

ABSTRACT

The purpose of the study was to explore the relationship that exist between process innovation promoters and the performance of SACCOs in Kenya and the moderating effect of service quality practices. The primary data was collected from the Chief Executive Officers of the deposit taking SACCOs where a semi-structured questionnaire was administered. Data were analysed by employing Statistical Software for Social Sciences (SPSS) Version 22 and structural equation modelling using AMOS version 25. The hypotheses in this study were tested using structural equation modelling and hierarchical moderated multiple regression (MMR). Overall, the study found out that, Process innovation promoters have positive influence on performance of SACCOs in Kenya. The study also found out that, service quality practices (R² change) is 0.115 implying that the moderating effect of service quality practices gained 11.5% variance in the SACCOs, above and beyond the variance by process innovation promoters and performance. The study recommends that, SACCO management together with their partners should deliberately nurture a customer relationship management culture that will enable them realize positive performance that has been influenced by service quality practices and again SACCOs need to invest in an effective innovation process that will enable more employees graduate as process innovation promoters who will purposely focus on how service quality practices can be part of the firm culture and hence improving on their performance.