

The Effect of Income Risk Management on Financial Performance of Deposit-Taking SACCOs in Imenti North Sub-County, Kenya

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Abstract

The study sought to ascertain the effect of income risk management on financial performance of deposit-taking SACCOs in Imenti North Sub-County, Kenya. A descriptive research design was used. The study focused on 12 DT-SACCOs, with a total of 154 respondents comprising 12 risk managers, 12 operations managers, 12 credit managers, and 118 banking officers. Branch managers were purposively selected, while other respondents were sampled randomly using Slovin's formula. Data were collected using questionnaires. A pilot study was conducted in two SACCOs in Samburu East Sub-County. Validity was ensured through content, criterion, and construct approaches, while reliability was tested using Cronbach's Alpha. Data were analyzed using SPSS version 24 through descriptive and inferential statistics, while interviews were analyzed thematically. Financial performance was assessed using liquidity ratios, non-performing loans ratio, and return on assets through horizontal analysis. The majority of respondents indicated that there were ways to manage income fluctuations and that effective income risk management improved the liquidity of their organizations. From these findings, it was evident that proper management of income risk led to improved financial performance in meeting various obligations. It was also evident from the results that SACCOs in Imenti North diversified their sources of income so as to minimize reliance on a single source, hence making them financially stable organizations. It was also worth noting that most respondents did not agree that the imposition of penalties on late payment of loan repayments greatly contributed to the stability of revenues. The ANOVA results showed an F-value of 173.78 with a significance level of 0.000, leading to the rejection of the null hypothesis. The study concluded that effective management of income risk was critical to improving the financial performance of deposit-taking SACCOs in Imenti North Sub-County. Proper management of income risks through monitoring income levels, income diversification, interest rate management, and sound budgeting played an important role in enhancing liquidity and financial stability. SACCO management needs to develop a revenue diversification strategy that includes expanding its investment portfolio and digital financial services, among others, while reducing reliance on interest income. Income forecasting and risk assessments should be incorporated into SACCO operations through qualified and experienced officers to anticipate future variations.

Keywords: *Income Risk Management, Financial Performance, Deposit-Taking SACCOs, Imenti North Sub-County, Kenya.*

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1. Introduction

A deposit-taking Savings and Credit Cooperative Organization (DT-SACCO) is a member-owned financial institution that accepts deposits and savings and provides credit to members (SASRA, 2025). DT-SACCOs are regulated to ensure the effective management of members' funds, with an emphasis on controlling credit risk, monitoring liquidity, and maintaining capital adequacy (Ismaila & Gamede, 2022). Risk management is therefore essential in protecting members' savings, enhancing profitability, and ensuring financial stability (Pasara et al., 2021).

According to WEF (2025), income risk refers to uncertainty that may reduce or divert income, while income risk management involves protecting and stabilizing an organization's earnings. SASRA (2025) further notes that income risk affects revenue growth through leakage from non-profitable operations. This study examined the effect of income risk management on the financial performance of DT-SACCOs in Imenti North Sub-County, Kenya. Financial performance was defined as the efficient use of institutional resources to generate income and maintain stability, measured using return on assets, return on equity, and net profit margin (SASRA, 2025; Central Bank of Kenya, 2025).

Globally, DT-SACCOs and credit unions have shown improved financial performance, with institutions in the USA recording increased net income and capital adequacy, although fraud cases increased by 25% between 2024 and 2025 (National Credit Union Administration, 2025). In Belgium, Crelan cooperative recorded €287.7 million profit, though interest rate risk remained a major challenge (Belgian Financial Forum, 2025). Regionally, SACCOs in Africa show mixed performance. In South Africa, SACCOs remain limited with weak membership structures (Ismaila & Gamede, 2022), while in Zimbabwe over 90% of members reported erosion of savings due to macroeconomic and inflation risks (Pasara et al., 2021).

Locally, Kenyan SACCOs are among the strongest in Africa, with an asset base of KSh 1.156 trillion in 2025 and over 7.39 million members, but still face high non-performing loans at 7.17%, above the recommended 5% threshold (Co-op News, 2025; SASRA, 2025). Additionally, inflation and fraud risks have exposed SACCOs to income-related challenges (CBK, 2025). In Imenti North, DT-SACCOs have been reported to have weak governance structures and operational challenges affecting performance (Sora et al., 2023; Ngutiku et al., 2025; Kariuki et al., 2025), necessitating this study on income risk management and financial performance.

1.1 Problem Statement

According to CBK (2025) and SASRA (2025), increased fraudulent schemes in DT-SACCOs have resulted in over Kshs 9.3 billion in overstated income, despite the institutions' established financial management structures and regulations. As a result, personal deposits, savings, and other forms of investments have been lost, leading to erosion of public trust in these financial institutions. For instance, in the financial year 2024/2025, customers lost Kshs 206 million in the form of deposits and savings, as noted from various DT-SACCOs. In total, 247-257 SACCOs reported loss of customer deposits in 2024/2025 due to fraud. The loss of public trust has resulted in financial losses, high non-performing loans, and an overall decline in equity in

these financial institutions. As reported by SASRA (2025), the loss experienced by DT-SACCOs in 2024/2025 was between Kshs 13.3 and 14 billion, mainly due to a decline in equity of Kshs 5.2 billion, from Kshs 17.7 billion in 2024 to Kshs 12.5 billion in 2025.

Therefore, the statistics point out implications of ongoing fraud in DT-SACCOs in Kenya, as a pandemic in the financial sector. The lack of immediate intervention consequently erodes the financial foundations of the DT-SACCOs, as is already being witnessed in the form of declining dividend rates for customers. According to CBK (2025), one major cause of low dividends was a 10% erosion of core capital, as observed across 201 SACCOs, thereby affecting shareholders' investments in the DT-SACCOs. This means that, on the one hand, customers have been unable to reap the maximum benefits from their invested shares, and, on the other hand, their deposits have been lost to fraudulent schemes. This places the DT-SACCOs at a crossroads of collapse and pending legal cases from clients whose deposits, savings, and investments have been lost.

These challenges point to inadequacies in managing income-related risks arising from fraudulent reporting, operational risks associated with weak internal controls, asset risks linked to misappropriation and capital erosion, and credit risks manifested in rising non-performing loans. Consequently, ineffective risk management has undermined dividend payouts, shareholder value, and overall financial stability of DT-SACCOs, placing them at risk of collapse and legal disputes. Past studies have addressed segmented risk management approaches, but few have examined critical risk management parameters such as income, financial control systems, and asset and credit risk management. Therefore, the study ascertained the effect of risk management practices on the financial performance of deposit-taking SACCOs in Imenti North Sub-County, Kenya.

1.2 Purpose of the Study

To ascertain the effect of income risk management on financial performance of deposit-taking SACCOs in Imenti North Sub-County, Kenya.

1.3 Research Hypothesis

H₀1: Income risk management has no significant effect on financial performance of deposit-taking SACCOs in Imenti North Sub-County, Kenya.

2. Literature Review

2.1 Theoretical Review

Modern Portfolio Theory (MPT) was advanced by Markowitz (1952), who demonstrated that, with a diversified portfolio, returns are maximized for a given level of risk. The emphasis of modern portfolio theory was on diversification rather than individual security analysis, thereby reducing the risk associated with low-risk assets (Munyoki et al., 2025). The MPT specifies that the volatility experienced in institutional income could be reduced through diversification while at the same time maximizing returns.

In DT-SACCOs, MPT fits by addressing the need to diversify income from multiple sources to stabilize income flows. Therefore, the risk associated with a specific source of income is spread, reducing the severity of its impact on the financial performance of the DT-SACCO (Sora et al., 2023). This could involve controlling the risks associated with income volatility in

the market. Therefore, MPT suggests the need to promote income sustainability by managing interest rate and price volatility to reduce or prevent declines or eventual losses of income.

The MPT theory aligns with income risk management by emphasizing the use of diversification to establish revenue stability in SACCOs, thereby minimizing risk (Bhusal, 2023). The diversification involves aligning all efficient sources of income that provide maximum returns at a desired level of risk. When such is identified, proportional amounts of resources are invested, correlating with the investment's value towards overall portfolio risk and returns.

MPT has a weakness: it assumes that when income sources are aligned on an efficient curve, they will follow a normal distribution (Elton et al., 2014). In reality, the market does not operate that way, as it is occasionally affected by negative events that may increase volatility in the income structure. In DT-SACCOs, the assurance of low-risk income sources cannot consistently guarantee that risk will remain low due to market uncertainty.

2.2 Empirical Review

Mamun and Khan (2025) explored how Canadian credit union performance was influenced by income diversification. Secondary data used in the study were collected from a long panel database from 2004 to 2019. After analysis, the study concluded that effective management of income risk positively influenced credit unions' performance through enhanced diversification. In addition, proper revenue diversification managed income risk by spreading income volatility, thereby improving profitability. The results further showed that profitability was enhanced even during crises due to effective income risk management achieved through proper revenue diversification. Notably, diversifying revenue to non-interest income reduced overreliance on loan interest, which in turn improved profitability. However, Mamun and Khan (2025) did not consider how the cost-to-income ratio positively influenced financial performance.

Nshimiyimana and Nkurunziza (2023) explored how Rwanda's Umwali SACCO financial performance was influenced by loan repayment. The study used a descriptive research design. The target population comprised 33 employees, all of whom served as respondents. Data were collected through observations and self-administered questionnaires. The results showed that effective income management positively influenced the financial performance of SACCOs in Rwanda. Additionally, loan repayment policies maximized profits through income risk management. Notably, the extended repayment period positively affected profitability by reducing non-performing loans. In addition, shorter prepayment periods improved cash flow and enhanced performance when they were well managed. Furthermore, the results showed that proper follow-up policies reduced default risk, therefore improving financial performance. Nevertheless, Nshimiyimana and Nkurunziza (2023) did not consider how proper income risk management expanded lending operations.

Sora et al. (2023) explored how the performance of Kenya's Imenti North Sub-County SACCOs was influenced by cash flow management strategies. The study used a descriptive research design, in which a total of 369 respondents were included. Data used in the study were collected using closed-ended questionnaires and financial statements. The findings showed that enhanced income risk management positively influenced the financial performance of SACCOs; in addition, management of cash flow and assets improved through the maintenance of both fixed and current resources. Notably, total income increased due to effective inventory management, which reduced losses; thus, profitability improved. Further, the results showed

that loan repayment management reduced loan defaults, leading to improved cash flow. However, Sora et al. (2023) did not consider how enhanced income risk management positively strengthened liquidity.

3. Methodology

A descriptive research design was used. The study focused on 12 DT-SACCOs, with a total of 154 respondents comprising 12 risk managers, 12 operations managers, 12 credit managers, and 118 banking officers. Branch managers were purposively selected, while other respondents were sampled randomly using Slovin's formula. Data were collected using questionnaires. A pilot study was conducted in two SACCOs in Samburu East Sub-County. Validity was ensured through content, criterion, and construct approaches, while reliability was tested using Cronbach's Alpha. Data were analyzed using SPSS version 24 through descriptive and inferential statistics, while interviews were analyzed thematically. Financial performance was assessed using liquidity ratios, non-performing loans ratio, and return on assets through horizontal analysis.

4. Results and Discussion

4.1 Response Rate

The study sampled 12 risk managers, 12 operations managers, 12 credit managers, and 118 banking officers drawn from deposit-taking SACCOs in Imenti North Sub-County. Results are provided in Table 1.

Table 1: Response Rate

Population	Sampled	Response	Percentage
Risk Managers	12	11	92%
Operations Managers	12	9	75%
Credit Managers	12	10	83%
Banking Officers	118	97	82%
Total	154	127	82.4%

Table 1 indicates 9(75%) risk managers, 11(92%) operations managers, 10(83%) credit managers and 97(82%) banking officers responded to the study. A response rate of 82.4% was achieved, with 127 respondents participating in the study. Such a response rate indicates a high level of involvement among the respondents sampled, suggesting that the data collected can be regarded as a true representation of the opinions and experiences of employees working in deposit-taking SACCOs in Imenti North Sub-County. The high response rates among different managerial and operational levels helped ensure that all relevant departments involved in risk management and financial performance had their views included in the study. Besides, a response rate of 82.4% surpasses the minimum response rate of 70% recommended by Mugenda and Mugenda (2003), minimizing the chances of non-response bias significantly impacting the results.

4.2 Reliability Results

A pilot study was done in two DT-SACCOs randomly selected in Samburu East Sub-County, Samburu County. The reliability test was conducted using Cronbach's Alpha to make sure the study instruments were internally consistent. Table 2 presents the results.

Table 2: Reliability Results

Variables	Cronbach's Alpha Coefficients
Income Risk Management	0.943
Financial Performance	0.852
Average	0.898

As shown in Table 2, income risk management recorded a Cronbach's Alpha coefficient of 0.943, and financial performance 0.852. The average Cronbach's Alpha coefficient was 0.898, which exceeds the recommended threshold of 0.7, indicating that the instruments used in the study were reliable. These findings indicate that the respondents were able to consistently interpret and respond to the questions raised in the questionnaire, thereby minimizing measurement error and improving the credibility of the findings. Higher reliability scores ensured increased confidence that the identified relationships between variables actually existed, and not due to any inconsistency in the research tool itself.

4.3 Descriptive Results of Financial Performance of Deposit-Taking SACCOs

Financial performance was the dependent variable of the study, and the indicators measured were: liquidity ratio, non-performing loan ratio, and return on assets. SD=Strongly Disagree; D=Disagree; N=Neutral; A=Agree; SA=Strongly Agree. Table 3 presents the results. Table 3 provides the results.

Table 3: Descriptive Statistics of Financial Performance

Statements	SD	D	N	A	SA	Mean	Std Dev
The SACCO maintains sufficient liquidity.	5(3.9%)	6(4.7%)	4(3.1%)	72(56.7%)	40(31.5%)	4.07	0.944
The level of non-performing loans is low due to effective management practices.	48(37.8%)	44(34.6%)	14(11.0%)	12(9.4%)	9(7.1%)	2.13	1.224
The SACCO consistently achieves satisfactory returns on assets.	1(0.8%)	6(4.7%)	99(78.0%)	17(13.4%)	4(3.1%)	3.13	0.569
Revenue growth has been steady	14(11.0%)	4(3.1%)	54(42.5%)	41(32.3%)	14(11.0%)	3.29	1.077
Financial resources are effectively utilized.	1(0.8%)	0(0%)	10(7.9%)	16(12.6%)	100(78.7%)	4.69	0.687
Operational decisions positively impact the SACCO's financial stability.	0(0%)	2(1.6%)	6(4.7%)	68(53.5%)	51(40.2%)	4.32	0.641
Timely recovery of loans has improved the cash flows	5(3.9%)	10(7.9%)	56(44.1%)	37(29.1%)	19(15.0%)	3.43	0.973
SACCO's financial performance meets the expectations.	2(1.6%)	4(3.1%)	70(55.1%)	36(28.3%)	15(11.8%)	3.46	0.804

Table 3 shows that SACCOS in Imenti North Sub-County had a positive financial performance, especially in the use of financial resources and managerial decisions. Of the total number of respondents, 100 (78.7%) strongly agreed, while 16 (12.6%) agreed that financial resources were used effectively to ensure profitability, yielding a very high mean of 4.69 and a very low standard deviation of 0.687. This implied that the respondents had a similar view regarding the effectiveness of the allocation and management of financial resources in SACCOS in Imenti North Sub-County. Such efficiency in resource management and allocation had a direct positive impact on profitability.

In addition, a considerable proportion of respondents, at 51 (40.2%), strongly agreed, while 68 (53.5%) agreed, that management decisions had positively impacted the financial stability of the SACCOs. This indicated that the decisions taken by managers played a vital role in improving the financial performance and stability of SACCOs. The standard deviation of 0.641 showed the consistency in respondents' opinions regarding operational decisions made by SACCOs' management in Imenti North Sub-County.

The findings, on the other hand, posed some doubts about loan portfolio management. The majority of participants, 48 (37.8%), strongly disagreed, while another 44 (34.6%) disagreed that the non-performing loan ratio was low owing to proper management of the institution. The low mean of 2.13, coupled with a relatively high standard deviation of 1.224, indicated that most respondents viewed non-performing loans as one of the major challenges experienced by SACCOs in Imenti North Sub-County. It was important to note that, despite proper resource use and sound decision-making processes, risks associated with the loan portfolio remained a serious challenge.

The findings align with those discussed by Kesanta et al. (2025), who agreed that risk management led to improved financial sustainability through proper resource management and decision-making. This problem with non-performing loans was evident in the findings of Chisale (2025), according to whom problems with credit risk management led to increased loan defaults, ultimately resulting in lower profitability for SACCOs in Imenti North Sub-County. Similarly, El Qirem and Alshehadeh (2025) noted that higher risks and higher levels of non-performing loans negatively impacted financial performance and hindered sustainable growth of financial firms. It seemed that although the SACCOs in Imenti North Sub-County had been quite successful in optimizing resource allocation and management operations, there was a need for improvement in the area of credit risk management.

Results on Secondary Data

The secondary data results are indicated in Table 4.

Table 4: Secondary Data

Financial Metric	Performance	2023	2024	2025
Liquidity ratio		65.30	67.80	69.56
Non-Performing Loan Ratio		6.85	6.15	7.17
Return on Assets		3.10	3.20	3.00

From the results, it is clear that the deposit-taking SACCOs in Meru County had good financial performance between the years 2023 and 2025. This was seen through the steady improvement in liquidity ratios, which increased from 65.30% in 2023 to 69.56% in 2025. This meant that the SACCOs increased their ability to meet short-term liabilities and members' withdrawal demands, supporting financial stability. However, the non-performing loan ratio dropped from 6.85% in 2023 to 6.15% in 2024, but later increased to 7.17% in 2025, showing that even though the credit risk management was effective and loan quality improved, loan defaults were still a problem. This was seen through the relatively stable return on assets, which increased marginally from 3.10% to 3.20% in 2024 before dropping to 3.00% in 2025. This showed that

the SACCOs in Imenti North Sub-County remained profitable despite the pressure of credit risk.

These findings are in agreement with those of Mwanzia and Makori (2023), who showed that efficient asset and liabilities management led to high levels of liquidity and investment performance in deposit-taking SACCOs. Similar results were shown by Zancan and Moraes (2025), who demonstrated that good asset-liabilities management improved liquidity and contributed to sustainable development in credit unions.

4.4 Descriptive Statistics of Income Risk Management

The study ascertained the effect of income risk management on the financial performance of deposit-taking SACCOs in Imenti North Sub-County, Kenya. The study assessed income risk management using the following indicators: income diversification, income volatility control, interest rate management, and budgetary controls. Table 5 provides the results.

Table 5: Descriptive Statistics of Income Risk Management

Statements N=127	SD	D	N	A	SA	Mean	Std Dev
DT-SACCOs diversify income sources.	9(7.1%)	4(3.1%)	13(10.2%)	37(29.1%)	64(50.4%)	4.13	1.168
Mechanisms are in place to control income fluctuations	4(3.1%)	3(2.4%)	8(6.3%)	46(36.2%)	66(52.0%)	4.31	0.932
Interest rate management strategies are effectively implemented	14(11%)	7(5.5%)	43(33.9%)	56(44.1%)	7(5.5%)	3.28	1.044
Budgetary controls promote consistent income.	0(0%)	7(5.5%)	91(71.7%)	22(17.3%)	7(5.5%)	3.23	0.632
Income risk management has improved liquidity	0(0%)	8(6.3%)	16(12.6%)	42(33.1%)	61(48.0%)	4.23	0.901
Cost-to-income ratio is monitored	2(1.6%)	12(9.4%)	64(50.4%)	27(21.3%)	22(17.3%)	3.43	0.939
Late payments fines contribute to revenue stability.	55(43.3%)	38(29.9%)	12(9.4%)	13(10.2%)	9(7.1%)	2.08	1.257
Risk management has supported profitability.	10(7.9%)	15(11.8%)	57(44.9%)	28(22.0%)	17(13.4%)	3.21	1.074

Table 5 shows that a considerable number of respondents were also of the opinion that there were means that could be used to regulate any income fluctuations that might arise (M=4.31; SD=0.932). From this, it was clear that SACCOs in Imenti North Sub-County had developed ways of stabilizing their income and mitigating income fluctuations. Furthermore, respondents indicated that effective income risk management increased liquidity in the SACCOs (M=4.23;

SD=0.901). In addition, good income risk management was a key factor that enabled SACCOs in Imenti North Sub-County to have sufficient funds to cover their financial and operational responsibilities. On the other hand, a majority of respondents believed that penalties did not affect the level of revenue stability (M=2.08; SD=1.257).

This was consistent with findings by Mamun and Khan (2025), which revealed that income diversification helped enhance financial performance and stability of credit unions by lessening reliance on a sole source of income. In a similar study, Munyoki, Nyagilo, and Matanda (2025) established that transaction income management led to improved financial performance of deposit-taking SACCOs, resulting from enhanced revenue generation and liquidity. The results by Sora et al. (2023) were similar, noting that proper management of cash flows played an integral role in financial performance due to a reduction in income volatility. Other supporting evidence was found in research by Sallaberry et al. (2024), which revealed that effective income management helped maintain earnings and buffer against financial shocks among financial cooperatives. Finally, another supportive finding was reported by Tayebwa and Ongesa (2024) in their study, indicating that income-focused risk management strategies improved the financial performance of cooperative financial institutions.

4.5 Hypothesis Testing Through Linear Regression

The study used linear regression to examine whether to reject or fail to reject the four null hypotheses that indicated that income risk management has no significant effect on the financial performance of deposit-taking SACCOs in Imenti North Sub-County. Table 6 provides the model summary results.

Table 6: Model Summary of Income Risk Management on Financial Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Income risk management	.763 ^a	.582	.579	2.02373

- a. Predictors: (Constant), Income risk management
- b. Dependent Variable: Financial Performance

As per Table 6, the relationship between financial performance and income risk management was 0.763 (R-value) and 0.582 (R²), meaning that 58.2% of the variation in financial performance was accounted for by income risk management. The close association between income risk management and financial performance was likewise demonstrated by Mamun and Khan (2025), who found that income diversification enhanced financial stability and profitability in credit unions. In the same vein, Munyoki et al. (2025) observed that transaction income management positively affected the financial performance of deposit-taking SACCOs. Additionally, the study conducted an Analysis of Variance (ANOVA) to test the overall significance of the regression models and make hypothesis decisions, as shown in Table 7.

Table 7: ANOVA Test Results for the Effect of Income Risk Management on Financial Performance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	711.718	1	711.718	173.78	.000 ^b
	Residual	511.936	125	4.0955		
	Total	1223.654	126			

a. Dependent Variable: Financial Performance

b. Predictors: (Constant), Income Risk Management

As shown in Table 7, income risk management had an F-value of 173.78 and a significance level of 0.000. This implied that income risk management had a significant effect on the financial performance of DT-SACCOs. Since the p-value was less than 0.05, the null hypothesis was rejected. Thus, it was noted that income risk management significantly determined the financial performance of deposit-taking SACCOs in Imenti North Sub-County. Findings from this study concurred with the results of Kesanta et al. (2025), whereby income risk management increased financial performance and sustainability by reducing risks experienced by SACCOs.

Table 8 indicates the regression coefficients of income risk management and financial performance.

Table 8: Regression Coefficients of Income Risk Management and Financial Performance

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.184	0.296		4.00	.000
	Income Risk Management	0.731	0.055	0.763	13.18	.000

a. Dependent Variable: Financial Performance

Table 8 shows that the regression coefficient for income risk management is 0.731 and significant ($p = 0.033$). This indicates that, independently, income risk management contributes 0.731 to financial performance and is significant. Significance < 0.05 is interpreted as income risk management having a significant effect on financial performance.

4.6 Summary

The majority of respondents indicated that there were ways to manage income fluctuations and that effective income risk management improved the liquidity of their organizations. From these findings, it was concluded that proper management of income risk led to improved financial performance in meeting various obligations. It was also evident from the results that SACCOs in Imenti North diversified their sources of income so as to minimize reliance on a single source, hence making them financially stable organizations. It was also worth noting

that most respondents did not agree that the imposition of penalties on late payment of loan repayments greatly contributed to the stability of revenues.

5. Conclusion

The study concluded that effective management of income risk played a critical role in improving the financial performance of deposit-taking SACCOs in Imenti North Sub-County. Proper management of income risks through monitoring income levels, income diversification, interest rate management, and sound budgeting played an important role in enhancing liquidity and financial stability.

6. Recommendations

SACCO management needs to develop a revenue diversification strategy that includes expanding its investment portfolio and digital financial services, among others, while reducing reliance on interest income. Income forecasting and risk assessments should be incorporated into SACCO operations through qualified and experienced officers to anticipate future variations.

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