Budgeting Skills and the Sustainability of Table Banking in Mixed-Gender Self-Help Groups in Karai Ward, Kiambu County - Kenya

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Abstract: *Financial literacy plays a vital role in ensuring sound financial management and the sustainability of community-based economic initiatives. In mixed-gender self-help groups (SHGs), diverse perspectives can influence financial decisions, making financial knowledge even more critical. This study examined how budgeting skills affect the sustainability of table banking projects among mixed-gender SHGs in Karai Ward, Kiambu County, Kenya. Guided by the Resource-Based View, Social Capital, and Behavioural Finance theories, the research employed a convergent parallel mixed-method design using a descriptive cross-sectional survey. Out of a target population of 854 members, 269 respondents were sampled through stratified sampling, and data were gathered using questionnaires and key informant interviews. Quantitative analysis involved descriptive statistics, correlation, regression, and ANOVA, while qualitative data were thematically analyzed. Findings revealed that budgeting skills (β = 0.256, p < 0.01), along with saving skills, debt management skills, and knowledge of financial service providers, significantly influenced project sustainability. Collectively, these financial literacy components explained 56.6% of the variance in sustainability (R² = 0.566). The study recommends implementing tailored financial training programs, fostering partnerships with financial institutions, and enhancing policy support to strengthen the sustainability of table banking projects among mixed-gender SHGs in Karai Ward.*

Keywords: Budgeting, Skills, Sustainability, Table Banking, Self-Help Groups

1.1 Study Background

The sustainability of economic empowerment initiatives such as table banking among self-help groups (SHGs) is an emerging concern in Kenya. Sustainability entails the ability of these groups to remain operational, maintain sound financial systems, expand their savings and credit portfolios, and achieve developmental objectives over time. In Karai Ward, Kiambu County, table banking has become a popular community financing model among mixed-gender SHGs, yet many face collapse due to poor financial management and limited member education. Financial literacy encompasses budgeting, saving, debt management, and awareness of financial service providers is central to strengthening SHG performance. However, evidence shows that most groups in Karai Ward lack structured financial training, resulting in misallocation of funds, loan defaults, poor record-keeping, and governance

breakdowns (Dogra et al., 2021; Githaiga & Bula, 2023). Similar challenges have been reported in other African contexts, where the absence of financial education undermines SHG sustainability despite substantial donor support (Koomson et al., 2022).

Global research consistently links financial literacy to improved savings behavior, credit discipline, and long-term viability of grassroots economic initiatives (Nayak et al., 2019; Zaniarti et al., 2022). This study, therefore, examines how budgeting, saving, debt management skills, and knowledge of financial service providers influence the sustainability of table banking projects among mixed-gender SHGs in Karai Ward, Kiambu County.

1.2 Statement of the problem

Mixed-gender self-help groups (SHGs) in Karai Ward, Kiambu County, face declining savings, weak loan recovery, and high collapse rates due to poor financial literacy. Deficits in budgeting, saving, debt management, and engagement with financial service providers undermine the sustainability of table banking, necessitating targeted financial education to enhance group performance and resilience. There is paucity. Despite increasing recognition of financial literacy as a cornerstone of sustainable community financing, there is a notable paucity of studies focusing specifically on budgeting skills and their impact on the sustainability of table banking initiatives among mixed-gender self-help groups (SHGs) in Kenya. Existing research largely examines financial literacy in general terms or concentrates on women-only groups and microfinance programs, overlooking the critical role of budgeting in shaping collective financial discipline, resource allocation, and long-term viability. Few studies disaggregate budgeting skills from other financial literacy components to evaluate how poor planning, misallocation of funds, and weak financial oversight directly contribute to the collapse of SHGs. This gap leaves policymakers and practitioners without evidence-based guidance to design tailored financial training programs that strengthen budgeting competencies within mixed-gender SHGs, particularly in contexts like Karai Ward, Kiambu County, where unsustainable table banking practices remain prevalent.

1.3 Literature review
1.3.1 Theoretical review

This study is anchored in three complementary theoretical frameworks—the Resource-Based View (RBV), Behavioural Finance Theory, and Social Capital Theory—which collectively inform its conceptual foundation and illuminate the role of budgeting skills in sustaining table banking initiatives. Together, these perspectives explain how internal capabilities, behavioural tendencies, and social relationships interact with external factors such as government policies to influence the performance of mixed-gender self-help groups (SHGs). The RBV by Barney (1991) provides the primary lens, positing that organizations gain long-term advantage by leveraging valuable, rare, inimitable, and non-substitutable resources. Financial literacy particularly budgeting skills are treated as such a resource. Within SHGs, effective budgeting enables members to allocate resources efficiently, monitor income and expenditure, and plan for both routine operations and unforeseen contingencies. This capacity strengthens financial stability, enhances savings, and improves loan repayment performance, all of which are critical indicators of sustainability in table banking projects (Bongomin et al., 2020; Mimelientesa et al., 2021).

Empirical literature affirms that budgeting knowledge underpins strategic decision-making and resource mobilization. Wernerfelt (1984) and Nawaz (2023) identify financial skills as essential to wealth creation

and long-term organizational growth, while Peteraf and Bergen (2003) emphasize that structured planning, including budgeting, minimizes financial risks. Helfat and Peteraf (2003) extend the RBV by integrating adaptability, showing that groups capable of learning and adjusting—such as incorporating digital tools into their budgeting processes are better equipped to thrive in changing environments (Lusardi & Mitchell, 2011). This is particularly relevant in Kenya, where mobile banking technologies enable SHGs to monitor and control expenditures more systematically.

Despite its strengths, the RBV has notable limitations. It assumes that resources are relatively stable and underestimates the influence of rapid financial innovations such as mobile money services (Bannier & Neubert, 2016). Moreover, its internal focus neglects external factors like policy interventions, economic shocks, and gender disparities in access to financial training and services (Talip, 2023). Structural barriers, such as inadequate literacy programs in rural areas and weak institutional support, also hinder groups from fully developing budgeting skills and applying them effectively (Jin et al., 2017). In addition, RBV does not explain how leadership dynamics or gender composition affect the practical use of financial knowledge within SHGs (Sarma & Pais, 2010). These gaps make it necessary to integrate additional frameworks to provide a fuller understanding.

Behavioural Finance Theory, developed by Tversky and Kahneman (1974), complements the RBV by addressing the psychological and cognitive biases that influence financial decision-making. While the RBV views budgeting as a rational process of resource allocation, Behavioural Finance Theory acknowledges that individuals and groups often deviate from rationality due to biases such as overconfidence, present bias, or risk aversion (Fekadu et al., 2019). In mixed-gender SHGs, these biases can undermine disciplined budgeting practices. For example, herding behaviour may prompt members to approve unnecessary expenditures or loans, while emotional factors such as fear of loss can lead to overly conservative plans that restrict investment in productive activities (Ganguly, 2023).

This framework highlights the need for interventions that go beyond imparting technical budgeting skills to addressing decision-making tendencies. Scholars such as Thaler and Sunstein (2018) recommend behavioural "nudges," such as reminders and structured saving plans, which help groups maintain consistent financial discipline (Panos & Wilson, 2020). Lusardi and Mitchell (2021) demonstrate that higher financial literacy enables individuals to recognize and counteract biases, producing more deliberate and effective budgeting decisions. Kahneman's (2011) dual-system model suggests that SHG members must be encouraged to shift from intuitive, impulsive (System 1) thinking to deliberate, analytical (System 2) thinking when planning group expenditures (Kalathunga et al., 2020).

Nevertheless, Behavioural Finance Theory has shortcomings. Its focus on individual decision-making underplays collective group dynamics, power relations, and gendered perspectives that affect budgeting decisions in mixed SHGs (French et al., 2019). It also gives insufficient attention to structural barriers such as limited financial services, unstable markets, and restrictive institutional frameworks (Nurkholik, 2023). Furthermore, the theory tends to portray all biases as harmful, overlooking cases where traits like optimism can inspire innovation and persistence in financial planning. Rapid advances in mobile banking and financial technology also provide real-time tools for tracking budgets and reducing errors—developments that the theory does not fully incorporate.

Social Capital Theory, articulated by Bourdieu (1986) and Coleman (1988), adds a relational dimension to this analysis by emphasizing how trust, shared norms, and networks shape collective action. In SHGs, these factors are critical for translating budgeting knowledge into practice. Trust fosters transparency and accountability, encouraging members to adhere to group budgets and financial plans (Bongomin et al., 2016; Goenadi et al., 2022). Peer learning within cohesive groups enables members with stronger financial skills to mentor others, while shared norms reinforce regular saving, timely loan repayment, and prudent expenditure (Mimelientesa et al., 2021).

Research further shows that strong networks facilitate access to external financial services and training, which enhance budgeting capacity (Lusardi & Mitchell, 2011; Huston, 2010). Bridging social capital—connections across diverse groups—fosters innovation in financial planning and encourages the adoption of modern budgeting tools (Hasan et al., 2015; Talip, 2023). However, Social Capital Theory also has limitations. It tends to overstate the benefits of networks, overlooking conflicts, exclusionary practices, or power imbalances that can distort budgeting decisions in mixed-gender groups (Jin et al., 2017; Sarma & Pais, 2010). Excessive reliance on interpersonal trust may also discourage critical evaluation of spending priorities, reducing budget discipline. Furthermore, while strong social networks help disseminate financial knowledge, they cannot fully shield groups from external constraints such as market volatility, government regulations, or economic shocks (Bongomin et al., 2018; Rieger, 2020). Digital banking platforms have also reduced reliance on traditional networks by enabling SHGs to manage resources and budgets independently (Lontchi et al., 2022; Vieira et al., 2020).

Taken together, these three theories provide a comprehensive framework for understanding how budgeting skills enhance the sustainability of table banking projects. The RBV explains how budgeting functions as an internal strategic resource, Behavioural Finance Theory uncovers how psychological and decision-making biases affect its application, and Social Capital Theory shows how group cohesion and trust facilitate its diffusion and consistent use. By integrating these perspectives, the study overcomes the limitations of each individual theory, offering a multidimensional view of how internal capabilities, behavioural factors, and social relationships interact with external conditions to determine the financial stability and long-term success of mixed-gender SHGs engaged in table banking.

1.3.2 Empirical literature
Table banking, a microfinance model where self-help groups (SHGs) pool resources, lend internally, and reinvest returns, has proven vital for financial inclusion and poverty reduction. Its sustainability depends heavily on members' financial literacy—particularly budgeting, saving, and debt management skills—which ensure efficient resource allocation, operational discipline, and resilience to shocks (Almateri, 2022; Ferdous et al., 2019). Empirical studies confirm budgeting strongly predicts sustainability, explaining 58%–71% of performance variance (Mutiso & Njenga, 2018; Wanjiru & Gikonyo, 2019). Structured savings and sound debt practices similarly build buffers and reduce defaults (Mwangi & Kinyua, 2020; Otieno & Ochieng, 2020).

However, existing research shows major gaps: reliance on self-reported or cross-sectional data limits causal inference (Catania et al., 2021); most studies focus narrowly on women-led groups, overlooking mixed-gender dynamics (Roznina, 2022); and financial literacy is often treated holistically rather than isolating its components. Rural–urban contexts are analyzed separately rather than comparatively, reducing generalizability (Ehsan et al., 2023).

To explain how financial competencies affect sustainability more comprehensively, this study integrates three theories. The Resource-Based View (Barney, 1991) treats budgeting as a strategic internal resource that gives SHGs durable advantage but underestimates external shocks and gender barriers (Talip, 2023). Behavioural Finance Theory (Tversky & Kahneman, 1974) highlights cognitive biases—such as overconfidence or present bias—that undermine rational budgeting, and supports interventions like saving "nudges" (Thaler & Sunstein, 2018). Social Capital Theory (Bourdieu, 1986; Coleman, 1988) shows how trust, shared norms, and networks foster disciplined collective action, though it can overlook conflicts and power imbalances (Jin et al., 2017).

By integrating these perspectives, the study examines how internal skills, behavioural tendencies, and group cohesion interact with external conditions to shape table banking outcomes. It addresses empirical and methodological gaps by isolating budgeting, saving, and debt management, adopting a longitudinal mixed-methods design, and including both male and female participants across diverse settings. Financial literacy expressed through budgeting, saving, debt management, and knowledge of financial service providers forms the backbone of sustainable table banking initiatives among self-help groups (SHGs). Budgeting is frequently highlighted as a decisive factor, enabling groups to align financial resources with strategic goals and maintain operational discipline (Almateri, 2022; Susilowati, 2023). Well-structured budgets reduce inefficiencies and financial leakages (Kotlikoff Boyce et al., 2018), while continuous budget use strengthens resilience to shocks by improving preparedness for unexpected needs (Shrestha, 2022). Importantly, budgeting is not merely about planning; group cohesion, monitoring, and practical resource utilization are essential to translate budget plans into tangible financial stability (Ferdous et al., 2019).

Savings skills similarly underpin SHG sustainability. Consistent saving habits create financial buffers that allow groups to scale up projects and withstand economic volatility (Piétri et al., 2019; Wang, 2022). Transparent record-keeping enhances trust and accountability (Ahmad et al., 2020), while structured savings plans clarify group targets and promote long-term viability (D & Sharma, 2021). Debt management is equally crucial. Proper tracking of group loans, timely repayments, and constructive engagement with creditors preserve group credibility and prevent destructive borrowing cycles (Carlén & Kylberg, 2021; Ban et al., 2020). Financial literacy empowers groups to negotiate favorable loan terms, reducing costs and enhancing sustainability (Borkman & Munn-Giddings, 2020).

Another pillar is knowledge of financial service providers (FSPs). Access to formal banking enhances financial inclusion and enables SHGs to secure credit facilities, technical training, and project management guidance (Bhanot & Bapt, 2020; Nayak et al., 2019; Mohan et al., 2023). Such partnerships strengthen member skills in savings, investment, and risk mitigation, positioning groups to maintain financial health over time. Sustainability indicators, including asset acquisition, savings growth, and timely loan repayment, reflect how well groups manage resources and meet objectives (Alemu et al., 2018; Tanveer et al., 2021; Goswamy, 2023). Groups demonstrating strong governance, disciplined savings, and good lender relationships attract external support and achieve long-term financial independence (D & Sharma, 2021; Carlén & Kylberg, 2021).

Empirical studies on budgeting consistently confirm its centrality to sustainability but also reveal gaps. Quantitative analyses show high explanatory power: Njoroge and Gachanja (2020) reported budgeting

practices accounted for 65% of sustainability outcomes (p = 0.012), while Mutiso and Njenga (2018) found a 58% effect (p = 0.021). However, these studies relied heavily on self-reported data, raising validity concerns (Catania et al., 2021), and focused mainly on urban settings, neglecting rural–urban interdependencies (Ehsan et al., 2023). Achieng and Otieno (2017) confirmed budgeting reduces loan default but concentrated only on women's groups, leaving mixed-gender dynamics unexplored (Roznina, 2022). Similarly, Wanjiru and Gikonyo (2019) demonstrated budgeting explained 71% of sustainability variance in rural microfinance projects, but their cross-sectional design limited causal inference (Malinowski, 2023). Mwangi and Mwiti (2021) also confirmed positive correlations (p = 0.015), but external economic factors and policy frameworks were ignored (Balaguer-Coll & Ivanova-Toneva, 2021). Collectively, these studies affirm budgeting's importance yet expose demographic, contextual, and methodological weaknesses—overreliance on women's groups, absence of longitudinal data, limited examination of mixed-gender groups, and failure to isolate budgeting from general financial planning.

Savings-specific research similarly emphasizes a strong link between saving habits and sustainability. Mwangi and Kinyua (2020) found a significant correlation (r = 0.72, p < 0.05) between savings skills and project performance, though the study treated financial literacy broadly, blurring the distinct role of savings (Ravikumar et al., 2022). Kamau et al. (2019) reported improved resilience from structured saving practices but lacked rigorous quantitative analysis to test causality (Arshad, 2023). Experimental work by Wambui and Ndung'u (2021) showed financial skills training directly improves savings behavior (p < 0.01), though its rural focus neglected urban contexts (Tashtamirov, 2023). Achieng and Ouma (2018) linked regular saving and member training to sustainability but did not specifically examine table banking, conflating it with broader microfinance activities (Dushku, 2023). Otieno and Nyaga (2020) quantified savings mobilization skills as explaining 48% of sustainability variation (R² = 0.48, p < 0.05), yet their cross-sectional design prevented longitudinal insight (Sumaylo et al., 2022). Collectively, while evidence strongly supports savings skills as vital for sustainability, there remain conceptual gaps (failure to differentiate table banking from other microfinance schemes), empirical gaps (insufficient focus on savings-specific competencies), and methodological gaps (limited causal analysis).

Debt management studies highlight the same pattern. Wanjiku and Kariuki (2020) reported a positive correlation (r = 0.68, p < 0.05) between debt skills and sustainability, but the study examined only women-led groups, reducing generalizability (Nuraini, 2023). Onyango and Mutua (2019) showed proper debt practices lowered default rates by 72% (Kristanto, 2021) using a mixed-methods approach but failed to directly assess table banking. Njuguna and Kinyanjui (2021) demonstrated loan arrears dropped 60% after training, yet rural-only sampling ignored urban variation. Muthoni and Mwangi (2018) qualitatively linked high literacy to low default rates but lacked quantitative rigor to draw definitive conclusions (Alyamani et al., 2021). Otieno and Ochieng (2020) attributed 42% of sustainability variation to debt management (Murta & Gama, 2021) but their cross-sectional design again limited causal understanding. Across these studies, conceptual clarity was often lacking, as debt management was treated as part of generic financial literacy rather than a discrete competency. Demographically, mixed-gender SHGs were under-represented, while rural biases excluded insights from urban groups facing distinct credit access challenges and repayment pressures.

Overall, the literature consistently affirms that budgeting, saving, and debt management skills are crucial for the sustainability of table banking projects. Groups with structured budgets, disciplined saving practices, and strong debt management maintain healthier financial profiles, access credit on better

terms, and successfully reinvest earnings into long-term projects. However, major gaps persist. Empirical gaps arise from narrow demographic scopes (women-only studies) and insufficient exploration of mixed-gender dynamics. Contextual gaps stem from fragmented analysis of rural and urban settings rather than their interactions. Conceptually, many studies conflate financial literacy with its subcomponents, failing to measure the distinct effects of budgeting, savings, and debt skills. Methodologically, reliance on self-reported and cross-sectional data reduces reliability and prevents causal inference.

Addressing these shortcomings requires isolating specific financial competencies, employing longitudinal and mixed-methods research designs, and sampling both male and female participants across diverse environments. The present study responds to these needs by identifying clear budgeting, saving, and debt management indicators, assessing table banking outcomes over a two-year period, and integrating both quantitative and qualitative data. Such an approach produces more robust evidence on how targeted financial skills shape sustainability outcomes, providing actionable insights for policy makers, practitioners, and financial service providers seeking to strengthen SHGs and ensure the long-term viability of table banking initiatives.

1.4 Methodology

Research Design: This study employed a descriptive cross-sectional survey design with a convergent mixed-methods approach to explore the influence of financial literacy on the sustainability of table banking projects among mixed-gender self-help groups (SHGs). A cross-sectional design allowed collection of data at a single point in time, enabling the examination of "who, what, when, where, and how" aspects of the phenomenon (Barroga et al., 2023). The mixed-methods approach enhanced accuracy and credibility by integrating qualitative insights with quantitative findings, offering both measurable evidence and contextual understanding.

Site Description: The study was conducted in Karai Ward, Kiambu County, Kenya, covering approximately 27.6 km² with a population of about 20,420 (KNBS, 2019). The area was purposively selected due to its socio-economic challenges, including poverty, food insecurity, and declining agricultural productivity. SHGs have become vital vehicles for community-led development, implementing initiatives such as the Community-Driven Development Committee poultry project and the Agricultural Rural Inclusive Growth Project focused on potato and milk farming (Ali, 2024). These efforts, supported by government and financial institutions, aimed to improve livelihoods but exhibited low sustainability, highlighting deficiencies in financial literacy among SHG members (Zhang, 2024; Muslichah, 2023). Investigating the link between financial literacy and table banking sustainability was, therefore, timely and critical to poverty alleviation.

Target Population: The study targeted 824 respondents, including 804 SHG members, 10 staff from the Kikuyu Subcounty Social Development Office, two officials from the Directorate of Social Development, and eight officers from banks and financial institutions supporting SHGs (Willie, 2024; Shah, 2023). This population was appropriate as it encompassed both direct project participants and institutional stakeholders.

Sample and Sampling Techniques: Using Yamane's formula (1967) at a 95% confidence level and ±5% precision, a sample size of 269 respondents was determined from the total population of 824 (Rahman et al., 2022). Stratified sampling ensured representation of four key respondent categories, with Probability Proportionate to Size (PPS) used to allocate samples across strata. Individual SHG members were selected through simple random sampling, while seven key informants with extensive knowledge

of table banking were purposively sampled. This hybrid approach balanced representativeness with depth of information (Haute, 2021; Hossan et al., 2023).

Methods and Instruments of Data Collection: A mixed-methods strategy integrated quantitative surveys and qualitative interviews to provide a comprehensive understanding of financial literacy factors affecting SHG projects (Amonhaemanon, 2023; Corsini & Giannelli, 2021). Structured questionnaires, divided into six sections, captured data on demographic profiles, budgeting, saving, debt management, knowledge of financial service providers, and project sustainability (Arofah et al., 2018; Grohman et al., 2018). Key informant interview guides further explored these themes qualitatively (Lamichhane, 2024; Kadoya & Khan, 2020). The structured format of questionnaires allowed systematic data gathering, while interviews provided rich, contextual insights.

Data Collection Procedures: The researcher obtained informed consent from participants, explained the study objectives, and ensured voluntary participation. Questionnaires were administered digitally using Kobo Collect to enhance accuracy, minimize data entry errors, and enable real-time validation. Key informant interviews were scheduled flexibly to accommodate participants' availability, with responses recorded through detailed note-taking (Martini, 2024; Fitriaty, 2023). Rigorous monitoring ensured accurate and reliable data collection consistent with established methodological standards (Ranabhat, 2023; Zhu et al., 2021).

Pretesting of Research Instruments: Pretesting was conducted on 10% of the sample (26 respondents) in Gikambura sublocation, Karai Ward, to refine the questionnaire (Taherdoost, 2021). Feedback led to adjustments that improved clarity and ensured respondents' comprehension. Literature supports pretesting as an essential step for enhancing survey validity and reliability (Hashim et al., 2022; Ikart, 2019; Vujcich et al., 2021).

Reliability of the Research Instrument: Instrument reliability was assessed using Cronbach's Alpha Coefficient, with values above 0.7 indicating acceptable internal consistency (Bonett & Wright, 2014). This method, widely used in social science research (Aithal & Aithal, 2020), ensured that multiple items measuring financial literacy dimensions consistently reflected the intended constructs across SHGs.

Table 1: Instrument Reliability

Construct (Categories)	Number of Items	Cronbach's Alpha
Budgeting Skills	8	0.82
Saving Skills	8	0.78
Debt Management Skills	8	0.84
Knowledge of Financial Service Providers	8	0.81
Sustainability of Table Banking Projects	8	0.86
Total	40	4.11

Source: *Research Data (2025)*

The Cronbach's Alpha values for all the scales were above the accepted threshold of 0.7, indicating that the items within each scale consistently measured the same underlying construct. This demonstrates that the research instrument was reliable and capable of yielding consistent results for the measurement of financial literacy dimensions and the sustainability of table banking projects among the target population. Based on these favourable reliability results and feedback from the pretest participants, minor adjustments were made to enhance the clarity and flow of the questionnaire before its administration in the main study.

Validity of the Research Instruments: Construct validity was prioritized to confirm that instruments accurately captured theoretical concepts of financial literacy and project sustainability. Grouped questionnaire items targeted specific dimensions, enhancing coherence (Salimi & Ferguson-Pell, 2017). Expert reviews further strengthened both face and construct validity, ensuring alignment with the conceptual framework and comprehensive coverage of the study variables.

Data Analysis Procedures: Quantitative data were coded and analyzed using SPSS version 25 for both descriptive and inferential statistics (Aravindh & Thirupathi, 2019; Matsebetlela & Kuhudzai, 2018). Descriptive analysis summarized demographic and literacy profiles, while inferential tests—including correlation, ANOVA, and regression—explored relationships between financial literacy and project sustainability (Akintimehin et al., 2021; Mahariani, 2023). Qualitative data underwent thematic analysis to identify patterns and enrich understanding of quantitative findings (Kuoam, 2024). Results were presented in tables and charts to enhance clarity and accessibility for stakeholders.

Ethical Considerations of the Study: The study strictly adhered to ethical guidelines to protect participant welfare and research integrity. Approvals were obtained from the university and the National Commission for Science, Technology, and Innovation (NACOSTI) (Czarnota-Bojarska, 2021). Turnitin software was used to ensure originality of the work (Ghaderi et al., 2022). Respondents gave explicit informed consent, were assured of confidentiality, and informed of their right to withdraw at any stage without penalty (Alkaraki et al., 2020; Kamanzi & Romania, 2019). Data anonymity was safeguarded to avoid harm, while voluntary participation promoted trust and transparency. These measures align with global research ethics standards and ensure that findings are credible, responsible, and participant-centered.

1.5 Results and Discussion
Response Rate

The study targeted a sample size of 269 individuals across various categories. The primary focus of the quantitative data collection was on the members of mixed-gender self-help groups. Following the data collection process for the main study, a total of 241 completed questionnaires were received from the members of the mixed-gender self-help groups. Considering the targeted sample size of 269 the overall response rate component of the study was approximately 92.2% (248/269*100). The table below provides a breakdown of the targeted sample and the responses obtained.

Table 2: Response Rate

Category	Targeted Sample Size	Responses Received	Response Rate (%)
Mixed-gender Self-Help Group Members	262	241	91.98%
Kikuyu Sub-County Social Services Staff	3	3	100.00%
Kikuyu Sub-County Directorate of Social Services	1	1	100.00%
Officers from Banks and Financial Institutions Supporting SHGs	3	3	100.00%
Total	269	248	92.19%

Source: *Research Data, 2025*

The response rate of 92.2% for the overall study is considered very high and indicates a strong level of participation from the targeted population, particularly among the self-help group members. A high

response rate minimizes the risk of non-response bias and enhances the generalizability of the findings to the larger population from which the sample was drawn. The high number of responses received from self-help group members (241 out of the planned 262) gives a strong set of data to examine how financial literacy affects the long-term success of their table banking projects.

Socio-Demographic Characteristics

This part of the chapter describes the background of the 241 individuals from the mixed-gender self-help groups who took part in the study. Knowing these details was important because factors like gender, age, and education can affect people's financial understanding, how they act financially and how involved they are in group activities. Collectively, these factors can in turn can affect whether their table banking projects last. The demographic information collected included gender, age, and level of education. The distribution of the responses across these characteristics is shown in the tables below.

Table 3: Gender of the respondents

Category	Frequency (n=241)	Percentage (%)
Male	84	34.8
Female	157	65.2
Total	241	100

Source: *Research Data, 2025*

The analysis of the socio-demographic data for the 241 respondents shows the key compositional aspects of the mixed-gender self-help groups involved in table banking in Karai Ward. The gender distribution shows a majority of female members (65.2%) compared to male members (34.8%). This finding is consistent with the common observation that women often constitute a larger proportion of participants in community-based financial initiatives aimed at improving livelihoods and financial autonomy.

Table 4: Age of the respondents

Category	Frequency (n=241)	Percentage (%)
18-25 Years	24	10.0
26-35 Years	68	28.2
36-45 Years	79	32.8
46-60 Years	56	23.2
61 Years and above	14	5.8
Total	241	100

Source: *Research Data, 2025*

The age profile indicates that the largest segments of the groups are in the prime working-age categories. The survey results show that the 36-45 age group represents the biggest segment with 32.8% of the total, while the 26-35 age group follows closely with 28.2% and the 46-60 age group accounts for 23.2%. The age distribution indicates that most group members belong to the experienced adult category, who actively participate in economic activities and demonstrate financial management skills. The groups included younger members (18-25 years) and older members (61 years and above) who made up 10% and 5.8% of the total population, respectively. The participation data shows that young adults between

18-25 years either pursue studies or maintain non-participation in financial groups during this period, and senior citizens above 61 years tend to stay away from these groups because of their advanced age.

Table 5: Education level of the respondents

Category	Frequency (n=241)	Percentage (%)
No formal education	19	7.9
Primary education	101	41.9
Secondary education	83	34.4
Tertiary education	31	12.9
Undergraduate		2.9
Total	241	100

Source: *Research Data, 2025*

The survey results show that most participants achieved primary (41.9%) or secondary (34.4%) education levels. The basic literacy and numeracy skills from these educational levels might limit their ability to understand sophisticated financial instruments unless they receive specific training. The members consist of a small but substantial number who completed tertiary education (12.9%) and a few who achieved undergraduate degrees (2.9%). The respondents who did not receive formal education make up 7.9% of the total group, indicating a need for basic financial education methods that are easy to understand. The varied educational backgrounds within the groups imply diverse levels of existing financial knowledge and potentially different learning needs, which are critical considerations for the design and delivery of effective financial literacy programs aimed at enhancing the sustainability of table banking projects.

Budgeting Skills and Sustainability of Table Banking Projects
This section presents the findings regarding the budgeting skills of mixed-gender self-help group members in Karai Ward and explores their potential influence on the sustainability of table banking projects, addressing the study Objective: To establish the influence of budgeting skills on the sustainability of table banking projects among mixed gender self-help groups in Karai Ward, Kiambu County. The analysis is based on the responses obtained from the 241 participants who completed the quantitative questionnaire. Budgeting skills were assessed using eight items rated on a 5-point Likert scale, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

The table below summarizes the descriptive statistics for each item measuring budgeting skills, including the frequency distribution of responses across the Likert scale points, the percentages the mean score, and the standard deviation.

Table 6: Budgeting Skills

Statement	1 (SD)	2 (D)	3 (N)	4 (A)	5 (SA)	Mean	Std. Dev.
The group always prepares a budget for the table banking activities.	15 6%	28 11.6%	42 17.4%	98 40.7%	58 24.1%	3.71	1.18
Group members have the skills to prepare a budget.	21 8.7%	35 14.5%	50 20.7%	85 35.2%	50 20.7%	3.59	1.19
The group develops an expenditure plan that outlines how funds will be allocated.	18 7.5%	30 12.4%	45 18.7%	95 39.4%	53 22%	3.67	1.17

Group members are involved in the development of the expenditure plan.	10 4.1%	22 9.1%	38 15.8%	105 43.6%	66 27.4%	3.92	1.08
The group budget has grown in the last 2 years.	25 10.4%	39 16.2%	55 22.8%	78 32.4%	44 18.3%	3.44	1.23
The budget includes provisions for future expansion of group activities.	30 12.4%	45 18.7%	60 24.9%	70 29.0%	36 14.9%	3.28	1.25
The group adheres to/implements the budget in running its table banking project.	22 9.1%	38 15.8%	52 21.6%	88 36.5%	41 17.0%	3.49	1.21
The budget is reviewed periodically to adapt to internal and external dynamics.	28 11.6%	48 19.9%	58 24.1%	75 31.1%	32 13.3%	3.21	1.24
Combined average						3.54	1.19

Source: *Research Data, 2025*

The analysis of budgeting skills among mixed-gender self-help groups (SHGs) demonstrate varied levels of agreement across the items when compared to the combined mean (M= 3.54) and combined standard deviation (SD= 1.19). Item 1, which assessed whether the group always prepares a budget for table banking activities, had a mean of 3.71, which is above the combined mean, indicating a stronger agreement; its standard deviation of 1.18 is slightly lower than the combined SD, suggesting more consistent responses. This suggests that budgeting is a regular activity for many groups, though a notable portion of respondents still expressed neutrality or disagreement, indicating that consistent budget preparation may not be universal. Item 2, on whether members have budgeting skills, had a mean of 3.59, also above the combined mean, indicating relatively strong agreement, with a standard deviation of 1.19, equal to the combined SD, showing average response dispersion. Item 3, concerning the development of an expenditure plan, recorded a mean of 3.67, above the combined mean, suggesting positive budgeting practices, with a standard deviation of 1.17, which is slightly below the average, implying less variability in perception.

Item 4, about member involvement in expenditure planning, achieved the highest mean of 3.92, which is well above the combined mean, demonstrating strong consensus, and a low SD of 1.08, significantly lower than the combined SD, indicating high consistency in responses. This indicates a strong perception among respondents that participation in financial planning is a common practice within their groups. The high level of involvement in expenditure planning is a positive indicator of transparency and collective ownership in the financial management process.

Conversely, Item 5, examining budget growth in the last two years, scored a mean of 3.44, which is slightly below the combined mean, implying weaker perceived growth, with a standard deviation of 1.23, which is slightly above the average, suggesting greater variability in group experiences. Item 6, on inclusion of future expansion provisions, had a mean of 3.28, notably below the combined mean, indicating limited strategic planning, with a standard deviation of 1.25, which is above the combined SD, signifying more divergent views. This indicates that while some groups plan for expansion, it is not a universally strong aspect of their budgeting practices.

Item 7, assessing adherence to the budget, had a mean of 3.49, marginally below the combined mean, indicating moderate adherence, with a standard deviation of 1.21, slightly above the average, again pointing to some variability. Lastly, Item 8, on periodic review of budgets, scored the lowest mean of

3.21, which is well below the combined mean, indicating limited practice, and had a standard deviation of 1.24, above the combined SD, reflecting greater inconsistency in practices. This suggests that reviewing and adjusting the budget in response to changing circumstances is the least commonly practiced budgeting skill among the surveyed groups. This highlights a potential area for improvement in financial planning and adaptability. The overall standard deviation of 1.19 is consistent with item-level standard deviations, which range narrowly from 1.08 to 1.25, indicating relatively uniform variability across responses. This pattern suggests moderate dispersion in perceptions across all items, with no single item exhibiting extreme disagreement or consensus, implying that while attitudes vary, they do so within a consistent range across budgeting dimensions.

Inferential Analysis
This section presents the results of the inferential statistical analysis. The independent variables examined were budgeting skills, saving skills, debt management skills and knowledge of financial service providers. The independent variable was sustainability of table banking projects. The inferential analysis included a Model Summary, ANOVA, Correlation Analysis, and Regression Coefficients.

Budgeting Skills
Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.650	0.422	0.415	0.720

Source: Research Data, 2025

The Model Summary shows a strong positive linear relationship between budgeting skills and project sustainability with an R of 0.650, which translates into an R Square of 0.422. This means 42.2% of the variation in sustainability is explained by budgeting skills alone a substantial proportion for a single predictor. The Adjusted R Square of 0.415 corrects for sample size and model simplicity, reinforcing the model's reliability.

Table 8: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1	55.200	1	55.200	106.500	0.000
Residual	75.603	146	0.518		
Total	130.803	147			

Source: Research Data, 2025

The ANOVA table supports the model's significance. The F-statistic is 106.500 with a p-value < 0.001, indicating that budgeting skills significantly predict sustainability.

1.6 Conclusion
This study examined the influence of budgeting skills on the sustainability of mixed-gender self-help groups (SHGs) engaged in table banking, with a focus on how financial literacy, internal group dynamics, and external institutional factors interact to determine long-term viability. Anchored on the Resource-Based View (RBV), Social Capital Theory, and Behavioural Finance Theory, the study

analyzed how internal capabilities, shared norms, and financial behaviour affect group performance and resilience.

Findings revealed that budgeting skills are a critical component of financial literacy that directly enhance the decision-making capacity, planning efficiency, and resource allocation of SHGs. Groups with structured budgeting practices demonstrated stronger accountability mechanisms, higher savings mobilization, and greater ability to align financial resources with strategic objectives. Conversely, groups that lacked sound budgeting frameworks experienced leakages, mismanagement of funds, and short-lived success despite high initial enthusiasm. These findings affirm the RBV proposition that internal competencies such as budgeting constitute valuable and inimitable resources that can deliver a sustained competitive advantage. The study further established that behavioural factors influence how budgeting skills are applied in practice. Even when knowledge of budgeting existed, behavioural biases—such as overconfidence, short-termism, and poor discipline in financial record-keeping—undermined prudent financial management. The presence of social capital within groups, manifested in mutual trust, peer accountability, and strong leadership, helped mitigate these behavioural tendencies. When members trusted one another and enforced norms of transparency, adherence to agreed budgets improved, thereby enhancing sustainability. This finding aligns with Social Capital Theory, which underscores the importance of networks and trust in enabling collective action. External institutional factors such as supportive government policies, capacity-building programs, and linkages with microfinance institutions also influenced group sustainability. Groups that received training from NGOs, government agencies, or financial service providers reported improved budgeting capacity and financial discipline. However, limited access to such support, particularly in rural or marginalized areas, constrained many groups from professionalizing their financial management. This underscores the need for deliberate and structured interventions to build budgeting competence at the grassroots level.

Overall, the study concludes that budgeting skills serve as the cornerstone of sustainable table banking initiatives. They are not merely technical abilities but strategic tools that, when coupled with supportive social structures and enabling policies, drive self-help groups toward financial independence and long-term stability. Sustainability in table banking cannot be achieved through savings mobilization alone; it requires consistent planning, monitoring, and prudent allocation of funds, anchored on disciplined budgeting frameworks. This conclusion carries several implications. First, it demonstrates that capacity-building initiatives must move beyond generic financial literacy programs to focus specifically on practical budgeting and financial planning. Second, it highlights the importance of strengthening group governance structures so that budgeting is not only an individual skill but also an institutionalized group practice. Third, it shows that policymakers, NGOs, and other stakeholders must invest in systems that enhance accountability and knowledge transfer, ensuring that budgeting becomes an embedded norm rather than a one-off training topic. Finally, it confirms that sustainability is both a financial and social process—requiring the integration of technical skills, behavioural discipline, and social cohesion.

By drawing insights from three complementary theoretical perspectives, this study contributes to a holistic understanding of how budgeting skills operate at the intersection of individual competence, group dynamics, and institutional frameworks. The RBV emphasizes the internal strength of SHGs as drivers of sustainability; Behavioural Finance Theory warns against the human biases that can derail financial planning; and Social Capital Theory underscores that collective trust and cohesion are essential for enforcing good practices. Together, these frameworks provide an integrated explanation of why some

mixed-gender SHGs succeed in sustaining table banking initiatives while others fail despite having similar resource endowments.

The study therefore concludes that the sustainability of SHGs is neither automatic nor guaranteed by financial mobilization alone. It depends on deliberate efforts to institutionalize budgeting, enforce financial discipline, build leadership capacity, and cultivate a culture of mutual accountability. For SHGs to thrive, they must be treated not only as financial platforms but also as learning organizations capable of adapting to challenges, managing risks, and pursuing collective goals strategically.

1.7 Recommendations

What to Do:- Develop structured budgeting frameworks for SHGs that include annual and monthly budgets, periodic reviews, and performance tracking tools; Prioritize continuous financial literacy programs with a specific emphasis on budgeting, cash-flow management, and financial planning rather than general savings awareness; Strengthen governance and accountability mechanisms within SHGs to institutionalize budgeting practices and reduce financial mismanagement; Enhance access to technical support and mentorship through partnerships between SHGs, NGOs, and government agencies; Create digital record-keeping and budgeting tools tailored for grassroots groups to improve transparency and ease of monitoring.

Who Should Do It:- Government agencies (Ministry of Cooperatives, Ministry of Gender, county governments): Provide policy support, training resources, and regulatory oversight to ensure SHGs adhere to sound financial practices; Non-Governmental Organizations (NGOs) and microfinance institutions: Offer capacity-building programs, mentorship, and digital tools to SHGs; Self-Help Group leaders and members: Take responsibility for enforcing group budgets, ensuring transparency, and seeking external technical support when needed; and Development partners and donors: Fund initiatives that focus on strengthening budgeting and governance capacity rather than only expanding financial capital.

How to Do It:- Training and capacity building: Organize regular workshops and mentorship programs on budgeting and financial management, using participatory approaches to ensure knowledge retention; Policy and regulation: Establish county-level SHG registries that track financial performance and provide feedback loops to identify groups needing technical assistance; Digital innovation: Deploy simple, mobile-based budgeting applications that allow groups to track contributions, expenditures, and savings in real time; Peer learning platforms: Facilitate exchange visits between well-performing SHGs and emerging groups to share practical experiences on budgeting and accountability; and Monitoring and evaluation: Implement structured follow-ups to assess the effectiveness of budgeting programs and adjust strategies based on evidence.

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