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## Table Banking and its Economic Empowerment on Women in On'gata Rongai, Kajiado North Constituency, Kenya

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### Abstract

Women's economic empowerment through table banking is a significant contributor to the economic development and growth of the country. In order for this to be achieved women must have more equitable access to credit for investments to enhance women empowerment. The failure of specialized financial institutions to address and meet the credit needs of women has resulted into women turning to informal banking groups in most of the developing countries. The study sought to investigate table banking and its economic empowerment on women of Kajiado County using the following objectives: monetary implications, business management skills and networking in table banking. The theoretical framework for this study was based upon two theories that gave an in-depth analysis of the problem. These are Resource Base Theory by Barney (1991) and the Social Capital Theory by Putnam. The study adopted descriptive survey design. The study targeted a total of 400 people in the study area. By using Yamane's Formula the researcher arrived at the sample size of 200 respondents. Purposive sampling procedure was used to get 5 table banking groups that had existed for over three (3) years. The researcher found that there were 3 key leaders in each group and this added to 15 leaders who were interviewed. Tools employed in data collection included use of questionnaires, interviews, and focus group discussions. Quantitative data was organized and analyzed using a computer program called SPSS Version 20. The findings of the study and interpretation are presented in chapter four in relation to the study objectives. The study found that table banking is very instrumental in economic empowerment of women as it enabled them to borrow and invest at low interest rates based on their savings. This is seen when women were highly motivated to save more in order to increase their dividend earnings annually. Empowerment is also realized when defaulters are minimized in each group; this was effected by set rules to limit borrowing funds and penalties given to those who have defaulted. Members were highly enlightened and motivated through trainings and teambuilding exercises, and through such activities they were strengthened. The study concluded that table banking has generally provided a reliable means of financial access to women and this has helped them prosper in their dreams. Despite the outcome of table banking initiatives and economic empowerment on women, the study recommended that there is need to engage in technological advancement in terms of record keeping. This would decrease the issue of losing members' track records.

**Key words** | Networking, Table banking, Empowerment, Women groups, Credit base, Poverty reduction, Development

## Introduction

### 1.2 Study Background

One of the ideas that have been accepted by many people with the hope of alleviating poverty and empowerment is that of table banking (Murdoch, 2000). The objective of table-banking is to bring financial services to the poor, particularly women to help them alleviate poverty, stay profitable and financially sound. It is an objective, coming from social and economic visions. Table-banking is based on group guarantee and house-hold collateral. It is founded on the principle; that credit should be accepted as a human right. It builds a system where one who does not possess anything gets the highest priority in getting a loan. Table-banking concept is not based on assessing the aspect of material possession but on the potential of a person.

Table-banking takes on the model of the Grameen Bank of Bangladesh and the village savings and loans schemes of Zanzibar (Ahlén, 2012). This concept was started by Yunus Mohammed in Bangladesh focusing on the poor society. It encouraged the poor to put together their underutilized skills by allowing them access to small collateral-free loans (Wilbur, 2013; Johnson, Malkamaki, & Wanjau, 2006).

Table banking concept is based on the belief that the best approach to help empower people is to start by building their financial assets, knowledge, and skills, through savings rather than debt (Kanji, 2014). The reality is that most poor households observed in different regions across the globe, have neither the assets nor the skills to interact with formal credit institutions. Table banking is anchored upon mutual trust, accountability, stakeholder participation and creativity. This banking also prioritizes environmental concerns, strengthening education incentives, encouraging saving and the provision of technology as necessary factors in the development of human capital (Allen, 2010). The increased international popularity of table banking was enhanced by the first Microcredit Summit that was held in Washington DC in 1997, after which many global summits followed. This gave rise to expectations of reaching accessible credit for at least 100 million poor households' worldwide (Microcredit Summit, 1997 as cited in Holvoet, 2005). Table banking in India is used as a poverty alleviating strategy, but also as a gender equality-building strategy targeting women to increase their social, political, and financial power (Basu and Srivastava, 2006; Fouillet & Augsburg, 2007); Chakrabarti, 2004).

Africa is still struggling with low and high income poverty levels, therefore, emphasis has been laid on adoption of entrepreneurship with indications pointing at its pivotal role in motivating sustainable livelihoods and lifestyle change across the continent. The cost of credit however, obstructs the poor to gain access to suitable financing services essential for them to initiate enterprise start-ups (Ana & Aizcobe 2003). According to various reports on documented studies, women constitute to a bigger segment of the world's poor, who are the most affected by ineligibility to access available financial services and become entrepreneurs (Dupas & Robinson, 2012). Entrepreneurship targets reduction of inequality in income distribution at household level and opportunity creation for employment for the poor (Lagarde, 2013).

In Kenya, table-banking was initially developed by the Poverty Eradication Commission (PEC) under the former Ministry of Planning, and the Kenya Vision 2030 targeting Millennium Development Goal one (MDG 1) on eradicating abject poverty. The Women Enterprise Fund (WEF) was initiated to foster wealth distribution across various social groups through small medium enterprises (Shah, 2013). Due to its success, inclination towards community groups financing emerged. Trickle down to Kajiado County, table banking was started by the late Professor Saitoti; when he urged women to form groups which would empower them. This was after being embarrassed by women who asked for handouts after entertaining guests in a function (Business Daily Monday Jan 20th 2015). This study sought to establish whether table banking initiative economically empower women in Ongata Rongai area of Kajiado County. This area is a settlement in Kenya's Kajiado County located between the Kaputiei plains and the Western slopes of the Ngong Hills. The county is a fast developing residential urban aggregation in the outskirts of Nairobi with a population currently estimated at nearly 147,000 (Infotrackea, 2016).

### 1.2 Statement of the Problem

Low-income households in Ongata Rongai often lack access to banking services and face high costs for transacting basic financial services through alternative financial service providers. These households find it more difficult to save and

plan financially for the future. The National Human Development Report of 2009 (UNDP, 2010) revealed that Kajiado County remains one of the poorest in Kenya, where women still suffer cultural prejudices, domestic violence and economic alienation, which has serious implications on their health and economic status (UNDP, 2010). The low rates of land and asset ownership limits women's eligibility to acquire capital to finance enterprises to motivate their living standard.

### ***1.3 Research Objectives***

The main objective of this study was determining if women in Ongata Rongai were economically empowered through table banking. The following specific objectives guided the study: To find out the monetary implications of table banking and its benefits to women in Ongata Rongai; To determine the influence of business management skills on table banking operations on economic empowerment of women in Ongata Rongai; and, to establish the contribution of networking on table banking in economic empowerment of women in Ongata Rongai.

## **Literature Review**

This study was based on the Resource Based Theory of Barney (1991) and the Social Capital Theory by Putnam, and research by other scholars. According to Barney, sustained competitive advantage is based on firm-specific resources. A firm resource must be valuable in terms of having the potential to exploit opportunities or neutralize threats in a particular business environment. Barney contributes to the development of RBV to any credit based organization by setting out the broad conditions necessary for a resource being a source of competitive advantage (Lockett, Thompson & Morgenstern, 2009; Peteraf, 2003). The provisions of credits by these organizations depend very much on the members' contribution criterion which acts as the chief financier to the group. Therefore adequate resources (members' regular savings) and prompt repayment of loans are the determinants of value of resources to be lent to customers to help them initiate or improve their business, thus promoting their economic status, (Peteraf and Bergen, 2003).

Putnam (2005) came up with the Social Capital Theory, inspired by Up Hoff's conceptualization of social capital. Other scholars also made important contributions to Up Hoff's framework (Liebeskind, 2013). It introduces the analytical framework of social capital and secondly extends it to include a broader definition of trust and introduces the concept of reputation as important to social capital. This theory comprises social capital constructs through which individuals can take advantage of social relations, networks or other structures to obtain certain benefits (Portes, 2008). In the 2000's Putnam advocated for social capital as a means for collective action for mutual benefit, through trust and norms of reciprocity. He is also known for his distinction between 'bonding' and bridging', which refer to the social connections between homogeneous groups of people and the relations beyond and between differing groups (Rasmussen et al., 2005). The original name and use of "table banking" trace from early civilization when money would be exchanged at tables known as "Trapezes" first identified in Greece. During the ancient practice of table banking, money collectors would receive and document amounts deposited by individuals and lend it out to borrowers. A more recent kind of bank was found in Italy termed as "banks of deposit" which shared common traits as table banking since no interest was charged on group members. Table banking is viewed by economists as an equity fund, a kind of "shadow banking" characterized by evasion of taxation burden on members (Kumar, 2009)..

### ***Monetary implications of table banking and its benefits to women***

Financing programs of different types have adopted the table banking approach as a micro-enterprise support program undertaken in most countries across Asia, Africa, and Latin America; each design is implemented to articulate operation suitability specific to a given environment. Success factors associated with table-banking are defined in terms of outreach, financial sustainability, or socio-economic impact (Mayoux, 2008; Rambo 2012); (Schlaufer, 2008; Global Report, 2014). There are conflicting views about the impact of these savings schemes. Schlaufer (2008) notes that while the existence of informal financial services highlights the general demand for financial services, there still lacks sufficient quality of services to seize economic opportunities in some areas. Most MFIs tend to focus on credit rather than savings, either because of

their profit motives or because most of them are not licensed to take deposits. The poor people who may prefer to build their wealth or assets via savings are therefore left without the providers of such services (Liebeskind, 2013).

Dupas and Robinson (2009) in a recent study on financial services in Western Kenya found out that not everyone is creditworthy or is willing to take up credit risk, but, all people are deposit worthy and want to develop assets. Savings clearly offers substantial benefits and such saving programs have been shown to have a positive impact on participants. Zaman (2000), who examines the Bangladesh Rural Advancement Committee (BRAC)'s impact on the welfare of its clients, finds that participation in micro-credit programs reduces vulnerability by smoothing consumption, building assets, providing emergency assistance during natural disasters, and empowering females. Chen and Snodgrass (2011), compare the impact of SEWA Bank on clients who borrow to those who save without borrowing, and compare both groups to non-clients who are drawn randomly from women engaged in the informal sector in the same neighborhood where SEWA is based. In round 1, the borrowers were shown to be considerably better off than savers, who were better off than non-participants. Some of these differences may be attributable to participation in SEWA, (Karnani 2007). However, savers showed the fastest rate of income growth.

Due to the lean success of table banking, inclination towards community-led self-financing emerged from two pilot projects were started by the Government in 1999 and improved in 2004 in Bondo and Gatanga Constituencies. Though successful, they were not replicated. In a recent move, women in over 13 counties have been facilitated and benefited from table banking systems. Through this initiative groups like JOYWOW were formed which have consistently self-empowered women in the various counties by providing them with financial and non-financial services. Trickle down to Kajiado County, table banking activities were first facilitated by the late Vice President Saitoti. He urged women to form groups which would empower them and later held a fundraisers for table banking projects for various groups.

### *Influence of business management skills on table banking operations on economic empowerment of women*

Recent studies carried out in innovation-driven countries, including Singapore, Sweden (Rasmussen 2005), and the United Kingdom, show that entrepreneurs learn best with an experiential learning approach to impact attitudes, help people recognize opportunities, think creatively, and build leadership skills and confidence. Recognizing this, a recent European Commission Report (2008) suggested that the goal of entrepreneurship education should be to promote creativity, innovation, and self-employment. Additionally, a combination of advanced quantitative and qualitative methods, find that microfinance clients in Lima and Peru have over 50 percent higher income than non-participants (European Commission, 2008). Various studies conducted in Kisumu in the recent past were based on several indicators namely: level of literacy, group leadership, participation, and peer-learning.

### *The contribution of networking in table banking*

The influence of networking power on enterprise in general arises from the physical and social environment as established within confines of the Theory of Social Capital. Various authors point at poverty, gender violence, and some cultural practices as causative factors to entrepreneurial failure by groups as well as individual members. Organizations are increasingly turning to a new class of internet software for table banking. These tools combine planning and collaboration with features that provides a structure for team relationships and behaviors. The successes of members' business are attributed to groups' networking, and to regular meetings and trainings where members gain skills and share business experiences. In India, it has also helped members without any experience of running a business who are usually nervous and wary of starting their own business, to overcome such fear (Subramaniam, 2013). The scholar used questionnaires to examine his study problem in India. Self Help Groups (SHG) have also improved technical and practical skills on entrepreneurship through training exposed to members and sharing of businesses experiences (Das, 2013). This has enhanced managerial skills such as: planning, decision making, ability to facilitate a group meeting, and managing the enterprise. It has also increased articulation abilities such as self-confidence and self-esteem. There has also been a boost in the entrepreneurship qualities such as risk taking and creativity, (Panda, 2012).

A study conducted in Sudan in 2009 noted that women, after joining groups, were able to resolve group conflict among themselves even without the leaders. Members openly express their opinion without fear of criticism (Chakrabati, 2004). In

another study conducted by Swain in Tanzania, it was found that the training of members provided by the self-help group (SHG) program has enhanced their entrepreneurship skills as well as their ability to perceive and process new information, and evaluate and adjust to changes, which in turn increased their productivity and self-confidence (Swain and Wallentin, 2009; Swain and Varghese, 2009). Individual social networking derives its relevance from social competency of members who identify existing opportunities within the environment depicting their capability to exploit the perceived entrepreneurial opportunity. Social perceptions, social adaptability, social expressiveness, and self-promotion predispose an entrepreneur to propensity to respond positively to threats within the environment in Kenya (Kavanula, 2010). Several donors support the initiatives designed to strengthen women's opportunities and the capacity to organize themselves so as to form associations and act collectively, with the aim of achieving common interests. Women led associations and civil society groups have the potential to effectively raise women's voice and visibility besides providing many services and benefits to their members. Aryeeteh (2014) suggests the growing need for organizations to increasingly turn to a new class of Internet software for table banking. The review clearly shows that the success factors associated with table-banking are defined in terms of outreach, financial sustainability, and networking. Various authors point at poverty, gender violence and some cultural practices as causative factors to entrepreneurial failure by groups and individuals.

## Methodology

This study adopted a descriptive survey design. The respondents in this study were from Ongata Rongai- Kajiado County. The county has a population growth rate of 5.5 percent; total population was estimated as 807,07 according to the statistics of 2012. According to the 2009 Kenya Census report, Ongata Rongai has an estimated population of about 144,675 and this is precisely, the study target for this research. (Infotrackea, 2016). Ongata Rongai was chosen since the researcher has well established networks and contacts with a significant number of women groups in the area. The researcher adopted the formula by Yamane (1967) to determine the sample size from which to make inference on population 5% precision level and 95% confidence level as illustrated in the appendix. Hence according to the table the number is 400. The formula used to determine the sample size is given by:

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

Where:

**n = Sample Size;**

**N = Population Size; and**

**e = Level of precision**

The calculated sample size for the study is 400 people at 5% level of precision as adopted from Yamane (1967). The sample size for the study will therefore be:

$$\frac{n = 400}{1 + 400(0.05)^2}$$

$$n = 200$$

The sample size adopted for this study was therefore 200. The researcher used simple random sampling to come up with five (5) table banking groups. Purposive sampling procedure was used to divide the sample population into groups of 15 leaders selected from table banking groups, and 40 women from each table banking group, in Ongata Rongai. In each area, simple random sampling was employed to select members of the different groups highlighted above since not all could be given questionnaires. The researcher used purposive sampling and simple random technique to select the particular

composition of the group, as well as selecting leaders affiliated to the table banking groups who have existed for more than three (3) years in Ongata Rongai.

The study used both qualitative and quantitative data collection methods. Data for this study was collected from respondents using questionnaires and interview guide. Quantitative data was collected by use of questionnaires. The researcher recruited research assistants who were initially trained on application of the research instruments. Qualitative data was collected by use of interviews. A structured interview guide was used for interviewing, where the content of questions were determined beforehand. It involved gathering data through direct verbal interactions between the interviewer and the interviewee. The reliability of the information gathered was high since each informant was subjected to similar questions. The researcher used both open and close-ended questions which were administered through drop and pick method to the respondents, who were women in table banking groups. A key informant interview guide was designed and used in conducting the interviews of the leaders.

The responses given during the interviews were recorded and notes taken on the interview guide sheets and transcribed and later entered into the computer for qualitative analysis. The researcher used unstructured interviews, to gather the respondents' information and opinions. The questionnaires were given to respondents and collected in their next meeting. Meetings were held on a monthly basis. The interview schedules were administered by taking paper notes on different dates as per appointment. Use was made of research assistants. The data was validated, edited, and then coded. Data from interviews and open-ended items in the questionnaire constituting qualitative data, in form of words and phrases, was transcribed and then arranged as per emerging themes. All qualitative data was analyzed by content analysis whereby it was coded, classified, recorded, and prepared on a sheet as per the objectives of the study. Statistical Package for Social Sciences (SPSS ) analysis program was used to analyze the quantitative data. Quantitative data from questionnaires was analyzed using descriptive statistics. Frequencies and percentages were used to present the data from the research questions as well as to present the results for analysis for easy understanding and interpretation.

## Presentation and Discussion of Findings

### *Monetary implications of table banking*

From the respondents it is understood that for one to join a table banking group, there is need to pay a membership fee which is used for administrative expenses. It is then that meetings are held twice or once in a month. Twenty five per cent (25%) of the respondents indicated that they made contributions from their personal savings to avoid loan defaults while 10% of them said they made their savings through profits from personal investments. A higher percentage of 35% said they made their contributions through borrowings from friends. On asking one of the respondents to explain why they borrowed from friends, an interviewee responded *“As far as borrowing from a friend is a debt, I am making a long-term saving that will enable me to borrow more money from table banking. It is also a commitment for saving because I can repay the friend in small bits and has no limited time for repayment.”* Other sources of funds reported by the respondents included: 13% who said they sourced from “chamas” or merry go rounds. Fifteen per cent (15%) said they sourced from their families, and 2% borrowed from saving cooperatives. Despite stating the sources of funds for contributing at table banking, the researcher required respondents to also verify the range of the amount contributed as savings to the group. The data findings are as shown in table 1.

**Table 1** | *Cash deposits*

Amount in Ksh.	Frequency	Percent
0-300	34	17.0
301-600	58	29.0
601-900	19	10.5
901-1200	39	19.0
1201-1500	30	15.5
1501 and above	20	9.0

Source: Authors, 2017

It was revealed that the majority of the members contributed cash from 301 and 600 according to 29%, 17% said that they contributed an amount ranging from 0 to 300. 19% respondents revealed that they saved amounts in the range of 901-1200. As viewed from table 4.1; there are other statistics on contribution explained figuratively. On the other hand, it was found that group members made contributions ranging from one week to monthly. For example, 67.5% made deposits to the group monthly, 22% contributed in three weeks, 6% in two weeks and 4% in a weeks' time.

The researcher found that weekly contributions were an idea of the group members in the sense that they make little contributions as payments towards their stipulated monthly payments. They therefore used the weekly and sometimes two-week payments to relieve them from the bigger contributions. Their argument was also reasonable as indicated by group leadership, thus they could save any time they had money to boost their savings as well as avoiding impulse spending that could contribute to loan repayment defaults.

### *Loan Limit to borrowed amounts*

Through savings and contributions in anticipation of making loan applications, members were not free to apply for any amount beyond some limits. The reason for this was attained from some respondents of the focus groups. They stated as follows;

**Respondent 1:** *members are not allowed to apply for loan beyond a limit set from their savings to reduce the risk of losing other members money through loan defaults.*

**Respondent 2:** *to give loans that can easily be recovered from members' Savings in case of loan defaults.*

**Respondent 3:** *loans are only offered to a limit of the financial securities*

**Respondent 4:** *it is a strategy to relieve loan applicants from the burden of returning loans, which leads to loss of property, penalties and other charges.*

The study revealed that 43.5% borrowed loans four (4) times their savings. This implies that the ratio of savings to loans is 1:4. Twenty six per cent (26%) said that they could only apply for loans three (3) times of their savings. 18.0% could not say an exact multiple of the loans offered by revealing that it depended on the savings of an individual/member. A diversified group (12%) stated that loan limits depended on the frequency of financing loans. This agreed with the finding of Barney (1991), that "due to high risk in the rural context lending principles: member's character is considered". This means that in some groups, further loans could only be awarded to members who achieved a good loan repayment track record. Those with poor servicing of their loans were unlucky.

### *Actions taken against defaulters*

There was need to establish whether their existed actions to be taken against those who defaulted in loan payments. The researcher sought to find out the existence of such a regulation. It was revealed by 91% of the respondents that indeed

there were actions taken against loan defaulters, while 9% were on the contrary. The findings show that 25% of respondents revealed that they were barred from borrowing from the group for some time. 17.5% said that they were penalized to repay the loans at high interest rates. 16.5% stated that the group was penalized on behalf of defaulters who completely failed to make monthly submissions for loan repayments. On the other hand, the guarantors to the defaulters were penalized as stated by 13% of the respondents. Other actions taken include; putting defaulters' assets for auction 3.5%, taking short term loans to finance current loans 12%, and barring individuals from attending trainings. This validates the findings of Kabeer (2011) on the reason why some groups collapse. He had found out that small loans were not always appropriate for poor women given that a loan becomes a debt, and the poor often face a crisis if expected sources for repayment decline to repay. In the course of data collection, the interviewer was able to ask some of the focus group respondents to give opinions on the measures taken against those who failed to pay loans on time. Their responses were as follows;

**Respondent 1:** *The measures taken against the defaulters are justified because the loan are just but contributions of other members.*

**Respondent 2:** *Actions taken are harsh but okay because issuing of loans mostly depends on the returned payments.*

**Respondent 3:** *Loan defaulters inconvenience other members chance to borrow and may lead to group collapse.*

Loan repayments were the most challenging activities in table banking groups as revealed by some group leaders. They stated that such challenges had some effects to the group and according to the respondents, 93% said that it affected group operations while 7% denied the existence of any effects as displayed in figure 3.

### ***Benefits of table banking***

Formation of table banking groups was meant for women economic empowerment and that is why the government of Kenya prepared a platform to support these groups; to see them grow and boost the economy by creation of employment and helping the unemployed to be self-reliant. It was therefore considered important to find out the benefits of table banking by asking the group members to state some of them. The majority represented by 16% reaffirmed that table banking helped them to expand business for higher income through loans provided at favorable rates. A percentage of 15.5 said that they benefited by gaining knowledge through trainings on how to invest the borrowed funds for initial capital of other small scale businesses. Another group of 15% indicated that they gained monetary advice through the weekly training from microfinance representatives. An additional 15% also believed that table banking helped their businesses realize profits to financially boost investment funds. They praised the government for local support in table banking activities as it enabled women to realize the concept of banking. It was thus clear from 10% of the respondents that they were paid dividends from their shareholding contributions once in a year. The higher the share one holds the higher the dividends.

Other financial benefits included reduced interest rates 12.5% and facilitation of business connections through networking. Otherwise, 10% of the respondents reported that they gained nothing from table banking. The researcher made further inquiry into group dividends and wanted to know whether groups paid members their benefits from shareholding. Figure 4.4 show that 34.5% of the respondents received dividends from their groups. The other 65.5% denied receiving anything in form of dividends. Payment of group dividends was dependent on some factors, which included shareholding/savings by the members and how they paid back their loans.

**Table 2 | Dividend Rate**

<b>Rate of dividend share</b>	<b>Frequency</b>	<b>Percent</b>
Four percent of total savings	23	16.5
Five percent of total savings	77	46.0
Depends on the rate of savings	24	17.0
Depends on how frequent the loans are borrowed and repaid	29	20.5

*Source: Authors, 2017*



Table 2, above, shows that a majority of members get dividends from a percentage of savings in table banking group. 46% stated that they were paid dividends at 5% rate of their savings. 20.5% indicated that it was paid depending on the frequency of loan repayments. This therefore means that payment of dividends in some groups acted as a motivator for members with loans to repay in good time in order to create a clean sheet to facilitate dividends' payment. Additionally, 16.5% said that they were paid dividends at the rate of 4% of their total savings as 17% revealed that they were paid as per the rate of their savings.

### *Effects of Interest Rate on Table banking*

Table banking structure entails a form of microfinancing, and whenever there exist a microfinance institution there is interest rates. The researcher thus wanted to find out the effects of interest rates in table banking. A scale was created for the purpose of rating the effects against some factors provided in the questionnaire.

*Table 3 | Interest Rates*

<b>Interest rate effects</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Indifferent</b>	<b>Disagree</b>	<b>Strongly disagree</b>
Interest rates are extremely high	7(3.5%)	121(60.5%)	5(2.5%)	29(14.5%)	38(19%)
They influence the rate of savings among members	12(6%)	129(64.5%)	1(0.5%)	25(12.5%)	33(16.5%)
Their rate has a great effect on rate of investment	41(20.5%)	71(35.5%)	0	33(16.5%)	55(27.5%)
They moderate rate of borrowing funds	14(14%)	116(58%)	18(9%)	37(18.5%)	15(7.5%)
The rate is favorable to group activities	0	73(36.5%)	0	104(52%)	23(11.5%)

*Source: Authors, 2017*

Majority of the respondents 60.5% agreed that the interest rates were extremely high, 3.5% of them strongly agreed on this as 19% strongly disagreed. 2.5% were indifferent on whether the interest rates were high or not. This is in agreement with some studies which have indicated that savings and loan groups charge fairly high interest rates on loans advanced to members matching prime lending rates offered by formal lending institutions. Such interest rates may be altered from time to time by groups in order to maintain competitiveness to be able to pay high yield on member savings. High interest rates on loans must cover the cost of savings, operating costs, loan loss provisions and additions to capital reserves, interest on loans must be calculated on declining balance and loans secured by guarantors may have discounted interest rate. This validates the finding of Masanjala and Tsoka (2007).

Interest rates had a high control on savings among members of the group as opined by a great number of respondents at 64.5%. They explained that the higher the rate the lower the savings, and vice versa, as they took a high percentage of the contributions that could be saved more. However, Morduch (2005) in his research discovered that most people prefer savings to credit given the reason that while borrowers pay interest, savers can earn interest. They therefore suggested that the government should lower the rates further to encourage small scale investors to save more for more capital. 16.5% members insisted that the interest rate did not have any control on savings as despite 6% strongly agreed on the same.

### *Business Management Skills*

The respondents were asked to discuss their opinion on management skills. It was established by 46.6% that group leaders are good at multi-tasking while prioritizing multiple projects. 15.5% agreed strongly on the same making the level of agreement to be 62.1%, meaning that most groups had good management. 16.5% could not establish whether there were good management skills or not. In previous studies, it was clear that necessary skills are required to sustain a steady growth in assets as shown in a research conducted by Dupas and Robinson (2009). A unique study found out that access to a formal savings account had positive impacts on women's productive investment levels and expenditures, and also makes women less vulnerable to shocks from illness. Only 21.5% disagreed on this statement.

Decision making involves every member of the group as stated by 40% majority and 10% who strongly agreed, making the level of people agreed to be 50%. A percentage represented by 71.5% 'strongly agreed' and 'agreed' that motivation of members was well established through training and team building exercises. The other 29.5% gave contrary opinions on motivation of group members. However most of them disagree that leaders freely share and practiced business developmental skills with their members as indicated by 61.2%. The researcher went ahead to discuss with the focus group on reasons that have contributed to the current status of their groups. Some of the responses of the members are stated below;

**Respondent 1:** *the commitment shown by group members have been outstanding hence all members were excited about making progress.*

**Respondent 2:** *the low interest rate set by the government through Micro- financing boosted the rate of borrowing funds*

**Respondent 3:** *rules and regulations set by the groups are very strict and have guided members to perform well*

**Respondent 4:** *group motivation through group activities like team building and Investment seminars contributed to success.*

**Respondent 5:** *Support from government through JOYWO (joyful women) initiative has contributed in empowering women to progress positively.*

### ***Networking in Table banking, Team-building, Training and Outreach***

Table banking is believed by some members interviewed as a platform for meeting and creating new opportunities apart from just meeting for financial goals. Twenty eight per cent (28%) revealed that they moved to the next level. Some added that if they could have started 10yrs ahead then they will be having big apartments. 14.5% said that they gained investment ideas, 26% indicated it had helped them sharpen business management skills and 13% indicated that it improved their living standards through investments. The researcher sought to validate the significance of outreach activities targeting especially the poor; attributes closely linked to membership, and networking power creating access to high quality financial services emphasized by Schlauffer (2008). Eighty seven per cent (87%) of the respondents agreed to this while 13% indicated that there were no outreach. It is true according to 89.5% of the members that they received training on table banking. They explained that apart from just making contributions, and paying loans, they were frequently advised and trained on different issues during the meetings.

### ***Facilitation of Training***

Table 4.4 below gives details of the people responsible for member training on table banking. It was believed by 33% of respondents that the government facilitated training on table banking by sending experts in micro-financing to help group leaders in providing expert advice to members

**Table 4 | Facilitators of Training**

	<b>Frequency</b>	<b>Percent</b>
Officials from microfinance office	47	23.5
Group leaders	49	24.5
The government	66	33.0
JOYWO initiative	31	15.5
System missing	7	3.5
<b>Total</b>	<b>200</b>	<b>100</b>

*Source: Authors, 2017*

Twenty four percent (24%) revealed that their group leaders did provide the trainings. 23.5% identified officials from the microfinance office, while 15.5% gave JOYWO as a trainer which is an initiative by the Deputy President's wife Rachel Ruto. It was evident from the previous responses that the government has had a role in table banking operations in the region. The respondents were therefore asked to state some of the contributions they thought the government had made in table banking.

**Table 5** | *Government Contribution*

<b>Government contributions</b>	<b>Frequency</b>	<b>Percent</b>
Helped through creating a conducive environment	44	22.0
Created a platform for table banking	31	15.5
Gives monetary bonus to well performing groups	39	19.5
Provides trainers to groups	46	23.0
Has moderated loan interest rates to members i.e. low interest	20	10.0
Has helped fund well performing projects	20	10.0

*Source: Authors, 2017*

It is established that the government had majorly facilitated training in groups by sensitizing them to borrow more loans to invest so as to improve the economy at large. This was based on 23% of the respondents. According to 22%, the government helped in creating a conducive environment suitable for their operations. 19.5% stated that it awarded well performing groups with bonus in form of cash, 15.5% created platform for table banking, 10% said it funded well performing projects and 10% indicated that it moderated interest rates that have been favorable to do businesses through table banking. In summary, it clearly emerged from the findings that networking is a vital component in enhancing the necessary collective capital to boost members' capacity through facilitating access to information, resources, and leadership. Table banking improves transformation in terms of lifting members economically hence leads to positive impact on development. Experiential learning approach yields best results among members of table banking as this better boosts the general outcome in there entrepreneurial performance, hence living standards.

## Conclusions

Women were highly motivated to save more in order to increase the rate of their dividends annually. Majority of the groups had set rules to limit the borrowing of funds and penalties for defaulting loan repayments. Moderation of policies like lowering interest rates in table banking groups was considered an important fact hence funding has the highest effect on women empowerment. It was revealed that group leaders were good at multitasking. Decision making was well done and involved every member of the group. It was also revealed that the leadership of groups was well trained and had acquired pertinent skills. Motivation of members was well done through trainings and team-building exercises. Respondents also indicated that the system of effective communication and membership outreach was good. The necessity to train group members frequently was due to consideration of teaching members on how things are done. The study findings hold that networks had a positive effect towards performance in table banking. Groups with access to training networks enhance managerial performance and greater tendencies to empower women. The study established that members of certain groups have helped start other groups. It was also revealed that meeting other groups helped members by exchanging investment ideas, leadership skills, and also led to admitting more members in the group. Majority of the members interviewed stated that team building sharpened their business management skills and generally led to improvement of living standards. Outreach programs were also conducted to ensure projects follow-ups and ability to recruit more members.

According to findings from this study, women need to access finances to invest in business in order to create a basis for future funding generation to meet various economic needs. Among economic need as stated in findings from this study,

women need funding for start-ups as well as for business growth. Access to funding has motivated women to embrace education support as a form of insurance for future sustainability intended for families who are bound to achieve from children's competency and employability. Business management skills in this study was found to contribute to women empowerment. However, given the high demand for funds by all members, the capacity for group members to repay loans determines the availability of loan fund for every demanding member. The higher the demand, against a low loan supply capacity has been found to generate anxiety among members leading to fallouts in membership. This study concludes that stable groups with steady management skills by leaders perform better in empowering women. Networking in table banking positively wrap up the empowerment of women by creating bridges, bonds and the necessary social capital for enhancing more efficient units. Networking enables experiential learning necessary for interactions within, enabling groups to draw members; attract additional financing options; access contact with training entities; as well as, influence behavioral change. Table banking has generally provided women with a reliable means of access to financing, given the convenience it offers in allowing women to forge their own destiny and map out their dreams. Table banking benefits and economically empowers women in Kajiado North County.

## Recommendations

The study established that there are discrepancies that groups encounter in relation to records in table banking like lack of transparency. The researcher therefore recommends the need to engage in technological advancement to help in record keeping. Leadership in Table banking groups should train more on technology and use of computers and transfer the knowledge in record keeping in the groups. In relation to this, the government should take initiative to enact policies for strict audits in table banking to channel out incompetency behaviors.

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