ABSTRACT

The programmed co-operative enterprises’ innovation initiatives in Kenya have been below their expectations of customers. The majority (60%) of the customers are satisfied by banking and related financial services offered by co-operative enterprises in Kenya. This is below the expectations of what the customers perceive and what is realized at the point of service delivery. This study sought to provide insights into the relationship between technological innovation promoters and performance by empirically testing the direct effect of technological innovation promoters on performance and exploring the moderation effects of service quality practices. The study is anchored on the promoter theory and collective entrepreneurship concept. The study used a self-administered questionnaire to Chief Executive Officers of 158 Savings and Credit Co-operative Societies (SACCOs). Data were analyzed by employing Statistical Software for Social Sciences (SPSS) Version 22 and structural equation modeling using AMOS version 25. The hypotheses were tested using structural equation modeling and hierarchical moderated multiple regression (MMR). Overall, the study found out that, technological innovation promoters have a positive influence on the performance of SACCOs in Kenya, and service quality practices (R2 change) is 0.153. This implied that the moderating effect of service quality practices gained 15.3% variance in the SACCOs above and beyond the variance by technological innovation promoters and performance. This study concludes that an integrative model comprising of technological innovation promoters, service quality practices and performance is a sure way of enhancing collective entrepreneurship and recommends that SACCO management together with their partners should deliberately nurture a customer relationship management culture that will enable them to realize positive performance that has been influenced by service quality practices.