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The role of table banking on the empowerment of women in Kenya

**BY
Sang Amos Kibet
064979**

**A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT
FOR THE DEGREE OF MASTER OF COMMERCE AT STRATHMORE
UNIVERSITY
STRATHMORE BUSINESS SCHOOL
NAIROBI, KENYA**

MAY, 2019

DECLARATION AND APPROVAL

Declaration

I declare that this work has not been previously submitted and approved for the award of a degree by this or any other University. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

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Sang Amos Kibet

.....
.....

Approval

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DEDICATION

I take this opportunity to return thanks and dedication to the almighty God for giving me life, strength and the ability to enroll and go through the entire MCOM program successfully. I dedicate this research project to my loving family who gave me support and the inspiration to undertake this work.

ACKNOWLEDGEMENT

The conceptualization and preparation of this research project has been successful through support and inspiration of my project supervisor Dr. Freshia Waweru. Through her tremendous motivation, a lot has been achieved in terms of gaining clarity on the research topic and the entire research work. I also express my gratitude to the entire academic body of lecturers in the Master of Commerce program for the guidance and insights they have provided.

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ABBREVIATIONS AND ACRONYMS

| | |
|----------------|---|
| ASCA | Accumulating Savings and Credit Association |
| BRAC | Bangladesh Rural Advancement Committee |
| CARE | Co-operative for Assistance and Relief Everywhere |
| CBK | Central Bank of Kenya |
| CRECER | Credit with Education Programs |
| DCFF | Department of Commercial Fruits and Forestry |
| FINCA | Foundation of International Community Assistance |
| GA | Grameen America |
| GB | Grameen Bank |
| GOK | Government of Kenya |
| JCBCP | Jozani-Chwaka Bay Conservation Project |
| JOYWO | Joyful Women Organization |
| MDG | Millennium Development Goal |
| NASFAM | National Small-holder Farmers Association |
| MFI s | Micro-Finance Institutions |
| MSE s | Micro and Small Enterprises |
| NGO | Non-Governmental Organization(s) |
| PEC | Poverty Eradication Commission |
| ROSCA s | Rotating Savings and Credit Associations |
| RPO | Rural Producer Organization |
| SACCO | Savings and Credit Cooperative Organization |
| SEWA | Self Employed Women's Association |
| SHG s | Self Help Groups |
| SPSS | Statistical Packages for Social Sciences |
| US | United States |
| VSLA | Village Savings and Loan Associations |
| VSL s | Village Savings and Loan Schemes |

ABSTRACT

Women entrepreneurship in the society is critical towards the economic development. However, women still encounter a lot of challenges in their quest to start or expand their businesses through acquisition of credit from formal financial institutions. As a result, most women have resorted to table banking groups as they are able to access affordable credit and other services that are crucial for the sustenance of their businesses. On that basis this study sought to determine the role of table banking on the empowerment of women in Kenya with specific focus on Nairobi, Uasin Gishu and Nandi. The researcher identified four constructs that can be used to conceptualize the role of table banking. These are table banking financing, membership power, organizational learning and networking power. These constructs were examined to understand the extent to which they affected empowerment of women. The study utilized three theories namely: social capital theory, social cognitive theory and empowerment theory. Social capital theory was the major theory that informed the study. This is because it is central to the core functions of community coalitions which involve building and creating collaborative and community capacity. It asserts that community coalitions empower their member organizations to collaborate effectively and their communities to build the social capital necessary to address emerging issues. Data was collected by use of questionnaires with the target population of 400 members of SHGs within Joyful Women Organization (JOYWO). The questionnaire incorporated a 5 point Likert scale. Descriptive statistics correlation analysis and multiple correlation analysis were used to analyze the data. Finding from the study revealed that there was a positive relationship between table banking and empowerment of women. Moreover, the findings revealed that all the constructs were significant in influencing empowerment of women. The study concluded that table banking was critical in the empowerment of women. The study recommends that the government should observe a culture that encourages adoption of table banking among other SHGs that do not utilize the table banking concept. The study limitations were that it only considered one table banking association, which is JOYWO. This research suggested that future research could extend to other table banking associations.

CHAPTER 1: INTRODUCTION

1.1. Background to the study

Table banking has become a major micro-credit concept and is an intriguing add-on to micro-finance (Mead, 2012). It can be defined as the monetary transactions which are done at the table before all the members present. This is an improved model of the "merry-go-round" which is a group of individuals who usually get together every month for not only social gathering but also financial awareness. The individuals set aside some funds into a joint account and each period usually a month or a week a member(s) gets to spend it for personal needs or incidents such as school fees, business operations and so forth (Bigsten, et al., 2013). Table banking concept is based on the belief that for the poor the best approach is to begin by building their assets and skills through savings rather than debt (Kanyi, 2014).

Table banking concept takes on the model of the Grameen Bank (GB) of Bangladesh and the Village Savings and Loans Associations (VSLAs) of Zanzibar (Ahlén, 2012). Mohamed Yunus initiated GB in the village of Jobra, Bangladesh in 1976. In 1983 it was transformed into a formal bank under a special law passed for its creation (Pitt & Khandker, 2008). It was established with the aim of assisting the poor in the society, especially women to get easy access to funds. It is owned by the poor borrowers of the bank who are mostly women (Peterson, 2004). The borrowers of GB at present own 94 per cent of the total equity of the bank and the remaining 6 percent is owned by the Government of Bangladesh (Baron & Markman, 2011). The GB as of 2016 had about 2,600 branches in 97 percent of the villages in Bangladesh and nine million borrowers, with a repayment rate of 99.6 percent (MkNelly & Dunford, 2016). The bulk of GB's borrowers are women who constitute 97 percent of the borrowers (Chowdhury, 2010). Lending money to women has largely enhanced recoverability for GB's loans (Hassan & Guerrero, 2011).

The GB asserts that the major challenge facing the poor is the low accessibility to credit despite their productive capacity. Most conventional financial institutions grant credit based on the availability of collateral on the part of the borrower; however the GB has adopted a model that it enables it to extend credit without any form of security (Ahlén, 2012). The GB has been able to successfully counter the challenges of informational asymmetry that's often is experienced in rural financial markets. The bank utilizes peer pressure and social sanctions in place of collateral.

As a result the extremely poor are able to get credit through membership in a group that typically consists of five to ten members (Yunus, 2007). Individual loans are extended to each and every member, however, they are all mutually responsible for the repayment of all the individual credits and that is where the concept of peer pressure and social sanctions come in handy in case of a default by a member (Karim, 2011).

Its immense success in Bangladesh has inspired many projects in the world to utilize a similar model including an initiative by the World Bank to aid in funding Grameen-type schemes in some developing countries (Shahidur R., 2005). Grameen models have been replicated in the United States (US) and Europe (Rogaly et al., 2005), in Africa, various parts of Asia, and Latin America (Hulme, 2004; Taub, 2006; Wall Street Journal, 2014). In 2008, at the height of the largest financial crisis of the modern era, Muhammad Yunus founded the Grameen America (GA) which is based in New York City (NYC) (Schlaufer, 2016). GA was established with the belief that GB's model could be successful in urban areas of the US as it had in Bangladesh. Professor Yunus concentrated in the NYC because he believed that for his model of microfinance to be accepted all over the world, it had to work in the capital of the international finance which has a relatively large population of people with no access to mainstream financial institutions (Hevener, 2006).

The GA utilizes a peer-group lending model similar to the GB model used in Bangladesh. The members of a group consisting of five individuals are put through financial training programs before they open a savings account and start receiving loans (Tonelli, 2013). The members meet at least once in a week to repay their loans, make deposits of their savings and also go through short mentoring programs. Members are allowed to make further application of loans upon repayment of their previous loans. The members are also required to indicate how they have utilized the loans given for instance by indicating the businesses they have invested in (Patterson, 2015). Some of the requirements a member needs to fulfill before being given a loan include: a member has to be living below the poverty line, living within a community where a GA branch is situated, and be a member of a group. Since GA utilizes the aspects of social sanctions and group guarantee for repayment of loans, collateral and credit score is not a requirement (Rand et al, 2011). The GA had 20 branches in thirteen US cities as of 2016, with eight being in NYC. The

GA had disbursed over US \$760 million in loans to its members in the US by the end of 2016 (Lagarde, 2016).

The VSLA programs of Zanzibar that utilized the Grameen Bank model of table banking proved that Grameen Bank model could be implemented in Africa successfully (Strauss & Beegle 2006). The first VSLA program was carried out in Niger in 1991 by a non-political and non-sectarian human organization established in 1945 to fight extreme poverty globally called Co-operative for Assistance and Relief Everywhere (CARE) (World Bank, 2009). From then onwards CARE has established in more than twenty one countries in Africa more than 54,000 microfinance groups which serve more than one million members (Allen & Staehle, 2012). In 1995, CARE in partnership with the Department of Commercial Fruits and Forestry (DCFF) established the Jozani-Chwaka Bay Conservation Project (JCBCP) in Zanzibar with the objective of improving the living standards of communities around the area (Mutesasira, 2014).

In 1999, JCBCP started a savings and credit scheme to help members in financing conservation-friendly activities. The program adopted a model similar to the Grameen table banking model in which credit was dispersed to members of five. Even though by the mid of 2000 the program had been extended to almost 720 people, the repayment of loans had fallen quickly below fifty percent (Mkoma, 2013). The Tanzanian people had been accustomed to free handouts by the government under the Ujamaa system and therefore most of the people had misinterpreted the credit from CARE as simply a continuation of the government program. CARE in response, decided to restructure the program to incorporate the VSLA methodology that had been piloted in Niger that eventually became a success (Ingle, 2014).

A VSLA refers to a form of Accumulating Savings and Credit Association (ASCA) which is self-sustaining and it does not require external borrowings or donations (Ssendi & Anderson, 2009). It is different from a Savings and Credit Cooperative Organization (SACCO) because it does not get any external funds and is not registered with the government formally, therefore allowing it to operate with less formal book keeping and thus being user friendly to members who most are illiterate (Ellis et al., 2007). VSLA's features involve variable savings, unlimited savings withdrawal and credit with variable repayment terms and conditions (Blackden & Rwebangira, 2013). Every group consists of 15 to 30 members who make small savings every

week. Each group has the discretion to determine their own share value and the maximum group members that can contribute. The share value is kept low so as to allow even the poorest members to afford them (Johnson et al., 2007).

These groups have a group fund that involves social fund and education fund. The social fund is a self-insurance fund that provides members with money in cases of emergencies (Hoddinott & Haddad, 2014). Members are required to contribute a fixed amount every week that usually is between US\$0.18 and US\$0.36, which is dependent on a group's policy. In case of an emergency, the group dispenses a fixed amount of the social fund which is usually between US\$9 and US\$18 to the members. The money from social fund is not charged an interest and even though repayment of loans is mandatory, the repayment period is not strictly enforced (Hoddinott & Haddad, 2014). The savings and credit fund is managed separately from the social fund and the social fund is not necessarily spent in a particular financial year and thus can be carried forward to the next period. Similar to the social fund, the education fund have varying weekly contributions by the members but generally fall in a weekly range of between US\$0.09 and US\$0.18. The education fund is used to pay for the monthly training programs and purchasing of the necessary materials for instance passbooks and so forth (Hoddinott & Haddad, 2014).

In Kenya, the table banking concept was first developed by the GOK through the Poverty Eradication Commission (PEC). This was under the former Ministry of Planning and Vision 2030, targeting Millennium Development Goal (MDG) number one on alleviating extreme poverty, especially in rural set ups of Kenya (Taub, 2006). However, two pilot projects had been conducted by the GOK in 1999 and in 2004 in Bondo and Gatanga constituencies respectively, which proved to be a good way to aid SHGs prosper across the country. The results were very impressive but the government halted the program (Daley-Harris, 2005). The government re-launched the system in 2005 with the objective of improving women's access to funds to start income generating activities in rural and low income urban areas. However, the popularity of table banking as a successful means of accessing affordable credit led to men embracing the concept and starting to participate in the groups (Kanyi, 2014).

In 2009, a little known Non-Governmental Organization (NGO) called Joyful Women Organization (JOYWO) was established with the aim of tackling this problem that the GOK had failed to address (Keter, 2013). It sought to empower women farmers through availing affordable and sustainable credit to start and expand their businesses and also capacity building programmes (Gitau, 2011). The objective was to safeguard the welfare of women in the fight against poverty through savings and investments (Isiye & Masava, 2013). Mrs. Rachel Ruto who is the organization's patron in Kenya says she came up with the concept to assist fellow women in her rural home gain funds to engage in commercial activities to sustain their families (Abuga, 2014). By identifying the needs of women in rural areas, the organization has assisted its members to boost their businesses into large-scale investments and credible markets for their produce (Masinde, 2013).

The JOYWO began operating with 1,000 members in Uasin Gishu County but has since grown to all 47 counties with a membership of 200,000 members as at 2018 in more than 12,000 groups (Gitau, 2016). The group's funds have significantly increased in seven years to Ksh2.7 billion from Ksh6 million, revolving fund since its establishment (Kariuki et al., 2017). The JOYWO has been steady in the support and welfare of women elevating their livelihoods (Kilonzo, 2011). It has also benefited women in coming up with business proposals and drawing investment plans to enable them benefit from financial institutions in the form of taking up loans (Oteh, 2013). Through the table banking initiative, women have grown their deposits and hence can save and access loans for investments from their small contributions (Kabeer, 2012).

1.2. Statement of the problem

Women entrepreneurship has been identified as a major force for innovation and job creation in Kenya (Kabeer et al, 2012). However despite this important role they play, they still do not get recognition and status from their work (Stevenson & St Onge, 2005). Women encounter limited access to financial services from formal financial institutions to meet their working and investment needs (Tallam, 2016). Women also do not own land and properties in Kenya and this limits their eligibility to acquire credit from financial institutions to start and expand their businesses and improve their living standards. As a result, women find it more difficult to save and plan financially (Mwarari & Ngugi, 2013).

There is an effort and resources being put in the area of formal credit and financing without addressing the effect of forms of micro finance such as table banking on the livelihoods of women in the society (Obiria, 2015). Policy and institutional arrangements in Kenya spearheaded by the Ministry of Devolution have been strengthened to promote women's participation in economic developments (Keter, 2013). As a result, savings-led and credit driven schemes are increasingly being adopted by self-help organizations especially in rural areas to empower women economically (Kabeer et al, 2012). However, due to the lack of support from formal financial institutions, these initiatives have been slow to empower women economically (Oteh, 2010).

Table banking concept was conceived with the idea of filling the gap left by formal financial institutions in extending affordable and sustainable credit to women (Kilonzo, 2011). There are many studies that have been conducted with regard to the various aspects of table banking that has made it successful to its participants. For examples studies carried out by Conner (2010) and Barry (2008) indicated that table banking and micro-finance in general increased financial access among people in general through savings mobilization and extension of affordable credit. They found out that these two aspects were important and critical to the success of their activities which helped them to further make and accumulate savings overtime. With this they were able to accumulate personal wealth, house hold income and therefore leading to an improvement in their personal well-being.

Similarly, Brannen (2010) attributed access to credit as the major factor of table banking initiative helping its members prosper economically. He states that the main reason to this is because of the affordability of the credit. He also points out the savings culture of table banking which encourages the members to mobilize savings at favorable rates compared to the traditional MFIs. However, he states that there are other underlying factors which have not been determined clearly that contribute to the success of table banking. The aspect of entrepreneurship development and social capital of table banking has not been studied extensively on its role in the success of table banking.

There have been a handful of studies on the topic of table banking carried out in Kenya. According to the studies carried by Kanyi (2014), Mwenda & Muuka (2013) and Asetto (2012), table banking had a positive impact on the socioeconomic status of its members. These studies indicated how table banking entrepreneurship aspect had helped people improve their socioeconomic status for example being able to meet the costs of weddings, school fees, funerals and sickness. However they concluded that there was little evidence to show any significant impact on the growth of fixed assets, household income and decision making capacity. Nevertheless, Makena (2017) found that members reported an increase in their sales, profits, assets accumulation, management practices, cash flows and family welfare. New businesses and networks with other firms had also been established. Many research studies have been carried out on the features of table banking that has made it so successful. However, their varying findings have made it difficult to come up with a conclusion on the role of entrepreneurship development and social capital aspect of table banking on empowerment of its participants. As a result of these differing findings, the study strived to determine the role of entrepreneurship development and social capital aspect of table banking on empowerment of women.

1.3. Research objectives

1.3.1. General objective

The general objective of the study is to determine the role of table banking on the empowerment of women.

1.3.2. Specific objectives

1. To determine the extent to which table banking financing do empower women.
2. To investigate the role of membership power on the empowerment of women.
3. To examine the role of organizational learning on the empowerment of women.
4. To establish the role of networking power on the empowerment of women.

1.4. Research questions

1. To what extent does table banking financing empower women?
2. What is the role of membership power of table banking on the empowerment of Women?

3. What is the role of organizational learning of table banking on the empowerment of women?
4. What is the role of networking power on the empowerment of women?

1.5. Scope of the study

The study focused on women within JOYWO in Kenya specifically in Nairobi, Uasin Gishu, and Nandi County. The reason for choosing those three counties was because of the ease of accessibility to the respondents and the low cost implication of the exercise of collecting data as compared to other parts of Kenya. Furthermore, Nairobi County had a large number of members of JOYWO.

1.6. Significance of the study

The study findings will be useful to the following stakeholders: investors, regulators, financial institutions, academic community, and the government of Kenya. The study will be significant to investors of MSEs as it will outline the essence of their growth and how table banking enhances their business performance. The regulators for instance the Central Bank of Kenya (CBK) will gain knowledge and insight on how table banking works. This will enable them to have a better ground to formulate rules and regulations that govern how they should operate for the benefit of all the stakeholders. Financial institutions for example Micro-Finance Institutions (MFIs), Savings and Credit Co-operatives (SACCOs) and banks will benefit as they was able to have an insight on how table banking associations operate and potentially enter into business partnerships with them.

The study findings will also be significant to the GOK as one of its objectives is to create a favorable environment for employment and economic growth through, among other things MSE growth. The study will provide the government with the knowledge necessary for formulating proper policies for this industry. The academic community will benefit as the study will add to the existing body of knowledge and was a source of reference for future researchers and students.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

This chapter presents reviews of existing literature to clarify the relationship between table banking variables given in the conceptual framework, explaining whether table banking financing do empower women; the role of membership power in empowerment of women; and the role of organizational learning on empowerment of women. The review has been conducted on studies carried out across the world relating to theories, concepts and principles about table banking practice targeting the empowerment of women. The section concludes with the conceptual framework of the study.

2.2. Theoretical foundation of the study

2.2.1. Introduction

This study has been guided mainly by the theory of social capital proposed by Karl Marx. This section outlines the analytical framework for investigating the role of table banking in empowering women.

2.2.2. Social capital theory

The main theoretical source for this study is social capital theory. The term social capital was first used in 1890 by Karl Marx who expressed the value of labour in terms of monetary value. Karl Marx explains wealth from a social aspect point of view. Marx elaborated that production is a social relational process therefore labour was considered as social capital. The terminology 'social capital' was first used by Jane Jacobs in "The Death and Life of Great American Cities" as captured in the New York random cities documentation of 1961 (Paul & Hillier, 2012). The social capital theory was popularized by Bourdieu (1989), Cleman (1990), Ganovetter (1983) and Putnam (2004). Uphoff's conceptualization of social capital lays the foundation for the social capital theory (Liebeskind, 2013). His conceptualization brings the aspect of analytical framework into the forefront and acknowledges the importance of the concepts of trust and reputation to social capital. Hence Uphoff's framework literature on social capital gives a basis for exploring social capital as a concept (Portes, 2008).

Social capital comprises of many constructs which are understood as the means through which individuals can leverage to obtain benefits. These constructs include: social relations, structures

and networks (Portes, 2008). The concept of social capital dates back to Durkheim and Marx, however its contemporary and theoretical interpretations were made by Pierre Bourdieu in the 1970s (Field, 2003). Robert Putnam in the 2000s posed the idea of using social capital as a way for collective action for mutual benefit through the values of reciprocity and trust (Coning, 2004). He also made a distinction between the concepts of bridging and bonding in social capital. His definition of bonding entails the social connections between homogenous groups of people and bridging refers to the relationships between and beyond the different groups (Karlan et al, 2009).

In the development literature, social capital has also gained steady ground. From the economic development point of view, Michael Woolcock became the first person to bring forward the aspect of unified conceptual framework for the concept of social capital (Piazza-Georgi, 2012; Woolcock, 2008). However, there has been a lot of criticism of this perspective because of the many varying interpretations and hence bringing lot of confusion with regard to its applicability (Lin et al, 2011). From a development context, Putnam (2005) makes criticism of this framework by asserting that it is a way of avoiding issues that pertain to inequality because power relations are considered without taking into consideration the negative consequences of social life. Brehm & Rahn (2007) disputes this assumption that proponents of this concept are social entrepreneurs that are actively investing in the relationships of trust only. According to Clever (2005), social capital is an embedded social resource which is dynamic and thus can be negotiated. However it is not easily stored and thus produces structural inequalities. Moreover, he holds that the framework is beneficial because social capital can be realized in the existence of the underlying attitudes and motivations for collaboration. As a result he sides with critics of social capital that disagree with the assumption that individuals can disengage themselves from disadvantaged positions by utilizing network connections and participating in communal institutions.

Lin (2011), argues that social capital is identified on two dimensions of social capital which involve the structural and cognitive aspects. Establishing distinctions of social capital is critical because it helps in elaborating the extent and the absence of the social capital dimensions in different contexts. Uphoff (2009) holds that successful group-based development is subservient to the extent in which the two dimensions of social capital interact effectively and efficiently.

This conception is in tandem to the views of many other scholars that agree that collaboration and cooperation is essential to the concept of social capital (Fukuyama, 2005; Thomas, 2006).

This research study contributes to the social capital theory by investigating the role of table banking on how it empowers women members of SHGs. The focus is centred on table banking as a cooperative activity that predominates financing of entrepreneurial activities for low-income earners. As a process, table banking is punctuated by stages including pooling of funds for loan allocation to its members, investment into enterprises and generation of income used for loan repayments as well as smoothing household expenditures (Brannen, 2010). Structural aspects in table banking are addressed through studying the dynamics of power as it is characterized by membership and networking among practicing groups. Cognitive attribute of the social capital theory as a platform in this research is contributed to through organizational learning processes which in turn advise how group processes should be conducted to enable group reap maximum potential from their engagements in table banking initiatives.

2.2.3. Social cognitive theory

The social cognitive theory was propounded by Miller and Dollard in 1941 as a theory of social learning. It was later expounded by Albert Bandura and Walters in 1963 to incorporate self-efficacy aspects (Glanz, 2003). The term cognitive theory was in occasional use from about 1890, but only became popularly used in the late 2000s (Glanz, 2003). This theory encapsulates the cognitive aspect of social capital that indicates the motivations which predispose people towards working together as a team (Atherton, 2013). Social cognitive theory is the expected collective economic benefits that are derived from the collaboration between individuals and groups earned through a problem solving process (Luthans, 2004).

In the early 19th century, Alexis de Tocqueville made observations on the American life that seemed to outline and define cognitive theory. He made the observations that Americans were used to meeting in places of gatherings to discuss important issues of economics, state and the world at large. The transparency associated with these particular gatherings made so many Americans to be eager to participate and hence allowing for democracy to work better (Bandura, 2008). The French writers; Bourdieu and Granovetter also pointed out that the level of social participation in American society was directly connected to the equality of conditions among

people (Ferragina, 2013). The dimensions of social participation are outlined under four aspects of cooperation, solidarity, generosity, trust and reciprocity (Robin et al, 2009).

The aspects of cooperation, solidarity, generosity and trust are all rooted in Uphoff's views on the relationship between structural and cognitive forms of social capital (Bandura, 2008). Cooperation refers to the process of working together for a mutual benefit. This enables people to work together in seeking solutions to problems instead of working separately (Atherton, 2013). Moreover, it involves a willingness to oblige, and accommodate tasks for the common good. Solidarity refers to the process of extending aid to others and the willingness to make sacrifices to provide help for the benefit of others beyond immediate family and kin. Furthermore, it also encapsulates the attitudes of members in a community towards cohesion between them where benevolence and loyalty is upheld (Miller, 2005). Generosity involves the aspects of altruism among individuals where the welfare of other individuals as well as self is appreciated. The value of generosity is assumed to be reciprocal in nature whether now or in the future and therefore an individual is willing to sacrifice it now to get it in the future (Atherton, 2013).

The concept of trust is very important in relation to participation in table banking groups where capital is circulated among members. It's very essential in determining individuals who are invited for membership in the groups (Etang et al, 2011). Trust take the two dimensions of one that take bearing on unobservable actions and the other that concerns concealed information. The latter refers to the aspect of trust where other individuals reveal details about a situation which has a direct effect on another person's choice. This involves people's underlying dispositions, motivations and incentives towards being truthful. The former basically entails our expectations of the abilities of other individuals to carry out certain activities. However, according to Dasgupta (2012), the concept of trust is very relevant for analysis as trust may encompass varying effects on participation when considered from these two dimensions.

Social cognitive theory is important to this study because it advocates for self-efficacy which is a concept at the centre of the table banking model. Furthermore social cognitive theory emphasizes on the social role people play in sharing and disseminating information about the activities they engage in within their groups. Therefore social cognitive theory as a form of social learning

model focuses on the learning skills that an individual acquires within their groups so as to conduct their business activities efficiently and effectively. These learning skills were dependent on the social interaction a person has between individual and group behavior as influencing their behavior. This theory clearly reflects the role that membership power, networking power and organizational learning play in the success of table banking.

2.2.4. Empowerment theory

Empowerment refers to the process of transforming human existence from a state of powerlessness to that where an individual has control over self's existence and control over own's fate and destiny. It also entails the capacity of an individual to utilize their immediate environment to uplift their livelihoods (Bandura, 2012). The concept of empowerment has a variety of meanings. Firstly, empowerment is seen as self-efficacy which is the belief of members within table banking groups in their own capabilities and their unique personal features that foster self confidence in their own ability to take initiative in changing their lives and design their desired futures (Fuchs & Berg, 2013). The debate surrounding alternative development however unveils a critical focus of empowerment from the concept of community development as viewed by Paulo Freire; showing a critical awareness of a community's historical setting relative to resultant social, cultural and economic system in which the community finds itself (Freire, 2007). This view radiates the second definition context of empowerment which shows empowerment in "ecological terms". The ecological definition suggests that empowerment occurs within community organizations, SHGs or other aspects of community life. The main aspects critical to this definition involve: a mentoring relationship, supportive peer relationships with collective organizational action; and development of a more understanding of social and political relationship to enhance the goals of groups individually (Adams, 2008).

The theory of empowerment indicates forms of mechanism by which community organizations for instance VSLs engaging in table banking activity gather internal power from processes of team formation, capacity building, group dynamics and team building (Bandura, 2012). In this aspect, the empowerment theory is co-opted as an alternative development approach to counter failures of mainstream development theories (Fazio, 2004). The position that mainstream development theories previously held on the poverty situation in developing countries failed due to their overly focus on pursuit of growth and industrialization on sticking to the unfulfilled

promises of an improved livelihood for the downtrodden majority. As a result of this, many poor people were pushed further down the spiral of lack of resources life and embroiled in a vicious poverty life cycle (Kahle, 2012). According to Robert Chamber (2014), he refers to this situation as the deprivation trap that holds people in endless poverty that is hard to break. Gunnar Myrdal (2005) concurs with this outlook of the situation and asserts that it is a vicious cycle that needs to be addressed urgently, not only for the benefit of the individuals but for the society at large. Furthermore, empowerment is interpreted along the concept of personal control which is associated with economic power acquired by successful women in entrepreneurship (Zimmerman, 2000). Personal control shows the importance of internal and external interdependence of community organizations and thus is based partly on team-building capacities for groups to achieve synergistic effects from collective actions with valued social resources in communities and systems (Bandura, 2012).

Empowerment thus has become a common concept of discussion by most development and international agencies with a focus on areas of power relations, awareness, control, poverty eradication, development and empowerment (Adams, 2008). The contributions of Friedmann (2007), Griffith (2010), Chambers (2014), Myrdal (2012) was vital in this discussion for the understanding of this thesis. However, greater emphasis was placed on Friedmann's work titled 'Empowerment: The Politics of Alternative Development' where he provides the basis for an alternative development approach defined in the politics of empowerment. He asserts a universal human awareness and rights of people within a given social setting. According to Bandura (2012) the focus is on the voiceless, marginalized, underprivileged, the households and all classes of disempowered people; men and women alike who constitute a majority in their political communities. Friedmann (2007) does not negate the politics of sustainable economic growth in his emphasis on the independence of power and self-reliance initiatives but instead seeks to see a form of political, economic and social integration of communities regardless of their social status in the overall decision making process.

Bandura (2012), criticizes empowerment theory by arguing out that it is a perfect theory of alternative development through its bottom-up approaches but it is problematic in its evaluation of acquired outcomes. Albert Lenz (2009) holds that empowerment evaluation is not about merits or worth, but about the effectiveness of its application, hence asserts that an evaluator has

to collaborate with the evaluated group in order to make a conclusion on what effectively comprises significant findings. This collaboration may be problematic in that it could lead to biased results in favor of the evaluated group. As the evaluated group may more likely answer questions in favor of their group given the perceptions of development are relative to restrictive considerations of value attributes within a given population (Bandura, 2012).

In spite of these constraints, the contribution of empowerment theory on development cannot be overlooked. This is evidenced by the positive impact microfinance and micro-credit programs have made at the community level all around the world (Clarke, 2008). GB in Bangladesh presents a success story of the application of this theory and its replication in other countries as follows: Cundinas of Mexico, Juntas of Peru, as Cuchubales of El Salvador and Guatemala, Pollas of Chile, Pandeiros of Brazil, Paluwagan of Philippines, Stokvel of South Africa, Susus of Ghana, Likelembas of the Democratic Republic of the Congo, Seettuva of Sri Lanka (Fouillet, & Augsburg, 2007). They are all geared towards providing micro-credit initiatives to the rural poor (Sagwe, 2011).

Empowerment theory was relevant to this study because it advocates for the concept of bottom-up approach to organizational control and operation which is reflected in table banking activities. The theory clearly provides the manifestations of the convergence of power relation from top-bottom to bottom-up autonomy. It shows the benefits that are realized with extending power and broader opportunities to the powerless in order for them to utilize their initiatives and capabilities for the betterment of their social conditions and settings. And not only in improving their livelihoods but also steadily disengaging them out of poverty in a sustainable manner. This theory suggests that individuals with the proper organizational learning are able to make better decisions and therefore empowered in determining the course of their lives. This theory resonates with this study as it helps in showing how organizational learning contributes to empowerment of individuals.

2.3. Summary of theoretical framework

The theories mentioned above played their respective important roles to the study; however the main theory on which this study relied on is social capital theory. Social capital theory makes an emphasis on the importance of social capital constructs such as trust, team work and norms of

reciprocity for mutual benefit of a group of people which underpins the aspects of membership power, organizational learning, and networking power. This resonates well with the concept of table banking which relies heavily on team work on helping entrepreneurs to grow their businesses through imparting the power of network on them. Table banking is based on the concept of group or team work to empower its members which embodies the concept of social capital theory. This is the reason as to why this theory is the most important to inform this study.

2.4. Empirical review

2.4.1. Introduction

This chapter presents reviews of existing literature to clarify the relationship between table banking variables given in the conceptual framework, explaining the effect of table banking financing, the role of membership power, organizational learning and networking power on empowerment of women. The review has been conducted on works across the world and Africa relating to theories, concepts and principles about table banking practice targeting the empowerment of women. This section concludes with the conceptual framework of the study.

2.4.2. The origin of the table banking concept

The origin, name and use of table banking concept can be traced to the early civilizations when money would be exchanged on tables known as “trapezes” in Greece (Huerta de Soto, 1998).

In these ancient table banking practices, collectors of money would receive and document the amount of money deposited by people and lend it to the borrowers who would later pay with an interest (Millett, 2002).

2.4.3. Financing women through table banking and its empowerment

In a modern economy, financial success of organizations depends majorly on the financial services sector. The success of entrepreneurial endeavors of women is overly dependent on credit (Gugerty, 2007). For example, Marti & Mair (2009) asserts that financial stability is an important asset for enhancing sustainable development. To most low income earners who are bank holders, financial stability is an alien concept to them. This is because they don't have an institutionalized way of making savings for instance through payroll deductions. As a result most of them resort to shylocks and other lenders who charge high interests on loans (Anderson, 2012). SHGs act as a means of eradicating poverty, social empowerment and human development through increased access to credit in many countries (Kumar, 2009). Nevertheless, there exists conflicting views on

the impact of these savings-led groups on the financial success of members Whereas, the existence of these informal financial services indicates the general demand for financial services, there is still inadequate quality of services to take advantage of the economic opportunities in rural areas to the full (Schlaufer, 2008).

A majority of organizations depend on credit to fund start-ups and to grow existing businesses (Marti & Mair, 2009). A study conducted by Turner (2013) argues that the overall affordability of credit can be negatively impacted by the cost of credit therefore decelerating the rate of investment and asset growth. An example of such a case is exhibited in Somalia where the services of MFIs and banks largely do not reach the rural poor due to the high costs of accessing them and the high borrowing costs (Seibel, 2007). Furthermore, the MFIs who have a better outreach to the rural poor have a disconnection or gap in the products and services rendered because of the lack of alignment to the needs of the poor (Marti & Mair, 2009). This is due to the fact that most of the MFIs tend to put focus on credit instead of savings; either due to their profit motives or because most of them are not licensed to take deposits. Hence, the poor individuals are left without the providers of such services who may prefer to accumulate their assets through savings (Liebeskind, 2013).

A study conducted by (Hirschland, 2005) showed that credit and savings group charge relatively high interest rates on loans extended to members matching prime lending rates offered by formal financial institutions. These interest rates often are subject to changes in order for the groups to remain competitive and to be able to pay high yield on member savings (Roodman & Qureshi, 2006). Additions to capital reserves, cost of savings, loan loss provisions, and operating costs must be covered by the high interest rates. Interest on loans must be calculated on declining balance and loans secured by collateral may have discounted interest rate (Masanjala & Tsoka, 2007). For the simple reason that savers and borrowers earn interest and pay interest respectively, most peoples prefers saving to borrowing (Hirschland, 2005).

Koo (2009) compares the Village Saving and Loan Schemes (VSLs) inability of a large group to ease their debts to the “debt trap” such as was the case of Japan’s “Lost Decade” between 1991 and 2000, and the U.S “Great Depression” between 1929 and 1939 that were essentially caused by balance sheet distress. According to Jaime (2002) the current preoccupation with debt goes

back to a long tradition in economic analysis which provides important leads into why some VSLs groups collapse. Views by Irving Fisher (1933) and Hyman Minsky (1986) as cited by Koo (2009), imply that a recurring cycle of instability, in which calm periods for the economy lead to complacency about debts; amounting to rising leverage which in turn paves the way for a crisis. Small loans are not always appropriate for poor women. This is because the expected source of revenue to repay the debt may not work out successfully to generate the money. This creates a crisis on the part of the borrower which could lead to the default of the loan (Kabeer, 2011). Therefore, borrowing is often much riskier than saving as this mechanism depends on a reliable payment source which the poor people in the society barely have (Kodongo & Kendi, 2013).

Starting a new business is often more risky than expanding an already existing one (Mosley, 2006). Formal financial institutions prefer to extend credit to existing businesses who look to expand rather than new ones because they cannot afford to lose money (Tirole, 2006). As a result, savings is the most preferred means to fund new business endeavors by many individuals. By having savings, one is able to access lump sums of money for future investments. It can come in handy in situations such as funding investment opportunities, smoothing out consumption and life cycle events for example marriages, funerals and emergencies (Kabeer, 2011).

A study of Dupas (2009) on financial services in Western Kenya found out that most individuals are credit worthy and even though most of them are not always willing to assume the risk of borrowing a loan, they often want to accumulate assets. Generally, savings always offer a lot of benefits for business participants and research has shown that savings-based programs aid its members to enhance their business liquidity (Moulick et al, 2008). However, necessary skills are required to sustain a steady growth in assets as shown in a research conducted by Dupas and Robinson (2009). Furthermore, the study found that access to formal savings account by women was crucial for having a positive effect on their productive investment levels and expenditures. The women's businesses are also more resilient to shocks from adverse economic conditions.

According to a study by Hassan Zaman (2013), it showed that microfinance plays an important role in smoothing out fluctuations in income levels and especially during periods of crises. As a result it allows its members to guard, diversify and increase its sources of income. Zaman (2013) while examining Bangladesh Rural Advancement Committee's (BRAC) effect on the living standards of its members found that the members' participation in micro-credit initiatives decreased their vulnerability to adverse economic shocks by smoothing out their incomes, accumulating assets and availing emergency funds during periods of crises. Similarly, MKNelly and Dunford (2009) also found out that participation in micro credit programs led to an increase in income of the women. Most of their respondents at sixty seven percent who were members of the Credit with Education Programs (CRECER) in Bolivia indicated that their incomes had either increased or increased greatly as a result of them joining the program.

However, there are studies that have failed to draw a positive relationship between income levels and participation in microfinance programs. For example, Masanjala & Tsoka (2007) found little impact of Foundation for International Community Assistance (FINCA) in Malawi on the livelihoods and expenditure patterns of its members. Similarly, Ssendi and Anderson (2009) also found a small long-term effect of participation or membership in microfinance institutions as measured in terms of asset accumulation at the household level. However, both studies make minor effort to control for selection bias and the methodology utilized is weak. Both studies indicate that principal payment on term debt is paid from net farm income hence are highly dependent on enhancement of a stable increasing in levels of net farm income during a scheduled loan repayment period to meet additional term debt principal payments. Increased volatility of agricultural yields and commodity prices increase repayment risk. Increased volatility of agricultural input prices also increases repayment risk. Major events such as the drought in the Midwest during the summer of 2012 significantly increased the repayment risk for some producers due to the drop in net incomes that affected those respective farms. High risk linking gross farm revenue and/ or possible increases in operating expenses on the repayment capacity of the business become a priority for agricultural borrowers and lenders need to be aware of the impact of possible declines in gross income (Mvula et al., 2011).

Chen and Snodgrass (2011) while utilizing a similar method to that of Dunn and Arbuckle (2001) and Barnes (2013) to control for selection biases found a positive effect of savings on

members, however smaller than that of borrowing. Also the income of borrowers is more volatile than that of savers. Chen and Snodgrass (2011) in their study, made a comparison between the impact of Self-Employed Women's Association of India (SEWA) Bank on members who make borrowings to those who make savings only, and randomly selected non-members in the informal sector of Ahmedabad, Gujarat as the members. In the first survey, the study found out that the borrowers were considerably well off than savers, who in turn were better off than non-members. However, the second and third round survey showed that savers were experiencing the quickest growth in income. Nevertheless, the study showed that the income of borrowers was still higher than that of savers by twenty percent whereas forty percent higher than that of non-members. On the other hand, savers still enjoy a twenty percent higher income than non-members (Chen, 2004).

Practitioners have begun to increasingly acknowledge the importance of savings rather than debt mechanisms employed in table banking programs (Edwards, 2014). Unlike formal lenders, table banking as a micro-financier promotes better gains from interest retention attributes. It has been successful doing that because of the following factors: all members are participating in Table Banking activities; the successful management of individual and group savings is determined by the levels of literacy in financial management and sound bookkeeping (Ellis et al. 2007). For instance, table banking particularly in the Northern region of Uganda and which is an improvement on traditional savings clubs like ROSCAs (Apopa, 2010), was introduced through trainings provided by NGOs like CARE International. Secondly, in assessing rural household's participation in the savings schemes vis-a-vis their social & environmental standards or welfare, it is evident that policy issues influence the levels of attainment of livelihood improvement. This scenario requires careful examination and analysis in order to avail informed contribution to the debate of poverty reduction policy measures (Johnson et al. 2005).

2.4.4. Membership power and its role in empowering women

Al-Mamun (2011), argues that table banking is a group activity carried out by members who gather to raise capital from individual contributions; that varies in amounts depending on the members' abilities, preferences, interests and needs. Olaf et al (2011), asserts that table banking groups compose of members whose population is growing very fast and therefore is a critical concern in research especially in regards to economic empowerment of marginalized groups of

whom majority are women. He further holds that people who are involved in some form of table banking worldwide comprise of more than two billion people who mainly compose of savings led groups and networks. The members of these groups comprise of the rural poor who are unbanked who prefer these forms of social banking because of its flexibility. The need for management of household cash flow in rural villages and urban slums where no brick and mortar financial institutions exist made the table banking groups to be a popular means to do so.

The documentation of the modern practice of table banking concept dates back to 1864 when Japan towns offered recreational activities to Japanese Americans to socialize. Japanese immigrants often were discriminated by banks and thus had a lot of financial problems. As a result, the Japanese immigrant businessmen resorted to Rotating Savings and Credit Associations (ROSCAs) to raise capital (Liebeskind, 2009). Members of the association were required to contribute a certain amount of money to the group from where members would take turns in making borrowings from which they will repay back with interest (Karlan et al, 2004). The main principle of table banking is to make SHGs to be robust, make their members and leaders to be strong in order to inspire self-empowerment in the sense of spiritual, institutional, political, cultural, financial and social aspects (Boone & Witteloostuijn, 2005). Table banking is characterized with beginning with one's effort and self-drive by mobilizing savings and physical resources by establishing organizations and economic activities capable of generating some income as a form of internal financing and independence (Hugh, 2012).

Members who are borrowing are normally given loans depending on their position in a rotating schedule or upon request by a member relative to the share equivalent to the proportion of aggregated capital contributed by the member (Amason, 2006). Micro-credit is only extended to groups that comprise of members between ten and fifteen members allowing them to assist each other in case anything goes wrong. Bandura (2012) holds that depending on the business model, the maximum number of members in a group may range between ten and thirty people. Members are obligated to comply with the necessary terms and conditions in regard to the payment of loans. The loans extended to members are paid with small interest rates which are put back to the group fund. He further holds that these processes are carried out in a reiterative pattern and are controlled through members' efforts and checks and balances put in place.

MFI's have financing systems with softer terms for its membership that seems to be open for many people. However, their systems do not meet all the needs of the perceived un-creditworthy borrowers (Dicher, 2006). In regard to matters of regional and national outlook, most of the MFI's have aspirations to play a part in the emerging issues on credit access and nationwide outreach. Their past failures have always acted as a barrier in their quest to empower the poor by providing them with affordable credit. The lessons learned from the "Great Depression" and the 2008 financial economic crisis have pointed out the risks associated with variations in debt spending rate among members (Greer, 2008). Koo (2010) asserts that individuals who are good spenders and re-payers of debt bring in more capital into the group fund and thus helping the group maintain good levels of liquidity. This clearly shows that members do need to be good investors of the credit they get to motivate fast loan repayments in order for smooth running of groups (Karmani, 2007).

Musopole et al., (2007) found that the main motivation for households to join cooperatives or micro-credit groups in Malawi was the easy access to credit to invest in small scale businesses. This is the case because most of the households realize that the only way to increase their income and therefore escape poverty is through access to credit. In Malawi, the access to credit from the formal financial institutions is extremely difficult making the productive capacity of the poor households low. The very few well to do households are able to access credit on softer terms because of their status to provide collateral. He holds that, that is the main reason as to why most of the households join groups or cooperatives to access credit for them to save and invest, as they can now easily access it on softer terms.

Similarly, Matchaya (2005) carried out a study on the effect of Rural Producer Organizations (RPOs) on the livelihoods of National Small-holder Farmers' Association of Malawi (NASFAM) farmers. Utilizing instrumental variable approach, he found that the affiliation of members to NASFAM had a positive effect on their income per capita. Furthermore, there was evidence to indicate that NASFAM had increased the farmers' access to credit and their fertilizer expenditure had also increased. The study also indicated that most households are motivated to join RPOs because of their need to access credit and buy fertilizers to realize income from sales of farm produce. The high prices of fertilizer influence the farmers to join micro-credit schemes for them

to afford fertilizer. The study found out that membership to NASFAM led to an increase in the income of farmers and their uptake of loans by 11% and 46% respectively.

According to Tretcher (2009) the effect of diversification upon measures of cooperative performance that is patronage refund, equity redemption and profitability was relatively weak; hence diversification on agricultural cooperatives was not statistically associated with increases in equity devolvement, increases in patronage dividends and profitability. Moreover, the result indicated that diversification on agricultural cooperatives was a critical factor in determining membership size, that is diversified cooperatives enjoyed larger membership power and thus larger fund pools for credits to members. As a result, outreach characterizes the capacity of the financial program to reach large numbers of people especially the poor with better quality financial services (Schlaufer, 2008).

2.4.5. Organizational learning and its role in empowering women

Organizational learning comprises the aspects of self-improvement of the groups engaged in table banking. As a critical element of empowerment and cognitive theories, organizational learning is based on social competences and cohesion. In a study by Otieno (2000), the Kenya Organization of Environmental Education through their eco-schools' program indicated that developed group policies by schools may guide the learning processes as an integrated part of the curriculum activities. He outlines the benefits of an eco-school as increased environmental awareness; an improved school environment; involvement of the local community; pupil empowerment; financial savings and networking. Petterson (2013) similarly views social competency as a participatory process which people engage in, in anticipation to improve quality of life. As a piece of participatory process social competency and personal efficacy is the emerging construct that links community participation to entrepreneurial performance (Gem, 2013).

Environmental awareness is essentially undertaken by partner agents charged with knowledge and skills enhancement of groups practicing internal accumulation savings to build a lending fund. On the other hand, majority of the rural entrepreneurs constitute unbanked women whose lives are mediated by aspects of negative cultural aspects, gender issues and poverty, who participate in some form of savings support groups (Armendáriz & Morduch, 2007). This study builds on prior research by exploring whether gender, poverty and government policies

mediation have any significant influence on participation of community participation in empowerment programs.

In application of the framework of this study perceptions are expressed between norms, values, attitudes and beliefs. The general attitudes towards these dimensions rather distinguish specific values, norm or beliefs that influence the general perceptual outcomes of economic empowerment including self-esteem further defined by Chen et al (2005) as the enhancement of perceptions of own-individuality, interest and value; self-confidence defined by enhanced perception about own ability and capabilities as well as vision of the future (Rambo, 2012). The following studies carried out by Tan & Ng (2006) in Singapore, Rasmussen & Sørheim (2005) in Sweden, and Raffo (2002) in United Kingdom show that entrepreneurs learn best with an experiential learning approach to impact attitudes, help people recognize opportunities and think creatively, and enable them to build leadership skills and confidence. In recognizing this, Cornwall (2008) suggested that the goal of entrepreneurship education should be to promote creativity, innovation and self-employment. Additionally, a combination of advanced quantitative and qualitative methods, find that microfinance clients in Lima, Peru have over 50 percent higher income than nonparticipants (Hoque & Chisty, 2011).

According to Steven (2013), advanced study on entrepreneurship needs to explore the interaction between external factors namely entrepreneurial education (also entrepreneurial opportunities and mindset) (Sequeira, 2007). And personal factors such as self-efficacy, entrepreneur's social competence and their influence on entrepreneurial performance (Welter & Smallbone, 2011). Various studies conducted in the recent past were based on several indicators namely: level of literacy, group leadership, participation, and peer-learning.

2.4.6. Networking power and its role in empowering women

Networking power utilizes the concept of bridging that is expressed by various constructs in the social capital theory. These constructs involve: inter-personal networking, inter-organizational networking and intra-organizational networking. Inter-personal networking refers to the relationships cultivated between members (Shane, 2003), whereas intra-organizational networking refers to the relationships fostered between members within a table association and inter-organizational networking refers to the relationships between the members or groups and

external organizations (Tongia & Wilson 2007). Social expressiveness, social adaptability, social perceptions and self-promotion predispose an entrepreneur to propensity to respond positively to threats within the environment (Baron & Markman, 2003).

Field (2003) asserts that people are able to achieve a lot by collaborating together and making connections with one another. Through a series of networks people are able to connect to the extent that these networks constitute a resource that can be seen as sort of a social capital. Then it follows that the more you tend to interact with people with a common outlook the richer you are in social capital. As a way of promoting survival of groups networking, Peter Coning (2004) puts emphasis on the need to address common interest. He holds that networking is a web creator which forms synergies that leads to beneficial corporation effects that would otherwise not be achieved. Manuel Castell (2011) asserts that cooperation between members within groups draws benefits in terms of skills and knowledge from more experienced network members. According to Brazilai-Nohon (2008) members in SHGs may establish their power position by establishing a network that defines their own power relationships as they act as the holders of networking power.

Putman (2000) concurs with this position by asserting that social networks have value because social contacts act as nodes that could positively or adversely affect members within a given network. Saul (2005) argues against this by stating that this kind of solidarity is one that promotes exclusion and ethnicity among a sector of participants. In his analysis of positive nationalism he holds that the concept of public good and self-confidence could deteriorate to negative nationalism that embodies anger, fear and a desperate conviction that one nation's rights exist by comparison with another nation, as if in competition of losers and winners. Fukuyana (2005) holds that communities are able to tripartite partnerships that establish a foundation for growth of social capital which is critical for economic growth by utilizing networking power with NGOs and governments. Countries which encourage development through financing development, enhancing basic human rights and education provision tend to experience high growth in their economies (Loudoun & Peetz, 2007). He further holds that the impact of networking power on organizations generally arise as a result of policy, physical and social environment.

Rani and Unni (2000) argues that policy environment can have an impact on the MFIs' services in two distinct ways. First, its effect on program clients and the micro finance entities are indirectly influenced on the program's performance. This is through the ability of clients to benefit from their loans and their capacity to repay. Second, in some situations the operation of the program is directly affected by the environment. For instance, restricting the terms on which services can be offered for example interest rates that can be charged or paid. According to Wilson (2007), networks are bound to operation efficiently when it accumulates valuable resources with reinforcements determined preventing those who are of no value to the network or jeopardize the interests that are prominent in the network's programs.

Ream (2008) asserts that with the growing need for the integration of the activities of members who are from different geographical locations, firms are looking into a new class of internet software for table banking. These tools provide a combination of planning and collaboration characteristics that enable for a structure for team relationships and behaviors. Furthermore, these tools provide a basis for establishing highly productive teams through analysis of personality and skills profiles. For instance in a study carried out by Gupta et al., (2004) it was discovered that micro-financing was much more beneficial in terms of individual programs and profitability group intermediation. However, not all studied groups got benefits from microenterprises. The aspects of alliance buildings, partnerships with other entities, networking and collaborations are outcomes of effective exploitation of organizational social capital through which organizations obtain a positive reputation from their members (Jin, 2009).

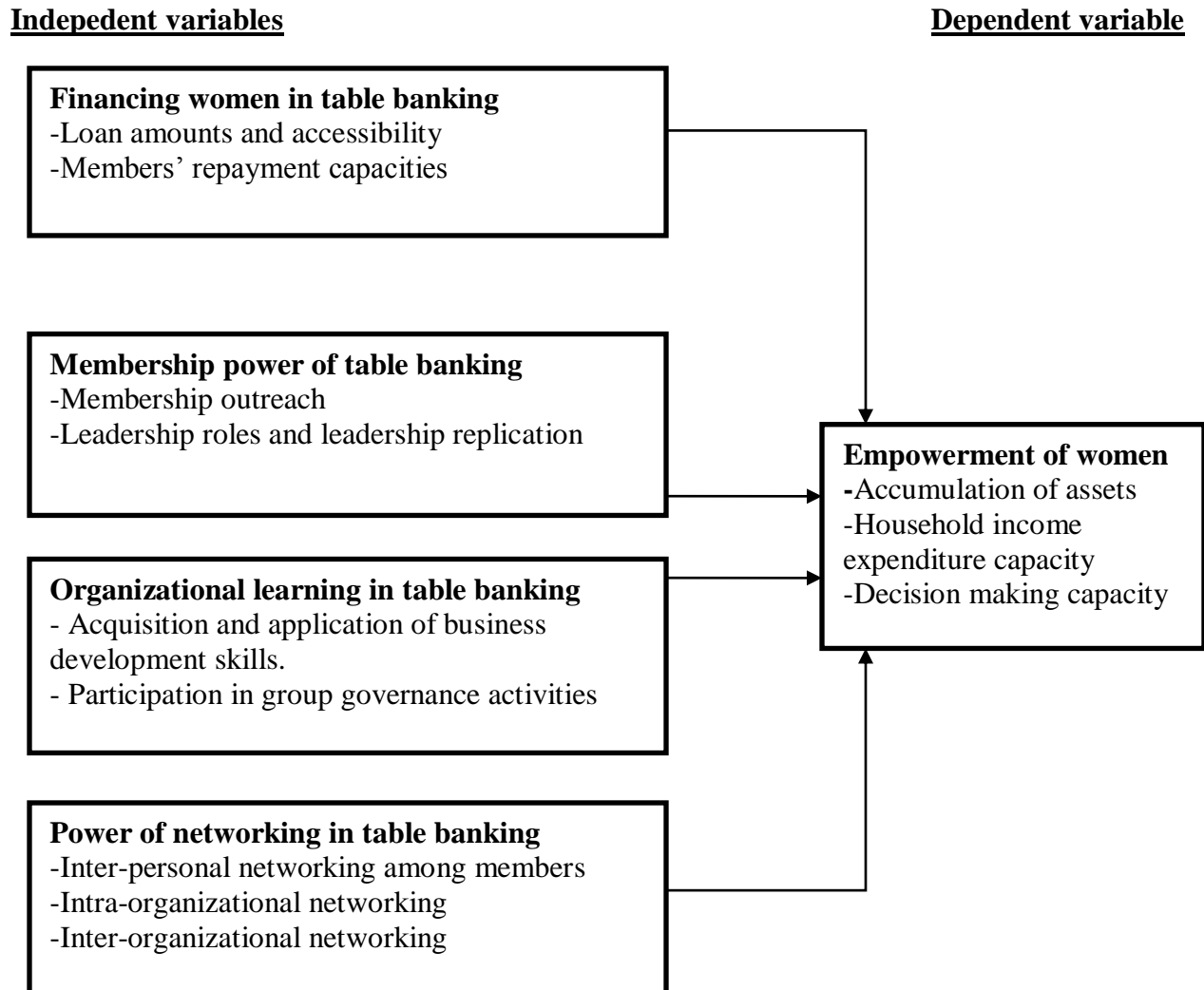
Moreover, he asserts that effective and efficient networking power could be determined through promoting trainers' knowledge capacity by: enhancing the knowledge of educational establishments; running seminars and conferences to raise awareness; sharing of best practices and exchange programs; collaboration with networks and entities outside government and international networking.

2.5. Conceptual framework

The conceptual framework in this research study outlines the theoretical model of how the logical sense is achieved of the relationships among the several factors that have been

identified with the dependent and independent variables of the problem that is under study. The aim of the study is to examine the variables that enhance or negate the effectiveness of table banking in their contribution to empowerment of women.

Figure 2.1: Conceptual framework



Source: Researcher (2019)

Measurement of independent variables

Table banking financing

This was measured in terms of the loan amounts and its accessibility my members. The amount of loans acquired and how they have been utilized. The study investigated whether the businesses in which these loans had been put into had improved in terms of business revenues and if it had increased their personal savings and consequently the members' repayment capacities.

Membership power

This was measured in terms of membership outreach, leadership skills acquired and replication of those leadership skills in other aspects such as other groups, family or in the society at large. The level of membership outreach involved examining the member outreach levels amongst members. This was done by examining the outreach activities they are engaging amongst themselves and whether they are benefiting from them. In terms of leadership skills acquired, the application of those skills was the most important aspect, whether it had a positive impact in their activities or not.

Organizational learning

This is measured in the following ways: acquisition and application of business development skills and participation in group governance activities. Business development skills involve: business plan preparation, book keeping, loan management, and business conflict resolution, while group governance practices involve the use of the following: attendance and payment records, savings passbook, savings journal, loan passbook, loan journal, summary transaction sheet, cash book, cash control sheet, financial statements, commercial bank form, loan statistics form and ledger.

Power of networking

This can be measured in the following ways: inter-personal networking links formed between individuals within groups, intra-organizational networking among groups within table banking associations and inter-organizational networks formed which could be between groups within a table banking association and external organizations.

Measurement of dependent variables**Empowerment of women**

Empowerment of women was measured in terms of ownership of property, household income capacity and decision making capacity. Ownership of property involved acquisition of capital equipment, that is, the assets necessary for carrying out a business, social capital growth and also land acquisition. Household income capacity was determined in terms of access to food, education, healthcare, water sanitation, housing & energy by members due to the increased income from their businesses. Decision making capacity was measured in terms of skills acquired due to participation in leadership and mentorship roles. And this was also measured by determining whether there were incidences of domestic abuse of women before and after engaging in table banking activities.

2.6. Operational definition of variables

Operation definition of variables according to (Gravetter, 2009) refers to a precise statement of how a conceptual variable is turned into a measured variable. This section analyzes the operational definition of variables on table banking in Kenya as given in the Table 2.1.

Table 2.1: Operationalization of variables

| Conceptual variables | Measured variable (Indicator) | Measurement | Rating measures | Sources |
|-----------------------------|---|--|--|------------------|
| Table banking financing | Accessibility and amount of loans Members' repayment capacities | Frequency percentage Mean Standard deviation | A likert scale of five where; 1-not at all, 2-low extent, 3-moderately, 4-high extent, 5-very high extent | Ferragina (2012) |
| Membership power | Membership outreach Leadership roles and leadership replication | Frequency percentage Mean Standard deviation | A likert scale of five where; 1-not at all, 2-low extent, 3-moderately, 4-high extent, 5-very high extent | Dasgupta (2009) |
| Organizational learning | Acquired and applied business development skills. Adoption of group governance practices | Frequency percentage Mean Standard deviation | A likert scale of five where; 1-not at all, 2-low extent, 3-moderately, 4-high extent, 5-very high extent | MkNelly (2016) |
| Networking power | Inter-personal networking Intra-organizational networking Inter-organizational networking | Frequency percentage Mean Standard deviation | A likert scale of five where; 1-not at all, 2-low extent, 3-moderately, 4-high extent, 5-very high extent | Carney (2008) |

Source: Researcher (2019)

2.7. Research gap

Entrepreneurship plays a critical role in the growth of an economy. It is an important source of women's economic opportunity, employment and generation of income for both rural and urban women. Entrepreneurship encompass a broad range of activities ranging from selling products in the air open markets and streets to managing or owning large scale businesses. The government identifies entrepreneurship as an important strategy in helping spur self-employment and creating new jobs. This strategy recognizes women as a resource embodied with inherent talent that can be utilized to create self-sustaining businesses.

From the literature review it can be deduced that the main issues that hinder women from financial inclusion include: gender discrimination, low income, lack of property rights, illiteracy, unfavorable bank products, mobility, and time constraints. For several years, table banking has been in existence all over the world however its recognition as an important tool to encourage financial inclusion among the poor and women in particular is now being recognized. It is vivid now that as we go forward there will be more linkages between women and the formal financial institutions as a result of table banking. Flexible, clear and progressive policies and regulations will be essential to ensure that there's growth of savings and credit groups so as to foster financial inclusion amongst women.

Despite the fundamental role played by table banking in the empowerment of women, empirical studies on the aspect of social capital of table banking are still scanty in the Kenyan context. This creates a broad knowledge gap that the study seeks to fill by asking the question: what is the role of table banking on the empowerment of women. This study intends to explore into existing practices among groups to avail more information on table banking and cast light on merits and demerits of table banking; and how they influence empowerment of women.

2.8. Conclusion

This chapter began by discussing the three relevant theories that inform this study. They are the social capital theory, social cognitive theory and empowerment theory. The chapter included an empirical analysis that discussed the five variables of table banking financing, membership power, organizational learning and networking power. The research gap drawn from differences in empirical results and conceptualization of variables was highlighted. The chapter concluded

by presenting a conceptual framework in a diagrammatic form and providing a discussion on the operationalization of the variables under study.

CHAPTER 3: RESEARCH METHODOLOGY

3.1. Introduction

This chapter provides specific account on the research methodology. It entails the research design; the target population and sample size; sample selection; research instruments, their validity and reliability; methods of data collections and data analysis procedures, ethical considerations of the study and the operationalization of variables.

3.2. Research philosophy

Research philosophy is the development of research background, research knowledge and its nature (Saunders, Lewis and Thornhill, 2012). Matt, Mark and Nick (2006), further emphasized that research philosophy is a paradigm which means approach, pattern or way of thinking about conducting research. In undertaking research, it is advisable to take into account the different research paradigms since the parameters describe perceptions, beliefs, nature of reality, truth, and individual values of the researcher. These aspects can influence how the research will be conducted including the final results and conclusions. Consideration of research philosophy also helps to expose, understand and minimize research biases (Matt et al., 2006).

Positivism philosophy was adopted for this study because it is an objective based method. According to Saunders et al. (2012), the positivist researcher plays the role of an objective analyst in the evaluation of the collected data. Because this study relied on objective data collection and analysis in order to achieve useful and accurate results, it adopted the positivist philosophy as recommended by Saunders et al. (2012). The central element of positivism paradigm is that social phenomena can be explained by observing cause and effect. In addition Mugenda (2008), argued that positivist philosophy posits that reality is stable and therefore can be observed, described, predicted, controlled and explained from an objective point of view without interfering with the phenomenon being studied.

Guided by the positivism paradigm, this study aimed at generating quantitative data that helped to address the research questions. In addition, the study used quantitative measuring instrument in form of a questionnaire which the positivist approach favors and blended with interviews and content analysis to obtain in-depth data. Data analysis was carried out objectively as advocated in the positivist philosophy.

3.3. Research design

The research design refers to a guide that aids the researcher in planning and implementing the study in a manner that's highly likely to attain the preconceived objectives and goals (Burns & Groves, 2001). This study utilized the descriptive research design. The design was picked because of its ability to make a comparative analysis of quantitative reasoning of a sample. Nevertheless, with its cross-sectional nature, the design gives a representation of the whole population with minimal partiality. Furthermore, the descriptive survey by using uniform definitions upon the respondents makes standardized measurements. Borg (2006) asserts that descriptive research design is a valuable and logical way of viewing the world and that this enables comparative interpretation of similar data collected from groups or strata.

The research was based on an observation made on the rising demand and adoption of table banking in Kenya as a viable intervention to access suitable financial services. It involved collecting data in order to answer questions concerning the study. The researcher identified four key independent variables to be studied, that is the table banking aspects of financing, membership power, organization learning and networking power. The researcher also identified the dependent variable as the empowerment of women in Kenya. In the preliminary phase of the study the researcher explored information from anecdotal reports, journals, study reports by various scholars and institutions, books and periodicals. Data from the field was collected through questionnaires issued to respondents. Quality aspects of data handling were ensured for accuracy, consistency and in a usable form to ensure maximum data acquisition.

Computation through data analysis with the aide of Statistical Packages for Social Sciences (SPSS) was conducted for descriptive data to be later compressed and presented in frequency tables and graphs. For quantitative data, organization was conducted and presented verbatim per every thematic area with due considerations taken on emergent common trend. Observable trend gave insights into conclusion to be drawn from the study.

3.4. Population and sampling

According to Amin (2005), target population involves the entire group of objects or subjects to which researchers are interested in drawing conclusions on. The target population in the study was the members of SHGs under JOYWO in the three counties of Nairobi, Uasin Gishu and

Nandi County in Kenya who in total are 85,358 as at November 2018. The study employed stratified random sampling in the selection of a study sample comprising of households. This method of sampling is preferred because it gives the researcher a chance to select typical and useful cases only and saves time and money.

3.4.1. Sampling procedure

According to KIM (2009), for one to get an appropriate sample size, three factors have to be put in place which includes: the level of precision, confidence level and level of variability. The researcher used Yamane's formula to determine the sample size from which to make inference on population with $\pm 5\%$ precision level and 95% confidence level. It comprised the total number of members of SHGs registered under JOYWO in the three counties under study.

The sample size is given by:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n=sample size,

N=population size; and

e=level of precision.

$$e = 0.05$$

Hence the sample size was 400.

3.5. Data collection methods

The study used primary data only. The primary data was collected directly from the respondents using questionnaires. According to Toulliatos & Compton (2008), questionnaires are best used in studies concerned with variables that cannot be directly observed as it involves views or opinions and perspectives. Structured questionnaires were used as research instruments consisting of a set of questions to which respondents were expected to react to in ticking the appropriate boxes. For respondents who did not understand English and were unable to respond in writing, the researcher interrogated them on record. The recorded conversation was transcribed verbatim by the researcher or the research assistant. Questionnaires were administered in person and through research assistants.

3.6. Data analysis

The study employed quantitative data analysis techniques. Quantitative data on responses from questions in the questionnaire was coded for ease in systematic data tracking. All data was edited to ensure compliance to accuracy, consistency and relevance to research questions, and also to check contextual mistakes, omissions and missing responses that should be filled or disregarded. Data entry was then done on the Statistical Packages for the Social Sciences (SPSS) computing program for analysis for ease of presentation on frequency tables and graphs. The data from questionnaires were grouped under broad themes and converted into frequency counts. They were then compressed and displayed through tables, graphs and text formats. Descriptive statistics (mean, standard deviation), Spearman's rho correlation analysis and regression analysis were conducted.

Spearman's rho correlation analysis was used to ascertain the relationship between table banking and empowerment of women. The regression analysis was performed to establish the extent in which the independent variables predict the change in the dependent variable.

The regression model adopted was;

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \epsilon$$

Where;

Y= Empowerment of women

α = Constant term

β = Beta coefficients

X1 = Table banking financing

X2 = Membership power

X3 = Organizational learning

X4 = Networking power

ϵ = Error term

3.7. Testing the models

The following tests were performed and explained; correlation coefficient, the coefficient of determination and the T-test.

3.7.1. Correlation coefficient (R)

This helped the researcher to determine to what degree variable movements were associated. The correlation coefficient is usually within a range of values between -1 and 1 (Huber & Elvezio, 2009). A correlation of -1 indicates a perfect negative correlation, a correlation of 1 indicates a perfect positive correlation and one of 0 indicates no relationship. The closer the correlation coefficient is towards -1 or 1, the stronger the association between the variables.

3.7.2. The coefficient of determination (R²)

This enabled the researcher to explain how well the response variable variation was explained by the linear model. According to Allen (2004) when the differences between observed values and the model's predictions are small and unbiased, then the model is fit. R² ranges from 0 to 1. The closer the R² is to 1 the better the model fits the data.

3.7.3. T-test

This enabled the researcher to test whether the dependent variables were individually influenced by the independent variable. T-values can be obtained from the regression output and interpreted such that if the values are less than 0.05, they are significant and should be included in the model, otherwise insignificant (Higgins, 2005).

3.8. Research quality

Reliability and validity is important in any research. The failure to assure the validity and/or reliability of the findings may cause the research findings not to be credible and can be rejected as a result.

3.8.1. Validity

Gravetter (2009) defines validity of a research instrument as how well an assessment instrument is capable of measuring what it intends to measure. Golafshani (2003) defines validity in terms of accuracy, rigor and trustworthiness. The triangulation method of controlling data was used in this study as a means to control data quality in order to ensure acceptable levels of validity of instruments and to reduce the effects of extraneous variables. According to Aina (2001) triangulation method of data control establishes the accuracy of information by comparing three or more types of independent points of view on data sources on the same findings.

3.8.2. Reliability

In line with the concept of reliability, questionnaires were tested for consistency and legitimacy in collecting data. A pilot testing was conducted and the data collected from the pilot-test was tested to ensure that it passes reliability of research questionnaires. Reliability was measured using the Cronbach's Alpha test on the five variables under study. The reliability test performed on the variables met the criterion for the test hence reliable in explaining empowerment of women as the dependent variable. Table banking financing had a Cronbach's Alpha value of $(\alpha) = 0.661$, membership power had a value of $(\alpha) = 0.676$, organizational learning had a value of $(\alpha) = 0.636$ and networking power had a value of $(\alpha) = 0.658$. The four variables had an overall Cronbach's Alpha value of $(\alpha) = 0.668$. These values slightly exceed the value recommended by Theodosiou et al. (2012) of above 0.6 making the items measuring women empowerment reliable. The variables measuring empowerment of women had a Cronbach's Alpha value of $(\alpha) = 0.776$. All items under study had a Cronbach's Alpha value that is greater than 0.5 hence they were all considered reliable (Kistner & Muller, 2004; Wang et al., 2015).

3.9. Ethical considerations

The major ethical issue of concern by the respondents was privacy and confidentiality of the respondents, anonymity of the respondents and researcher responsibility. Obtaining valid data entailed accessing specific lists and files had an implication on the privacy and confidentiality of the respondents. The researcher maintained high level of confidentiality in order not to infringe on the privacy and confidentiality of the respondents. Furthermore, the respondents were offered the freedom to ignore items that they did not wish to respond to. The identities of the participants were concealed. Before the interviews were conducted, the interviewer explained to the respondents the objectives and purpose of the study. Impartiality was observed on the part of the researcher throughout the exercise with utmost respect for views and culture in order to establish rapport.

3.10. Conclusion

The chapter included an empirical analysis that discussed the five variables of table banking financing, membership power, organizational learning and networking power as well as the empowerment of women. The research gap drawn from differences in the empirical results and conceptualization of variables was highlighted. The chapter concluded by presenting a

conceptual framework in a diagrammatic form and providing a discussion on the operationalization of the variables under study.

CHAPTER 4: DATA ANALYSIS AND DISCUSSION

4.1. Introduction

This chapter presents the results of the primary data collected through questionnaires. The data was collected from the women who are members of SHGs registered under JOYWO, who were actively practicing table banking initiatives. The findings are organized according to the objectives. First, the demographic information of respondents is presented followed by findings relating to each of the specific objectives and the inferential statistics.

4.2. Response rate

The study had an anticipated sample size of 400 respondents. However, only 392 respondents in total agreed to participate in this study, giving a response rate of 98.07%, which is sufficient for analysis for this study.

Table: 4.1. Response rate

| Efficacy parameter | Sample size | Number of responses | Response rate |
|---------------------------|--------------------|----------------------------|----------------------|
| County | | | |
| Nairobi | 255 | 251 | 98.43% |
| Uasin Gishu | 95 | 91 | 95.79% |
| Nandi | 50 | 50 | 100.00% |
| Total | 400 | 392 | 98.07% |

Source: Author (2019)

Nandi County had the highest response rate of 100% because everybody responded, followed by Nairobi and Uasin Gishu County at 98.43% and 95.79% respectively, as shown in Table 4.1 above.

4.3. Demographic information

This study presents respondent demographics carried out along the following demographic characteristics: age, marital status (married, divorced/separated, widowed or single) and the level of education (primary, secondary and tertiary).

4.3.1. Age of the respondents

The study was conducted among women of varying age groups with a limit of between 18 years to 55 years as shown in the Table 4.2.

Table 4.2: Respondents by age

| County | Nairobi | | Uasin Gishu | | Nandi | | Average Percentage |
|----------------|------------|--------------|-------------|--------------|-----------|--------------|--------------------|
| | Frequency | Percent | Frequency | Percent | Frequency | Percent | |
| 18-25 years | 52 | 20.7 | 23 | 25.2 | 9 | 18.0 | 21.3 |
| 26-35 years | 117 | 46.7 | 35 | 38.5 | 22 | 44.0 | 43.1 |
| 36-45 years | 64 | 25.5 | 17 | 18.7 | 13 | 26.0 | 23.4 |
| 46-55 years | 17 | 6.7 | 11 | 12.1 | 4 | 8.0 | 8.9 |
| Above 55 years | 1 | 0.4 | 5 | 5.5 | 2 | 4.0 | 3.3 |
| Total | 251 | 100.0 | 91 | 100.0 | 50 | 100.0 | 100.0 |

Source: Author (2019)

In this study, majority of the respondents, at an average percentage of 43.1% across Nairobi, Uasin Gishu and Nandi County, were aged between 26 and 35 years. Respondents aged between 36-45 years were 23.4%, those aged between 18-25 years were 21.3% while 8.9% of the respondents were aged between 46-55 years. Only 3.3% of the respondents were above 55 years of age.

4.3.2. Level of education

Table 4.3: Highest level of education attained

| County | Nairobi | | Uasin Gishu | | Nandi | | Average Percentage |
|---------------------|------------|--------------|-------------|--------------|-----------|--------------|--------------------|
| | Frequency | Percent | Frequency | Percent | Frequency | Percent | |
| No formal education | 13 | 5.2 | 4 | 4.4 | 4 | 7.8 | 5.8 |
| Primary | 50 | 19.9 | 24 | 26.4 | 10 | 20.3 | 22.2 |
| Secondary | 126 | 50.2 | 40 | 43.9 | 26 | 52 | 48.7 |
| Tertiary | 62 | 24.7 | 23 | 25.3 | 10 | 19.9 | 23.3 |
| Total | 251 | 100.0 | 91 | 100.0 | 50 | 100.0 | 100.0 |

Source: Author (2019)

According to Table 4.3, the study found that majority of respondents had some form of formal education, where 48.7% of the respondents had attained secondary education across Nairobi, Uasin Gishu and Nandi County. 23.3% of the respondents had attained tertiary level education and 22.2% of them had a primary level education. A minimal 5.8% of the respondents had no formal education where most of them had not completed primary education.

4.3.3. Marital status of the respondents

While marital status did not have a direct bearing on the findings of this study, it was taken as part of respondent demographics. Across Nairobi, Uasin Gishu and Nandi County, in terms of

the marital status of the respondents, 59.8% of the respondents were married, 20.4% single, 10.2% widowed while 9.6% of the respondents were either divorced or separated as shown in Table 4.4.

Table 4.4: Distribution of respondents by marital status

| County | Nairobi | | Uasin Gishu | | Nandi | | Average Percentage |
|--------------------|------------|--------------|-------------|--------------|-----------|--------------|--------------------|
| | Frequency | Percent | Frequency | Percent | Frequency | Percent | |
| Single | 49 | 19.5 | 16 | 17.7 | 12 | 24.0 | 20.4 |
| Married | 151 | 60.2 | 52 | 57.1 | 31 | 62.0 | 59.8 |
| Divorced/Separated | 13 | 5.2 | 18 | 19.7 | 2 | 4.0 | 9.6 |
| Widowed | 38 | 15.1 | 5 | 5.5 | 5 | 10.0 | 10.2 |
| Total | 251 | 100.0 | 91 | 100.0 | 50 | 100.0 | 100.0 |

Source: Author (2019)

4.4. Table banking financing effect on women empowerment

The study sought to determine the role played by table banking financing in the empowerment of women. Table banking financing was found to be crucial in determining the accessibility of loans by members and members' repayment capacities. This in turn determines the rate of growth of the group-fund and therefore return on capital useful for investments in ownership of property, household income and independent decision making on expenditure of extra fund generated by women. The level of empowerment was measured by asking respondents to indicate the frequency of members' participation in savings, loans applications and repayments and group fund generation.

4.4.1. Accessibility of loans by members

Majority of the respondents at 80.7% access loans yearly, 4.1% access loans twice a year, while 13.0% access loans on monthly basis, as indicated in table 4.5

Table 4.5: Frequency of accessing loans

| | Frequency | Percent |
|--------------|------------|--------------|
| Monthly | 51 | 13.0 |
| Bi-annually | 16 | 4.1 |
| Yearly | 317 | 80.7 |
| Other | 8 | 2.2 |
| Total | 392 | 100.0 |

Source: Author (2019)

4.4.2. Amount of loans acquired from table banking group fund

Most respondents, 176 (44.9%) received loans amounting to between 21,000 to 40,000, 74 (18.9%) received loans below 20,000, 84 (21.4%) receive loans between 41,000 to 60, 000, 48 (12.2%) receive 61,000 to 80,000, while a small proportion 10 (2.6%) accessed loans above 100,000, as indicated in table 4.6.

Table 4.6: Amount of loans acquired from table banking group fund

| Range of loan disbursed | Frequency | Percentage |
|-------------------------|------------|------------|
| Below 20,000 | 74 | 18.9 |
| 21,000-40,000 | 176 | 44.9 |
| 41,000-60,000 | 84 | 21.4 |
| 61,000-80,000 | 48 | 12.2 |
| Above 100,000 | 10 | 2.6 |
| Total | 392 | 100 |

Source: Author (2019)

4.4.3. Repayment capacities of members and groups

Repayment capacities involve the ability of members and groups to repay back loans they had acquired from table banking group fund or other financial agencies on time.

Table 4.7: Repayment of loans by members and groups

| Statement | Mean | Std. Dev. |
|--|------|-----------|
| The individual members can now access more loans due to prompt repayment of previous loans | 4.19 | 1.063 |
| The income generated from businesses assist the members to repay the loans on time | 4.26 | 0.89 |
| The payments made by members enables the group to clear outstanding loans from MFIs, commercial banks and other financial agencies | 4.10 | 1.167 |

Source: Author (2019)

Majority of the respondents at 47.1% stated that income generated from the businesses assists the members to repay the loans on time to a high and very high extent, while 19.0% stated that the income generated from businesses assists the members to repay the loans to a low extent. The payments received by the members enabled them to clear outstanding loans from table banking group fund, MFIs and other financial agencies, as indicated by 33.9% of the respondents that stated very high extent and 32.2% to a high extent. The study also found out that members are now able to access more loans due to their prompt payment of the existing ones. Respondents reported to a very high extent that they were able to access more loans at 33.4% high extent and 40.6% very high extent. The respondents who indicated to the low extent were less at 6.3%.

In conclusion, this shows that members' repayment capacity was high due to the low interest rates of table banking loans and the good performance of their businesses. Hence they were able to make prompt repayments and even access more loans to expand their businesses.

4.5. Power of membership

This section sought to examine the objective of power of membership in table banking on women empowerment from their table banking groups. Attributes being tested include: membership outreach among members, extent of leadership roles assumed by members, replication of leadership skills by members in other groups or positions. The findings are as follows:

4.5.1. Membership outreach among members

Membership outreach was determined in terms of extent to which members bring family problems to the group for solutions. The respondents indicated that there was a high to moderate extent to which table banking group members brought general financially related problems to the group for solutions. Based on Table 4.9, lack of school fees and lack of food were moderately reported to the table banking groups. For instance, 50.4% of the respondents said lack of school fees was reported as a problem in the table banking groups while 6.1% of group members reported this as a financial issue to a low extent. Comparatively, access to school fees or provision of school fees was highly reported as an effect of table banking on women empowerment. In retrospect, 58.2% of respondents reported that lack of food or malnutrition was not brought to the group at all as a problem by table banking members.

Lack of household goods was however more highly reported where 61.2% of the respondents cited that table banking group members moderately reported this at the group level as a problem that required group solutions and 12.2% citing it to a low extent as shown in Table 4.9. Similarly, 52.6% of the respondents reported that poor housing was brought to the group for discussion whereas 15.1% of the respondents reported that it was not brought to the table banking group for discussion. In regard to family problems being brought to the group for discussion, lack of household goods was the most brought at 2.17 whereas lack of food/malnutrition was the least brought at a score of 1.75.

Table 4.9: Extent by which members bring the following problems to the group to seek advice on solutions

| Statement | Mean | Std. Dev. |
|---|------|-----------|
| Due to lack of children’s school fees | 1.88 | .963 |
| Due to lack of food/malnutrition | 1.75 | .925 |
| Due to lack of household goods e.g. furniture, clothes etc. | 2.17 | .922 |
| Due to poor housing | 1.86 | .946 |

Source: Author (2019)

4.5.2. Impact of leadership skills on members’ lives

Impact of leadership skills acquired by women is one of the ways that women empowerment can be measured. As part of determining whether table banking empowers women, the study sought to find the extent to change that the respondents’ lives had changed as a result of leadership at household or community levels emerging as a result of leadership skills gained through table banking initiatives. These were considered under two aspects of increased productivity and improved charisma and seriousness in business operations. Most respondents at 48.2% reported that table banking had increased their productivity to a very high extent compared to 37.8% who reported to a high extent and only 3.8% reported to not at all. Generally, respondents reported that their productivity had increased to a high extent with a mean of 4.20 as shown in Table 4.10. 46.1% of the respondents reported that their business charisma and seriousness had increased to very high extent whereas 25.7% reported to high extent.

Table 4.10: Extent to which leadership skills has impacted members’ lives

| Statement | Mean | Std. Dev. |
|--|------|-----------|
| Increased productivity | 4.13 | 1.17 |
| Improved charisma and seriousness in business operations | 4.20 | 1.036 |

Source: Author (2019)

4.5.3. Replication of leadership skills acquired from table banking groups

The study further sought to identify the extent of replication of leadership skills by members of table banking groups as a form of support to women empowerment. This study found that leadership skills had been replicated within both the user groups (table banking groups) and other replicated groups such as religious groups where respondents and their group members had become leaders after joining the table banking groups. Based on Table 4.11, 86% of the respondents reported that committee leaders from their groups have become leaders in replicated groups at high extent while 3.8% reported that leaders from their groups have never become leaders in replicated groups at all. Respondents at 84.4% reported that committee leaders from

their groups have become leaders in user groups at a high extent with 4.6% reporting that leaders from their groups have never become leaders in user groups at all. On the other hand, 91.6% of the respondents reported that committee leaders from their groups have become leaders in religious groups at a high extent while a mere 3.6% reported that leaders from their groups have never become leaders in religious groups at all. The highest number of leaders came from religious groups at 4.37 while user groups had the least at 4.13.

Table 4.11: Extent of replication of leadership skills in other groups

| Statement | Mean | Std. Dev. |
|-------------------|-------------|------------------|
| Replicated groups | 4.2 | 1.036 |
| User groups | 4.13 | 1.024 |
| Religious groups | 4.37 | 0.89 |

Source: Author (2019)

4.6. Organizational learning

The study objective entailing organization learning in table banking was investigated to ascertain its influence on women empowerment. Organizational learning was measured in terms of the business development skills acquired by members, application of business development skill. The business development skills include: preparation of business plans, book keeping, loans management and conflict resolution in business. Group governance practices by members were also examined as an attribute of organizational learning. The controls used by groups to ensure proper governance of their finances included: attendance and payment records, savings passbooks, savings journals, loan passbooks, loan journals, summary transaction sheets, cash books, cash control sheets, financial statements, commercial bank forms, loan statistics forms, ledgers.

4.6.1. Business development skills acquired by members

This involved looking at the business development skills acquired as a result of organizational learning both at the group and individual level. Skills evaluated include: preparation of business plans, book keeping, loans management, conflict resolution. The study established that 65.1% of the respondents had acquired business plan preparation skills. Similarly, 80.7% of the respondents reported that they had acquired book keeping skills from the table banking groups. Further 88.3% of the respondents stated that they had acquired loan management skills. Another 84.2% of the respondents reported that they had acquired skills on conflict resolution.

In summary, the most acquired skill was reported to be loan management (4.36) while the least acquired skill was reported to be business plan preparation (3.82).

Table 4.12: Business development skills acquired by members

| Statement | Mean | Std. Dev. |
|---------------------------|------|-----------|
| Business plan preparation | 3.82 | 1.123 |
| Book keeping | 4.23 | 1.002 |
| Loan management | 4.36 | 0.829 |
| Conflict resolution | 4.26 | 0.89 |

Source: Author (2019)

4.6.2. Application of business development skills by members

As evidenced in Table 4.13, organizational learning skills acquired through table banking were used at teaching family members, teaching friends in the community and to operate individual businesses. Most respondents at 80.1% indicated that they use the skills learned from table banking to train family members whereas 82.2% of the respondents indicated that they use the skills learned to train their friends. 85% of the respondents reported that they apply the skills obtained from table banking to grow their individual businesses to a high extent.

In overall, applying the business development skills obtained from table banking was rated the most applied skill at 4.24 followed by training the family at 4.19, while teaching friends was ranked the least at 4.1.

Table 4.13: Application of business development skills by members

| Statement | Mean | Std. Dev. |
|--------------------------------------|------|-----------|
| Teaching family members | 4.19 | 1.063 |
| Teaching friends | 4.1 | 1.167 |
| To operate their individual business | 4.24 | 1.257 |

Source: Author (2019)

4.6.3. Group governance controls within table banking groups

In terms of group governance controls, the study asked the extent to which record keeping was done to track group finances using formal records. In response, the study found that use of financial statements was prevalent with majority of respondents in the study at 96.9 % indicating that they had used it to a high extent. This was followed by use of attendance and payment record which had been used at 88.3% and savings passbook at 84.5%. Commercial bank form had been used at 84%; ledger had been used at 81.6%; loan journal had been used at 81%; loan

statistics form had been used at 80.4%. Another 80.4% reported to had used savings journal, whereas summary transaction sheet had been used at 79.6%. Cash control sheet had been used at 74.7%; loan passbook had been used at 74% and cash book 71%.

To summarize, financial statements with a mean of 4.91, and attendance and payment record with a mean of 4.36 were the most used forms of records to keep track of group finance. Cash book with a mean of 3.85 and cash control sheet with a mean of 3.9 were the least used forms of records to keep track of group finances.

Table 4.14: Types of records kept by groups to track finances

| Statement | Mean | Std. Dev. |
|--------------------------------|------|-----------|
| Attendance and payment records | 4.36 | 0.892 |
| Savings passbooks | 4.24 | 0.812 |
| Savings journals | 4.16 | 0.844 |
| Loans passbooks | 4.14 | 1.118 |
| Loans journals | 4.01 | 1.046 |
| Summary transaction sheets | 4.05 | 1.082 |
| Cash books | 3.85 | 1.095 |
| Cash control sheets | 3.9 | 1.093 |
| Financial statements | 4.91 | 0.384 |
| Commercial bank forms | 4.25 | 0.882 |
| Loan statistics forms | 4.16 | 0.844 |
| Ledgers | 4.11 | 1.009 |

Source: Author (2019)

4.7. Power of networking

The study sought to determine the role of networking power on empowerment of women.

The attributes measured for networking power include: inter-personal networking, intra-organizational networking and inter-organizational networking among table banking group members.

4.7.1. Inter-personal networking with empowerment workers

At inter-personal networking level, the study sought to find out whether specific group activities had improved since the members had a visit from an empowerment worker from another group. This basically involves the interaction between empowerment workers from different groups and members. The empowerment workers are charged with providing training services to the other group members. The study measured whether members had benefited from the services provided by empowerment workers on the following attributes: improved literacy rates, improved savings

rates, improved uptake and repayment of loans, learning how to start and run a business properly, increased business income, getting support from other groups to address individual and or family problems, making and implementing plans for social action, networking with other women’s groups.

As shown in Table 4.15, 71.1% of the respondents reported that there had been an improvement in the literacy levels. Comparatively, 77% of the respondents reported that their savings had improved to a high extent, 78.8% of the respondents reported that uptake and repayment of loans had improved, 69.6% reported that learning how to start and run a business well had improved, 65.3% reported that the income from their businesses had increased, 80.1% of the respondents reported that meeting as a group of trusted friends had improved, 82.2% of the respondents reported that getting support from other group members to address individual and/or family problems had highly improved, 85% reported that making and implementing plans for social action had highly improved and 87% reported that networking with other women’s groups had highly improved.

Making and implementing plans for social action (4.24) and networking with other women’s groups (4.2) were rated the most highly improved networking skill while getting income from businesses was rated as the least improved aspect of inter-personal networking skill at 3.91.

Table 4.15: Inter-personal networking with empowerment workers

| Statement | Mean | Std. Dev. |
|---|------|-----------|
| Improved literacy rates | 3.92 | 1.131 |
| Improved savings rates | 4.05 | 1.1 |
| Improved uptake and repayment of loans | 4.13 | 1.084 |
| Learning how to start and run a business properly | 3.94 | 1.124 |
| Increased business income | 3.91 | 1.144 |
| Frequency of meetings between group to share business ideas | 4.19 | 1.063 |
| Getting support from the group to address individual and/or family problems | 4.1 | 1.167 |
| Making and implementing plans for social action | 4.24 | 1.257 |
| Networking with other women’s groups | 4.2 | 1.036 |

Source: Author (2019)

4.7.2. Intra-organizational networking among members

Intra-organizational networking involves the relationships among the members within the table banking groups. In this study it involves members of JOYWO. The attributes used to measure intra-organizational networking included: replication of one's group activities in another group and the extent to which a group has helped start another group.

As illustrated in Table 4.16, 84.4% of the respondents stated that their group had helped start other groups whereas 91.6% reported that their groups had helped other groups replicate the activities of other groups.

The extent at which members from one group have replicated the activities of another group was rated higher in intra-organizational networking with a mean of 4.37. The extent to which members of a group have helped in starting other groups was also rated higher by the respondents with a mean of 4.13.

Table 4.16: Intra-organizational networking among members

| Statement | Mean | Std. Dev. |
|--|------|-----------|
| Extent to which your group has helped start other groups | 4.13 | 1.024 |
| Extent to which your group has helped other groups replicate their activities in their group | 4.37 | 0.89 |

Source: Author (2019)

4.7.3. Inter-organization networking with external organizations

Inter-organizational networking involves the relationship between groups within a particular table banking association with external organizations. In this study the external partners that the members had worked with as a result of their affiliation with JOYWO included: NGOs, other savings group, commercial banks and MFIs.

The respondents were requested to indicate whether practicing table banking had affected how they were engaging with external organizations for savings and credit options as well as trainings. The study findings are as presented in table 4.17.

Table 4.17: External organizations that have worked with members

| External organizations | Frequency | Percentage |
|------------------------|-----------|------------|
| NGOs | 108/392 | 27.5 |
| Other savings groups | 212/392 | 54.1 |
| Commercial banks | 163/392 | 41.5 |
| MFIs | 269/392 | 68.8 |

Source: Author (2019)

From the findings, majority 68.8% of the respondents indicated other savings and credit options to be MFIs, 54.1% indicated other savings groups, 41.5% of the respondents indicated commercial banks, while 27.5% indicated NGOs. This implies that majority of the respondents were able to work with MFIs as a result of practicing table banking, while the least was NGOs.

As a result of working with the external organizations members were able to acquire the following skills: how to save and invest their income well, learn how to keep good records of their business activities, learn how to start and/or grow their businesses and learning how to carry out basic banking procedures for instance opening a bank account, transferring money from one account to another, application and repayment of loans. From the study findings, the majority of the respondents at 65.1% reported that they had learnt how to save and invest their money well, 80.7% reported that they had learnt how to keep good records of their business activities, 88.3% of the respondents reported that they had learned how to start and/ or grow their businesses, 84.5% reported that they had learnt to carry out basic banking procedures..

The most acquired skill in inter-organizational networking with external organizations was reported to be learning to keep good records of business activities with a mean of 4.43, whereas the least acquired inter-organizational networking skill was learning basic banking procedures with a mean of 3.82.

Table 4.18: Skills acquired due to inter-organizational networking with external organizations

| Statement | Mean | Std. Dev. |
|--|------|-----------|
| Learning how to save and invest income well | 4.36 | 0.829 |
| Learning to keep good records of business activities | 4.43 | 0.712 |
| Learning to start and or grow businesses | 4.24 | 0.812 |
| Learning basic banking procedures | 3.82 | 1.123 |

Source: Author (2019)

In conclusion, the study found out that all the components of organizational networking of inter-personal networking, intra-organizational networking and inter-organizational networking had helped empower women. However, although this research has scrutinized the network components thoroughly, there is need for a critical understanding of socio-political environment within which the groups operate.

4.8. Empowerment of women.

The respondents were asked to rank the degree to which the following statements regarding empowerment of women have had an impact in their lives.

Table 4.8: Effects of table banking on women empowerment

| Statement | Mean | Std. Dev. |
|--|------|-----------|
| Increasing family income | 3.98 | 1.192 |
| Provide adequate food for the family | 3.50 | 0.930 |
| Access to health services | 3.91 | 1.144 |
| Providing school fees | 4.91 | 0.384 |
| Starting and building small businesses | 3.65 | 0.827 |
| Energy diversification | 3.98 | 1.192 |
| Participation in leadership | 4.01 | 0.832 |
| Domestic violence reduction | 3.43 | 0.892 |
| Role in decision-making in the household | 3.95 | 1.042 |
| Improving housing & household assets | 3.50 | 0.930 |

Source: Author (2019)

The study found that there was a reported increase in the economic wellbeing of respondents as a direct result of table banking financing. Overall there was an increase in terms of family income, adequate food for the family, access to health services, business setup/income generation, and access to education through provision of school fees, participation in improved housing and household assets. The highest reported benefit was increased access to education through the ability of respondents to provide school fees where 96.9% of the respondents reported that table banking had between a high and very high (3.3% reported high and 93.6% reported very high) effect on their empowerment in providing school fees.

The respondents also reported an increasing family income where 68.9% of the respondents cited increased family income to a high extent (20.7%) and very high extent (48.2%) as evidenced in Table 4.8. Only 3.3% said table banking does not increase family income at all. In addition, energy diversification was reported at 68.9%, access to health services at 65.3%, starting and

building small businesses at 62.2%, improving housing & household assets at 56.7% and another 56.7% for provision of adequate food for the family. Participation in leadership positions was reported highly at 66.3% whereas the role in decision making in the household was 61.2%. Reduction in domestic violence was reported by 54.4% of the respondents. Provision of school fees had the highest empowerment rating on table banking among women at 4.91 while provision of adequate food for the family had the least rating at 3.50 as shown in Table 4.8.

4.9. Inferential statistics

The study further applied general linear model to determine the predictive power of the influence of table banking on empowerment of women. This included multiple regression analysis, analysis of variance and coefficient of determination.

4.9.1. Coefficient of correlation analysis

Multiple regression analysis was conducted so as to determine the relationship between the table banking on empowerment of women and the four variables.

Table 4.19: Spearman’s correlation coefficients

| Correlations | | | Women empowerment | Table banking financing | Membership power | Organizational learning | Networking power | |
|----------------|--|-------------------------|-------------------|-------------------------|------------------|-------------------------|------------------|--|
| Spearman's rho | Women empowerment | Correlation Coefficient | 1 | | | | | |
| | | Sig. (2-tailed) | . | | | | | |
| | Table banking financing | Correlation Coefficient | 0.590** | 1 | | | | |
| | | Sig. (2-tailed) | 0.000 | . | | | | |
| | Membership power | Correlation Coefficient | 0.358** | 0.181** | 1 | | | |
| | | Sig. (2-tailed) | 0.000 | 0.000 | . | | | |
| | Organizational learning | Correlation Coefficient | 0.257** | 0.245** | 0.390** | 1 | | |
| | | Sig. (2-tailed) | 0.000 | 0.000 | 0.000 | . | | |
| | Networking power | Correlation Coefficient | 0.176** | 0.252** | 0.323** | 0.382** | 1 | |
| | | Sig. (2-tailed) | 0.000 | 0.000 | 0.000 | 0.000 | . | |
| | **. Correlation is significant at the 0.01 level (2-tailed). | | | | | | | |

Source: Author (2019)

As illustrated in Table 4.19 above, there is a strong positive correlation between women empowerment and table banking financing ($\rho=0.590$, $p<0.01$). This implies that an increase in table banking financing will result to a significant increase in women empowerment. The study established a moderate positive correlation between women empowerment and membership power ($\rho=0.358$, $p<0.01$). This shows that more membership activities will result to a moderate increase in the women empowerment at the table banking group level. On the other hand, there is a moderate positive correlation between women empowerment and organization learning ($\rho=0.257$, $p<0.01$). This indicates that an increase in organization learning will result to an increase in women empowerment. Further, there is a weak positive correlation between women empowerment and networking power ($\rho=0.176$, $p<0.01$). This indicates that an increase in networking power will result to a small increase in the women empowerment.

4.9.2. Model Summary

Co-efficient of determination explains the extent to which the change in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable that is explained by all the independent variables.

Table 4.20: Coefficient of determination for the model

| Model Summary | | | | |
|---|--------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | 0.886 ^a | 0.785 | 0.775 | 0.50415 |
| a. Predictors: (Constant), networking power, table banking financing, organizational learning, membership power | | | | |

Source: Author (2019)

An R-square value of 0.785 was established and adjusted to 0.775. This means that the independent variables could explain 77.5% of the perceived women empowerment. Therefore this means that other factors not studied in this research contribute 22.5% of the influence of table banking on empowerment of women. Therefore, further research should be conducted to investigate the other factors (22.5%) that affect empowerment of women.

4.9.3. Analysis of variance (ANOVA)

Table 4.21 is a summary of the ANOVA statistics obtained from the mean of variables within table banking which enhance success of empowerment of women. ANOVA cross tabulated results was collected on consideration of average values of perceptions of respondents concerning the effect of table banking on improvement of their livelihood. Evaluations were made basing perception of access to financing for women; benefits of being a member; benefit of skills and knowledge acquisition; and power of networking.

Table 4.21: ANOVA Table

| ANOVA ^b | | | | | | |
|---|------------|----------------|-----|-------------|--------|--------------------|
| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
| 1 | Regression | 102.409 | 4 | 25.602 | 71.064 | 0.000 ^a |
| | Residual | 139.425 | 388 | 0.360 | | |
| | Total | 241.834 | 392 | | | |
| a. Dependent variable: Women empowerment | | | | | | |
| b. Predictors: (Constant), networking power, table banking financing, organizational learning, membership power | | | | | | |

Source: Author (2019)

Analysis of variance (ANOVA) was used to test the overall significance of the regression model. The null hypothesis for this test is that the independent variables do not have explanatory power ($\beta_1=\beta_2=\beta_3=\beta_4=0$). The p-value of 0.001 means that the R squared is significantly greater than zero thereby our predictors are able to account for a significant amount of variance in customer satisfaction. With a significant p-value, we reject the null hypothesis and adopt the alternative hypothesis and conclude that the predictors have explanatory power. Therefore the regression model is significant ($F_{(4,391)} = 71.06$, $p < 0.001$; $R^2 = 0.423$).

4.9.4. Regression coefficients

The regression coefficients indicate the extent in which each independent variable contributes to the change in the dependent variable.

Table 4.22: Regression coefficients of table banking variables

| Coefficients^a | | | | | | |
|--|-------------------------|------------------------------------|-------------------|----------------------------------|----------|-------------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 0.137 | 0.300 | | 0.455 | 0.000 |
| | Table banking financing | 0.575 | 0.050 | 0.521 | 11.399 | 0.001 |
| | Membership power | 0.168 | 0.052 | 0.130 | 3.224 | 0.039 |
| | Organizational learning | 0.109 | 0.053 | 0.092 | 2.075 | 0.000 |
| | Networking power | 0.107 | 0.059 | 0.078 | 1.831 | 0.068 |
| Dependent variable: Women empowerment As per the SPSS generated table above, regression equation is: $WE = 0.137 + 0.575TBF + 0.168MP + 0.109OL + 0.107NP$ | | | | | | |

Source: Author (2019)

Where;

WE – Women empowerment (DV)

TBF– Table banking financing

MP – Membership power

OL – Organizational learning

NP – Networking power

With a significant p-value ($p < 0.05$), it means that table banking financing, organizational learning and membership power have a significant influence on women empowerment (DV).

When all other factors are kept constant, an increase in table banking financing by one unit would significantly improve the women empowerment by 0.575 points and vice versa. This is because table banking is dependent on finances in order for its running. In a similar way, when all factors are kept constant, an increase in membership power by one unit will significantly improve women empowerment by 0.168. This is because table banking requires membership power in coordinating members and all its activities. The study, further, revealed that when factors are kept constant, an increase in organizational learning will result in moderate improvement in women empowerment by 0.109. Consequently, the study found out that holding all other factors constant, a unit increase in networking power will lead to a moderate improvement in women empowerment by 0.107.

4.9.5. Testing of regression assumption

Testing of regression assumptions was conducted to ascertain the extent in which the data meets the assumption. Violations of assumption can result in biased estimates of relationships (biased standard errors), and untrustworthy confidence intervals and significance tests (Chatterjee & Hadi, 2012). There are four assumptions of multiple regressions; the assumption of normality, the assumption of independence, the assumption of homoscedasticity, and assumption of linearity (Osborne & Waters, 2002).

The null hypotheses for testing the assumption are:

H01: The errors are normally distributed.

H02: The errors are independent of each other.

H03: The errors have the same variance.

H04: The relationship is linear.

4.9.5.1. Test of normality

A normal distribution is assumed for many statistical procedures. Shapiro-Wilk (W) is the most robust method recommended for testing normality for small and medium samples of up to $n=2000$. For a given variable, W should not be significantly different from normal (Steercamp & Van, 1991).

The Shapiro-Wilk test results were; empowerment of women 0.574, table banking financing was 0.269, membership power was 0.655, organizational learning was 0.531, networking power was 0.082. Since the p value for all the variables was more than 0.01, therefore the null hypothesis was not rejected; hence the errors are normally distributed.

| Shapiro-Wilk | | |
|-------------------------|------------------|-------------|
| | Statistic | Sig. |
| Empowerment of women | 0.955 | 0.574 |
| Table banking financing | 0.889 | 0.269 |
| Membership power | 0.932 | 0.531 |
| Organizational learning | 0.942 | 0.655 |
| Networking power | 0.843 | 0.082 |

Source: Author (2019)

4.9.5.2. Test of homogeneity of variance

The model errors are generally assumed to have an unknown but finite variance that is constant across all levels of the predictor variables. This assumption is known as the homogeneity of variance assumption. If the errors have a variance that is finite but not constant across different levels of the predictor/s (i.e., heteroscedasticity is present), ordinary least squares estimates was unbiased and consistent as long as the errors are independent, but will not be efficient (Weisberg, 2005). The inference process will also be untrustworthy. Levene’s test of homogeneity is the most robust test of homogeneity variances which is based on the groups mean. It tests the assumption that each group of one or more categories of independent variables has the same variance. The Levene’s test result ($p = 0.0270$) is greater than the critical value ($p = 0.01$), and therefore the null hypothesis was accepted.

Table 4.24: Test of homogeneity of variances

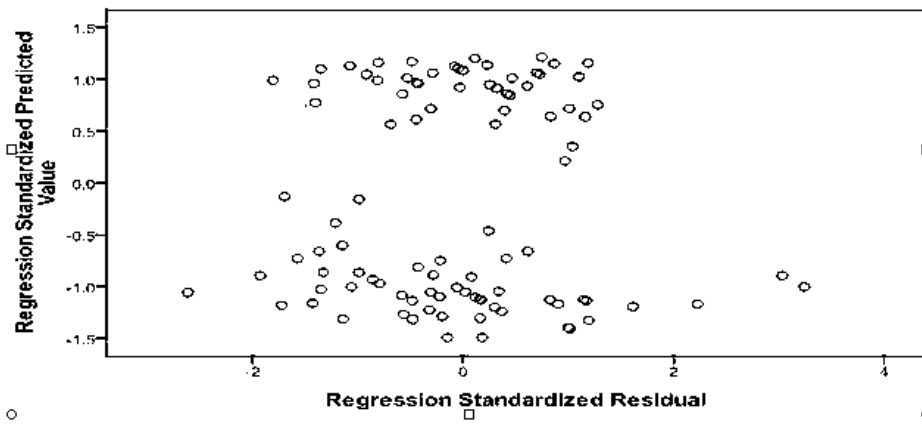
| Empowerment of women | | | |
|----------------------|-----|-----|-------|
| Levene’s statistic | df1 | df2 | Sig. |
| 1.974 | 48 | 344 | 0.027 |

Source: Author (2019)

4.9.5.3. Homoscedasticity (constant variance) of errors

Homoscedasticity means that the relationship under investigation is the same for the entire range of independent variables. Lack of homoscedasticity is shown by higher errors in some portion of range as compared to others. When homoscedasticity assumption is met, residuals will form pattern less clouts of dots as indicated by the results in figure 4.1.

Figure 4.1: Plot diagram for testing homoscedasticity



Source: Author (2019)

4.9.5.4. Linearity test of the variables

Testing of linearity is necessary because, correlation analysis, regression analysis and other members of the general linear model assume linearity. Eta is the coefficient of non-linearity association. For non-linear relationship, eta is greater than correlation coefficient (Pearson-r). The linearity test results indicate that all the eta values are not greater than Pearson correlation values, and therefore, it indicates that the data have linear relationship.

Table 4.25: Linearity test

| Variables | R² | Eta | Pearson correlation (r) |
|--|----------------------|------------|--------------------------------|
| Empowerment of women * Table banking financing | 0.728 | 0.617 | 0.853 |
| Empowerment of women * Membership power | 0.672 | 0.781 | 0.820 |
| Empowerment of women * Organizational learning | 0.710 | 0.821 | 0.843 |
| Empowerment of women * Networking power | 0.764 | 0.801 | 0.874 |

Source: Author (2019)

4.10. Conclusion

This chapter explained how data was analyzed in order to meet the research objectives. The first objective was to establish the extent to which table banking financing influences women empowerment in Kenya. The means and standard deviations were computed and the results showed that table banking financing had a significant positive relationship in relation to women empowerment. The second objective was to establish the role of membership power of table banking on women empowerment in Kenya. Similarly, the results indicated that membership power and empowerment of women had a significant positive relationship. The third objective was to determine the role of organizational learning on the empowerment of women in Kenya. The results indicated that this variable had a significant positive relationship with empowerment of women. The fourth objective was to establish the role played by networking power on women empowerment in Kenya and the results showed that it had a significant positive relationship with women empowerment.

CHAPTER 5: DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter presents summary of findings, discussions, conclusion and recommendations on the influence of table banking on empowerment of women.

5.2. Discussion of the findings

This section presents the findings based on the main study purpose to determine the influence of table banking on empowerment of women with themes of discussions on findings along the four objectives of the study of financing women in table banking, membership power in table banking, organizational learning in table banking, and power of networking in table banking and their effects on women empowerment.

5.2.1. Table banking financing influence on empowerment of women in Kenya

The study revealed that table banking financing as a precursor to empowerment of women was the most significant variable in determining the level of empowerment. These results support previous literature that affirmed that table banking financing influences the empowerment of women. Kumar (2009), asserted that women who participate in table banking initiatives perform better in business activities than women who are not. Correspondingly, Liebeskind (2013), stated that individuals that accentuate on savings culture of table banking enhance their own asset accumulation and expenditure capacity through the higher credit they are able to invest in their businesses and consequently realize higher revenues thereto.

Apopa (2010), found that most members of table banking groups had an upper hand in having successful businesses than non-members due to the low interest rates they get on their loans from table banking associations. This is supported by Barnes (2011), who opined that businesses operated by members of table banking associations benefited from the easily accessible and cheap loans the members received from the associations. This study found that table banking financing had a positive relationship with women empowerment however with a weak correlation. However, Schlaufer (2008), found that table banking financing affected empowerment of women negatively. This study further revealed that members were imposed on stringent measures on borrowing of credit especially when a member defaults. For instance, whenever a member

defaults all the other members of the group were jointly obliged to guarantee the loan. This hindered the rest of the members from accessing loans which hindered their businesses negatively. This is in line with a study carried out by Koo (2008) which asserted that the group nature of enforcing policies by table banking associations often leads to negative effects on the business activities carried out by individual members.

5.2.2. Membership power in table banking and its influence on empowerment of women in Kenya

The study revealed that membership power in table banking positively affected the empowerment of women. The membership power attributes of membership outreach, leadership skills acquired and application led to empowered women at the level of group, family and the society. This is supported by Olaf et al (2011), who suggested that membership power is a necessary trait to achieve the necessary leadership skills to effect the benefits of social capital that come with table banking in the society at large. In addition, Shane (2013) suggested that members of table banking groups with strong membership power exhibited high level of engagement in social and economic activities in the family, group and society level. This is in line with the findings of this research which showed that win-win solutions are aimed at with the membership power aspect of table banking in the groups, family and in the society.

Furthermore, the study showed that most table banking groups have a clear and consistent set of values that guide members on how they apply the leadership skills they have acquired in their families and the society. This is supported by the literature, Venkataraman (2014), who contends that shared values and beliefs fostered through membership in table banking groups help ensure that all members are dedicated towards utilizing their leadership skills for the benefit of the groups and the society at large. This study further revealed that members were always motivated to apply their skills to form replica groups which are basically sub groups within the main group to help new members learn table banking activities. Thomas (2016), argued that membership outreach played a key role in motivating members to utilize their leadership skills for the benefit of their fellow members and non-members within the society.

Furthermore, he asserts that in some instances where there are conflicts within groups, mitigation strategies were forged to resolve these issues. These internally gained capacities in conflict process

management made positive impact within the community through effort made by groups to help others in the community leading to reduced discrimination in the community.

5.2.3. Organizational learning in table banking and its influence on empowerment of women in Kenya

Literature review asserted that organizational learning encourages development and application of business skills and group governance within table banking groups hence empowering members with these vital skills necessary to run a successful business (Wagner et al, 2015). This emphasizes the results found by this research that members do gain a lot in terms of running their businesses effectively and efficiently through the development of business skills necessary to operate these businesses properly. Welter & Smallbone (2011) observed that the ability of a member to run their businesses profitably depends heavily on the business development skills they acquire. The study found out that many table banking groups do empower women with critical business development skills that help ensure their businesses' growth is stable. Furthermore, the governance processes they acquire within their groups seal all the loop holes that ensure their businesses' revenue are not lost and are accounted properly.

In addition, the findings support Steven (2013) findings which argue that group governance is the pillar of success of most table banking groups' members' businesses. He holds that group governance ensure there is stability of businesses carried out by members and therefore enabling their necessary growth which is critical in improving the personal lives of members. However, the study disputes Baron and Markman (2017) findings that suggest that some members do not embrace the group governance activities in their businesses. These members are used to running their businesses informally and find it cumbersome and time consuming to adopt these group governance practices. They view them as impacting their businesses negatively.

5.2.4. Power of networking and its influence on empowerment of women in Kenya

The study findings hold that networks had a positive effect toward performance in table banking groups. Group with access to training networks had enhanced organizational performance and greater tendencies to empower women. The study established that members of certain groups have helped start other groups and that the activities of most of the groups were community action. This is supported by Peter Coning (2011) who holds that the synergistic effects of interpersonal, intra-organizational and inter-organizational networking had a significant impact on the improvement of an organization's activities. This is in terms of members gaining the necessary

skills and knowledge from more experienced members. This is in line with the findings of this study which established that through intra-organizational networking channels, members exchange knowledge on a peer-to-peer learning basis given low literacy level among members; thus creating synergistic effect on general group empowerment which have an impact on individual members.

Kantor (2009) argues that constructive partnerships with external organizations signaled by positive outcomes led to iterative frameworks that support groups' growth factors namely: planning, group action, community change, capacity building, renewal and institutionalization. This is in line with the findings of this study which indicated that table banking groups' collaborations with external organizations had a positive impact on their business activities in terms of skills and knowledge gained. However, Sequeira (2016) disputes these findings by stating that majority of groups which had high member turnover rates had members claiming that it seemed they had irrelevant trainers that did not provide them with the necessary knowledge. This is because the packaging of the training content was not aligned to the recipients' needs as these members had high levels of illiteracy

5.3. Suggestions for further studies

The findings obtained from the study provide direction for future research. It was deemed important that the following study areas be studied further to expose more knowledge as it pertain table banking and its empowerment roles:

There is a need for conducting a study on entrepreneurship needs to explore the interaction between external factors namely entrepreneurial education; entrepreneurial opportunities and mindset on economic empowerment of women. There is also a need for conducting research on influence of members' personality relating to risk taking propensity. This study also did not consider to critically measure the rate of progress out of poverty by members of table banking groups. Moreover, this research did not control factors that could influence the relationship between table banking and empowerment of women. Future studies could focus on moderating the relationship under other factors such as government policies, cultural barriers, gender inequalities, and poverty.

5.4. Recommendations

Recommendations for savings and credit associations can be derived from this study. First, it provides an understanding of table banking and how it can be conceptualized. This will help in the understanding of table banking and its impact on empowerment of women. Secondly, this study confirmed that table banking has a positive impact on empowerment of women. Table banking explains 77.5% of empowerment of women. Therefore, this means that it is not futile for savings and credit associations to adopt the concept of table banking that leads to empowerment of its members. Thirdly, the findings generated from the study should provide regulators with an understanding of the impact and relationship of table banking and empowerment of women. This will help them to develop policies that will create a suitable and conducive environment for the adoption of this concept by other savings and credit associations. Lastly, scholars interested in the realm of table banking should find the study relevant and of great importance. The research collaborates existing literature and it intends to provide greater insight into the relationship between table banking and empowerment of women in Kenya. The findings of this study should complement further the existing literature by adding to the current body of knowledge and also provide a basis from which future scholars can define their future research agendas.

5.5. Limitations to the study

As with any research effort, this study was not without any limitations. The researcher faced some challenges while doing this study. First, this study limited table banking to four variables which involve: table banking financing, membership power, organizational level and networking power. Additionally, there are other ways that empowerment of women can be conceptualized. However, this study only focused on asset accumulation, household income expenditure and decision making capacity. Other variables can be used to measure table banking and empowerment of women to find out their relationship. Secondly, there was the challenge of having to translate the questions in the questionnaire for some respondents either to Kiswahili or their local dialect in order to pass the message and get the accurate feedback from them. Finally, since the respondents were scattered in different sites, there were some difficulties in accessing them, following up respondents and collecting responses.

5.6. Conclusions of the study

This study presented a review of the literature on table banking and empowerment of women. Table banking is a complex and multi-level concept that requires various indicators. For this study, table banking was explained on the basis of four variables which include: table banking financing, membership power, organizational learning and networking power. The relationship between table banking and empowerment of women was analyzed using Spearman's correlation and multiple regression analysis. The results revealed that table banking was significant in explaining the empowerment of women. The coefficient of determination was used to explain the extent to which table banking influenced the empowerment of women. The coefficient of determination for empowerment of women was 77.5%.

A few studies have shown the relationship between the different measures of table banking and empowerment of women as significant, partially significant and insignificant with a negative impact. In some studies, these measures were found to have positive and partial or positive and insignificant relation also. These variations were as a result of the research being conducted in different dimensions of table banking, the uniqueness of an organization's particular resources, the use of different techniques and the fact that empowerment of women can be explained by other factors.

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APPENDICES

Appendix 1: Letter of Introduction

Dear sir/madam,

RE: RESEARCH QUESTIONNAIRE.

I am writing to request that you kindly respond to the questionnaire attached. The questionnaire is part of a research project that I am required to carry out in partial fulfillment of a Master of Commerce degree in Strathmore University.

The topic of the research is THE ROLE OF TABLE BANKING IN THE EMPOWERMENT OF WOMEN IN KENYA

Responses in the questionnaire were totally confidential and were used for the sole purpose of this particular research only.

The findings of the study will also be availed to you upon request.

Yours faithfully,

Sang Amos Kibet,

+254-718-555-722

Appendix 2: Questionnaire

Introduction

Hello, my name is Amos Sang. I am a student at the Strathmore University. I am conducting a research in order to understand how Table Banking as an alternative approach to financing enterprises impacts on the general socioeconomic welfare of members of table banking groups in Kenya. The information I acquire from you will only be used in this research. Providing the information will not cause you, your children or any member of your family and friends any harm. The results of this research was shared with the University and other stakeholders in this county and Kenya at large. You are free to pass questions which you feel uncomfortable to answer. However, it was of great benefit if you answer all questions as your views are very important for this research

Instructions: Please read the questions and answer by ticking or filling the black spaces appropriately

Section A: Socio-demographic profile of respondents

1. What is your gender?

Male
Female

2. What is your age bracket?

(a) Below 20 years
(b) 20-30 years
(c) 30-40 years
(d) 40-50 years
(e) Over 50 years

3. What is your level of education?

(a) Tertiary (b) Secondary (c) Primary

4. Marital status

(a) Single (b) Married (c) Divorced (d) Widowed

Section B: Group Structure Attributes

1. Table Banking Financing

(a) How frequently do you access loans from the group?

In this section kindly tick only one that best describe your choice (Note, please only tick one).

- (a) Monthly
- (b) Bi annually
- (c) Yearly
- (d) Any other

(b) What is the amount of loan that you have accessed after joining the group?

In this section, kindly tick only one that best describe your choice (Note, please only tick one).

- (a) Below 20,000
- (b) 20,000 – 40,000
- (c) 40,000 – 60,000
- (d) 60,000 – 80,000
- (e) Above 100,000

(c) To what extent has table banking financing helped you repay your loans in terms of the following attributes?

| | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|--|-------------------|-------------------|-------------------|--------------------|-------------------------|
| You can now access more loans due to prompt repayment of previous loans | | | | | |
| The income generated from businesses assist you to repay the loans on time | | | | | |
| The payments made by you and other members enables the group to clear outstanding loans from MFIs, commercial banks and other financial agencies | | | | | |

2. Membership Power

(a) To what extent do you bring the following family problems to the group to seek solutions?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|--|------------|------------|------------|-------------|------------------|
| Lack of children's school fees | | | | | |
| Lack of food/malnutrition | | | | | |
| Lack of household goods e.g. furniture, clothes etc. | | | | | |
| Poor housing | | | | | |

(b) To what extent have leadership skills you have gained impacted your life?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|---|------------|------------|------------|-------------|------------------|
| Extent to which your life has changed as a leader in your family or community | | | | | |

(c) To what extent have you become a leader of the following groups since joining table banking program?

| | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|-----------------------|------------|------------|------------|-------------|------------------|
| (a) Replicated groups | | | | | |
| (b) User groups | | | | | |
| (c) Religious groups | | | | | |

3. Organizational Learning

(a) To what extent have you acquired the following business development skills?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|---------------------------|------------|------------|------------|-------------|------------------|
| Business plan preparation | | | | | |
| Book keeping | | | | | |
| Loan management | | | | | |
| Conflict resolution | | | | | |

(b) To what extent do you use your business development skills learned from table banking training in the following contexts?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|--------------------------|-------------------|-------------------|-------------------|--------------------|-------------------------|
| Teaching family members | | | | | |
| Teaching friends | | | | | |
| To operate your business | | | | | |

(c) To what extent do you use the following forms of records used to keep track of group finances?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|-----------------------------------|-------------------|-------------------|-------------------|--------------------|-------------------------|
| (a) Attendance and payment record | | | | | |
| (b) Savings passbook | | | | | |
| (c) Savings journal | | | | | |
| (d) Loan passbook | | | | | |
| (e) Loan journal | | | | | |
| (f) Summary transaction sheet | | | | | |
| (g) Cash book | | | | | |
| (h) Cash control sheet | | | | | |
| (i) Financial statements | | | | | |
| (j) Commercial bank form | | | | | |
| (k) Loan statistics form | | | | | |
| (l) Ledger | | | | | |

4. Networking Power

(1) Inter-personal networking

(a) To what extent have you gained the following attributes as a result of the visitation of an empowerment worker?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|---|------------|------------|------------|-------------|------------------|
| Improved literacy rates | | | | | |
| Improved savings rates | | | | | |
| Improved uptake and repayment of loans | | | | | |
| Learning how to start and run a business properly | | | | | |
| Increased business income | | | | | |
| Frequency of meetings between group to share business ideas | | | | | |
| Getting support from the group to address individual and/or family problems | | | | | |
| Making and implementing plans for social action | | | | | |
| Networking with other groups | | | | | |

(2) Intra-organizational networking

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|--|------------|------------|------------|-------------|------------------|
| Extent to which your group has helped start other groups | | | | | |
| Extent to which your group has helped other groups replicate their activities in their group | | | | | |

(3) Inter-organizational networking

(a) Is your group in partnership with external organizations?

Yes

No

If yes, who is your major partner (in terms of financial, collaboration and training support)?

In this section Kindly tick only one choice that best describe your choice (Note, please only tick one).

(a) NGOs

(b) Other savings groups

(c) Commercial banks

(d) MFIs

(b) To what extent have you acquired the following skills through your group's partnership with external organizations?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|--|-------------------|-------------------|-------------------|--------------------|-------------------------|
| Learning how to save and invest income well | | | | | |
| Learning to keep good records of business activities | | | | | |
| Learning to start and or grow businesses | | | | | |
| Learning basic banking procedures | | | | | |

5. Table banking effect on women empowerment

(a) To what extent has economic well-being of members increased in regard of the following?

| Statement | Not at All | Low Extent | Moderately | High Extent | Very High Extent |
|---|-------------------|-------------------|-------------------|--------------------|-------------------------|
| (a) Increased family income | | | | | |
| (b) Provide adequate food for the family | | | | | |
| (c) Ease of access to health services | | | | | |
| (d) Providing school fees | | | | | |
| (e) Starting and building small businesses | | | | | |
| (f) Energy diversification | | | | | |
| (g) Participation in leadership | | | | | |
| (h) Domestic violence reduction | | | | | |
| (i) Role in decision-making in the household | | | | | |
| (j) Increase in business and household assets | | | | | |