



Proceedings of the 28<sup>th</sup> SMART-iSTEAMS  
Intertertiary Multidisciplinary Conference  
American International University West Africa,  
The Gambia

## Doctoral Research Paper

# A Case Study to Investigate the Impact of Embracing A Growth Culture to Implement Technology in Saccos In Kiambu County, Kenya.

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### ABSTRACT

When effective organizational culture is out of place, it affects organizational production and profitability. This research study wants to investigate the impact of embracing a growth culture in implementing technology in Saccos found in Kiambu County, Kenya. The study will be conducted in a sample of 60 senior managers who have more than three years working experiences in their respective Saccos. The questionnaires and interviews have been conducted and data analysed for better interpretations. The findings established that there is significant economic growth to the local SMES. The growth culture as a strategy if implemented by the business manager assists greatly in better implementation of technology in financial institutions and businesses especially Saccos.

**Keywords:** ICT, Telecommunications, Entrepreneurship and Wealth Creation.

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#### Proceedings Reference Format

John Gacheru (2021): A Case Study to Investigate the Impact of Embracing a Growth Culture to Implement Technology in Saccos in Kiambu County, Kenya.. Proceedings of the 28th iSTEAMS Intertertiary Multidisciplinary Conference. American International University West Africa, The Gambia. October, 2021. Pp 1-6 [www.isteam.net/gambia2021](http://www.isteam.net/gambia2021).  
DOI - <https://doi.org/10.22624/AIMS/ISTEAMS-2021/V28P1>

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## 1. BACKGROUND AND STATEMENT OF THE PROBLEM

Kenya is a developing country in Eastern Africa whereby most of its population live below poverty levels. The unemployment rate in Kenya as of the year 2019 is approximately 40% implying that around 1.5 million people in Kenya are unemployed (Sam, 2016). Due to the existence of such a situation, there is a low number of sole proprietors investing in the Kenyan market, and thus the general market performance has been quite low. This has created the need for individuals to unite and form Savings and Credit Cooperative Societies (SACCOs). A Savings and Credit Cooperative Society (SACCO) is a financial institution or cooperative, that is formed through individuals coming together to mobilize their savings, thus giving them access to individual monetary funding through loans. When a SACCO is formed, members agree to policies that make them eligible to access loans from the SACCO at reasonable rates, implying that members grow as the SACCO grows.

In business, a growth culture is a type of business setting whereby members of an organization develop their ability to conquer hurdles, embraces their fears and weaknesses rather than unknowingly showing them out; they take little time in defending their prowess and invest more in innovating what is available (Gregory, Satterfield & Puckey, 2018). Since technology is dynamic, it is important focus its implementation on a growth culture. It is important to note that the growth of a SACCO is different from its performance. A growth culture creates an environment whereby members can learn from failure whilst a performance culture is focused on results. For a SACCO to be able to benefit from technology, there is need to provide room for practice with different types of technology for better results. Most SACCO boards are usually skeptical when it comes to implementing technology in their operations, for they operate within a performance-based culture. They are afraid to innovate and hence stick to the same old methods for long periods of time. The constituents of a growth culture are depicted in Figure 1 below.



**Fig 1: Constituents of a Growth Culture**



Technology in the business realm, and in this case SACCOs, has brought in efficient methods of maintaining data flow, managing member participation, track activities and processes as well as maintain SACCO records. It enables the probability of a SACCO to operate efficiently with a relatively reduced man-power, thus cutting down operational costs of SACCOs. In Kenya, it has been noted that SACCOs are losing the business market to mobile loan applications due to their failure to embrace technology (Mugo, Muathe & Waitbaka, 2019). For example, in Kenya, it takes approximately less than 30 minutes to acquire a mobile loan, whereas it may take up to 3 days to get a SACCO loan. The extended processes arise from the analogue operation methods that are still in use within the SACCOs.

From the Sacco Societies Regulatory Authority (Sasra) 2018 Annual Report it is evident that even though there is an increase in income generation in SACCOs, the rate of growth was on a downward path as compared to the previous year (Moki, Ndung'u & Kinyua, 2019). Technology can be implemented through several ways which include: creation of a SACCO website, embracing online banking practices, use of Management Information System to manage flow of activities within SACCO operations, use of Customer Relationship Management Systems to manage recruitment of new members, complain management and member progress tracking, amongst other e-services.

This study, will look into the situation existing in SACCOs in Kiambu County, Kenya, and try to recommend methods that SACCOs can use to embrace technology and improve on service delivery thus facilitating their growth.

## **2. PURPOSE STATEMENT**

This research study wants to investigate the impact of embracing a growth culture to implement technology in Saccos in Kiambu county, Kenya. This project campaigns for the inclusion of technology using the growth culture to foster growth in SACCOs After taking my time to review the study, the author has decided to indulge both quantitative and qualitative data collection methods. This is because that the data collected will require to be interpreted to provide meaning whilst on the other side statistical methods will be inferenced to analyze data in order to make decisions.

The use of qualitative methods to collect and analyze data, will assist on providing more information on areas where statistical methods are unable to provide reason. To be able to conduct both qualitative and quantitative data analysis successfully, the researcher shall purport to implement various data collections methods. The selected board members from a particulars SACCO, shall first undergo a series of oral interviews oral. When trying to relate the impact of the growth culture with the level of implementation of technology, quantitative data collection methods shall be adopted.



### **3. RESEARCH AIMS AND OBJECTIVES**

The objectives of the research will be:

- To determine the effect of embracing a growth culture when implementing technology in a business.
- To provide a basis for technology inclusion in SACCOs.
- To investigate the challenges brought about by little or no inclusion of ICT in SACCO operations.
- To provide a basis for adopting a growth culture in business.

The results drawn from this study shall be of great importance to both deposit and non-deposit taking SACCOs in Kiambu County and shall provide with insight on how they can adopt a growth-based culture, to implement technology in their operations for a faster growth.

### **4. NATURE AND SIGNIFICANCE OF THE STUDY**

This research wants to establish the impact of embracing growth culture on implementation of technology on Sacco's found in Kiambu county, Kenya. The author will conduct research using both qualitative and quantitative data analysis successfully. The research will implement various data collections methods. The selected board members from a particular SACCO, shall first undergo a series of oral interviews in order to create an environment whereby each is free to share and opine. When trying to relate the impact of the growth culture with the level of implementation of technology, quantitative data collection methods shall be adopted.

Questionnaires shall be distributed to board members with both open-ended and closed-ended questions. For questions that require either a positive or a negative response, 'True or False' questions shall be administered.

This project campaigns for the inclusion of technology using the growth culture to foster growth in SACCOs. Most entrepreneurs in developing countries lack enough capital to finance developments strategies that they may have for the welfare of their businesses. This calls for the need of SACCOs that enable them to invest as well as borrow from thus paving way for the stagnant businesses to grow. However, the success of SACCOs is dependent on several factors and in this case the research will focus on the culture that is adopted by the SACCO and how technology is fostered within the SACCO.

The research will further provide a justification for the inculcation of the growth culture as opposed to the performance-based culture in SACCOs. Technology in the business realm, and in this case SACCOs, has brought in efficient methods of maintaining data flow, managing member participation, track activities and processes as well as maintain SACCO records. It enables the probability of a SACCO to operate efficiently with a relatively reduced manpower, thus cutting down operational costs of SACCOs. In addition to that, the research will attempt to expound on how the growth culture can be used to foster the implementation of technology in SACCOs.



The research will assist managers on improving organizational production and performance. Growth culture will assist in business excellence. The study will also provide knowledge and experiences on performance and productivity.

## 5. RESEARCH QUESTIONS AND HYPOTHESIS

This study will be looking to answer the following questions:

- How can SACCOs in Kiambu County, Kenya, embrace a growth culture to implement technology in their operations?
- How can technology influence the growth of SACCOs in Kenya?
- How does a growth culture affect technology implementation in SACCOS?
- How does the growth culture differ from the performance obsessed culture as it pertains the growth of SACCOs?

To be able to sufficiently answer this question, the following hypothesis has been formulated:

- SACCOs that embrace a growth culture to implement technology are able to gain more from technology than those that do not.
- Embracing a growth culture has a positive impact on technology implementation as compared to performance obsessed cultures.
- SACCOs have got more to benefits through implementation of the growth culture approach as compared to the performance obsessed approach.
- SACCOs which have adopted technology within their systems grow faster than those operating without technology

The following Null Hypothesis has been formulated.

- SACCOs that embrace a growth culture to implement technology do not gain more from technology than those that do not.
- Embracing a growth culture has no positive impact on technology implementation as compared to performance obsessed cultures.
- SACCOs do not have more benefits through implementation of the growth culture approach as compared to the performance obsessed approach.
- SACCOs which have adopted technology within their systems do not grow faster than those operating without technology

This will enable a good comparison of technology and growth within SACCOs. It will bring out the advantages brought in when a SACCO decides to go tech-savvy through embracing a growth culture.



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