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Gender and Age Diversity in Corporate Boards: Examining the Impact of Women and Youth on Governance Effectiveness in Dairy Saccos in Nandi County, Kenya

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ABSTRACT
The inclusion of women and youth in corporate boards has gained global attention for its potential to enhance decision-making, innovation, and governance effectiveness. However, there remains a lack of consensus on the threshold at which gender diversity significantly impacts governance outcomes. Further, while advisory boards can amplify youth voices, the direct influence of young directors on corporate decision-making remains under-examined. In response to this, the study investigated board responsibilities of women and youth and their impact on corporate governance outcomes in dairy Saccos in Nandi County, Kenya. The research targeted all 10 dairy Saccos in the county, conducting a census of 113 board members and management as the study population. Data collection was carried out through pretested questionnaires, and the data were analyzed using both descriptive and inferential statistical techniques. The findings revealed that board responsibilities play a significant role in shaping corporate governance outcomes in Dairy SACCOs in Nandi County. The study, therefore, recommends that policymakers should establish a standardized governance framework for SACCOs to ensure consistency in board responsibilities, disclosure practices, and risk management across all SACCOs. This policy should include regulatory guidelines on financial transparency, inclusivity, and ethical governance to improve overall SACCO performance and sustainability.
Keywords: Gender diversity, Corporate boards, Youth inclusion, Board responsibilities, Corporate governance outcomes

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I. Introduction

Corporate boards play a critical role in governance by balancing stakeholder interests while ensuring strategic oversight and organizational sustainability. They facilitate decision-making, mitigate risks, and uphold governance principles such as transparency, accountability, and ethical compliance (Karim et al., 2019). While extensive research has examined corporate board composition and effectiveness, gaps remain in understanding the impact of board diversity on governance outcomes, particularly in developing economies. Although corporate governance codes emphasize shareholder interests (Aladwey et al., 2022), the extent to which board structures accommodate broader stakeholder perspectives remains underexplored.

The inclusion of women and youth in corporate boards has gained global attention for its potential to enhance decision-making, innovation, and governance effectiveness. Okereke (2024) argues that an inclusive corporate governance structure strengthens organizational sustainability. Gender diversity has been recognized as a key driver of corporate performance. Studies have shown that diverse boards enhance managerial accountability (Kalev et al., 2016) and improve product quality (Korenkiewicz & Maennig, 2023). Gender-diverse boards are also linked to stronger corporate social responsibility initiatives (Liao, Lin, & Zhang, 2018). However, there remains a lack of consensus on the threshold at which gender diversity significantly impacts governance outcomes, revealing a disagreement gap. In the context of developing economies such as Kenya, research on whether gender-diverse boards influence financial performance in SACCOs remains insufficient, representing an empirical gap.

Women's representation on corporate boards has increased over the past decade, reaching approximately 23.3% globally in 2021, up from 20.4% in 2018 (Korenkiewicz & Maennig, 2023). As of 2023, women's representation on corporate boards varies significantly across regions. In the United Kingdom, women hold 43.4% of FTSE 350 board positions; however, their presence in executive roles remains limited, with fewer than ten female CEOs among FTSE 100 companies (The Times, 2023). Japan has set a target for women to occupy 30% of top board positions by 2030, but as of 2022, women represented only 11.4% of executives in major listed companies (The Guardian, 2023). In the United States, companies like State Street have recently eliminated specific diversity targets for female and minority board representation, reflecting a broader reevaluation of diversity, equity, and inclusion initiatives (Reuters, 2025). In Africa, while women holding 12.7% of board seats across 12 nations, countries like Kenya have shown progress, with women holding 19.8% of board seats across 12 African nations, leading the continent in female board representation (The Times, 2023). These figures highlight ongoing global efforts to improve gender diversity in corporate leadership, while also underscoring the need for continued progress, particularly in regions with lower representation.

Youth representation remains significantly low, despite their demographic majority that is, constituting over 60% of the population. Youth representation on corporate boards remains notably low both globally and in Kenya. A report by Alliance-Bernstein highlighted that only 5% of directors within S&P 500 companies are under the age of 50, while nearly 70% belong to the baby boomer generation (Alliance-Bernstein, 2024; Spencer Stuart, 2024). This demographic skew suggests a limited diversity of perspectives in boardrooms, potentially affecting operational performance and succession planning. Research from the University of New Hampshire indicates that the presence of Generation X directors correlates with improved financial outcomes. However, traditional corporate leadership often favors individuals with extensive executive experience, posing challenges for younger professionals seeking board positions. Advocates argue that multigenerational boards better reflect the current workforce and consumer base, enhancing companies' ability to adapt to market changes. Younger generations can also bring valuable expertise in areas like cybersecurity and artificial intelligence. Some companies are addressing this gap by establishing shadow boards and internships to prepare future leaders.

In Kenya, the average age of board members has decreased from 55.8 years in 2017 to 47.6 years as of March 2021. Despite this progress, executives under 35 years old occupy only 4% of board seats, while those aged between 46 and 55 constitute 57%. This disparity is partly due to companies' preference for extensive experience in board candidates, creating barriers for younger individuals. Corporate leaders acknowledge that excluding younger members may result in missed opportunities to tap into new markets, as they offer different perspectives shaped by technological advancements. Efforts to include younger executives are emerging, but challenges persist in overcoming age bias and preparing young professionals for board responsibilities. These statistics underscore the need for deliberate strategies to enhance age diversity in corporate governance, ensuring that boards benefit from the unique insights and skills that younger members can provide.

The inclusion of youth in corporate governance has been associated with innovation, adaptability, and enhanced decision-making. Seierstad et al. (2021) found that young board members contribute fresh perspectives that enhance organizational responsiveness to dynamic market conditions. Gomez and Bernet (2019) further argued that youth participation fosters leadership development and technological advancement. However, empirical research on the extent of youth contributions to board effectiveness, particularly in Savings and Credit Cooperative Organizations (SACCOs), remains scarce, presenting an empirical gap. While advisory boards can amplify youth voices (Havlicek et al., 2016), the direct influence of young directors on corporate decision-making remains under-examined, indicating a knowledge gap. Additionally, resistance from older board members toward integrating young directors remains a largely unexplored area, highlighting a disagreement gap regarding intergenerational collaboration in corporate governance.

Despite these advancements, gender bias, limited mentorship, and inadequate policy frameworks continue to hinder full inclusion (Karanja & Njoroge, 2023). Barriers such as societal norms, restricted access to leadership roles, and resistance to diversity initiatives slow progress (African Women on Board, 2023). Political and economic challenges further impact boardroom diversity as organizations scale back diversity, equity, and inclusion (DEI) policies (The Times, 2025). Additionally, weak succession planning and governance frameworks contribute to stagnation in board diversity implementation. Seierstad et al. (2021) found that younger board members enhance innovation and adaptability, while Gomez and Bernet (2020) argue that youth participation fosters leadership development. However, empirical research on youth contributions to board effectiveness, especially in Savings and Credit Cooperative Organizations (SACCOs), remains scarce. Advisory boards can amplify youth perspectives (Havlicek et al., 2021), but resistance from older board members to intergenerational collaboration remains an underexplored area. Aladwey et al. (2022) argue that flexible governance structures enhance shareholder engagement, but their implications for governance stability require further research. SACCOs, especially in rural settings, face challenges in regulatory oversight, financial reporting, and risk management transparency, necessitating further study on long-term governance effects.

1.1 Problem Statement

Cooperative societies play a vital role in Kenya's economic growth, particularly in rural areas, by promoting financial inclusion and economic empowerment (Njagi & Kimani, 2021). Nandi County hosts numerous cooperative societies, particularly dairy SACCOs, which provide essential financial services. However, governance challenges persist despite government support, including limited innovation, overreliance on member contributions, and weak strategic oversight (Wambua et al., 2022). Effective corporate governance—characterized by transparency, accountability, and inclusivity—is essential for sustainable cooperative performance (Mwangi & Kiprop, 2023). Board diversity, particularly the inclusion of women and youth, has been shown to enhance governance through diverse perspectives and innovation (Otieno & Were, 2022). However, this aspect has not been established in Saccos in developing countries.

Despite global advocacy for diverse corporate boards, women and youth remain underrepresented in Kenya's cooperative governance structures due to structural barriers, gender biases, and inadequate mentorship (Karanja & Njoroge, 2023). While governance research in SACCOs exists, few studies focus on how gender and age diversity impact governance outcomes in dairy SACCOs (Mutua et al., 2024). The absence of explicit policies mandating diverse board compositions exacerbates governance inefficiencies and limits strategic growth (Omondi & Achieng, 2021). Existing research in Nandi County has primarily examined factors affecting SACCO performance, such as loan defaults and innovation (Chepchumba, 2022), but has not established strong empirical links between women and youth participation and governance effectiveness in dairy SACCOs. Addressing this gap is crucial for informing policy and strengthening cooperative governance. This study, therefore, aims to examine the impact of women and youth inclusion on corporate governance in dairy SACCOs in Nandi County, Kenya.

1.2 Objective

The objective of the study was to examine the board responsibilities of women and youth and their impact on corporate governance outcomes in dairy Saccos in Nandi County, Kenya.

II. Literature Review

2.1 The Stewardship Theory

Stewardship Theory, developed by Donaldson and Davis in the 1990s, challenges Agency Theory by proposing that managers act as responsible stewards of organizational resources, prioritizing long-term success over self-interest (Donaldson & Davis, 1991). The theory assumes that, given the right conditions, executives derive satisfaction from organizational achievements rather than personal gain. It emphasizes trust, intrinsic motivation, and shared goals between managers and stakeholders, reducing the need for strict monitoring and control mechanisms. Stewardship Theory aligns well with cultures that value collectivism and strong organizational commitment, as it fosters collaboration and ethical leadership (Davis et al., 1997).

Studies have applied Stewardship Theory to corporate governance, particularly in steward-owned firms like Bosch and Novo Nordisk, where governance structures prioritize long-term sustainability over short-term profits (Thomsen et al., 2018). However, critics argue that the theory may be overly optimistic, underestimating managerial opportunism and the need for oversight mechanisms (Pinto, 1998). In the context of dairy Saccos in Nandi County, Kenya, the theory provides a framework for assessing how women and youth on boards influence governance outcomes. Their inclusion may enhance decision-making, stakeholder trust, and sustainability, provided that cultural and institutional factors support their roles.

2.2 Board responsibilities of women and youth and its impact on corporate governance outcomes

Corporate boards serve as intermediaries between capital providers and other stakeholders, ensuring value creation and effective oversight. Karim, Manab, and Ismail (2019) emphasized the board's role in mitigating risk, while Aladwey, Elgharbawy, and Ganna (2022) highlighted corporate governance codes prioritizing shareholder interests. Boards formulate long-term corporate objectives, oversee their execution, and monitor managerial performance, ensuring transparency and ethical adherence. However, the effectiveness of board structures in balancing stakeholder interests beyond shareholders remains underexplored, presenting a conceptual gap. The CEO's role in supporting board leadership is critical, but the extent to which this dynamic impacts governance effectiveness in different organizational contexts requires further empirical validation (Antwi-Adjei et al., 2020). Additionally, Shahwana (2020) emphasized that directors should serve as role models to uphold ethical standards, yet there remains a research gap regarding how board culture influences governance consistency across organizations.

Youth inclusion in governance fosters diversity and innovation. Sieierstad et al. (2021) found that young board members contribute fresh perspectives and enhance organizational adaptability. Gomez and Bernet (2019) argued that youth participation fosters leadership development and technological advancement. Despite these benefits, empirical research on youth contributions to board effectiveness, particularly in SACCOs, remains limited. Havlicek et al. (2016) found that advisory boards amplify youth voices, yet questions persist on how such inclusion impacts corporate decision-making, representing a knowledge gap. Furthermore, the potential resistance from older board members toward integrating young directors has not been extensively studied, highlighting a disagreement gap regarding intergenerational collaboration within corporate governance.

Gender diversity has also been linked to improved corporate performance. Kalev et al. (2016) found diversity programs enhanced managerial accountability, while Korenkiewicz and Maennig (2023) showed that increasing female board representation improved product quality. Liao, Lin, and Zhang (2018) demonstrated that gender-diverse boards positively influence corporate social responsibility initiatives. However, the threshold for significant diversity impacts remains debated, highlighting a disagreement gap. Furthermore, Lindberg et al. (2014) stressed the role of non-governmental organizations in advocating for gender diversity, yet the extent of their influence on governance policies is underexamined. Research on whether gender-diverse boards influence financial performance in SACCOs in developing economies like Kenya remains insufficient, representing an empirical gap.

While corporate governance frameworks emphasize accountability and transparency, gaps remain in ensuring their consistent implementation across firms. Aladwey et al. (2022) suggested that flexible governance structures enable better shareholder engagement, but empirical studies on how such adaptability impacts governance stability are limited. Additionally, the role of regulatory oversight in reinforcing corporate governance in SACCOs, particularly in rural settings, requires further exploration. Transparency in financial reporting and risk management is often cited as a governance challenge in SACCOs, yet studies examining the long-term effects of weak financial governance remain scarce, presenting a knowledge gap. Furthermore, while corporate boards play a crucial role in shaping firm strategies, the interaction between board diversity, strategic decision-making, and governance outcomes requires further empirical validation. The impact of diverse boards on ethical considerations.

III. Research Methodology

Research Design and Approach

This study employed a descriptive survey research design with a quantitative approach to examine the influence of women and youth inclusion in corporate governance on the performance of dairy Savings and Credit Cooperatives (Saccos) in Nandi County, Kenya. The descriptive design facilitated the collection of factual and attitudinal data, allowing for a comprehensive understanding of participant experiences and opinions (Gray, 2019). The study focused on four independent variables: board composition, preparedness of women and youth board members, powers vested in women and youth, and their assigned responsibilities. The dependent variable was corporate governance outcomes.

Study Location and Population

The research was conducted in Nandi County, Kenya, which has a total area of 2,884.5 km² and a population of 885,711 as per the 2019 census. The region has 10 licensed dairy Saccos regulated by SASRA (2015). The study targeted board members and management of these Saccos, comprising an accessible population of 113 individuals. Given this manageable size, a census approach was adopted to ensure comprehensive data collection.

Sampling Techniques

A census of all 10 dairy Saccos in Nandi County was conducted, ensuring each board member and management personnel was included in the study. This approach minimized sampling errors and enhanced the reliability of findings (Gruijters & Peters, 2020).

Data Collection Methods

Primary data was collected using structured questionnaires with closed-ended questions, ensuring uniform responses and ease of analysis (Ekinci, 2015). The use of questionnaires was chosen for their efficiency, confidentiality, and ability to eliminate interviewer bias. Additionally, interview guides and focus group discussions were incorporated to enhance data richness and mitigate cognitive biases. Prior to data collection, necessary approvals were obtained from relevant authorities, including the university and the National Commission for Science, Technology, and Innovation (NACOSTI).

Validity and Reliability Testing

A pilot study was conducted in Kericho County with 10 non-participating respondents to test the accuracy and clarity of the research instruments. Content validity was ensured through expert review by research supervisors at Mt. Kenya University, while reliability was assessed using Cronbach's alpha, with a threshold of 0.7

indicating acceptable internal consistency (Mugenda & Mugenda, 2003). Adjustments were made where necessary to refine the questionnaire.

Data Analysis Techniques

Data was cleaned, coded, and analyzed using SPSS version 21.0. Descriptive statistics, including means and standard deviations, were used to summarize the data. Inferential analysis involved Pearson's Product Moment correlation and multiple regression modeling to establish relationships between variables and test hypotheses at a significance level of $p \leq 0.05$. The multiple regression equation adopted for analysis was:

$Y = \beta 0 + \beta 1X1 + e$,

Where; Y represents corporate governance outcomes,

X1 denotes independent variable,

β coefficients measure the impact of each predictor, and e is the error term.

This methodological framework ensured robust data collection, reliability, and valid inference-making in assessing the corporate governance impact of women and youth participation in dairy Saccos in Nandi County.

IV. Results

The study administered 113 questionnaires and was able to retrieve 101 completed questionnaires representing a 89.4% instrument response rate. The instrument response rate was very high and, therefore, good for the study as per the recommendations of Mugenda and Mugenda (2003).

4.1 Board Responsibilities in Dairy SACCOs in Nandi County

The objective of the study was to establish the influence of board responsibilities on corporate governance outcomes in dairy SACCOs in Nandi County, Kenya. This variable was described in terms of; Recruitment, Organization planning, and Strategic direction. The findings are presented in Table 2.

Table 2 Board Responsibilities in Dairy SACCOs in Nandi County

Statement	SA %	A %	N %	D %	SD %	Mean	St. Dev
The Sacco Board does due diligence when making crucial managerial appointments	26(26)	49(48)	10(10)	9(9)	7(7)	3.76	0.845
The Sacco Board does not directly recruit non-managerial staff but oversees the process	24(24)	53(52)	12(12)	10(10)	2(2)	3.86	0.714
The Sacco Board provides strategic direction for the organization	31(31)	47(46)	15(15)	8(8)	0	4.00	0.621
The Sacco Board does strategic planning for the organization	29(29)	49(48)	13(13)	8(8)	2(2)	3.95	0.82
The Sacco Board members follow conflict of interest regulations as set forth in the organization's by-laws	27(27)	45(44)	13(13)	8(8)	8(8)	3.74	0.995
The Sacco Board members maintain confidentiality regarding sensitive matters and other private board matters	26(26)	42(41)	16(16)	11(11)	6(6)	3.71	0.847
Aggregate						3.837	0.807

The analysis of board responsibilities in Dairy SACCOs in Nandi County in Table 2 reveals a strong commitment to strategic leadership and governance. The highest-rated responsibility is the Board's role in providing strategic direction, with a mean score of **4.00 (SD = 0.621)**. A significant **77% of respondents (31% strongly agree, 46% agree)** affirm that SACCO Boards effectively guide the organization's long-term strategies. Similarly, strategic planning is highly rated, with a mean of **3.95 (SD = 0.82)**, reinforcing the Boards' active role in shaping the future of these SACCOs. In terms of recruitment and appointments, SACCO Boards demonstrate oversight responsibilities, particularly in hiring managerial staff. The mean score for due diligence in managerial appointments stands at **3.76 (SD = 0.845)**, with **74% agreement**, indicating that while most respondents recognize the Boards' efforts, there may be inconsistencies in implementation across different SACCOs. Additionally, **76% of respondents** agree that Boards do not directly recruit non-managerial staff but oversee the process, reflected in a mean score of **3.86 (SD = 0.714)**.

Governance and ethical adherence are also notable aspects of Board responsibilities. The commitment to following conflict of interest regulations is rated at **3.74 (SD = 0.995)**, with **71% of respondents** affirming compliance. However, the relatively higher standard deviation suggests differing perceptions, possibly due to variations in enforcement across SACCOs. Similarly, the responsibility of maintaining confidentiality in sensitive matters has a mean score of **3.71 (SD = 0.847)**, with **67% agreement**, though a notable **17% of respondents disagreed or strongly disagreed**, indicating potential concerns in this area. Overall, the **aggregate mean score of 3.837** suggests that SACCO Boards in Nandi County are perceived as largely effective in executing their responsibilities. However, the **aggregate standard deviation of 0.807** indicates some variability in perceptions, highlighting areas where governance practices may require further standardization. While the Boards are recognized for their strategic leadership and oversight, efforts to strengthen ethical compliance and confidentiality measures could enhance their overall effectiveness.

Antwi-Adjei et al. (2020) argue that a well-defined partition of duties should exist at the leadership level of an organization, namely between the management of the board and the executive accountability for the company's business operations. The primary responsibility of the board of directors is to formulate the corporate objectives and strategy, as well as to architect the execution process, with the aim of effectively resolving any challenges that the firm may have while expanding within a competitive business landscape. The efficacy with which the board of directors fulfills its duties will dictate the competitive standing of the organization. In order to advance their firms' goal, they must possess the capacity to do so inside a structure that ensures efficient accountability and transparency, not just towards shareholders but also towards other stakeholders. An essential responsibility of the board is to define the culture, values, and ethics of the organization. It is imperative for the directors to demonstrate leadership and guarantee that high standards of conduct are ingrained at every level of the firm. According to Shahwana (2020),

4.3 Corporate Governance Outcomes among Dairy SACCOs in Nandi County

The study also sought to determine the status of the Corporate Governance Outcomes in dairy SACCOs in Nandi County, Kenya. This was the dependent variable and the status of this variable was described in terms of; Disclosures, Transparency, Efficiency, and Firm Performance. These results are presented in Table 3.

Table 3 Corporate Governance Outcomes among Dairy SACCOs in Nandi County

Statement	SA %	A %	N %	D %	SD %	Mean	St. Dev
The Sacco Board regularly makes mandatory and voluntary disclosures to its members	6(6)	84(83)	5(5)	5(5)	2(2)	3.88	0.629
All risk information is discretionally channeled to avoid introducing new disclosure risks to the Sacco members	11(11)	55(54)	6(6)	20(20)	9(9)	3.6	0.576
All Sacco members have access to Sacco books as long as they have the requisite authorization	23(23)	44(43)	14(14)	11(11)	9(9)	3.38	0.774
Due diligence is done in all transactions and members can get the necessary over-sighting reports	18(18)	52(51)	25(25)	5(5)	2(2)	3.81	0.51
Our efficiencies in Board decision making has improved owing to inclusivity practices	11(11)	52(51)	20(20)	12(12)	7(7)	3.47	0.814
Our efficiencies in operations management has increased owing to inclusivity practices	12(12)	15(15)	52(54)	14(14)	6(6)	3.11	0.773
Non-Performing Assets in our Sacco have declined in the last seven years	4(4)	50(49)	0	31(31)	17(17)	2.92	0.831
Aggregate						3.453	0.701

The analysis of **corporate governance outcomes** in SACCOs in Nandi County in Table 3 reveals key insights into board disclosures, risk management, inclusivity, and operational efficiencies. The **aggregate mean score of 3.453** and **standard deviation of 0.701** suggest a generally positive but varied perception of corporate governance practices across the sampled SACCOs.

Board Disclosures and Transparency

The highest-rated governance outcome was the **regular disclosure of mandatory and voluntary information to members**, with a mean score of **3.88** and a standard deviation of **0.629**. A significant **83% of respondents agreed** that their SACCO boards engage in disclosures, suggesting strong transparency practices. However, only **6% strongly agreed**, indicating that while disclosures are generally present, there may still be room for improvement in their quality or frequency.

Risk Management and Access to Information

Regarding **risk information management**, **55% agreed** that risk disclosures are channeled discretionally to avoid unnecessary risks, while **20% disagreed**, yielding a mean score of **3.6**. This suggests that risk information is managed carefully, but there is a notable proportion of respondents who feel that risk disclosure could be more open. Similarly, the ability of members to **access SACCO books** was rated at **3.38**, with **43% agreeing** that members with authorization can access financial records. However, **11% disagreed**, and **9% strongly disagreed**, indicating potential barriers to full transparency in financial disclosures.

Due Diligence and Oversight

The practice of **due diligence in SACCO transactions** was rated positively, with a mean score of **3.81**. Over **51% of respondents agreed**, while **25% remained neutral**, indicating that while diligence is generally practiced, some members may not be fully aware of oversight mechanisms or feel that improvements are needed.

Board Inclusivity and Decision-Making Efficiency

Inclusivity in **board decision-making** was perceived to have **improved efficiencies**, with a mean score of **3.47**, though **12% disagreed** and **7% strongly disagreed**. Similarly, **operational efficiency** due to inclusivity practices had a lower mean score of **3.11**, with **54% of respondents remaining neutral**. This neutrality suggests that while some benefits of inclusivity are acknowledged, its impact on operational efficiency may not be fully realized.

Non-Performing Assets and Financial Health

The lowest-rated outcome was the **decline in non-performing assets (NPAs)** over the last seven years, with a mean score of **2.92**. Only **49% agreed** that NPAs had declined, while **31% disagreed** and **17% strongly disagreed**. This finding suggests that non-performing assets remain a significant challenge, and financial governance measures may need to be strengthened to improve asset performance.

Overall, **corporate governance outcomes in SACCOs in Nandi County are generally positive, with strong board disclosures and due diligence practices**. However, areas such as **risk management transparency, financial record accessibility, and non-performing asset reduction** require further attention. Additionally, while **board inclusivity has contributed to decision-making efficiency**, its impact on **operational efficiency remains uncertain**. Strengthening governance mechanisms in these areas could enhance overall SACCO performance and member confidence.

4.3 Regression Analysis: Influence of Board Responsibilities on Corporate Governance Outcomes in Dairy SACCOs in Nandi County, Kenya

The regression analysis examined the influence of board responsibilities on corporate governance outcomes in Dairy SACCOs in Nandi County, Kenya. Bivariate regression analysis was caried out to evaluate the relationships between the dependent and independent variable. The results were then used to test the corresponding hypothesis stated for the study. The decision rule was to accept the hypotheses if the corresponding p-values was greater than p > 0.05 and reject otherwise. The findings are summarized in Table 3.

Table 3: Summary of Regression Analysis

Model Summary	R	R Square	Adjusted R Square	Std. Error of the Estimate		
	0.279	0.077841	0.073687	3.106386		
Summary of ANOVA		Sum of Squares	df	Mean Square	F	Sig.
	Regression	137.736	1	137.736	14.2737	0.000271
	Residual	945.664	98	9.649633		
	Total	1083.4	99			
Summary of Coefficients		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
	(Constant)	12.01	4.759		2.523639	0.012402
	Board Responsibilities	0.358	0.117	0.279	3.059829	0.002522

a. Dependent Variable: Corporate Governance Outcomes

The results indicated that board responsibilities explained 7.78% of the variation in corporate governance outcomes, as reflected by the R^2 value of 0.0778. The adjusted R^2 of 0.0737 suggests that even after accounting for degrees of freedom, board responsibilities retain a modest but meaningful explanatory power. The standard error of the estimate (3.1064) highlights the average deviation between observed and predicted corporate governance outcomes. The analysis of variance (ANOVA) further demonstrated that the overall regression model was statistically significant ($F = 14.27$, $p = 0.000271$). This suggests that board responsibilities have a significant influence on corporate governance outcomes. The regression sum of squares (137.736) represents the portion of the total variation explained by the model, whereas the residual sum of squares (945.664) represents the unexplained variation. The low p-value (0.000271) confirms that the effect of board responsibilities on governance outcomes is not due to random chance.

The coefficient analysis provided further insights into this relationship. The intercept (constant) of 12.01 ($p = 0.0124$) suggests that, in the absence of board responsibilities, corporate governance outcomes would still have a baseline level of 12.01 units. The coefficient for board responsibilities (0.358, $p = 0.0025$) indicates that for every unit increase in board responsibilities, corporate governance outcomes improve by 0.358 units. The t-statistic (3.06) confirms that this relationship is statistically significant. Additionally, the standardized beta coefficient (0.279) suggests that board responsibilities have a moderate positive effect on corporate governance. These findings highlight the importance of effective board governance in enhancing corporate governance outcomes within Dairy SACCOs. However, the relatively low R^2 value (0.0778) suggests that while board responsibilities play a significant role, other factors also contribute to governance effectiveness. Additional aspects such as regulatory compliance, stakeholder engagement, and financial management practices may further influence governance performance.

Therefore, while board responsibilities have a statistically significant impact on corporate governance in Dairy SACCOs, the effect size remains modest. Strengthening governance practices at the board level could contribute to improved SACCO management and performance. However, a more comprehensive approach that includes additional governance determinants would be necessary to achieve significant improvements in overall governance outcomes.

V. Discussion

The findings highlight the significant role of board responsibilities in shaping corporate governance outcomes in Dairy SACCOs in Nandi County. This aligns with the argument by Karim, Manab, and Ismail (2019), who emphasized that corporate boards are central to ensuring effective governance and sustainable corporate performance. SACCO boards have demonstrated strong strategic leadership and oversight, particularly in managerial appointments, reinforcing the importance of structured governance as noted by Antwi-Adjei et al. (2020). However, variations in ethical adherence and governance enforcement suggest a need for standardized frameworks, mirroring the concerns raised by Shahwana (2020) regarding the inconsistent application of governance principles. Additionally, while strategic planning in SACCOs is well-executed, challenges in confidentiality and conflict-of-interest compliance remain. Aladwey, Elgharbawy, and Ganna (2022) found that corporate boards with strong governance attributes improve corporate social responsibility reporting, implying that enhancing governance structures could strengthen compliance and ethical standards in SACCOs.

Regression analysis confirms the positive and statistically significant impact of board responsibilities on governance outcomes, though the modest R^2 value suggests other contributing factors. Transparency in board disclosures and due diligence practices is evident, aligning with research by Korenkiewicz and Maennig (2023), who found that diverse corporate boards positively influence corporate oversight and quality assurance. However, challenges remain in risk management, financial record accessibility, and reducing non-performing assets. Gomez and Bernet (2019) argued that diversity improves governance performance, suggesting that inclusive boards could enhance governance efficiency in SACCOs. Similarly, Seierstad et al. (2021) and Kalev, Dobbin, and Kelly (2016) emphasized the role of gender diversity and affirmative action in improving governance legitimacy and decision-making effectiveness. The observed inclusivity in SACCO boards has enhanced governance efficiency, though its impact on operations is less clear. Strengthening regulatory frameworks, reinforcing board accountability, and addressing financial governance gaps will be crucial for improving SACCO governance in Nandi County, consistent with global best practices in corporate governance.

The findings align with Stewardship Theory, which emphasizes that board members act as stewards committed to the long-term success of organizations (Donaldson & Davis, 1991). The study's indication that SACCO boards provide strategic leadership and oversight in managerial appointments, with high levels of agreement among respondents, supports the theory's assumption that managers and board members are intrinsically motivated to work for the organization's benefit (Davis et al., 1997). Furthermore, the commitment to governance and ethical adherence, despite variations in enforcement, highlights the importance of creating environments that reinforce stewardship behaviors. The need for standardization in governance practices reflects the theory's critique, which suggests that while stewardship fosters trust, formalized structures are still necessary to mitigate inconsistencies in decision-making (Pinto, 1998).

The positive and statistically significant impact of board responsibilities on corporate governance outcomes further reinforces Stewardship Theory's claim that governance structures benefit from empowered, responsible leaders. However, the modest R^2 value (0.0778) suggests that additional governance mechanisms beyond board responsibilities contribute to overall governance effectiveness. The transparency observed in board disclosures and due diligence aligns with Stewardship Theory's view that ethical leadership fosters trust and accountability (Thomsen et al., 2018). However, gaps in risk management, financial governance, and conflict of interest compliance suggest that while stewardship principles enhance governance, complementary regulatory frameworks are crucial for effectiveness. The findings also support the relevance of inclusivity, particularly in decision-making, as proposed by Stewardship Theory, reinforcing that the presence of women and youth in board leadership can improve governance efficiency by promoting diverse perspectives and collective commitment to organizational goals. Strengthening accountability mechanisms and financial governance structures will be vital in maximizing the stewardship potential of SACCO boards in Nandi County.

VI. Conclusion

The findings indicate that board responsibilities play a significant role in shaping corporate governance outcomes in Dairy SACCOs in Nandi County. SACCO Boards are particularly effective in providing strategic leadership and oversight in managerial appointments, with high levels of agreement among respondents. The commitment to governance and ethical adherence is also evident, though variations in enforcement suggest the need for improved standardization. While strategic planning is well-executed, confidentiality in sensitive matters and compliance with conflict of interest regulations require additional focus to ensure uniform adherence. The regression analysis confirms that board responsibilities have a positive and statistically significant impact on corporate governance outcomes, though the modest R^2 value (0.0778) suggests that other governance factors also play a role. Additionally, corporate governance in SACCOs exhibits strong transparency in board disclosures and due diligence practices, but risk management, financial record accessibility, and non-performing asset reduction remain areas requiring improvement. Inclusivity in decision-making has enhanced governance efficiency, though its effect on operations is less certain. Strengthening regulatory frameworks, enhancing board accountability, and addressing financial governance issues will be essential to further improving SACCO governance in Nandi County.

VII. Recommendations

1. **Enhance Board Training on Ethical Compliance and Confidentiality**

SACCO Boards should undergo regular training on governance ethics, conflict of interest regulations, and data confidentiality. Standardized enforcement of these policies across SACCOs will ensure improved compliance and mitigate governance inconsistencies.

2. **Strengthen Risk Disclosure and Financial Transparency**

SACCOs should develop more comprehensive risk disclosure frameworks to enhance financial transparency. This could include clearer guidelines on financial record accessibility for members while maintaining security protocols for sensitive information.

3. **Improve Monitoring of Non-Performing Assets (NPAs)**

Given the concerns over NPAs, SACCOs should adopt **stronger financial oversight mechanisms**, including regular audits, improved loan management strategies, and proactive risk assessment measures to enhance asset performance.

4. **Policy Recommendation: Develop a Standardized Governance Framework**

Policymakers should establish a **standardized governance framework for SACCOs** to ensure consistency in board responsibilities, disclosure practices, and risk management across all SACCOs. This policy should include regulatory guidelines on **financial transparency, inclusivity, and ethical governance** to improve overall SACCO performance and sustainability.

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