency	Percent
Returned	35	76.0
Not Returned	11	24.0
Total	46	100.0

Source: Research Data, 2025

Table 4.1 depicts the results of the response rate which was (35) 76% out of the total population of forty-six (46) anticipated respondents. The rate was adequate data analysis. All three categories of deposit-taking Saccos in Nairobi were adequately represented in the research, ensuring the absence of any potential bias.

4.3 Organizational Profile

The collected data pertains to the diverse organizational characteristics of the DT-Saccos in Nairobi. The aim was to determine the existence of the research concepts of employee engagement, HRM practices and organizational performance across all deposit - taking Saccos. The demographics considered was key as the study was interested in the latitude of operations. It is considered that Saccos that have been licensed to operate for a specified period have created human resource strategies that enhance employee engagement, principal to improved corporation performance.

The Sacco profile serves as a valuable tool for assessing important factors such as the equity structure and range of goods provided. Hence, the data from DT-Sacco is valuable for comprehending the HRM practices and employee engagement strategies used by the

cooperatives. The business statistics was used to delineate the dimensions and geographical scope of the Sacco activities.

4.3.1 Scope of Operation

The study sought information on the extent of operational activities. The DT-Saccos were classified into three levels of scope: national (limited to Kenya), regional (limited to East Africa), and continental (limited to Africa). The study wanted to establish the extent of accessibility to Sacco services and the results may be seen in Table 4.2.

Table 4.2: Scope of Operation

Scope of Operation	Frequency	Percentage
National (Kenya)	32	91.4
Regional (East Africa)	3	8.6
Continental (Beyond East Africa)	0	0.0
Total	35	100.0

Source: Research Data, 2025

The findings in Table 4.2 shows that in terms of scope of operations, 32(91.4%) of the DT-Saccos in Nairobi were operating nationally (within Kenya) and 3(8.6%) had East Africa regional presence. The study implies that the findings could only be generalizable to the African context with additional validation of the results in different contexts.

4.3.2 Size of the Sacco

DT- Saccos in the subsector's are segmented into three (3) tiers created on total assets, capital base and total deposits (SASRA, 2023). The larger-tier segment are DT-Saccos that have a total capital of above Kshs. 5 Billion, in the mid-tire category are Saccos with total asset ranging from Kshs. 1 Billion to Kshs. 5 Billion, while the small-tier DT-Saccos segment are those with

asset portfolio of below Kshs. 1 billion (SASRA, 2023). The large-tiered DT-Saccos seems to grow at a faster rate than the mid-tiered and small-tiered Saccos, resulting into the increase in their market share when compared to the other segments.

The Saccos that were inspected had distinct demographic features. The research took into account the demographic characteristics of the entity profiles, which included the size of the Sacco (Small-Tier, Mid-Tier, and Large-Tier). The outcomes for the organization's proprietorship are calculated and shown in Table 4.3.

Table 4.3: Sacco Size

Sacco Size	Frequency	Percentage
Small-Tier 3	2	5.71
Mid - Tier 2	15	42.86
Large - Tier 1	18	51.43
Total	35	100.00

Source: Research Data, 2025

Table 4.3 reveals the out of the 35 HRM targeted, two (2) respondents worked in the Saccos categorized under small-tier representing 5.71%, mid-tier had fifteen (15) translating to 42.86% and eighteen (18) accounting for 51.43% Saccos were in the large-tier organizations segment. In addition, twenty-two (22) Saccos out of the total target population of forty-six (46) DT-Saccos in Nairobi are in the category of large-tier, nineteen (19) Saccos are segmented in the mid-tier class and five (5) Saccos were in the segment of small-tier which is the third level. This demonstrate the efforts by Saccos to continuously build their capital base for competitive market advantage.

4.4 Respondents' Demographic Profile

The responders' profiles included information about their duration in the Sacco and their experience in their current employment position. The gender distribution in promoting team work and innovation. The period of engagement in the organization and rank was critical because it confirmed the echelons of respective institutional memory. The ability to hold such a responsibility was to give strategic information on the organization's levels of employee engagement and hence improves the credibility of the responses.

4.4.1 Gender Distribution

Table 4.4 shows the descriptive statistics on gender distribution of respondents for the DT-Saccos within Nairobi.

Table 4.4: Gender Distribution

Sex	Frequency	Percentage
Male	12	48.6
Female	18	51.4
Total	35	100.0

Source: Research Data, 2025

The results shows that out of the thirty five (35) respondents, 48.6% were male while 51.4% were female. This indicates that there are more ladies in Human Resource Management positions when compared to male counterparts. The results reveal an increased femal population that pursue career in HRM and an affility of DT-Saccos to have high consideration of recruiting females that men due to their inborn emotional characteristics.

4.4.2 Length of Service

The study was similarly interested in establishing the levels of competencies of the responded in understanding the existing organization culture in the control of employee engagement and HRM programs. The research aimed to determine the duration of employment of the respondents in their respective DT-Saccos. Table 4.5 displays the duration of employment for the participants.

Table 4.5: Length of Service in the Sacco

Length of Service	Frequency	Percentage
4-6 years	12	34.3
7-9 years	18	51.4
10 and above	5	13.3
Total	35	100.0

Source: Research Data, 2025

The mainstream number of respondents (51.4%) had worked for a duration of 7-9 years, according to Table 4.5. On top of that, 34.3% had worked for four to six years, and 13.3% for ten years or more. In narrowing down to the current position, 65.7% of the respondents declared that they have been in the current position between three and six years. Consequently, majority of rejoinders in the research had enough work experience and were well-informed on the significance role of management in improving employee engagement, that ultimately propels institutional success. As a result, they were able to give valuable information for the enquiry.

4.5 Reliability Tests

A Cronbach alpha analysis was done to assess the reliability of several measures. To assess the validity and dependability of the instruments, piloting was done at Invest and Grow (IG), Wevarcity and Mudete Factory Tea Growers (MUFATEG) Saccos in Kakamega County in Kenya. The Sacco's chosen had similar characteristics and operations as those in Nairobi. Summary of the reliability tests is presented in Table 4.6.

Table 4.6: Results of Reliability Test

Variables	Cronbach Alpha	No. of Items
Employee vigor	0.712	3
Consultations	0.792	3
Employee absorption	0.769	3
Employee dedication	0.784	3
Organizational Performance	0.847	6

Source: Research Data, 2025

Composite dependability is attained when the value of alpha exceeds 0.7, as stated by Mugenda and Mugenda (2019). All variables earned a Cronbach's Alpha value > 0.71 , as seen in Table 4.6, which offers a concise summary of the construct reliability test results. The data is considered internally consistent since the result meets the suggested criterion of 0.70. The findings in Table 4.6 indicated that all the variables exceeded the threshold. The minimum value of 0.712 suggests that the structures described accounted for more than 50% of the variability in the indicator, suggesting that the item dependability is adequate (Kombo & Tromp, 2009).

4.6 Validity Tests

The Average Variance Extracted (AVE) values were computed to evaluate the convergent validity of the constructs. Table 4.7 presents a concise overview of the convergent validity assessment.

Table 4.7: Results on Validity Test

Variables	Type	AVE
Employee vigor	Exogenous	0.72
Consultations	Exogenous	0.78
Employee absorption	Exogenous	0.79
Employee dedication	Exogenous	0.74
Organizational Performance	Exogenous	0.81

Source: Research Data, 2025

The findings showed that the AVE values for all the constructs varied between 0.72 and 0.81, suggesting that each underlying variable accounted for a significant proportion of the indicator's variation. As stated by Barbour (2019), so as to explain 50% or more of the variation of its indicators, each latent concept should have an AVE that is greater than 0.50.

4.7 Regression Analysis Assumption Tests

The section outlines the diagnostic tests conducted to assess the suitability of the data in satisfying the fundamental requirements of statistical assumptions. Prior to doing regression analysis, it's essential to guarantee that some statistical pre-positions are satisfied. The research included the administration and presentation of the following tests: Linearity, normality, heteroscedasticity, homoscedasticity and multi-collinearity tests.

4.7.1 Linearity Test

The study conducted a linearity test to determine the presence of a linear association amongst employee engagement and the performance of deposit-taking Saccos in Nairobi. One possible conclusion from the enquiry is the existence of a linear linkages among the independent variable if the divergence from linearity is found to be greater than 0.05. There are no linear connections amid the independent and dependent variables if the departure from linearity is smaller than 0.05 (Field, 2013). See Table 4.8 for the linearity tests.

Table 4.8: Linearity Test

			Sum of Squares	Df	Mean Square	F	Sig
Employee engagement* Organizational performance	Between groups	(Combined)	972.246	34	28.595	.343	.987
		Linearity	0.71	1	.071	.004	.832
	Deviation from linearity	856.238		4.802	.356	.975	
	Within groups		984.438	35	28.127		

Source: Research Data, 2025

Grounded on the findings shown in Table 4.8, the variation from linearity is 0.832, which exceeds the threshold of 0.05. This indicates strong evidence of a linear correlation amid employee engagement and the performance of deposit-taking Saccos in Nairobi.

4.7.2 Tests of Normality

The researcher concocted visual normality tests on the critical study variables of vigor, consultations, absorption and dedication. Figure 4.1 shows that deposit-taking Sacco staff vigor and institutional performance varied little from normality compared to the line of fit. As a

result, the data possessed a distribution that nearly matched a normal distribution, which made it appropriate for regression analysis.

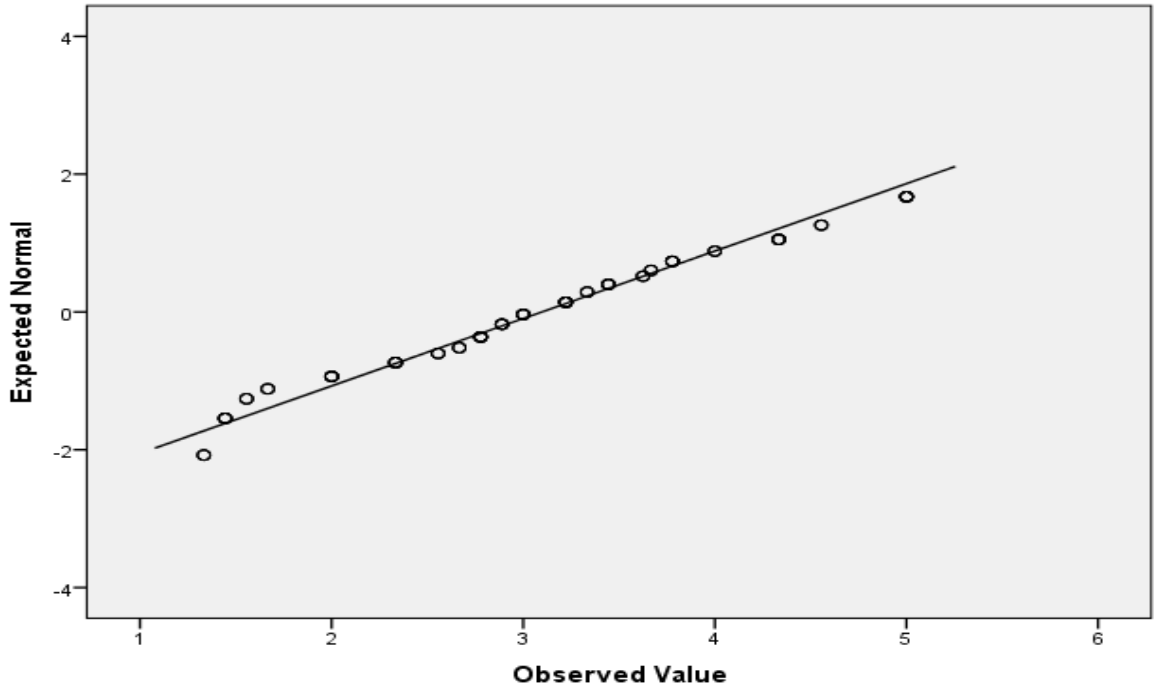


Figure 4. 1: Normal Q-Q plot of Employee Vigor

A standard Q-Q plot of organizational performance consultations is revealed in Figure 4.2. As evidenced by the line of fit methodology, the deviation from normal was not statistically significant. Data had a substantially normal distribution, making parametric analyses like regression analysis possible.

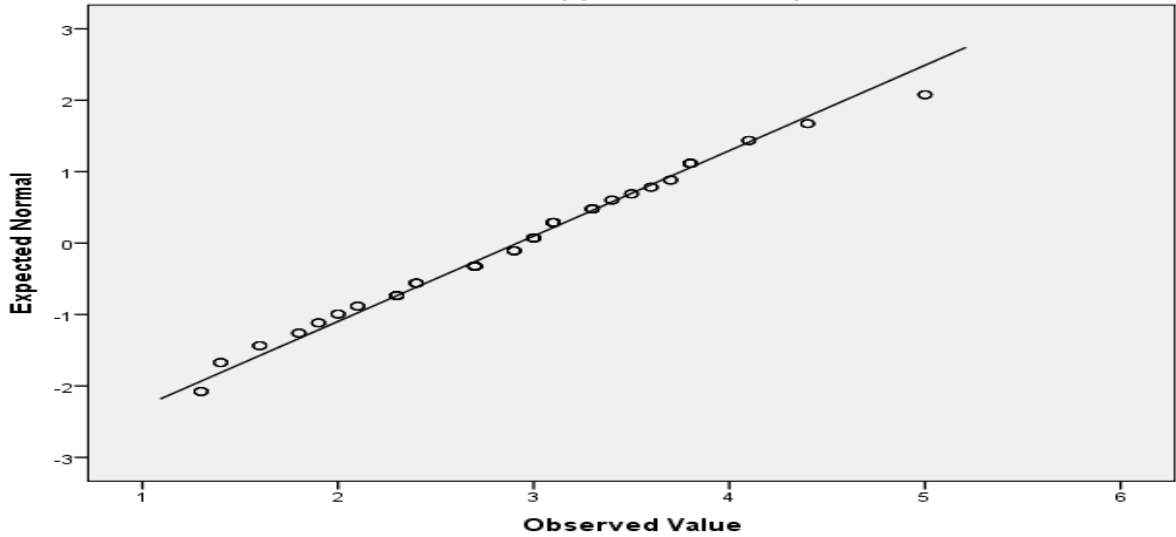


Figure 4. 2: Normal Q-Q plot of Employee Consultations

The withdrawal from the line of best fit in Figure 4.3's normal Q-Q plot of employee absorption and institution performance showed weak normality. Therefore, data had a distribution that was very close to normal, making it suitable for parametric tests such as linear regression.

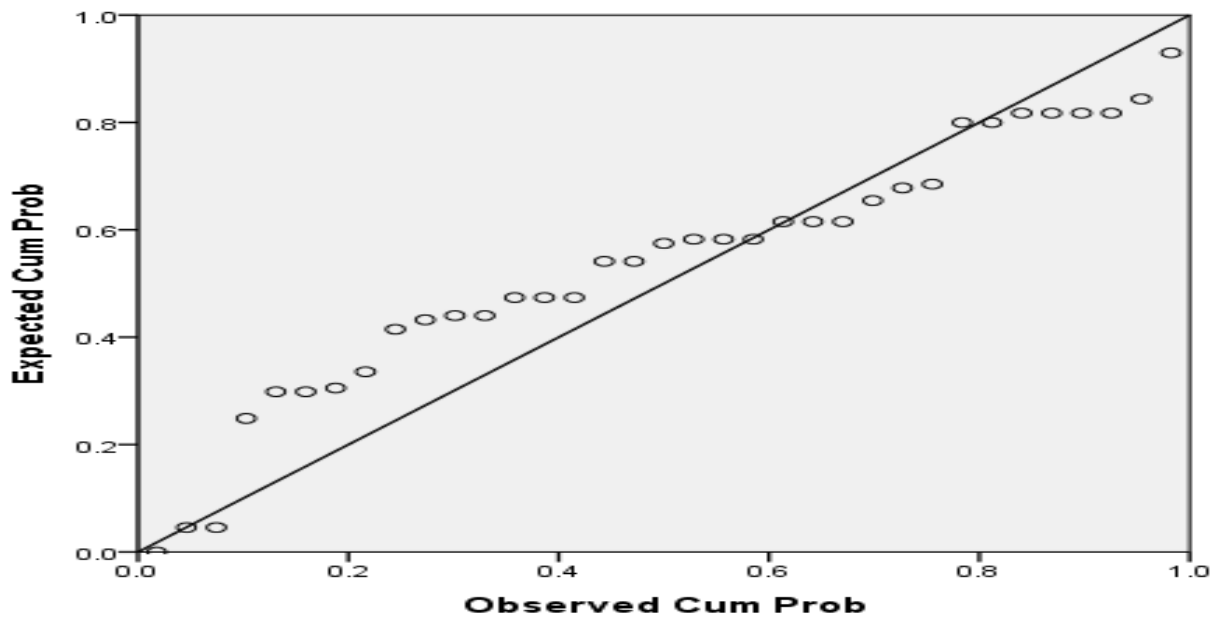


Figure 4. 3: Normal Q-Q plot of Employee Absorption

Figure 4.4 The Q-Q plot of employee devotion and corporate performance revealed that normalcy was not well supported, as demonstrated by the deviation from the line of best fit. Thus, the data depicted a distribution that was close to normal, making it ideal for parametric testing.

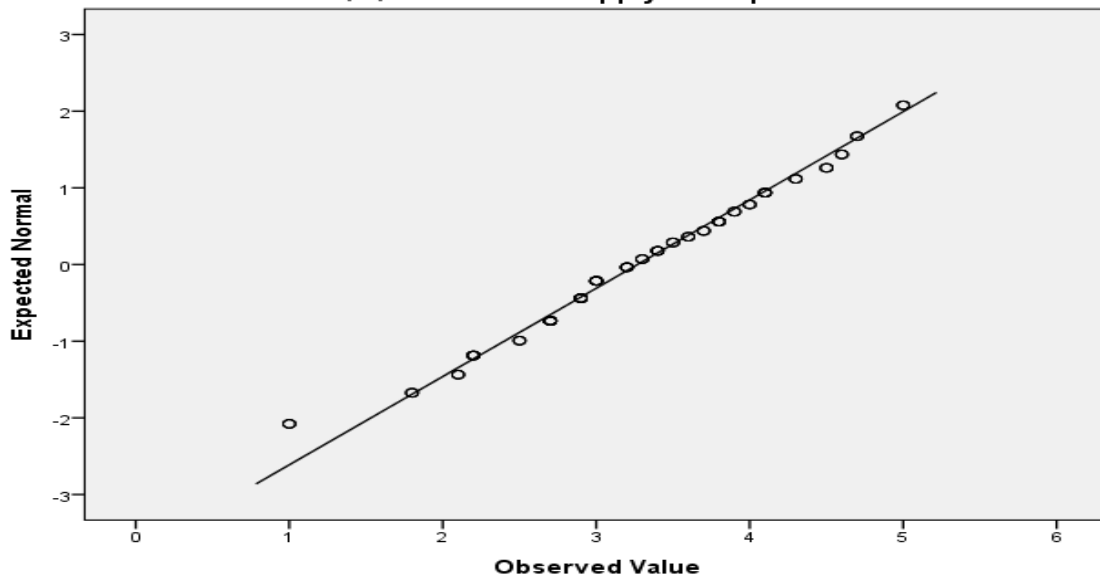


Figure 4. 4: Normal Q-Q plot of Employee Dedication

Figure 4.5 Normal Q-Q plot of human management practices showed little divergence from normality, as shown by the line of best fit. Data was acceptable for regression analysis since its distribution was near to normal.

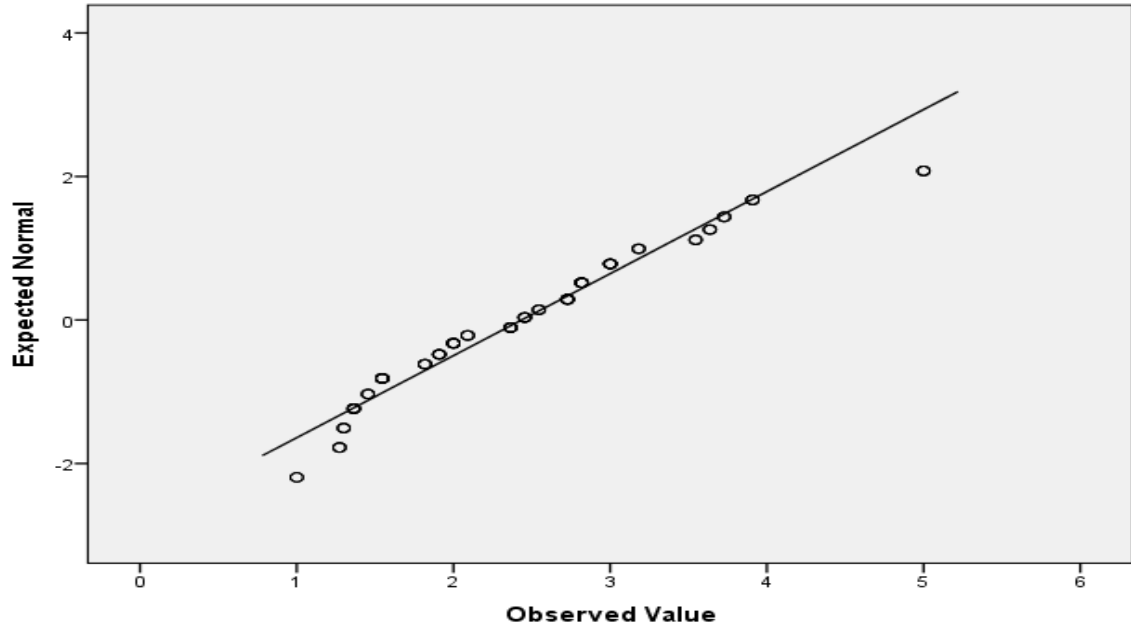


Figure 4. 5: Normal Q-Q plot of Human Resource Management Practices

4.7.3 Testing for Homoscedasticity

The postulation of homoscedasticity (meaning “same variance”) is fundamental to linear regression models. Homoscedasticity describes a condition in which the error term (that is, the “noise” or random turbulence in the linkages amongst the independent variables and the dependent variable) is similar across all figures of the independent variables. Table 4.9 displays the test for homogeneity of variance using Breusch-Pagan (BP) and Koenker tests. The two tests interrogated the assumption that homogeneity is present in the data and henceforth demonstrating lack of heteroscedasticity variance in the data. Breusch-Pagan test assumes the regression residuals to be normally distributed.

Table 4.9: Breusch-Pagan and Koenker Test

Inferential Test	LM-statistic	p-value
Breusch-Pagan	4.281	0.0291
Koenker	3.729	0.037

Source: Research Data, 2025

The findings in Table 4.9 depicts that the p-values of Breusch-Pagan (BP) and Koenker Test were 0.0291 and 0.0317 respectively, both recording less than 0.05 hence demonstrating homoscedasticity (constant variance) in the data. These results imply that there was no heteroscedasticity in the data thus the residual is homoscedastic.

4.7.4 Multicollinearity Tests

Tranmer *et al.* (2020) defined multicollinearity as the existence of interaction among concepts that are predictive. Multicollinearity occurs when the predictor variables are highly correlated, leading to a rise in the standard deviations of the beta coefficients. The process of evaluating the significance of each model predictor becomes more complicated when the amount of the coefficient of determination, R , is constrained (Keith, 2019). The researcher calculated the amount of tolerance and the Variance Inflation Factor (VIF) to see whether multicollinearity was present. A quantitative parameter with a possible value from zero and one is the tolerance value.

Substantial multicollinearity is present when the value is less than 0.1. Without established cutoffs, the VIF statistic the antipode of the tolerance value can take on any value. Nevertheless, if the VIF value is between 1 and 10, it suggests the lack of multicollinearity (Field, 2013). The

VIF above 1 and 10 indicates existence of multicollinearity among concepts. Table 4.10 illustrates multicollinearity test results.

Table 4.10: Multicollinearity Tests of the Study Variables

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Employee vigor	.742	1.382
Consultations	.753	1.793
Employee absorption	.692	1.521
Employee dedication	.684	1.632
Human resource management practices	.703	1.341

Source: Research Data, 2025

Table 4.10 shows that all tolerance values surpass 0.5 and are nearer to 1 than 0. It suggests that there is no multicollinearity. However, the VIF values are all closer to 1 than 10, which submits lack of collinearity and no bias in the regression model.

4.8 Descriptive Analysis

The section specifically examined the descriptive analysis of research factors, such as employee vigor, consultations, employee absorption, employee devotion, human resource management techniques, and organizational performance. Data for the study's variables was collected using a five-point Likert scale. Where (very large extent = 5, large extent = 4, moderate extent = 3, small extent = 2 and not at all = 1).

4.8.1 Employee Vigor

The brief of the descriptive answers on staff vigor are as exposed in Table 4.11.

Table 4.11: Employee Vigor

Statements		Not at all	Small extent	Moderate extent	Large extent	Very large extent	Mean (SD)
There Sacco employee have a low levels rates of absenteeism.	N	8	5	4	8	10	3.20
	%	22.9	14.3	11.4	22.9	28.9	(1.57)
The organization employee has a high mental resilience, effort, and persistence at work.	N	0	4	4	11	16	4.11
	%	0.0	11.4	11.4	31.4	45.7	(1.02)
The Sacco employees are willing to apply discretionary effort (extra time and brainpower) to accomplishing assigned performance tasks.	N	0	1	3	12	19	4.40
	%	0.0	2.9	8.6	34.3	54.3	(0.78)

Source: Research Data, 2025

The average score ranged from 3.20 to 4.40, confirming that a moderate number of the informants confirmed the effect of employee vigor. The lowest element was that the institution staff have a low levels rates of absenteeism (Mean - 3.20; Standard Deviation = 1.57). This shows lack of job satisfaction among the employees and low performance as a result of high rates of absenteeism. The average score of 3.20 was the least among the tested variables of employee engagement. This was an indication that DT-Saccos are highly structured with policies and procedures that inform management decisions.

There was a mixed response on Sacco employees having low levels of rates of absenteeism as shown in Table 4.11. For instance, 8(22.9%) of the HRMs responded not at all while 8(22.9%) were to a very large extent agreeing that their Sacco employees have a low levels rates of absenteeism. To a very large extent, 16(45.7%) of the rejoinders settled that the organization

employee has a high mental resilience, effort, and persistence at work. This showed that most of the Sacco employees in Nairobi have vigor in their daily operations. Lastly, to a very large extent (19(54.3%) the Sacco employees are prepared to use discretionary effort (brainpower and overtime) to achieve assigned performance standards.

4.8.2 Employee Consultation

The summary of the description responses of measures of consultation are shown in Table 4.12.

Table 4.12: Employee Consultation

Statements		Not at all	Small extent	Moderate extent	Large extent	Very large extent	Mean (SD)
The Sacco has developed a human resource and administration policy manual with involvement of all stakeholders.	N	0	2	6	8	19	4.26 (.95)
	%	0.0	5.7	17.1	22.9	54.3	
The organization decisions are greatly influenced by internal and external environmental analysis.	N	1	1	2	13	18	4.31 (.93)
	%	2.9	2.9	5.7	37.1	51.4	
The Sacco incorporates continuous stakeholder's engagement and participation with easy access to grievance solving mechanism.	N	0	1	5	14	15	4.23 (0.81)
	%	0.0	2.9	14.3	40.0	42.9	

Source: Research Data, 2025

The mean scores ranged from 4.23 to 4.31, inferring advanced consensus amongst the rejoinders on the influence of staff consultations. The uppermost average score was on the portion that the Sacco decisions are critically informed by environmental analysis (Mean = 4.31; Standard deviation = 0.93). This shows the importance Saccos management places on stakeholders' participation. The average score of 4.26 indicate that Saccos incorporates continuous stakeholder's engagement and participation with easy access to grievance solving mechanism.

Most of the rejoinders opine to a very large extent (19(54.3%) that their Saccos have developed a human resource and administration policy manual with involvement of all stakeholders. This shows that they have increased their consultations with other stakeholders in their operations so as to increase innovativeness. This was confirmed to a very large extent (18(51.4%) by the informants that the organization decisions are greatly influenced by internal and external environmental analysis. Additionally, to a very large extent (15(42.9%).

4.8.3 Employee’s Absorption

The brief of the descriptive rejoinders on worker absorption are presented in Table 4.13.

Table 4.13: Employee’s Absorption

Statement		Not at all	Small extent	Moderate extent	Large extent	Very large extent	Mean (SD)
The Sacco employees are immense in their work and feel happy when working intensely.	N	0	2	6	15	12	4.06
	%	0.0	5.7	17.1	42.9	34.3	(0.87)
The employees are proud with the work they do at the organization	N	0	1	6	16	12	4.11
	%	0.0	2.9	17.1	45.7	34.3	(.80)
The employees are highly loyal and find it difficult to detach themselves from their job in the organization.	N	0	2	13	12	12	4.00
	%	0.0	5.7	22.9	37.1	34.3	(0.91)

Source: Research Data, 2025

The average scores stretched from 4.00 to 4.11, deducing a greater agreement amid the rejoinders on the influence of employee absorption. The highest mean score was the component that workers are gratified with the job they do at the Sacco (Mean = 4.11; Standard deviation = 0.80). This demonstrates delight amongst workers and unwillingness to leave the Sacco for any

prospective offers. workers. With an average score of 4.05, the informants unanimously acknowledged that the workers exhibit a strong level of loyalty and struggle to separate themselves from their work inside the firm.

To a large extent (15(42.9%)), the respondents agreed that the Sacco employees are immense in their work and feel happy when working intensely. This can be affirmed to a large extent (16(45.7%)) by the rejoinders when they affirmed that the employees are proud with the work they do at the organization.

4.8.4 Employee Dedication

The compressed form of the descriptive information on staff dedication is as exposed in Table 4.14.

Table 4.14: Employee Dedication

Statement		Not at all	Small extent	Moderate extent	Large extent	Very large extent	Mean (SD)
The organization employees are loyal to the vision and mission of the Sacco.	N	0	2	3	13	17	4.29
	%	0.0	5.7	8.6	37.1	48.6	(0.86)
The Sacco experiences and records minimal levels of disciplinary cases.	N	1	2	3	8	21	4.31
	%	2.9	5.7	8.6	22.9	60.0	(1.05)
The Sacco employees have been recognized by stakeholders for exemplary performance.	N	1	0	11	11	12	3.94
	%	2.9	0.0	31.4	31.4	34.3	(0.97)

Source: Research Data, 2025

The mean scores stretched from 3.94 to 4.29, deducing a superior concurrence among the rejoinders on the impact of employee dedication. The greatest average scores were the component The Sacco staff are loyal to the vision and mission of the organization. (Mean = 4.29; Standard deviation = 0.86). This demonstrates commitment of the staff on the policies, systems, values, beliefs of their organizations. The grand mean score for employee dedication was 4.18. This has led to increase in motivation of the Sacco employees, hence making them be dedicated and realise the organizational objectives.

The majority of respondents (17(48.6%) agreed that the organization's staff are committed to the Sacco's vision and goal. The devotion shown by personnel has enabled the firm to flourish and meet its goals. Furthermore, a huge majority 21(60.0%) believed that Saccos encounter and report modest levels of disciplinary proceedings. Lastly, to a greater extent 12(34.3%) the Sacco employees have been recognized by stakeholders for exemplary performance.

4.8.5 Human Resource Management Practices

The human resource management techniques were classified into three categories: training and development, workforce diversity, and incentive systems. The compressed version of the descriptive information is shown in Table 4.15.

Table 4.15: Human Resource Management Practices

Training and development		Not at all	Small extent	Moderate extent	Large extent	Very large extent	Mean (SD)
The organization conducts employee training needs assessment on annual basis.	N	0	1	5	13	16	4.26
	%	0.0	2.9	14.3	37.1	45.7	(0.82)
The Sacco has allocated	N	0	3	8	11	13	3.97

enough budgetary allocation for training and development.	%	0.0	8.6	22.9	31.4	37.1	(0.99)
The Sacco develops and implements training and development programmes for both management and subordinate cadres on annual basis.	N	1	2	5	14	13	4.00
	%	2.9	5.7	14.3	40.0	37.1	(1.09)
Work force diversity							
The organization resourcing policy embraces gender workforce diversity.	N	0	2	5	10	18	4.26
	%	0.0	5.7	14.3	28.6	51.4	(0.92)
The Sacco staff establishment comprises employees of different age cadres.	N	0	1	1	7	26	4.66
	%	0.0	2.9	2.9	20.0	74.3	(0.68)
The organization celebrates and embraces workforce cultural difference.	N	0	2	2	14	17	4.31
	%	0.0	5.7	5.7	40.0	48.6	(0.83)
Reward systems							
The Sacco has a good incentive system promotes team spirit and collective accountability.	N	2	5	8	13	7	3.51
	%	5.7	14.3	22.9	37.1	20.0	(1.15)
The Sacco measures and rewards employees based on how well goals are achieved and individual generation of innovative and creative ideas.	N	1	6	7	15	6	3.31
	%	2.9	17.1	20.0	42.9	17.1	(1.05)
The Sacco management gives special recognition to its employees for good work performance.	N	0	1	2	10	22	3.54
	%	0.0	2.9	5.7	28.6	62.9	(1.07)

Source: Research Data, 2025

The average scores stretched from 3.94 to 4.31, deducing a superior concurrence among the rejoinders on the moderating stimulation of human resource management practices. The greatest mean scores were on the section that the organization celebrates and embraces workforce

cultural difference (Mean = 4.31; Standard deviation = 0.83). This indicates the synergy organizations have as a result of embracing diversity at the workplace. The least average score was on the section that Sacco appraise and compensate workers built on how well objectives are attained and personal contribution to creativity and innovation.

On reference to training and development, 16(45.7%) of the informants to a greater extent approved that the organization conducts employee training needs assessment on annual basis. To a large extent, 13(37.1%) of the informants opined that the Sacco has enough budgetary allocation for career development. Lastly, 14(40.0%) of the rejoinders agreed that the Sacco develops and implements training and development programmes for both management and subordinate cadres on annual basis. This shows that deposit - taking Saccos in Nairobi engage in activities that are geared towards training and developing their employees.

Out of the respondents, 18 (51.4%) said the company's staff resourcing policy promotes gender diversity. Though females were observed to be the majority, gender inclusivity in the Sacco was observed to be adhered to. Many rejoinders (26(74.3%)) agreed that Sacco staff members are of various ages. Finally, 17 (48.6%) said the entity values staff cultural diversity.

Reward systems are considered to motivate staff to work and give optimal results. To a large extent, 13(37.1%) of the respondents acknowledged that there is an effective incentive system that promotes teamwork and collaboration. Furthermore, to a great degree, 15 (42.9%) of the informants affirmed that the Sacco assesses contribution and pays workers constructed on how successfully objectives are met and the level of individual original and creative ideas. To a great

extent, 22(62.9%) of the rejoinders were of the opinion that the Sacco management gives special recognition to its employees for good work performance.

4.8.6 Organizational Performance

The performances of the Saccos were categorized into the following areas; employee productivity perspective and job satisfaction perspective. The compressed form of the descriptive is as depicted in Table 4.16.

Table 4.16 Organizational Performance

Employee Productivity Perspective		Not at all	Small extent	Moderate extent	Large extent	Very large extent	Mean (SD)
The Sacco’s employees spent most of their time working on assigned duties.	N	0	1	2	22	10	4.14
	%	0.0	2.9	5.7	62.9	28.6	(.73)
The quality of the product and services produced is of high standards	N	0	1	6	12	16	4.23
	%	0.0	2.9	17.1	34.3	45.7	(0.84)
The quality of customer service has significantly increased for the last five years.	N	0	1	6	17	11	4.09
	%	0.0	2.9	17.1	48.6	31.4	(0.78)
Job Satisfaction Perspective							
There have been low rates of employee resignations in the Sacco.	N	1	4	3	12	15	4.03
	%	2.9	11.4	8.6	34.3	42.9	(1.12)
The Sacco employees have registered a low rate of absenteeism for the last five years.	N	0	2	3	15	15	4.23
	%	0.0	5.7	8.6	42.9	42.9	(0.84)
The Sacco has experienced no strikes or labour unrest for the last five years.	N	0	1	1	7	26	4.60
	%	0.0	2.9	2.9	20.0	74.3	(0.88)

Source: Research Data, 2025

The average scores extended from 4.03 to 4.60, inferring higher consensus amongst the responses on organizational performance. The uppermost mean scores were the section that the organization has witnessed no staff rampages or unrest for the last half a decade (Mean = 4.60; Standard deviation = 0.88). This indicates harmonious working relations and job satisfaction among Saccos workers.

Employee productivity is a key component in measuring the performance of a given organization. To a large extent, 22(62.9%) of the rejoinders affirmed that the Sacco's staff spent most of their time working on assigned duties. Likewise, to a large extent, 12(34.3%) and 17(48.6%) of the informants approved that the quality of the Sacco products and services produced is of high standards and the quality of customer service has significantly increased for the last five years respectively. This shows that for an institution to achieve its targets and advance in its performance, the management should always consider the employee productivity perspective.

Regarding work satisfaction, a significant proportion of the respondents (15 or 42.9%) strongly approved that the Sacco has had a low percentage of employee resignations. The rejoinders indicated that Sacco personnel had consistently maintained a low incidence of absence within the recent half a decade, with an average score of 4.23. Finally, a significant number of 26 (74.3%) of the rejoinders strongly agreed that the Sacco has been free from strikes or labor disturbance during the past five years. On average, Sacco employees in Nairobi were satisfied in their work station.

4.9 Inferential Analysis

The researcher carried out inferential statistical analysis with a resolve of defining the nature of the linkage that prevails among the independent constructs of the study, that is employee engagement (vigor, consultations, employee absorption, and staff dedication) and the dependent variable (organizational performance). Additionally, the moderating variable (HRM practices) relationship on the interaction amid employee engagement and DT-Saccos in Nairobi performance was also explored.

4.9.1 Correlation

The correlation coefficients (r) are shown in Table 4.17, obtained by a Pearson correlation analysis. The study determines the polarity (positive/negative) and magnitude extending from (-1 to +1) of the correlation among two continuous or scale/ ratio concepts.

Table 4.17 Correlation Matrix

		Employee vigor	Employee Consultation	Employee absorption	Dedication	Organizational Performance
Employee vigor	Pearson Correlation	1	.526**	.444**	.315	.303
	Sig. (2-tailed)		.001	.007	.065	.076
	N	35	35	35	35	35
Consultation	Pearson Correlation	.526**	1	.582**	.686**	.758**
	Sig. (2-tailed)	.001		.000	.000	.000
	N	35	35	35	35	35
Employee absorption	Pearson Correlation	.444**	.582**	1	.718**	.531**
	Sig. (2-tailed)	.007	.000		.000	.001
	N	35	35	35	35	35

Dedication	Pearson Correlation	.315	.686**	.718**	1	.627**
	Sig. (2-tailed)	.065	.000	.000		.000
	N	35	35	35	35	35
Organizational Performance	Pearson Correlation	.303	.758**	.531**	.627**	1
	Sig. (2-tailed)	.076	.000	.001	.000	
	N	35	35	35	35	35

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

Source: Research Data, 2025

The correlation coefficient amid employee vigor and organizational performance was ($r = 0.303$; $p\text{-value} = 0.076 > 0.05$). This indicates that the association amid the two variables is not statistically noteworthy at the 0.05 significant level. This implies that there is a modest but positive connection amongst energy and excitement levels of staff and the performance of deposit-taking Saccos in Nairobi. Employee engagement mentions to an individual's motivation and preferred way of carrying out duties that boost their self-esteem, physical, cognitive, and emotional presentation, and exhibit high levels of corporation performance (Khan, 1990). Consultations are strongly correlated with the success of Nairobi's deposit-taking Saccos ($r = 0.758^{**}$; $P\text{-value} = 0.00 < 0.05$), suggesting a positive and robust link amid the variables.

There is a somewhat favorable linkages between staff absorption and organizational performance, as shown by ($r = 0.531^{**}$; $P\text{-value} = 0.001 < 0.05$), it may be argued that this link is statistically significant. The performance of DT-Saccos in Nairobi is strongly correlated with staff engagement. Management and employee representative's joint consultations are mostly on

how work is organized, working conditions, health and safety measures and operationalization of human resource and administration policies and procedures. Highly motivated people demonstrate a willingness to exceed expectations when their profession demands for it. Individuals that exhibit higher levels of productivity, energy, engagement, and creativity have been shown to contribute positively to performance of business (Muller *et al.*, 2018).

The degree of dedication is strongly and significantly positively correlated ($r = .627$, $p = 0.000$) with the success of deposit-taking Saccos in Nairobi. The dedication of workers is a pivotal factor in attaining success inside a corporation. Individuals that possess a limited degree of dedication will only attain a tolerable level of performance and are often more focused on personal accomplishments rather than corporation's aims and goals. The results support empirical studies that have shown a momentous linkage amongst employee engagement and staff performance, as verified by earlier inquiries (Gbemi *et al.*, 2020; Ooi *et al.*, 2022; Hembadon *et al.*, 2022).

4.9.2 Regression Analysis

This part provides the findings of the study hypothesis testing. The study examined five primary assumptions derived from prior empirical and theoretical enquiries. The researcher assessed the independent and dependent variables by administering a questionnaire that used a 5-point Likert-type scale. The primary data was utilized to quantify technical and strategic proficiencies in employee engagement for corporate performance.

4.9.2.1 Employee Vigor and Organizational Performance

The first primary aim of the research was to examine the impression of employee vigor on the performance of DT-Saccos. This objective corresponds with the first hypothesis stated as H_{01} .

Employee vigor has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.

To evaluate this assumption and achieve the research purpose, employee vigor was assessed using measures such as absence levels, retention rate, and empowerment heights. The assessment of organizational performance was conducted built on staff productivity and job satisfaction criteria. Prior to conducting the hypothesis test, the scholar evaluated the individual effect of staff vigor on the different aspects of corporation performance. The results are depicted in Table 18.

Table 4.18: Regression Results of Employee Vigor and Organizational Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.303 ^a	.092	.065	3.13646		

Model		Sum Squares	of Df	Mean Square	F	Sig.
1	Regression	32.908	1	32.908	3.345	.076 ^b
	Residual	324.634	33	9.837		
	Total	357.543	34			

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	20.733	2.56		8.097	.000
	Employee vigor	.391	.214	.303	1.829	.076

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Employee vigor

Source: Research Data, 2025

Table 4.18 presents the model of employee vigor is not crucial in predicting performance of DT-Saccos in Nairobi as specified by significance value=0.076 which is more than 0.05 level of significance ($p=0.076 > 0.05$). Therefore, at 5% level of significance the null hypothesis was accepted, demonstrating that employee vigor has no significant linkages amid employee vigor and performance of DT- Saccos in Nairobi City. The results are depicted in the subsequent model:

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

Where Y= Performance of deposit- taking Saccos in Nairobi City

$$\beta_0 = 20.733(\text{constant})$$

$$\beta_3 = 0.391$$

$$X_1 = \text{Employee vigor}$$

Substituting equation above with values, the model converts to: $Y = 20.733 + 0.391 * X_1$

The study results in Table 4.20 indicate that, the value of R-square is 0.092. This implies that, 9.2% of variation of performance of DT-Saccos in Nairobi was explained by employee vigor. The study results discovered that employee vigor had non-significant effect on performance of deposit-taking Saccos in Nairobi ($R^2 = .092$; $t\text{-statistic} = 1.829$; $P\text{-value} = 0.076 > 0.05$). Therefore, at 5% level of significance the null hypothesis was accepted, indicating lack of significant association amongst employee vigor and performance of DT Saccos in Nairobi City, Kenya.

The in-depth findings on employee vigor and organizational performance linkages were in conflict with (Maisyuri & Ariyanto, 2021; Gede & Huluka, 2024) who determined that employee vigor positively affects organizational performance. K'osuri, *et al.* (2020) argue that, perception of strategic leadership governance can serve as valuable capability for enhancing employee engagement and corporate performance in healthcare staff. This is because employees place importance on management support that aligns with their needs, helps them manage stress, boosts their psychological well-being, and increases their level of engagement.

4.9.2.2 Employee Consultations and Organizational Performance

The second objective of the study was to examine the effect of employee consultations on the performance of DT-Saccos in Nairobi, Kenya. This objective matches with the second hypothesis stated as H_{02} . *Employee consultations has no significant effect on performance of*

deposit - taking Saccos in Nairobi, Kenya. To verify this hypothesis and accomplish the research goal, the measurement of consultations was conducted using the indicators of employee surveys, work committees, and town halls. The assessment of organizational performance was directed built on staff productivity and job satisfaction. Prior to conducting the hypothesis test, individual impact of staff consultations sub-variables on different aspects of institutional performance was provided. The results are shown in Table 4.19.

Table 4.19: Regression Results of Consultation and Organizational Performance

Model		R	R Square	Adjusted Square	RStd. Error of the Estimate	
1		.758 ^a	.575	.562	2.146	
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	205.541	1	205.541	44.623	.000 ^b
	Residual	152.002	33	4.606		
	Total	357.543	34			
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	11.697	2.071		5.649	.000
	Consultation	1.064	.159	.758	6.680	.000

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), consultation

Source: Research Data, 2025

Table 4.19 by a significance value=0.000 which is less than 0.05 level of significance ($p=0.000 < 0.05$). The results are represented in the following model:

$$Y = \beta_0 + \beta_2 X_2 + \varepsilon$$

Where Y= Performance of deposit-taking Saccos in Nairobi City

$$\beta_0 = 11.697(\text{constant})$$

$$\beta_2 = 1.064$$

$$X_2 = \text{Consultations}$$

Substituting equation above with values, the model becomes: $Y = 11.697 + 1.064 * X_2$

The enquiry results in Table 4.19 shows that, the value of R-square is 0.575. This reveals that, 57.5% of variation of performance of DT-Saccos in Nairobi was explained by staff consultations. The results of the analysis ($R^2 = 0.575$, $t=6.680$; $P\text{-value}=0.000 < 0.05$) indicate that consultation affects performance of deposit - taking Saccos in Nairobi. Therefore at 5% level of significance the null hypothesis was rejected, portraying that consultations had significant connection on the performance of DT-Saccos in Nairobi. Thus, for each unit intensification in consultations there was a matching increase on the performance of deposit-taking Saccos in Nairobi by 1.064.

The results on influence of consultations and organizational performance were in agreement with (Nwoko & Emerole, 2017; Ijeoma & Chimaobi, 2020; Chukwuemeka, 2020; Nyawira & Wainaina, 2023; Ullrich, 2023) who argued that consultative management has a significant effect on organizational performance. Though, the findings are not in support of (Mosadeghrad & Ansarian, 2014; Martínez-Mejía *et al.*, 2022) who debate that consultations have meaningless effect on productivity and total institutional performance. The scholar's agree that consultative management usually create serious problems and it's a sign of incompetency on the side of the leadership in generating fresh ideas.

4.9.2.3 Employee Absorption and Organizational Performance

The study's third objective was to examine the effect of employee absorption on the performance of deposit-taking Saccos in Nairobi, Kenya, simple linear regression test was utilized. This parallels to the hypothesis stated as H_{03} . *Employee absorption has no significant effect on performance of Deposit-Taking Saccos in Nairobi, Kenya.*

To evaluate this assumption and fulfill the research aim, the level of employee absorption was evaluated using the indicators of work intensity, job attachment, and loyalty. The assessment of organizational performance was conducted based on the criteria of staff productivity and work satisfaction. Prior to conducting the hypothesis test, the scholar established the individual impact of employee absorption sub-variable on several aspects of corporation performance. The results are shown in Table 4.20.

Table 4.20: Regression Results of Employee Absorption and Organizational performance

Model	R	R Square	Adjusted R Square	RStd. Error of the Estimate
1	.531 ^a	.282	.260	2.789

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	100.908	1	100.91	12.96	.001 ^b
	Residual	256.635	33	7.78		
	Total	357.543	34			

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	T	
1 (Constant)	16.018	2.624		6.106	.000
Employee absorption	.764	.212	.531	3.602	.001

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Employee absorption

Source: Research Data, 2025

The study findings in Table 4.20, the value of R-square is 0.282. This suggests that, 28.2% of variation of performance of deposit-taking Saccos in Nairobi was explained by absorption.

The results are shown in the next model:

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

Where Y= Performance of deposit-taking Saccos in Nairobi City

$$\beta_0 = 16.018(\text{constant})$$

$$\beta_3 = 0.764$$

X₃= Employee absorption

Substituting the stated equation with figures, the model becomes: $Y = 16.018 + 0.764 * X_3$

Table 4.20 depicts that employee absorption had a significant effect on the performance of DT-Saccos in Nairobi ($R^2 = 0.28$; t-statistic=3.602; P-value=0.001 < 0.05). Consequently, at 5% level of significance the null hypothesis was rejected, suggesting that employee absorption had significant relationship on performance of DT-Saccos in Nairobi. Hence, for every single unit upsurge in employee absorption there was an equivalent rise on the performance of deposit-taking Saccos in Nairobi by .764.

The results on the connections amid employee absorption and organizational performance were in tandem with (Niguse & Getachew, 2019; Alice & Marek, 2021; Hembadoon *et al.*, 2022) who debated that employee absorption has a significant effect on organizational performance. The results contradict the findings of Othman *et al.* (2019) who opine that employee absorption does not determine the extent of job satisfaction but only measure the working environment for the trade.

4.9.2.4 Employee Dedication and Organizational Performance

The fourth objective of the enquiry was to determine the effect of employee dedication on the performance of deposit-taking Saccos in Nairobi, Kenya, simple linear regression test was used. The corresponding null hypothesis was depicted as H_{03} . *Employee dedication has no significant effect on performance of Deposit-Taking Saccos in Nairobi, Kenya.*

To assess this assumption and achieve the study objective, the scholar measured employee dedication by analyzing indicators such as overtime, disciplinary cases, and recognition. An assessment of the effectiveness of an organization's performance with a specific emphasis on the productivity of its employees and their level of work satisfaction. Prior to conducting the

hypothesis test, we will first present impact of employee dedication indicators on different dimensions of institutional performance. The results are shown in Table 4.21.

Table 4.21: Regression Results of Employee Dedication and Organizational Performance

Model	R	R Square	Adjusted Square	RStd. Error of the Estimate
1	.627 ^a	.394	.375	2.56301

Model		Sum of Squares	Df	Mean Square F	Sig.	
1	Regression	140.766	1	140.766	21.429	.000 ^b
	Residual	216.777	33	6.569		
	Total	357.543	34			

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	15.110	2.247		6.726	.000
	Employee dedication	.814	.176	.627	4.629	.000

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Employee Dedication

Source: Research Data, 2025

The results in Table 4.21 indicated by significance value of ($p=0.000 < 0.05$) significance level. Therefore, at 5% level of significance level, the null hypothesis was rejected, indicating that employee dedication had significant relationship on the performance of deposit-taking Saccos in Nairobi. Hence, for every unit increase in employee dedication there was an equivalent increase

on performance of deposit-taking Saccos in Nairobi by .814. The results are described in the succeeding model:

$$Y = \beta_0 + \beta_4 X_4 + \varepsilon$$

Where Y= Performance of deposit-taking Saccos in Nairobi City

$$\beta_0 = 15.110(\text{constant})$$

$$\beta_4 = 0.814$$

$$X_4 = \text{Employee dedication}$$

Substituting equation above with values, the model becomes: $Y = 15.110 + 0.814 * X_4$

The study findings in Table 4.21, the value of R-square is 0.394. This indicates that, 39.4% of variation of performance of DT-Saccos in Nairobi was explained by employee dedication. The enquiry results revealed that employee dedication had a significant influence on the performance of deposit-taking Saccos in Nairobi ($R^2 = 0.394$; $t\text{-statistic} = 4.629$; $P\text{-value} = 0.000 < 0.05$). Therefore at 5% level of significance the null hypothesis was rejected, indicating that employee dedication had significant relationship on the performance of DT – Saccos in Nairobi. Therefore, for every unit increase in employee dedication there was a corresponding increase on the performance of deposit-taking Saccos in Nairobi 0.814.

Similar studies (Stackhouse *et al.*, 2022; Gunawan, *et al.*, 2022) debated that employee dedication influence organizational performance which are in support of the study results. The synergy between commitment and participation has a favorable and substantial influence on employee performance (Maisyuri & Ariyanto, 2021). Therefore, firms may gain advantages by recruiting people who possess personal qualities that prove a higher inclination towards engagement even before they begin their employment. Nevertheless, the enquiry findings

contradict the scholarly works of Nevianto *et al.* (2021) who debate that employees cannot get their main roles implemented when subjected to pressure and overworked. Moreover, employee performance is a factor of work spirituality and disciplinary actions.

4.9.2.6 Regression Analysis for Employee Engagement, Human Resource Management Practices, and Organizational Performance

The fifth objective of the investigation sought to evaluate the moderating effect of human resource management practices on connections amongst employee engagement and of deposit-taking Saccos in Nairobi, Kenya. The corresponding null hypothesis was specified as H_{05} . *Human resource management practices have no significant effect on the relationship between employee engagement and performance of deposit - taking Saccos in Nairobi, Kenya.*

The research employed hierarchical regression analysis to assess the influence of HRM Practices on the links among employee engagement and organizational performance, as well as to test the hypothesis H_{05} . HRM Practices were included as a variable in the employee engagement analysis. F-tests were conducted to determine the significance of each additional concept in respect to the reasons outlined in R^2 . The technique entails doing beta comparisons to evaluate the value of independent variables. To evaluate the impact, we recorded data on changes in R^2 and F-ratios when the moderating factors were added. The results are as shown in Table 4.22.

Table 4.22: Hierarchical Regression Model Summary on Employee Engagement, Human Resource Management Practices and Organizational Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig. F Change
1	.782 ^a	.612	.560	2.15124	.000
2	.786 ^b	.617	.551	2.17299	.001
3	.752 ^c	.566	.508	2.27414	.014

a. Predictors: (Constant), Employee Vigor, Consultations, Employee Absorption, Employee dedication

b. Predictors: (Constant), Employee Vigor, Consultations, Employee Absorption, Employee dedication, human resource management practices

c. Predictors: (Constant), Employee Vigor, Consultations, Employee Absorption, Employee dedication, human resource management practices, Employee Vigor * human resource management practices, Consultations * human resource management practices, Employee Absorption * human resource management practices, Employee dedication * human resource management practices

d. Dependent Variable: Organizational Performance

Source: Research Data, 2025

The R-square value exhibited a significant change, suggesting the existence of a moderating influence. The results showed that the first model that measured the association amongst organizational performance and employee engagement practices (employee vigor, consultations, absorption, dedication) was significant ($R^2 = 0.612$, $p=0.000 < 0.05$). The second model that tested the connection between organizational performance, employee engagement practices, and human resource management practices was significant ($R^2 = 0.617$, $p=0.001 < 0.05$). On inclusion of the interaction term amid HRM practices and the key predictor variable in the model occasioned to a decrease in the R^2 value to 0.566, and was significant ($p=0.014 < 0.05$). The R^2 values for both models exhibit observed differences that are less than 0.5. The observed adjustments advocate that the models exhibit reliability and consistency in their capability to predict the influence of HRM practices and employee engagement on the performance of DT-Saccos in Nairobi city. The results are show in Table 4.23.

Table 4.23: Relationship between Employee Engagement, Human Resource Management Practices and Organizational Performance

	Model 1	Model 2
Constant	11.273(0.000)	10.518(0.002)
Employee engagement	4.480(0.014)	3.102(0.001)
Human resource Management practices	3.227(0.002)	3.824(0.41)
Employee engagement*Human resource Management practices		2.185(0.001)
Adjusted R-squared	.782	.752
F statistics	4.739	5.994

(p-values are in parentheses)

Model 1: (Constant), Employee engagement, human resource management practices

Model 2: (Constant), Employee engagement, human resource management practices, Employee engagement*Human resource Management practices

Dependent variable: Organizational Performance

Source: Research Data, 2025

The R-square value exhibited a significant change, suggesting the existence of a moderating influence. The results showed that the first model that measured the association between organizational performance, employee engagement practices (employee vigor, consultations, employee absorption, employee dedication), and human resource management practices was significant ($R^2 = 0.782$, $p=0.002 < 0.05$). The second model that measured the connections amid organizational performance, employee engagement, human resource management practices, Employee engagement*Human Resource Management Practices was significant ($R^2 = 0.752$, $p=0.001 < 0.05$).

Table 4.23 findings shows that staff engagement has a substantial ($P\text{-value} = 0.014 < 0.05$) effect on the performance of deposit-taking Saccos in Nairobi. Employee engagement accounts for 78.2% of the difference in performance of DT - Saccos in Nairobi city. In Model 2, the interaction term between employee engagement and human resource management methods is included as an extra explanatory variable alongside employee engagement and human resource management practices.

The results of model 2 indicate that the combination of employee engagement and HRM strategies has a statistically significant influence on the performance of deposit-taking Saccos in Nairobi. This impact is visible in the low P-value of 0.001, which is less than the threshold of 0.05. The findings show that the performance of DT -Saccos in Nairobi City may be explained by a mix of employee engagement and human resource management practices. Specifically, employee engagement and HRM techniques account for 75.2% of the variation in corporate performance.

Hence, the observed association indicates that human resource management practices have a moderating role in the linkages between employee engagement and performance of DT- Saccos in Nairobi. The results suggest that HRM policies of training and development, workforce diversity, and incentive management systems have a momentous inspiration on staff engagement and organizational performance relationships. The study rejected the null hypothesis, which posited that human resource management policies do not have a regulating inspiration on the connection amongst employee engagement and performance of DT-Saccos. Consequently, the alternative hypothesis is accepted.

The results sustain previous studies of (Waithira & Obare, 2018; Ali & Ngui, 2019; Ooi *et al.*, 2022; Mutiria *et al.*, 2022; Mary *et al.*, 2023) that has shown a significant bearing of HRM practices on the association among worker engagement and organizational performance. Though this is in contrast to the assertions made by Saks (2019), exploration debate that there are no connections amid the reward management systems and employee engagement.

Table 4.24: Summary of Results of Test of Hypotheses

Objective	Hypotheses	Analysis of the Model	Results	Decision
Determine the effect of employee vigor on the performance of deposit taking Saccos in Nairobi, Kenya	H₀₁ . Employee vigor has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.	Simple linear regression analysis	(R ² - 0.092; t =1.829; P-value=0.076 > 0.05)	H ₀₁ was accepted
Evaluate the effect of employee consultation on the performance of deposit - taking Saccos in Nairobi, Kenya.	H₀₂ . Employee consultations has no significant effect on performance of deposit- taking Saccos in Nairobi, Kenya.	Simple linear regression analysis	(R ² - 0.575; t=6.680; P-value=0.000 < 0.05).	H ₀₂ was rejected
Assess the effect of employee's absorption on the performance of deposit - taking Saccos in Nairobi, Kenya	H₀₃ . Employee absorption has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.	Simple linear regression analysis	(R ² - 0.282; t =3.602; P-value=0.001 < 0.05).	H ₀₃ was rejected
Examine the effect of employee dedication on the performance of deposit - taking Saccos in Nairobi, Kenya	H₀₄ . Employee dedication has no significant effect on performance of deposit - taking Saccos s in Nairobi, Kenya.	Simple linear regression analysis	(R ² - 0.394; t =4.629; P-value=0.000 < 0.05).	H ₀₄ was rejected
Analyze the moderating effect of human resource management practices on the relationship between employee engagement and performance of deposit - taking Saccos in Nairobi, Kenya.	H₀₅ . Human resource management practices have no significant effect on the relationship between employee engagement, and performance of deposit - taking Saccos in Nairobi, Kenya.	Hierarchical linear regression analysis	(R ² = 0.752; P=0.001 < 0.05)	H ₀₅ was rejected

Source: Research Data, 2025

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter highlights the main results and makes recommendations grounded on the research goals. It further, presents recommendations grounded on the results, contribution to theory, and proposals for additional investigation.

5.2 Summary of the Study

The section acknowledges the previous information presented in the discussion on relevant empirical investigations. Firstly, the chapter focuses on confirming the hypotheses and theories derived from the thesis by outlining the study goals. Furthermore, it delves into policies and other suggestions that are particularly relevant to those involved in policy formulation and research. Finally, the chapter gives suggestions for future investigations that are documented as a means of indicating how the current gaps in knowledge might be addressed.

The descriptive analysis of the industry established that 91.4% of DT-Saccos in Nairobi operate locally, only 8.6% had regional presence and none operated continentally. A high proportion of the respondent 51.4 % were female and 48.6 % were male. A total of eighteen (18) informants accounting for 51.4 % had worked for the Sacco for a period of between 7 to 9 years. and Fifteen (15) rejoinders had worked for the organization for 4 to 6 years explaining 343% of the sampled DT-Saccos in Nairobi were in the large-tier and middle segment respectively.

Examining the associations between employee engagement and performance of DT-Saccos in Nairobi was the primary goal of the study. The enquiry's specific goals were to find out how employee vigor affects organizational performance; assess the impression of employee

consultation on DT-Saccos performance; evaluate the effect of staff absorption on the performance of DT-Saccos in Nairobi; examine the impact of worker dedication on corporate performance; and assess the moderating inspiration of HRM practices on the linkages amid employee engagement and performance of DT-Saccos in Nairobi.

The display of the study concepts across Saccos was strong apart from employee vigor. The rejoinders confirmed to a minimal number the influence of the concept of employee vigor with a mean score stretched from 3.20 to 4.40. Employee vigor recorded the lowest grand mean score of 3.92 and a standard deviation of 1.12; The respondents reasoned to an advanced agreement on the variable of staff consultations with an average score vacillating from 4.23 to 4.31. Employee consultations had the highest composite average score of 4.27 and a standard deviation of 0.89.

The informants inferred to an advanced extend on the effect of employee absorption with a mean score that stretched from 4.00 to 4.11. Employee absorption recorded a grand mean score of 4.06 and a standard deviation of 0.86. The rejoinders, deduced to a higher consensus on the influence of staff dedication an average score ranging from 3.94 to 4.29. Employee dedication registered an aggregate average score of 4.18 and a standard deviation of 0.96. The average scores extended from 4.03 to 4.60, inferring higher consensus amongst the respondents on effect of consultations.

The rejoinders inferred to a superior agreement on the moderating impression of human resource management policies with a mean score stretched from 3.94 to 4.31. HRMP recorded an aggregate mean score of 3.98 with a standard deviation of 0.87. HRMP was strongly

manifested through training and development, workforce diversity and reward management systems. Employee productivity and job satisfaction had a composite mean score of 4.32 with a standard deviation of 0.75.

The descriptive results indicate that 54.3 % of the informants revealing that Sacco employees enthusiastically utilize discretionary efforts to accomplish assigned performance targets. A proportion of 51.4 % of the HRM agree that organization decisions are greatly influenced by analyzed strength, opportunities, weaknesses and threats (SWOT) analysis. A proportion of 45.7% of the rejoinders agreed that the employees are proud with the work they do at the organization. While, 42.9% of the HRM agree that the Sacco workers are absorbed in their allocated and feel happy when working intensely. A total of 60% of the respondents believe that Saccos encounter and report modest levels of disciplinary proceedings annually. This was an indication of a well-disciplined workforce that is committed to the organization values and mission.

The linkage of the key variables was schematized and intellectualized in a conceptual framework. Primary data was gathered, organized, classified, amended, standardized and scrutinized. The five key hypotheses were tested to measure associations amid concepts under examination. The investigation applied descriptive statistics on top of simple, and multiple hierarchical regression analysis to test the connection of the conceptualized concepts of employee engagement, HRM practices and organizational performance. The results of hypotheses tests were documented and discussions in chapter four.

The first specific objective of the study was to determine the effect of employee vigor on the performance of DT-Saccos in Nairobi. The corresponding hypothesis was framed as H_{01} . *Employee vigor has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.* The findings ($R^2 =$

0.092, t-statistic=1.829; P-value=0.076 > 0.05). Hence the null hypothesis was accepted indicate that employee vigor has no significant relationship to performance of DT Saccos in Nairobi.

The second objective of the enquiry was to examine the influence of consultations on the performance of deposit - taking Saccos in Nairobi, Kenya. The corresponding hypothesis was captured as *H₀₂: Employee consultation has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.* The results ($R^2 = .575$, t-statistic=6.680; P-value=0.000 < 0.05). Thus the null hypothesis was rejected exposing that consultations had a significant connection on the performance of DT-Saccos in Nairobi, Kenya.

The third specific objective of the investigation was to evaluate the effect of employee absorption on the performance of DT-Saccos in Nairobi, Kenya. The corresponding hypothesis was stated as *H₀₃. Employee absorption has no significant effect on performance of deposit - taking Saccos in Nairobi, Kenya.* The results ($R^2 = .28$; t-statistic=3.602; P-value=0.001 < 0.05). Hence, the null hypothesis was rejected and showed that employee absorption had a significant influence on the performance of DT-Saccos in Nairobi.

The fourth objective of the enquiry was to evaluate the effect of employee dedication on performance of DT-Saccos in Nairobi. The corresponding hypothesis was captured as *H₀₄. Employee dedication has no significant effect on performance of deposit - taking Sacco's s in Nairobi, Kenya.* The findings ($R^2 = .394$; t-statistic=4.629; P-value=0.000 < 0.05). Consequently, the null hypothesis was rejected and this revealed that staff dedication had a significant effect on the performance of DT- Saccos in Nairobi.

The fifth specific objective of the study was to determine the moderating effect of human resource management practices on the performance of DT-Saccos in Nairobi, Kenya. The corresponding hypothesis was framed as H_{05} . *Human resource management practices have no significant impact on the relationship between employee engagement and performance of DT-Saccos in Nairobi, Kenya.* The results ($R^2 = 0.612$, $p=0.000 < 0.05$). Therefore, the null hypothesis was not accepted indicating that all HRM practices tested (training and development, workforce diversity, reward management system) have a significant effect on the connections amid employee engagement and performance of DT-Saccos in Nairobi, Kenya.

The main regression results indicate that employee consultations, absorption, and dedication significantly influence the success of DT-Saccos in Nairobi. Though, the investigation discovered no significant linkages amongst the level of employee excitement and performance of DT-Saccos in Nairobi. On inclusion of the moderation term of human resource management practices and the main predictor variable in the model resulted in a R^2 value of 0.752, that was significant ($p=0.014 < 0.05$). The R^2 values for both models exhibit differences that are less than 0.5. The observed alteration suggests that the models displayed reliability and consistency in their ability to forecast the effect of human resource management practices and employee engagement on the performance of deposit-taking Saccos in Nairobi city.

5.3 Conclusion of the Study

The research determined existence of amid employee engagement and performance of deposit-taking Saccos in Nairobi, Kenya. Employee engagement has a significant influence on the performance of DT-Saccos in Nairobi. Individually, employee absorption, consultation, and dedication have a considerable impression on the triumph of DT-Saccos in Nairobi. However, Employee vigor did not have an extensive impact on institution performance.

The study establishes that selected HRM approaches have a moderate inspiration effect on the connection between worker engagement and the performance of DT- Saccos in Nairobi. The three criteria of training and development, workforce diversity, and salary control systems both have a major impact on the independent-dependent variables relationships.

The study both validates and refutes certain empirical and academic inquiries. The study has also supported all the theoretical foundations that underlie the research. The exploration findings explicitly in the areas of consultations, absorption, and employee commitment. Confirms Khan's (1990) proposition that worker engagement has a noteworthy bearing on organizational performance. The significant HRM practices (Training and Development, Workforce Diversity and Reward Management Systems) results on the moderating effect of employee engagement and organizational performance back up what Blau (1968) held about the Social Exchange Theory and the link between these three variables.

The research has enlisted several implications for policy, practice, and theory advancement. In practical terms, senior management of DT-Saccos should prioritize the promotion of employee consultation, absorption, and dedication, as the study has verified their critical impact on institutional performance. Organizational structures and systems should have progressive HRM practices such as training and development, workforce diversity, and reward management, as these variables significantly influence the relationship amongst employee engagement and organizational performance.

On the policy front, the study provides direction to SASRA and the Kenyan government on implementation of guidelines and procedures that strengthen the industry's contribution to the nation's socio-economic progress through fostering financial inclusion.

5.4 Recommendations

The study recommends the need of top executives in building employee engagement through activities that promote employee consultations, absorption and dedication as they have been established to have a significant statistical effect on the performance of DT-Saccos in Nairobi. Subsequently, DT-Saccos Senior Management Team should promote a human resource management practice that continuously keeping employees engaged through designing and setting transformative initiatives that stimulate organizational performance.

Firstly, the researcher recommends that the human resource managers of Saccos should not focus on activities that stimulate enthusiasm and excitements among staff as employee vigor has been established to have no correlation to organizational performance. Since the enquiry determined that employee vigor has no statistically significant effect on the performance of DT-Saccos in Nairobi.

Secondly, the scholar recommends that Sacco executives should embrace consultations through staff contributions and engagement in the management of the Saccos. As the study established that consultations had a positive and significant effect on the performance of DT-Saccos in Nairobi.

Thirdly, the scholar recommends that the management of the Sacco's should focus more on promotion of good working environment that boosts employee absorption necessary for

organizational success. Following the study results that revealed staff absorption had a significant influence on the performance of DT-Saccos in Nairobi.

Fourthly, the investigator recommends that senior management of Sacco's should concentrate on developing and implementing human resource policies, strategies that increase positive commitment and loyalty. This is based on the study findings that opines employee dedication to have a noteworthy effect on the performance of deposit-taking Saccos in Nairobi.

Fifthly, the researcher recommends that Sacco management should build a dynamic HRM practices that enhances the interlocking of employee engagement and organizational performance through continuous capacity building, rewarding individual performance and having a judicious mix of workforce diversity that promote team work and sharing of competencies. As the enquiry also determined that HRM practices had a significant inspiration on the linkages among employee engagement and company performance.

5.5 Contribution to Theory and Practice

The study confirmed PET, as advanced by Khan (1990), that employee engagement impacts organizational performance. Though, the nature of work and industry affect the connections amid employee engagement and institution performance. The results of employee consultations, absorption, and dedication, which exhibited a strong linkage with corporation performance, backs up what other empirical studies (Nyawira & Wainaina, 2023) have said about the theory's main postulation. However, the negative findings of employee vigor on organizational performance bolstered the arguments of Singh & Varasi (2019), who argued that staff satisfaction may not be necessarily connected to employee engagement.

The research also validated the SET theory by demonstrating that HRM strategies like training and development, workforce diversity, and reward management systems had a substantial moderating impact on the correlation between employee engagement and organizational performance. Social exchange associations where employers offer training and development opportunities, demonstrate loyalty and staff support with a job security working environment, will result to increase in employee performance and retention (Martínez-Mejía, & Prado, 2022). Organizations should consider the effects of the dynamics in employer-employee relations and employees psychosocial health.

The study extends and redefines the existing empirical knowledge in the field of human resource management by presenting a comprehensive and novel understanding on employee engagement and organizational performance. The study validates and refutes certain empirical and academic inquiries. The enquiry has also supported all the theoretical foundations that underlie the research. The findings support for positive impacts that align employee engagement and organizational performance were consistent with the studies of (Khan & Abdullah, 2019; Otuohere, 2021) that confirmed positive relationships between the independent and dependent variables. This reinforces the existing literature on employee engagement and organizational performance.

In addition, the results support (Waithira & Obare, 2018; Ali & Ngui, 2019; Ooi *et al.*, 2022; Mutiria *et al.*, 2022; Mary *et al.*, 2023) inclusion findings on the influence of HRM practices on the association among worker engagement and organizational performance. However, the in-depth results negative impacts of employee vigor and organizational performance connections were in conflict with (Maisyuri & Ariyanto, 2021; Gede & Huluka, 2024) who established that employee vigor positively affect organizational performance.

5.6 Suggestion for Further Research

The research examined the relationships between employee engagement, HRM practices, and organizational performance. The investigation did not scrutinize the impact of additional management factors such as strategic leadership styles, personal attitudes, organizational culture and communication applications on the correlation among employee engagement and performance of deposit-taking Saccos in Nairobi.

Similarly, HRM practices centered solely on capacity development, reward management systems, and workforce diversity, neglecting other crucial elements like employee resourcing strategies, promotion, work-life balance, industrial relations, performance management, occupational safety and health mechanisms, HR analytics, business ethics and culture, and performance management systems on the linkages amongst employee engagement and organizational performance.

Additionally, the study assessed organizational performance by examining staff productivity and job satisfaction as human resource metrics. In future research, it would be beneficial to explore different meta-analysis indicators to analyze the connection amongst employee engagement and organizational performance. Financial indicators like profitability, liquidity ratios, and turnover may also be examined to comprehend the correlation between employee engagement and organizational success. The principles might also be evaluated in other settings, such as private or public organizations, to ascertain whether they provide comparable outcomes. Data analytical design could also be changed from correlation and regression analysis to other techniques like multivariate and structural modeling or longitudinal analysis to validate the results.

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APPENDICES

Appendix 1: Research Approval Letter from MMUST



MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY (MMUST)

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Kakamega – 50100
Kenya

Directorate of Postgraduate Studies

Ref: MMU/COR: 509099

12th March 2024

Dominic Chungani Muteshi
BHR/G/01-70310/2022
P.O. Box 190-50100,
KAKAMEGA.

Dear Mr. Muteshi

RE: APPROVAL OF PROPOSAL

I am pleased to inform you that the Directorate of Postgraduate Studies has considered and approved your Masters proposal entitled “*Employee Engagement and Performance of Deposit Taking SACCO'S in Nairobi, Kenya*” and appointed the following as supervisors:

1. Dr. Eglay Tsuma - SOBE, MMUST
2. Dr. Muli Maingi - SOBE, MMUST

You are required to submit through your supervisor(s) progress reports every three months to the Director Postgraduate Studies. Such reports should be copied to the following: Chairman, School of Business and Economics Graduate Studies Committee and Chairman, Department of Business Accounting and Management Sciences. Kindly adhere to research ethics consideration in conducting research.

It is the policy and regulations of the University that you observe a deadline of two years from the date of registration to complete your Master's thesis. Do not hesitate to consult this office in case of any problem encountered in the course of your work.

We wish you the best in your research and hope the study will make original contribution to knowledge.

Yours Sincerely,



Prof. S. Odebero, PhD, FIEP
DIRECTOR, DIRECTORATE OF POSTGRADUATE STUDIES

Appendix 2: Research Questionnaire

Dear Respondent,

This questionnaire aims to gather data from deposit-taking Saccos in Nairobi, Kenya. The data will be utilized to analyze the correlation between employee engagement and the performance of DT-Saccos in Nairobi, Kenya. Rest assured that the information provided will be handled with utmost confidentiality and solely used for academic purposes. Your participation in this study is greatly valued.

PART 1

Section A: Background Information

(Tick where appropriate)

1. What year was your Sacco licensed to operate deposit - taking business

2. Scope of operations (Tick () as appropriate}

(1) National (Within Kenya) []

(2) Regional (Within East Africa) []

(3) Continental (Beyond East Africa) []

3. Size of the Sacco (Tick () as appropriate}

(1) Tier 3 (Small) []

(2) Tier 2 (Medium) []

(3) Tier 1 (Large) []

4. Gender composition (Tick () as appropriate}

(1) Male []

(2) Female []

Sacco Percentages of Gender Composition: Male _____ % Female _____ %.

5. Please indicate the period you have been with this company:

- a) What is your current position?
- b) How long have you been with the organization? (In Years)
- c) How long have you served in the current position (In Years)?

6. Section B: Employee Engagement

Please indicate to what extent you agree with the following questions regarding your Saccos employee engagement over the last three years on a scale of **1-5 where; 1= Not at all; 2 - Small Extent; 3 - Moderate Extent; 4 - Large Extent and 5 – Very Large Extent.**

	Statement	1	2	3	4	5
A.	<i>Vigor</i>					
1.	There Sacco employee have a low levels rates of absenteeism.					
2	The organization employee has a high mental resilience, effort, and persistence at work.					
3	The Sacco employees are willing to apply discretionary effort (extra time and brainpower) to accomplishing assigned performance tasks.					
B.	<i>Consultations</i>					
4	The Sacco has developed a human resource and administration policy manual with involvement of all stakeholders.					
5	The organization decisions are greatly influenced by internal and external environmental analysis.					
6	The Sacco incorporates continuous stakeholder’s engagement and participation with easy access to grievance solving mechanism.					
C.	<i>Employee Absorption</i>					
7	The Sacco employees are immense in their work and feel happy when working intensely.					

8	The employees are proud with the work they do at the organization					
9	The employees are highly loyal and find it difficult to detach themselves from their job in the organization.					
D.	<i>Employee Dedication</i>					
10	The organization employees are loyal to the vision and mission of the Sacco.					
11	The institution experiences and records minimal levels of disciplinary cases.					
12	The Sacco employees have been recognized by stakeholders for exemplary performance.					

8. Section C: Human Resource Management Practices

Please indicate to what extent you agree with the following questions regarding your Saccos performance over the last three years on a scale of 1-5 where; **1= Not at all; 2 - Small Extent; 3 - Moderate Extent; 4 - Large Extent and 5 – Very Large Extent.**

	Statement	1	2	3	4	5
A.	<i>Training and Development</i>					
1	The organization conducts employee training needs assessment on annual basis.					
2	The Sacco has enough budgetary allocation for training and development.					
3	The organization develops and implements training and development					

	programmes for both management and subordinate cadres on annual basis.					
B.	<i>Workforce Diversity</i>					
4	The organization resourcing policy embraces gender workforce diversity.					
5	The Sacco staff establishment comprises employees of different age cadres.					
6	The organization celebrates and embraces workforce cultural differences.					
C.	<i>Reward Systems</i>					
7	The institution has a good reward system that encourages team spirit and collective responsibility.					
8	The Sacco measures and rewards employees based on how well goals are achieved and individual generation of innovative and creative ideas.					
9	The Sacco management gives special recognition to its employees for good work performance.					

9. Section E: Organizational Performance

Please indicate to what extent you agree with the following questions regarding your Sacco's performance over the last three years on a scale of **1-5** where; **1= Not at all; 2 - Small Extent; 3 - Moderate Extent; 4 - Large Extent and 5 – Very Large Extent.**

	Statement	1	2	3	4	5
A.	<i>Employee Productivity Perspective</i>					
1	The SACCO's employees spent most of their time working on assigned duties.					
2	The quality of the product and services produced is of high standards					
3	The quality of customer service has significantly increased for the last five years.					
B.	<i>Job Satisfaction Perspective</i>					
4	There have been low rates of employee resignations in the Sacco.					
5	The Sacco employees have registered a low rate of absenteeism for the last five years.					
6	The organization has experienced no strikes or labour unrest for the last five years.					

Do you wish to receive a complimentary copy of results of the study?

Yes No

THANK YOU FOR YOUR PARTICIPATION IN THE STUDY

Appendix 3: Research Clearance Permit from NACOSTI

Republic of Kenya
NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
Ref No: 567973
Date of Issue: 20/March/2024

RESEARCH LICENSE



This is to Certify that Dr., DOMINIC CHUNGANI MUTESHI of Masinde Muliro University of Science and Technology, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: EMPLOYEE ENGAGEMENT AND PERFORMANCE OF DEPOSIT TAKING SACCO'S IN NAIROBI COUNTY, KENYA for the period ending : 20/March/2025.

License No: NACOSTI/P/24/34079
Applicant Identification Number: 567973

Director General
NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

Verification QR Code



NOTE: This is a computer-generated License! To verify the authenticity of this document, Scan the QR Code using QR scanner application.

See overleaf for conditions

Appendix 4: Research Data Collection Approval Letter from SASRA

UAP Old Mutual Towers,
18th and 19th Floor,
Upper Hill Road, Upper Hill
P.O. Box 25089-00100,
Nairobi, Kenya



Tel: +254 (20) 2935101
Email: info@sasra.go.ke
Web: www.sasra.go.ke

THE SACCO SOCIETIES REGULATORY AUTHORITY (SASRA)

Our Ref: SASRA/LE&R/L&R/GEN-001/VOL.III/ (66)

27th March 2024

The Chief Executive Officer,
Regulated SACCO Societies in Nairobi-Kenya

Dear Sir/Madam

RE: INTRODUCTION LETTER FOR DATA COLLECTION (DR. DOMINIC MUTESHI).

Dominic Chungani Muteshi (BHR/G/01-70310/2022) is Currently undertaking a Master's of Science in Human Resource Management from Masinde Muliro University of Science and Technology, and his research topic is titled "employee engagement and Performance of deposit-taking SACCO's in Nairobi, Kenya".

The purpose of this letter is to request for assistance by providing necessary Data to him. In this regard, either himself in person or his research assistants will be visiting SACCOs regulated by the Authority to administer the questionnaire.

Kindly grant him the necessary support by participating in this Survey and provision of appropriate data.

Thank you for continued support.

Yours faithfully,

PETER NJUGUNA, EBS
CHIEF EXECUTIVE OFFICER

**Appendix 5: A List of Deposit-Taking Sacco's for Pilot Study in Kakamega as on
December, 2023 (3)**

S/NO.	NAME OF THE SACCO	SACCO SIZE	LOCATION
1.	Invest and Grow (IG)	1	IG Plaza in Kakamega Town
2.	Wevarsity Sacco	2	Masinde Muliro University of Science and Technology
3.	Mudete Factory Tea Growers (MUFATEG)	1	Khayega Market in Kakamega County

Source: Sacco Societies Regulatory Authority, 2023

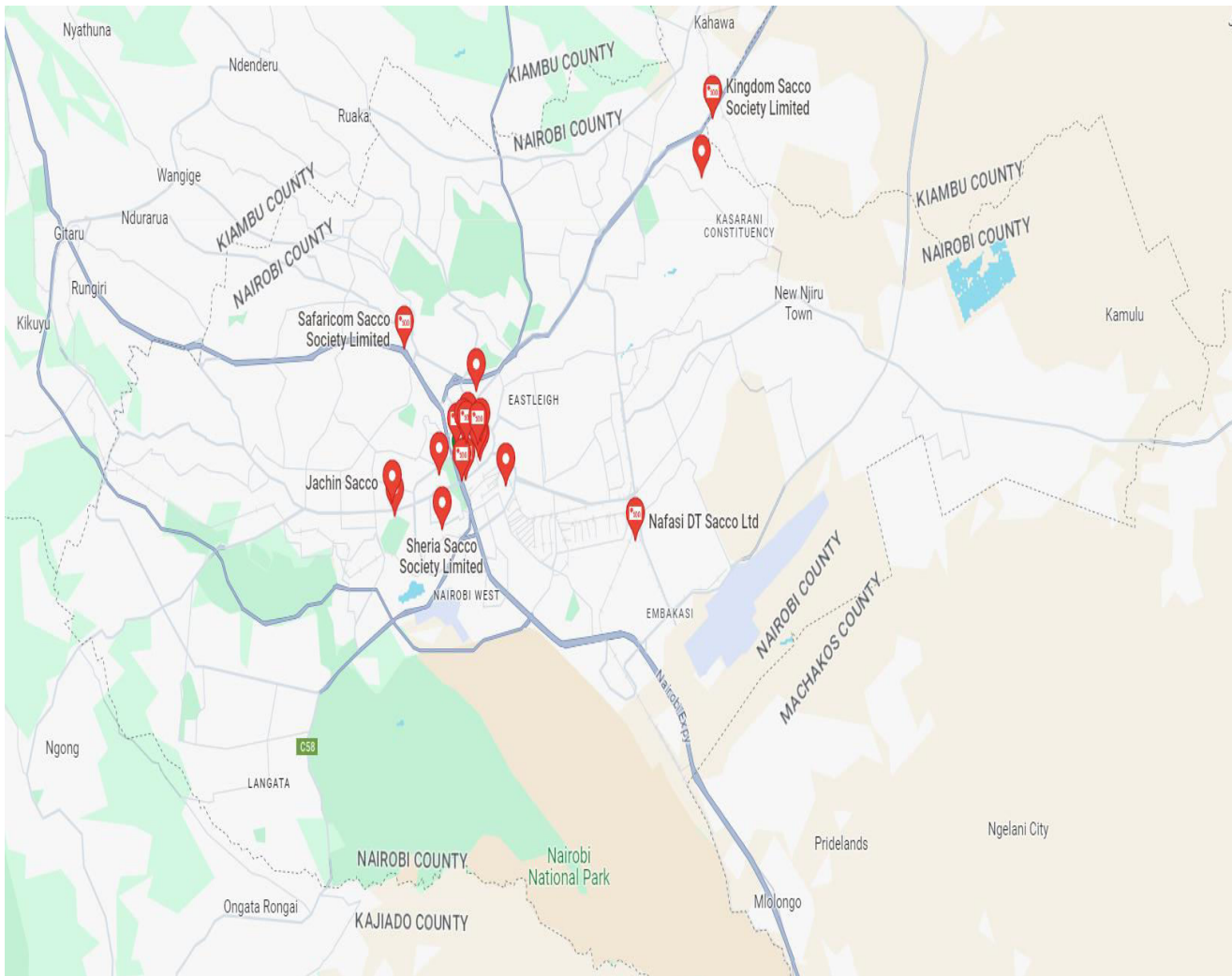
Appendix 6: A List of Deposit-Taking Saccos in Nairobi as on December, 2023 (46)

S/NO.	NAME OF THE SACCO	SACCO SIZE	LOCATION
1.	Afya	1	Tom Mboya Street
2.	Airports	3	KAA Fire Training School
3.	Apstar (Formerly Ukulima)	1	Haile Selassie Avenue
4.	Ardhi	2	Survey of Kenya Field Hqs,
5.	Asili	2	Ngara Road
6.	Chai	1	KTDA Plaza, Moi Avenue
7.	Chuna	2	Engineering Dept. UON
8.	Defence	2	DOD Headquarters, Hurlingham
9.	Elimu	2	Elimu Hse, Mubiru Road,
10.	Harambee	1	Haile Selassie Ave.
11.	Hazina	1	Kibera Rd, Off Ngong Rd.
12.	Jamii	1	Mukenia Road, South B
13.	Kencream	1	Creamery House, Dakar Road
14.	Kenpipe	1	Industrial Area
15.	Kenversity	2	Kahawa Sukari
16.	Kenya Bankers	1	Ngong Avenue
17.	Kenya National Police DT	1	Ngara Road
18.	Kimisitu	1	AEA Plaza, Valley Road.
19.	Kingdom	2	Githurai 45, off Thika Road
20.	Magereza	1	Mageso Chambers, Moi Avenue
21.	Maisha Bora	2	Commercial Street, Industrial Area
22.	Metropolitan National	1	Givain House, Opp. KPL

23.	Mwalimu National	1	Mwalimu Towers, Upper Hill
24.	Mwito	2	Ngara Road
25.	Nacico	1	NACICO Plaza, Landhies Road
26.	Nafasi (Formerly Nafaka DT).	3	Outer-Ring Road
27.	NSSF	2	NSSF House, Bishops Road
28.	Nation DT.	2	Cambrian House, Moi Avenue
29.	Nyati	2	Oddysey Plaza- Mukoma Road
30.	Safaricom	1	Safaricom Care Centre
31.	Sheria	1	Matumbato Street
32.	Shirika DT.	1	Kipande/Ngara Rd
33.	Shoppers	3	Tom Mboya Street
34.	Stima DT	1	Mushembi Road, Parklands
35.	Strategic	2	Lunga Lunga Centre, Industrial Area
36.	Taqwa	2	Jamia Plaza, Kimathi Street
37.	Telepost	2	Haile Selassie Road,
38.	Tembo	2	Garden Estate Road, Ruaraka,
39.	Ufanisi	3	Development House, Moi Avenue
40.	Ukristo na Ufanisi	2	ACK Emmanuel Church Riruta
41.	Unaitas	3	Otunga Plaza, Kaunda street
42.	United Nations	1	UN-Complex Building, Gigiri
43.	Ushuru	1	Centre, Wood Avenue, Kilimani
44.	Wana-Anga	2	Meteorological Hqs, Ngong Road
45.	Wanandegge	2	Old North Airport Road, Embakasi
46.	Waumini	1	Adams Arcade

Source: Sacco Societies Regulatory Authority, 2023

Appendix 7: Nairobi Deposit -Taking Saccos Map



Source: Google Maps