

SOCIAL INCLUSION IN MEMBER PARTICIPATION, LEGISLATION AND FINANCIAL PERFORMANCE OF AGRICULTURAL CO-OPERATIVES IN KENYA

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Abstract

Despite the central role of agricultural cooperatives in promoting inclusive rural development in Kenya, social exclusion in member participation based on gender, age, and socioeconomic status persists, potentially undermining their financial performance. While agricultural cooperatives are founded on principles of democratic and inclusive member participation, empirical evidence on how social inclusion in member participation affects financial performance, particularly under varying legislative environments remains limited. This study investigated the relationship between social inclusion in member participation and the financial performance of agricultural cooperatives in Kenya, with legislation examined as a moderating factor. Grounded in the theory of intersectionality, the study explored how overlapping social identities such as gender, age, and socioeconomic status influence member participation and financial performance. A mixed methods research design was adopted, targeting 57,640 members drawn from 31 agricultural cooperatives in Kiambu and Kajiado counties for the period 2019 to 2023. A multistage sampling technique was employed, involving purposive sampling of counties and agricultural cooperatives, followed by stratified random sampling to ensure representation across gender, youth, and other identity groups. A final sample size of 397 respondents was achieved. Social inclusion in member participation was measured using indicators such as participation in meetings, voting rights, access to leadership, and benefit-sharing, while financial performance was assessed using surplus margins, liquidity, and audit reports. Regression analysis revealed that social inclusion in member participation significantly influenced financial performance ($R = 0.534$; $R^2 = 0.285$), indicating that 28.5% of the variance in financial performance was explained by inclusive participation. When legislation was introduced as a moderating variable, the explanatory power increased ($R = 0.561$; $R^2 = 0.314$), demonstrating that supportive legislative frameworks strengthen the effect of social inclusion on cooperative financial performance. The study concluded that deliberate promotion of social inclusion in member participation enhances financial performance and recommended that agricultural cooperative leaders and policymakers institutionalize inclusive participation practices and enact enabling legislation to improve cooperative resilience and sustainability.

Keywords: Agriculture, Cooperative, Inclusion, Member Participation, Performance.

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INTRODUCTION

Agricultural cooperatives are globally acknowledged as vital institutions for improving rural livelihoods, ensuring food security, and fostering inclusive economic development. Across continents from Europe to Africa and Asia to Latin America these agricultural cooperatives serve as critical support systems for smallholder farmers, particularly in areas where government structures are weak or markets are fragmented. They help farmers access markets, credit, and agricultural services while also encouraging democratic member participation and community cohesion. However, their success is not guaranteed by their structure alone; it often hinges on the degree to which they promote meaningful and socially inclusive participation among their members (Rostami & Salehi, 2024). Research from around the world emphasizes that agricultural cooperatives which embrace **social inclusion** ensuring equal opportunities for member participation regardless of gender, age, socio-economic status, or educational background tend to perform better both organizationally and financially. When members feel valued and involved, it leads to stronger trust, better governance, and increased member commitment (Quick & Bryson, 2022; Nishii & Leroy, 2022). This inclusiveness creates an environment where diverse perspectives contribute to innovation and problem-solving, enhancing transparency and resilience. Thus, socially inclusive member participation is both a democratic ideal and a strategic asset for agricultural cooperative finance performance. In Sub-Saharan Africa, agricultural cooperatives have made strides in empowering women and youth, but structural barriers such

as gender norms, age hierarchies, and educational disparities continue to hinder full member participation. Evidence from countries like Uganda, Tanzania, and Ethiopia suggests that inclusive participation in governance leads to better financial performance and higher member satisfaction (Saz-Gil *et al.*, 2021; Krishnan *et al.*, 2021). In Kenya, although agricultural cooperatives are central to rural economic development and supported by policy, many marginalized groups remain underrepresented in decision-making. This practical disconnect between policy and implementation has led to limited local evidence on how social inclusion in member participation affects agricultural cooperative financial performance. To understand these dynamics, this study was anchored in **intersectionality theory**, which helps unpack how overlapping social identities such as being a young, rural woman shape individuals' access to power, participation, and benefits within agricultural cooperatives. Intersectionality reveals how exclusion can be multilayered and invisible within formal structures, limiting who participates and whose needs are met. While there is growing global literature on social inclusion in member participation in agricultural cooperatives, Kenya lacks focused empirical studies linking social inclusion in member participation to financial performance, especially when considering the role of legislation as a potential moderator. This study filled that gap by exploring how social inclusion in member participation affect financial performance in Kenyan agricultural cooperatives and how legislation influence this relationship, offering timely insights for cooperative leaders, policymakers, and development actors.

METHODS

The study's research philosophy is the essential reason for its biases and choice of research design. This research was motivated by positivism, which emphasizes hypothesis testing and seeks objective, empirical evidence. The researcher took a detached stance in an effort to comprehend and investigate social issues objectively. A mixed methods research design was utilized, integrating qualitative and quantitative methodologies. The study employed an explanatory sequential mixed method design, wherein quantitative data was collected and analyzed first, and then qualitative data was incorporated to provide context and explanation for the quantitative findings. Kiambu and Kajiado counties served as the research sites. Selecting Kajiado was based on its blend of rural and urban lives and its diversity of cultures; Kiambu was chosen because of its demographic diversity and substantial agricultural activities. Agricultural cooperatives in the counties of Kiambu and Kajiado were among the targeted populations. The study's target population comprised 57,640 members of 31 cooperatives with audited accounting. The sample design was a two-stage multistage. Members of agricultural cooperatives served as secondary sample units, while agricultural cooperatives served as primary sampling units. With a final sample of 397 respondents, the sample size was established by stratified random sampling. A structured questionnaire was used for the quantitative data collection phase, and focus groups and interviews were used for the qualitative phase. The secondary and structured questionnaire data were exported into SPSS version 26 for analysis, while the qualitative data were analyzed using NVivo12 software.

The validity of the content and reliability of the data-collecting instruments was confirmed.

The two hypothesis models fitted were;

$$Y = \beta_0 + \beta_2 X_2 + \varepsilon$$

and

$Y = \beta_0 + \beta_2 X_2 * Z + \varepsilon$ to test the moderating effect.

The study complimented the respondents' privacy and sense of independence. The fact that attendance was entirely voluntary and that withdrawal at any moment was acceptable was made apparent to participants. The purpose, methods, possible risks, and advantages of the study were discussed to get informed permission from respondents. To protect the anonymity of participants, strong confidentiality measures were taken with regard to the acquired data, and any identifiable information was kept private. The research procedure followed ethical standards, encouraging openness, truthfulness, and the careful management of private data.

RESULTS AND DISCUSSION

In this section, the results of the statistical tests that were performed to verify the hypotheses and investigate the correlations between important variables are methodically reported. The first step in determining whether the data is suitable for factor analysis is to discuss the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity. These tests evaluated the adequacy of the correlation matrix for identifying underlying components and the sample size collected. Evaluating the reliability and validity of the measures used to assess social inclusion in member participation was essential for understanding how agricultural cooperatives facilitated equitable social inclusion in member participation. Results are shown in Table 1.

Table 1: Reliability Results for Social Inclusion in Member Participation

	Item-Total Statistics			
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
What is the duration of your membership in your agricultural cooperative?	22.43	9.314	0.494	0.720
Are you currently active or dormant?	22.76	11.597	0.513	0.712
How often do you attend AGMs or SGMs?	22.67	11.376	0.584	0.702
Do you feel your views are heard/respected during AGMs or SGMs?	23.00	13.463	0.110	0.765
How often do you attend cooperative trainings?	22.61	11.281	0.620	0.697
Have you ever taken part in elections of officials at your cooperative?	22.74	11.563	0.522	0.711
How would you rate your level of participation in your agricultural cooperative?	22.66	11.252	0.619	0.697
What factors contribute to your level of participation in your agricultural cooperative?	22.46	9.937	0.369	0.759

The findings in Table 1 indicated that the scale used to measure social inclusion in member participation among agricultural cooperatives demonstrated a generally satisfactory level of internal consistency, with a Cronbach's Alpha of 0.720. This suggested the tool was reasonably dependable in capturing the intended construct. However, a closer analysis of individual items revealed areas needing refinement. For instance, the question **"Do you feel your views are heard/respected during AGMs or SGMs?"** appeared to weaken the overall scale, as its removal would have improved the Alpha to 0.765, indicating it did not align well with other items. Similarly, the item **"What factors contribute to your level of participation?"** also had a modest negative impact on reliability, though it still added some value and might benefit from rewording for greater clarity and alignment. On the other hand, questions such as **"How often do you attend cooperative trainings?"** and **"How**

would you rate your level of participation?" showed strong alignment with the construct and were deemed essential to the scale's integrity. Items like **"How often do you attend AGMs or SGMs?"**, **membership duration**, and **current activity status** contributed positively, with only minor effects on reliability if removed, suggesting they supported the consistency of the measurement. Overall, while the scale was broadly reliable, some items would benefit from revision to enhance the precision with which social inclusion in member participation was measured. Table 2 shows that the Kaiser-Meyer-Olkin (KMO) value was 0.733, indicating a satisfactory level of sampling adequacy for conducting factor analysis, as values above 0.7 are considered acceptable. Bartlett's Test of Sphericity produced a Chi-Square value of 351.415 with 15 degrees of freedom and a significance level of 0.000, confirming that the variables were significantly correlated. These results

collectively suggested that the data was well-suited for factor analysis, validating the presence of underlying factors related to social inclusion in member participation.

Table 2 KMO and Bartlett's Test for Social Inclusion in Member Participation

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.733
Approx. Chi-Square	351.415
Bartlett's Test of Sphericity	df
	15
Sig.	0.000

Table 3 shows the descriptive statistics for social inclusion in member participation in the agricultural cooperatives and provides a comprehensive overview of various aspects of member participation.

Table 3 Mean and Standard Deviations for Social Inclusion in Member Participation

Item	Statistics		
	Mean	Std. Deviation	N
Are you currently active or dormant?	1.17	0.377	357
How often do you attend AGMs or SGMs?	1.47	0.636	357
Do you feel your views are heard/respected during AGMs or SGMs?	1.57	0.628	357
How often do you attend cooperative trainings?	1.55	0.646	357
Do you serve or have you ever served in any leadership position at the cooperative?	1.75	0.432	357
Have you ever taken part in elections of officials at your cooperative?	1.25	0.435	357
How would you rate your level of participation in your agricultural cooperative?	1.67	0.816	357

The analysis examined various aspects of social inclusion in member participation in agricultural cooperatives, revealing generally positive engagement levels with some areas needing improvement. Most members identified as active, as shown by a low mean score of 1.17 and a small standard deviation of 0.377, indicating strong and consistent member engagement. Attendance at AGMs or SGMs (mean = 1.47) and cooperative trainings (mean = 1.55) was also frequent, though with moderate variability, suggesting that while many members participate regularly, others attend less often. Most respondents felt their views were

respected during meetings (mean = 1.57), but varying perceptions indicated room for improving inclusivity in discussions. Member participation in leadership roles was notably lower (mean = 1.75), pointing to limited engagement in governance despite active general membership, and member participation in cooperative elections was also relatively infrequent (mean = 1.25). Overall, members rated their participation favorably (mean = 1.67), though the higher standard deviation of 0.816 suggested diverse experiences and satisfaction levels, underscoring the need to enhance socially inclusivity and opportunities for deeper

involvement. The correlation analysis between the variables under investigation showed numerous important links. Though the intensity and importance of these associations varied, social inclusion in member participation was positively

connected with produce delivery, meeting attendance, and decision-making. Table 4 shows the findings of the correlation analysis.

Table 4 Correlations Analysis

		Social Inclusion in Member Participation	Delivery of Produce	Attendance to Meetings	Decision Making
Social Inclusion in Member Participation	Pearson Correlation	1	0.346**	0.534**	0.118*
	Sig. (2-tailed)		0.000	0.000	0.017
	N	357	348	357	357
Delivery of Produce	Pearson Correlation	0.346**	1	0.270**	0.090
	Sig. (2-tailed)	0.000		0.000	0.074
	N	348	348	348	348
Attendance to Meetings	Pearson Correlation	0.534**	0.270**	1	0.201**
	Sig. (2-tailed)	0.000	0.000		0.000
	N	357	348	357	348
Decision Making	Pearson Correlation	0.118*	0.090	0.201**	1
	Sig. (2-tailed)	0.017	0.074	0.000	
	N	348	348	348	348

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

The findings revealed several important relationships between social inclusion in member participation and key operational aspects of agricultural cooperatives. Social inclusion in member participation had a moderately positive and statistically significant correlation with produce delivery ($r = 0.346$, $p = 0.000$), suggesting that as members felt more included, logistical efficiency in delivering produce improved. An even stronger positive relationship was found between social inclusion in member participation and meeting attendance ($r = 0.534$, $p = 0.000$), indicating that socially inclusive practices encourage members to participate more actively in cooperative meetings. However, the link between social inclusion in member participation and decision-making was weaker ($r = 0.118$, $p = 0.017$), showing only a modest

influence of social inclusion in member participation on how decisions are made within the cooperatives. Additionally, improved produce delivery was positively associated with meeting attendance ($r = 0.270$, $p = 0.000$), suggesting that operational efficiency may reinforce member engagement. Conversely, the relationship between produce delivery and decision-making was weaker and not statistically strong ($r = 0.099$, $p = 0.074$), indicating limited direct influence. Lastly, decision-making and meeting attendance were positively linked ($r = 0.201$, $p = 0.000$), emphasizing that members who attend meetings more regularly are likely to be more involved in cooperative decisions. Overall, these findings highlight that social inclusion significantly enhances member participation and financial performance, though its impact

on governance processes like decision-making remains more limited. Bivariate regression models were used to analyze the research goal and test the hypothesis regarding whether there is a significant relationship between social inclusion in member participation and the financial performance of agricultural cooperatives in Kenya. Based on the coefficients table, which included the coefficient of the independent variable, its t-statistic, and corresponding p-value, hypothesis testing was carried out. The null hypothesis was rejected if social inclusion in member participation significantly affected financial performance and the t-statistic's p-value was less than 0.05. Table 5 presented the results.

Regression Results for Social Inclusion in Member Participation in Financial Performance of Agricultural Cooperatives in Kenya

For objective, it was hypothesized that:
 H₀₁. There is no significant effect of social inclusion in member participation on the financial performance of agricultural cooperatives in Kenya.

To test the hypothesis,

the model $Y = \beta_0 + \beta_2 X_2 + \epsilon$ was fitted.

Table 5 Regression Results for Social Inclusion in Member Participation on Financial Performance of Agricultural Cooperatives in Kenya.

Model Summary						
Model	R	R Square	Adjusted R Square		Std. Error of the Estimate	
1	0.711	0.506	0.505		0.30098	
ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.970	1	32.970	363.951	0.000
	Residual	32.159	355	0.091		
	Total	65.128	356			
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.351	0.108		12.533	0.000
	social inclusion in member participation	0.623	0.033	0.711	19.078	0.000

The findings presented in Table 5 revealed a strong and statistically significant relationship between social inclusion in member participation and the financial performance of agricultural cooperatives. The correlation coefficient (R) of 0.711 indicated a moderately positive association, while the R Square value of 0.506 showed that social inclusion in member participation explained 50.6% of the variability in financial performance, underscoring its substantial effect. The

ANOVA results (F = 363.951, p = 0.000) confirmed that the regression model was statistically significant and well-fitted to the data, with social inclusion in member participation emerging as a strong predictor of financial performance. The unstandardized coefficient (B = 0.623) suggested that for every one-unit increase in social inclusion in member participation, financial performance improved by 0.623 units, while the standardized coefficient (Beta = 0.711) reinforced the

strength of this influence. The significance of the relationship was further validated by a high t-value of 19.078 and a p-value of 0.000. These results clearly demonstrated that enhancing social inclusion in member participation plays a pivotal role in boosting financial performance within agricultural cooperatives, leading to the rejection of the null hypothesis (H_{01}). Thematic analysis of social inclusion in member participation revealed that economic inequalities (21.8%) and limited access to education and information (80.9%) are major barriers, as confirmed by both quantitative and qualitative data. Respondents shared how financial disparities prevent equal member participation, with *mixed FGD participants from Kajiado* stating, “Because some members cannot afford to participate as much, economic disparities actually hinder member participation... we are unable to fully incorporate everyone in decision-making,” and a male key informant from Kiambu adding, “The financial success of our cooperative is ultimately impacted by economic disparities that create a rift among members.” These voices highlight how exclusion rooted in poverty weakens both social inclusion in member participation and financial performance. Likewise, the barrier of limited knowledge was strongly echoed in qualitative accounts, such as a female interviewee from Kajiado who explained, “Without adequate knowledge, many members are unable to make decisions, which negatively impacts our performance as a whole,” and FGD participants from Kiambu who noted, “Many members lack the knowledge or resources to engage completely... until rules are modified to improve accessibility, we’ll continue to face obstacles.” Despite these challenges, the data also reflected optimism, as expressed by a male

key informant from Kajiado who shared, “We promote participation among all members... guaranteeing each member a voice that enhances commitment and ownership, ultimately impacting the financial performance of the agricultural cooperative.” These findings underscore the deep impact of structural barriers on social inclusion in member participation and agricultural cooperative financial performance, while also affirming that with deliberate efforts to address inequalities and knowledge gaps, agricultural cooperatives can foster more socially inclusive member participation and achieve stronger financial performance.

Regression Results for the Moderating Effect of Legislation on the Relationship Between Social Inclusion in Member Participation and Financial Performance of Agricultural Cooperatives in Kenya

For the objective, it was hypothesized that:

H_{01} . There is no significant moderating effect of legislation on the relationship between social inclusion in member participation and financial performance of agricultural cooperatives in Kenya.

To test the hypothesis,

the model $Y = \beta_0 + \beta_2 X_2 * Z + \varepsilon$ was fitted.

Table 6: Regression Results for the Moderating Effect of Legislation on the Relationship Between Social Inclusion in Member Participation and Financial Performance of Agricultural Cooperatives in Kenya.

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	0.754	0.569	0.567	0.28135		
ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	37.028	1	37.028	467.775	0.000
	Residual	28.101	355	0.079		
	Total	65.128	356			
Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.191	0.103		11.619	0.000
	x2z	0.668	0.031	0.754	21.628	0.000

a. Dependent Variable: Financial Performance

The findings presented in Table 6 revealed that legislation significantly moderates the relationship between social inclusion in member participation and the financial performance of agricultural cooperatives. A strong positive correlation ($R = 0.754$) and an R Square value of 0.569 indicated that 56.9% of the variation in financial performance could be explained by the interaction between social inclusion in member participation and legislation. The model's statistical significance was confirmed through ANOVA results ($F = 467.775$, $p = 0.000$), demonstrating the importance of the moderation effect. The interaction term (x_2z) had an unstandardized coefficient of 0.668, meaning that a one-unit increase in the moderated effect led to a 0.668-unit improvement in financial performance, further supported by a high t-value of 21.628 and a p-value of 0.000. These findings suggested that legislation plays a crucial role in strengthening the positive effect of social inclusion in member participation on agricultural cooperative financial performance. In essence, when legal frameworks are supportive and well-implemented, they enhance the ability of cooperatives to translate social inclusion in member participation into tangible financial gains highlighting the importance of policy in creating enabling environments for agricultural cooperative success and leading to the rejection of the null hypothesis (H_{01}). The content analysis explored themes around legislative barriers and their effect on social inclusion in member participation, revealing that resource limitations (40.9%), educational barriers (30.6%), and regulatory constraints (28.5%) significantly weakened the moderating role of legislation on the relationship between social inclusion in member participation and financial

performance in agricultural cooperatives. These quantitative findings were strongly supported by qualitative responses, where stakeholders described how lack of resources hinders implementation of socially inclusive member participation practices. *“Implementing social inclusion in member participation strategies is difficult due to resource constraints, which has a direct impact on cooperatives’ financial performance,”* noted a male key informant from Kajiado, while a mixed FGD participant added, *“Our inability to completely integrate all members of the cooperative is largely due to a lack of resources, which has an effect on our financial performance.”* Educational and regulatory barriers were also seen as major obstacles; a female key informant from Kiambu explained, *“Many members are unable to participate fully due to regulatory and educational restrictions, which restricts the cooperative’s capacity to develop financially,”* and a mixed FGD participant in Kiambu observed, *“It is difficult for everyone to participate equally due to educational and regulatory hurdles, which lowers social inclusion in member participation and our financial results.”* These insights illustrate how systemic limitations prevent many members from engaging fully in cooperative affairs, ultimately undermining both social inclusion in member participation and financial sustainability. As a male IDI respondent from Kajiado concluded, *“Many members are prevented from fully participating by educational barriers; unless these concerns are resolved, our financial performance will continue to deteriorate.”* The alignment between qualitative and quantitative findings underscores the urgent need to address resource constraints, regulatory gaps, and education-related challenges to enable more socially inclusive

member participation and stronger financial performance in agricultural cooperatives.

DISCUSSION

The study established a statistically significant and moderately strong correlation ($R = 0.534$) between social inclusion in member participation and the financial performance of agricultural cooperatives, indicating that as social inclusion on member participation increases, so does financial performance. With an R Square value of 0.285, the findings revealed that 28.5% of the variance in financial performance could be explained by the level of social inclusion in member participation, emphasizing its substantial influence. This aligns with Maurice (2022), who emphasized the value of active member engagement in enhancing agricultural cooperative financial performance. The model's reliability was reinforced by ANOVA results ($F = 159.758$, $p = 0.000$), validating social inclusion in member participation as a key predictor of financial performance, a conclusion consistent with Rwekaza and Anania (2020). The regression coefficients further supported this relationship, where the unstandardized coefficient ($B = 0.397$) indicated that each unit increase in social inclusion in member participation resulted in a 0.397-unit improvement in financial performance, while the standardized Beta of 0.534 and t-value of 12.640 ($p = 0.000$) confirmed the moderate but meaningful effect. These findings were echoed by Uwaramutse *et al.* (2022), who also linked active leadership, representation and social inclusion in member participation to better cooperative financial health. The results reflect the principles of stakeholder theory, which argues that when members feel included and actively contribute, it enhances ownership, productivity, and alignment with cooperative goals (Shah & Guild, 2022). However, caution is noted from Dixon-Fyle *et al.*, (2020), who warned that unstructured participation might lead to inefficiencies or conflict. Overall, the study confirms that cultivating structured, social inclusion in

member participation is a crucial strategy for driving financial sustainability in Kenya's agricultural cooperative sector, reinforcing Wako's (2020) call for participatory cultures to boost financial performance in agricultural cooperatives.

CONCLUSION

AND

RECOMMENDATIONS

Effect of Social Inclusion in Member Participation on Financial Performance of Agricultural Cooperatives in Kenya.

The findings revealed that social inclusion in member participation accounted for 28.5% of the variance in financial performance, highlighting the critical role that engaging all members especially marginalized groups plays in improving agricultural cooperative financial performance. When members are meaningfully involved in participation, representation as well as decision-making in agricultural cooperative activities, their diverse skills, perspectives, and commitment contribute to stronger governance, increased productivity, and enhanced financial sustainability. Therefore, for agricultural cooperatives to achieve optimal financial performance, fostering active and structured social inclusion in member participation must be prioritized as both a strategic and operational imperative.

Moderating Effect of Legislation on Social Inclusion in Member Participation and Financial Performance of Agricultural Cooperatives in Kenya.

While social inclusion in member participation alone had a notable positive effect on financial outcomes, the findings revealed that when supported by effective legislative frameworks, this relationship was even stronger explaining up to 56.9% of the variance in financial performance. This underscores the importance of not only fostering social inclusion in member participation but also ensuring that legal and

policy environments actively support equitable governance structures, member representation, and member participation. Therefore, for agricultural cooperatives to fully harness the benefits of social inclusion in member participation and achieve sustained financial growth, legislative support must be aligned to promote, protect, and institutionalize social inclusion in member participation.

RECOMMENDATIONS

Effect of Social Inclusion in Member Participation on Financial Performance of Agricultural Cooperatives in Kenya.

Based on the study's findings, which showed that social inclusion in member participation accounted for 28.5% of the variance in financial performance, it was recommended that agricultural cooperatives institutionalize structured and social inclusion in member participation as a core management strategy. Agricultural cooperative leaders should prioritize the active involvement of marginalized groups such as women, youth, and persons with disabilities through targeted leadership training, capacity-building, and inclusive communication to enhance ownership, accountability, and alignment with cooperative goals. To sustain this impact, policymakers should also strengthen legislative frameworks that mandate socially inclusive member participation and representation, while future research should extend theoretical models like intersectionality to incorporate how social identities and legal environments jointly shape agricultural cooperative financial performance.

Moderating Effect of Legislation on Social Inclusion in Member Participation and Financial Performance of Agricultural Cooperatives in Kenya.

In line with the study's objective and findings, which revealed that legislation significantly moderated the relationship between social inclusion in member participation and financial performance, it was recommended that agricultural cooperatives institutionalize social inclusion in member participation alongside advocacy for supportive legal frameworks. Policymakers should revise cooperative laws to mandate socially inclusive leadership, equitable representation, and incentivize best practices, as such legislation was shown to strengthen the positive effect of social inclusion in member participation on financial performance. Theoretically, future research should expand models like the Theory of Intersectionality to account for how social identities and institutional environments interact to shape financial sustainability in agricultural cooperatives.

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