

Influence of Income Access on Development of Women Self Help Groups in North Nyakach Sub-County, Kisumu County, Kenya

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Abstract: This study investigated the influence of income access on development of women self help groups (WSHGs) in North Nyakach Sub-County, Kisumu, Kenya. This study employed the descriptive research design to collect both qualitative and quantitative data with a sample size of 253 women drawn from 35 WSHGs. Data analysis was done using descriptive statistics mainly frequency distribution, percentages and cross tabulation for the close ended questions while the open ended questions were analyzed qualitatively in the form of narration. It concluded that quite a number of women had benefitted from the income they accessed and resultantly, there was an improvement in their livelihoods because of their ability to save more. The researcher recommended that the government needs to support the WSHGS by making loans more accessible to the women and as well as offer training to the women on how best to put their income to use.

Keywords: Income access, Development, Women Self Help Groups (WSHGs).

1. INTRODUCTION

Inequality between men and women tends to be severe and highly visible in power and decision making arenas. In most societies around the world, women hold only a minority of decision making positions in public and private institutions (UN, 2015). The United Nation's 2015 report on the world's women, trends and statistics further states that in 2015, population projections estimates that there are 3.6 billion women and 3.7 billion men worldwide. This clearly shows that women constitute slightly less than half of the global population which is 49.6 per cent.

Brody *et al.*, 2016 state that women bear an unequal share of the burden of poverty globally due to societal and structural barriers. One way that governments, development agencies and grassroots women's groups have tried to address these inequalities is through women self help groups (WSHG's).

Uniliver in its study on sustainable living, enhancing livelihoods and opportunities recognize the fact that women are often regarded as the change agents within the family and globally it's acknowledged that economically empowering women creates a ripple effect on families, communities and economy. Empowering women has been recognized as key to the United Nation's 2030 sustainable development agenda and the UN's global goals for sustainable development.

The empowerment of women is one of the central issues in the process of development of countries all over the world. Involvement in self help groups (SHG's) has enabled women to gain greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making at home, community and the nation. Empowerment means moving from a position of enforced powerlessness to one of power (Das, 2015). According to Eriksson (2016), women's empowerment means women gaining more power and control over their own lives. This entails the idea of women's continued disadvantages compared to men which is apparent in different economic, socio-cultural and political spheres.

According to USAID Kenya (2014), gender norms hold women from reaching their maximum potential because they have less access than men to credit, markets and training. Women and girls traditional roles in Kenya also hold them back

from contributing to important development goals especially in the areas of economic growth, nutrition and food security hence a need to empower women in order for the country to achieve development.

Suguna (2006) on empowerment of rural women through SHG's views the economic approach to empowerment as one that seeks to alter the economic status of women by attacking the forces which cause gender division of labour, gender gap in wages, lack of control of women over their material resources among others. This approach emphasizes the development of women's skills, promotion of their savings and investments and enlarged economic opportunities.

Anyiro (2014) posits that SHG's play effective roles in promoting empowerment through giving of loans to its members. Through this, they have assisted in fighting poverty and promoting micro-finance in Nigeria. Reji (2012) states that funding of the SHGs is a necessary element in empowering self help groups. Reicher (2016) also observes that financing to SHGs is a unique contribution to methods of development intervention for social and economic change that relies on peoples' own resources and gradually supplements its resources from the banking system. It builds on the collective decision making, capacity of people and utilizes such a capacity for all round development of the people and the area.

According to The Nokia Research centre (2011), SHGs in Kenya are often the social and economic glue of African communities. Their central activity is informal banking, allowing savings and loans for the unbanked and economic security and development at family and village level. The SHGs often have their own income generating activities as a group and sometimes these micro-enterprises turn out to be the key economical engines in their locations. WSHGs are very popular in the rural areas Kenya and they have enabled women access credit facilities as well as start income generating activities, have a voice in the households as far as decision making is concerned by taking up leadership positions at home and it has also contributed towards gender equity and equality in the same breadth which is still work in progress.

A research conducted by Sambu (2013) in Nakuru County, Kenya seems to agree with SHGs being used as tool to create a saving culture among the women, its findings were, before joining SHG only 14 out of 150 respondents made savings and then after joining SHG all respondents reported making savings. There was an increase in periodic savings from 1000 to 1000-1500 kshs. The respondents attributed the reasons to asset creation, access to SHG loans, access to bank loans, meet emergency or undertake entrepreneurial activities. Thus women are economically empowered at individual level, group level and the society level as they get money from their entrepreneurial undertakings. Group borrowing is characterized by loans to small groups of borrowers that are jointly liable for the loans granted to each member of their group. The loans are intended for clients who do not meet the wealth requirements of the formal banking system like material wealth and collateral requirements. The group also serves as a social network of voluntary mutual support for other needs, as members are individually responsible for their own loans, they are expected to voluntarily provide assistance to their peers where needed. To this end, this study examines the funding systems in place for WSHGs in North Nyakach.

The Problem

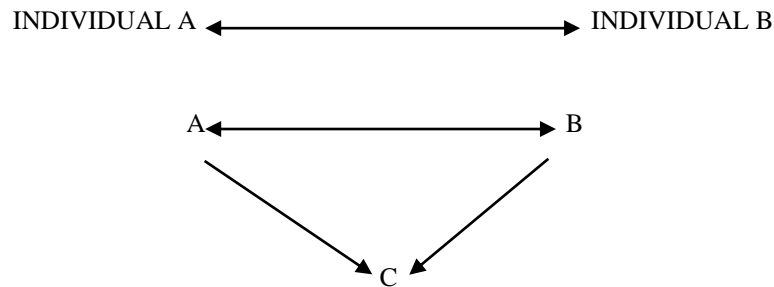
In North Nyakach Sub County, WSHGs have been in existence for quite a while and they're numerous. Despite this fact, they are not getting better in addressing the problem faced by women in North Nyakach. The WSHGs are still very low in improving the status of women despite assistance from the government and non- governmental organizations offering financial assistance to the groups. It was against this background that the study sought to determine how access to income influences the development of women self help groups in North Nyakach Sub-County, Kisumu, Kenya.

2. LITERATURE REVIEW

2.1 Balance Theory

Kombo D. and Tromp L.A. (2006) define a theoretical framework as a collection of interrelated ideas based on theories which attempts to clarify why things are the way they are based on theories. The theoretical framework that guided this study is propounded by Theodore Newcomb, the balance theory. This theory was first developed by the Austrian US psychologist Fritz Heider and first published in an article in 1946 and later presented in his book "The Psychology of Interpersonal Relations" in 1958 and the US psychologist, Theodore Newcomb contributed to its development in 1953 (Oxford,2018).

According to *Ebrary.net*, the balance theory states that persons are attracted to one another on the basis of similar attitudes towards commonly relevant objects and goals. Once a relationship is formed, it strives to maintain a symmetrical balance between the attraction and the common attitudes. If an imbalance occurs, attempts are made to restore the balance and if the balance cannot be restored, the relationship dissolves. According to Theodore, there must be a balance between the group members for the group to be formed and for its survival. Individual (A) will interact and form a relationship or group with individual (B) because of common attitudes and values (C). Once this relationship is formed, the participants strive to maintain a symmetrical balance between the attraction and the common attitudes. If an imbalance occurs, an attempt is made to restore it but if it can't be restored, the relationship dissolves.



COMMON ATTITUDES AND VALUES

- LIFESTYLE
- WORK
- AUTHORITY
- RELIGION
- POLITICS

Figure 1: A Balance Theory of Group Formation

Source: R.B. Zajonc, R.B (1960). The Concepts of Balance Congruity and Dissonance

The theory can be related to the formation of SHGs with the aim of enhancing development. SHGs are described as associations of poor people especially women who belong to the same social and economic background. They're usually informal groups of a locality or area whose members have common needs impact towards collective action and they normally consist of 10-20 members (Anand, 2013). SHGs have a homogeneous composition of members' e.g. according to skill, education and even proximity (Mandhal, 2017). This mirrors Theodore Newcomb's view that people are attracted to one another on the basis of similar attitudes and in this case, the women who form groups do so in order to improve their livelihoods and reduce poverty.

Theodore's theory further goes ahead to explain that once relationships are formed, the participants strive to maintain a symmetrical balance between the attraction and common attitudes (Sharma, 2016). Balance in groups can also be achieved by having the set down group rules and regulations also known as by-laws which ensures effective management and administration of groups and regulations vary according to the members' preferences and those facilitating their formation (Sandhu, 2013).

However, this theory doesn't explain the full view of group formation as mere similarity of attitudes doesn't necessarily lead to group formation. Rao (2011) , states that individuals form groups or affiliate with one another because of geographical proximity. Further, there are other reasons for group formation besides similarity of attitudes which is what this study seeks to investigate. According to this study, groups can develop due to regular savings made by members (Anand, 2013) as well as access to income by members through availing loans by financial institutions (Mandhal, 2017). This in totality leads to women empowerment and development.

2.2 Access to Income and Development of Women Self Help Groups.

One of the primary benefits of participation in a SHG is the opportunity to save regularly, access formal saving institutions and participate in the management of these savings. Participation in SHGs improves women's access to credit and this has led to an improvement in the quality of life as many families were able to address their basic needs better than

before (Saravanan, 2016). Further on in his analysis on the impact of SHGs on the socio-economic development of rural household women in Tamil- Nadu, Saravanan states that in India, the aim of the SHGs is to give social empowerment to women and in 1993, the Reserve Bank of India allowed SHGs to open saving accounts in banks. Currently, nearly 560 banks and more than 3,024 NGO's are collectively and actively involved in the promotion of the SHG movement .The banks provided financial support to SHGs which had grown almost spontaneously.

Kashmir (2013) on the other hand in his study on the impact of WSHGs on sustainable development in Basohli observes that by joining the SHGs, the women can live a better life by lending money from the group and can start a micro entrepreneurial activity such as opening a small shop or by buying a cow or a goat to earn their livelihood. Through the SHGs, women are able to increase their savings and can have an easy access to the credit through bank linkages.

In India, Sandhu (2013) observed that poor people continue to face banking and financial services problems. He however noted in his study that microfinance has played an important role in filling this gap by providing financial services with the help of various lending models among which SHGs are one of them. He also observed that many NGO's in India are promoting the SHG mechanism and linking it to various development interventions.

Anyiroti *et al.*, (2014) in their study on the determinants of women's participation in self help group led micro-financing of farms in Isuikwato local government area of Nigeria report that SHGs plays effective roles in promoting empowerment through giving of loans to members and this in turn has helped in fighting poverty and assisted in promoting micro-finance in Nigeria. This in turn has led to profound transformations in the organization of families, society, the economy and urban life.

In Kenya, according to Musau (2015), Joyful Women Organization (JOYWO) one of the successful table banking groups in Kenya with a membership of more than 11,500 WSHGs is giving loans to support projects like greenhouse farming, poultry, horticulture, cattle rearing and overhead irrigation and as a result of its popularity and its impact, big organizations have formed partnerships with JOYWO often through donations or training. These organizations include UN Women, the Ford Foundation, Hivos, Kenya Commercial Bank, Kenya Institute of Business Training, Uniliver, and Intel among others. JOYWO has also created market access programmes under which its special purpose vehicles are available to members so they can market their produce collectively. It has even gone further and now has a housing project that allows members to build and own affordable homes.

Korir (2013) in her case study on the role of women self help groups on economic development in Koibatek women groups in Baringo County found out that 38% of the credit facilities came from table banking, 25% came from micro-finance institutions like Kenya women Finance Trust, Faulu, Sacco's, K-Rep Bank and Family Bank and that 15% of them said they receive micro- credit facilities from NGO's like USAID and World Vision among others and this in turn led to their economic development. They have been able to improve their households' living standards by enhancing food security, health care development and increased literacy levels. Korir employed exploratory and descriptive research design in her study and she purposively selected 340 women for her study.

3. METHODOLOGY

3.1 Sampling and Data Collection

This study employed a descriptive research design. The target population comprised of 699 women drawn from 35 WSHGs. It's from this that the sample size was drawn. Sampling techniques employed by the study was stratified random sampling to select individuals who were in the WSHGs. Purposive sampling on the other hand was used to select the 2 key informants who were employed in the study.

3.2 Data Analysis

Data was analyzed using descriptive statistics, percentages and frequencies and presented using frequency tables. Qualitative data was analyzed using the narrative technique.

4. RESULTS

4.1 Saving Policy

The study sought to find out whether the women had saving policies in their respective WSHGs and their responses were presented in table 1 below:

Table 1: Saving Policy

Saving Policy	Frequency	Percentage
Strongly Agree	153	60.5
Agree	95	37.5
Undecided	4	1.6
Disagree	1	0.4
Strongly Disagree	-	-
No Response	-	-
Total	253	100

Source: Study Findings 2018

From the table 1 above, it's clear that 60.5% of the women strongly agreed to the fact that they had a saving policy in their group while 37.5% agreed to the same, 1.5% of them were undecided on whether they had a saving policy or not whereas only 0.4% of the women disagreed with the statement. This shows that a majority of the women attest to the presence of saving as one of the basis of the formation of the WSHGs. According to the 3ie (2008), SHGs are mutual aid or support groups of people related by affinity, who come together to save and invest.

4.2 Fixed Monthly Savings

The study further sought to establish the women saved fixed amounts of money regularly or whether their savings were diverse and the findings were presented in the table below:

Table 2: Saving a Fixed Amount Monthly

Saving a Fixed Amount Monthly	Frequency	Percentage
Strongly Agree	45	17.8
Agree	87	34.4
Undecided	14	5.5
Disagree	94	37.2
Strongly Disagree	8	3.2
No Response	5	2.0
Total	253	100

Source: Study Findings 2018

Furthermore, when asked whether they saved a fixed amount of money per month, 17.8% of them strongly agreed, 34.4 % agreed, 5.5% of the women were undecided, 37.2% of them disagreed with this statement whereas 2% of the women didn't respond to the question as presented in the above table. This implies that a majority of the women contribute a fixed amount of money per month which is what most groups do. According to Shodhganga (2009), saving a fixed amount of money is one of the by-laws of most WSHGs, this aims at unifying the members as contributing various amounts may sometimes lead to problems in the group. However, some groups have also let it open for members to contribute an amount they're comfortable with after paying the mandatory registration fee.

4.3 Income Generating Activities

When asked whether they had began income generating activities from their savings, 41.9% of the women strongly agreed, 54.9% agreed, 0.4% were undecided a further 0.4% disagreed while 2.4% of them failed to respond, this is presented in the table below. This indicates that a majority of the women had benefited from the formation of WSHGs. In Kenya for instance, JOYWO, a table banking group in Kenya gives women loans to support projects like greenhouse farming, poultry, horticulture, cattle rearing among others (Musau, 2015). This is an indication that due to the saving policy of these groups and access to loans, the women can comfortably begin income generating activities which vary from one woman to another.

Table 3: Income Generating Activities from Savings

Income Generating Activities From Savings	Frequency	Percentage
Strongly Agree	106	41.9
Agree	139	54.9
Undecided	1	0.4
Disagree	1	0.4
Strongly Disagree	-	-
No Response	6	2.4
Total	253	100

Source: Study Findings 2018

4.4 Funding From NGOs

The women were further asked whether or not they received funding from the local NGO's around them and their responses were as presented in table 4 below:

Table 4: Funding from NGO's

Funding From NGO's	Frequency	Percentage
Strongly Agree	27	10.7
Agree	74	29.2
Undecided	25	9.9
Disagree	94	37.2
Strongly Disagree	29	11.5
No Response	4	1.6
Total	253	100

Source: Study Findings 2018

According to the above table, asked whether they receive funding from NGO's, 10.7% strongly agreed that they did, 29.2% strongly agreed, 9.9% were undecided, 37.2% disagreed while 11.5% strongly disagreed, only 1.6% failed to respond. From the responses, it was clear that the number of women who benefitted from funds offered by NGO's was almost equal to those who stated that they hadn't received any funds from the NGO's, it's an indication that in as much as there's NGO's presence in the region, the members were yet to fully benefit from their services.

4.5 Government Assistance

Furthermore, the women were also probed on whether the government assisted them by availing funds to them and their responses were presented in table 5 below:

Table 5: Government Assistance by Offering Loans

Government Assists by Offering Loans	Frequency	Percentage
Strongly Agree	9	3.6
Agree	73	28.9
Undecided	29	11.5
Disagree	98	38.7
Strongly Disagree	40	15.8
No Response	4	1.6
Total	253	100

Source: Study Findings 2018

On the other hand, when asked whether the government assists them by offering them loans as well, 3.6% women strongly agreed, 28.9% agreed, 11.9% were undecided, 38.7% were in disagreement a with 15.8% of the women strongly disagreeing. However, 1.6% of the women didn't respond to the question as shown in table 5 above. It was very clear from the women's response that the government hardly supports them by offering them loans through organizations such as Women Enterprise Development Fund (WEDF).

4.6 Assistance Offered By Funding

The women were further asked whether the funding they received assisted the groups in any particular way and the following were their responses as presented in table 6 below:

Table 6: Funding Greatly Assisted Group

Funding Has Greatly Assisted Our Group	Frequency	Percentage
Strongly Agree	105	41.5
Agree	92	36.4
Undecided	4	1.6
Disagree	48	19.0
Strongly Disagree	-	-
No Response	4	1.6
Total	253	100

Source: Study Findings 2018

Despite a majority of the women admitting that they didn't get enough funds from neither the government nor the NGO's, a majority of them admitted that the little they got assisted their groups with 41.5% strongly agreed, 36.4 % agreed, 1.6% were undecided, only 19% disagreed while none strongly disagreed and only 1.6% failing to respond as illustrated in table 6 above. This is an indication that whatever little they get, they put it to great use amongst themselves.

4.7 Information from Key Informants

During the study, a total of two key informants were interviewed and they were: one representative from the sub county women and youth enterprise development fund office and the social development officer. Information from the key informants was important so as to establish their own views regarding the influence selected socio-economic factors have on the development of WSHGs. Data was collected, analyzed and presented.

When asked on the positive impacts access to income had on the development of WSHGs in the sub-county, the social development officer said that access to income by the women in the WSHGs was very good and the WEF representative said that access to income by the members was good. This is an indicator that with the growth of WSHGs, more women were able to access income either through the organizations like WEF which is government funded. However, in as much as they were all in agreement, they still felt that more funds should be set aside to these WSHGs to help build their capacities more.

5. CONCLUSIONS AND RECOMMENDATIONS

The study sought to examine how access to income had influenced the development of WSHGs. The results of the study indicate that quite a number of women had benefitted since joining the various groups and this is because they would save various amounts regularly as well as borrow loans that would help them carry out their activities like starting income generating activities, taking their children to school, accessing health care services as well as contributing towards their household expenses.

A majority of the women were in agreement that the WSHGs had actually enabled them access to income and that as a result their lives and households had greatly improved. They also stated that the government and NGO's occasionally provided them with funds and could even borrow money as a group from governmental organizations like WEF. They also acknowledged that the funding they got had greatly assisted their groups. Access to income has therefore led to the development of these groups as well as the women because quite a number of the women are in the WSHGs and are benefitting by saving and also borrowing loans therefore improving their well being resultantly.

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