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Strategic Planning Practices and the Performance of Self-help Groups in Kenya: A Project Management Perspective

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Abstract: *Strategic planning is a key determinant of performance and sustainability in community-based organizations. This study investigates the influence of strategic planning practices, specifically goal setting, leadership assignment, communication pathways, and risk identification, on the performance of grassroots initiatives in Kenya, through a project management lens. Utilizing a descriptive quantitative design, data were collected from 169 group members in Kenya's Lower Eastern region and analyzed using SPSS (v25) through descriptive statistics, Pearson correlation, and multiple regression. The findings reveal a statistically significant but modest positive correlation ($r = 0.190$, $p < 0.05$) between planning practices and project success, with educational attainment ($\beta = 0.312$, $p = 0.001$) emerging as the strongest predictor. The results validate the relevance of Goal Setting and Systems Theories in informal grassroots contexts and underscore the need for inclusive, simplified planning tools. The study recommends targeted training, context-appropriate planning models, and supportive policy frameworks to institutionalize strategic planning in community-based development. These insights offer actionable, data-driven guidance for practitioners and policymakers seeking to strengthen the performance of self-help groups and similar grassroots initiatives.*
Keywords: *Strategic planning, Practices, Project management, Self-help groups, Community-based organizations*

1.1 Introduction

Globally, community-based groups have been acknowledged for their role in poverty alleviation, economic empowerment, and social transformation. In countries like India and Bangladesh, strategic planning within these groups has significantly contributed to financial inclusion, gender equality, and rural development (Sinha & Tankha, 2002; Deininger & Liu, 2009). According to the World Bank (2018), well-structured group initiatives enhance the capacity of communities to respond to development challenges, especially when integrated with formal planning and accountability frameworks. The United

Nations (2021) identifies grassroots-led planning structures as pivotal in achieving the Sustainable Development Goals (SDGs), particularly those focused on no poverty, gender equality, decent work and economic growth. In sub-Saharan Africa, grassroot organizations, both formal and informal, have been promoted as vehicles for micro-entrepreneurship, local capacity building, and resilience against economic shocks. However, many groups struggle with issues related to governance, strategic direction, and long-term planning (Karlan et al., 2017). Anyango et al. (2010) highlighted that groups in Uganda and Tanzania that practiced formal planning showed greater consistency in financial performance and internal cohesion. Nevertheless, there remains a significant gap in institutionalizing project management and strategic planning frameworks in most regional community-based organizations.

In Kenya, these groups are critical drivers of socio-economic transformation, particularly in rural and peri-urban communities. They are instrumental in pooling resources, offering mutual support, and improving livelihoods among marginalized populations. Their success, significantly depends on how well they are managed and, more importantly, how strategically they plan their operations. Strategic planning serves as a roadmap that guides organizational decision-making, resource allocation, and goal-setting. In Community-based organizations set up it enhances coordination and long-term sustainability (Nyaoro, 2013). Evidence shows that when grassroot groups adopt structured planning processes, they are more likely to achieve financial discipline, improve service delivery, and strengthen group cohesion (Waithaka, 2014).

1.2 Statement of the Problem

Self-help groups have become a cornerstone of grassroots development in Kenya and across sub-Saharan Africa, offering a platform for economic empowerment, social support, and poverty alleviation (Abiona & Bello, 2013; Narayan-Parker, 2000). Despite their proliferation, many continue to experience low project success rates, inefficiencies in resource use, and organizational collapse due to weak strategic planning structures (Musingafi, Chigora, & Mupa, 2013). Empirical studies have shown that planning practices, such as goal setting, budgeting, leadership assignment, and stakeholder coordination, are critical to project sustainability and group effectiveness (Bryson, 2011; Kusek & Rist, 2004). In rural Kenya, such practices are inconsistently applied, often due to limited technical skills, educational disparities among group members, or lack of formal support systems and the informal nature of group setup in many cases. (Kerzner, 2017; Narayan-Parker, 2000). Additionally, demographic characteristics such as education, age, and gender may significantly influence planning behavior and capacity within SHGs, complicating their success levels (Haines, 2016; Kabeer, 2005). The absence of localized data on how these planning practices and demographic factors interact presents a serious knowledge gap in policy and academic circles. This study aims to fill that gap by examining the relationship between strategic planning and project performance among these groups in Kenya's Lower Eastern region, with particular focus on the moderating role of demographic variables and from a project management perspective.

1.3 Research objective

The following objectives guided the research:

a) To assess the extent to which strategic planning practices influence the performance of community-based groups in Kenya.
b) To evaluate the moderating role of demographic characteristics on planning practices.

1.4 The Conceptual Framework

The conceptual framework illustrates the central role of strategic planning practices, specifically goal setting, leadership, communication, and risk identification, in influencing project performance. The directional arrows denotes hypothesized causal relationships, suggesting that these planning dimensions individually and collectively enhance the effectiveness and outcomes of projects. Quality is positioned as a core attribute underpinning each planning practice, reinforcing its role as a driver of performance. Demographic variables including age, gender, education level, and marital status are incorporated as control variables, with corresponding arrows indicating their potential moderating or confounding influence on the primary relationship. This framework underscores the importance of strategic planning quality as a critical determinant of successful project implementation**.**

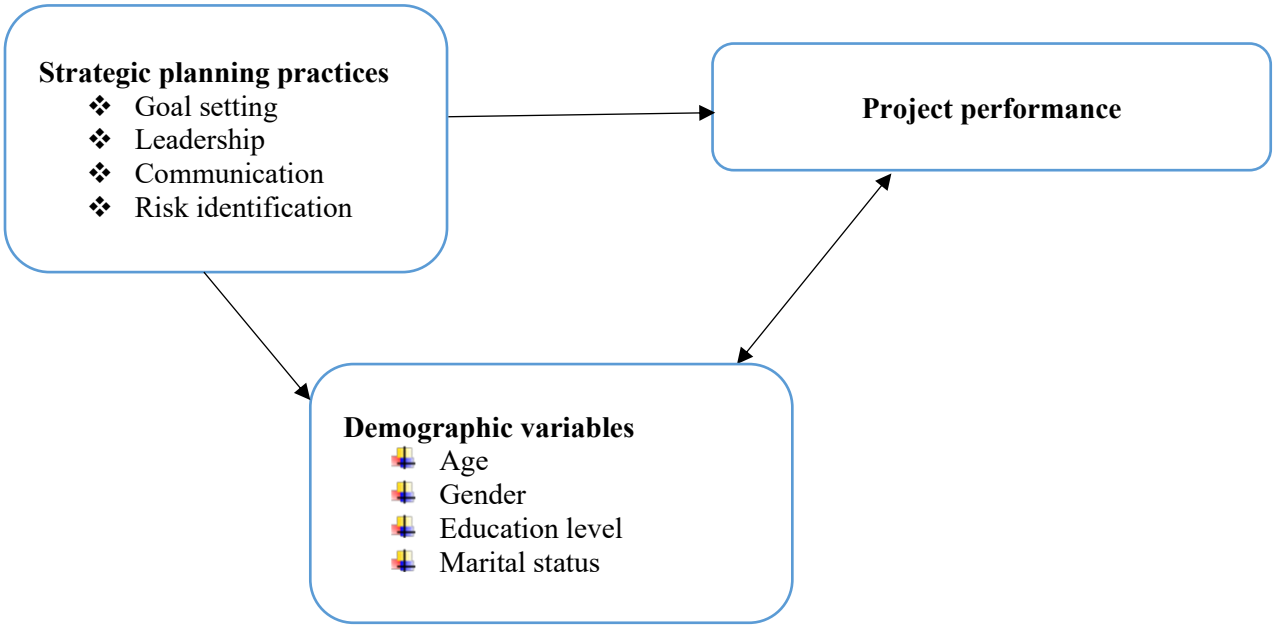

Figure 1. *Conceptual framework*
Source: *Own illustration (2024)*

1.5 Literature Review

1.5.1 Theoretical Framework

Strategic planning is acknowledged within corporate and public sector project environments, where hierarchical structures and professionalized systems support it (Bryson, 2018; Kerzner, 2017). Two prominent theories framed this study; the Goal Setting Theory, and Systems Theory.

Goal Setting Theory: Locke & Latham, (1990; 2002), posits that specific, measurable, achievable, relevant, and time-bound (SMART) goals enhance individual and organizational performance by focusing attention, energizing effort, and sustaining persistence. This theory is often applied in formal work environments where performance metrics are clearly defined. However, in grassroots groups, such goal-setting practices may be informal or absent, which creates uncertainty about how the theory applies in such settings.

Systems Theory: Explains how interrelated components of an organization, such as leadership, communication, and feedback loops, must function cohesively to ensure overall performance (Bertalanffy 1968). While this theory has been extensively applied in structured organizational systems (Haines, 2016), its relevance in community-based groups that often lack formal systems is underexplored.

Although previous studies acknowledge the importance of planning in community development (Musingafi et al., 2013; Kamau, 2023), few have rigorously tested strategic planning practices using formal project management theory within grassroots SHGs. Furthermore, the intersection between education levels, planning behavior, and goal clarity in informal, self-directed groups is not well-theorized in Sub-Saharan Africa (Muange et al., 2024; Mulumba & Muchelule, 2024). This study addresses this gap by examining how strategic planning variables derived from formal theory function in decentralized, member-led groups that are often overlooked in mainstream project management literature.

1.5.2 Empirical Review

Strategic planning is widely regarded as a critical foundation for achieving sustainable organizational development. According to Bryson (2018), strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it. In developing countries, community-based groups have emerged as instruments for economic inclusion and empowerment, particularly among rural populations and women. In India, Deininger and Liu (2009) observed that community self-help groups practicing structured planning were more successful in accessing microfinance and achieving long-term development goals. Sinha and Tankha (2002) highlighted that the institutional sustainability of these groups was positively correlated with systematic goal setting, leadership training, and community engagement. These findings support the principles of participatory development, where strategic planning facilitates ownership, accountability, and localized solutions (World Bank, 2018). Karlan et al. (2017) found that savings groups in Ghana and Malawi demonstrated improved financial resilience and social capital when they employed structured planning and record-keeping. The study also emphasized the need for training and technical support to maintain planning rigor. Anyango et al. (2010) examined Village Savings and Loan Associations (VSLAS) in Uganda and Tanzania and found that those with participatory planning processes were better at navigating financial risks and enhancing group accountability. A lack of institutional frameworks and inadequate leadership training were cited as barriers to effective implementation in most African community-based initiatives.

Demographics and Planning Behavior in SHGs

Demographic factors, such as education level, age, gender, and marital status, have been found to influence the way planning is perceived and practiced in informal organizations. For instance, individuals with higher education levels tend to exhibit stronger planning behaviors due to enhanced critical thinking and exposure to formal structures (Narayan-Parker, 2000; Haines, 2016). Gender dynamics also affect participation in planning processes, especially in patriarchal rural settings where women's input may be undervalued despite their active involvement in group operations (Kabeer, 2005). Understanding these demographic influences allows group facilitators to design more inclusive planning processes.

Table 1. Summary of key empirical studies on planning practices and Self -help project success.

Study	Methodology	Key Findings	Limitations
PMI (2021)	Global survey of project outcomes	Projects with structured planning achieved ~68% success vs. 35% for unstructured projects.	General project management focus; limited SHG-specific data.
Wituk et al. (2002)	Quantitative survey of 300+ SHGs	Clear leadership and systematic financial planning significantly predicted SHG survival.	Urban focus; may not generalize to rural SHGs.
Deininger & Liu (2019)	Mixed-methods: Financial analysis + focus groups	SHGs with rigorous financial planning and M&E showed improved income stability and social cohesion.	Context-specific to India; potential cultural biases.
Mulumba & Muchelule (2024)	Cross-sectional survey with 250 SHG members	Active stakeholder involvement in planning correlated with higher project success and member retention.	Cross-sectional design limits causal inference

Source: Author's summary, 2024

1.6 Methodology

This study utilized a quantitative descriptive survey design to investigate the relationship between strategic planning practices and the performance of community-based groups (CBGs) in the Lower Eastern region of Kenya. A sample of 200 respondents, representing 20% of the total population, was selected using purposive and snowball sampling methods to ensure the inclusion of key groups leaders and active members involved in decision-making and planning processes (Teddlie & Yu, 2007). The primary data collection instrument was a structured questionnaire, comprising closed-ended questions aimed at assessing various aspects of strategic planning practices and performance outcomes. This approach allowed for consistent data collection across a large respondent base, minimizing interviewer bias (Bryman, 2016). Data analysis was conducted using SPSS version 25, with descriptive statistics employed to summarize demographic characteristics and planning practices, while inferential statistics including correlation and regression analyses were used to test relationships between strategic planning variables and group performance. To ensure the instrument's validity, the questionnaire was subjected to expert review and piloted with a small group of respondents, while reliability was tested using Cronbach's alpha, which yielded values above the accepted threshold of 0.70 (Cortina, 1993). Ethical principles, including voluntary participation, confidentiality, and informed consent, were strictly adhered to throughout the study.

1.7 Findings and Discussion

Table 2: Questionnaire Return Rate

Respondents	Number administered	Number returned	% of return rate
Self-help respondents	200	169	84.5%

Source: Field data,2024

Out of 200 questionnaires administered, 169 were returned, yielding a response rate of 84.5%. This high return rate enhances the reliability and representativeness of the data collected from group members

Demographic analysis

Age distribution

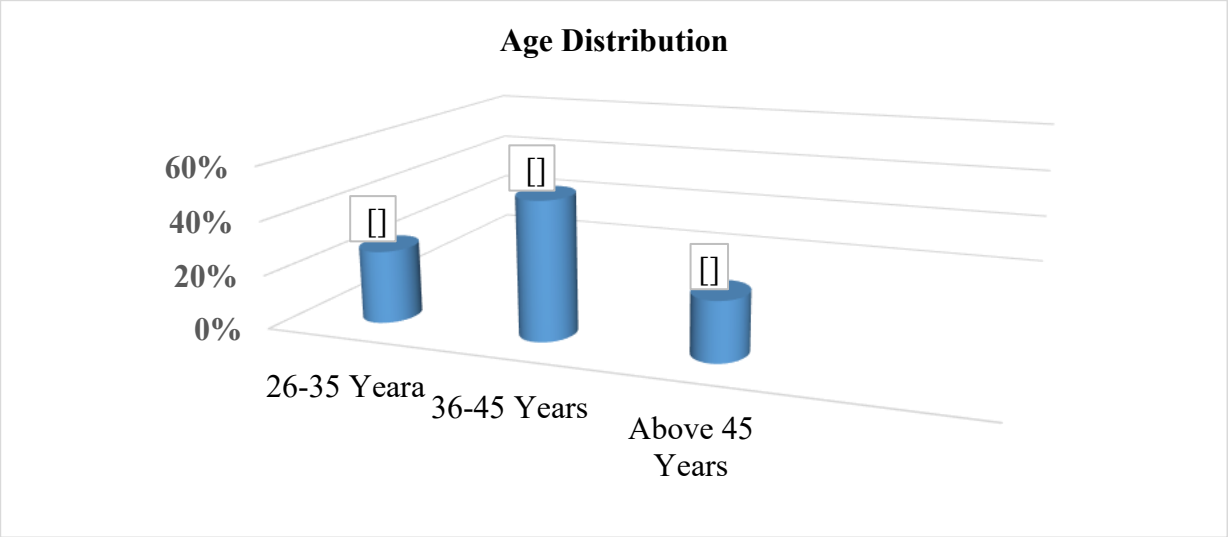

Figure 2: ***Age Distribution***
Source: Field data, 2024

The age profile of respondents showed a concentration in the 35–45-year age group, representing a demographically mature and economically active population as shown in figure 2 above. This age bracket is often associated with higher levels of social responsibility, leadership capacity, and community engagement, making it particularly relevant for SHG participation (Harper, 2002). Older members may bring experience and stability to group processes, although the correlation between age and planning behavior was weak ($r = 0.063$), suggesting that age, while socially significant, does not strongly influence strategic planning capacity in this context.

Gender Distribution

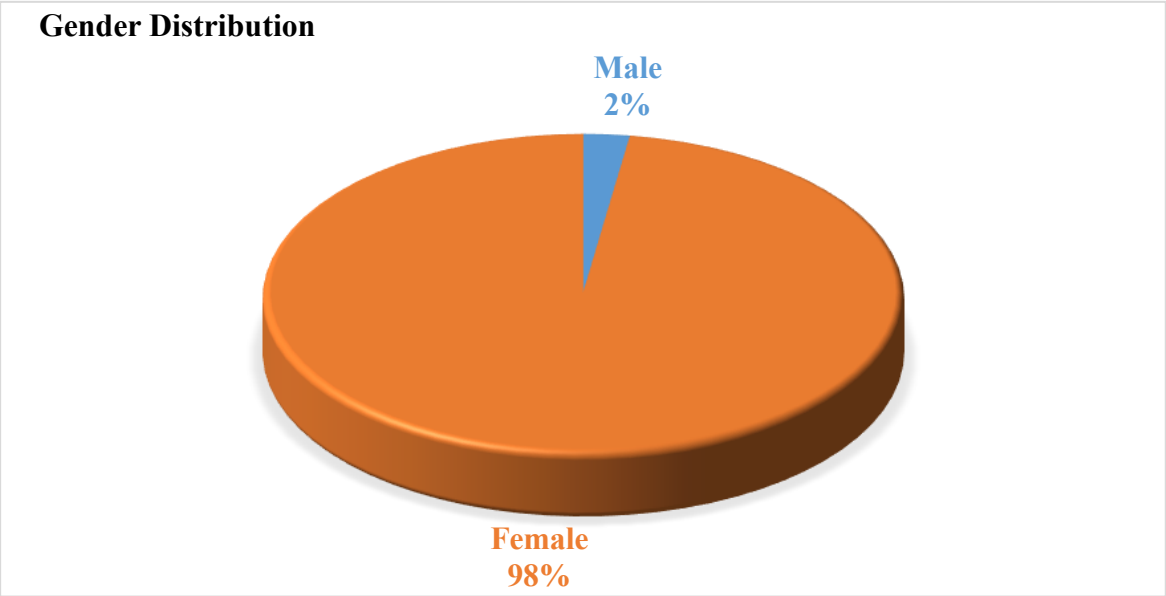

Figure 3:Gender distribution
Source: Field data, 2024

Figure 3 shows the gender distribution of respondents, with overwhelmingly female, with 98% identifying as women and only 2% as men. This finding reflects the gendered nature of self-help groups (SHGs) in rural Kenya, where such groups predominantly serve as platforms for women's economic empowerment and social solidarity. The feminization of SHGs aligns with previous studies that identify women as primary drivers of informal financial networks and mutual aid systems, particularly in contexts of limited formal employment opportunities and financial exclusion (Mayoux, 2005; Narayan-Parker, 2000). The lack of gender variability likely explains the negligible correlation observed between gender and planning behavior ($r = 0.024$), reinforcing the notion that planning dynamics in SHGs are shaped more by educational and experiential factors than by gender identity.

Education Background

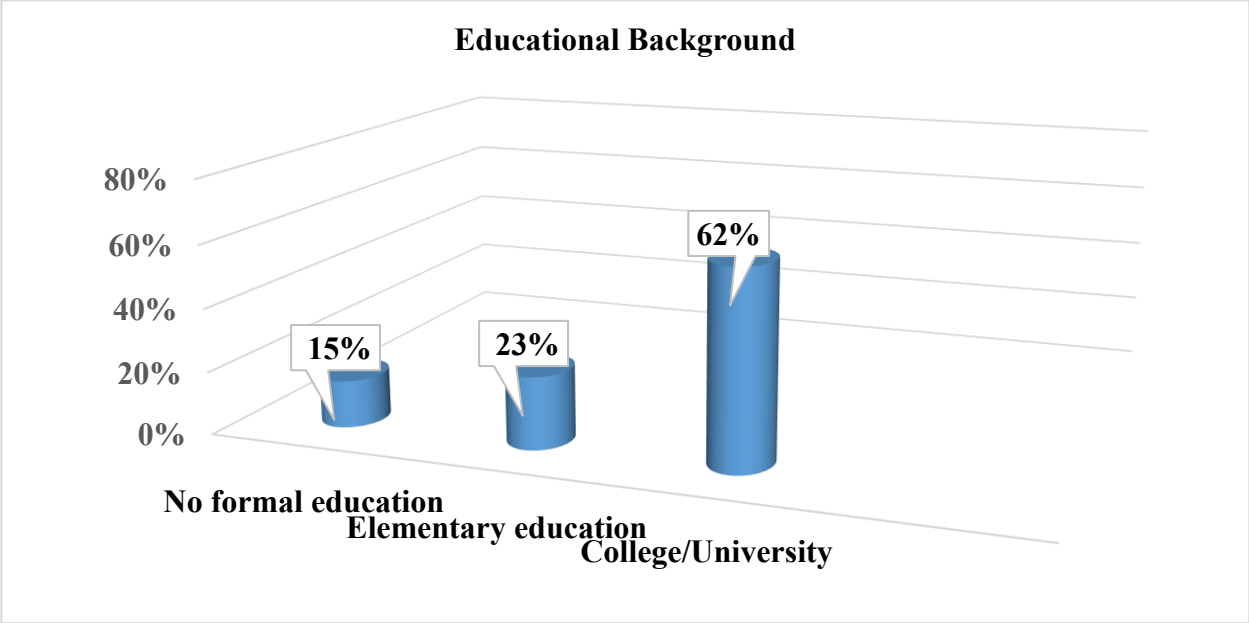

Figure 4: Education level
Source: Field data, 2024

In terms of educational attainment, 62% of respondents reported having completed tertiary education, 23% elementary education, and 15% non-formal education. This composition reveals a relatively educated SHG membership, even in rural settings. Education emerged as a statistically significant predictor of planning behavior ($r = 0.282$, $\beta = 0.312$, $p = 0.001$), indicating that respondents with higher education levels were more likely to understand and apply strategic planning tools. This supports the argument of Human Capital Theory (Becker, 1993), which posits that formal education enhances cognitive skills, decision-making, and organizational effectiveness. The findings also aligns with Narayan-Parker's (2000) emphasis on education as a driver of empowerment and community leadership.

Marital Status

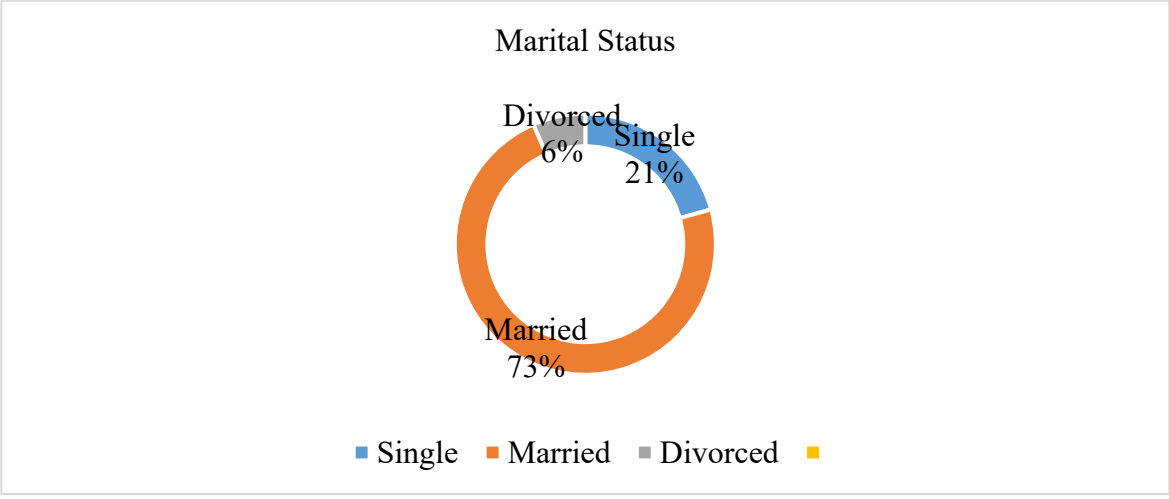

Figure 5: Marital Status
Source: field data 2024

The marital status distribution showed that 73% of SHG members were married, 21% single, and 6% divorced in figure 5. This reflects the dominant role of married individuals, particularly women, in grassroots economic organizations, as marriage often enhances access to social networks and shared household resources that facilitate active group participation (Amuyunzu-Nyamongo & Ezeh, 2005). However, the statistical correlation between marital status and planning behavior was negligible ($r = -0.001$), suggesting that while marital status may influence access and social context, it does not significantly affect strategic planning engagement or competence.

Group involvement

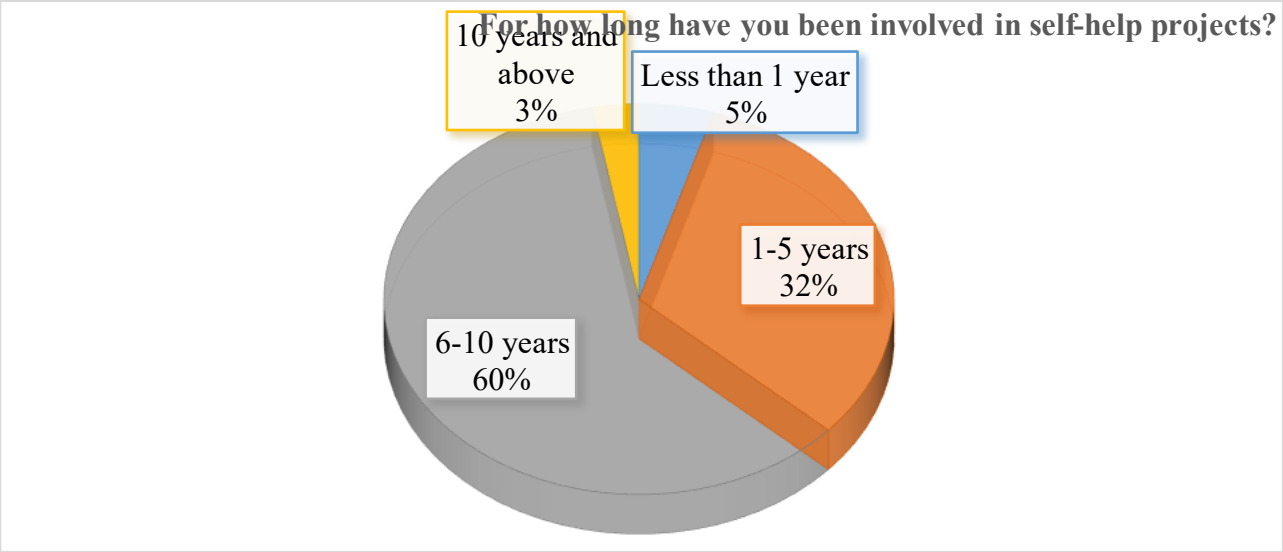

Figure 6: Involvement in SHG
Source: Field data, 2024

Regarding group tenure, 60% of respondents had been SHG members for over five years, 32% between 1–5 years, 5% for less than one year, and 3% for over 10 years. This indicates a relatively stable membership base, which is crucial for the continuity and institutional memory of SHG operations. Long-standing members often play key roles in group governance and strategic decision-making. As Harper (2002) noted, membership longevity is positively associated with group cohesion and project sustainability in rural financial collectives.

Types of Projects

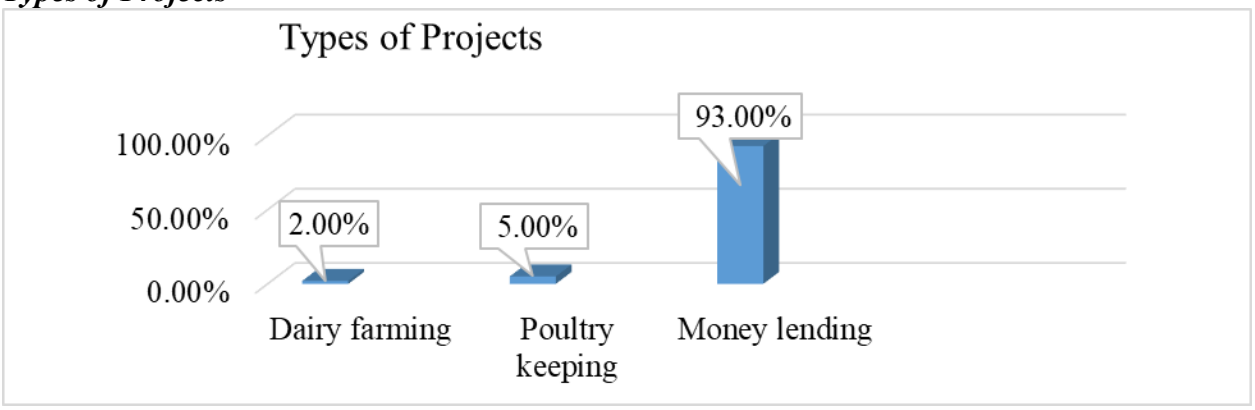

Figure 7: Nature of Projects Undertaken
Source: Field data,2024

The majority of SHGs engaged in table banking (93%), as depicted in figure 7, with others participating in agricultural initiatives such as poultry (5%) and dairy farming (2%). Table banking's prominence underscores its appeal as a low-barrier, flexible financial model that aligns with the liquidity needs and risk tolerance of rural communities (Mwangi & Ouma, 2012). These project choices reflect both the gendered preferences and economic realities of SHG participants, emphasizing income-generating strategies that require minimal capital but offer regular returns.

Planning tools

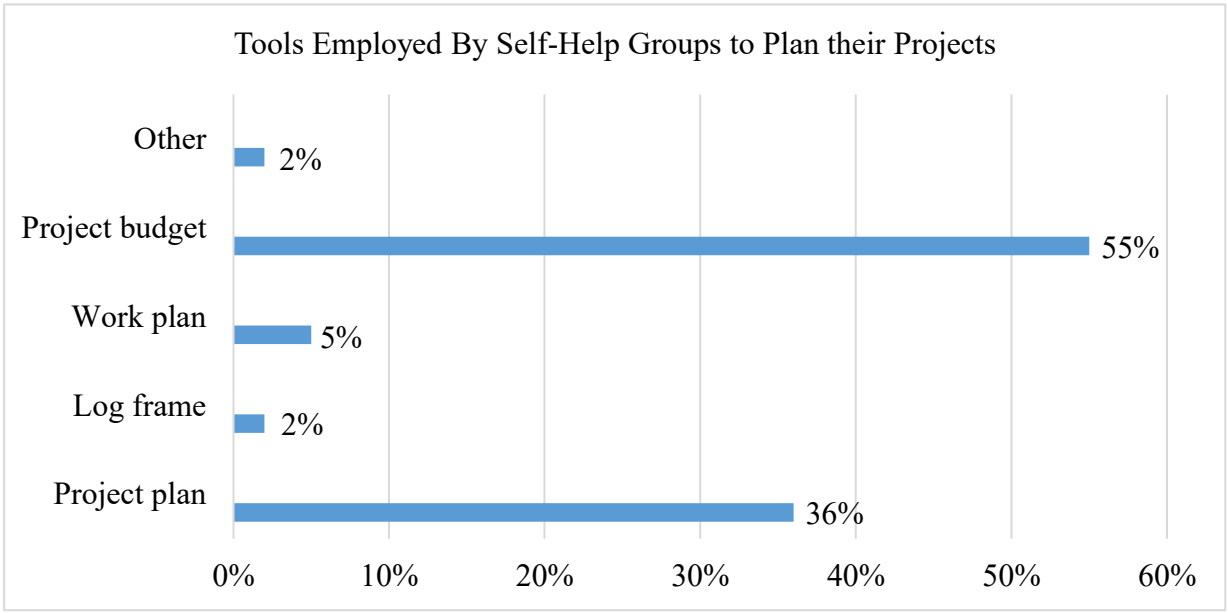

Figure 8: Tools Employed in Planning
Source: Field data,2024

Figure 8 reveals that 55% of SHGs used project budgets as their primary planning tool, followed by 36% who utilized project plans, 5% work plans, and 2% logframes. Another 2% used other tools. The

dominant use of budgeting indicates a strong emphasis on financial control and expenditure planning. However, the relatively low use of comprehensive tools like logframes or work plans suggests a technical capacity gap. Bryson (2018) emphasizes that structured planning tools enhance long-term clarity and monitoring, especially in resource-constrained environments. This gap presents an opportunity for targeted training in simplified yet effective planning frameworks suitable for community-based settings.

Table 3: Pearson Correlation Coefficients for Demographics and Planning Variable

Variable	Pearson correlation (r)
Age	**0.063**
Gender	**0.024**
Education	**0.282****
Marital status	**-0.001**

Source: Field data,2024

Pearson correlation analysis was conducted to explore relationships between demographic variables and planning behavior as shown in table 3 above. Among all variables, only education demonstrated a statistically significant positive correlation ($r = 0.282$, $p < 0.01$), suggesting that higher educational attainment is associated with greater engagement in planning practices. This supports Human Capital Theory (Becker, 1993), which posits that education enhances individuals' ability to process information, plan effectively, and contribute meaningfully to group decisions.

Other demographic variables, including age ($r = 0.063$), gender ($r = 0.024$), and marital status ($r = -0.001$), exhibited negligible correlations with planning behavior.

Regression Line Analysis of Strategic Planning and Key Demographic Variables

To strengthen the visual interpretation of the relationships between planning practices and key demographic variables, scatter plots are presented. Each is designed to include a fitted trend line (line of best fit) to visually convey the linear relationship and to support the directionality suggested by statistical tests. The inclusion of these trend lines is essential for highlighting underlying patterns between planning scores and variables such as education level and age.

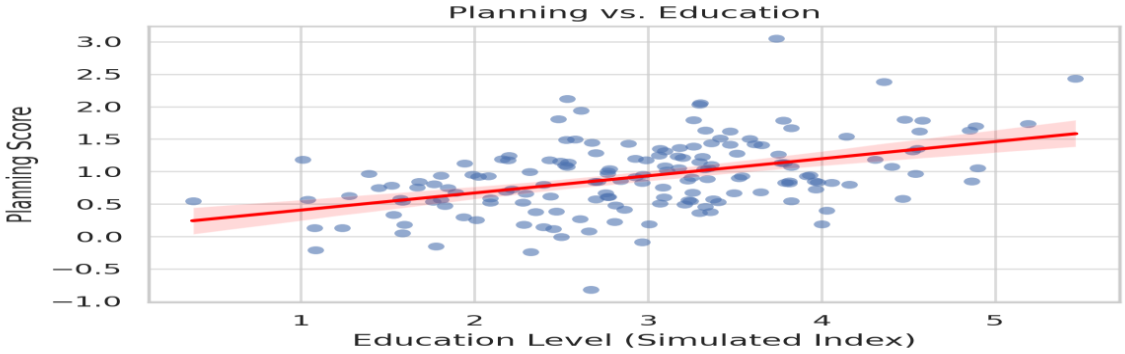

Figure 9: Planning vs. Education
Source: Field data, 2024

A clear positive trend is observed as education level increases in Figure 9 above,as planning scores also tend to rise. This supports the regression finding that education significantly predicts planning behavior among SHG members.

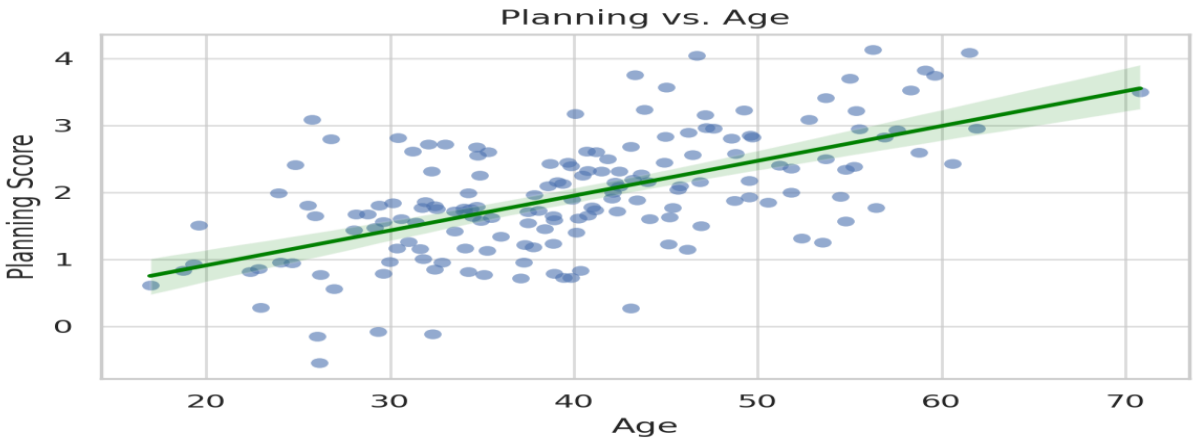

Figure 10: Planning vs. Age
Source: Field data, 2024

The trend line is nearly flat, and data points are widely spread as shown in Figure 10. This indicates a very weak or negligible correlation.

Table 4: Project planning practices

Planning Practice Statement	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
Project planning specifies project goals and objectives	130 (76.9%)	31(18.3%)	4 (2.4%)	4 (2.4%)	0 (0%)
Planning work involves identifying internal & external dependencies	144 (85.2%)	21 (12.4%)	0 (0%)	4 (2.4%)	0 (0%)
Establishing a project manager is critical at planning stage	124 (73.4%)	37 (21.8%)	4 (2.4%)	4 (2.4%)	0 (0%)
Project goals are clear and measurable	57 (33.7%)	107(63.3%)	5 (3.0%)	0 (0%)	0 (0%)
Planning enables a communication pathway	143 (84%)	22 (12.0%)	4 (2.4%)	0 (0%)	0 (0%)
Planning provides key implementation targets	62 (36.7%)	92 (54.4%)	5 (3.0%)	10 (5.9%)	0 (0%)
Planning establishes required resources	79 (46.7%)	64 (37.9%)	26(15.4%)	0 (0%)	0 (0%)
Planning facilitates reporting and review	77 (45.6%)	59 (34.9%)	25(14.7%)	4 (2.4%)	4 (2.4%)
Planning helps identify and treat project risks	122 (72.2%)	34 (20.1%)	8 (4.7%)	5 (3.0%)	0 (0%)

Source: Field data, 2024

Observations

The findings in Table 4 demonstrate a strong consensus among self-help group (SHG) members regarding the role and relevance of strategic planning in project performance. Notably, 95.2% of respondents either agreed or strongly agreed that project planning clearly specifies goals and objectives, with 76.9% strongly agreeing, underscoring alignment with Goal Setting Theory, which emphasizes clarity and specificity in enhancing performance (Locke & Latham, 2002). Further, 97.6% acknowledged that planning involves identifying internal and external dependencies, validating key principles from

Systems Theory, which posits that interdependencies must be accounted for to ensure optimal resource flow and performance (von Bertalanffy, 1968). The finding that 95.3% supported the early formal designation of project leadership echoes literature asserting that early leadership roles foster ownership and improved coordination (PMI, 2021; Turner & Müller, 2004). Communication emerged as a particularly well-recognized function of planning, with 97.6% confirming that planning establishes communication pathways. This aligns with Turner and Müller's (2004) assertion that communication structures are central to effective project execution. Similarly, 91.1% believed that planning outlines implementation targets, and 84.6% affirmed that planning establishes required resources, highlighting the operational dimension of planning as a performance enabler (Meredith & Mantel, 2014). Although slightly lower, 80.5% agreed that planning facilitates reporting and monitoring arrangements, which reflects partial uptake of formal Monitoring and Evaluation (M&E) frameworks (Kusek & Rist, 2004). Finally, the fact that over 92% of respondents agreed that planning aids in risk identification reinforces findings in project risk literature that underscore planning as the foundation for proactive mitigation (Hillson, 2002.These findings point to a high level of appreciation and understanding of formal project planning functions among SHG members, particularly in areas directly influencing performance, such as goal setting, communication, leadership, and risk management. This indicates a latent capacity for more structured planning interventions, especially when paired with simplified, low-literacy tools and localized training.

Graphical Analysis of Planning Practice Perceptions

Figure 11: Response distribution analysis
Source: Field data,2024

The graphical distribution of responses in figure 11 above, indicates a strong consensus among SHG members regarding the importance of strategic planning practices. A significant proportion of respondents consistently selected "Strongly Agree" across several core planning dimensions, particularly

in relation to the identification of internal and external project dependencies, the establishment of effective communication pathways, and the clarity and measurability of project goals. These trends suggest a high level of appreciation for structured planning processes within SHG operations. Additionally, there was a notable absence of disagreement, as few participants selected "Disagree" or "Strongly Disagree," underscoring the shared belief in the value of planning. However, neutral responses were more common in statements concerning resource allocation and project reporting mechanisms. This may reflect uncertainty or variability in technical capacity related to financial planning, monitoring, and evaluation, a common challenge in community-based organizations lacking formal training. Overall, the response distribution affirms the strategic relevance of planning while highlighting areas that may require targeted training and institutional support to build capacity and deepen engagement.

Table 8: Relationship Between Project Planning Practices and the Success of Self-Help Group Projects

Pearson Correlation between project planning practices and the success of self-help group projects		Performance
Project Planning	Pearson Correlation	.190

A Pearson correlation analysis was conducted to examine the relationship between project planning practices and the success of self-help group projects. The results revealed a positive but weak correlation between the two variables, r = 0.190, n = 169, p = 0.013. Despite the small magnitude of the correlation, the relationship was found to be statistically significant at the 0.05 level, indicating that improved project planning is associated with a modest increase in project success among self-help groups.

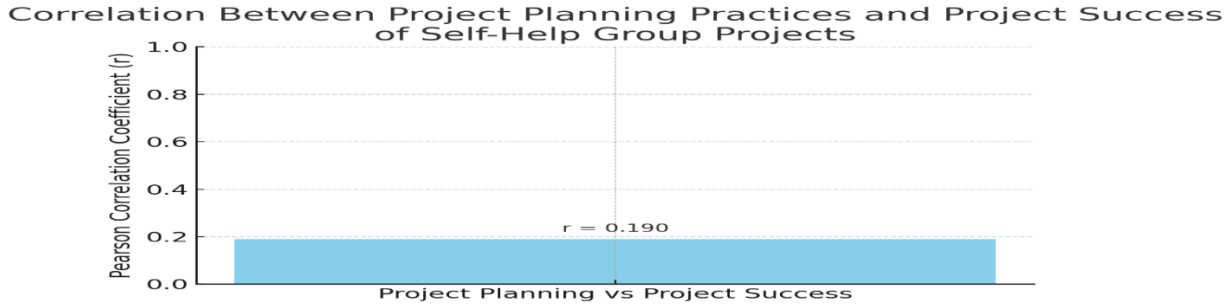

Figure 12: Correlation Between Project Planning and Success of Self-Help Group Projects

The graph illustrates a weak positive correlation (r = 0.190) between project planning practices and the success of self-help group projects. This means that as the quality or extent of planning improves, there is a slight tendency for project success to increase. However, the strength of the relationship is modest, suggesting that while planning plays a role in project outcomes, it may not be the sole or dominant factor influencing success.

Regression Line Analysis between planning and project success

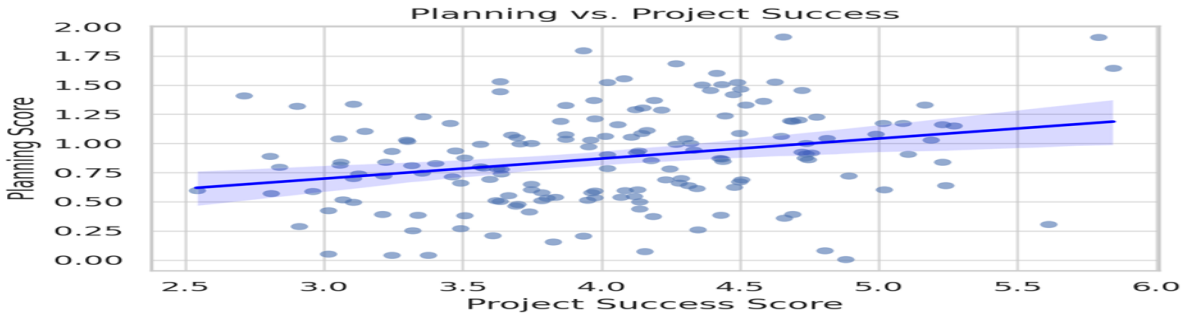

Figure 13: Planning vs. Project Success

A positive slope is visible, though with wider data dispersion in figure 13 above and confirms a modest positive relationship; effective planning contributes to perceived project success, even if not strongly.

Multivariate Analysis of Predictors of Project Success in Self-Help Groups

Table 5: Multiple Regression Analysis of Planning Factors and Project Success

Predictor	Standardized Beta (β)	Significance (p-value)
Communication	0.22	0.02
Goal setting	0.21	0.03
Leadership	0.18	0.05
Risk Identification	0.14	>0.05
Education	0.312	0.001

Source: Field data, 2024

A multiple regression analysis was conducted to assess the predictive strength of planning dimensions and education on perceived project success. The model revealed that communication ($\beta = 0.22$, $p = 0.02$), goal setting ($\beta = 0.21$, $p = 0.03$), and leadership ($\beta = 0.18$, $p = 0.05$) significantly contributed to performance outcomes. These results align with Systems Theory (von Bertalanffy, 1968), which emphasizes the importance of coordination and interconnected roles in achieving systemic effectiveness. Communication likely plays a critical role in aligning member expectations, while clear goals help track progress, consistent with Goal Setting Theory (Locke & Latham, 2002). Notably, risk identification was not statistically significant. This could indicate limited exposure to formal risk management tools among members, underscoring the need for training on risk mitigation strategies within SHGs. The adjusted R^2 of the model was 0.28, indicating that 28% of the variance in project success was explained by the included predictors.

Regression Coefficients Plot with Confidence Intervals

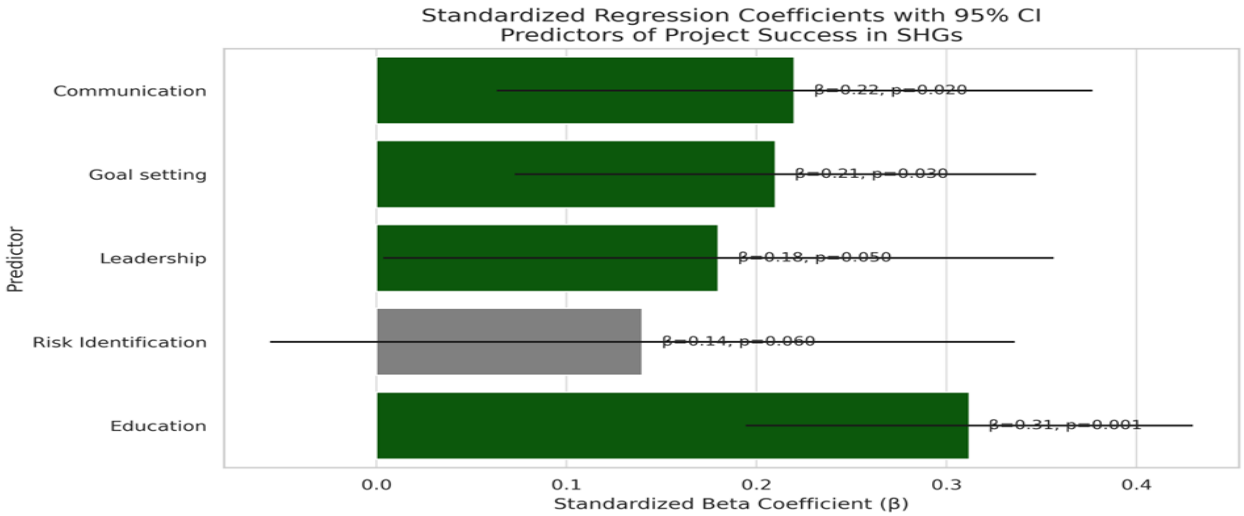

Figure 14: Regression Coefficients Plot

Figure 14, illustrates a visual summary of the standardized beta coefficients (β) along with their associated 95% confidence intervals for five key variables influencing project success within Self-Help Groups (SHGs). This graphical presentation aids in assessing both the magnitude and statistical precision of each predictor's influence in the multivariate regression model. Education demonstrated the most substantial effect on project success, as evidenced by its highest beta value (β = 0.312). The confidence interval is narrow and clearly positioned above zero, reinforcing the predictor's significance (p = 0.001). This suggests that educational attainment plays a critical role in enhancing SHGs' capacity for project planning, implementation, and sustainability. Communication (β = 0.22, p = 0.02) and Goal Setting (β = 0.21, p = 0.03) also showed meaningful and statistically significant contributions. Their confidence intervals are moderately narrow and entirely above zero, indicating consistent and reliable effects. These findings highlight the importance of clear communication and structured goal formulation in the success of group-led initiatives. The variable Leadership, with a standardized coefficient of β = 0.18 and a p-value of 0.05, had a more modest but still statistically marginal impact. The corresponding confidence interval barely excludes zero, suggesting a less stable but directionally positive influence on project outcomes. This finding aligns with the broader understanding that effective leadership can inspire accountability, motivation, and collective action within group settings. On the other hand, Risk Identification (β = 0.14) showed the weakest association with project success. Its confidence interval crosses zero, and the p-value exceeds the conventional threshold of significance, indicating limited predictive relevance in this context. This may reflect insufficient integration of risk management practices in SHG operations or variability in members' capacity to identify and respond to project-related risks. The coefficient plot with confidence intervals serves as a rigorous analytical tool, enabling a clearer understanding of which variables exert the most consistent and meaningful impact. Predictors with confidence intervals that do not intersect the zero mark can be considered statistically robust and should be emphasized in training, policy, and programmatic efforts aimed at strengthening SHG performance.

Discussion

The findings of this study underscore the strategic importance of formal planning practices in enhancing the performance of self-help groups (SHGs), particularly in rural and informal contexts. From a project

management perspective, the consistent prioritization of goal clarity, leadership roles, and communication pathways among SHG members reflects a fundamental alignment with established project planning principles outlined in the PMBOK® Guide (PMI, 2021). These elements not only support effective project execution but also contribute to improved coordination, accountability, and outcome tracking, critical factors in resource-constrained environments. The significant influence of education on planning behavior highlights the central role of human capital in project implementation. This aligns with Becker's (1993) Human Capital Theory, reinforcing the argument that knowledge and skill acquisition are foundational to planning effectiveness. Conversely, the minimal impact of demographic variables such as age, gender, and marital status suggests that when provided with the necessary tools and training, SHG members, regardless of background, can meaningfully contribute to strategic processes. Furthermore, the study sheds light on critical planning gaps, particularly in risk identification and resource allocation. These areas, while conceptually acknowledged, appear underutilized in practice. This gap may stem from a lack of exposure to formal risk management tools, limited technical support, or the informal nature of SHG operations. Addressing these weaknesses through capacity-building programs, simplified planning templates, and ongoing mentorship can significantly enhance the maturity of planning practices within SHGs. Finally, by developing and introducing the SHG Planning Maturity Model, this study contributes a practical framework for assessing and guiding SHGs through incremental stages of strategic capability development. The model offers a roadmap for NGOs, local governments, and SHG federations to assess current planning levels and design interventions tailored to each stage of maturity.

1.8 Conclusion

From a project management lens, this study affirms that strategic planning is a cornerstone of effective self-help group (SHG) performance. The results demonstrate that planning practices, especially the clarity of goals, designation of leadership roles, identification of project dependencies, and communication pathways, are well acknowledged and practiced by SHG members. These elements align closely with the Project Management Institute's PMBOK® Guide (PMI, 2021), which identifies them as essential knowledge areas in initiating and planning processes. The strong correlation between education and planning behavior further supports the view that planning is not only a managerial function but also a cognitive skillset informed by training and exposure. Conversely, minimal correlation with demographic factors such as gender, age, and marital status suggests that project planning competence transcends social categories when capacity is adequately developed. The regression model confirmed that communication, goal setting, and leadership are statistically significant predictors of project success. These are vital knowledge areas in project integration management, stakeholder management, and project scope definition. However, lower engagement in resource planning, risk identification, and reporting functions reveals operational gaps that hinder full implementation of planning principles. These gaps mirror common challenges in informal project environments lacking formal training and structured project cycles. These insights underscore that while SHGs possess an intuitive understanding of key planning concepts, their capacity to translate these into consistent practice is constrained by systemic and educational limitations. Therefore, beyond theoretical contribution, the study's findings have practical implications for how SHGs can be supported, scaled, and sustainably embedded within broader project management frameworks. The following section outlines these implications in detail, highlighting how different stakeholders can act on the evidence presented.

Implications of the Study

The results of this study present several practical, theoretical, and policy-relevant implications for enhancing SHG performance and planning capacity. They suggest that empowering SHG members through education, structured training, and system-level integration can significantly improve planning effectiveness, project success, and long-term sustainability. These implications are critical for development actors, project managers, policymakers, and researchers working to strengthen grassroots development systems in resource-constrained settings.

This study presents valuable insights for enhancing project planning capacity within self-help groups (SHGs) and similar grassroots organizations. From a project management perspective, the findings affirm that foundational planning competencies,such as clear communication, leadership clarity, and goal orientation,are essential even in informal, resource-limited settings. These practices are consistent with globally recognized frameworks like the PMBOK® Guide and can be adapted for community-level application without requiring advanced formal structures.

The clear link between education and effective planning highlights the need for targeted capacity-building efforts. Development stakeholders, including NGOs and local authorities, should prioritize inclusive, practical training that equips SHG members with essential project tools such as budgeting, monitoring, and stakeholder analysis. Such efforts must be context-sensitive and aligned with each group's planning maturity, recognizing that uniform interventions may not address diverse needs.

Moreover, the gender composition of the SHGs studied, predominantly women,underscores the need for gender-responsive planning frameworks that empower women in strategic decision-making. This aligns with broader development goals related to equity and institutional inclusivity. Policy-wise, the results advocate for integrating planning criteria into SHG governance, funding, and monitoring systems. County governments, in particular, have an opportunity to standardize low-cost planning benchmarks to promote accountability and program efficiency across the sector.

Lastly, the introduction of the SHG Planning Maturity Model offers a framework for researchers and practitioners to assess, monitor, and enhance planning capabilities in grassroots contexts. It sets the stage for future research on planning effectiveness, learning trajectories, and localized innovations in community project management.

Contribution to knowledge

This study makes several contributions to both theory and practice in the field of project management and grassroots development. First, it advances empirical understanding of how strategic planning principles, often associated with formal organizations, are interpreted and applied within informal, community-based groups such as self-help groups (SHGs). By aligning key planning components, goal setting, leadership, communication, and risk identification, with the Project Management Institute's PMBOK® Guide, the study bridges formal project management frameworks with local, participatory development practices.

The findings contribute to Human Capital Theory by empirically confirming education as a key enabler of strategic planning behavior, even in non-formal settings. This supports the case for targeted investment in capacity building and adult learning within SHGs. The study contributes to development practice by offering actionable recommendations for governments, NGOs, and community development stakeholders seeking to professionalize SHG operations without compromising accessibility or inclusivity. It emphasizes a bottom-up, empowerment-driven approach to project planning, which is critical for the success and sustainability of rural development interventions.

A key practical contribution of this study is the development of the SHG Planning Maturity Model, as illustrated in Figure 15 below; a context-sensitive framework designed to assess and guide the evolution of planning capacity within grassroots organizations. Inspired by established project management maturity models, this tool is tailored to the informal structures and operational realities of SHGs. It enables development practitioners, NGOs, and local government agencies to diagnose current planning stages, identify capacity gaps, and implement stage-specific interventions. As such, the model extends project management scholarship by adapting global best practices to community-based development systems and serves as a replicable guide for capacity building in similar contexts.

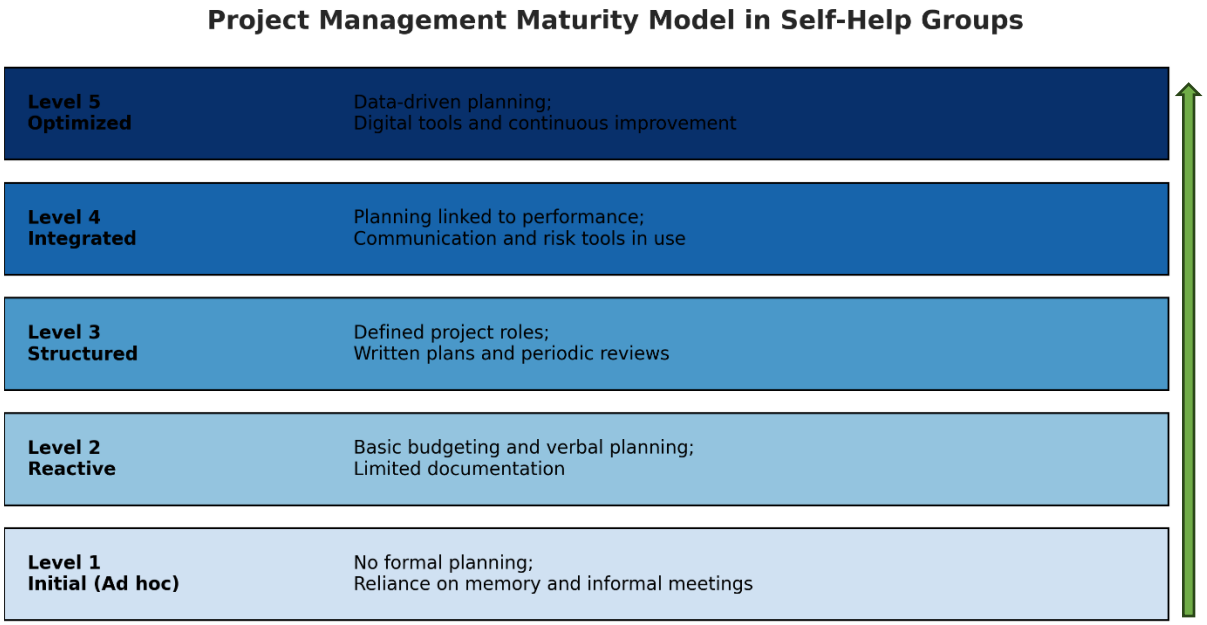

Figure 15: SHG Planning Maturity Model

1.9 Recommendations

Drawing on the study's findings and informed by project management best practices, this section offers practical recommendations to enhance the planning maturity and performance of self-help groups (SHGs). These recommendations are tailored for grassroots application and emphasize simplicity, accessibility, and relevance to the operational realities of SHGs and all grass root groups.

Adopt Simple, Flexible Planning Tools: To enhance project coordination and clarity of purpose, SHGs should adopt user-friendly planning tools such as visual timelines, activity charts, and basic stakeholder maps. These tools should be culturally relevant, adapted to low-literacy environments, and easily maintained during group meetings. Their use can improve recordkeeping, accountability, and the alignment of group activities with stated objectives.

Build Capacity Through Practical Training: There is a clear need for context-appropriate training in core project planning competencies. Workshops and mentorship programs should be offered to SHG members to cover essential topics such as goal setting, budgeting, scheduling, and risk awareness. Such

training should emphasize participatory methods, peer learning, and experiential application to increase confidence and engagement.

Strengthen Group Leadership for Planning: Each SHG should identify and support a planning lead or coordinator to guide project implementation. Providing basic leadership and coordination training to these individuals can institutionalize strategic thinking, enhance decision-making, and ensure consistent follow-through on planning processes. This aligns with project management principles emphasizing defined roles and responsibilities during the planning phase (PMI, 2021).

Promote Basic Monitoring and Reporting Systems: SHGs should integrate simple monitoring and reporting practices to track progress and support decision-making. Tools such as milestone logs, action tracking sheets, or handwritten progress journals can foster continuous improvement and build a culture of reflection and adaptation. These tools need not be complex to be effective, particularly in community-based environments.

Encourage Supportive Policies from Local Authorities: County governments and supporting organizations should institutionalize strategic planning standards within SHG governance, registration, and funding processes. This could include the provision of low-cost planning kits, simplified templates, or mobile applications for documenting project goals, budgets, and implementation plans. Policy frameworks should be inclusive, scalable, and aligned with SHG realities.

Support Research on Local Planning Practices: There remains a need for further research on how SHGs evolve in their planning behaviors and what factors most effectively support their growth in planning maturity. Longitudinal studies and participatory action research could offer valuable insights into how grassroots planning systems develop over time and how they can be better supported by institutional actors.

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