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MICROFINANCE SERVICES AND SUSTAINABLE LIVELIHOODS OF RURAL WOMEN: A CASE STUDY OF KENYA WOMEN FINANCE TRUST MICROFINANCE AND UWEZO FUND IN MACHAKOS SUB-COUNTY, KENYA

BY

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ST. PAUL'S UNIVERSITY

A THESIS SUBMITTED TO THE SCHOOL OF EDUCATION AND SOCIAL SCIENCES FOR THE AWARD OF THE DEGREE OF DOCTOR OF PHILOSOPHY IN DEVELOPMENT STUDIES (DEVELOPMENT SOCIOLOGY) OF ST. PAUL'S UNIVERSITY.

NOVEMBER, 2024

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DECLARATION

This thesis is a product of my own work and is not one in collaboration with any other person or persons. It has not been previously presented in any other institution. I agree that this work may be available for reference and photocopying at the discretion of the University.

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DEDICATION

I dedicate this thesis to my late mother, Serah Mbele Mutisya for her great belief in the liberating power of education especially to the girl child.

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LIST OF ABBREVIATIONS

GAD	Gender and Development
GSGT	Grameen Solidarity Group Theory
HH	Household
IGA	Income Generating Activities
IIED	International Institute of Environment and Development
ILO	International Labour Organization.
KWFT	Kenya Women Finance Trust
MCIDP	Machakos County Integrated Development Plan
MFI	Microfinance Institutions
MSC	Microcredit Summit Campaign
NGOs	Non-Governmental Organizations
PLWD	People Living with Disabilities
SACCOS	Savings and Credit Cooperative Societies
SDGs	Sustainable Development Goals
SHGs	Self- Help Groups
SME	Small and Medium Enterprises
SMEP	Small and Micro Enterprises Program
UN	United Nations
UNDP	United Nations Development Program
UNW	United Nations of Women
WAD	Women and Development
WDEF	Women Development Enterprise Fund
WID	Women in Development
YDEF	Youth Development Enterprise Fund

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OPERATIONAL DEFINITIONS OF TERMS

Gender	Is a socio-cultural construct of the society that determines and identifies, roles or functions, entitlements, and deprivation of women and men; girls and boys in the society.
Gender discrimination	Is the systematic, unfavorable treatment of individuals on the basis of their gender which denies them rights, opportunities or resources (KNBS, 2017).
Gender relations	Gender relations are how a culture or society defines rights, responsibilities, and the identities of men and women about one another (Bravo-Baumann, 2000).
Microfinance services	These are Financial services which include microcredit, savings, insurance and deposit, and non-financial comprised of capacity building, social services and other development services, available to poor entrepreneurs and small business owners who have no collateral and who would not otherwise qualify for a standard bank loan (Jafar et al., 2016, Viswanath, 2015)
Women's empowerment	Is a bottom-up process of transforming gender power relations through individuals or groups developing awareness of women's subordination and building the capacity to change it (KNBS, 2017).
Women's livelihood	These are capabilities, assets, and activities required by women as a means of living (Affum, 2020, Natarajan et al., 2022).
Sustainable livelihood	These are various capabilities, assets, and activities that enable individuals to access the resources and income they need to withstand shocks and maintain long-term stability (Dhungana, 2023, UN Women, FAO, IFAD, WFP, 2023)

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TABLE OF CONTENTS

DECLARATION....ii
DEDICATION....iii
ACKNOWLEDGEMENT....iv
LIST OF ABBREVIATIONS....v
OPERATIONAL DEFINITIONS OF TERMS....vi
LIST OF FIGURES....ix
LIST OF TABLES....x
ABSTRACT....xi
CHAPTER ONE....1
INTRODUCTION....1
1.1 Background of the study....1
1.1.1 Concepts and Definitions of the Operational Terms....10
1.1.2 Women's Economic Empowerment and Gender Relations....13
1.1.3 Microfinance Services and Women's Economic Empowerment....15
1.2 Problem Statement....16
1.3 Study objectives....18
1.3.1 General Objective....18
1.3.2 Specific Objectives....18
1.3.3 Research Questions....18
1.4 The Scope and Limitations of the Study....19
1.5 Significance of the study....20
1.6 Assumptions....20
CHAPTER TWO....21
LITERATURE REVIEW....21
2.1 Introduction....21
2.2 Theoretical review....21
2.2.1 The Sustainable Livelihood Framework (SLF)....21
2.2.2 Grameen Solidarity Group Theory....27
2.2.3 The General Theory of Gender Stratification....28
2.3 Empirical literature review....29
2.3.1 Rural Women's Economic Investments on Sustainable Livelihoods....29

ST. PAUL'S UNIVERSITY

2.3.2 Microfinance Characteristics on Women's sustainable Livelihoods.....31
2.3.3 Existing Gender-Related Factors on Women's Sustainable Livelihoods.....33
2.3.4 Enhancing Approaches on Women's Sustainable Livelihoods.....36
2.4 Government and Microfinance laws and policies.....37
2.5 Conceptual Framework.....38
2.6 The study gap.....39
CHAPTER THREE.....42
RESEARCH METHODOLOGY.....42
3.1 Introduction.....42
3.2 Research Philosophy.....42
3.3 Study Design.....42
3.4 Study location.....43
3.5 Target population.....44
3.5.1 Uwezo Funds.....45
3.5.2 Kenya Women Finance Trust (KWFT).....46
3.6 Sampling procedure and sample size.....47
3.7 Data collection instrument and procedure.....48
3.8 Validity and reliability of research instrument.....49
3.8.1 Validity.....49
3.8.2 Reliability.....51
3.9 Data analysis.....51
3.9.1 Operationalization and Measurements of Variables.....56
3.10 Study instrument piloting.....61
3.11 Ethical issues.....61
CHAPTER FOUR.....63
RESEARCH RESULTS AND INTERPRETATION.....63
4.1 Introduction.....63
4.2 Responses rate.....63
4.3 Socio-demographic information.....64
4.3.1 Respondents Age, Marital Status and Education Level.....64
4.3.2. Respondents' Family Size and Characteristics.....68
4.4 Microfinance and women's sustainable livelihoods.....69

ST. PAUL'S UNIVERSITY

4.4.1 Women's Economic Investments....69
4.4.2 Microfinance Characteristics....94
4.4.3 Gender Related Factors....108
4.4.4 Approaches Enhancing Women's Sustainable Livelihoods....120
4.4.5 Government and Microfinance laws and policies....128
4.4.6 Women's Sustainable Livelihoods....129
4.4.7 Inferential Results....139
CHAPTER FIVE....144
SUMMARY, CONCLUSION AND RECOMMMENDATIONS....144
5.1 Introduction....144
5.2 Summary of the study findings....144
5.2.1 Demographic Findings....144
5.2.2 Influence of Women's Investment on Women's Sustainable Livelihood....145
5.2.3. Impact of Microfinance Characteristics on Women's Sustainable Livelihoods....146
5.2.4 Gender-Related Factors' Hindrances....149
5.2.5 Approaches Enhancing Livelihood....151
5.2.6 Women's Sustainable Livelihood....152
5.2.7 Inferential Results....154
5.3 Conclusion....154
5.4 RECOMMENDATIONS....157
5.4.1. Contribution to the Theories....157
5.4.2. Recommendations to Microfinances....158
5.4.3 Recommendation to Policy Makers....159
5.5 Further Research areas....160
REFERENCES....161
APPENDICES....176
APPENDIX 1:....176
Krejci and Morgan (1970) Table for Sample Size....176
APPENDIX 2:....177
MAP OF STUDY AREA: Machakos sub-County, Machakos County....177

ST. PAUL'S UNIVERSITY

APPENDIX 3:.....178
DESCRIPTIVE STATISTICS, CORRELATION AND REGRESSION ANALYSES OUTPUTS 178
APPENDIX 4:.....180
CYCLE ONE CODING.....180
APPENDIX 5.....183
REGRESSION ASSUMPTIONS.....183
APPENDIX 6:.....186
St. Paul's University letter of recommendation to conduct research.....186
APPENDIX 7:.....187
NACOST'S RESEARCH LICENCE.....187
APPENDIX 8:.....188
MACHAKOS COUNTY COMMISSIONER LETTER.....188
APPENDIX 9:.....189
MINISTRY OF EDUCATION LETTER.....189
APPENDIX 10:.....190
Consent of participant report.....190
APPENDIX 11:.....191
THESIS PLAGIARISM REPORT.....191
APPENDIX 12:.....192
THE STUDY INSTRUMENTS.....192
QUESTIONNAIRE.....192
INTERVIEW GUIDE.....206

ST. PAUL'S UNIVERSITY

LIST OF FIGURES **PAGE**

Figure 1	Sustainable Livelihood Framework	23
Figure 2	Conceptual framework	39
Figure 3	Respondents sources of income	70
Figure 4	Microfinance services offered	72
Figure 5	Microfinance providing services	73
Figure 6	Women fears contributing to not to use credit	75
Figure 7	Year of joining microfinance	79
Figure 8	Ways women came to know microfinance	81
Figure 9	Last loan utilization	85
Figure 10	Business activities started with the first loan	87
Figure 11	Causes of loan default	98
Figure 12	Method of loan recovery	99
Figure 13	Challenges related to microfinance services	102
Figure 14	Group policies hindering business sustainability	105
Figure 15	Time spent on daytime (12 hours) activities	113

ST. PAUL'S UNIVERSITY

St. Paul's University Repository

LIST OF TABLES **PAGE**

Table 1	Estimated regression equation model	53
Table 2	Estimated regression assumption tests	54
Table 3	Interview themes/categories	55
Table 4	Respondents rate for quantitative and qualitative data response	63
Table 5	Age, marital status, and education level of respondents	65
Table 6	Family size and characteristics	68
Table 7	Products that attracted women and loan cycles received	82
Table 8	Loan received last	84
Table 9	Times business failed and business in operation	88
Table 10	Women's training before and after loan disbursement	91
Table 11	Training benefits before and after loan disbursement	93
Table 12	Business failure and times business failed	95
Table 13	Loan interest and defaulting	97
Table14	Social and household hindrances	109
Table 15	Contribution made in the last three months	115
Table 16	Relative's perception of joining microfinance	117
Table 17	Decision-making on microfinance services	119
Table 18	Business status in the next three years	121
Table 19	Livelihood-enhancing enhancing approaches	123
Table 20	Factors enhancing business	126
Table 21	Profit flow	130
Table 22	Business stocking in the last six months	132
Table 23	Approximate savings per month	134
Table 24	Number of business assistance	135
Table 25	Women's property before and after joining microfinance	136
Table 26	Benefit women gained from KWFT and Uwezo Fund	138
Table 27	Reliability analysis	140
Table 28	Multicollinearity tests	140
Table 29	Mean SD, and Correlation Analysis	141
Table 30	Regression analysis	142

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ABSTRACT

Since the 1990s, microfinance services especially economic interventions have become a popular solution in development to reduce gender economic gap, improve women's livelihoods and alleviate their poverty. Traditionally, women's position in the society greatly contributes to feminist poverty of about 70% globally. Women account for more than 50% of the world's population, perform 67% of the world's working hours, provide 60% of the world's labour force, but only earn 10% of the world's income and own less than 1% of the world's resources. In Machakos County, absolute poverty level is 60.7%, while in rural areas, it is 59.6%. Microfinance services have been attempting to improve women's sustainable livelihoods which has not yet been fully realized. Women are facing problems which curtail their economic livelihoods' progression and sustainability. This study therefore investigates the influence of microfinance services on women's sustainable livelihoods. The specific study objectives are: to examine the influence of women's investments on women's sustainable livelihoods, to explore the influence of microfinance characteristics on women's sustainable livelihoods, to examine the existing gender-related factors that hinder women's sustainable livelihood and to establish approaches that could enhance microfinance services on women's sustainable livelihoods in rural Machakos sub-County. The study was based on Grameen solidarity group theory, The General Theory of Gender Stratification and Sustainable Livelihood Framework. A mixed method was used and 367 respondents were randomly selected from a target population of about 8000 women from Kenya Women Finance Trust and Uwezo Fund, Kenya. Besides, 16 respondents were purposively selected for interview. Quantitative data was analyzed by use of descriptive, Principal Component Analysis and multiple regression analysis. The results were presented by use of tables and graphs. Qualitative data was analyzed by use of thematic analysis. The study revealed temporary and permanent business closure. The findings revealed that before Covid 19, rural women's businesses were well established and stable. Furthermore, they had increased income, savings, increased property ownership and investments besides creating more jobs. The study highlighted the importance of bottom- up economic approach of enhancing livelihood.

Key words: Women's sustainable livelihood, Machakos sub-County, Kenya women finance trust

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CHAPTER ONE
INTRODUCTION

1.1 Background of the study

Since the 1990s, the microfinance economic interventions have become a popular solution in development to help reduce gender economic gap, improve women's livelihood and alleviate their poverty especially in developing countries (Abebe & kegne, 2023; Kireti & Sakwa, 2014). Microfinance provides a more sustainable option by providing a diverse range of services such as credit, savings and insurance that supports women's micro-enterprises' livelihood (Sangi & Anand, 2021). Improving rural women's status and their livelihoods in development is a global as well as a Kenyan concern in the Sustainable Development Goals (SDGs) and Vision 2030. A considerable number of women especially in rural areas have unsustainable livelihoods which contribute to low positions in the society. Global and government development agencies have come up with various development strategies to involve women in economic development aiming to change this low position (Ismail & Islam, 2012). However, these efforts are not yet up to the expectations (Awojobi, 2019; Vachya & Kamaiah, 2015). To improve women's livelihoods and status, the field has undergone major theoretical shifts from 1970s onwards. The main intention has been to transform women's position in the society, improving their livelihoods and involving them in economic development. This began with Women in Development (WID) approach, shifted to Women and Development (WAD), and finally Gender and Development (GAD) (Abdur, 2016, Dulhunty, 2022).

According to Mwije (2014), WID gave little attention to economic inequalities between men and women. He argued that the socio-economic and cultural factors that perpetuate inequalities in the society contribute to poor accessibility of resources to poor rural women. This consequently hinders their increase to sustainable livelihoods. He further claimed that this approach failed to deal with the power relations between men and women. Existing literature shows that socially created power relations within communities curtail women's involvement in economic opportunities (Banerjee & Jackson, 2016; Gangadhar & Malyadri, 2015).

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Although WID advocated for greater gender equality in employment opportunities, it did not tackle the unequal gender relations and roles both of which affect women's involvement in economic opportunities and their livelihoods (Gangadhar & Malyadri, 2015). Affum (2020) in Ghana argued that women's participation in economic activities is extremely controlled by their position in societies. His study noticed that rural women were not involved in household decision making because their culture does not allow. Gender relations dictate the positions, boundaries, responsibilities and roles of men and women in the society (Girikipati et al., 2017, Jaka & Shava, 2018). Its ignorance on social, cultural, legal and economic factors gave rise to increased gender inequalities in societies. WID approach paved the way for WAD which continued the fight for women's economic livelihoods.

Women and Development (WAD) came from the perspective that equality will be essential to improving women's positions and livelihoods in the society (Abdur, 2016; Oberhauser & Aladuwaka 2020). The WAD approach believed that women's work both inside and outside the household is critical to the economic development of society. This demonstrates that enhancing women's economic livelihoods' development is not just about woman's development but also the whole society. The movement argued that women have a role not only in reproduction but also in production to better their lives as well as those of their families thus, improving livelihood. Affum's (2020) emphasized that unless women's rights are directly addressed, achieving maximum women's production is difficult. The movement suggested the removal of women from the patriarchal hegemony that would exist if women participate in development alongside men in a patriarchal culture (Abdur, 2016). Bui, Kuan and Chu in 2018 argued that patriarchal expectations on women's business constrain smooth operation of income generating activities.

The Gender and Development Approach (GAD), which emerged in 1980s, was rooted in socialist feminism. These feminists identified social construction of production and reproduction as the basis of women's oppression and focused attention on the social relations of gender (men and women) (Abdur, 2016). According to Abdur, the focus of GAD has been to examine why women have systematically been assigned to inferior roles and to confront questions of power and agency in social settings. Unlike the previous approaches

which treated women in isolation, GAD observed the importance of holistic development. It focused on improving women's livelihoods and transforming unequal relations of men and women (Khan, 2016). GAD seeks to ensure that both women and men participate in and benefit equally from development. It emphasizes equality of benefit and control of resources in all spheres of development by both men and women. From this background, economic initiatives and strategies were put in place to promote poor women's participation in various socio-economic activities (Abdur, 2016). The initiatives were aimed at improving their livelihoods. Microfinance interventions emerged during these periods as a solution in development besides improving poor rural women's economic livelihoods through entrepreneurship (Abebe & Kegne, 2023).

The argument for microfinance intervention on women's livelihoods is that this proportion of the society is socially, economically and politically discriminated and marginalized (Tariq & Sangmi, 2018). Social and economic factors are some of the challenges and problems poor rural women face in the process of accessing and using microfinance credit (Garikipati, Johnson, Guerin & Szafarz, 2017; Patel, 2017). Development agencies claim that women account for more than 50% of the world's population, perform 67% of the world's working hours, are 60% of the world's labour force, but only earn 10% of the world's income and own less than 1% of the world's resources (Amine & Stabu, 2009). This indicates women's socio-economic status in the society yet they comprise the highest percentage of the world's population. Socially, men's position has enabled them to control not only resources but also women's lives. Such gender insensitivities (relations) influence women's financial assets use and operation of income generating activities (Ahmed, Siwar & Idris, 2011). In Bangladesh, the purdah religious system affects work opportunities and social networking for rural women beyond their families (Ahmed, Siwar & Idris, 2011). The trio researchers opined that women's movement is limited outside their families. As a result, these women have less opportunity and time to participate in income generating activities which are mostly set-up outside their families.

Beneejee and Jackson (2017) from a rural Bangladesh perspective found that microfinance credit has little success in livelihoods' improvement and increases economic and social

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vulnerabilities. According to them, income generating activities are confronted with both nurturing and promoting challenges and problems, contributing to least profit and collapsing of the activities hence lack of livelihood. They claim that these challenges and problems contribute to inability to repay microfinance loans, increased debt risk and assets loss. They further argued that non-loan repayment has been linked to suicides among borrowers. The same assertion was voiced by Abubakar (2020) who posited that women's access to microfinance does not necessarily lead to transformative agency but leave them in an embarrassment. Beneejee and Jackson (2017) observed that husbands and sons urge their wives and mothers to obtain loans for them but saddle them with the burden of repayment and suffering the consequences of loan default. In this regard, it is difficult for rural women to operate sustainable income-generating activities that can lead to their improved well-being and that of their families.

Contrary to Akter (2020) and Beneejee and Jackson (2017), Kabagerayo et al. (2022) affirmed that household well-being was the most social benefit gained through rural women's enterprises microfinance funded. Their study confirmed that women's enterprises benefit not only their household but also the community through job creation. The respondents in current study reported that access to credit increased their livelihood to an extent that money gotten from their businesses was enough to educate children to university level and employ some house help to assist in kitchen chores. Kabagerayo et al. study revealed that women's business income increased contribution to education development and job creation.

The Self-Help Groups (SHG) are known as women's gateway to microfinance credit for livelihood diversification and women's economic emancipation. Lack of hard collaterals and poverty forces poor rural women to join or form self-help groups to access credit and gain social status (Pathaka & Singla, 2015). Apparently, microfinance services are based on SHG joint liabilities. Beneficiaries using social collateral are mutually reliable on each other for repayment, though loans are provided individually (Grameen solidarity group theory, 1976). SHG's policies and by-laws determine an individual's access to credit and influence operating and sustainability of economic activities. An empirical study in Ludthian in India

ST. PAUL'S UNIVERSITY

by Pathak and Singla (2015) demonstrated that defaulting of SHGs' members negatively affects livelihoods to an extent. In case one-member defaults, the rest are forced to contribute towards that default. If the default is not paid, then loan disbursement to other group members stops. According to their study, 55% of the respondents confirmed the negative effect of SHGs members' loan default on their livelihoods. Indeed, this is a creation of mistrust, hatred and harassment within the group members. Such behaviours contribute to reduced cohesion among group members and leads to limitation of the sustainability of Income Generating Activities (IGAs).

Self -help groups are expected to bring in harmony and social networking to challenge and transform social structures where gender inequality thrives. The use of group pressure to repay loans makes women get involved in multiple borrowing resulting in debt increase. Researching on effects of multiple borrowing of microfinance clients, Boiwa and Bwisa (2014), reported that women's income is affected by multiple borrowing, hence contributing to low living standards. The study indicated that 70% of women were involved in multiple borrowing and had problems of loan repayment. Multiple borrowing increases the vulnerability of micro-entrepreneurs to various shocks and destabilizes the micro-enterprise. These negative effects limit economic activity's progression or contributes to collapsing of income generating activity (Yeboah, 2010) which might be the only income source of a poor person in a rural area.

Despite microfinance efforts to diversify women's livelihoods through credit accessibility and funded income-generating activities, literature revealed that little has been achieved in developing countries such as Kenya among others. In support of this, in 2005, the year of microcredit, the United Nations (UN) report witnessed the perpetuation of underdevelopment marked among women. The same was noted by the UNDP (2005) in the Human Development Report when it stated that gender disparities are among the deepest and most pervasive of inequalities in day-to-day life. Microcredit Summit Campaign (MSC) in 2012 reported women's poverty is on the increase as literature states a rise from 10.3 million (1999) to 113.1 million (2010). Amine and Stabu (2009) observed that more than 2 billion live on less than $ 2 a day while 880 million on less than $ 1 a day and three of every

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four poor people in developing countries live in rural areas where the majority of inhabitants are women. In a similar view, Banerjee (2017) noted women poverty rose to more than 50% of the world's population. In some parts of the world, sociocultural norms and perceptions define women's responsibilities and roles which are associated with gender inequalities. These norms can be barriers to women's access to microfinance services whose main objective is to increase women's sustainable livelihoods.

In Sub-Saharan Africa, poor rural women supported by microfinance to improve their livelihoods are experiencing economic and social challenges, (Omwono et al, 2016). Existing literature reveals that women's enterprises are negatively affected by loan application procedures, the high cost of acquiring loans, a requirement that a woman must be a member of a registered group, and the high accumulation of savings before loan disbursement (Musore & Mbabazi, 2016; Ziem & Bebelleh, 2014). These microfinance characteristics (loan policies) contribute to the low running or failure of women's businesses. A study by Java and Shaka (2018) in Zimbabwe on resilient rural women's livelihoods for poverty alleviation and economic empowerment revealed numerous challenges. This duo's researcher affirms that rural women encounter traditional social structures, lack of access to competitive markets, lack of access to credit facilities, lack of entrepreneurial education and training, and limited use of technology to stimulate their rural livelihoods. Their recommendations confirmed that rural women require support to have sustainable livelihoods. With a similar argument, Duflo (2012) states that rural women's economic livelihoods in developing countries fail to operate at the early stages and thus women need social support. The evidence here is that rural women's access to funds to start up business projects does not automatically translate to sustainable projects. After accessing funds from microfinance, household and community support is important for the effective and prosperity of women's economic empowerment.

The current study contends that microfinance does not economically empower poor rural women as many studies claim. Microfinance provides a catalyst (kind and non-kind services) for poor rural women clients to create acceptable social, economic, and political spaces for themselves in hegemonic gender relations within their households and the

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communities (Garikipati et al, 2017; Lakwo, 2006; Pathania, 2017). Existing literature reveals that a myriad of challenges hamper women's economic empowerment progression especially in developing countries. The studies by Nabayinda (2014) in Uganda, and Abbas and Honghui (2016) in Tanzania noted the existence of gender disparity in literacy, poor socio-economic conditions, lack of participation in decision-making, rigid customs, traditions and religious systems affect women's development. These social factors influence both credit and economic activities undertaken by poor rural women (Hassan & Mugambi, 2013).

The increased microfinance programmes have been recognized for their ability to accelerate the realization and achievement of Sustainable Development Goals (SDG) 1 and 5 besides Vision 2030. Goal number one calls for ending poverty in all its forms everywhere while number five calls for gender equality achievement and empowerment of women and girls. Achievement of these goals can only occur if what causes women's disempowerment is transformed. Therefore, microfinance services improve poor rural women's livelihoods with no other source of income. This concept leads to examining effects of microfinance services on improving rural women's economic activities and their social structures. Besides, it interrogates how gender-related factors operate within the processes of empowering women economically. Unless the economic empowerment approach aims at closing gender gaps through transforming social structures and actors who perpetuate inequality, then women's sustainable livelihoods and their full development will be difficult to achieve. This is because the patriarchal world pivots on power relations in most developing communities (Girikipati et al., 2017) including Machakos in Kenya. The cultural/societal norms structure all areas of life and determine 'who does what, to what extent and for whom, what we are, and what we might become (Girikipati et al., 2017; Kato & kratzar; 2013). From this view, though much has been done to improve poor rural women's livelihoods, evidence from the literature indicates that social and cultural structures work against women's economic activities' sustainability (Avornyo, 2013). Further, the African countries online discussion report on rural women's livelihoods in 2016, observed that lack of ownership impacts negatively on women's livelihoods and their ability to provide for their families. This indicates that women's economic empowerment is far from being achieved. Therefore, the

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views in this paragraph concur with current researchers' assumption that women's sustainable livelihoods through microfinance services are doubtful.

The introduction of social collateral by Yunus Mohammad (1976) in Grameen Bank in Bangladesh provided an opportunity for many poor people including women to access microfinance credit services. The success of this model proved that poor people (women) are bankable and many financial institutions globally started using it including Kenya. The success of this Model should not however be taken as a guarantee that it will work the same way it has worked in other parts of the world especially in Africa including Kenya (Machakos sub-County). This is because women in many parts of the world are discriminated against, deprived, or marginalized differently in their various societies (Girikipati et al., 2017; Patel, 2017). Social collaterals have resulted in mistrust, hatred, and pulling out of members from their groups due to microfinance and group policies (Pathak & Singla, 2015). Even though social collaterals enable poor rural women to access microfinance services, it may be influencing women's economic livelihoods negatively. Kato and Kratzer (2013) argued that trust and networking are key factors in social collateral in accessing group loans. Based on this background, there is a need for research to examine group social collaterals on improving women's economic livelihoods.

A study by Ziem and Bebelleh (2014) in Ghana, observed positive impacts of microfinance women's economic empowerment. Through accumulated savings and profit from their businesses, school children retention increased because women were able to pay school fees for their children. The study reported increased food security, increased women's autonomy, and reduced dependency syndrome on their husbands and relatives. There was also 5% ownership of physical assets which brought respect to women more than before because of their ability to obtain these assets which some men in the studied communities did not have. The findings of this research indicate that microfinance programs can improve both women's and household well-being, with adequate social support. However, a study by Akinbami and Aransiola (2016) in Nigeria posted contrary findings. Their research observed that rural women's livelihoods are constrained by their position in society and men have authority over the resources and women's lives. He claimed that women are denied the

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chance for making decisions since their opinions count for nothing. The indication here is that women are subjected to discrimination and marginalization as society generally endorses men as controllers and masters. Indeed, this demonstrates that achieving women's sustainable livelihoods is not forthcoming. In gender relations, where men have more power than women, the relations are revealed in spheres of development hence limiting women's sustainable livelihood. Bui, Kuan, and Chu (2018) affirmed that gender division of labour, access, control, and utilization of resources both at household and community levels greatly affect women's entrepreneurship. From these sentiments, it means that women's way of performing within and outside influence their livelihoods.

The Kenyan literature on women's economic empowerment indicates challenges emanating from social set-ups and microfinance institutions. In developing countries like Kenya, women micro-enterprises are affected by cultural practices that deny women their rights, contribute to financial constraints, lack of education and training, lack of social support, lack of managerial experience, and absence of appropriate supportive policies (ILO,2007). Mogeni (2017) stated that both county and national governments need to emphasize the implementation of the existing policies that address social and cultural structures to improve women's livelihoods in Kenya. He observed a lack of appropriate policy framework to challenge gendered power relations, which is an obstacle to improving women's economic livelihoods. In supporting this assertion, Hassan and Mugambi (2013) in Kenya, revealed that women's economic livelihood in Garissa is influenced by women's discrimination.

A study by Hassan and Mugambi (2013) observed that cultural practices among communities domiciled in Garissa retard women's aspirations and fulfillment of their social and economic life. The same study stated that women's micro-enterprises are negatively viewed by society, contributing to low self–esteem and low self-confidence in women. The negative views show women's weak social position in the societies and their inability to operate sustainable businesses. Similar findings were observed by Kithuka and Otuya (2016) in Machakos. Their study found that the choices that women make in economic and social practices, as well as the ways of exercising these choices, are determined by spouses. The study further pointed out that, rural women lack the resources to borrow huge loans due

ST. PAUL'S UNIVERSITY

to cultural practices that determine gender relations. From this study, it is concluded that women in rural areas of Machakos operate under strict traditional gender relations and this may impact negatively on their microcredits as well as their economic livelihood activities. Being a vital source of sustainable livelihood development, microfinance services seem to have deviated from the initial objective. Microfinance programmes target poor populations to improve their living standard through the provision of loans to productive purposes such as businesses. But recently, microfinance has been facing controversy around high interest rates, unethical loan collection methods, allegations of suicide among borrowers, and mission shifts. Existing literature demonstrated microfinance as an exploiter due to its high interest rates on loan repayments (Abbas & Honghui, 2016; Kato & Kratzer, 2013; Kisaka & Mwewa, 2014). High interest rates have been identified as a cause of collapsing of businesses (Abbas & Honghui, 2016). Their study revealed that 36% of the respondents claimed that high interest rates contribute to loan default which negatively affects business sustainability. To recover defaulted loans, microfinance use their methods which to some extent contribute to suicide or defaulters leaving their homes to avoid property auctions (Abdur, 2016). Therefore, there is a need to research women's unsustainable economic livelihoods funded by microfinance.

ST. PAUL'S UNIVERSITY

1.1.1 Concepts and Definitions of the Operational Terms

i) Microfinance services

Microfinance services are two words which received a lot of definitions in development literature. Microfinance is a financial development that primarily focuses on alleviating poverty by providing financial services that help the poor take up income-generating activities which is assumed to improve their livelihoods (Jain & Jain, 2012). Microfinance targets to improve poor rural women's access to small loans and deposits neglected by formal banks (Ziem & Bebelleh, 2014). In this study, microfinance is a means of providing women with credit facilities as a way of improving livelihoods through economic activities (Afolabi et al., 2020).

On the other hand, services are the provisions from microfinance organizations to poor people to improve their livelihoods. These are strategies to ensure low-income clients,

without collaterals, who traditionally lack access to banking and related services access these services (Modi, Patel & Patel, 2014; Patel, 2017). Microfinance services provision includes both financial and non-financial services to marginalized rural women and urban folks who are not covered by the formal financial sector. Therefore, microfinance services are the provisions of financial services, including credit, savings, insurance, and deposits while non-financial services non-financial includes capacity building, social services and other development services, (Kingsley, 2015, Viswanath, 2015). The provision of these services to poor people in society including women increases livelihoods and improves the standard of living.

This study adopts the definition of Jain and Jain (2012), Ziem and Bebelleh (2014) and Kingsley, (2015). Microfinance provides both financial and non-financial services to poor and marginalized groups of women to enable them to engage in income-generating activities as a source of improving their livelihoods. As literature states, economically empowered women are likely to claim their rights and better their ways of living (Kirima & Omagwa, 2019). In recent years, microfinance has become an attractive development strategy that governments and development agencies are using to improve the status of the poor population in society and more so poor rural women.

ii) Economic empowerment

Microfinance is economically made to empower women. Empowerment means making someone powerful, facilitating the weak to attain strength, enabling someone to confront injustice and oppression (Jain & Jain, 2012). Economic empowerment is the ability to make and act on decisions that involve the control over and allocation of financial resources (Niehof et al., 2015). Microfinance economic empowerment to poor women is assumed to influence power through awareness, capacity building, participation in decision-making, acquiring information, attaining confidence, and self-employment. The underlying assumption of the microfinance economic model is that when women have access to and control over financial services, they can operate their own income-generating activities. As a result, accumulated savings and ownership of property are assumed to transform women's status in the household and the community.

ST. PAUL'S UNIVERSITY

This study adopts Duflo (2012) economic empowerment definition as a development promoter of women's ability to act and control resources that they were denied before. This study sees it as a tool to improve women's socio-economic disadvantages. Further, it should challenge gender relations that allow these disadvantages to thrive (Lakwo, 2006). Economic empowerment strives to uplift the relatively weaker positions and attributes. It aims at increasing the capacity to achieve the desired end and boost the ego of women in their day-to-day activities.

iii) Livelihoods

According to Jaka and Shava (2018), livelihoods are the activities and resources done to gain a living. Livelihoods can be the capabilities, assets (tangible and intangible) and activities required to make a living (Khatiwada, Deng, Paudel & Zhang, 2017). Dhungana (2023) defines livelihoods as the strategies that people perform to satisfy their needs and earn a living. Lakwo (2006) defines livelihoods as actors' behaviour concerning holding, using, and transforming assets into productive activities for a valued life.

Livelihoods encompass the various capabilities, assets, and activities that enable individuals to access the resources and income they need to withstand shocks and maintain long-term stability (Jafar et al., 2016). These capabilities, assets, and activities may include education and training, access to financial services and asset ownership. This emphasizes on improving the livelihoods of marginalized and disadvantaged groups, including rural communities and women.

The working definition of the current study involves rural women's capabilities, activities, and strategies used to transform their living standards besides improving their position in society (Jaka & Shava, 2018; Khatiwada, Deng, Paudel & Zhang, 2017). Microfinance provides financial and non-financial assistance to individual women enrolled in women's groups to set up and boost their economic livelihood activities (IGAs) besides increasing their sustainability. The assumption is that these economic activities improve women's social and economic status and to some extent create job opportunities for others (Furu,

ST. PAUL'S UNIVERSITY

2017). Therefore, income-generating activities are transformation agents for increasing rural women's income as well as changing their status in societies.

1.1.2 Women's Economic Empowerment and Gender Relations

Gender relations are inherent in women's economic empowerment. Gender is primarily a way of assigning relationships of powers as it inscribes differences in being and doing. Gender inequalities are shaped by many power inequalities which transcend social, economic, cultural, and political structures (Banerjee & Jackson, 2016; Garikipati et al., 2017). Both men and women within households and in societies at large have different needs because of their gender roles and they have unequal control over resources (Kato & Kratzer, 2013). The relationships between men and women regarding the division of labour, decision-making power, control over resources, subordination of women, and political rights greatly affects women's economic empowerment activities (Jafar et al., 2016). Women in many African countries especially in rural communities are bound by cultural practices that require them to strictly follow socially assigned roles. For instance, Kithuka and Otuya (2016) confirmed that in Machakos county, women's decisions and choices for their loan investment are men-oriented. This is evidenced by 46.4% of respondents who reported that cultural factors affect their economic empowerment.

In addition, Kisaka and Mwewa (2014) assessed how gender and education levels influence SMEs management performance. The findings observed that 71% of respondents were males and 29% were females. 62% of them had education from diploma to postgraduate levels. From the above percentage, males were categorized as having higher education than women. In African communities, priority is given to the boy child in education matters. He also inherits whatever the household owns including the valued assets (Lakwo, 2006). The same researcher argued that girls are seen as people on transit because marriage passage dictates that they should move to their marital homes. This impacts negatively on women's sustainable livelihoods, decision making, and empowerment as a whole.

In Machakos County, the Kamba community displays different facets of power that translates to gender deprivation. Traditionally, the male should grant permission and provide

ST. PAUL'S UNIVERSITY

the choice in any woman's engagement. (Kithuka & Otuya, 2016). This therefore means that men control most women endeavours and decision-making processes. The availability and affordability of microfinance services aimed at improving the ability of women to transform their status has not yet worked as per the expectations of many people (Bui et al., 2018). In rural areas, ideas are expected to be initiated by men who are entrusted with whatever takes place both in the household and at the community level (Bui et al.; Ziem & Bebelleh, 2014). Women take orders from men and follow instructions given by men. Thus, men's position of power is superior while women take the servants' seats (Garikipati, Guérin, Johnson & Szafarz, 2017). Although women borrow from microfinance, their loans and investments are controlled by their men (Ziem & Bebelleh, 2014). For instance, some husbands and sons urge their wives and mothers to borrow loans for them but repayment and loan default consequences fall on women's shoulder. Traditionally, women are allowed to trade within their communities but men remain free to trade even outside their community (Bui et al., 2018). This indicates women's discrimination in business operations and negative contribution to sustainable livelihood.

In African culture, women and their offspring are seen as part of men**'s** property. It means that the mobility, choices, and opportunities of male family members by far exceed that of any female, who are collectively subject to male authority (Adarinto, David & Alabi, 2018). Their study observed subordination and restriction on women's access to resources including control and utilization, hence limited livelihood. Women are perceived as incapable of making important decisions. This shows the restrictions females experience, especially the poor the poor who have no income. This evidence indicates that women borrow funds for men or their loans are diverted to non-income generating activities. Despite this, women are left to struggle on their own to repay the loans. Definitely, this reduces women's livelihoods and empowerment as men control microfinance loans borrowed by women. The reason why this study stepped in to examine microfinance services on women's livelihoods in Machakos sub-County is the existence of such environments.

ST. PAUL'S UNIVERSITY

In addition, private property rights are not in women's favour. In the case of married women, even whatever has been accumulated by the woman's sweat is owned by her spouse. Women occupy inferior positions and are considered as newcomers (*Oki* in Kikamba) in their marital homes (Mutisya, 2004). Women are obstructed from control over and ownership of land and other vital assets such as livestock. They are denied space as their opinions account for next to nothing. They are discriminated against and marginalized. So far, the Literature reviewed in Machakos County (Kisaka & Mwewa, 2014; Kithuka & Otuya, 2016; Mbuva, Kimunduu & Shisia, 2015), concentrated on various factors on microfinance and women's economic empowerment. None of these studies considered the extent to which microfinance services facilitated poor rural women's livelihoods in their social structures. Therefore, this study examines this gap of women's economic activities funded by KWFT microfinance and Uwezo Fund in the Machakos sub-county.

1.1.3 Microfinance Services and Women's Economic Empowerment

The main objective of microfinance is to empower women economically through financial services to improve their rural livelihoods (Ziem & Bebelleh, 2014). These services are recognized as important instruments for sustainable livelihood (Sangi & Anand, 2021). Microfinance services as a global strategy claims to take poor women from the simple act of borrowing money from their relatives (dependency) to the position of creating employment (Ali, 2014; Garikipati, Guérin, Johnson & Szafarz, 2017). This happens through offering credit to women who have no collaterals and other sources of income. Microfinance targets rural women because they form the majority of the poorest segment in societies yet they still take charge of the well-being of their respective families and the community at large (Ziem & Bebelleh, 2014). Microfinance programmes (financial and non-financial) are seen as a strategic approach to addressing issues relating to women's rights and gender equality. For instance, financing women through credit implies improving women's livelihoods through the start-up of income-generating activities (Ahmed et al., 2011; Shakir, 2022). The expected outcome of financial service in empowering women is assumed to challenge their inferior position in their household and society as a whole (Ali, 2014). There are doubts about the contribution of microfinance to the improvement of women's well-being.

ST. PAUL'S UNIVERSITY

Evidence from a report by Mogeni (2017) on enhancing opportunities for women's enterprises in Kenya states that county governments lack an appropriate policy framework to support women's economic empowerment. The report pointed out that the institutional and policy arrangements do not primarily challenge gendered power relations which limit women's empowerment. With this view, it is necessary to examine the ways and to which extent microfinance services facilitate the economic empowerment of poor rural women with no other source of income besides finding out whether other models could be used to improve women's livelihoods. Targeting women with no other income is because these women are under the mercies of their husbands and they get no food on the table unless the man provides.

Some researchers argue that microfinance reduces poverty among women by improving their well-being. The assumption is that when women have access to and control over financial services, they are economically empowered and able to make decisions, take part in negotiations and have greater mobility (Garikipati, Guérin, Johnson & Szafarz, 2017). The reason is that income leads to power. Despite these encouraging sentiments, (Mungai, Maingi & Muthee, 2014; Omonywa & Muturi, 2015) observed that the failure of income generating activities within the first few months of operation limits women's livelihoods empowerment. According to Ziem and Bebelleh (2014), women's income generating projects are determined by socio-cultural practices of the people. For instance, in African countries- Kenya included, women are not supposed to own productive assets traditionally. They should operate within homestead vicinity only and always seek for permission and direction from men in any engagement outside the kitchen arena (Adarinto et al., 2018; Lakwo, 2006). In such a scenario, income might not be able to bring about power thereby empowering women within their gender relations. According to Kithuka and Otuya (2016) many women lack resources to improve livelihoods due to day-to-day cultural practices. With this background, microfinance services on women economic empowerment calls for research.

ST. PAUL'S UNIVERSITY

1.2 Problem Statement

Microfinance services support and improve women's livelihoods in developing countries. In Kenya and specifically in Machakos sub-county, the context of this study is that women engage in microfinance services to improve their livelihoods. Poor rural women without collaterals depend on these microfinance services, mainly credit, to set up or boost income-generating activities. Reviewed literature in Makueni and Kitui Counties, microfinance women borrowers make more productive investments than when they were non-microfinance clients (Kamanzi, 2016; Mutua & Nyanga, 2021). A study from the Masinga sub-county in Machakos County revealed that women's access to microfinance credit increased their sustainable livelihoods (Kivuva, 2020). In rural areas of the Machakos sub-county, women access KWFT and Uwezo Fund credit enabling them to operate businesses. Compared to other Financial institutions, these microfinances extend credit provisions to poor rural women with no collateral to operate income-generating activities.

However, women's income-generating activities in rural areas of the Machakos sub-county experience many challenges that hinder progress. Women in rural areas face loan defaulting, property confiscation, and collapse of businesses among others. Such challenges signify unstable income-generating activities or a lack of sustainable livelihood. Property confiscation translates to loss of property that women already have. Property loss increases poverty, causes household conflicts and low self-esteem which contributes negatively to women's sustainable livelihoods. Both microfinance officials and women group members embarrass and harass loan defaulters (women) and some of them opt to drop out of microfinance programs. Women whose businesses collapse, terminate their economic livelihoods and these women continue to repay the loan with another loan. This increases women's indebtedness which leads to suicidal actions. All these have negative impacts with adverse implications on women's sustainable livelihoods and realize of SDGs and Vision 2030. Bearing in mind that microfinance is a development strategy for poor people with no collateral, women's livelihood expectations have not yet been achieved.

Many of the studies in the Machakos sub-County show concern about access to microfinance credit, causes of loan default, and factors that influence and affect women's

ST. PAUL'S UNIVERSITY

empowerment. From the studies, women are not yet part of challenge solvers, specifically their microfinance challenges. Therefore, from the literature in Machakos County, not much attention has focused on the sustainable livelihoods of women in rural areas in terms of research. This study therefore seeks to investigate the influence of microfinance services on women's sustainable livelihoods and involve women in enhancing their sustainable livelihoods in rural area of Machakos sub-County, Kenya. Additionally, it seeks to find out whether there is relationship between the Dependent variable (women's sustainable livelihoods) and the independent variables combined (women's economic investments, microfinance characteristics and gender related factors)

1.3 Study objectives

1.3.1 General Objective

This study investigates how microfinance services have influenced women's sustainable livelihoods in rural areas of Machakos sub-County, Machakos County, Kenya.

1.3.2 Specific Objectives

i. To examine the influence of rural women's investment on women's sustainable livelihoods in the rural Machakos sub-County.
ii. To explore the influence of microfinance characteristics on women's sustainable livelihoods in the rural Machakos sub-County
iii. To examine the household existing gender-related factors that hinder women's sustainable livelihoods in the rural Machakos sub-County
iv. To establish approaches to enhancing microfinance services on women's sustainable livelihoods in Machakos sub-County.

1.3.3 Research Questions

i. What are the factors that influence women's investment in women's sustainable livelihoods in rural Machakos sub-County?
ii. To what extent do microfinance characteristics influence women's sustainable livelihood in rural Machakos sub-County?
iii. What is the prevailing gender-related factors that hinder women's sustainable livelihoods in rural Machakos sub-County?

ST PAUL'S UNIVERSITY

iv. What possible approaches could be used to enhance microfinance services on women's sustainable livelihoods in rural Machakos sub-County?

1.4 The Scope and Limitations of the Study

i)Scope

The study seeks to investigate the influence and extent of microfinance on women's sustainable livelihoods. Although microfinance has many services rendered to poor rural women, this study focuses on the influence of women's investment on their sustainable livelihoods, the influence of microfinance characteristics on poor rural women's sustainable livelihoods, existing gender-related factors that hinder rural women's economic activities within the household and rural women's approaches that could enhance microfinance input on their sustainable livelihoods. This study will be conducted in rural Machakos sub-County where Kenya Women Finance Trust and Uwezo Fund are supporting women group members financially. Additionally, the study targets poor rural women with no other source of income and who are dependent on microfinance credit to improve their livelihoods through Income-Generating Activities (IGAs).

ii) Limitation

The limitations influencing this study are methodological. Covid-19 may greatly affect sample size and data collection. To date, most women groups do not physically meet. Contributions are sent to the concerned microfinance through M-Pesa. Communication is done through text as most of the women have mobile phones. COVID-19 restricted people to staying indoors and keeping social distance which resulted in no group meetings. In addition, rural inhabitants believed that people living in towns where the researcher comes from were potential Covid-19 carriers. Generally, with the coronavirus, it was difficult for

ST. PAUL'S UNIVERSITY

the researcher to mix with rural women to get the sample size and collect data through interviews within the given time.

However, the researcher opted to use group chairpersons to distribute the questionnaires or reach the respondents through telephone interviews. After Covid-19 subsided, the researcher proceeded with research responsibilities, following the pandemic restrictions and reducing face to face interviews to a maximum of two respondents per day. This explains why the study took a longer period than previously anticipated.

1.5 Significance of the study

This study is of great importance to development agencies and developing countries using microfinance as a strategy for empowering women economically. It is believed that microfinance credit automatically improves women's livelihoods through IGAs. This may not be so since literature revealed a myriad of challenges and problems facing women's economic activities. Many developing countries, Kenya included, have been making efforts to improve women's livelihood with minimal achievement. For instance, the Kenyan government established the WEF and Uwezo Fund to improve women's livelihoods, especially in rural areas.

The study is significant to scholars in understanding rural women's experiences in improving their livelihoods. The study adds more information to the body of knowledge on the influence and extent of microfinance support on rural women's economic livelihood activities. In all-natural social settings, women face socially defined roles and responsibilities that influence microfinance support and operation of income-generating activities to some extent.

The study also provides other models to enhance women's livelihoods, especially in terms of sustainability. The study believes that microfinance clients (women) have better solutions for their problems emanating from microfinance support on their livelihoods. Most of the models used to improve women's livelihoods are from a top-bottom perspective.

ST. PAUL'S UNIVERSITY

Many Kenyan microfinance adopted the Grameen model. This study therefore seeks a bottom-up perspective that can enhance microfinance output on women's livelihoods.

1.6 Assumptions

This study assumes that poor rural women access microfinance credit and invest in income-generating activities which increase their sustainable livelihoods. The researcher assumed that these activities make adequate profits such that women can save for business security and support their operating projects with no more borrowing. The funded economic activities are assumed to transform social and cultural norms that initially encourage discrimination of poor rural women in resources' accessibility and utilization. The researcher believed that when the above is achieved, women's sustainable livelihoods will also be attained.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter focuses on sub-headings such as theoretical review, microfinance impact on women's livelihoods, microfinance and women's economic investments, microfinance characteristics and women's livelihoods, microfinance and gender-related factors, enhancing approaches on women's sustainable livelihoods, self-help groups' characteristics on microfinance lending, rural women's livelihoods in Machakos sub-County, Conceptual framework and the existing gap.

2.2 Theoretical review

Through insights gained from existing literature and the researcher's considerations, information on concepts and theories related to rural women's sustainable livelihoods have been provided. The study is based on three theories. The Grameen solidarity group theory by Professor Muhammad Yunus in 1976, the General Theory of Gender Stratification by Rae Lesser Blumberg in 1984, and the Sustainable Livelihood Framework by the Department for International Development (DFID) in 1999.

ST. PAUL'S UNIVERSITY

2.2.1 The Sustainable Livelihood Framework (SLF)

The differential distribution of resources (financial, social, human, Natural and physical) between men and women, as well as differential social roles and responsibilities means that the options available to men and women to respond to shocks and stresses are likely to vary. As a result of these differences, microfinance intervention in rural women's livelihoods requires analysis using a gender perspective. Being a development strategy, SLF is relevant to the current study because of its emphasis on using available capital to improve livelihoods. Also, assists the researcher to assess microfinance funded business activities' contribution to women's livelihood sustainability. Using social and human capital, women in rural Machakos sub-County accessed financial capital (microfinance credit) to set up and boost income-generating activities. KWFT microfinance and Uwezo Fund extended financial assets to poor rural women to improve their livelihoods through income-generating activities. This analysis provides evidence of microfinance services' influence on women's sustainable livelihood. Furthermore, the analysis is necessary since microfinancing women's economic activities interact with the social norms and rules to either challenge or reinforce them. Therefore, assessing women's livelihood sustainability through this framework is a concern of this study.

Gender relations occur on day day-to-day basis as women struggle to make a living to better their lives and families. In the process of accessing microfinance services, starting up and running enterprises (income-generating activities), women interact with social and cultural factors which may constrain or support their livelihoods. In many developing countries including Machakos County in Kenya, some gender discriminations are attached to natural, social, financial, physical and human assets, which are identified by SLF as crucial factors in sustainable livelihoods. These attachments hinder or improve women's progression in their economic activities. Social-cultural constructs add complexity to the use of these assets since gender determines in varying degrees which tasks individual men and women are supposed to take and perform. In this regard, the sociocultural norms and roles defining the gender realm of choices direct the behaviour of men and women in the household as well as the community towards the access and use of these assets. In this study, the SLF will be

ST. PAUL'S UNIVERSITY

applied to understand how poor rural women draw on capabilities and assets to develop and sustain their income-generating activities (livelihoods).

This Framework will facilitate holistic thinking for the researcher about the things (constraints and opportunities) that the women might be very vulnerable to, the resources that help them strengthen assets, enhance capabilities and reduce vulnerability and the policies and institutions in the wider environment which affect their livelihoods (DFID, 1999). This analytical tool is composed of vulnerability context, livelihood assets, livelihood strategies, and livelihood outcomes as shown below and discussed later in this chapter. As stated by this framework, the components influence each other, though the relationship is highly dynamic.

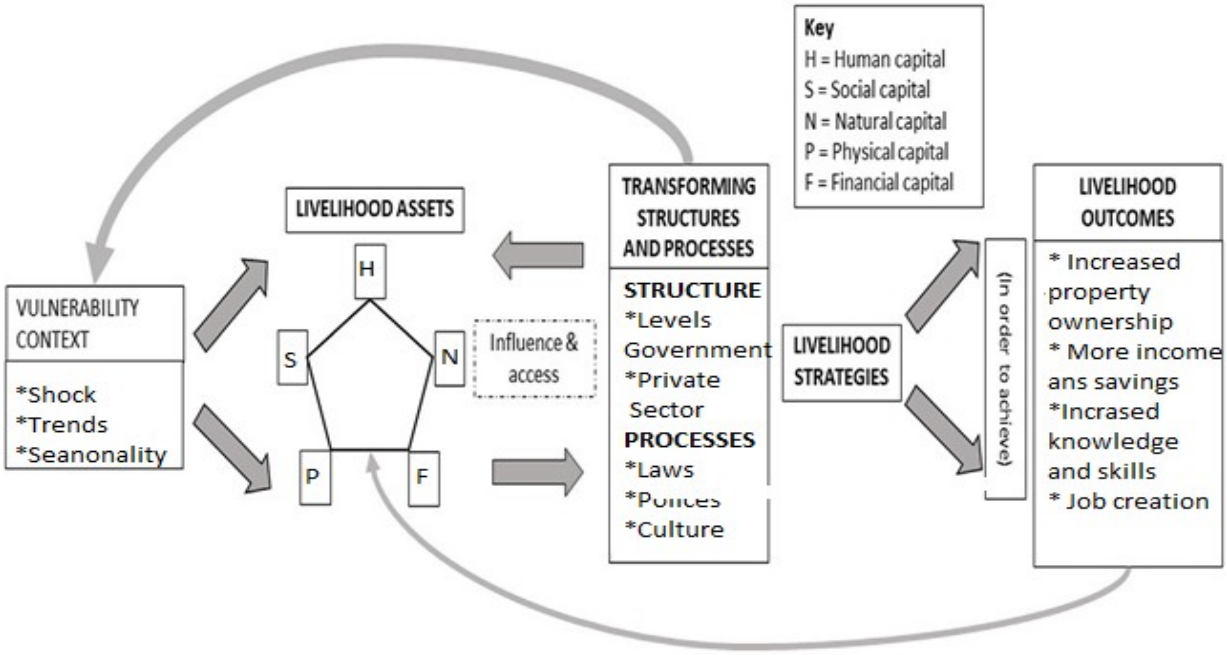


Figure 1: Sustainable livelihood Framework

Source: DFID (1999) Sustainable Livelihood Framework

DFID (1999) assumes that SLA intervention provides a ground where poor rural women can participate to overcome obstacles or take advantage of opportunities that may come to light. However, development practitioners criticized its focus on micro-levels neglecting the higher levels. The fact is that the higher levels affect both the assets and what can be

achieved with the assets. The SLA has also been criticized due to its failure to consider power dynamics and politics. Though social dynamics are included in SLA, in practice they are minimal or neglected.

According to the general theory of gender stratification, control of available assets depends on gender power relations (Blumberg, 1984). Her view is that those with high powers in society have more control over the available resources than those with low powers. The current study assumes that rural women fail to benefit from the available microfinance economic assets which to some extent is assumed to provide better changes on social, natural, physical, and human assets.

i) The vulnerability context of rural women.

The vulnerability context looks at the risks and challenges that rural women's livelihoods are exposed to. Women are discouraged and impeded by social- cultural norms and traditions from full participation in income-generating activities (IGA) outside their homes (Ahmed, Siwar & Idris, 2011). In addition, their position, assigned roles and responsibilities in society affect access and use of resources that can be used or combined to improve their livelihoods. The DFID explains that the vulnerability context is responsible for many of the hardships faced by the poorest people in the world. In this study, gender discrimination is comprised of shocks and trends affecting women's sustainable livelihoods. Women are confined to household chores and child-rearing activities leading to less opportunity and time to participate in IGA, limited and restricted movements outside their families affecting work opportunities and social networking beyond their families. Further, lack of adequate knowledge and skills and land ownership hinders women's access to productive resources needed for their sustainable livelihoods. Moreover, rural women are experiencing economic shocks such as interest rates, and huge savings before loan application and collaterals. These vulnerability factors contribute to low women's capability to access and use assets at reach for sustainable livelihoods and empowerment. For instance, women who access education adequately can claim and fight for their rights such as full participation in women's development.

ST PAUL'S UNIVERSITY

ii) Livelihood assets

It is an important component of SLA that rural women require for consumption, production and investment. A range of assets may respond positively to the achievement of women's sustainable livelihoods. No single category of assets on its own is sufficient to yield all the many and varied livelihood outcomes that women seek. Poor rural women seek ways of nurturing and combining the assets they do have to ensure livelihood survival. The five assets identified by DFID (2001) include Human, Social, Natural, Physical, and Financial. Natural assets are the access to land title deeds that enable rural women to borrow huge funds to sustain their economic livelihoods. Many rural women lack this asset as socially, men are the heirs. Physical assets entail infrastructure that rural women draw from for sustainable livelihoods. Water and fuel are socially women-assigned responsibilities. Looking for them consumes women's time which can be used for productive activities. Human assets include knowledge, skills, and information that encourage the right decisions and maintenance of microfinance loan investment. Social assets include gender relations, relationships of trust, membership to groups and networks for social collaterals, and smooth relationships with microfinance. Financial assets include financial resources available in microfinance credit, savings and loan investment for livelihood diversification and sustainability. Microfinance credit is recognized as an important instrument to sustain livelihood. Dzisi and Obeng (2013) stated that it is a positive tool for those who are more vulnerable to socio-economic, cultural, political and environmental shocks and risks.

Connection to this study is that assets analysis is important because the assumption is that women can use assets or combine them in different ways to continue their livelihoods. In this study, microfinance is a financial asset that may generate multiple benefits. For instance, access to credit may generate physical assets (livestock) which may lead to social assets (transformation of gender relations and respect). The use of social assets enhances women's networking in their income-generating activities and trust in terms of social collaterals which is an essential component in microfinance group lending. Self-help groups are microfinance gateways to rural women and are comprised of members trusting each

ST. PAUL'S UNIVERSITY

other, especially at the time of borrowing microfinance funds which is a potential factor in sustainable livelihoods.

As existing literature indicates, natural assets such as land enable poor people to borrow huge funds for sustainable livelihoods. However, to some extent the transforming structures may limit and constrain the use of natural assets causing unsustainable livelihoods. From this view, microfinance, though supporting women's livelihoods, may or may not have achieved its first objective of providing women with sustainable self-employment. Thus, the use of SLA enables the current study to analyze how microfinance (financial asset) has influenced the other assets in terms of gender power relations on women's livelihoods.

iii) Social structures and institutional processes

These are the institutions, organizations policies and legislation that shape livelihoods. In this study, women operate from household to community for their livelihoods in all spheres (from private to public). For instance, cultural norms processes (household to community) may enable or derail women's sustainable livelihoods. The social structures of any society, norms and rules determine the way things are done in different societies. Government or private policies can increase or remove constraints on women's economic development. These views indicate that an absence of appropriate structures and processes is a major constraint to the development of rural women's sustainable livelihoods.

In African households and communities, the male gender has more say than the female gender on asset access, use and ownership. This suggests the reason, why rural women lack collateral to borrow huge funds for their investments. The translation here is inadequate funds for sustaining income-generating activities. Further, the SLA states that institutional policies influence accessing financial assets and the pursuit of livelihood strategies. In this study, Government policies and microfinance characteristics such as being a group member and interest rates among others may contribute heavily to livelihood sustainability. Therefore, household and community power relations and microfinance characteristics are factors to examine in the process of microfinance funding women's IGAs.

ST. PAUL'S UNIVERSITY

iv) Livelihood strategies

The choices and activities that contribute to women's business survival and also to the improvement of livelihood itself are considered livelihood strategies. The livelihood strategies of businesswomen are limited to group networking and loan accessibility repayment. Group networking strategies evolve the decision to join a registered group with the Ministry of Social and Gender in Kenya. Women comprising the groups control accessibility and repayment of loans. The relationships and connectedness among group members contribute to social collaterals that increase the application and repayment of loans. Group members vet and contribute to defaulted loans to sustain loans that increase the financial sustainability of both women and microfinance. Businesswomen before loan disbursement, take up the activities of training which increases the knowledge and skills necessary for business sustainability and livelihood (Alemu et al., 2018). After loan disbursement, women set up and boost income-generating activities to contribute to sustainable livelihoods. However, sometimes failures of businesses, lead to business shifting and relocation activities to enhance livelihoods. Due to inadequate loans, women engage in the business of low working capital to ensure daily earnings.

v) Livelihood outcomes

Livelihood outcomes are the achievements of women's livelihood strategies (DFID, 1999). After accessing microfinance credit, rural women started various small and profitable businesses. Small enterprises contribute to women's daily earnings according to efforts and commitment to the daily routine. These small enterprises or income-generating activities increase both income and savings that women use to increase livelihoods and reduce vulnerability. By attending training, women achieve the knowledge and skills necessary for operating sustainable small enterprises or income-generating activities. The increased profit/income generated by these activities enables businesswomen to increase livestock, purchase household items and expand their business investments. With adequate income, businesswomen achieved job creation, a show of increased business growth and livelihood. It therefore follows that the business livelihood strategies adopted by the women result in livelihood outcomes.

ST. PAUL'S UNIVERSITY

2.2.2 Grameen Solidarity Group Theory

Professor Muhammad Yunus (1976) invented the Grameen solidarity group theory (GSGT) as a development strategy for marginalized groups (women and others) in society. The theory is raised from the ideal of empowering poor rural women in the absence of collaterals. Women in rural Machakos lack collaterals due to the nature of many societies in Africa including Kenya. The adoption of the Grameen solidarity group theory in this study is the strategy of provision of funds to disadvantaged people in the society. This strategy has enabled poor rural women in Machakos sub-County access financial assets. The credit (loans) assists in setting up new income-generating activities and boosting the existing ones thereby contributing to improving women's livelihoods in rural areas.

Through this approach, microfinance credit creates self-employment and to some extent may transform women's position status in society. This shows the unemployed becoming self-employed and thus improving their livelihoods. The assumption is that if the credit and the profit are well utilized with sustainable economic activities, development in other spheres would be observed. This study indicates that if women are fully economically advantaged, increased social and political development will be achieved as well as increased national economic growth of their countries.

The strategies of this theory have been adopted by KWFT and Uwezo Fund microfinances in Machakos sub-County. The same microfinances use similar gateways to reach poor rural women with no collateral. Though to some extent they differ in other microfinance characteristics, they fund IGAs of poor women in rural areas of Machakos sub-County. The pressing question is whether the funded income-generating activities are sustainable. This called for investigation of the impact of microfinance characteristics on women's income-generating activities. Unfortunately, this theory does not factor in gender relations and roles in the process of funding and running women's enterprises. Due to this factor not being considered by Grameen solidarity group theory, the current study adds the general theory of gender stratification which is discussed below.

ST. PAUL'S UNIVERSITY

2.2.3 The General Theory of Gender Stratification.

Rae Lesser Blumberg (1984) came up with the general theory of gender stratification in her studies on gender and development. This theory came up in the shift of GAD which developed in the 1980s. GAD concentrates on unequal relations between men and women and seeks to transform it. This theory also pursues the strategic gender needs of women. From this view, Blumberg (1984) posits that women's economic power relative to men (ranging from household to national level) is most important in many factors affecting the level of gender stratification in society. She argues that when women are economically empowered, self-confidence increases, voices in household decisions increase, control in life options increases, and freedom of movement and role in community affairs also increases. Despite some commendable sentiments, in chapter one and part of chapter two by researchers on the success of microfinance to women empowerment, women's position in society should be of concern geared towards ensuring a sustainable livelihood.

The importance of this theory in the current study is a referral to the unequal distribution of wealth, power and privilege between men and women in society. Literature revealed that most resources, power and privileges are in the hands of men paving the way for the disempowerment of women in many spheres of development, a contributor to unsustainable livelihood. According to Rae Lesser Blumberg (1984), "he who has the gold makes the rules". Gender relations are structured, produced, and sustained at every level of everyday interaction by men in society. According to this theory the gap between men and women in terms of participation in both traditional and modern economies remains wide. In such societies mostly in rural areas men dominate and control the best opportunities, resulting in gender inequalities and decreased sustainable livelihood.

Microfinance credit funding women's economic livelihood may not work successfully due to cultural and social factors. Ownership of valued assets is gendered with men possessing productive properties and women left to decide on kitchen matters. Gender stratification encloses the extension of each gender's role, responsibility and decision-making power. This scenario impedes the efforts of microfinance to fund women in income-generating activities,

ST. PAUL'S UNIVERSITY

leading to a decline in sustainable livelihood. When women have low voices on funds, especially borrowed in their names, this indicates women are not fully economically empowered and unable to improve their livelihoods. This study believed that though microfinance provides funds for women's income generating activities, achieving some reasonable level of women's sustainable livelihood may be difficult.

2.3 Empirical literature review

2.3.1 Rural Women's Economic Investments on Sustainable Livelihoods

The main objective of Microfinance is to provide services to poor rural women with no collateral. These services include credit, training and financial literacy. The services are connected to sustainable livelihood in terms of income-generating activities. After accessing microfinance credit, women invest the credit in business activities to increase their livelihoods. Studies show that women who set up these business activities are assumed to generate income that women use to repay loans, save and meet family and self needs. Unfortunately, existing literature indicates that the growth of women's business investment in profit-making is low or unpromising. This demonstrates the difficulty in loan repayment and saving which leads to unsustainable livelihood. Lack of adequate business income and profit translates to possible termination of business investment and lack of sustainable livelihood.

Microfinance provides Financial literacy services to its women clients. Financial literacy in this study includes understanding and effectively using credit and savings in women's business investments. According to Kamanza (2014) microfinance women clients who have inadequate financial literacy encounter loan default and business failure. It is clear that women who are not well informed in financial literacy act in ways that are not beneficial to sustainable livelihoods (Abebe & Kegne, 2023). Microfinance emphasizes more on group savings that determine women's loan size (Kisaka & Mwewa, 2014) and not individual savings that enhance women's sustainable livelihoods. The concern of Microfinance is its financial sustainability and not its client. Awareness of individual saving is essential for either boosting a business, setting up more individual investments, or business expansion in the absence of financial support. Opening and running individual savings enables women to

ST. PAUL'S UNIVERSITY

understand business growth or failure as per savings, thus sustainable livelihoods. This study therefore explores the influence of credit, business income and savings on rural women's sustainable livelihoods.

Training is another microfinance service provided to its women clients. It's a non-financial service that equips businesswomen with knowledge and skills for enhancing sustainable livelihood. Studies by Khursheed (2022), Maina and Kalui (2014), and Muturi (2017) that microfinance women entrepreneurs lack adequate training before and after business operations. This means microfinance provides inadequate training services that do not fully equip women entrepreneurs with the relevant skills and knowledge of business. Training services to credit borrowers are of great importance for business survival, profit-making and growth of the business thus increasing livelihoods (Kisaka & Mwewa, 2014). The study by Muturi et al. (2017) revealed that unsustainable income-generating activities or business collapse due to poor training. From this background, the researcher examines the influence of business growth, financial literacy and training on women's sustainable livelihoods.

2.3.2 Microfinance Characteristics on Women's sustainable Livelihoods

Microfinance characteristics in this study are the rules that govern lending and repaying loan processes. To use microfinance services, a woman must belong to a self-help group, loans must be paid with set interest rates, group members are the main guarantors, vetting of loan applicants must be done by the group members, an affidavit signed by the microfinance lawyer and the applicant's close relative, loan installment payments to be done on a suggested date without failure and actions to recover loan arrears to be taken. The current study is concerned with three factors which include self-help groups, interest rates, and microfinance loan arrears recovery methods. The roles played by these three rules have a great impact and influence on women's sustainable livelihoods. Unless a poor rural woman without collateral belongs to a self-help group (SHG) that links up with microfinance, she cannot access microfinance credit. This indicates that failure to join/form SHGs translates to lack of access to credit for poor women who lack collateral and another sources of income. SHGs are one of the critical factors that microfinance considers when lending funds to poor women. According to Vasantha (2015), SHGs (social assets) are the gateway of microfinance to reach poor rural women. In other words, SHGs connect their members with

ST. PAUL'S UNIVERSITY

microfinance for credit accessibility to expand their livelihoods through entrepreneurship. SHGs provide social collaterals, where members of the group guarantee each other individual or group loan accessibility. This is how microfinance credit becomes available to all, even the population lacking supporting documents (hard collaterals) for loan borrowing (Hassan and Mugambi, 2013).

However, the use of self-help groups results in harassment and embarrassment which contributes to decreased women's livelihoods (Alemu et al., 2018). According to these authors, both loan size and loan repayment which impacts sustainable livelihood, are controlled by SHG members. The peer pressure from group members exerted on delayed loan repayments and loan defaulters creates an unfavorable environment among group members. This may greatly affect women's sustainable livelihoods in a great way. With such information, the study steps in to examine the influence of SHGs on women's sustainable livelihoods.

Research shows that microfinance financial sustainability depends on interest rate charged on loans repayment which also affect women's livelihoods (Abbas & Honghuli, 2016). Kamanza (2014) argued that interest rates charged on loans repayment by microfinances is high compared to what is earned from the investment. Addae-Korankye (2014) in Ghana stated that high interest rates charged lead to loan defaults which in turn contribute to collapsing of income generating activities. Occurrence of loan default caused by high interest rate shows unstable income and a threat to women's sustainable livelihoods. In similar argument, Thaher, Radieah, & Wan Norhaniza (2021). in their study state that high interest rate correlates with collapsing of small-scale enterprises. Concluding from the above researchers, interest rates influence progression and sustainability of micro-enterprises that women are operating. As research shows, microfinance shifted to profit making businesses and thus charging high interest rates to make huge profit ((Thaher et al. 2021). This implies that clients become defaulters and some close their enterprises. These observations demonstrate that interest rate greatly influence business survival and its sustainability. Following the above findings, the researcher considered an assessment on how interest rate in loan repayment impacts on women's sustainable livelihoods.

Loan recovery procedures employed by different microfinance contribute to unsustainable livelihoods to a great extent (Mwangi, 2016). A variety of Mechanisms are used for loan arears recovery and property loss are observed (Sangi & Anand, 2021). Kenyan microfinances including KWFT and Uwezo Fund adopted Grameen model where members repay loans weekly/monthly as per agreement. To recover defaulted credit and interest, some microfinances repossess/auction women's/family's properties. This recovery approach not only affects women's livelihoods but also impacts negatively on their borrowing morale from microfinance and increases feminine poverty. Thus, women defaulters experience property loss which contributes to micro-enterprises' closure. Some of loan recovery procedures may increases women's unsustainable livelihoods, lowering their self-esteem as well as killing their morale of participating in economic development (Haldar & Stiglitz, 2016). With such information emanating from loan arrears recovery by microfinance, the study stepped in to examine the influence of microfinance loan recovery methods on women's sustainable livelihoods.

2.3.3 Existing Gender-Related Factors on Women's Sustainable Livelihoods

This study seeks to find out how gender relations operate on women income generating activities funded by microfinance. United Nations of Women (2016) reported that microfinance credits have been developed to strengthen women's position in societies. Supporting this view, Gangadhar and Malyadri (2015) and Vasantha (2015) observed that in the last four decades microfinance credit has been and is increasingly becoming a popular intervention in diversifying women's livelihoods in developing countries. The Microcredit Summit Campaign Report (2005) highlighted that in a sample of 3,100 programmes, 83.5 % of the clients were women, while Grameen Bank reported 95 % women clients (Ashraf, 2014). The assumption is that microfinance credit emerged to involve women in self-employment, hence reduce economic gap between men and women.

Vasantha's (2015) in India, explained that microfinance credit contributed to an increased women's financial dependence due to unsuccessful and unsustainable income generating activities. According to Vasantha women experience high cultural and religious discrimination which result to income generating activities' failure. In a similar argument, Africa Human Development Report (2016), demonstrated that gender equality for African

women and girls is still far from satisfactory (UNDP, 2016). A study by Afrobarometers survey (2015) revealed that Kenyans see gains in gender equality but support for women's empowerment is still uneven, particularly among men. Further, a Kenyan report on analysis of policy environment for women economic empowerment by Mogeni (2017) highlighted limitations of gender equality and women economic empowerment despite the government's efforts. Gender as a lens is therefore necessary to explore how gender relations influence women's sustainable livelihoods funded by microfinance. With this background, there is need to examine the extent microfinance influences women's sustainable livelihoods in rural areas which are dominated by social and cultural norms systems.

In social systems, men are positioned as the masters while women take the servant seats (Lawo, 2006). Social norms in many developing countries determines and structures who is who, what one should do or not and why (Garikipati et al., 2017; Hassan & Mugambi, 2013; Lawo, 2006). In such gendered settings, social systems perpetuate gender inequalities and negatively affects women's sustainable livelihoods. Boys and girls are raised up in this social environment where males are considered superior and control the lives of females (Zarar, Bukhsh & Khaskheli, 2017). In other words, from childhood, girls socially learn that the position of males in the society is superior to that of theirs. This feeling is to some extent deeply set in the minds of women who then accept discrimination and abuse as a part of their lives and norms of the society (Guérin, Kumar & Agier, 2013). These cultural and social systems force women to support the traditional thinking that women have to submit to the will of their spouses in the household and the community as a whole (Garikipati et al., 2017). In this regard, use and control of microfinance credit borrowed by rural women may be difficult to be used in intended purpose. In this regard, the current study believes that social structures create barriers in running funded income generating activities.

According to Garikipati et al. (2017), gender inequalities emanate from many power inequalities which transcend social, economic, cultural and political structures. For instance, a study by Hassan and Mugambi (2013) in Kenya, observed that women economic empowerment is unsustainable due to socio-cultural biases. These social and cultural gender-based inequalities and biases weigh heavily against women's sustainable livelihoods.

The cultural practices prevailing among communities, slow down women aspirations and fulfilment of their social and economic lives (Kato & Kratzer, 2014). Hassan and Mugambi (2013) observed that illiteracy and semi-literacy among women entrepreneurs in Garissa town, resulted from women's weak position in the society. In most Kenyan communities, the priority of education is given to the boy child. Illiteracy affects human capital which is an important factor in the processes of accessing credit, managing and sustaining business projects. Educationally empowered women strongly fight for their rights.

Property ownership rights are not in women's favour in rural areas. It is men and sons who own valued assets (land, cows, goats etc) in the households. Kenyan sessional paper no. 2, 2019 states that culture and traditions continue to discriminate women against property ownership. Land is a natural asset that enables microfinance client to borrow huge funds that increases projects sustainability. In many developing countries in Africa, land allocation is through male kinship and this disadvantages the female gender in possessing valued assets.

Lack of asset ownership limits women's economic participation as communal systems deny them ownership and control over assets. A study in Uganda indicated that women's farm production was low and unsustainable compared to men since extension services were entitled to landowners. This denied women access to new production information, skills and technology necessary for sustainable farming. This threatens women's livelihood (agriculture) sustainability since women are denied current farming technology.

Garikipati et al. (2017) observed the existence of gender discrimination in microfinance sector. Further, their study opined that approval of microfinance clients' loans were done differently by microfinance male and female officers. Supporting this argument, Abubakar (2020) confirmed that women face harsher credit rating i.e. they are granted smaller loans than men. This indication shows that microfinance is strengthening women discrimination and gender inequalities. The demonstration here is that men are ascribed as masters in various spheres of development. In Bangladesh, a study by Kabeer in 2001 observed improved women bargaining power but with little modification of social structures. It is the social structures that gave birth to women discrimination and gender inequalities in most

developing countries (Ahmed, Siwar & Idris, 2011; Garikipati et al, 2017). Therefore, the current study feels that despite the affordable microfinance credit, poor rural women may not have sustainable livelihoods. Lack of sustainable livelihoods may not challenge the existing norms, cultures and values that place women in low position in the society. Microfinance services on women livelihood diversification should target the reduction of what perpetuates inequalities in the societies. In other words, women's sustainable livelihood calls for freedom from socio-cultural and religious traditions that prevent women from full participation in all spheres of development.

In Kenya, Mungai, Maingi and Muathe (2014) conducted a study on loan repayment and sustainability of government funded micro-credit initiatives. One of the key findings show that increasing access to microfinance services cannot be taken as an automatic indication of women economic empowerment. The study revealed spouses using the credit and even some running away from home but leaving the repayment burden on women's shoulders. Traditionally, men control all the resources in their household, leaving only the kitchen for women (Garikipati et al., 2017). Evidence from India and other countries show that even in financially successful micro-credit programmes, women are not necessarily the actual users of loans accessed in their names (Garikipati et al., 2017). Even where women use loans for their own activities, most of them remain confined to a narrow range of female low-income activities (Omwono, Maizs & Toroitich, 2016). Diversion of loans increases loan defaulting which is a critical challenge facing both women's sustainable livelihoods and microfinance funds' sustainability (Abbas & Honghui, 2016; Kamanza, 2014; Omonywa & Muturi 2015). Increasing access to loans cannot thus be taken as an automatic indication of benefit to women improved sustainable livelihoods.

In rural Machakos sub-County observations show that KWFT microfinance and Uwezo Fund are the major Financial institutions (FI) attempting to transform rural women's status economically. Both institutions are successful in lending small loans to economically disadvantaged women via self-help groups. The emerging questions are: what household support do rural women get to improve and sustain their IGAs? Do women make decisions on their credit, accessing and utilizing without consultation? Are the women owners of their

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investments? How are the spouses supporting the women to ensure sustainable livelihoods? These are some of the questions the current study looks forward to answering.

2.3.4 Enhancing Approaches on Women's Sustainable Livelihoods

The procedures used by most microfinances are top-bottom approaches (Grameen model) (Ijaza, Mwangi & Ng'etich, 2014). Studies show that the outcome of microfinancing women economic empowerment has not reached the expectation and if it has, with minimal gains (Ahmed, Siwar & Idris, 2011; Avornyo, 2013; Banerjee & Jackson, 2016). As indicated by some researchers, funded income activities are collapsing leaving the borrowers with repayment burden (Mungai, Maingi & Muathe, 2014). It is thus good to use bottom-up approach and hear from microfinance women borrowers talk about the best ways to fund their economic activities or improve their economic livelihoods.

The above empirical literature revealed challenges and problems hindering progression and sustainability of women's livelihoods. There is a proverb that says "*it is the shoe wearer who knows where the shoe pinches*". This indicates that rural women borrowers are the victims facing unsustainable or collapsing income generating activities. This study assumes that the victims have solutions for their shortcomings. With such challenges and problems, it is difficult to reduce gender economic gap and improve women's livelihoods in rural areas. In this regard, current study stepped in to establish enhancing approaches on women's sustainable livelihoods in rural Machakos sub-County.

2.4 Government and Microfinance laws and policies

To operate a business in Kenya, trade license is compulsory. Kenya's constitution lays the foundation for trade policies and development. The regulation of retail trade was devolved to county governments by the Constitution (2010). County governments carry out the function of trade development and regulation, including trade licensing. This function has brought a lot of interest to county governments, especially in terms of raising revenue and imposing levies or other fees which vary across different counties (Karanja, 2022). As much as trade sector contribute to improved livelihoods, it experiences regulatory challenges that hinder the growth of retail businesses. This means that obstacles related to obtaining

ST PAUL'S UNIVERSITY

licenses and permits are likely to reduce the ability of a business to create sustainable livelihoods. This is because every poor woman is required to obtain an operating license or permit from the county government. Poor women with no other source of income have to reduce business working capital to pay for the trade license. Karanja (2022) revealed that business licensing obstacles cut across business license application procedures, conditions and requirements. This also greatly influence poor rural women's sustainable livelihoods.

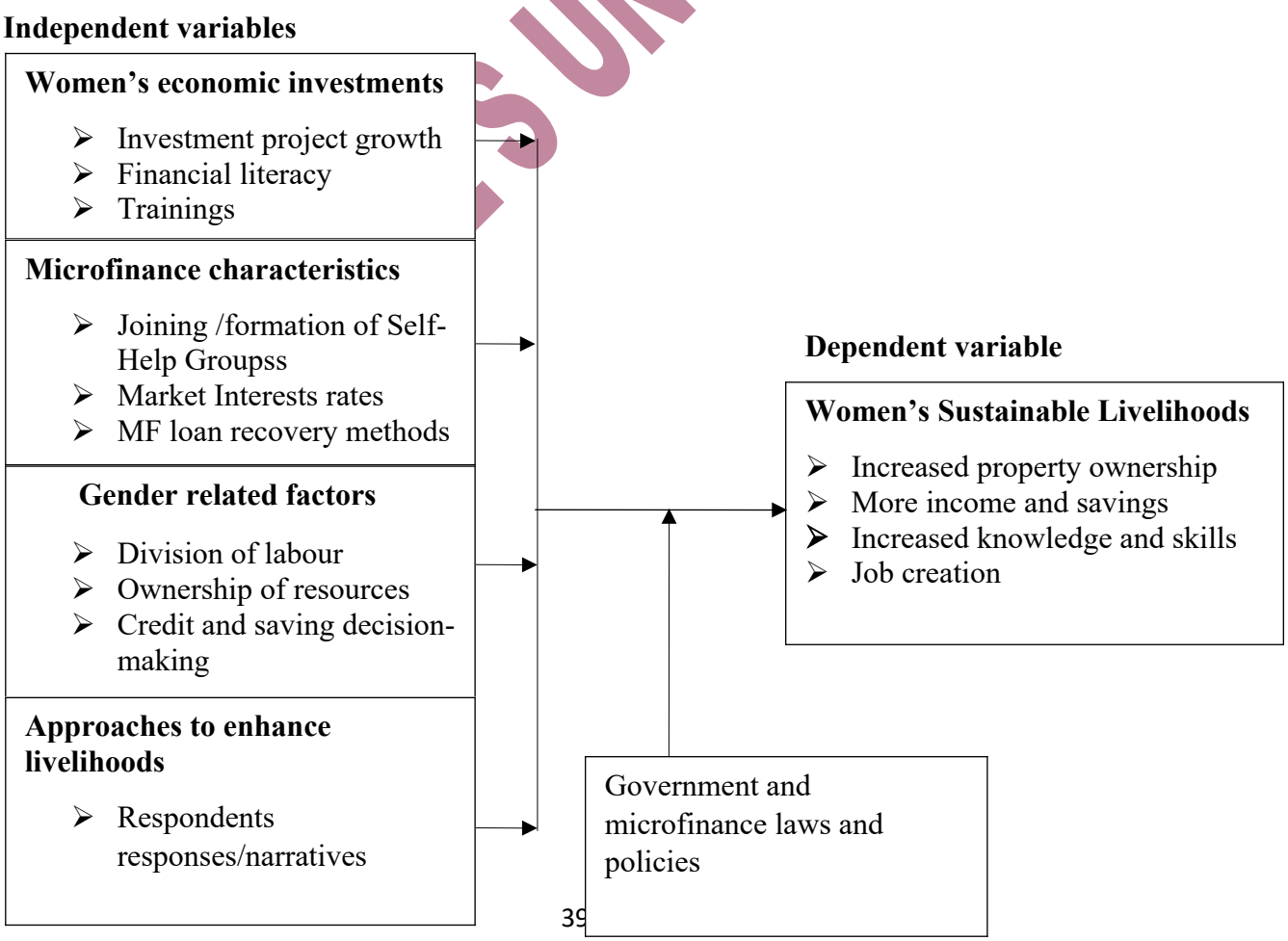
Regarding microfinance, interest rate charges, loan application and repayments procedures, being a member of a registered group are the main policies influencing women's sustainable livelihoods. The interest rates charged on loan repayment either influence women's sustainable livelihoods negatively or positively. A study by Kamanza (2014) observed that high interest rate is one of the causes of loan default leading to business failure. Women groups are microfinance gateways to reach poor rural women. These groups provide both social collateral and guarantee of loan repayment through peer pressure. The social collateral determines loan size that women receive from microfinances. Loans that are not serving the intended purpose lead to loan diversion with an effect on women's sustainable livelihoods (Mbuva et al., 2015). Group members, vet the loan applicant and apply peer pressure on loan defaulters to reduce loan defaulting among themselves. The two actions cause poor relationship among group members with adverse implications on women's sustainable livelihoods.

ST. PAUL'S UNIVERSITY

2.5 Conceptual Framework

This is the tool that the study used to show the relationship among the study variables (Oso, 2016). It is further defined as a set of broad ideas and principles taken from relevant fields of inquiry and used to structure a subsequent presentation. Below is a model of the conceptual framework of the study in question.

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Moderating variable

Figure 2: Conceptual Framework

Source: Researcher (2024)

2.6 The study gap

Despite the numerous strides of microfinances over the years to improve women status and their livelihoods in rural areas, research evidence shows that microfinance women clients are experiencing a myriad of challenges hindering the progression of microfinance funded economic activities. Studies by (Hassn & Mugambi, 2013; Kato & Kratzer, 2013; Kithuka & Otuya, 2016; Musore & Mbabazi, 2016) revealed that women economic empowerment expectations is yet to be achieved. A study by Kato & Kratzer (2013) in Tanzania, recommended research on women gender relations at household level, since the impact of microfinance service on women and gender relations vary. Hassan & Mugambi (2013) in Garissa were limited to the influence of social networking and credit access on enterprise growth. Their study revealed that women entrepreneurs experience low social status which contributes negatively to their economic empowerment. The study's observation was that women entrepreneurs encounter myriads of challenges associated with their position in the society. The current study thus steps in to examine the women's experiences on operating microfinance funded IGAs.

In Rwanda, a study by Musore and Mbabazi (2016) focused on microfinance credit, savings and training on social economic development of women. Results revealed that women social economic development is significantly correlated with microfinance credit ($r=0.538$, $p<0.01$). But were these projects sustainable? Existing literature pointed out to myriads of problems experienced by women. For instance, a study by Sheheli et al. (2021) in Bangladesh state that fifty-eight percent of rural women defaulted their loans as a result of project failure. This indicates that microfinance loan provision is not an automatic improved livelihood. Women are accessing credits to improve livelihoods through entrepreneurship but why are the projects not long lasting? How are women business investment (livelihood) influenced by cultural environments? These questions necessitated the current study.

ST. PAUL'S UNIVERSITY

The study conducted by Kithuka and Otuya (2016) in Machakos County, Kenya indicates that education, religious values, beliefs and legal framework affects women economic empowerment. The study observed other factors such as family size, gender stereotype, male dominance, traditional African beliefs, marital status and family responsibility impacts on women economic empowerment. None from the above authors researched on gender relations which is a key factor on women's livelihoods. Microfinance programs on women income generating activities operate within societies that recognize a man as the decision-maker (Garikipati et al. 2017; Shohel, Niner, & Gunawardana, 2021). These retards the efforts of rural women in full economic participation, hence contributing to collapsing of women's income generating activities.

Garikipati, Guérin, Johnson and Szafarz (2017) in Kenya limited their study on microfinance credit and gender discrimination in the microfinance sector. The findings observed mixed results in that microcredit reduced poverty in some circumstances for some of the clients for some time. This translates to that it is not always that microcredit works for positive outcomes. Reviewed papers on gender discrimination in microfinance study sector revealed that women clients face harsher credit rating (smaller loans) than men (Abubakar, 2020). Other studies (Abbas and Honghui, 2016; Anselmi, 2016; Bylander, 2014) indicated that over-indebtedness and repayment difficulties overwhelmed rural women. Ali (2013) opines that SHG model of collaterals and microfinance officials are threats to rural women in case default occurs. His study asserted that rural women experience harassment and embarrassment from both self-help group members and microfinance officers. This contributes to some members abandoning the groups after selling property to pay the debts or after microfinance oppressively recovered the loan through property confiscation. This is a scenario facing rural women borrowers and it is causing collapsing of IGAs, disrespect for women in the society, low self-esteem and self-confidence of rural women. This is not improving women's livelihoods economically. There could be other approaches to improve women's livelihood economically. From the above background the current study steps in to examine other approaches of improving women's livelihoods economically.

ST. PAUL'S UNIVERSITY

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CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

The research methodology provided a systematic procedure of how the researcher answered the research questions or achieved the research objectives (Oso, 2016). This chapter therefore deals with the description of the methods applied in carrying out the research study. It was organized under the following sections: the research philosophy, research design, study location, target population, sampling procedure and sample size, data collection and research instruments, instrument piloting, validity and reliability of research instrument and data analysis.

3.2 Research Philosophy

In every research study there is need to give attention to the philosophical paradigm that would best explains the gap of the study. This study was based on positivism paradigm with assumption that only factual knowledge gained through measurements is trustworthy (Hammersley, 2013). The emphasis on measurements included methodologies and methods

of collecting and analyzing data based on evidence and statistics (Hammersley, 2013). This paradigm assisted the researcher to address the gap by empirical tests. It collected quantifiable data for statistical analysis of the sampled population as discussed in this chapter. Though being a study of a mixed method design, interpretivism paradigm which allowed the researcher to probe thoughts, perceptions, views and feelings of respondents concerning the study problem was used to enhance positivism paradigm data (Shareia, 2016). Through interactive method, the researcher was able to understand the researching gap deeply. (Pham, 2018).

3.3 Study Design

This study used a mixed method of both qualitative and quantitative methodologies. The quantitative method was the main approach based on descriptive survey design. The latter enabled the researcher to use surveys to gather primary data and described the phenomenon being studied through descriptive data analysis. Qualitative method used a case study approach which was relevant here in that the researcher investigated a contemporary phenomenon within its real-life context using multiple data sources (Mohajan, 2018; Shareia, 2016). Case study approach was preferred because it assisted the researcher to describe the current gap of great interest (Kamau, 2013). Combination of the two approaches in this study aimed at getting results that were both wide-reaching and deep (Kato & Kratzer, 2013). Mixed method enabled the current researcher to understand the problems and opportunities people were thinking about on the microfinance services and women's sustainable livelihoods (Driscoll et al., 2007).

The use of both methods was to bring together the strengths and non-overlapping weaknesses of qualitative and quantitative approaches. It involved complementarity and triangulation which increased credibility and validity of the findings in this study (Greene, Caracelli, & Graham, 1989). Since each has biases and limits, it was believed that if results corroborate each other, better understanding of the gap will be realized. Qualitative approach brought- in the voices of the participants in the study and to some extent its flexibility brought up useful unexpected ideas related to the study, more so in gender related factors hindering women's economic activities within households. Participants expressions

ST. PAUL'S UNIVERSITY

and experiences were used to elaborate and clarify quantitative results. Use of both methods brought in development where any of the results informed the other method (Greene, Caracelli, & Graham, 1989).

3.4 Study location.

The study was carried out in rural Machakos sub-County in Machakos County (Appindex 2 in Appendices section). The entire Machakos County lies between latitudes 0º45´South and 1º31´South and longitudes 36º45´East and 37º45´East (Machakos County Integrated Development Plan (MCIDP) 2015). It covers an area of 6042.7 Km² and a total population of 1,421932, while Machakos sub-County (study area) covers 280.2 Km² and a total population of 170,606 (Kenya Population and Housing census, 2019). Machakos sub-County is among eight sub-counties that comprise the entire Machakos County (MCIDP, 2015). The County is experiencing high poverty levels with the absolute poverty being 60.7 per cent with the urban poor being 43.1 per cent and rural poor being 59.6 per cent (MCIDP, 2015). The translation is that women suffer most since they comprise majority of rural population.

According to Kenya National Bureau of Statistics (KNBS) (2015), in Machakos sub-County 34.5 percent of individuals live below Poverty Line and Contributes 0.4% to National Poverty. Bearing in mind that absolute poverty is higher in rural areas than urban and few microfinances extent credit service to poor rural women, this study took the initiative to investigate microfinance service and women's sustainable livelihoods in rural Machakos sub-County. The sub- County has various registered community-based organizations. MCIDP (2015) outlined an estimated 1,777 self-help groups, 965 of which are active women groups and out of the active, 459 are women groups from Uwezo Fund and KWFT in Machakos sub-County. Through these groups, women are able to access loans (finance asset) and engage in income generating activities as their livelihood.

3.5 Target population

From Uwezo and KWFT offices, the study's target population were all the women groups (459) comprised of 8934 women members funded by the KWFT and Uwezo microfinances

ST. PAUL'S UNIVERSITY

in Machakos sub-County. Uwezo fund had 195 women groups with a population of 3704, while KWFT had 264 women groups comprised of about 5234 in Machakos branch, Machakos sub-County. Geographically, these rural women groups were located in different areas called zones or wards in rural Machakos sub-County. Both microfinances were selected due to the extension of services (especially credit) provision to poor rural women who have no collaterals, in their natural social settings in rural Machakos sub-County. These microfinances also differ in performance of credit service provision as discussed below.

Machakos sub-County has several financial institutions both commercial banks and microfinances. These include, Kenya Commercial Bank, Equity Bank, Cooperative Bank, Barclays Bank, Standard Chartered Bank, K-REP Bank, National Bank of Kenya, Faulu Kenya, Kenya Women Finance Trust Kenya (KWFT), Post Bank, Family Bank, Small and Micro Enterprise Programme (SMEP) and several SACCOS which include; Harambee Sacco, Hazina Sacco, Mwalimu Sacco, Universal Traders Sacco and Kitui Teachers' Sacco (Machakos County Integrated Development Plan (MCIDP) 2015). Also inclusive are the government financial institutions, Uwezo Fund and Development Enterprise Fund for women (Women Development Enterprise Fund (WDEF), youth (Youth Development Enterprise Fund (YDEF) and People Living with Disability (PLWD). This study is concerned with Uwezo Fund for women clients (government) and KWFT microfinance (private). These two financial institutions apart from lending credit to urban inhabitant women, also extended services to rural areas and are deeply rooted in rural Machakos sub-County. They have more clients than the other financial institutions (personal communications, 2017). Women clients of both institutions are registered in a group which also must have been registered with the Ministry of Culture and Social services. The two purposive microfinances and their characteristics are discussed below.

ST. PAUL'S UNIVERSITY

3.5.1 Uwezo Funds

This is a flagship program of Kenyan Vision 2030 blueprint aimed at enabling women, youth and persons with disabilities access finances (Kamanza, 2013) in order to improve their livelihoods as well as their status in the society. Being a Kenyan economic initiative at constituency level, Uwezo office report (2018) in Machakos sub-County and observation

show that very little change on livelihoods diversification has been achieved. According to Muturi (2016) many groups failed to repay their loans, which also reduced outreach efforts to other poor women groups. The Labour Principal Secretary Zeinab Hussein in 2017 confirmed this when she said that majority sixty percent (60%) of groups that borrowed from Uwezo Fund had defaulted. This indicates a declined achievement of sustainable livelihoods and self-employment. The main objective of Uwezo Funds was to create self-employment and empowerment, that is, improving livelihoods of the disadvantaged people, including women (Kerubi, 2017 the Uwezo Fund CEO). Unlike KWFT, any income generating activity is owned by the whole group since loaning is for the whole group, not individual like KWFT. According to a Kenya Gazette Supplement in 2015, for a group to qualify for loan it must have a minimum of 5 members and a maximum of 15 members. Loans are payable within 2 years after a grace period of six months given after loan disbursement. In addition, one percent annual interest rate is charged at loan disbursement. These three policies make Uwezo Fund unique from the KWFT microfinance.

3.5.2 Kenya Women Finance Trust (KWFT)

KWFT was founded in 1981 with the intention of creating a better environment for women economic empowerment and increased livelihood. KWFT is serving over 800,000 clients (Kibet & Wagacha, 2018). It targets improving women's livelihoods and involve them in the country's economic growth. In this study, KWFT is preferred because its below uniqueness in attempts to reach the most rural disadvantaged of the disadvantaged namely women who lack tangible collaterals (Kibet & Wagacha 2018). It has shown deep penetration into remote, rural and poor urban areas to reach poor women in Machakos sub-county. KWFT's credit provision is mainly for business set-up or boost to increase women's livelihoods and at the same time provide free training programmes.

Unlike Uwezo, KWFT offers more opportunities such as savings, insurance, credit and deposit. The savings are compulsory for all clients since loans are given according to the savings (saving must be 10% of the loan). According to Maureen (field officer in charge of 5 women groups), women with no collaterals form groups of 15 and above members. Loans are given individually but group members guarantee each other. This kind of social

ST. PAUL'S UNIVERSITY

collaterals enable all poor rural women to access funds, though small loans in the beginning. Unlike Uwezo Fund, women are given grace period of only one month (after loan disbursement) and with repaying interest rate of 25% and above. Application forms are accompanied by an affidavit filled- in by the spouse or a close relative and a lawyer.

Both microfinances were often based on group solidarity methods where beneficiaries come together and form or join SHG on the basis of some sort; location, occupations, friendship, family ties or gender. With this method, both institutions were able to provide micro-credit to many poverty-stricken rural women who lack collaterals and where commercial banks had failed. Following the organizations commitment to improving women's livelihoods and empower them in their rural sub-County, there was a lot to be desired since many rural women groups who benefited from microfinances, encountered myriads of challenges that negatively affected their livelihoods and status in the household as well as in the community in order to improve women's livelihoods. Both are preferred because through observation, majority of poor rural women were clients of KWFT and Uwezo Fund microfinances compared to few of other microfinances in the rural areas, yet the funded business seemed to be unsustainable. Additionally, both have deep penetration into rural Machakos' remote areas. These institutions had been lending micro credit services to expand or start new businesses. Much of their methods resembled Grameen Bank Model that was started by Prof. Muhammad Yunus (1970s) in Bangladesh. There was evidenced in the literature that these funded economic projects were not sustainable yet developers claimed that women in rural areas were self-employed through credit investments (Boiwa & Bwisa 2014; Kato & Kratzer, 2013; Vercillo, 2016). Thus, research was necessary to investigate Microfinance and rural women's sustainable livelihoods. Access to credit does not translate to sustainable livelihood

ST. PAUL'S UNIVERSITY

3.6 Sampling procedure and sample size

Using a mixed method in this study, both probability and non-probability techniques were adopted. The study used probability sampling in quantitative research while in qualitative research non-probability sampling was used. Through purposive sampling, women groups that were in rural areas were selected from the entire groups in Machakos sub-County for

quantitative and qualitative research. These rural groups were divided into subgroups according to geographical locations (Kalama, Kiima-kimwe, Mutituni). Quantitatively, simple random sampling followed to select women groups from the three strata, Kalama ward, Kiima-kimwe ward and Mutituni ward for the study. The use of simple random sampling was to give chance to every group or woman to be selected to the study sample (Oso, 2016). From randomly selected women groups, sample size was selected. This study used Krejcie and Morgan (1970) (Appendix 1 in Appendices section) sampling table to select sample size at a 95% confidence level for quantitative data. Since the population was about 8000, the table suggested a sample size of 367 respondents. With this sample size inference were made about the population.

Since the researcher was interested in collecting in-depth data, qualitative purposive sampling was used to select the key informants for individual interviews. These informants belonged to randomly selected women groups from the three strata. The study targeted key informants who had been borrowers of microfinance credit for more than two years. These types of informants had undergone two or more loan cycles. The researcher believed that such informants had adequate and appropriate information or experiences on the extent microfinance services influenced women's sustainable livelihood especially funded economic activities. The researcher purposively selected qualitative sample size of 16 participants (Boddy, 2016; Dworkin, 2012).

ST. PAUL'S UNIVERSITY

3.7 Data collection instrument and procedure

Quantitative primary data was collected from the field through use of modified questionnaires adopted from Kato and kratzer (2013) and Antonides, Johan and Ophem (2014). The questionnaires were distributed by the researcher at the meeting venue of each group through the assistance of microfinance field officers and group leaders. The distribution of questionnaires took 4-5 months since each group met once per month. The meeting venues varied according to Wards/Zones and this enabled the researcher to meet each group alone. Further, the researcher discovered some groups meeting on the same date of the month. Such occurrences prolonged the period than expected. Collection of questionnaires from the respondents by the researcher varied. Some were collected on the

same day while others were collected later after the date of issue. Both open ended and closed questions were used to gather first-hand information from a large audience (Oso, 2016). Open-ended questions were preferred in order to give respondents an opportunity to express what they felt was right and also drew suggestions from the respondents. The closed questions measured commonness factor which respondents agreed to a specific statement of the questionnaire (Mwobobia, 2016). The questionnaire was divided into 6 sections (appendix 11 in Appendices section) comprised of: demographic information, women's economic investments, microfinance characteristics, gender related factors, approaches enhancing livelihoods and sustainable livelihoods under microfinance and women's sustainable livelihoods. Piloting was used to improve the study instruments, the questionnaire and interview as in this chapter.

The researcher also used her own formulated interview guide for qualitative primary data collection. This was comprised of semi-structured questions that were administered individually involving face to face interaction between the researcher and respondents. The researcher used both recording device and field notes to collect the field data. The researcher interviewed only fourteen participants because two were available. Each individual's responses were directly tape-recorded in order to enable visitation by researcher later (Tessier, 2012). According to Noble (2015), semi-structured recorded interviews allow for repeated revisiting of the data in order to remain true to participants' perspective. Face to face interview provided an opportunity of observation by the researcher to acquire more information about the gap from the respondents (Deggs & Hernandez, 2018). The researcher recorded her observation in the field notes note book. After transcribing, for security and confidentiality purpose of the responses, the recorders were kept safely. Descriptive field notes were also taken to record the observations of the researcher and the body language of the respondents (Deggs & Hernandez, 2018). The preference of this type of interview was to allow the interviewer to divert in order to pursue an idea or response in more details. It also allowed for the discovery or elaboration of information that was important to participants and the study that had not previously been thought of as pertinent by the researcher or had not been reflected in the questionnaire. Objectives three and four required detailed

ST. PAUL'S UNIVERSITY

narratives/expressions from the respondents in order to get in-depth information about the study gap.

Through the microfinance field officer and group chairperson, the researcher made arrangements to meet the participants in their meeting groups and venues. From here, respondents were purposively sampled and arrangements were made on how to meet the selected participants, venues and time of interviews and collection of the respondents' contacts by the researcher. Through collected contacts of chairperson of each group, interview meetings were informed earlier, so that respondents prepared to avail themselves on the material day. The researcher visited those who failed to avail themselves at their homes or used phone calls to interview them.

3.8 Validity and reliability of research instrument

3.8.1 Validity

To ensure accuracy of research instrument, piloting of research instruments was done before the real research commenced. Women from Universal Traders' Sacco (UTS) and Women Enterprise Fund in (WEF) Machakos town were the piloting respondents. After analysis, these results were discussed by both the experts (researcher's thesis supervisors) and the researcher. Some questions were not clear to the respondents who voiced the unclear questions. Such corrections gathered during piloting and comments from experts were incorporated to improve the instrument. The piloted data revealed women's wealth gains after joining microfinance's programmes. This raised a question and became the major correction and the experts advised the researcher to read about wealth indexing and include it in the questionnaire. These two methods enhanced the questionnaire validity and enabled the researcher to get the truth of the research gap (Oso, 2016). Qualitative reliability was tested by use of data triangulation and respondent's validation. This meant quantitative data and qualitative data triangulated each other in order to determine areas of agreement as well as areas of divergence. Triangulation of the two data sources gave more confidence that the results were truly a reflection of what was actually happening. In addition, the triangulation involved some (3) participants to countercheck the interview transcripts. Nobel (2015)

ST. PAUL'S UNIVERSITY

stated that respondent validation on interviews transcripts enhances trustworthiness and credibility of the data and results of qualitative approach.

Reflexivity

Since it was impossible for the researcher to remain outside of a qualitative study, literature (Palaganas et al., 2017;) show that reflexivity avoids biasing of research. According to Ahmed et al (2010), an interviewer in qualitative paradigm is both an insider and outsider. In this study, it translates that the researcher was researching respondents with the same background and an outsider through being an interviewer. The current study researcher was once a member of a group funded by one of the microfinances above. With this background, the researcher was in a position to probe the experiences of the participants in the study group during interview period. Being of the same gender and with the same background information, the researcher believed this was to encourage for more openness from the interviewees as they were sharing common experiences (Kamau, 2013). The researcher had continuous reflection on the study process (Ahmed, Siwar & Idris, 2011) and tried the best not to reflect more of her experiences in the study.

ST. PAUL'S UNIVERSITY

3.8.2 Reliability

The study used a Cronbach alpha to measure reliability from piloted quantitative 5-point Likert scale data gathered from the field. Questions were set according to objective numbering (1 to 4) and with an exception of objective four, the rest had a 5-point Likert scale question. The study used these questions to measure the reliability. Literature state that the reliability item can be accepted if the alpha is within .70–.90 (Kara & Celikler, 2015; Zohrabi, 2013). Therefore, a higher value indicates a strong relationship between the items on the test, whereas, a lower value indicates a weaker relationship between test items. From the above, acceptable alpha value of this study will be considered to be between .70 and .90. The importance of this measure is to produce consistent and reliable results on microfinance services and rural women's sustainable livelihoods. The variables used

represented both independent and dependent variables 'data. The results reflect the piloted analyzed data as shown in section 4.4.7 in chapter 4

3.9 Data analysis

Since the study used a mixed method, both methods of quantitative analysis (for questionnaire) and qualitative analysis (for individual interview) were used. Open-ended questions used content analysis while interview data used thematic analysis. Content and thematic analysis catered for quantitative and qualitative data respectively. Field data analysis was based on the four objectives and the study questions. The study questionnaire was consisted of demographic information, four sections according to the objectives and a section of sustainable livelihoods.

The first objective examined the influence of rural women's investments on their sustainable livelihoods. Open-ended and closed questions were used to measure this objective. Closed questions were analyzed by descriptive statistics. Both measures of central tendency and measures of spread sheet were displayed. This was preferred in order to get the basic features of the data in terms of percentages, frequencies, mean and standard deviation (Baxter & Jack, 2008). These basic features provided simple summaries that the researcher used to interpret the study. Open ended questions were coded and categorized the data into different themes. During coding and categorizing, cleansing of data was done in order to remain with relevant data. Through categorizing, similar response were grouped together (Flick, 2014, Mungai et al. 2014). This categorized data was coded to transform it into a form suitable for computer-aided analysis (Excel or SPSS) (Flick, 2014). This enabled the researcher to run descriptive statistics and closed questions regression and correlation. Use of correlation and regression helped to identify the strength of the association and prediction between women's investments (independent variable) and sustainable livelihoods (dependent variable).

The second objective explored the influence of microfinance characteristics on the sustainable livelihoods of rural poor women. Measures of this objective were comprised of 7-open-ended questions and 4-closed questions. Closed questions were analyzed through

ST. PAUL'S UNIVERSITY

descriptive and regression analysis. Descriptive statistics summarized and presented the data in measures of frequencies, charts and percentages (Mungai et al. 2014). As explained in objective one, open-ended were analyzed through content analysis. The responses were coded and categorized to different themes. According to Mungai et al (2014), use of content analysis helps to bring issues that would not have been captured through use of closed questions. Regression was used to identify the strength of the relationship and prediction between microfinance characteristics and sustainable livelihoods.

Third objective examined the existing gender-related factors that hinder poor rural women's economic activities within the household. This objective is composed of 6-questions with only 2-closed questions. Much of the questions are open-ended which were analyzed through quantitative content analysis as explained in objective one. Descriptive statistics was used to analyze the two closed questions and the analyzed data was presented in tables and graphs.

Multiple Linear Regression and Correlation was used to finalize quantitative data analysis. Correlation tested the strength of relationship of dependent variable and independent variables. Multiple Regression analyzed the three independent variables (women investments, microfinance characteristics, gender related factors) to identify the influence (prediction) effects on women's sustainable livelihoods as shown in the table below.

ST. PAUL'S UNIVERSITY

Table 1

Estimated regression equation model data

Objective	Hypothesis (H_1)	Analytical model	Data needed
To examine the influence of rural women's investment on women's sustainable livelihoods in the rural Machakos sub-County	Women's investments contribute information in the prediction of women's sustainable livelihoods.	Multiple linear regression	-Training -Business' growth
To explore microfinance characteristics on women's sustainable	Microfinance characteristics contribute information	Multiple linear regression	-Interest rate -Microfinance loan recovery

livelihoods in the rural Machakos sub-County	in the prediction of women's sustainable livelihoods.		methods -Group women's pressure.
To examine the household existing gender-related factors that hinder women's sustainable livelihoods in the rural Machakos sub-County	Household existing gender-related factors hinder women's sustainable livelihoods	Multiple linear regression	-Decision-making

Source: Researcher's data, 2024

From the above table estimated regression equation model was formed as displayed below.

$\hat{Y} = b_0 + b_1 x_1 + b_2 x_2 + b_3 x_3 + \varepsilon$

Where:

$\hat{Y}$ = Dependent variable

X_1 = 1st independent variable

X_2 = 2nd independent variable

X_3 = 3rd independent variable

ε = random error

b_0=intercept

b_1 =slope of X_1 (1st independent variable)

b_2 = slope of X_2 (2nd independent variable)

b_3 = slope of X_3 (3rd independent variable)

Descriptive, regression and correlation analyses used Statistical Package for the Social Sciences (SPSS) which helped to understand and interpret results with ease (Rahman, Kabir, Al Helal, 2013). Before Regression analysis, regression assumptions were tested as shown in Table 3 below, to ascertain whether the data fits regression analysis.

Table 2

Estimates of regression assumptions tests

Assumption	Analytical test	Decision criteria	Author
Multicollinearity	- Variance Inflation Factor (VIF)	If the VIF is less than five and 10, then there is no	Titocan, 2022

ST. PAUL'S UNIVERSITY

	-Tolerance	problem of Multicollinearity -if the Tolerance value is greater than 0.1, then there is no issue of multicollinearity (pg 141).	
Linearity,	- P-P Plot	- Observation of a straight line placed through the data representing all points in a graph, after plotting the outcome variable against the predictor variables (appendix 5).	Casson and Lanclan, 2024
Normality,	Histogram	- The histogram with a superimposed normal curve or observation of data distribution curve with a mean of zero and SD of 1 (Appendix 5)	Bluman, 2009
Homoscedasticity	Scatterplot	-Visual inspection of scatterplots. Observing constant variance of residuals on the graph (Appendix 5)	Williams, 2013

Source: Researcher's data, 2024

To make sense of interpreting and theorizing qualitative data, this study used thematic analysis for individual interview. This was used to analyze the fourth objective. The researcher transcribed all the collected data from voice to text (verbatim transcription). The researcher believed that word-for-word transcription allowed one to listen and interpret what was being said more effectively. The verbatim transcription assisted the researcher to code and categorize the data (McGrath, Palmgren & Liljedahl, 2019). Data were coded in two cycles. Cycle one is comprised of Codes and their meanings as used in this study (see Appendix 4 in appendices section) and cycle two is composed of categories/themes, sub-themes and the category meaning explained as used in this research. The categorized data, were summarized in patterns and themes basing on the objectives and questions. In write-up the themes provided additional sources of valuable insight that could not be obtained from the quantitative analyzed data alone. Deggs and Hernandez (2018) argued that through careful data preparation, coding, and interpretation, the results of the qualitative content

ST. PAUL'S UNIVERSITY

analysis and thematic analysis can strengthen quantitative analyzed data as well as developing new theories and models (Andrew et al., 2015). From these analyses, interpretation and conclusion were made. Qualitative and quantitative analyzed data were mixed to complement each other at the stage of interpretation and conclusion. The table below shows the second coding in qualitative interview data.

Table 3

Interview themes/categories

Category	**Sub-category**	**Category Explanation**
Investment-business friction	1.Credit invested in non-IGAs 2.Invested in heavy capital Business 3.Irregular training &irrelevant information 4.Inadequate information on savings	It refers to conflict to business progression from credit diversion and MF. non-kind services provision.
MF; Group-business clashes	1.Loan size, interest rate & grace period 2.Social collaterals	This means Microfinance and group policies affecting smooth running of business.
Loan recovery-Business conflict	1.Property confiscation 2.Fear of taking loans	It refers how ways of recovering defaulted loans affects business.
HH & Community-Business dissentions	1.Hh duties & time a location 2.Spouse influence 3.Labeling of business women 4.Controlled mobility	In this study it indicates Hh/community perception on business women and how it affects business.

ST. PAUL'S UNIVERSITY

Achievements	1.Women started earning 2.More investments 3.Self-dependence 4.Increased women autonomy	This means women's gains after joining microfinance
Recommendations	1.Free loan interest rate 2.Adequate loan grace period 3. women's capacity building 4. Regular and relevant trainings	This refers to suggestions both from the respondents and researcher that can contribute to effective and sustainable economic activities.

Source: Researcher's field data, 2024

3.9.1 Operationalization and Measurements of Variables.

This section presents operationalization of the study. The measurement variables for both independent and dependent variables are displayed as shown below**.**

a) Dependent variable

The measurements for the dependent variable (women's sustainable livelihoods) were: Increased property ownership, more income and savings, increased knowledge and skills and job creation.

i) **More income and savings:** This variable referred to the amount of money earned and saved monthly. Receiving and using microfinance credit by the rural women was assumed to bring increased earnings and savings monthly/yearly (Furu, 2017). Increased savings and income symbolize high profit making which may in turn lead to sustainable livelihoods. This was measured by increased: monthly earnings, increased profit and savings and frequent purchase of stock. Considering earnings monthly showed whether the business was making profit or loss. Profits indicate growing of business and thus

ST. PAUL'S UNIVERSITY

increased savings can be achieved. Increased savings might lead to expansion of the project or more business stock.

ii) **Asset/Property ownership:** This variable referred to legally or socially authorized individual ownership of property or assets. Though, socially women are discriminated against individual property ownership (Kato & Kratzer, 2013, Lakwo, 2006) lack of access to and use of resources contribute most to this factor (sustainable livelihood). The financial asset was thus assumed to influence women individual asset/property ownership. It was measured in terms of individual ownership of properties or assets before and after joining microfinance at the household level. Property ownership was considered since it can be used as collateral for huge loans to sustain women's economic activities or increase women's sustainable livelihood. Further, owning assets after joining microfinance indicates transformation of social norms and respect in the household and society especially in rural areas.

iii) **Increased knowledge and skills:** These variables referred to gained information and skills by women through microfinance trainings on IGAs and their rights. Knowledge and skills facilitate good management of credit and savings, and proper business practices. The two determined the success or failure of income generating projects (Omwono, Maizs& Toroitich, 2016). Knowledge and skills such as customer service, marketing and stocking contribute a lot to sustainable businesses. They are termed as sustainable livelihood indicators (Ahmed, Siwar & Idris, 2011). These variables were measured in types and frequency of microfinance trainings, records' keeping and decision-making on loans, investments and other resources. Women face challenges and problems as they operate their funded business. Frequent trainings provide opportunities for sharing experiences with women's funders. As some researchers (Giuffrida, 2000; Kamanza, 2014; Kisakwa and Mwewa, 2014) argued, some training information is irrelevant to women's undertakings. Such trainings therefore lead to unsustainable economic livelihoods.

iv) **Gender adequate education:** This variable referred to the level of education women acquired. Women's education empowerment facilitates access to microfinance

ST. PAUL'S UNIVERSITY

programmes on women economic empowerment (Kithuka & Otuya, 2016). Education plays a vital role in all spheres of development. It's a factor that many rural women lack or have in inadequately. Traditionally, boys are educated at the expense of girls. It was measured in terms of the level of education attained by the women. It is considered since it carries heavy weight in terms of loan application, individual expression to the funder and in terms of money transfer.

v) **Job creation:** This variable referred to provision of employment to other people outside women's families. Employing people to assist in income generating activities translates to investment's growth and development, and increased profit making. This shows stable business and that can improve standard living of women. According to Ziem and Bebelleh (2014) expansion of business goes hand in hand with new innovations and qualified personnel for sustainability. This variable was measured in terms of the number of workers employed and number of businesses in operation by microfinance women to assist in running their business.

b) Independent variables

The main independent variables that the study focus on are women investments, microfinance characteristics, gender related factors and approaches enhancing sustainable livelihood.

i) Women's economic investments.

a) **Trainings:** This referred to physical training's microfinance provided to rural women to equip them with knowledge and skills. The importance of training is that women gain the right knowledge pertaining women's rights on resources, business and the maintenance of these resources (Bichanga & Aseyo, 2013; Kisaka & Mwewa, 2014). It is measured in the frequency of trainings, information/knowledge provided during training, the training effects on IGAs and the influence training has on women's sustainable livelihoods.

b) **Financial literacy:** It is the process through which people gain a basic understanding of banking (account), savings and the importance of credit (Giuffrida, 2000; Wanjiku & Njiru, 2016). In this study, it referred to women's ability to make

ST. PAUL'S UNIVERSITY

financial decisions on their own for both short- and long-term interests. It was measured in having access to and use of credit, individual account, weekly/monthly savings and the influence financial literacy has on women's sustainable livelihoods.

c) **Investment projects growth:** This referred to the investments rural women were operating after receiving microfinance credit. Since the main objective of microfinance is to fund income generating projects (Furu, 2017), rural women are expected to have invested loans in income generating projects. This variable was measured in the types of projects that were started, number of the collapsed and the operating projects alongside their locations, profits' trend monthly and the influence project growth had on women's sustainable livelihoods.

ii) Microfinance characteristics

The study specifically focusses on Self-help groups, interest rate and loan arear recovery methods

a) **Joining /formation of SHGs:** This referred to women groups which act as gateways to access microfinance credit. It is a must for a poor rural woman to belong to a self-help group in order to access microfinance funds. Joining/forming/being a member of these SHGs women encounter some experiences (Haldar & Stiglitz, 2016) which may enhance or challenge women's sustainable livelihoods. This variable was measured in terms of group policies such as compulsory group meetings, compulsory group vetting, compulsory group contributions and involvement of group members in defaulter's loan repayment.

b) **Market Interests rates:** This referred to loan repayment interest rate. Some microfinance charge interest rates that to some extent negatively affect the smooth running of projects. High interest rates affect loan repayment (Omonywa & Muturi, 2015) which in turn lowers business income. Thus, high interest rate threatens business sustainability. This variable was measured in: grace period of loan repayment, comfortability of monthly repayment interest rates and the period of repayment.

ST. PAUL'S UNIVERSITY

c) **MF loan recovery methods:** It referred to the ways microfinance recovers the loans in case defaulting occurred. Recovery method is a critical factor to be considered because it affects positively/negatively the operation and sustainability of projects (IGAs). It was measured in: times of default, how was the loan repaid and the method which was used.

iii) Gender related factors

a) **Household responsibilities and roles:** It referred to the sharing of responsibilities and roles in the household. Heavy responsibilities and roles deny women time to operate their income generating activities (Garikipati et al. 2017). It was measured on daily activities and approximate time taken within 24 hours such as time spend on income generating activities, time spend on cooking, on water collection, fetching firewood, attending school affairs and paying attention to children

b) **Ownership of resource.** This referred to what women own. Increase of resource/assets ownership indicates projects growth, development and adequate yields or profit. This was measured in physical and natural property ownership which can boost running of projects. Such properties are livestock and land among others.

c) **Credit and saving decision-making.** It referred to making decision on credit and savings of the projects or income generating activities. Literature (Ali, 2014) indicated that women's loans and savings are managed by their spouses or diverted. This is a threat to the set-up projects. It was measured by who makes decision on microfinance credit access and use, and who decides on how much to save and where.

d) Household economic expenditure. This referred to funds used within the household. It has been stated that women's involvement in income generating activities reduces men's household economic support (Sheheli et al., 2021). Available literature indicates that women's income is the key source of addressing the household needs. This variable was measured in household needs the women spend their money on

iii) Approaches to enhance sustainable livelihoods.

ST. PAUL'S UNIVERSITY

a) **Respondents' responses/narratives:** It referred to other approaches that women propose to enhance poor rural women's sustainable livelihoods. These were suggested by the respondents.

3.10 Study instrument piloting

Before commencing fieldwork, the study conducted a pilot test analysis in 2021on microfinance services and women's sustainable livelihoods. This was to ascertain if the research instrument would bring out reliable and valid information (Oso, 2016). Eighty women from Universal Traders Sacco (UTS) and Women Enterprise Fund (WEF) in Machakos town were the piloting respondents. Some questions were not clear to the respondents who voiced the unclear questions. The piloted data revealed women's wealth gains after joining microfinance's programmes. These results raised some questions which through a discussion between the researcher and the supervisors, the researcher was advised to read about wealth assets and include it in the questionnaire. Piloting of interview questions were done after questionnaire data collection and analysis. Interview questions involved six participants from UTS and WEF microfinances. All the corrections gathered during piloting and comments from experts were incorporated to improve the instrument.

3.11 Ethical issues

These are the principles applied to research with human subjects. In in-depth interviews on gender issues (objective 3), personal matters of people were highly discussed. This required informed consent, confidentiality and autonomy. The researcher assured the respondents that their responses were just for answering research questions and not for any victimization or to be taken elsewhere. The respondents were allowed to choose either to participate or not to participate in the study. Some Key respondents were allowed to sign as evidence of acceptance to participate in this research. One of the objectives is concerned with gender relations, a sensitive topic especially when narrated by women. In many societies in Africa including Kenya, women are described as property of men (Kato & Kratzar, 2013; Holvoet, 2017), evidenced by the name a woman bears after marriage. In African, household/community information is a male's duty to deliver out. Before the material day of research, the respondents were made aware of their participation in the research and the

ST. PAUL'S UNIVERSITY

information required to give out. This prepared them to make the choice of participation or not. Due to Covid 19, the researcher ensured social distancing, wearing of face masks and hands' sanitization at the time of interview and distribution of questionnaires. Additionally, to reach the respective areas and run the research smoothly, the researcher sought a recommendation letter from St. Paul's University (Appendix 6) to conduct a PhD in Development Studies research and inform the area administration. This letter of recommendation further enabled the researcher to apply for a letter of research authorization from National Commission for Science, Technology and Innovation (NACOSTI) (Appendix 7) and got other authorization letters from County commissioner's office (Appendix 8) and Education County office in Machakos County (Appendix 9), all in appendices' section. Finally, appendix 10 showed some of respondents' Consent of participation in this research.

ST. PAUL'S UNIVERSITY

CHAPTER FOUR
RESEARCH RESULTS AND INTERPRETATION

4.1 Introduction

This chapter provides results and findings according to the specific objectives and questions, collected and analyzed data. The results in some cases includes Covid 19 effects on women's sustainable livelihood. The data collected by questionnaire were analyzed through descriptive statistics, correlation, Principal Component Analysis, Regression and content analysis. Tables and figures are used for result representation. This chapter is organized in seven sections: responses rate, socio-demographic information, women's economic investment, microfinance characteristics, gender related factors, approaches enhancing livelihoods and sustainable livelihoods. Qualitative data in some cases the respondent's own words have been reported concurrently with quantitative data.

4.2 Responses rate

Table 4

Respondents rate for quantitative and qualitative data responses

Research type	Sample number	Number of participants	Percentage rate
Quantitative	367	360	98
Qualitative	16	14	87.5

Source: Researcher's field data, 2022-2023

The study was set out to investigate the influence of KWFT and Uwezo on women's sustainable livelihoods. The data was collected using questionnaires and interviews, targeting rural women borrowers of these mentioned microfinance institutions in Machakos sub-County. Quantitatively, the study sampled 367 respondents from the target population of 8000 rural women. A total of 360(98%) respondents filled in and returned the questionnaires as shown above in Table 4. This high-rate response was attributed by appropriate introduction done to the women in their groups and good service rendered by the researcher. It also reflects the high expectation, which the respondents had that their challenges and problems could be solved through better financing and interest rate provided by microfinances. More importantly, most respondents were able to read, comprehend and write with very little assistance. With such conducive environment, the researcher had the

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opportunity to issue and collect some of the questionnaires on the same day while others were collected later. Quantitative data collection took four-five months from 2021 to 2022. This exercise was administered by the researcher with little assistance from women group leaders. Regarding qualitative field data collection, the researcher administered face to face interview after quantitative data analysis. This was important in order to target mostly the quantitative missing gaps on the topic gap of this study. As displayed in Table 3 above, the study targeted 16 key informers but due to unavailability only 14(87.5%) respondents had their narratives analyzed. Respondents were interviewed between towards the end of 2022 to February 2023. Such period was necessary to identify missing information after analyzing data for every two respondents.

4.3 Socio-demographic information

In this section, the study presents the details of the demographic features of the 367 respondents involved in this study. The social and demographic profiles of the respondents were analyzed based on age brackets, marital status, level of education and family size. This section provides crucial information to assist the study understand the various aspects of demographic information connected to microfinance services and rural women's sustainable livelihood in the study area. These results are depicted below.

4.3.1 Respondents Age, Marital Status and Education Level

Age, marital status and education level were considered as crucial variables in women's sustainable livelihoods assessment. Age assists in making informed decisions on borrowed credit and credit utilization, thus increasing sustainable livelihoods. Marital status to some extent reflects the responsibilities and roles contributing positively or negatively to women's sustainable livelihoods. Level of education plays a key role in communication skills and critical thinking in areas of business operation, leading to increased sustainable livelihoods. Considering all these, the study sought to find out the influence of these demographic variables on women's sustainable livelihoods. The results are tabulated as below.

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Table 5

Age, marital status and education level of respondents

Variable	Responses	Frequency	Percentage
	Btw 18-28yrs	64	17
	Btw 29-39yrs	129	35
Age	Btw 40-50yrs	106	29
	Btw 51-61yrs	50	14
	62 & above	18	5
	Total	**367**	**100**
	Married	220	60
Marital status	Widowed	50	14
	Single	59	16
	separated	38	10
	Totals	**367**	**100**
Level of education	No formal education	3	1
	Some primary education	13	3
	Completed primary education	62	16
	Some secondary education	15	4
	Completed secondary education	92	25
	Certificate	83	22
	Diploma	83	22
	University level	16	5
	Totals	**367**	**100**

Source: Researcher's field data, 2024

From data displayed in Table 5 above, microfinance credit cuts across different ages, various marital status and different levels of education of respondents. Findings indicate that majority 129(35%) of respondents aged 29-39years, 106(29%) fall in the range of 40-50years, 18-28(17%) is the youngest age brackets, while 14 and 5 percent represents 51-61 and 62 and above brackets of years respectively. Observation shows that poor rural women

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who are involved in microfinance programmes are of different categories of ages. This implies that a good number of those involved in borrowing funds from microfinances and investing in business activities are young and middle-aged women. It is assumed that the age brackets of 29-39 and 40-50 years, are prime age of energetic and active. Among the two, the first brackets (29-39) were young mothers who require funds for meeting the needs of their young families. Such women have different ages of children with various needs of childhood and others in different levels of learning institutions, nursery and primary schools. This argument concurs with Datta and Sahu (2021) who content that: women carry heavy responsibilities of providing, caring and protecting their young ones. Secondly, the same bracket group of respondents comprise of energetic married school and college leavers yawning to earn. Due to lack of formal employment, they were ready to exercise their potentiality in business opportunity to improve their well-being as well as support their young families. This finding is in line with Patel's (2017) study in India that observed 26-45 years of age engaged in businesses to transform their livelihoods. Also, it's contrary to Ijaza and Mwangi's (2014) study that older women of above fifty-one years are involved more in microfinance programs than the young generation of women.

The second age bracket (40-50 years) have children in secondary schools and colleges. These rural women require fees and money for maintaining their children in day and boarding secondary schools and colleges. In other words, increasing child retention in schools (Furu, 2017). Furu's study states that microfinance credit enabled women to pay school fees for their children. With such responsibilities it is possible for the two groups to be the majority in joining microfinance services to sustain and increase their livelihoods. The findings revealed lack of formal jobs in rural Machakos sub-County and that rural educated young women found an opportunity in microfinance services to thrive in sustainable business. It is clear that rural women in rural area of Machakos sub-County are microfinance clients committed to improve their livelihoods.

The marital status shows that majority 220(60%) of women were married, 59(16%) single, 50(14%) widowed and the least 7(9%) separated according to the findings. This demonstrates that majority of individuals that prefer use of microfinance credit are married.

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Possibly there could be a force on married women to join microfinance than unmarried. Kamba women have the responsibility of taking care of the nuclear and extended families (Mutisya, 2004). Married women in this tribe carry heavy extended families' responsibilities and even that of community as whole including activities involved in community barazas. Another possibility could be that their spouses have great influence in joining microfinances. According to Mungai et al. (2014) some spouses use the credit for their own benefits and some even hide from their homes after receiving the credit. Supporting the same sentiments, Vachya and Kamaiah (2015) found that rural women use their names to borrow funds for their spouses. This demonstrates that rural women access credit which may not fully be used in sustaining their economic livelihood (Ali, 2014). It can also mean after accessing microfinance credit, women use a fraction of it and the other fraction goes to their spouses. With such credit expenditure, it may not serve the intended purpose (investment), hence unsustainable livelihood.

The researcher thought it was significant to find out the level of education since it is vital for communication skills during training, loan application, utilization and business management. The same table displays education level data. Findings pointed out that a very small number 3(1%) had no formal education while majority 364(99%) were able to read and write. Education as a resource of enhancing human capital, helps to transact financial matters and keeping business sales' records. The findings mean that women with all levels of education use microfinance services with more women attaining secondary to diploma certificates. The study observed holders of degrees involved in microfinance services. This is contrary with Bichanga and Aseyo (2013) that people with lower level of education use microfinance credit more than those with higher education level. The same sentiments were reflected in Chikoyo's study (2016) where the respondents reported that joining microfinance programmes was caused by low education level. Education here served as an eye opener and made poor rural women aware of happenings in and around Machakos and Kenya as a whole concerning microfinance credit (Karna, 2019). It is clear that rural women have no challenges in loan application and communication during trainings (Kisaka & Mwewa, 2014), hence positive influence on women's sustainable livelihoods. Additionally, the results pointed out that young people in Machakos sub-County, possibly

Machakos County and Kenya as a whole lack formal job, a reason young generation of rural women engaged in microfinance credit. Such level of education helped the researcher to give and collect most questionnaires on the same date of issue. This was because women were fluent with English and Kiswahili as main communication languages

4.3.2. Respondents' Family Size and Characteristics

In this study, family size and number of children in various learning institutions was critical to understand the dynamics of credit and business income utilization. This enabled the researcher to determine how credit and business income were likely to be affected as a result of households or families' needs and in turn affects women's sustainable livelihoods. Family size data are displayed in the table below.

Table 6

Descriptive Statistics of family size and characteristics

Variables	N	Mean	Std. Deviation
Family size	367	4.71	1.090
Children aged 6-17 years	367	1.46	1.065
Children attending school	366	1.66	1.023
Children attending college	367	.56	.611
Valid N (listwise)	366		

Source: Researcher's data, 2024

In Table 6 above, analyzed data of family size displays the highest Mean of 5(SD=1) while children attending college had the least Mean of about 1(SD=1). Children attending school had a Mean of about 2(SD=1) while Mean 1(SD =1) represents children aged 6-17 years old. Family size Mean, may indicate that most families had three children and the two parents, hence a total of five members in a family. With this number of children, the study attributed this scenario to two reasons. In contemporary society, high cost of raising children in the context of financing for child's education and other basic needs are beyond reach for many families with unsustainable livelihoods. Rising food insecurity, malnutrition

and high expense on education are alarming on vulnerable people (Afolabi et al., 2020) especially women who may use all their business income and fail to invest. Secondly, a massive influx of unemployed youth in the society has also played a role in existence of lean families in the study area. This is because, after graduating from tertiary and universities, children are still depending on parents for their basic needs due to lack of formal jobs. Evidence is this study's observation of high literacy in rural women who lacked formal jobs and got involved in microfinance programmes. Importantly, high level of literacy was an eye opener that large families spend more than small families. So, through education, women saw the importance of having a well-planned family size, probably through family planning (Ai-Shami, 2014). Such sizes may be a positive contributor to women's sustainable livelihood because women cater for few needs from a small number of children. An interviewed respondent (No.10) said:

> *In my area (Kimutwa), many of the youths are educated and have no formal jobs. When I joined microfinance, after one year, I bought a second hand Tuk-tuk for my son. I wanted him to earn through his sweat and stop depending on me. It was very hard to meet needs of an adult (over 19years) and yet I am paying fees for other children in colleges. Therefore, with such expenditures, it is difficulty and that's why I engaged in different income generating activities to sustain my business and repay my loans.*

These narrative findings indicated that rural areas are comprised of educated youths with no formal employment. This may mean that these rural women are taking care of school and college leavers especially those who have not taken up microfinance programs. Such responsibilities affect negatively women's sustainable livelihoods. The qualitative data demonstrates that though microfinance women clients are straining in loan repayment, microfinance credit is creating self-employment for youth through their mothers

4.4 Microfinance and women's sustainable livelihoods

4.4.1 Women's Economic Investments

Women's investments in this study refers to what women started after borrowing funds from KWFT and Uwezo microfinances to generate income. It's specifically about business set-

ups and human capital benefits gained during microfinance trainings that bring business longevity or sustainable businesses. The influence of rural women's investment on their sustainable livelihoods is the first objective of this study, with the question: What extent do women's investments influence women's sustainable livelihoods in rural Machakos sub-County? To answer the main question, several sub-questions were asked and responses gathered in order to have clear answer for this objective/question. These were: sources of income, microfinance services used, name of microfinance providing services, fear to use credit, ways and year of joining microfinances, most attractive products and loan cycles, last loan received and utilization, income generating activities, number of business failure and activities operating, business location, trainings provision and number of trainings women attended and training benefits attained.

i) Respondents' source of income

In this study source of income refers to something that provides regular funds to women to support and sustain their livelihoods. This question assists the researcher to understand the current main source of rural women's income to sustain their livelihoods**.** Secondly, whether rural women had other sources of income before microfinance services, especially the credit. This is demonstrated by the immediate data below.

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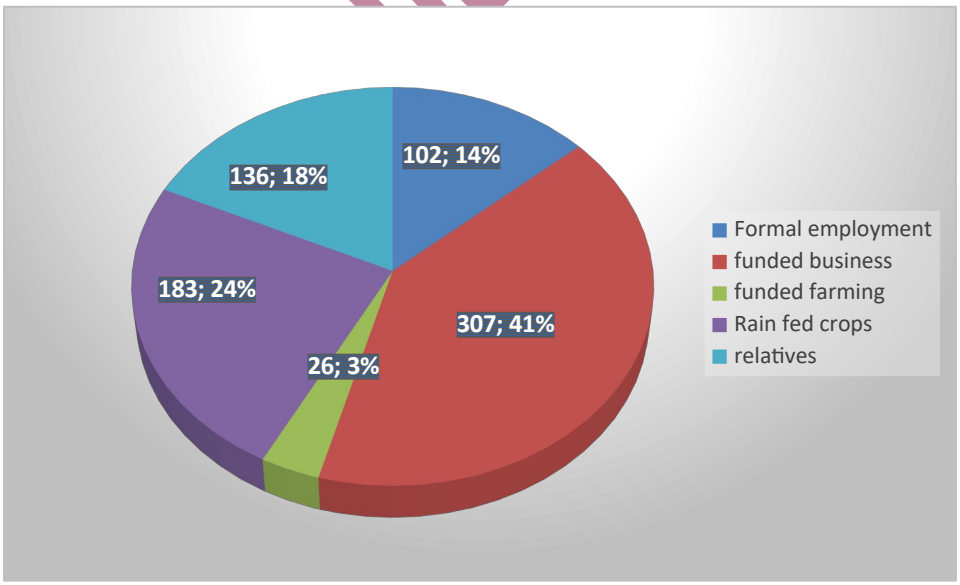


Figure 3: Source of income

Source: Researcher's field data, 2024

Figure 3 above, displays the sources of income. From the data majority 307(41%) depend on microfinance funded business while the least 26(3%) on funded farming. This study demonstrates that credit is not much invested in farming (3%). However, findings show that 183(24%) rely on rain fed crops as additional source of income. There are still respondents whose relatives 136(18%) are source of income. These relatives could be any family member supporting business operation financially. The study results showed that rural women with formal employment 102(14%) were microfinance client. Results indicated that though rural women have multiple sources of income, they own business investments. There is possibility that before microfinance, a number of respondents had small business investments. One of those who were interviewed said:

> *Before I joined microfinance services, I had a group for table banking and merry- go round. This used to assist us in our petty business we had despite that the contribution was very little compared to microfinance credit. We still keep these to assist in other forums and our businesses when microfinance credit fails. (Interviewee no.4)*

The multiple sources of income, could possibly be that when one source fails, respondents can depend on another as source for their livelihoods. Surprisingly, the study didn't consider table banking and merry go-round as a source of income. Interestingly, the above narrative data indicates how it empowers rural women in business operation. This part of finding is in line with Mwobobia's (2016) study, who found that merry go-round and table banking is reducing poverty and empowering rural women. It is clear that some women started business operation funded by other sources before joining microfinance. Additionally, multiple sources of income could be as a result of inadequate microfinance credit that is unable to sustain IGAs and meet family basic needs. Though majority depend on their business income, the study observed respondents who still count on relatives as source of income. It is clear to say that some spouses, sons and daughters support women's economic empowerment. Observation shows that microfinance credit not only benefits non-employed but also rural women with formal jobs (102(14%) engaged in microfinance credit to increase and sustain their

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livelihoods. These findings concur with Kato and Kratzer's (2013) study, where one of their key informers said: "You *cannot have one source of income and manage loan repayment. when all fail, some women use funds from what husband has given to take care of the home and use it for loan repayment."* It sounds that women involved in microfinance credit engage in multiple sources of income in order to succeed in loan repayment. In other words, relying on business income alone is difficult to repay loan, meet household needs and have sustainable livelihood. In addition, accessing microfinance services is unreliable.

ii) Microfinance services used by respondents

To develop poor rural women, various microfinance services are required to transform and improve women's livelihoods. After the findings revealed that microfinance is the main income source for majority of the respondents, then which services microfinance provides to increase investments, improve and sustain poor rural women's livelihoods? Different financial institutions provide various products to their clients. The study sought to understand the products/services KWFT and Uwezo Fund offer to rural women clients to improve and sustain their livelihood. These services are shown in the figure below.

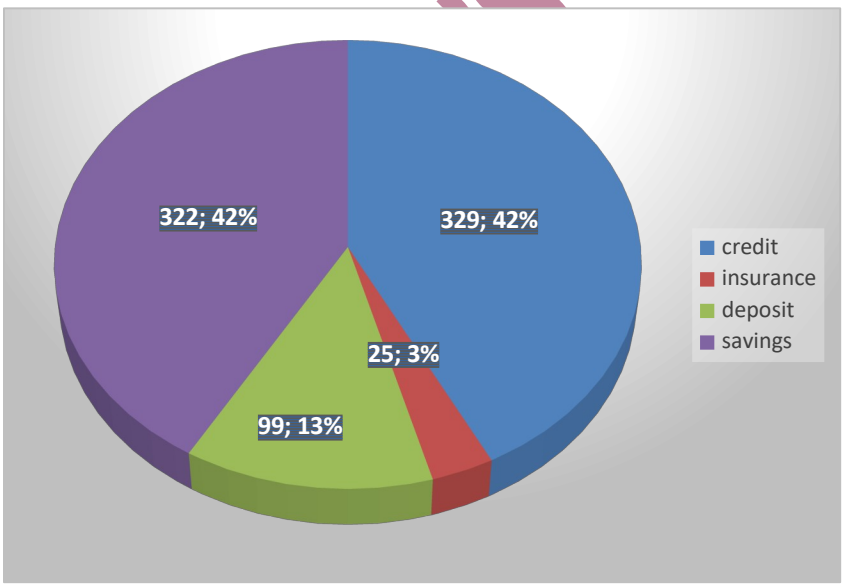


Figure 4: Microfinance services offered

Source: Researcher's field data, 2024

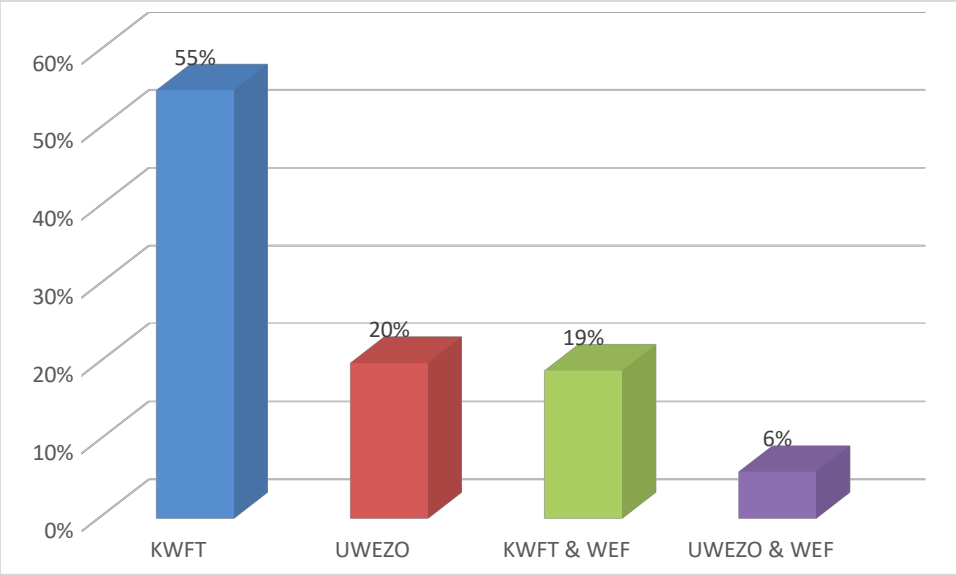
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Displayed data in Figure 4 above is microfinance products used to improve rural women's livelihoods. Credit 329 (42%) and savings 322(42%) were the most preferred services, 99(13%) were for deposit while a small number of respondents 25(3%) were attracted by insurance. With the majority involved in credit and savings, the findings meet the researcher's expectations and that of microfinance of borrowing funds to operate income generating activity. Being the main source of income, microfinance services most preferred was credit. Microfinance credit service targets to transform women from dependency syndrome and enhance independent and sustainable livelihoods (Sarumathi & Mohan, 2011). Saving translates to livelihoods' security while credit demonstrates availability of financial capital which expands and creates new income generating activities (investments). Both contribute to women's sustainable livelihoods if well utilized. This finding is in line with Abbas and Honghui (2016) who stated that most non-employed women are the main borrowers of microfinance credit in Tanzania. Their study indicated that 80% of credit borrowers are women with no formal employment. The study further indicated that saving was a mandatory microfinance and group policy. In all, the findings revealed that rural women focused on credit and savings probably for business boosting and new set-up, and increasing the possibility of having sustainable livelihood.

iii) Microfinances providing services to poor rural women.

After observing that rural women preferred credit and savings more than any other microfinance products, the study sought to know exactly the microfinances that grants these services to poor rural women. This inquiry was necessary in order to establish whether these women are accessing legalized financial institutions. In addition, this informs the study which microfinances provide these services to poor rural women to operate businesses that increase their sustainable livelihoods. As explained in the study, microfinance main objective is to improve the livelihoods of the poor women in the society mainly through credit provision. The table below indicates this information.

Figure 5: Microfinances that provide services to rural women



Source: Researcher's field data, 2024

Figure 5 above, shows microfinances that provide services to poor rural women in Machakos sub-County in the area of this study. Findings revealed that the largest number of respondents identified KWFT 202(55%) as their source of credit and savings, followed by Uwezo 73(20%). The study established that more microfinances such as Women Enterprise Fund (WEF), are penetrating or extending services to rural areas to transform and sustain the livelihoods of these poor rural women. Results evident that there were sourcing of credit in multiple financial organizations such as KWFT and WEF 70(19%) and Uwezo and WEF 22(6%). This multiple sourcing of credit, findings indicate that those rural women in multiple credit borrowed from two institutions possibly at the same period. These findings correspond to the findings of Boiwa and Bwisa (2014) who found that lack of enough credit force borrowers to find ways of getting more funds from other financial institutions. Insufficient credit threatens income generating activities especially the starting ones or those which are not stable. It is worrying to note that multiple borrowing may contribute to women's burden of being in debt and loss of livelihood. Engaging in more than one microfinance explains the following possible reasons.

First, the loans in the first cycles are said to be small such that starting and maintaining the business project is difficult. In chapter 3 above, Uwezo Fund provide group loans that interested group members share to boost or start new business. Sometimes such loans may be small because various types of business require different capitals. Businesses that need heavy capital may trigger engagement in multiple funders to increase the capital. This is in

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line with Ijaza (2014) who established that small loan sizes are a challenge in terms of sustaining business and repaying the loan at the same time. According to his study, 47% of the respondents acknowledged that the amount loaned to them was much less than what they needed to improve their income generating activities. Clearly, it means some financial institutions provide loans that are not enough for the intended purpose applied for. Definitely this shortage calls for more funds or termination of the project and thus lack of livelihood.

Secondly, loan repayment may be repaid through another loan from a different financial institution. Sometimes when a woman is confronted with household emergencies especially for children, the available funds are diverted to that issue. This emergency may leave the woman without money, only to find another money lender to fill the gap without considering the challenge of loan repayment. According to Bui, Kuan and Chu (2018) women in patriarchal societies are heavily burdened by social responsibilities and roles. Their study observed that a significant number of their respondents were burdened by domestic chores, inclusive care of children. This indicates how rural women deeds increase debt levels, probably resulting to loss of income generating activity or leading to unsustainable livelihood.

iv) Respondents' fear to use microfinance credit

KWFT and Uwezo Fund microfinances' credit and savings attracted most of the poor women in rural areas of Machakos sub-county. Though, majority of women were microfinance credit borrowers, very few were not. This study sought to establish whether there could be reasons that contribute to not women use microfinance services. This question was prompted by the observation that poor rural women had different source of income and others take time before taking the first loan cycle. The study revealed that most of the respondents were most attracted by credit which was possibly to invest in business to increase sustainable livelihood. The figure below displays responses for answering this question.

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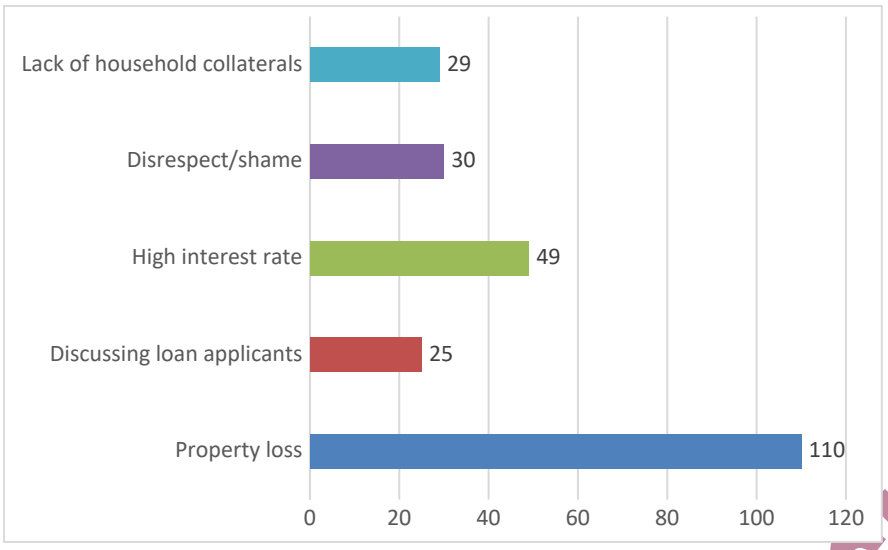


Figure 6: Fear that contributes to women not to use microfinance credit

Source: Researcher's field data, 2024

Women displayed some of their fears that made them not to use microfinance credit immediately they joined microfinance services. Out of 243 mentions in Figure 6 above, 110(45%) feared property loss, the fear of high interest rate was 49 (20%), 30(13%) represented disrespect or shame while the least 25(10 %) feared discussing loan applicants. This behaviour was echoed by different respondents' expressions in open-ended questions as shown below.

Respondent 355 feared property loss said that:

> *I saw some women's properties carried by KWFT officers and I feared to see mine carried in the same way in case I fail to repay the loan. Surprisingly, the chairs and other items were carried daytime when neighbuors were observing every step. This was very shameful and embarrassing for that woman. I took six months before I applied for a loan after joining. I did this to prepare my mind and what I can sell in case I miss enough income to repay my loan.*

Further, concerning fear on discussing loan applicants, participant No. 345 said that:

> *At the beginning I feared the group discussion because their discussion touches the whole family of the loan applicant. Some members go to*

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an extent of asking income of applicant's spouse. I can remember a woman in our group leaving microfinance completely because women discussed her family thoroughly at the time of her first loan application. This instilled a lot of fear in me and even to other women not engaged with microfinance programs.

Respondent 245 commented that:

When I heard about credit from KWFT microfinances I decided to join it immediately because I wanted money to start a business. I did not ask about the interest rate or whether there was saving first. I came to know about savings and interest rate after I joined. So, I didn't get loan immediately. Though I started savings which took time, my fear was the interest rate of repayment. I came to understand that when I borrow fifty thousand shillings for a year, I will be paying six thousand every month for twelve months. This also discouraged me though later I took the loan. My situation of having no income and I have some needs to settle forced me to borrow no matter the interest rates.

From the results above, it implies that rural women experience challenges that contribute to low loan application, shame and embarrassment. It can mean that credit availability and accessibility is accompanied by loss of property. The action of carrying loan defaulter's property may scare those poor rural women with an intention of joining microfinance. Loss of property translates to loss of livelihood, shame in the family as well as the community. Women who lost their properties find it difficult to share women economic empowerment with those outside microfinances. This is due low self-esteem women experience after losing their properties. According to Kato and Kratzer (2013) loss of property causes loan defaulted women boycott group meetings and others run away from their homes during daytime. In other words, they avoid being in meeting with their colleagues and microfinance officials due to unpaid loan debt. This repercussion demonstrates low esteem and lack of

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self-confidence as well as lack of household development, hence poor effects on women's sustainable livelihood.

Further, the above findings indicated loan vetting as an obstacle of loan application immediately after joining microfinance services. According to Grameen theory, group members who are signatories discuss the capability of loan applicants. The theory states that the peer pressure applied on group members minimizes loan defaulting. This translates to poor rural women losing the opportunity if incapable or applying small size loans that may not meet intended business needs. One of the Key informers narrated that she almost missed her loan after group members understood that the spouse had no income. This key informer added that her loan was approved when her sister stepped in, in the gap of assisting her to repay the loan. This finding concurs with Muturi (2016) who found that group members monitor borrowing and repaying of loans among themselves. From Key informers' sentiments, it's clear to say somehow there is collateral, inform of household items or relative support. According to same narrative findings, some respondents closed their business or looked for funds elsewhere if their businesses were to operate or start a new one. This might have happened due to the strings attached to microfinance credit in terms of policies governing the borrowing. For instance, loan vetting is a policy applied before the loan is approved by the group members and has shown great impact on economic livelihood survival.

High interest rate is termed as a way of exploiting microfinance women clients (Kato & Kratzer, 2013). Interest rates charged by some microfinances put rural women in heavy repayment task and sometimes lead to loan defaulting. Due to such burdens and avoidance of property loss, rural women slowed down in loan borrowing. From chapter 3 above, various microfinances have different interest rates. For instance, Uwezo Fund charge one percent annual interest rate at loan disbursement time while KWFT clients repay their loans with an interest of 25% annually. One of respondent stated that:

> *When I got my second loan of one hundred and ten thousand shillings, what surprised me is that I paid for one year and eight months almost one hundred and fifty thousand. I felt that this was a lot for one hundred*

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> *thousand as a loan. I came to learn later that the more time for loan repayment the bigger the amount to be paid. Yes, women get loans, but let our lender consider the repaying loan interest and what we (women) get from our businesses.* (Respondents No. 116).

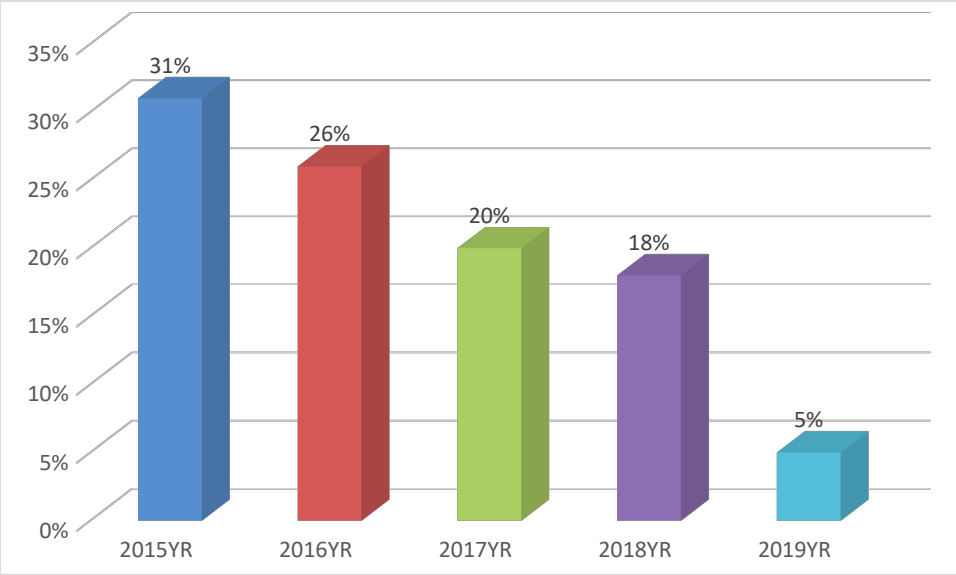
These findings clearly show that there was a huge amount to be repaid though the respondent did not mention the amount paid per month. This could mean microfinance is more on profit making than considering what women are earning to improve and sustain their livelihoods. Findings indicate that the interest is over charged and this may negatively affect livelihoods as much of the income repays the loans. High interest rate may greatly contribute to high drop outs in future if remedy is not done early. Those women who drop out of microfinance programme may mean loss of livelihood. This finding is in line with Kamanza's (2014) study which states that interest rates charged on loans by microfinances is high compared to what is earned from the business. His study affirmed that due to high interest rate microfinance charged clients, there was no enough funds for business needs and loan default was common among these rural women.

v) Respondents' year of joining microfinance services

The study targeted rural women with adequate experience in borrowing and refunding microfinance credit. To get such respondents, women were asked to indicate the year of joining microfinance programmes. The year of joining is evidence to the researcher that the respondents are the right people to fill in the questionnaires. Those with more than two years, the researcher believed they had adequate experience of interacting with microfinance credit. The data information is displayed below.

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Figure 7: Year of joining microfinances services



Source: Researcher's field data, 2024

In Figure 7 above, out of 367 respondents, 115(31%) joined in 2015 and 19(5%)) joined in 2019. Findings indicate that this microfinance opportunity is available at all the time, only that there is a women group that links the woman to the microfinance. However, this suggests that the respondents had adequate information with regards to the study gap because of the duration of not less than two years. From the results, observation shows that the number of women joining microfinance is decreasing from 2015 (31%) to 2019 (5%). Findings show declining trend from a year to a year. If the decreasing trend continuous, then women may stop using microfinances services and hence a threat to their income generating activities. This decline could be explained in two reasons. There could be business financing maturity such that the business no longer needs credit from microfinance. Business that is stable can generate enough income to sustain itself. With adequate profit and savings, entrepreneurs require very small credit to manage their businesses that probably can be sourced elsewhere. According to Hassan and Mugambi (2013) normally with increased business income and profit, women enjoy the restocking of their enterprises with savings. This is when there is no more borrowing because the business can support itself. Requiring no more loans from microfinance can reduce women clients in credit borrowing.

Secondly, the decline could be as a result of challenges (Fears) that women are facing. From the study, findings revealed that after joining microfinances services rural women do not get credit immediately. This has been evidenced by the fears contributed by group policies and microfinance action towards defaulted loans. Some group policies like vetting of loan

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applicants brings hatred and mistrust. Vetting is done by all group members available at that time and it measures borrower's capability of loan repayment. Results revealed that members incapable of repaying the debts, their loans are reduced or not approved. It means that some women failed to get loans or received part of the loan applied which may not accomplish the intended purpose. These challenges instill fear not only to microfinance client but also to those with intention of joining. Contrary to this, well organized women groups have the greatest potentials to meet the needs of poor rural women through networking. According to Sangi and Anand (2021) women groups not only serve as social collaterals but also as a channel of information. Women educate each other through experience sharing. Trustworthy and good networking among rural women has been considered as a collateral enabler to access microfinance credit. Vasantha argued that trust within rural women groups enhance confidence, courage and unity for survival of each member and the sustainable livelihood.

vi) Ways rural women came to know microfinance's credit

Joining microfinance in different years means rural women received/got information in various ways and at different times. The study sought to understand how the rural women came to know credit from microfinances. This provides information on women's mobility and networking which all are important in business operation and sustaining the businesses. In the figure below, respondents indicated how they got the information of joining microfinances services.

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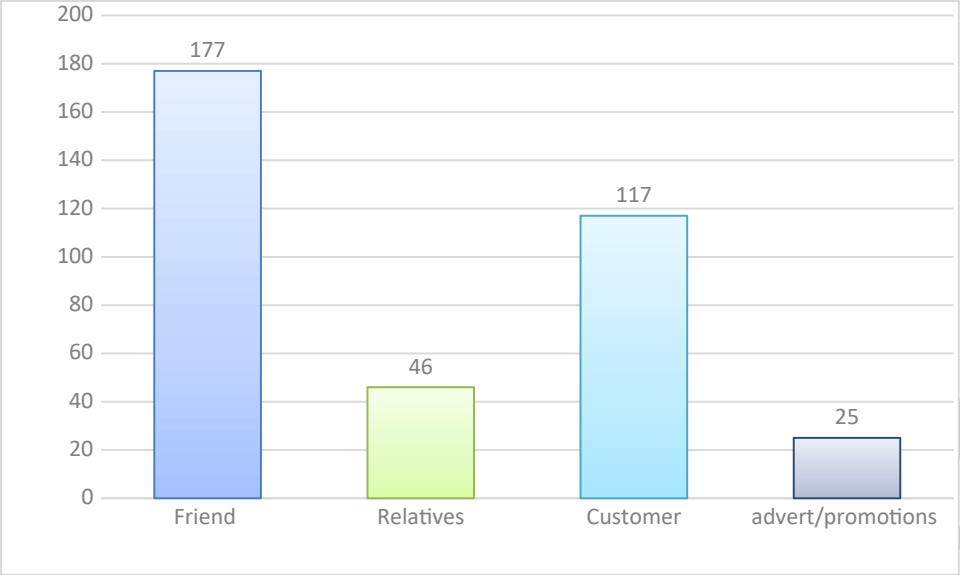


Figure 8: Ways women came to know and join microfinance programmes

Source: Researcher's field data, 2024

From displayed data in Figure 8 above, majority 177(48%) came to know microfinance through friends, 117(32%) through customers, 46(13%) from relatives and 25(7%) was through promotions. This implies that the best way to promote microfinance credit is through social networking. Knowing through customers, implies that some of these women were already entrepreneurs and operating business before joining microfinances services. This demonstrates that women who were already entrepreneurs needed funds to boost their businesses, hence increase the probability of sustainable livelihood. There is also implication of other source of income as indicated above in this chapter. Having businesses before joining microfinance services, indicates rural women potential and willingness of business uptake to change the standard of living of both women themselves and their households. This argument is consistent with studies such as Datta and Sahu (2021) who confirmed that women's income goes to cater the needs of their households, and Kato and Kratzer (2014) who observed that greatest part of women's income is spend on children's and domestic needs. The findings also indicated good networking since most of respondents came to know microfinance through customers and friends. This means the good relationship with their customers and friends opened doors to new opportunities (microfinance credit) through exchange of ideas. These findings indicated that through customers, a significant number of rural women had established or boosted their economic

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livelihoods while others through friends were for new business set-ups. Such network greatly enforces group work which contributes to sustainable livelihood.

vii) Respondents' most attractive product and loan cycles

Though microfinance provide various products/services, women were asked to indicate the most microfinance product that attracted them and the number of loan cycles received. This was necessary for the researcher to understand whether rural women have freedom to access credit that is crucial for business set-up as an economic livelihood. Loan frequency is an indicator of business growth and development leading to sustainable income generating activity.

Table 7

Most product that attracted women and number of credit cycles received

Variable	Types of answers	Frequency	percentage
Microfinance products	Savings	40	11
	Credit	325	87
	Insurance	1	1
	Deposit	1	1
	Totals	**367**	**100**
Loan cycles	4	20	5.5
	3	148	40.4
	2	107	29.2
	1	83	22.7
	5	6	1.6
	6	1	.3
	8	1	.3
	Totals	**366**	**100.0**

Source: Researcher's field data, 2024

In the Table 7 above, majority 325(87%) of respondents indicated that credit was the main attraction, 40(11%) reported savings while insurance and deposit had equal share of 1%

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each. This shows that the respondents preferred credit more than any other product, probably to meet the pressing needs or there was a pressure that they should borrow funds. Ali (2014) observed that married women sometimes use their names to borrow microfinance funds for their husbands. Credit that is not handled by the borrower does not fully serve the intended purpose. This imply that such credit does not enhance activity sustainability because of diversion. In other words, it threatens women's sustainable livelihood. To ensure the respondents had enough experience on microfinance credit, women were required to indicate number of loan cycles they received from their microfinances. Results presented on the same table above indicate that women borrowed funds several times. Findings showed that women had enough opportunity of accessing microfinance credit. The respondents who borrowed three times constituted 148(40.4%), 107(29.2%) received twice, 83(22.7%) were credited once, 20(5.5%) borrowed four times, those borrowed six and eight times were equally 1(.3%) while 6(1.6%) received five times. Results indicated respondents borrowed loans up to five times. A key informer from qualitative research said:

> *I formed a group with my friends (5) after college in 2016. In the first year we saved so that we are able to take a loan of our choice. As I speak today, we are repaying the third loan which we invested in a nursery school project. (Interviewee no.3)*

These findings meet researcher's expectations that the more loan cycles received the more information the respondent had. It can mean that the respondents provided the correct information because almost three-quarters of respondents borrowed two and above times. That means they have worked with microfinance for more than three years. Narrative findings demonstrated that microfinance is creating economic opportunities to young, college leavers women through credit provision. It is true that microfinance is creating jobs for young generation, school and college leavers. It's observed that savings determined the size of loan a client can apply for. This means the smaller the savings, the smaller the loan size and the larger the savings, the bigger the loan size. In other words, savings greatly influence women's sustainable livelihood in terms credit size. The above narrative is in line with Kisaka and Mwewa (2014) who stated that increased savings enable business owners

ST. PAUL'S UNIVERSITY

to access large micro-loans to increase working capital and this contributes to sustainable livelihood. Therefore, savings goes hand in hand with economic sustainable livelihood.

viii) Respondents' amount of loans received lastly.

Keeping in mind KWFT and Uwezo were meant to start or expand existing business, this study sought to understand the last loan size, respondents borrowed. This was to enable the researcher to know whether granted loans are adequate to sustain income generating activities or clients need boosters elsewhere. The loan size sometimes determines business stability and capability of loan repayment. This is because women borrow in accordance to business income generation.

Table 8

Amount of loans received lastly

Amount in KESH	**frequency**	**percentage**
100000-200000	211	58
210000-300000	135	37
310000-400000	20	5
Total	**366**	**100**

Source: Researcher's field data, 2024

Data displayed in Table 8 above, shows the last loan women borrowed before commencing of this study. Results reported that majority 346(95%) borrowed between Ksh.100000-300000 bracket and 20(5%) borrowed Ksh.310000-400000. This implies that microfinance provide adequate loans. Results demonstrated that respondents access credit possibly according to their capability. Freedom of loan accessibility improves financial constraints of business operation (Kisaka & Mwewa, 2014). Findings also indicated that only a small number (5%) of respondents interested in huge credit. The limit may be due to loan repayment challenge either caused by high interest or low-income profit. Existing literature (Bichanga and Aseyo, 2013; Kamar and Ayuma, 2016; Maina and Kalui, 2014) argued that high interest rate that microfinance business women are experiencing, is creating high loan default among women credit borrowers. Loan defaulting is contributing to loss of income generating activities and in turn loss of sustainable livelihood.

ST. PAUL'S UNIVERSITY

ix)Respondents' utilization of the last loans.

The main aim of microfinance credit is to have poor rural women run their own income generating activities and became self-employed, self-reliant and independent. This development agent believed that when women are financed, poverty is reduced and women earn daily, improving their well-being as well as that of the household (Grameen Model). The study went ahead to establish what women did with their last loans before this study. Below is the field gathered data on this case.

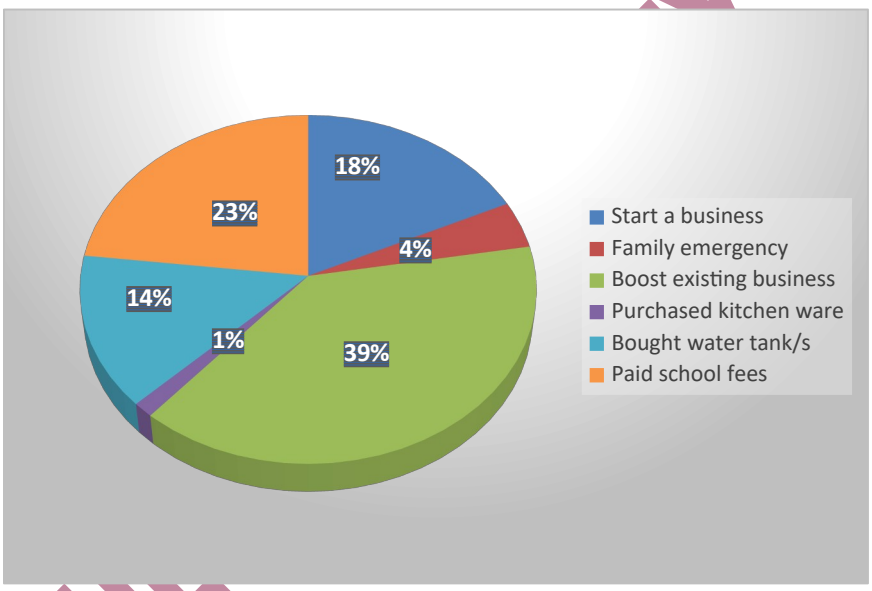


Figure 9: Last loan utilization

Source: Researcher's field data, 2024

Figure 9 above, displays respondents' last loan utilization. It was necessary to gather this information for enabling the study to know how women use their microfinance credit to sustain their livelihoods. With the last loan, a significant number 316(39%) boosted existing businesses and 149(18%) started new businesses. Findings revealed that 348(43%) diverted part of loans. Analyzed data show that the last loans were shared according to the needs each respondent had. Clearly, the greatest part of borrowed funds settles non-income generating activities.

From qualitative research, one respondent Key Informer said:

"*My last loan as I speak is the third loan of two hundred and thirty thousand. This money plus accrued savings I bought a land (Ksh.250000) and restocked my cereal business with a fraction of the loan." (Interviewee no.6)*

Respondent *No.* 290 stated that:

> *when I took Two hundred and ninety thousand shillings (Ksh.290,000) from KWFT, I paid secondary and college fees for my two sons. I also paid seventy-six thousand shilling, medical bills for my husband and used some part of it to boost my cereal business. Both, the Tuk-tuk and Boda- Boda had mechanical problems and therefore I repaired them. My businesses were generating good income before Covid- 19 pandemic. So, I knew repaying was not a big challenge. These days I cannot predict what I get daily. With the effects of corona virus and economic crisis, my income dropped greatly but I am still working hard and expecting things to change.*

From the qualitative results, the study observed high diversion of microfinance credit, evidenced by paying school fees, buying water tanks, settling family emergency and purchasing kitchen ware. Diverting loans to non-incoming generating activities translates to shortage of funds to improve and sustain businesses. Though education is an investment, in this case it is not a fast- generating income activity. It's worrying to note that some business may collapse temporary or permanently. This observation concurs with Bichanga and Aseyo (2013) whose study revealed that a third of respondents did not spend their loans on intended and agreed projects. This explains women's unstable economic livelihoods. This is an area where credit providers need to emphasize during training before loan disbursement.

However, contrary to these expectations that loans would be invested in income generation activities, qualitative data revealed equally results. Narrative findings from the two respondents above, demonstrated the same results. Women spend much of their loans in non-income generating activities than the intended purpose of income generating activities. It is clear to say rural women are heavily burdened by household responsibilities as indicated by both quantitative and qualitative research designs (Garikipati et al., 2017). These findings are consistent with Kireti and Sakwa (2014) who observed that credit

ST. PAUL'S UNIVERSITY

accessibility increased rural women's territory of credit expenditure. Rural women are accessing credit in the name of improving their business but diverting to other non-business activities.

x) Respondents' income generating activities

The researcher sought to understand type of income generating activities women started with their first loans. The study examined this information to know whether women are running income generating activities, enhancing sustainable livelihood. Existing literature (Bichanga and Aseyo, 2013; Kamanza, 2014) and also this study's findings observed that women divert their credit to non-income generating activities which do not generate funds for repaying borrowed loans, thus threatening their livelihoods. This data was analyzed through content analysis and results presented as below.

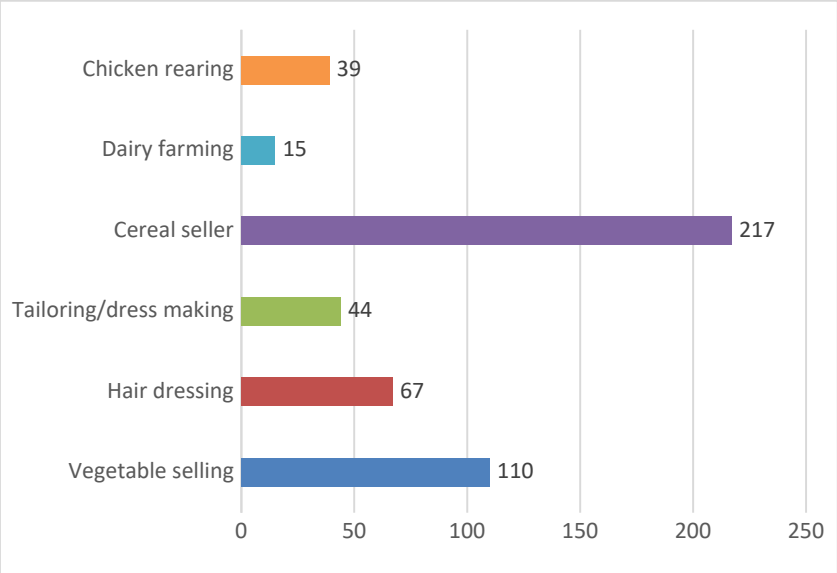


Figure 10: Business activities women started with the first loans

Source: Researcher's field data, 2024

In figure 10 above, majority 217(59) of respondents invested their first loans in cereals' business, 110(30%) in vegetables' business, 67(18%) in hair dressing, 44(12%) in tailoring/dress making, 39(11%) in chicken rearing and 15(4%) dairy farming. This implies that a significant number of rural women (respondents) engaged in businesses that involve

arable farming. It may mean that starting cereal and vegetable business does not require heavy capital like a dairy farming, chicken rearing and hair dressing. Rural women grow cereals in their shambas and this may contribute to less working capital. These findings correspond to Avornyo (2013) who found that rural women in Ghana had all business choice of what was termed as female jobs. Despite job creation such business, the income or profit generated is low which might be a challenge to sustainable livelihood. Another possibility of choosing cereal business could be the size of first loan cycles microfinance provide. It's difficult to start up and manage a new business with small size working capital. As said above, Uwezo Fund provide group loans which is shared among group members unlike KWFT that provide individual loan. This means group members get small size loans that might not be able to meet the required business needs. Inadequate funds or small size loans may lead to starting business that is not one's choice and interest. Small loans do no enable rural women to operate sustainable economic activities (Kisaka & Mwewa, 2014).

xi) Numbers of business failure and business activities currently in operation.

Lack of adequate capital or low business income may lead to business failure, denying women economic sustainable livelihood (Muturi, 2016). The study thought it was important to find out about number of times business failed as well as number of businesses each respondent currently operates. Through this data the researcher will be able to identify those respondents who lost their businesses. Field data collected to answer this, is tabulated below.

ST. PAUL'S UNIVERSITY

Table 9

Time's business failed and number of business activities operating

Variable	Types of answers	Frequency	Percentage
Funded business failure	0	140	38
	1	179	49
	2	39	11
	3	9	2

	Totals	**367**	**100.0**
Number of business activities women are operating	0	8	2
	1	125	34
	2	176	48
	3	56	15
	4	2	1
	Totals	**367**	**100**

Source: Researcher's field data, 2024

From the data displayed in Table 9 above, 140(38) had no business failure, 179(49%) experienced failure once, 39(11%) businesses failed twice and 9(2%) failed thrice. The study observed that accumulatively 227(62%) of respondents experienced business failure at least once. This shows that more than 50% of respondents had unstable businesses. Business failure is an indicator of temporary or permanent closure of business, hence lack of livelihood for some time or permanently. Business closure results to loan repayment failure since funds for repayment comes from business income. According to Kamanza (2014), loan default contributes to consequences that affects the well-being of individuals as well as households. Further, the study sought to understand number of businesses each respondent operates at the time of this study. The findings revealed that a total of 8(2%) had no business in operation, majority 176(48%) had two businesses in operation, 125(34%) of respondents had one business while cumulatively 58(16%) had three and above businesses. Interestingly, a significant number 359(98%) operate at least a business. Importantly, the comparison between the number of business failure and business in operation reveals high revival of business. In other words, 62% business failure and 98% business in operation. It's clear to say that there is high level of business failure but short lived, evidenced by a small percentage with no business in operation.

ST. PAUL'S UNIVERSITY

Respondents from interview data collection said:

> *When I got my first loan, I started chicken rearing business. This business did not fair well because I lacked knowledge of how to run it. Many of the chicks died of diseases. I was left with few and was still repaying the loan through borrowing here and there. As I talk now, I have no profitable business. (Interviewee no.5)*

After I received my first loan of fifty thousand shillings, I started chips kiosks and mobile egg selling. I wanted a Boda-Boda investment but because of small working capital, I opted to start chips selling. After two months, I was unable to operate this business. My business was not generating enough. I increased the egg mobile selling. Surprisingly, my workers started stealing egg income. I stopped this and started cereals which I operate up to date. (Interviewee no.13)

Like the quantitative findings, the above qualitative resultsimply that though women are facing business failures, most of these failures are not permanent. Women are working hard trying various businesses to improve their livelihoods. This was evidenced by numbers of businesses women operate at the time of this study. The study observed some respondents without business which possibly could have been caused by lack of adequate capital (mentioned by interviewee no.13), lack of knowledge and skills (narrated by interviewee no. 5) or larger portion of credit diverted. Interview data indicated shifts from one type of business to another. It means from interview results, women operated trial and error method to come up with what they can manage. This could be caused by lack of adequate and relevant training according to the business in operation. These sentiments and results are opposing Kisaka and Mwewa's (2014) findings that revealed relevant training increased business survival, profit and growth. From the findings it is possible that those with no business and have loans possibly they dependent on their relatives for mandatory loan repayment.

xii) Respondents' business location

Business locality to some extent influence economic sustainable livelihoods. It is assumed that rural women deal in almost the same type of product or services leading to low income and profit. Further, it is said that culture forbids women mobility outside their homestead (Muralidhan et al. (2015). His study states that the deep-rooted cultural beliefs and traditional practices of society prevent rural women playing their full role in development process. Muralidhan et al. recommended that such cultural practices hinder improved sustainable livelihood and stagnate women's development effects. Out of 14 rural towns where these income generating activities are located (Kwa Musyoka, Mumbuni, Mutituni,

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Tumba, Muumandu, Katoloni, Yaitha, Kaani and Kaseve) several businesses are found along highways from Machakos town to other counties or sub-Counties. For instance, Kaseve with the highest number 58(15%) is situated along Machakos-Kitui road, Mutituni along Machakos-Kangundo road and Katoloni along Machakos -Makueni road among others. It's an indication that the respondents' potential customers include passengers travelling to and from other counties or sub-Counties. From the findings, it seems that reliable customers are found along main roads (highways) and not within their localities. This means that business locality influences economic sustainable livelihood.

xiii) Microfinance trainings and number of times women trained

Training is a non-financial or non-kind product that microfinance provides to rural women engaging in microfinance credit. Trainings empowers rural women with knowledge and skills necessary for operating and managing business successfully (Kisaka & Mwewa, 2014), which in turn translates to sustainable livelihood. According to Bichanga and Aseyo (2013) sufficient training that women are given frequently increases women's business income. The study sought to understand whether KWFT and UWEZO provide adequate trainings before and after loan disbursement. This data is tabulated in the table below.

Table 10

Women who trained before and after loan disbursement

Variable	Type of answers	frequencies	Percentages
Before	Yes	188	51
	No	179	49
	Totals	**367**	**100**
Times training received before	0	124	34
	1	150	41
	2	76	21
	3	14	4
	Totals	**364**	**100**
After	Yes	132	36
	No	235	64
	Totals	**367**	**100**

ST. PAUL'S UNIVERSITY

Times training received after	0	174	47
	1	142	38
	2	45	12
	3	4	2
	4	1	1
	Totals	**366**	**100**

Source: Researcher's field data, 2024

Findings in Table 10 above, pointed out that 188(51%) of respondents reported provision of trainings while 179(49%) no trainings provided at this time. Further, the study reported that before loan disbursement, 124(34%) of respondents received no training, 150(41%) received once while accumulatively 90(25%) trained between 2 to 3 times. It means that women trained according to their interest and willingness. It is true that microfinance provide trainings before loan disbursement despite that some women received no training. Since joining microfinance varied (in years), possibly there could be times that microfinance did not provide microfinance as reported by 49% of respondents. After loan disbursement 174(47%) did not train at all, 142(38%) trained once and 50(15%) trained 2 to 4 times. This translates that 192(53%) of respondents received training. The findings mean that trainings after, are provided, though a significant number of the respondents reported lack of trainings. Indication here is that women are given training but not all the time or rural women do not attend trainings after loan disbursement. This should be compulsory since it equips rural women with knowledge and skills necessary for sustainable income generating activities. The findings are contrary to Muturi's (2016) observation. His findings reported that before clients receive loans, its compulsory to attend trainings that enable them to invest their loans in the intended purpose (activity). Mengesha and Mishra (2023) commended those loans given with proper trainings are more effective in addressing socio-economic problems and increasing sustainable livelihood. Two respondents from interview data stated the following narratives.

> *I did not train after I received my first loan cycle. To say the truth many of us (rural women), attend trainings before the first loan. In many times rural women do not participate in trainings after loan disbursement. After starting income generating activities my burden increased while time decreased. Operating a business increased my responsibilities despite that I earn daily. (Interviewee no 13)*

ST. PAUL'S UNIVERSITY

When we (rural women) are called for trainings, I always wish to attend but the time of going, I find myself unable. There is no training I attended and not that I do not want but because of lack of time. I have compulsory responsibilities that deny me time to open my business on time. We as women have a lot to do in our households. (Interviewee no. 10)

Similar to the quantitative findings, immediate above qualitative results indicate that rural women do not attend all the trainings (before and after loan disbursement). Due to household responsibilities most respondents opted to attend before loan disbursement training. Both sessions of training are very important. Training after loan disbursement means that training taking place after business set-up or business in operation. Trained rural women on business skills are likely to experience minimal difficulties in running their income generating activities. A long side with increased business income, training improves personal qualities such as confidence and attitude that translates to increased sustainable livelihood (Yusof et al., 2013). In line to these sentiments, Muturi (2016) commented that training helps women to operate their income generating activities with high confidence and commitment.

ST. PAUL'S UNIVERSITY

xiv) Training benefits women attained

The study observed that some respondents received trainings. Trainings empowers business women with crucial knowledge and skills that are necessary for successful business operation. The study explored the knowledge and skills women gained before and after loan disbursement during trainings. This data was gathered by use of open-ended questions of quantitative questionnaire, analyzed through content analysis and presented as below.

Table 11

Training benefits before and after loan disbursement

Variables	Category of benefits	Number of mentions	Percentage of mentions
Benefits before loan	No gains	65	21

disbursement	Loan application& repayment	107	35
	Business locality	14	3
	Loan investment	79	26
	Importance of groups	26	8
	Monthly savings	18	6
Benefits after loan disbursement	No gains	99	45
	Business record keepings	49	22
	Opening saving accounts	37	17
	Customer's service	9	4
	Benefits of groups	14	6
	Stocking/marketing products	7	3
	Loan application& repayment	7	3

Source: Researcher's field data, 2024

Table 11 above shows displayed data of benefits women gained after training. Majority 107(35%) before loan disbursement gained knowledge on loan application and repayment, 79(26%) on business investment, 26(8%) importance of groups, 18(6%) on monthly savings and business locality was 14(3%). Results after loan disbursement show that 49(22%) trained on business record keeping, 37(17%) opening savings account, 14(6%) on benefits of groups while loan application and repayment, and stocking/marketing products had equal number 7(3%) of respondents' mentions. It's worrying to note that before and after some respondents gained nothing (before 65(21%) and after 99(45%)). This means some rural women are on trial-and-error method in operating their income generating activities. It's clear to say that rural women experience challenges that could have been solved through trainings and increase chances of women's sustainable livelihood. In the same table the findings show that microfinance emphasis more on loan application and repayment, on groups and savings. This is evidenced by the appearance of these variable in both sessions, before and after loan disbursement frequent business training contribute to collapsing of economic activities leading to high loan default which in turn negatively impacts on sustainable livelihood.

4.4.2 Microfinance Characteristics

Microfinance characteristics refers to the policies undertaken by poor rural women during accessing and repaying. This study sought to understand the impact of loan interest rate,

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Self-help group policies and microfinance loan recovery methods on women's economic activities which greatly contribute to women's sustainable livelihood. To answer this, business failure, loan interest rate and defaulting, respondents' causes of defaulting, microfinance loan recovery methods, challenges experienced and women's self-help group policies were the questions used to gather field data to achieve this objective.

i) Respondents' business failure

Business failure demonstrates unstable livelihood and to some extent loss of livelihood (Kisaka & Mwewa, 2014). The researcher went ahead to inquire whether respondents experienced business failure and the number of times the business failed. This was necessary to understand whether at one time respondents lost their economic livelihoods or had no livelihoods.

Table 12

Business failure and times business failed

Variable	Type of answers	Frequency	Percentage
Business failure	Yes	140	38
	No	227	62
	Totals	**367**	**100**
Times business failed	0	198	56
	1	98	28
	2	38	10
	3	17	5
	4	4	1
	Totals	355	100

Source: Researcher's field data, 2024

Results displayed in Table 12 above, established that 140(38%) of the respondents faced business failure while 227(62%) had no business failure. Further, the study inquired the number of times of business failure each woman faced. Generally, almost half 157(44%) of the respondents experienced business failure at least once. It can be inferred that at one time a good number lost their livelihoods. The study further intended to find out the nature of business failure respondents experienced. Out of 367, majority 149(44%) had temporary closure/failure, 49(15%) closed their business permanent and the rest had no failure. It is

ST. PAUL'S UNIVERSITY

possible to say that some women lost their economic livelihoods while others closed (lost) for some time and reopened or changed to another type of business. This was echoed by respondent no. 316 and no. 110 who said:

Respondent no. 316

> *First, I started selling eggs. The eggs were not moving fast, so I was not getting enough money to repay the loan. After four months unable to repay my loan, KWFT came to my home and carried some items- gas-cooker, TV, wall unit to sell and get their money. I stopped the business for five months then borrowed some money from Women enterprise Fund (WEF) and opened cereal business. Now my sales have increased and started savings. I have someone helping in my business so that when I am not there somebody can carry on the work for me.*

Respondent no. 110

> *I started with vegetable business. I sold vegetables for one year (2018-2019) and October I began the cereal shop which I run up to sometime. Later I dropped vegetable business to cereal selling because the vegetable items were going bad very fast especially during Covid 19 time. During lock down in Machakos County because of Covid 19, I closed my cereal shop for a whole month and reopened later. It was not easy to run this business during the lockdown. Sales went down even sometime without selling for three days. I needed funds terribly but that time meetings weren't held. This trend continued till mid-2021. I found it difficult to run business during this time. Though my business survived many rural women lost their business.*

ST. PAUL'S UNIVERSITY

The findings for respondent No. 316, show that to some extent microfinance worsened rural women's livelihoods. Women lost their household items through auction. Property confiscation may lead to increased poverty, low self- esteem and lack of confidence, and sometimes conflict in the family. Results indicated that after business collapsed, respondent borrowed elsewhere to change the type of business. This demonstrates women's commitment to improve their livelihoods through economic activities as well as involved in

multiple borrowing. Respondents 110 narrated how Covid 19 disrupted her business even after shifting from vegetable to cereal business. Results demonstrate that rural women practice business shifting, that is, changing from one business to another in order to find out which can do best. The findings are in contrary with Yusof, Hassan and Makol (2013) that when rural women involve themselves in economic activities, improved well-being and sustained economic livelihoods are realized.

ii) Loan interest and defaulting

Microfinance charge their clients interest rate in repaying loans for microfinance financial sustainability. Literature observed that interest rate influence loan repayment (Kamanza, 2014) which in turn has impact on sustainable livelihood. The researcher sought to know whether rural women were comfortable with the interest rate charged at the time of this study and were loan defaulters. Gathered field data results are displayed in the table below.

Table 13

Loan interest and defaulting

Variable	Type of answers	Frequency	Percentage
Comfort of interest rate	Yes	117	32
	No	250	68
	Totals	**367**	**100**
Loan defaulters	Yes	128	35
	No	239	65
	Totals	**367**	**100**
Number of defaulting	0	232	69
	1	71	21
	2	18	5
	3	10	3
	4	6	2
	Total	**337**	**100**

Source: Researcher's field data, 2024

High interest rate negatively affects economic livelihoods. Information about repaying interest rate was important to understand its influential on women's income-generating activities. Table 13 above, displays data findings of interest rate and defaulting. Majority 250(68%) were not comfortable with the interest charged while 117(32%) were

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comfortable. Those were not comfortable probably belonged to KWFT whose interest rate said to be 25% or more (chapter 3 above). This may mean the interest rate is not women's expectation and probably negatively affects their livelihoods. From the table, it can be observed that 239(65%) were not defaulters while 128(35%) defaulted. Further, displayed data indicate that some respondents defaulted several times. Out of 337 participants, 71(21%) defaulted once, while 34(10%) defaulted between twice and four times. Loan defaulting contributes to business closure which in turn results to unstable or lack of economic livelihood. However, findings show high commitment of loan repayment despite high interest rate in some microfinances. Abbas and Honghui (2016), and Addae-Korankye (2014) stated that loan defaulting contributed to collapsing of income generating activities, thus denying women their livelihoods.

iii) Respondents' causes of loan default

Literature revealed that loan defaulting is an indicator of unstable or collapsing of business (Addae-Korankye, 2014). Defaulting is associated with lack of inadequate funds to repay loans and manage business. Literature show that loan defaulting is a result of poor or lack of loan repayment (Abbas & Honghui, 2016). This study therefore finds out the reasons (causes) of default that led to women's unstable economic activities. The results are shown below:

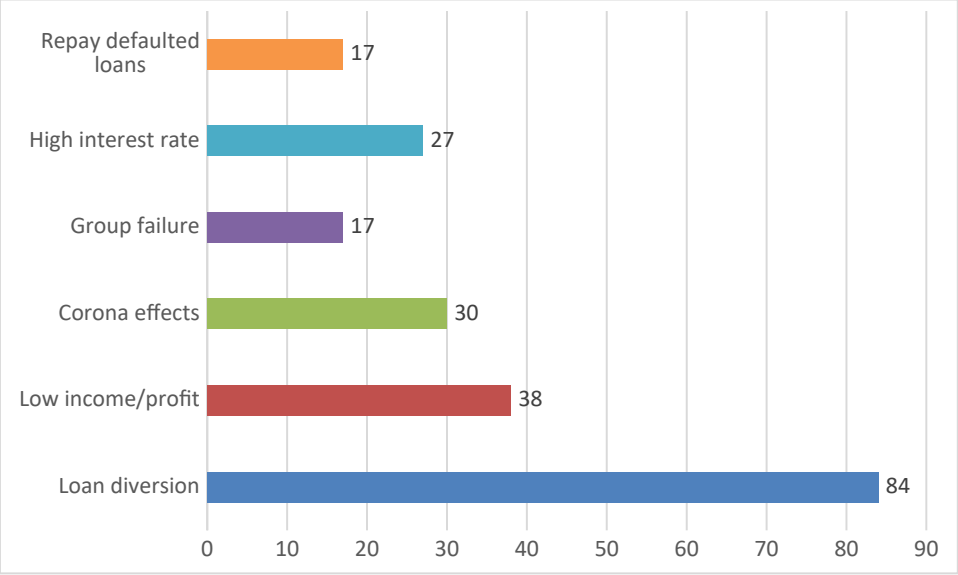


Figure 11: Causes of loan default

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Source: Researchers Field data, 2024

Figure 11 above, displays various causes of loan defaulting that respondents reported. Out of 213 mentions, majority 84(39%) reported that loan diversion is the main cause, followed by low income 38(18%), corona effects 30(14%), high interest rate 27(13%) while equally 17(10%) represented repayment of defaulted loans and group repayment failure. Repaying defaulted loan, means unpaid loans of a group member, paid by the rest of members in the group through each contributing towards the loan during a meeting (Haldar & Stiglitz, 2016). Group failure is where everyone in the group has not repaid her loan instalment. As shown, loans were not utilized in intended purposes. The loan diversion demonstrates that probably the larger part of received loans address non-income generating activities. It also indicates rural women's heavy household responsibilities that is solved through use of microfinance loans. Loan diversion denies business funds for business maintenance.

iv) Microfinance loan recovery methods

Loan recovery methods refers to the techniques or strategies microfinance use to recover unpaid loans (Kamar and Ayuma, 2016). The loan recovery method is termed as an essential component for ensuring microfinance financial sustainability. It was therefore necessary to understand its effects on rural women's income generating activities. These techniques or strategies are shown below.

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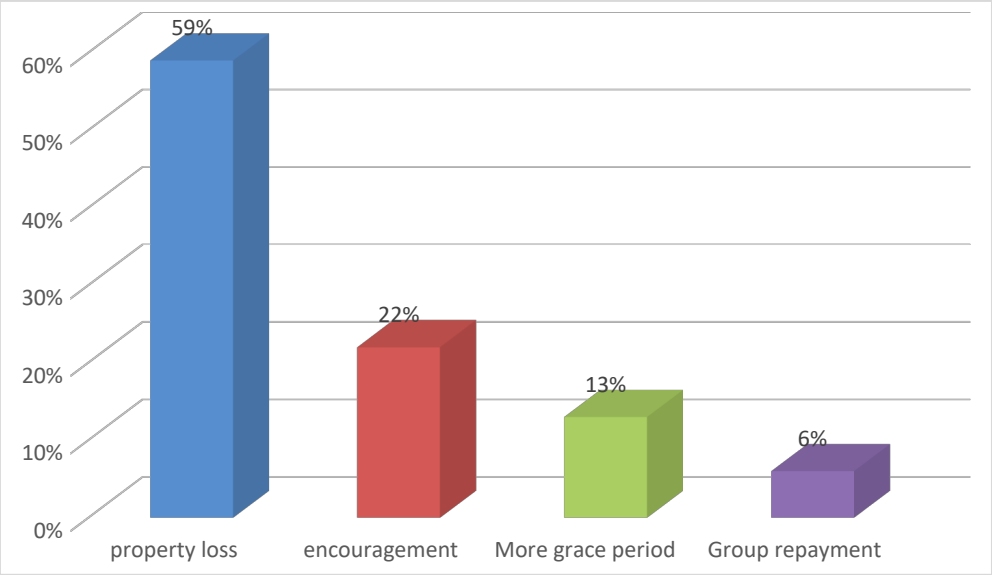


Figure 12: Methods of loan recovery

Source: Researcher's field data, 2024

Figure 12 above, depicts content analyzed data of loan recovery methods that microfinance uses to recuperate any unpaid loan. Out of 457 mentions, two hundred and sixty-nine (59%) reported property confiscation, one hundred and one (22%) mentions were for encouragement, fifty-nine mentions represented more grace period while twenty-seven (6%) were for group repayment. Property loss is where microfinance carry defaulter's or family's property to sell to repay the unpaid loan. Group repayment is where group members contribute funds to repay defaulted loan caused by a group member. When a member fails to honor her loan, the whole group suffers the consequences of repaying the loan in case the member is unable (Grameen solidarity group theory). Encouragement method is where microfinance leaders take the responsibility of encouraging and repayment period is prolonged. More importantly, property confiscation results to loss of property which rural women and their families may had acquired before or after joining microfinance programmes. This action's consequences impact negatively on both individual women and their families. Group members' contribution towards defaulted loans affects business income and to some extent savings. Further collected narratives from Uwezo respondent no.360 and KWFT respondent no. 355 respectively supported these sentiments when said:

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Uwezo respondent no.360 stated that "*Uwezo teachers always sit with us and encourage to pay defaulted loans. They tell us that the faster we repay our loan the sooner we get a larger* loan."

KWFT respondent no.355

> *When I defaulted, I ran away, avoiding my property from being carried away. It's a shame to see my family property carried when everybody in the village is watching. The badness with KWFT, it does not listen but needs the money or go with property.*

These findings clearly show that different microfinances respond differently to defaulted loans. Women funded by KWFT experience rough times while with Uwezo, women are encouraged to repay to get better services. It demonstrates that women leave their homes and possibly their economic activities. Further, results revealed that some of loan recovery methods such property confiscation frighten and bring shame to respondents. This may indicate operating businesses under fear and sometimes not running their business in case one is a defaulter. Additionally, it shows how these businesses are unstable and generating low income. This finding is in accord with Kamar and Ayuma's study (2016) that revealed that debt recovery techniques ensure the major goal of the microfinance of making profit is sustained without considering what repercussions occur on client's side. Two of those interviewed on microfinance loan recovery said:

> *I can say that loan recovery methods are contributing to disempowerment of rural women. When a woman defaults, she becomes stressed and depressed and sometimes decides to hide or drop from the group members. Our microfinance has no patience with us, loan defaulters. Women lost properties through loan recovery. Sometimes to avoid such shame, women use borrowed loans to repay loans. (Interviewee no 4)*

> *There is no time Uwezo Fund carried property from any of our members. Our loans are for groups not individuals and loan remittances are in form of*

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group collection. We don't submit if one has not contributed. Loan defaulting is for all group members not individual. The punishment we got so far for loan defaulting was withholding the group loans until we paid. Uwezo Officials tirelessly encourage members to repay and get more and better loans. (Interviewee no.9)

Cleary there is a challenge with loan recovery as demonstrated in the above qualitative results. Both lenders and borrowers experience different challenges concerning loan arrears recovery. The results indicate that actions on loan recovery depend on individual microfinance. Lenders face financial unsustainability while some borrower incur property loss while others, group loans were withheld. The actions taken by the lenders is in accord with Kamar and Ayuma (2016) observation that debt recovery technique plays a key role in ensuring that issued loans result into the preferred making of profit. This implied that some financial institutions are more concerned with the profit making rather than how successful they are in improving women's sustainable livelihood. Importantly, borrowed loan repay itself instead of supporting a business. Clearly the respondents said that it was done to avoid loan defaulting which may result to property loss.

v) Microfinance challenges rural business women experience

Through groups, poor rural women are accessing microfinance credit to start or boost existing businesses. The study sought to understand challenges poor rural business women experience related to microfinance services that hinder women's sustainable livelihoods.

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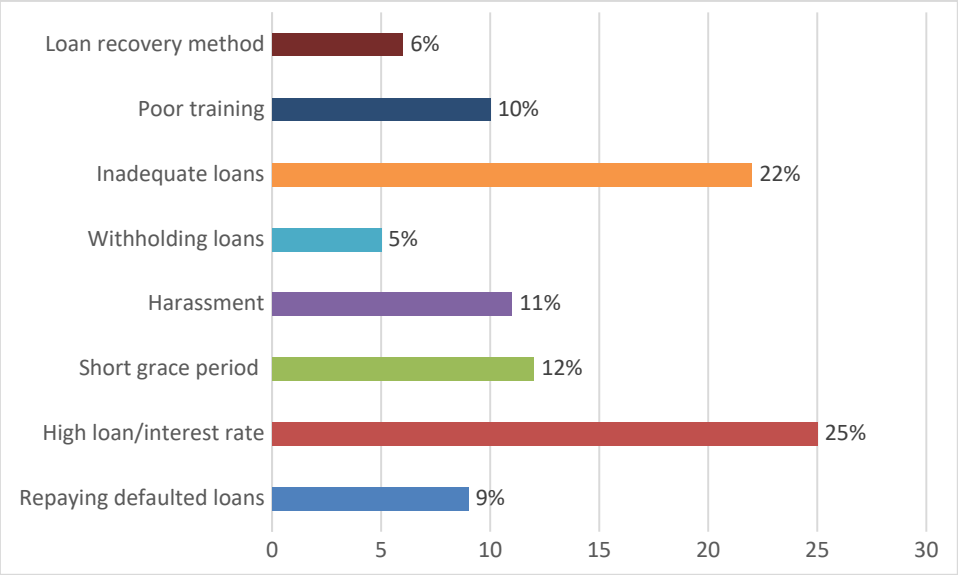


Figure 13: Challenges related to microfinance services

Source: Researcher's field data 2024

Figure 13 above represents challenges; microfinance services pose on poor rural women as they use microfinance services. Gathered field data were analyzed through content analysis. Out of 508 mentions, the overall challenges were high loan interest rate (129(25%)) and inadequate loans (107(22%)). At a distance was withholding group members' loan (22 (5%)). The study revealed a significant number of challenges as shown in the figure above. High loan interest rate challenge in this study refers to interest charged in loan repayment. According to the findings, it means that much of business income is spend on loan repayment and not improving livelihoods. It implies that restocking businesses has some difficulties and lack of restocking translates to business failure, hence loss of livelihood. Inadequate loans refer to small loans provided to women especially in first circles as expressed by respondents in open-ended questions. Such loans may contribute to poor business set-ups especially first stocking which also may lead to low business income. Supporting this, three respondents said:

Respondent 169

When there are loan arrears in the group, loans are not disbursed until the arrears are paid. One time I failed to get my loan in time because two

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women had defaulted. The delay affected my business income. This loan was to restock my business but it delayed. I got it later after we settled the defaulted loan. Though its groups responsibility to push members to pay, I request microfinance to allow clean members to get their loans.

Respondent 259

I am facing difficulties when repaying the loan. The loan is small at the time of borrowing but big at the time of repayment. I learnt that loan repayment is a combination of the capital and interest. I am not comfortable with the interest charged. Monthly repayment is too high. Let my microfinance, KWFT, understand that we(women) use that small business income to meet all our needs including loan repayment.

Respondent 366

Uwezo provides small loans shared by group members especially in the beginning (first cycles). My share was not enough to run the business I wanted and so, I paid fees with my share. Because I did not have income generating activity, I paid my loan from casual work and my husband's assistance.

From these findings, loans provided are inadequate to start and sustain a business. The loan inadequacy contributes to loan diversion putting women in heavy task of loan repayment. It means that for women to start business they want, they have to seek more funds elsewhere. The study revealed that some spouses assist their wives in loan repayment when things get into worst. There is also evidence of multiple borrowing which increases women in debt affecting livelihoods. Further results imply that loan defaulting, stops disbursement of loans to other group members. Loan defaulting implies that not only defaulter's business can close down but businesses of those in the same group with the defaulter. Qualitative data reflected the following on the same.

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From the above narratives, first loan cycles seem to be small compared to its use in the business. The interest charged, possibly is high such that to settle household needs and repay the loan using business income sounds difficult. If loan is inadequate for the intended purpose, women prefer diverting to non-income generating activity. For instance, respondent no. 366 confirmed that she paid school fees with her loan share and preferred to repay the loan from casual work and husband's assistance. Clearly, she indicated that she has no sustainable income generating activity and rely on casual work and spouse for loan repayment. This action of paying fees with business loan was contrary to Akter and Ahmad's (2020) results that revealed that rural women used their savings on children's education. Their study revealed that rural women's savings were used during household risks, children education and purchasing of assets. Findings demonstrate that at times rural women do not get enough loans to start-up or boost a business. This may indicate that some women operating no business but access microfinance loan. This area needs further investigation and microfinance should ensure intended purpose is achieved with the applied loan.

iv) Group policies hindering business permanence

Joining a group that links poor rural women with microfinance to access credit is compulsory. Being a microfinance policy, the study sought to establish the hindrances of group policies on women's business progression or sustainable livelihood. Groups are necessary on women economic empowerment especially where there are no hard collaterals such as land title deeds. The figure below shows gathered group hindrances data on women's income generating activities.

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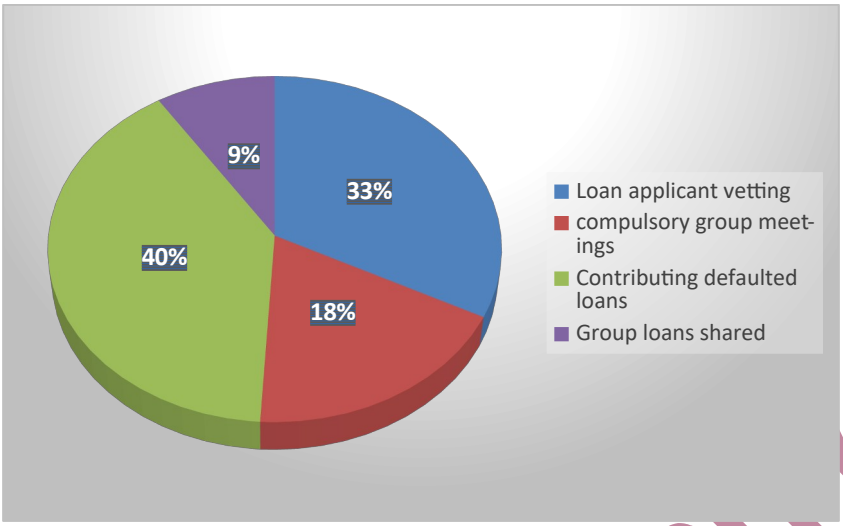


Figure 14: Group policies hindering business sustainability

Source: Researcher's Field data, 2024

Figure 14 above, present's content analysis data of group policies hindering women's sustainable livelihoods. Out of 424 mentions, 169(40%) reported contribution of group members towards defaulted loans by their colleagues. One hundred and thirty-eight (33%) reported loan applicant vetting, 78(18%) compulsory group meeting while 39(9%) were sharing of group loans. Contributing towards defaulted loan in this study refers to group members repaying defaulted loan of a member. Vetting loan applicant in this study means group members discussing women who applied for loans their capability of loan repayment. This is done before group members sign the loan application form for approval. Every month rural women meet to repay their loans as well as to apply loans. These are compulsory meetings and women must attend.

Results revealed that social collateral affects women's sustainable livelihoods. After repaying their loan instalments, women are forced to use the surplus to repay their colleagues defaulted loans. It demonstrates that women do not save adequately for future business security due to this kind of contribution. It also means that their businesses are in danger in case the funder terminates. On the other hand, loan applicant vetting sometimes touches other family members. This may lead to poor relationship, poor networking and some members dropping out of the group. When good relationship and networking erode in a group then mistrust and tag of war within group members thrive. These findings concur with Pathak and Singla (2015) in that, rural women accessed microfinance credit but

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contrary that groups promoted savings as well as social status. Both studies, revealed that majority of women's income increased. Pathak and Singla stated that through groups, when the income raised the standard of living also improved.

Regarding these group policies, two respondents said:

Respondent no. 322

> *When a member of the group fails to repay her loan, the other members have to contribute to repay that loan. I remember repaying such loans when I was six months in the programme. If a group member fails to repay, sometimes microfinance refuses to approve loans of other members of that group. Microfinances teacher/s join us in every meeting to ensure all funds of that day are collected. Any funds collection meeting ends when every member has repaid her loan instalment.*

Respondent no. 350

> *I did not like the discussing of loan applicants together with entire family. When I applied for my first loan it took three months to be approved. They said that I am unable to repay the loan because my husband is not working. I had to bring my sister to prove that she can pay for me in case I default. The loan I got after this period was not enough to revive my business. This made me to request my sister to borrow some money for me elsewhere.*

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These results demonstrate that contribution to defaulted loans seem to be mandatory by each group member regardless of age in the group. The findings imply that it becomes difficult for microfinance to approve/disburse other members' loans. Vetting by group members determines the size of loan a member gets after loan application. Findings demonstrate that other working household members (relatives) contribute to the size and approval of loan during group vetting. This is evidenced when respondents no. 350 replaced her non-working husband with her sister. Further, results indicate that lack of strong household social collaterals, approval of loans delay or applicants get loans that are too small.

During interviews respondents stated that vetting is done by group members before approval of loans. Respondents confirmed that the reason behind this is to control group members against contributing to defaulted loans. More than a quarter of Interviewees opined that: members in groups miss their loans if a member in the group defaults. The exercise of vetting creates bad reputation in the group according to some respondents. Two of the respondents said that:

> *In our sub-group, every member saves ksh.200 per month. This savings is for Emergency like loan defaulting. We agreed that when a member is assisted in loan repayment, reimbursement is within two months only. This is done to avoid other sub-group members failing to get approval or disbursement of their loans. Group members can disapprove and reduce applied loan if the member's capability of repayment is low (interviewee no. 7).*

> *No meeting ends if there is loan instalment unpaid that day. Group leaders organize how best and soonest the payment can be done. Members contribute the surplus of their loan repayment and if it's impossible then the case is handed over to microfinance office. At times this office of microfinance force every member in the whole group to pay the defaulted loan, If the loan is not cleared (*Interviewee no.2*).*

Qualitative results show that a group is comprised of sub-groups with their own polices of solving challenges. It's also clear that group members contribute for defaulted loans of their colleagues. The study observed some strategies from sub-groups of defaulted loan repayment. Further, it means force is used to ensure full collection of loan repayment including defaulted. Vasantha (2015) in India recommended that loan defaulting not only a challenge to the defaulter but also the group members experience poor service from the microfinance. His respondents confirmed that group members ensure loan repayment through peer pressure.

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Women groups' results, the study found that the policies such as loan vetting, contributing defaulted loans, group loan sharing and group compulsory meetings to some extent contributed to unsustainable livelihood. Through content analysis and interview, respondents claimed members were forced to contribute towards defaulted loans by their leaders directed by microfinance. Further, the study found that some applied loans were reduced during loan vetting by the group members. The study observed some groups contributing Ksh.200 monthlies to cater for defaulted loan while others use their savings (interviewee no. 7). These results are consistent with Grameen solidarity group theory that each member is reliable of whatever occurs in the group.

4.4.3 Gender Related Factors

As gender inequalities are shaped by many power inequalities transecting social, economic, cultural and political structures. Rae Lesser (1984) posited that women's economic power is a prime factor in gender inequality reduction. This study intended to examine the influence of gender related factors on women's sustainable livelihoods. According to African culture, women and men have demarcated responsibilities and roles. These norms limit rural women in engaging what is outside their brackets and stick to what the society calls women's. The researcher's assumption is that some of these norms to some extent create challenges that contribute to poor rural women's business operation or unsustainable livelihoods. To answer this objective, the study formulated questions and gathered responses as shown below.

i) Household and social hindrances of business progression

Through open-ended questions women were asked to indicate their household responsibilities, roles and social factors that hinder their business progression or longevity. This question was important since many African societies, gender responsibilities and roles are culturally demarcated. Social and cultural norms influence rural women's income generating activities as this women's empowerment takes place in rural women's natural set-up grounds. The Table below shows the data to answer this question.

Table 14

Social and Household hindrances of women's business progression

Variables	Type of hindrances	Number of	Percentage

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		mentions	of mentions
Household responsibilities/roles	Water/firewood collection	90	16
	Care of old/young people	77	14
	Kitchen chores	119	22
	Taking children to and from school	80	15
	Cultivating shambas	71	13
	Looking after livestock	109	20
Social factors outside household	Women to be at home before sun-set	102	22
	Men control all household activities	121	26
	Women's business is disrespect to men	92	19
	Business women are unfaithful to their spouse	68	14
	Business work is for men not women	58	12
	women should not work outside their homes	34	7

Source: Researcher's field data, 2024

The data in Table 14 above displays respondents' responsibilities/roles within households and social factors outside household that hinder women's business progression. Regarding household responsibilities/roles the largest number 119(22%) reported kitchen chores, 109(19.98%) looking after livestock, 90(16%) water/firewood collection, 80(15%) taking children to and from school, 77(14%) care of old/young people while 71(13%) cultivating shambas at the time of rains. From the findings, respondents spent most of hours of the day working on non-paid activities. This implies poor rural women are robbed time for their productive activities (business) which translates to limited time for attending their income generating activities. The findings are contrary to Chikoyo (2016) whose study observed that majority of respondents spending 10 hours in their business operation. Further, open-ended questions through content analysis' two of the respondents said:

Respondents number 144

I close my business towards 1pm to go and cook for school children. After taking the food to children in school, I make sure I fetch water and firewood

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before I go back to reopen my business. Sometimes when I get tired, I take a rest and spend the whole day at home.

Respondent number 357

I have in-law parents who are sick. I am the one taking care of them. I close my business to cook lunch for then. After attending the parents from 8am to 11am I feed the livestock then there after I return home. In most cases I open my business around 11.30am and also from 3pm to 5.30pm latest. I cannot open my business beyond 6pm because Kamba men believe women should not get home when it's dark.

Findings from the above data, revealed that much of the time respondents work within women's social court yard. For instance, results revealed that rural women take care of sick parents, children and livestock. The work that the respondents are involved in, are socially assigned roles and responsibilities of women in Kamba community. This concurs with Garikipati et al, (2017) study that women's social position strengthens gender inequalities which curtail women's economic empowerment. Their study observed that microfinance credit accessibility does little to modify social and cultural structures. According to Ali (2014) the traditional role of women increases pressure on their time of engaging in microfinance services. His study in Bangladesh observed social and cultural activities that limit decision making in available resources. Results of this study, in a day's programme, findings indicated that income generating activities are planned as secondary activities, that is after completion of home court yard duties. This is because, first they have to work on their social responsibilities and roles. Results show that women's business have limited time. These responsibilities deny rural women adequate time to operate and have sustainable livelihood. These findings were also echoed by qualitative research whose two respondents said the following:

My kitchen chores work against my business operation. My early in the morning duties include cooking for the family breakfast and lunch. In the evening sometime I leave earlier before six thirty for water and firewood collection. With a busy day, I work within the homestead with a blind mind about business work that day. It's very true that rural women can finish a day without opening or running business work (interview respondents no.12).

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Rural women work under strict heavy household duties. I call them strict heavy duties because none in the household is ready to assist. If women assigned duties are not performed, everyone in the family blames the woman. Before I attend my business, every duty I am supposed to do and finished these duties first (interviewed respondents no.10).

Results from qualitative research demonstrate that business work is a woman's leisure activity. Women's businesses are not considered important as what they do within their homesteads. It implies that women's duties are those non-income generating activities. Duties that make women earn nothing but contribute to smooth running of the household as well as the community. These duties enhance financial dependency syndrome (Avornyo, 2013). His study revealed that 90% of rural women worked as unpaid labourers in agriculture with men controlling agricultural products sales that women labored for but earn little or nothing.

Regarding social factors outside household, majority 121(26%) of respondents reported that men control all household activities, 102(22%) women to be at home before sun-set, 92(19%) women's business is disrespect to men, 68(14%) business women are unfaithful to their spouse, 58(12%) business work is for men not women and 34(7%) women should not work outside their homes. The findings revealed that social and cultural norms exist among microfinance women clients in rural areas. This implies that rural women's position is lower than that of men. Women's lack of social protection and their subordination position in the society are major challenges even to the realization of SDG 5 and Vision 2030 (Ali, 2014) Supporting these results, three respondents said:

Respondent number 6

My tribe (Kamba) believe that a woman should work within homestead to be at home all the time. Again, our men feel that doing business is the work of man and so for a woman to operate a business is a mockery to men. My husband supports my business but I should be at home before 6pm. I am allowed to operate my business

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on daily basis but after I have finished all the other household duties. I was told not to make a mistake to come home later than 6.30pm

Respondent number 320

My husband told me the work of business is for men and not women. He told me that business women are prostitutes or unfaithful to their husbands and that's why I should not do business. He told me that if I am doing business I should respect him and the other men in the area.

Respondent number 357

I close my business before 6pm because women are not allowed to be outside home after 6.30pm. Our men in this area believed that women should be at home before their husbands. To operate these businesses, we (women) sacrifice a lot because of social and cultural norms. I do a lot in the morning before I open my business. When I wake up at 4.30am, I milk my cow and prepare my children to school. I look for cows' feeds, fetch water, clean the house of my father in-law and my homestead, prepare lunch and go to open my business at around 1pm.

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From the above results' different reactions from men concerning women's income generating activities are observed. It's revealed that there was control of decision-making by men. Also, other men support women's involvement in business but with conditions. For instance, respondent 6 said *"My husband supports my business but I should be at home before 6pm and do the business after all other household duties"*. Findings imply that before rural women decide to do something, men should grant permission. It's surprising to note that men in twenty-first century believe that only men who can do business. More, among some husbands, mis trust was observed which may create conflict or discourage women from business engagement, hence lack of sustainable livelihood. These are abusive language which greatly contribute to non-business performance leading to more rural poverty. For example, a respondent said: "*He (husband) told me that business women are prostitutes or unfaithful to their husbands and that's why I should not do business".* These

results are in line with Chikoyo (2016) findings, who opined that business women were viewed as prostitutes especially those who owned grocery or bar(clubs). Above results indicate that not only women respect their husband but all men in the area. Findings revealed that women wake up early to do household chores and operate their income generating activities in the afternoon.

ii) Respondents' daytime activities

Venturing into business activities, poor rural women need sufficient hours per day to operate their business activities successfully and sustainably. Respondents were asked to approximate time spend on daily activities within twelve hours of the daytime as shown below. Adequate time is necessary to yield enough income for business security.

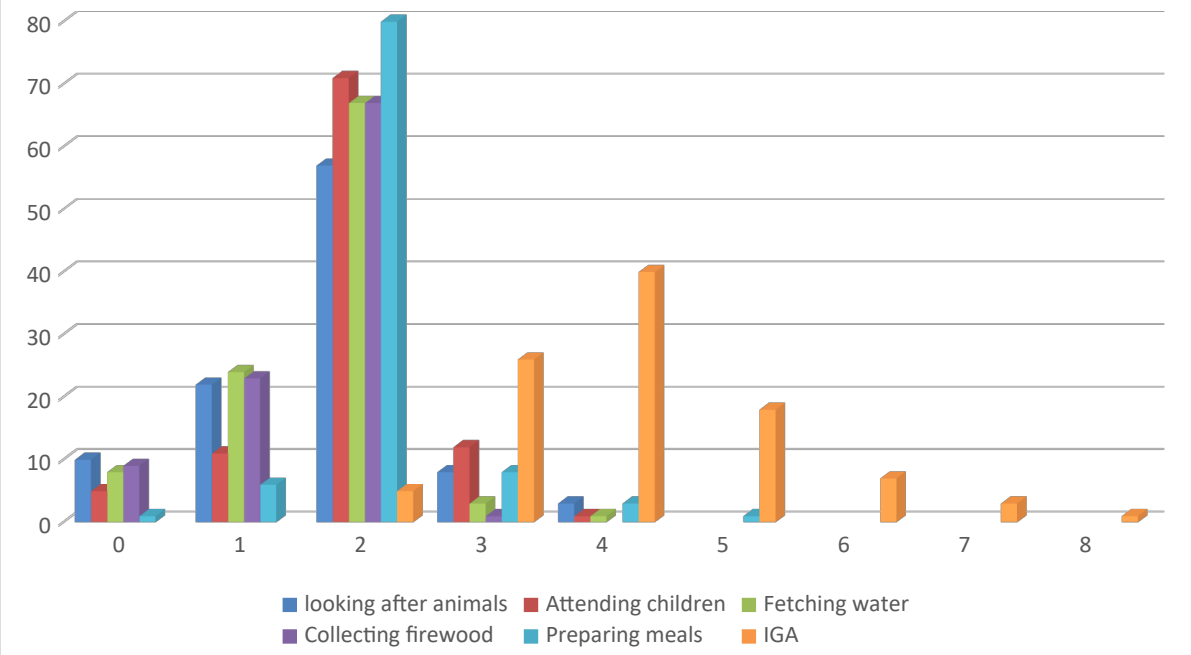


Figure 15: Time spent on daytime (12hrs) activities

Source: Researcher's field data, 2024

The results in Figure 15 above, show how a typical half day (twelve hours) is spent. As regards income generating activities, majority 152(38%) of respondents spent four hours while 18 and 7 per cent of respondents take five and six hours. The results revealed that women use more time in non-income activities than what they use for their business, the productive activity. The findings mean that women carry heavy responsibilities which

consume a lot of time denying them income generating activities time. The implication here is women have less time to participate in their income generating activities. This may translate to low business income. The findings are contrary to Chikoyo (2016) in Tanzania. His study established that majority (53%) of respondents spent more than ten hours in their income generating activities. According to correlation analysis, Chikoyo concluded that the longer the business working hours, the higher the income generating income and the less the time spend, the less the income gained. The four hours commonly used, might be inadequate time for stable income generating activity, which also translates to unsustainable livelihood

From qualitative research, interviewed respondents No 9 stated: *"I work on other duties in the morning before I open my cereal business from two in the afternoon to six in the evening. I employed a shamba boy who takes care of my livestock (3 cattle, 4goats and some kienyeji chickens"* and No. 11 said *"Always I open my business after I accomplish all other compulsory activities in the household. I operate my vegetable business few hours in the afternoon before 6 pm."*

From the above findings the respondents work first on what the community expects them to do. This shows that women's choice of economic empowerment is a second priority to non-income domestic activities. It means funds generated by their businesses is low because rural women operate businesses for few hours.

iii) Respondents' contribution in the last three months

The study sought to establish women's contributions in the last three months before this study in their households with the income from their businesses. This enquiry targeted the understanding of how women's business income is spent. Expenditure of business income enables the researcher to predict its influence on women's livelihoods' sustainability. The data gathered is displayed below.

Table 15

Contributions made in the last three months

Contributions	Number	Percentages

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	of mentions	of mentions
Agricultural Equipment/products	70	11
Fees	260	39
Manure	47	7
Water tanks	67	10
Basic needs	94	14
Purchase of livestock	67	10
Firewood	61	9

Source: Researcher's field data, 2024

Table 15 above displays women's contributions data in the last three months before commencement of this study. Results indicate that women spent most 260(39%) of their business income on fees and 94(14%) basic needs. Basic needs in this study refers to food, clothes, medical bills and contributing to house construction. It can be assumed that rural women engage in Agriculture, as accumulatively 184(28%) of respondents reported expenditure on farm products/equipment and livestock. Further, the findings may mean rural women experience scarce of water as 67(10%) attempted to purchase water tanks. Observation shows heavy commitment of women's business income, which to some extent involve part of the borrowed loans as shown above in chapter four. This may mean little or no savings for future business security and contribute to loss of livelihood. Observation shows income expenditure on long term investment (education). It indicates that in this study respondents nurture education of their children. This is because a significant percentage of business income was spent on school fees. This finding is consistent with Kamanza's study that majority (33%) used the loan granted towards school fees. His results revealed that paying school fees was loan diversion causing loan default which in turn contributes to business failure. Through interview data analysis, the following were said about contribution made in the last three months.

My business income for September and October (three months before this study), I bought a water tank. This was important for me to reduce time spend on water fetching and increase time for running my business. Also end of November I

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bought Christmas gifts for children which they missed when I had not joined microfinance programmes in two years ago (interviewed respondent no.8).

My two children are in secondary schools. Now I am committed on paying school fees. My husband died and left me with three children. I am the only bread winner in my household and my children depend on me. I also supplement my income with casual work of washing clothes in the morning and in the afternoon, I open my business. This extra coin even supports my vegetable business when sales are low (interviewed respondent no. 3).

In the above narrative's women noticed time wastage when fetching water. To save more time for income generating activities, some women used their income in purchasing water tanks. Though it's not an investment, it increases time for business operation, enhance more income and sustainable livelihood. Further its noted that business income is not enough for some women and therefore respondents engage in other casual activities that adds more funds to them. It's clear to say that rural women use all available opportunities no matter how small it is, to earn extra coin. This is an indication of microfinance funded business in need of extra support to make it stable or sustainable.

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iv) Spouse's/relative's perception on joining microfinances by women.

The study went ahead to find out how spouses/relatives perceived/viewed the joining of women to microfinance programmes. Spouses/relatives attitude towards women's action into business activities may/not encourage women in performing business successfully and sustainably.

Table 16

Perception of joining microfinance by spouse/relatives

Types of perceptions/views	Number of mentions	Percentage of mentions
Increased family income Husband relieved some expenditure	129	26

duties	108	22
Earning woman/mother	69	14
A Providing woman/mother	50	10
A woman with pride	59	13
Sharing expenditure	72	15

Source: Researcher's field data, 2024

Table 16 shows different perceptions/views that women who joint microfinance got from their spouses/relatives. Most 129(26%) of respondents indicated that joining microfinance was perceived as increased family income, 108(22%) reported that joining microfinance was viewed as husband's relief of some expenditure duties, 72(14%) viewed as sharing household expenditure, 59(13%) perceived a woman with pride and 50(10%) relatives perceived a providing woman/mother for his family. The results can mean that joining microfinance has increased quality of life in the households due to increased family income as perceived. Also, may imply that some spouses are pleased by the joining as they were relieved or shared some expenditure duties. Probably those men who do not want women's mobility outside homestead, perceived proud women. In some cases when patriarchal norms sound loud, women's decision are considered as nothing, the reason why perceived as proud women. According Blumberg's theory (1984), women's economic empowerment increases control in life options that enhances women's sustainable livelihood. Increased confidence and self-esteem empower women to feel great and become decision makers (Blumberg1984) Supporting the findings two respondents had the following:

Respondent number 146

My husband was very happy when I got my first loan and invested in business. He told me that I have got an employment and our household income has increased so we can now live better than before because two are better than one.

Respondent 364

My husband died in 2014 and left me with two children. I joined microfinance because I had no income and I was to take care of my children. After joining I was called many names even my brothers in- law saw me as a

ST. PAUL'S UNIVERSITY

wanderer and unfaithful woman. They told me to make sure no officer from microfinance KWFT visits the home because of defaulted loan. Though I never got respect from a good number of village men, I worked very hard to support my children. To my surprise after my children started working, I became a wise woman to them.

The findings show that not all spouses are non-supportive. Some spouses appreciate their wives' efforts. They believe that when both parents are earning, better standard of living is realized (Akter and Ahmad, 2020). Further the study observed some relatives (men) who stigmatize working women. Business women are labeled using abusive words which meant disrespect. For instance, "*After joining I was called many names even my brothers in- law saw me as a wanderer and unfaithful woman" (*Respondents no. 364*)*. These sentiments of the respondents were echoed by Avornyo (2013) who stated that despite the commitment and dedication, women shared the experiences of gender inequalities in their different manifestation. These findings narrative results are contrary to Kato and Kratzer (2013) who stated that due to increased income, women were respected not only in their households but also by the community. These findings demonstrated that men influence women economic empowerment in a great way on sustainable livelihood. Study shows when a man dies, his brothers control the household including the window. This portrays gender power that rural business women experience as they operate their businesses.

Another observation revealed a different perception as per interviewee No. 12, who said: *"I said thanks to KWFT microfinance. Though my business generates very little, that little increased well-being in the family. My husband perceives me as a provider like him."* From these findings, the narratives indicate appreciation and encouragement. Such sentiments increase self-esteem and confidence which increases business commitment and ensuring business sustainability and livelihood. The results demonstrate that no matter how little it is, there is increased well-being in the household that translates to sustainable livelihood. These sentiments are supported by Yunus (1976), when he recommended that microcredit initiative was to provide loans to

ST. PAUL'S UNIVERSITY

very poor people (women) for self-employment projects that generate income, allowing women to improve their status, well-being and that of their households.

v) Decision making on microfinance services

In African societies, men are assigned to make decisions in households and the community as a whole. Loan diversion greatly impacts negatively on women's sustainable livelihoods (Ijaza, 2014). This study intended to establish the decision maker of variables such as: accessing microfinances credit and invest, opening and making savings, and credit diversion. Enquiring this is necessary to understand the controller of these variables which are vital in successful and sustainable income generating activities. The table below demonstrates the data to answer this.

ST. PAUL'S UNIVERSITY

Table 17

Decision-making on microfinance services

Variables	Self Frequency &%	Spouse Frequency & %	Spouse & self Frequency & %	Totals
Decision of borrowing loans	248 (67%)	10(3%)	109(30%)	367(100%)
Decision to open saving account	194(53%)	17(5%)	156(42%)	367(100%)
Decision to invest the loan	160(44%)	33(9%)	174(47%)	367(100%)
Decision to divert income/profit	126(34%)	65(18%)	176(48%)	367(100%)

Source: Researcher's field data, 2024

Table 17 above displays makers of different decisions on loan borrowing, opening saving account, loan investment and business income/profit diversion. Out of 367, 248(67%) of respondents decide on borrowing loans. More than half 194(53%) of respondents make decision on opening saving account alone. This shows women's ability to take decisions concerning poverty eradication leading to sustainable livelihood (Kato & Kratzer, (2013). Their study revealed that women participation in microfinance credit increased decision-making ability which leads to improved personal and children's well-being. Regarding the decision to invest the loan, 160(44%) of respondents decide and 174(47%) of respondents decide with their spouses. Concerning diversion of income/profit 176(48%) of respondents reported that jointly (women & spouses) make this decision. Kato and Katzer's (2013) study revealed that participation in microfinance programs increased women's ability to make decision alone and jointly with their spouses. It means deciding together increased consultation which in term enhance sustainable livelihood. Consultation involves discussion which opens room for opinion sharing jointly, hence improving business sustainability.

Decision on investment and income/profit diversion, display gender development where both genders work together using available resources to uplift the well-being of their household. This part of the results is in line with current development strategy of Gender and Development (GAD) which emphasis equality of benefits and control of resources (Collins 2013). Further, findings show that though women play a great part in decision making, in some households, men do apply their social role of decision maker in the family especially where there is loan diversion. This is evidenced by 3, 17, 9 and 65 percent on different decisions. Where decision makers are men alone, it may mean that men control women's financial resources, thus threatening the sustainable livelihood. This argument is in line with Vasantha's study (2015) that states that women experience high cultural and religious discrimination which results to loss of economic livelihood.

4.4.4 Approaches Enhancing Women's Sustainable Livelihoods

Many of microfinances adopted Grameen model strategy "top-bottom" of lending credit to poor women in any given society. The researcher felt that top-bottom approach could be a

ST. PAUL'S UNIVERSITY

barrier to sustainable livelihood. Therefore, the researcher sought to establish approaches that may contribute more to women's economic activities' permanence. This was important in order to give women chance (bottom-up) to express ways of developing and sustaining their economic livelihoods. In this section, women provide their own views of how microfinance can improve women's economic empowerment resulting to sustainable livelihoods. The study asked respondents to suggest approaches that enhance economic activities' sustainability. To answer this objective several sub-questions were asked and field data gathered as indicated below.

i) Respondents' business status in the next three years

Business continuity is a guarantee of income flow as well as sustainable livelihood. The researcher sought to establish the status of each woman's business in the next three years. This was to establish the confidence rural women were on their income generating activities. Also, how promising the businesses are in future and a demonstration that women continue earning through self-employment.

ST. PAUL'S UNIVERSITY

Table 18

Business status in the next three years

Variable	Type of answers	Frequency	Percentages
Business status	Yes	165	45
	No	50	14
	Not sure	152	41
	Totals	**367**	**100**

Source: Researcher's field data, 2024

Table 18 above, displays data showing women's business continuity in the next three years. Findings revealed that 202(55%) of respondents reported possibility of business discontinuity while a small number 165(45%) felt business continuity. The study further

inquired reasons of not sure of business' survival in the next three years. Highest percentage 45% (121) reported business income diversion while inadequate funds and lack of business control had equal shares of 9(3%). Findings demonstrate that respondents have no confidence with their businesses in future. Lack of hope translates to minimal commitment which in turn means loss of livelihood. Additionally, there is high percentage of income diversion. It means instead of business income circulating within the business, a significant figure is diverted. This diversion leads to loan default which in turn results to business insecurity, hence loss of livelihood (Kamanza, 2014; Maina & Kalui, 2014). The results from interviews revealed that there are many challenges affecting women's income generating activities. For instance, two of the interviewed respondents said:

> *When I joined microfinance both economical load and social load increased. I spent almost half of the day working on household chores. When I started earning from my business, my husband stopped providing school fees for our two children in secondary school (Kyeni Day secondary). The fees and food really drains my business income (Interviewed respondent no. 10).*
>
> *I work very hard to sustain my businesses but the pressure against them is strong. My businesses are not generating like before 2020. This is where I get money to meet all my needs because I am single. Additionally, Funds for loan repayment also comes from these businesses. With such burdens I am unable to sleep well. Therefore, I don't know how the future will be (interviewed Respondent no 11).*

These narratives showed how temporary women's businesses were. These doubts were resulting from high expenditure of business income. Women's involvement in microfinance funded businesses has released some spouses' duties of assisting in the household.

With qualitative data, interviewee No.10 said: "When *I started earning from my business, my husband stopped providing school fees for our two children in secondary school".* The effects of Covid 19 contributed to the doubts of business survival in the next three years.

ST. PAUL'S UNIVERSITY

According to Aziz, Igabal and Murtza (2022) in Pakistan, most of women lost their income streams during covid 19 crisis and those who sustained worked on inventive online systems.

ii) Methods to enhance women's sustainable livelihoods

The researcher believed that microfinance women clients can provide methods that can bring solutions for the challenges facing their funded income generating activities. The study hopes that these women's methods can contribute to more successful and sustainable income generating activities of rural women. Suggested solutions can also assist development agencies and policy makers to restructure their policies and strategies on empowering women economically. The table below display women's suggested methods to enhance successful and sustainable income generating activities.

Table 19

Suggested methods to enhance rural women livelihoods

Methods	Number of mentions	Percentages of mentions
Applicants suggesting starting loans	110	21
Interest free loans in first cycles	90	17
Give individual loans	79	15
Increase loan grace period	49	9
Provide regular and relevant training skills	22	4
Avoid withholding members' loan	42	8
Women's control their business	37	7
Family support	21	4
Dismiss loan applicant discussion	11	2
Stop repaying defaulted loans	7	1
MF work with couple	52	10

Source: Researcher's filed data, 2024

The data in Table 19, was analyzed through content analysis on respondent's suggestion of improving economic sustainable livelihood. Out of 513 mentions, 110 (21%) of respondents' mentions, suggested those applying loan for the first time, should be given the opportunity to suggest the amount in the first cycles. This may mean that first loans (first cycles) have fixed amounts. Also, it may imply that funds in the first cycles are inadequate to begin a business since some businesses require heavy

ST. PAUL'S UNIVERSITY

capital while others need small amount. For instance, hairdressing and cereal businesses require different capitals to begin. Since Kenyan microfinance follow Grameen model (top-bottom approach), it's the wish of respondents for development agencies to use bottom-up approach to empower rural women and more importantly to have sustainable livelihood. Out of 513 mentions, 90(17%) suggested interest free loans in first circle. The results on interest rate showed that majority 250(68%) of respondents were not comfortable with the interest charged. This may mean that the interest rate charged is high. High interest rate has great negative impact on women's economic activities (Kamanza, 2014), and sustainable livelihood. Wishing to have first loan interest free possibly is to allow growth and stability of starting business through restocking with the interest. For example, a respondent said: "*Repaying the capital alone in the first round gives women time to be stable in starting business".* Further the findings show that a small group 52(10%) of respondents wished to have their spouses involved in microfinance services. Spouses' involvement could be an insight to them and the whole society to see positivity on women entrepreneurship. In the above results (session 4.4.3) business women received abusive language from the household as well as the society. These are discouraging sentiments and cause of unsustainable livelihood. Possibly, training together with their spouses could bring transformed attitude towards business women operators that may lead to sustainable livelihood. A respondent narrated that: "*Training women and their spouses would reduce mis concepts of women doing business".* This informs women development agencies to strategize policies that include both men and women in women's empowerment.

Through content analysis the following expressions were observed;

Respondent no. 238

> *I suggest that let microfinance avoid withholding members' loans in case of a defaulter in our groups. We (women) use the loans to boost our businesses.*
>
> *Withholding loans affect our businesses greatly to an extent that some almost collapse. Declining of business is a big drawback we are encountering in our groups.*

ST. PAUL'S UNIVERSITY

Respondent no.322

> *Training women and their spouses would reduce mis concepts of women doing business. During my training I understood that each of us has clear roles to play to make the business successful and sustainable. Training our husbands may enable them to see the need to help us as their wives, in loan repayment incase default occurs. Again, training with our spouses clear organized discussions can contribute greatly to women's business success.*

Respondent no.366

> *Give interest free loans in first rounds to all women who are business beginners. Repaying the capital alone in first loan cycle gives women time to be stable in starting business. I also suggest that increase the grace period of the first instalment of all loan repayment. With a grace period of three months, I think my business will have better income flow and a good number of customers that can make it sustainable.*

The implication here is that respondents wish their spouses to learn microfinances policies on lending credit and managing the businesses that rural women operate. The study (4.4.3) observed that a small number of spouses alone decide on issues concerning borrowing of funds and income/profit diversion. This robs women ownership of their business and control of business income (Lakwo, 2006). Additionally, findings show withholding of loans of non-defaulters in case a group member default. This demonstrates group members face both negative and positive effects in their groups. In other words, through groups poor rural women with no collaterals are able to access microfinance credit (Pathaka & Singla, 2015) while those non-defaulters lack microfinance approval of their loans if a colleague fails to honor her loan. A respondent (no.238) said that the effects of not releasing loans of non-defaulters almost caused business failure. According to Grameen solidarity group theory, joint reliability affects, impacts every group member especially loan defaulting (Pathaka & Singla, 2015). Meaning every group member carries the loan burden of each other.

ST. PAUL'S UNIVERSITY

iii) Factors for enhancing business permanence

To operate successful and sustainable businesses, some measures should be put in place and adhered to. The study intended to establish the factors that enhance business permanency or economic sustainable livelihood. Respondents were asked to indicate factors that can make their businesses more sustainable or make the businesses operate for a long time. The factors below are believed to improve respondents' income generating activities' permanence.

Table 20

Factors that enhance business permanence

Factors	**Number of mentions**	**Percentages of mentions**
-MF regular visitation to business sites	76	11
-More than 3-months loan grace period	84	12
-Regular and relevant trainings	92	13
-Interest free loans in first cycles	141	20
-Provision of business mentors	27	4
-Family support	29	4
-Women control their business	33	5
-Cease vetting	35	5
-Discontinue withholding loans	51	7
-Allow applicants first loan suggestion	41	6
-Avoid inadequate loans	52	8
-Include spouses in training	32	5

Source: Researcher's field data, 2024

From Table 20 above, respondents reported different factors that can enhance business permanence. These are the factors that microfinances should consider as they credit poor rural women. Findings show six factors that respondents' mentions were above 7%. These included interest free loans, trainings, grace period, Microfinance business visitation, discontinue withholding loans and avoid inadequate loans. Most mentioned 141(20%) was interest free loans in first cycle. To have sustainable livelihood, respondents wish microfinance to provide interest free loans for business starters. Possibly this gives room for business stability. As already mentioned above, a significant number was not for the interest

ST. PAUL'S UNIVERSITY

charged. In chapter 2 session 2.5, the literature shows that high interest rate correlates with collapsing of business leading to unsustainable livelihood (Addae-korankye, 2014; Dzisi & Obeng, 2013; Kamanza, 2014).

Regular and relevant trainings (92(13%)) was considered as second important factor of sustainable livelihood. According to Vercillo, (2016) trainings imparts women with business skills and knowledge that increase business longevity. Relevant training is a necessity business requirement especially to those who are not entrepreneurs professionally. It equips rural women with basic business knowledge/skills that will enable them to operate business efficiently and effectively (Muturi, 2016). Before and after loan disbursement, trainings orient women in business environment. Thus, it acts as a spring board to successful and sustainable business in all stages. This call meets the researcher's expectation because most of the poor rural women start businesses with no knowledge of how business is done.

Grace period 84(12%) of more than three months, respondents wished to be granted. Seventy-six (11%) reported regular visitations to business sites by microfinance officers. This suggestion calls for proper follow up through microfinance visitation to clients' business sites. Muturi (2016) recommended that frequent visits to the borrower's premises give microfinance an opportunity to assess business progression. Further, through these visitations, loan officers are able to identify women's challenges and find solutions on how to solve them.

In the same table (Table 20) above, 52(8%) wished microfinance to increase starting loans. Findings from quantitative and qualitative data, respondents reported that in first cycles loans are small and some women do not start businesses of their choice. Inadequate business working capital triggers loan diversion which is common in this study. The finding is in line with Dzisi and Obeng (2013) who observed that small loan sizes are challenges microfinance clients are experiencing. Respondents acknowledged that the amount loaned to them in first rounds are much less than what they needed to set-up or boost business. Study observation established that women operate various income generating activities which require different capitals to start or boost. This could be the reason of loan applicant to

ST. PAUL'S UNIVERSITY

suggest loan capital of starting or boosting an economic activity. Further, the study indicated 51(7%) of respondents suggested microfinance to discontinue withholding loans of non-defaulters. Withholding non-loan defaulter's loans contribute to lack of funds for maintaining existing businesses and this may cause business closure. Though it's a Grameen solidarity group theory strategy that all group members suffer the same, in this study it's a contributor to unsustainable livelihood.

With less than fifty mentions, findings demonstrate the need to have respondents trained together with their spouses evidenced by 32(5%). The study attributed this call for training to two reasons. First, the spouses are socially household heads controlling all resources inclusive what they have not sweat for. The trainings may be spouses' exposure of understanding the importance of women economic empowerment and the assistance spouses can provide. Secondly, to limit male domination over credit borrowing where women use their names to borrow for their spouse and left to repay the loans (Ali, 2014). Ali's study found out that male's control over resources force women to continue with credit programs. Some women live in debts cycles because after borrowing funds for their husbands, they are let alone in repayments. This caused women to borrow from different microfinances to repay the old loans.

Relevant training is a necessity business requirement especially to those who are not entrepreneurs professionally. Before and after loan disbursement, trainings orient women in business environment. Thus, it acts as a spring board to successful and sustainable business in all stages. Duflo (2012) stated that training accordance to business is a source of developing human capital and plays the role of providing education on that particular business to improve business income and livelihood. From face-to- face individual interview, respondent No.1, said: "*For my business to continue, let's be trained with our husbands in order to know their roles in our businesses. We need respect and acceptance as entrepreneurs from the community"* while interviewee No. 3, stated: "*I request microfinances to give us interest free loans in first rounds. This will enable our business to be stable and gain adequate customers. Let microfinances also work with our MCAs whom we need to come and discuss together challenges facing our self-help groups."*

ST. PAUL'S UNIVERSITY

4.4.5 Government and Microfinance laws and policies

The measure of moderating variables was done in qualitative research. These variables were missing in quantitative research and as mentioned in chapter three that qualitative data collection considered data gaps in quantitative research tools. Interviewed Key informers reported that the County government of Machakos require various taxes from every business carried out in Machakos sub-County. Two of the interviewed said:

> *Like other people in business, we (microfinance women client) pay taxes for trade license, refuse collection and Fire extinguisher. These are yearly compulsory levies paid by every business woman and payment depend with the type of business. Whether the business is starting or has been there, these must be paid and before inspection (interviewee No13).*

> *County Government levies are so serious and compulsory such that sometimes we pay double when not paid in time. In 2022 I paid my trade license with a fine of the same, after I was sentenced three months imprisonment. It was not easy for me because I had to borrow money to settle these county government levies (interview No. 14).*

From the Narratives above, findings show that County Government polices concerning business operation influence women's income generating activities. It's true to say that trade licenses are not paid the same. This means these polices impact on women's sustainable livelihoods differently. The results show that women in short of adequate funds for such levies, business operation becomes difficult. Not only this negatively affects women's self-esteem and confidence but women's sustainable livelihoods.

4.4.6 Women's Sustainable Livelihoods

The flow of business income and profit contributes to either security or insecurity of rural women's income generating activities. KWFT and Uwezo microfinances through credit enabled poor rural women to operate income generating activities as the study already

ST. PAUL'S UNIVERSITY

observed. These microfinances are involved to aid in realization of gender equality (SDG 5) and poverty eradication (SDG 1) (Sustainable Development Goals, 2015). The study sought to establish income generating activities status through a number of indicators of sustainable livelihood as shown below.

i) Flow of profit in the last three months

Sustainable income generating activities requires continuous flow of profit for business stability (Amakom & Amagwu, 2020). The profit enables the entrepreneur to repay loan and save for business security in future. This study sought to understand the flow of business profit in the last three months. Respondents were asked to indicate accrued profit for the last three months and the same in the last month before this study. The results are shown below.

Table 21

Respondents profit flow before this study

Variable	Profit in shillings.	Frequency	percentage
Profit in the last three months	10000-20000	17	4
	21000-31000	83	22
	32000-42000	204	56
	43000-53000	57	16
	54000 & above	6	2
	Totals	**367**	**100**
Profit in the last month	3000-5000	7	2
	5100-7100	25	7
	7200-9200	44	12
	9300-11300	71	19
	11400-13400	91	25
	13500-15500	45	12
	15600-17600	33	9
	17700-19700	51	14
	Total	**367**	**100**

Source: Researcher's field data, 2024

The data in Table 21 above shows accrued profit for the last three months before commencing of this research. Presented data display that in the last three months cumulative percentage 344(94%) of respondents had Ksh.21000-53000 while below 21000 and above 53000 were 4 and 2 per cent respectively. In the last three months, keen observation shows that majority 204(56%) got between Ksh.10000-14000 per month. Further the same table

ST. PAUL'S UNIVERSITY

displayed profit in the last month prior this study. Out of 367 respondents who took part in this study 162(44%) had between Ksh.9300-13400 profit, almost the same in the last three months. Comparing both majorities, in the last three months and the last month, the minimum increased (from 8000 to 9300) while the maximum decreased (form 14000 to13400). Based on the findings, it is clear that women in lower earnings increased more than those in upper earnings within the last one month, raising to ksh.9300 and reducing to Ksh.13400. Normally with increased profit/income women have adequate money to pay their workers, expand business stock, meet their needs and save. On other hand, a small number 51(14%) earn a profit of Ksh17700 minimum and Ksh19700 maximum. This profit variation could be triggered by the challenge's women are experiencing or by those women who have increased their investments.

Keen observation implies that minimum profit per day is Ksh.310 while maximum is Ksh.450. Though this profit may work for low investments such as vegetables, it may be difficult to run heavy investment business such as cloth textile or hotel business. It is thus straining to meet heavy business needs with such profit. Further the study sought to understand whether with such profit the overall income went up since joining microfinance programmes. Results revealed that out of 367, 312(85%) reported that the income went up and 55(15%) agreed that their income went down. This was because some women had no income at all and therefore by accessing credit, they became self-employed by earning daily. For those whom income went up had this to say: "*Before MF programmes I had no income, I was depending on my husband and other times on farm produce after harvest. But microfinance enabled me to get money daily*" (Respondent No. 293). Also, Respondent No.326 stated:

> *Before joining microfinance, I used to earn through selling kienyeji chicken after three-six months. Other times I used to sell kienyeji eggs and rain fed crops after harvest. The two were sessional and so earning was also the same. Therefore, when I joined microfinance, my income went up because I started receiving money every day.*

ST. PAUL'S UNIVERSITY

On the other hand, the study observed narratives of those who reported their income went down. Respondent No. 12 said: "*It went down because when I defaulted, I sold some of my goats. These goats I bought with some money I got from casual work of washing clothes. After joining, I lost my three goats to KWFT microfinance."*

Supporting the same idea, *respondent* No.278 reported:

> *When I joined microfinance, I accessed credit and bought 100 chicks. The capital was not enough. So, I asked my husband to give me more money for feeds and drugs. After two weeks my broiler chicks got sick and started dying. At the end more than half died but I was left repaying the loan through casual work. So larger share of money of meeting household needs, I used to repay the loan.*

The study findings revealed mixed results that income increased and income decreases. The study concluded that the income increased as majority (quantitative data) started earning when they were not. Narratives revealed that before microfinance some women earned seasonally while others relied financially on their spouses. It's clear to say majority of respondents became self-reliant financially. The results echoed Dzisi and Obeng's (2013) findings who found that microfinance programs improved both women's and household well-being.

ii) Business stocking in last six months before this study.

The question of numbers of times women stocked their businesses was necessary to understand the flow of purchasing and selling business products. Frequent purchasing indicates, fast moving of business products, hence promising livelihood. The researcher asked respondents to indicate business stocking. This was done in terms of number of times stocked in the last six months before commencing of this study. These results are shown below.

Table 22

Business stocking in last six months

ST. PAUL'S UNIVERSITY

Numbers of stocking	Frequency	percentage
0	9	3
1	19	5
2	68	19
3	134	37
4	82	22
24	53	14
Totals	**365**	**100.**

Source: Researcher's Field data, 2024

The results of Table 22 showed that majority 134(37%) of respondents stocked three times, 82(22%) stocked their businesses four times while 68(19%) of respondents reported two times. It is surprising to note that only 53(14%) stocked the highest number 24 times in a period of six months. Observation indicates that majority of respondents sell their business products at an average time of two good months before the business was restocked. In general, it implies that there is slow movement of stock which in turn mean very low business income and profit. Such income and profit translate to diminishing business' growth, hence threat to sustainable livelihoods. From the findings it can be inferred that respondents were not getting enough to sustain their income generating activities. More importantly, 9(3%) did no stocking, possibly they had no business in operation.

During interview two different respondents said that:

> *I have a hotel and cereal businesses. I am supposed to stock hotel daily but I get very few customers such that I cannot stock some of the commodities daily. Before Covid 19, hotel business was doing well but deteriorated during the pandemic. So, I have no specify dates of stocking my hotel only that I stock what is missing is necessary (interviewed respondent no.12).*

> *I run a vegetable and cereal businesses. My vegetable business is doing well although sometimes it becomes very hard to get the stock due to drought. Unlike cereal, I stock vegetable business after every 2-3 days. This because*

ST. PAUL'S UNIVERSITY

vegetables are used every day. The problem of running this vegetable business is that I am forced to wake up around 3am to purchase these products before they get finished (interviewed respondents no.5).

Keen observation of the above qualitative results demonstrates that Covid 19 and economic crisis affected the stocking of women's businesses (the study took place immediately after Covid 19). With vegetable business there was/is hope as these commodities are necessary on daily basis. Findings have shown that climate change (long drought) had affected the procedure of stocking due to scarcity of stock (vegetables and cereals).

iii) Respondents' savings per month.

Savings in business indicates growth in both income and profit. Saving is a business security in future and ensures business sustainability and promising livelihood. In other words, business owners can use savings to restock their businesses in case funder terminates. Also, it can be used to expand stock at the time of loan servicing. Respondents were asked to indicate their approximate savings per month.

Table 23

Approximate savings per month

Saving in shillings	Frequency	Percentage
0-99	151	41
100-500	126	35
600-1000	57	16
1100-1500	23	6
1600-2000	6	2
Totals	**363**	**100**

Source: Researcher's field data, 2024

The results of savings presented in Table 23 above is not a compulsory savings or group accumulative savings but individually saved after respondents settle business expenditure of that month. From the findings, majority 151(41%) of respondents saved between Ksh.0-99

ST. PAUL'S UNIVERSITY

bracket and 126(35%) were in bracket of Ksh.100-500. It can be observed that less than a quarter 86(14%) of respondents save in the range of Ksh.600-2000. However, some respondents save very little or do not. This implies that almost half 151(41%) of respondents have their income generating activities not secure in case the funder terminates. This savings is equivalent to Ksh.1188 to 24000 shillings per year. This saving amount is contrary to a study by Kisaka and Mwewa (2014) in Machakos, whose findings revealed that majority (53%) saved between two hundred thousand and half a million Kenyan shillings per year. An interviewed respondent said that:

> *I save according to the profit I get that day or week. Somedays I don't sell. I even borrow to buy food for my family. There some commodities that do not move fast. With such, it is hard to save reasonable money. Again, some of us (women) we frequently change the business stock as well as the premises due to unavoidable circumstances (interviewed respondent 5).*

Clearly the study indicates that at times respondents do not sell. To an extent some women who have not sold borrow funds for family's food. This is an area where women need encouragement from their funders as well as the community. The results call for consideration of interest free loans to ensure stable business. According to Kisaka and Mwewa (2014), adequate credit and savings play a vital role in business growth and security in economic sustainable livelihood. From the findings, microfinance visitation to women's business' premises is necessary. Such challenges may not be common but requires encouragement and solution strategies by the funders (microfinances). Frequent visitation of program officers exposes women to better mind opening which increases discussion leading to sustainable livelihood.

iv) Respondents' business assistance

Increased business income and profit is assumed to create jobs for outsiders. Business assistance in one way reflects the progression, development and growth of a business. Current literature revealed that economic empowerment of women leads to job creation not only to business owners but also to people outside their families (Wanjiku and Njiru, 2016).

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This study sought to establish numbers of assistance each respondent employed to help in business operation. This is displayed below.

Table 24

Number of business assistance that help in business operation.

Number of assistances	Frequency	Percentage
0	81	22
1	151	41
2	95	26
3	38	10
4	2	1
Totals	**367**	**100**

Source: Researcher's field data, 2024

From the Table 24 above, its observed that 151(41%) of respondents employed one assistance and 135(37%) had 2 to 4 workers. Based on the findings, out of 367 respondents 81(22%) employed no worker. It seems that the creation of employment was not only for business women themselves but also for people outside their families. The findings show that microfinance service as a vehicle to rural women economic empowerment, overspills to the community development through job creation. Job creation is an indicator of business expansion or women putting up more income generating activities. Investing in more business activities demonstrates more income and profit hence ensured and sustainable livelihood. This study is contrary with Rooyen, Stewart and De Wet's (2012) study that observed little evidence of microcredit impact on job creation. However, the findings concur with Kireti and Sakwa (2014) that credit to women, creates employment opportunities not only to the women alone but also to the outsiders.

v) Women's property before and after joining microfinance

The study went ahead to establish the property women acquired before and after joining microfinance programmes. The necessity of this question was to understand whether rural

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women own property that to some extent can fund their businesses in case of funders' withdrawal. The table below shows the results.

Table 25

Women's property before and after joining microfinance

Time	Property	Number of mentions	Percentage of mentions
Before	Chicken	117	25
	kitchen ware	64	14
	L/B rooms' furniture	89	19
	cow/s	23	5
	Goat/sheep	70	15
	None	99	22
After	Water tank/s	167	25
	Livestock	242	36
	Agricultural Equipment/products	32	5
	Household furniture	102	15
	Motor vehicle/ cycle	89	12
	Contraction	40	6

Source: Researcher's field data, 2024

Table 25 above displays data on women property's ownership. Out of 469 mentions before joining microfinance, more than a half (270(58%)) of this, met the society's expectation that women own goods that are within the house. Ninety-three (20%) had valued property (goats/sheep, cows) that society terms as belonging to men. However, 99(22%) had no property at all. After joining microfinance, women's property ownership increased. Based on the data displayed, almost half 331(49%) of mentions demonstrated that respondents purchased livestock and motor vehicles/ cycles. Further the study observed ownership of water tanks 167(25%). This is a clear demonstration that some respondents expanded their

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business through purchase of Tuk-tuks and motor cycles. Regarding water tanks, it may mean women experience scarcity of clean water in rural areas. Additionally, fetching water in rural areas consumes a lot of time as observed in this study above, which could be used in business operation. It's clear to say that women's property ownership increased after joining microfinances. The findings concur with Kato and Kratzer (2013) whose results revealed that after joining microfinance, poor household in Tanzania had more ownership of assets/properties when compared with non-members of microfinance. Their study observed that not only owning assets but valued assets that women were denied before such as land and graining -milling machines.

From qualitative research the study observed that:

> *When I separated with my husband, I rented a single room house. I had beddings, four sufurias, three plastic chairs and a charcoal jiko. I remember I used to cook outside because I could not afford charcoal at that time. I earned through casual work until I joined microfinance services. From there my live changed and I have my own land where I constructed a house (interviewed respondent 6).*

The above results revealed how some women's livelihoods were transformed by joining microfinance credit. The findings showed a shift from a rental house to ones' own land probably with a house. More important was changing from casual employment to self-employment where the woman owns a livelihood before Covid 19. In support of this results, Aluoch et al. (2022) found that women's well-being increased after they joined microfinance banks. The duo authors affirmed that not only rural women met their basic needs but also were able to own property. Current study observed that some rural women expanded their investments through purchase of Tuk-tuks and Boda-Bodas. These two forms of investments generate income daily, created jobs for outsiders and more importantly enhanced some women's sustainable livelihood.

ST. PAUL'S UNIVERSITY

vi) Benefits of joining KWFT and Uwezo microfinances

The results revealed that rural women accessed microfinance credit, invested in business which generated different rates of income. The researcher sought to examine the various women's benefits gained after joining these microfinances. This was necessary to assess the benefits that strengthen or weaken sustainable livelihood. Though, in 4.4.4 a) above, more than half of respondents reported business discontinuity, women have shown great improvement in their standard of living as well as sustaining livelihood. Respondents were asked to indicate benefits gained as indicated below.

Table 26

Benefits gained since women joined KWFT microfinance and Uwezo Fund

Benefits gained	Number of mentions	Percentage of mentions
Able to pay fees	169	20
Created employment	133	16
Bought assets	229	27
Gained investments	138	16
Increased savings/income	102	12
Gained knowledge/skills	77	9

Source: Researcher's field data, 2024

Table 26 above indicates benefit gains of rural women since they joined microfinance programmes. Based on the findings, respondents reported that assets 229(27%) and fees 169(20%) out of 848 mentions were the main benefits. Assets in this study refers to water tanks and household furniture, which may not generate income. Business income has enabled respondents to pay fees which may be an income diversion during business operation but a future investment. Gained investment 138(16%) refers to purchasing of Tuk-tuk, motor-cycles and livestock that can bring increment on income at present or in future. Only more than half 450(53%) out of 848 mentions are contributors on sustainable livelihoods. It can be inferred that respondents' business income was mostly spent on factors increasing livelihoods. Further observation on the results, indicate that the least 77(9%) of respondents' mentions gain knowledge and skills especially those of business operation. These findings show that rural women benefited a lot after joining microfinance programs.

ST. PAUL'S UNIVERSITY

These results are consistent with Ahmed et al. (2011) that microfinance programs increased women's livelihood in rural areas. Their study recommended that through microfinance benefits, rural women improved their social position, gained gender equality and sustainable livelihood.

During interview respondents said that through microfinance credit, the live of rural women changed. Some of rural women lost their businesses but living standard is better than before. Women gained knowledge, skills and became owner of properties. Women became providers to their families especially their children. This is echoed by interviewed respondent No. 6 who said: *"When I joined microfinance, my living standard changed when I bought a land"* and respondent No. 4 reporting:

> *Through income from microfinance funded business, I was able to Educate my children who two of them are working. I lost the business during that time but later I started chicken rearing through my children sponsorship. Today (time of this study) I use the knowledge I gained to run and earn through chicken rearing.*

ST. PAUL'S UNIVERSITY

4.4.7 Inferential Results

The study's gathered data were analyzed through descriptive, regression and correlation analyses. Descriptive analysis measured mean and standard deviation. Correlation analyzed the strengthen of the relationship between independent variables and dependent variable while regression tests the strength of impact that multiple or individual predictors have on dependent variable. Prior regression analysis, regression assumptions (Multicollinearity, normality, linearity, homoscedasticity) were tested as discussed below in this chapter. Through SPSS statistics tested reliability of the questionnaire used in current study as displayed immediate below.

Table 27

Reliability analysis

Variable	Number of items	Cronbach's Alpha

Women's investment	7	.876
Microfinance characteristic	5	.875
Gender related factors: Decision making	4	.837
Responsibilities	8	.756
Sustainable livelihood	8	.783

Source: Researcher's field data, 2024

As the findings in Table27 portray, through SPSS statistics version 20, Cronbach's alpha was used to determine the reliability of the questionnaire used in this study. It is evident that Cronbach's alpha for each of the three independent variables and one dependent variable (5-point Likert scale) measured was within the acceptability of 0.7. Generally, this indicates that the questionnaire is reliable and fit to test the influence of microfinance services and rural women's sustainable livelihood

a) Regression assumptions

Table 28

Multicollinearity test

Coefficients

Model		Unstandardized coefficients		Standardized coefficients			collinearity statistics	
		B	Std. Err	Beta	t	Sig.	Tolerance	VIF
1	Constant	-.008	.202		-.041	.967		
	WI	.047	.041	.061	1.162	.246	.982	1.019
	MC	-.012	.007	.098	-.869	.062	.986	1.014
	GRF	.017	.039	.023	.446	.656	.994	1.006

Note:
WI =Women Investments,
MC=Microfinance Characteristics
GRF=Gender Related Factors

The data in Table 28 above, displays multicollinearity test in preparation for regression analysis. Multicollinearity in this table is determined by the tolerance and variance inflation factor. According to Titocan (2022) by virtue of Tolerance, if the value is greater than 0.1, then there is no issue of multicollinearity. From the findings, there is no multicollinearity

ST. PAUL'S UNIVERSITY

because the Tolerance value of all the independent variables is above 0.9 (more than the rule of thumb 0.1). The Variance Inflation Factor supports tolerance by confirming that the dataset is free from multicollinearity. By virtue of VIF, if the value is < than 10 the conclusion is that there is no issue of multicollinearity in dataset (Titocan, 2022). Therefore, the VIF findings of all the independent variables (WI; MC; GRF) of this research are 1.019; 1.014 and 1.006 respectively. Results for normality and linearity were tested by use of Histogram and normal P-P Plot respectively. The findings demonstrated a well normal distributed data as shown in the outputs, Appendix 5 in Appendices' section. Besides, the data for homoscedasticity was tested by use of scatterplot and the findings reflected that the data of this study met this assumption (Appendix 5 in Appendices' section). These results indicated that this data is fit for regression analysis.

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b) Correlation of independent and dependent variables

Table 29

Mean, SD and correlation between independent and dependent variables

variables	**Mean**	**SD**	**1**	**2**	**3**	**4**
1 Sustainable livelihood	.00	.55				
2 Women investments	7.42	1.98	-.30*			
3 Microfinance characteristics	14.06	4.36	.105*	.162**		
4 Gender related factors;	2.98	.75	-.021	.039	-.019	

Note: N=367

*p<.05, **p<.01

Table 29 displays correlation matrix that was conducted to find out how related were the independent and dependent variables to each other. Two significant correlations were observed. Women investments is negatively correlated with sustainable livelihoods (r (367) = -.30, p<.05) and microfinance characteristics positively correlated with sustainable livelihoods (r (367) = .105, *p*< .05). Additionally, Microfinance characteristics positively correlates with sustainable livelihood. **G**ender related factors showed non-significant correlation (r (367) = - .021, p>.05) with sustainable livelihood.

c) Regression of women investment, microfinance characteristics, gender related factors and women's sustainable livelihood.

Regression analysis finds out whether there is relationship between women's sustainable livelihood and the three variables as shown by the hypotheses below.

H_o: $\beta_1=\beta_2=\beta_3=0$ (No relationship between Y and the three variables combined)

H_1: At least one of the β coefficient is not equal to zero.

To answer the above model, the results are shown below.

Table 30
Regression analysis

Regression analysis outputs comprised of Model summary table (shown below), ANOVA table (appendix 3, in appendices section) and coefficients table (displayed below). Results shown below include statistics depicted in the ANOVA table.

Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square change	F Change	df1	df2	Sig. F Change
1	.158	.025	.017	.550	.025	3.104	3	363	.027

Coefficients

Variable	B	SE	Beta	T	ρ	95% CI LB	95% CI UB
Constant	.334	.173		1.932	.054	-.006,	.674
Women investments	.033	.015	-.118	-1.631	.025	-.062,	-.004
Microfinance Characteristics	.011	.007	-.086	-2.246	.104	-.024,	.002
Gender related factors	.022	.039	.030	.569	.570	-.054,	.098

Note: N=36, CL=Confidence interval level;

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The table 30 above shows model summary and coefficient tables of regression analysis. They display the impact of women investment, microfinance characteristics and gender related factors on sustainable livelihoods. The R^2 of .025 revealed the proportion of variance in women's sustainable livelihoods, explained by the three independent variables with F (3, 363) = 3.104, p<.05). Therefore, there is reject of the null hypothesis and accept the alternative hypothesis. From F-statistics, there is evidence of regression relationship between women's sustainable livelihoods and the three independent variables (women's investments, microfinance characteristics and gender related factors)

The findings revealed that women investment negatively predicted rural women's sustainable livelihoods (B= -.118, P<.05) whereas microfinance characteristics (B= -.086, P>.05) and gender related factors (B= .030, P>.05) have no significant effects on rural women's sustainable livelihoods. The model indicates that for women investment, every one unit of this variable the conditional mean for rural women's sustainable livelihood increases by .033 units; for every one unit of microfinance characteristics, the conditional mean for sustainable livelihood increases by .011 units while gender related factors, in every one unit the sustainable livelihood mean increases by .022 units. Thus, $\hat{Y} = b_0 + b_1 x_1 + b_2 x_2 + b_3 x_3$ is $\hat{Y} = .334 + .033x_1 + .011x_2 + .022x_3$

To summarize the above multiple regression of the dependent and independent variables only, the model is statistically significantly predicted women's sustainable livelihood, F (3, 363) = 3.104, p<.05), R^2 = .025. Out of the three independent variables, only variable women's investment $p < .05$ added statistically significantly to the prediction. The other two microfinance characteristics, $p > .05$ and Gender related factors, $p > .05$ have no substantial contribution in explaining women's sustainable livelihoods.

ST. PAUL'S UNIVERSITY

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMMENDATIONS

5.1 Introduction

This chapter represents a summary of the study and conclusion drawn from the study findings. Recommendations are drawn from the study topic: Microfinance funded economic activities on rural women's sustainable livelihood in accordance to the study objectives. The recommendations focused on influence of rural women's investment on their sustainable, impact of microfinance characteristics on the sustainable livelihoods, existing gender-related factors that hinder rural women's economic activities within and outside household and approaches that could enhance microfinance input on poor rural women's sustainable.

5.2 Summary of the study findings

5.2.1 Demographic Findings

Socio-demographic information captured 29-39 years old the majority of rural women engaged in economic activities funded in this study. The study indicated that married women were the most borrowers of microfinance while the least were those who separated. The study found out that rural women who borrow microfinance credit to invest in business were well educated with one percent with no formal education. Majority 364/367 were able to read and write with majority attain secondary and diploma certificates and few degree holders. This is a clear demonstration to say that most of women engaged in microfinance credit due to lack of formal jobs. It's through this lack of formal employment rural women especially married saw microfinance opportunity to improve their livelihoods.

The study revealed that those women who joined microfinance services had high level of formal education. The high level of education possibly enabled rural women to have planned families. Family size was cited with a highest mean of 5(SD=1), possibly due to high cost of bring up a good family and lack of formal employment the parents are experiencing in rural Machakos sub-County. The number of children plays a critical role in family's budget in terms of basic needs. According to existing literature, including this

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study, the greater part of women's income goes to the children. Thus, lean family translates to small expenditure, hence increased income on income generating activities.

5.2.2 Influence of Women's Investment on Women's Sustainable Livelihood

As stated in chapter one, the first specific objective indicated that the study sought to find out the influence of women's investments on women's sustainable livelihood. To achieve this objective, the study specifically assessed sources of income and income generating activities, training and financial literacy. The researcher's assumptions were: Are the income generating activities stable? Are the microfinances providing adequate training and financial literacy, hence achievement of sustainable livelihood?

i) Sources of income and income generating activities

With the objective of improving livelihood, majority of the respondents joined microfinance programmes in 2015 with the number declining every year up to 5% in 2019. This was after receiving information about microfinance through friends and customers. As said in chapter two, the main objective of microfinances is to enable rural women to be economically stable through operating their own business activities (Ali, 2014, Patel 2017). Findings revealed that rural women had various sources of income to start income generating activities. Microfinance credit remained the major source of business working income to improve women's sustainable livelihood. The multiple sources of rural women income included formal employment, funds from relatives, merry-go round and farming (rain fed crops). In chapter 2 above, Boiwa and Bwisa (2014) observed women's involvement in multiple borrowing influenced by low level of education and high dependents, unlike this study whose respondents were literate with few children. From these income sources, rural women started different incoming generating activities with most of respondents operating cereals' businesses.

The main microfinance credit providers were KWFT, Uwezo and WEF. From these microfinances, the study observed various loans that women received lastly, with more than half receiving Ksh.100000-200000. The same loans were used in different ways with almost equal percentage in business investment and non-income generating activities. Though the

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study revealed some challenges denying women borrowing loans immediately they joined microfinance programmes, some rural women used merry-go round as a source of business working capital.

ii) Business failure and those in operation

In chapter 2 session 2.3 microfinance services are viewed as a means to build sustainable income generating activities (Mungai Maingi & Muathe, 2014). The question was that were the women's income generating activities sustainable? The study observed that a small percentage of respondents had no business failure while majority experienced either temporary or permanent closure. Further, study results revealed that a significant number of respondents operated two and above business activities. Meaning that there has been failing and restarting of income generating activities. Since business location influence business sustainability, the study discovered that some rural women's businesses were located along highway roads from Machakos County to other Counties, possibly where potential customers were found.

iii) Trainings and training benefits

Training was part of investment women were provided to enhance sustainable livelihood. Respondents who received training before loan disbursement were over fifty per cent with majority training once. After loan disbursement, less than half trained with less than a quarter training once. This finding indicated that respondents preferred the first training (before) more than the second (after). The most training benefits that were provided before loan disbursement were loan application and repayment and loan investment. After loan disbursement, majority had no training gains while less than a quarter trained on business record keeping and on opening saving accounts.

5.2.3. Impact of Microfinance Characteristics on Women's Sustainable Livelihoods

The second specific object examined the impact of microfinance characteristics on women's sustainable livelihoods. This study focused specifically on loan defaulting and business failure, self-help group policies, interest rates and loan recovery methods by microfinance.

ST. PAUL'S UNIVERSITY

The researcher assumed that these characteristics greatly influence women's economic sustainable livelihood.

i) Interest rates

This refers to the interest charged when repaying the borrowed microfinance loan. Study revealed that of women respondents were not comfortable with the interest rate some of microfinance charge. Chapter 3 sessions 3.5.1 and 3.5.2 indicated different interest rates charged by both microfinances used as the case study. In reference to these sessions KWFT's repayment interest rate is 25% or above depending on the repaying period while Uwezo was 1% payable once at loan disbursement time. High interest rate is considered as a threat to women's sustainable livelihood (Kamanza, 2014). This study showed that high interest rate is one of the business challenges related to microfinance services hindering business permanence. Addae- Korankye (2014) states that high interest is a cause of loan defaulting which in turn contributes to collapsing of income generating activities, thus denying women their economic livelihoods. The researcher noticed that rural women's income generating activities were facing failure or closure either permanent or temporary.

Business failure or closure indicates loss of livelihood either permanent or temporary. A significant number of respondents reported 1-4 times business failure before this study. Other business challenges related to microfinance the study discovered were: loan recovery methods, withholding loan, short grace period, repaying defaulted loans, inadequate loans and poor training. More sustainable livelihood challenges outside microfinance mentioned were low-income profit, loan diversion, and coronavirus effects.

ii) Self-help group hindrances

The study sought to understand how self-help group policies as a mandatory microfinance policy, impact women's sustainable livelihood. According to Sustainable Livelihood Framework (SLF), self-help groups are among social capital that enhance the use of available financial capital to sustain livelihood. Self-help groups policies were the set rules that govern the borrowing and repaying of microfinance credit. Since groups use top-bottom approach adopted from Grameen model, the policies considered here were: loan applicant

ST. PAUL'S UNIVERSITY

vetting, contributing towards defaulted loan and loan sharing. Women's sustainable livelihood was mostly threatened by vetting. Qualitative data indicated that some women lost their economic livelihood. This is evidenced by respondent no.350 who narrated that she almost lost her business because her relative guarantor (husband) was not working. Further she said that the loan she got after bringing her sister to fill the gap of her husband, was not enough to revive her business. It's clear that sometimes loan approval by the group members can decrease the amount applied for. The repercussion might force the borrower to engage in multiple borrowing from different microfinances. This result and argument are echoed by Boiwa and Bwisa (2014) that multiple borrowing resulted from insufficient loans from microfinances. These duo authors argued that though multiple borrowing increased funds for meeting family obligations, it also increases loan debt repayment.

The study has showed that when loan default occurs, group members contribute towards such loans. The study, learned that its mandatory for group members to repay defaulted loans in their groups. The contribution reduces savings or restocking funds and thus negatively affects sustainable livelihood. Loan sharing is where microfinance provide group loan instead of individual. The study noticed that after sharing, rural women receive small amounts that has negative effects on women's sustainable livelihood because it triggers loan diversion to non-income activities. Ijaza et al. (2014) confirmed that small loan sizes were a business challenge that respondents cited because in many cases its diverted.

iii) Microfinance loan recovery method

This is a microfinance strategy of recovering unpaid loans women have defaulted. This study observed several methods such as property confiscation, encouragement and more grace period. Though it protects financial sustainability of microfinance institutions, some methods are hindrances towards women's sustainable livelihood. The study's findings indicated that microfinances that use property confiscation cause property loss, some women run away from their homes and creates fear of using and joining microfinance programmes. These actions are threats and bring loss to women's sustainable livelihood. Kamar and Ayuma (2016) pointed out that such recovery techniques achieve microfinance goals without considering the effects on clients' side.

ST. PAUL'S UNIVERSITY

5.2.4 Gender-Related Factors' Hindrances.

i) Household and social factors

Many studies have analyzed women's economic livelihood in different perspectives, however household and social factors have been ignored to some extent. This study sought to find out household and social gender related factors that influence women's sustainable livelihood. Household factors that the study focused on were responsibilities and roles assigned to female gender by the society. The identified responsibilities and roles' hindrances of women's sustainable livelihood were kitchen chores, looking after livestock, water/firewood collection, taking children to and from school, taking care of old and young people and shamba work. Some of these activities are done on daily basis, specifically in the morning. The study noticed that women's income generating activities were not programmed in the morning, possibly due to heavy load women experience in the morning. Women operate their business activities in the afternoon after kitchen chores and other duties. In chapter 2 session 2.3 Vasantha lamented that cultural and social gender duties result to income generating activities' failure. These results are in line with African Development Report (2016) that gender equality for African women is still not yet to be satisfactory.

Social factors hindering women's sustainable livelihood include the perceptions of the society especially the male gender towards business women. These include: men control all household activities, women to be at home before sun set, women's business is disrespect to men, business women are unfaithful to their spouses and business work is for men not women. These are men's perceptions on women's involvement in business. These factors demonstrate women's and their economic livelihood in a patriarchal society. In chapter two above, social and cultural norms determine and structure who is who, what one should do or not and why. Further in the same chapter, literature stated that social systems positioned men as masters while women take servants seats.

More importantly, this study noticed that not all gender males (spouses/relatives) were against women's joining to microfinance. The researcher observed more different perceptions such as increased family income, husbands relieved some expenditure duties, sharing expenditure,

ST. PAUL'S UNIVERSITY

a woman who can provide for the family and a woman with pride. Some perceptions like increased family income implies increased quality of life in the household. Quality of life is a sign of increased physical and social development, not only to the individual but also the whole family. This implied that women are able to purchase some property, improve nutrition in the family and be able to pay fees for their children. The attainment of these is associated with sustainable livelihood. In chapter 2 session 2.3 much has been researched on microfinance impacts on women's empowerment. Supporting these findings and argument, Mutuku, (2010) lamented that microfinance reduced poverty and improved social development. Studies in the same chapter highlighted that: stable enterprises improve women's livelihood as well as creating jobs.

ii) Respondents' daytime activities

Women's income generating activities requires sufficient working hours in order to achieve sustainable livelihood. The study sought to find out hours spend on business operation on daytime (12hour) activities. The findings revealed that majority spend a third of hours while the least two-thirds on business operation. The findings indicated that hours prioritized to income generating activities encourage unsustainable livelihood. Income generating activities are located fewer hours than cumulative hours for non-income generating activities. It is clear to say time location contributes negatively to women's sustainable livelihood. Literature state that adequate time is necessary for successful and sustainable income generating activities. His study indicated that women in Tanzania spend ten hours of the day in business operation.

iii) Women's contribution in the last three months.

Women's contribution refers to how rural women spend their business income in the last three months before this study. Study's results demonstrated that majority of respondents spent their business income on children's school fees, on basic needs, agricultural equipment's/products, equally was spent on purchase of livestock, water tanks and firewood. Only very minimal was invested in short term investment while the higher side in long term investment. Though the income was spending on development activities, more than half was not contributing on fast income generation activities.

ST. PAUL'S UNIVERSITY

Literature in chapter 2 session 2.4 stated that microfinance funded business empowered rural women to settle their household needs. Their study specifically pointed out that highest portion of women's income goes to meet children's needs. Such expenditure is against sustainable livelihood because borrowed loans were paid monthly according to the agreement with no fail. This means credit spent on non- income activities, yield no funds for loan repayment. Same, spending on fees does not generate funds to repay loans immediately and this probably might lead to loan default, business failure and lastly to unsustainable livelihood.

iv) Decision making on microfinance services

United Nations of Women (2016) reported that microfinance credit was developed to strengthen women's position in the societies. This study sought to understand the decision-maker of microfinances services offered to these rural women. Findings revealed that majority of respondents (women) make decisions on loan borrowing and saving accounts alone while both, (jointly) make decisions on loan investment and loan/income diversion. In some households, men alone make decisions on loan/income diversion, loan investment, saving account and borrowing loans. These results showed that some rural women work together with the spouses to support women's sustainable livelihood. Working jointly improves gender development, hence sustainable livelihood through support.

5.2.5 Approaches Enhancing Livelihood

i) Ways of enhancing women's sustainable livelihood

The researcher used bottom-up method to sought methods and factors that rural business women think can enhance their sustainable livelihoods. Kenyan microfinances (KWFT and Uwezo Fund) use strategies borrowed from Grameen model. The researcher thought that rural business women have solutions for the challenges facing their enterprises. Understanding business status, findings showed that majority of respondents were not sure of businesses existence in the next three years. Only less than a quarter percent was sure of their business continuity. This indicated lack of confidence with their businesses in future. In other words, predicting unsustainable livelihood. Respondents were given the chance to

ST. PAUL'S UNIVERSITY

suggest ways of enhancing their businesses in future. These were: loan applicants suggesting starting loans, Interest free loans in first cycles, giving individual loans, increasing loan grace period to 3 months, providing regular and relevant training skills, avoiding withholding non-defaulters' loans, women's controlling their business, family support, dismiss loan applicant discussion, stop repaying defaulted loans, MF work with couple and Microfinance regular visitation to business sites. These results were collected during quantitative research. At the time of interview, the respondents commended the same resolutions as shown in chapter 4 session 4.4.4. a & b) above. If women are to be economically empowered with sustainable livelihood, it's important for development agencies to consider their suggestions. Possibly these can increase enhancement of women's sustainable livelihood. More important, to use bottom-up during women's empowerment because some of women empowerment strategies are borrowed and may not work well in all environments.

5.2.6 Women's Sustainable Livelihood

The measurements for dependent variable (women's sustainable livelihood) revealed a positive trend on the criterion variable such as increased property and investments, more income and savings, somehow knowledge and skills and job creation. All the variables were compared before and after joining microfinances. Increased property and investment refer to where rural women own more physical properties and increased IGAs. More income and savings mean increased business income and savings. Increased knowledge refers to more information gained during trainings to build up human capital concerning business, rights and problem solving. Job creation refers to creating opportunities for other people outside business women's households.

i) Increased income and savings

Findings revealed that income/profit increased such that accumulatively majority of respondents in a period of three months, women earned Ksh.32000 and above while in the last month before this study, more than half of respondents generated Ksh.11400-19700 per month. Respondents reported that this was an increase since some women had no income at all and when they joined microfinance, they became self-employed, earning daily. The study

ST. PAUL'S UNIVERSITY

also revealed some respondents who's their income went down due to loan default and then their property got confiscated. Another cause of income decrease was lack of adequate knowledge of business operation that leads to business closure and continuity of loan repayment. Findings implied that there was improved income to majority of women while to others they lost income. Regarding savings, the study observed varieties of savings that the respondents saved monthly. Majority 59% saved Ksh.100-2000 and 41% saved Ksh.0-99 per month. The study noticed that some respondents saved nothing. This meant that some business' security was threatened while others were somehow stable. Stability indicated increased sustainable livelihood.

ii) Increased property ownership

Property increment is an indicator of increase business profit and sustainable business. Findings on property ownership before and after joining microfinance and before Covid 19, indicated a great difference. For instance, in comparison: livestock before 26%, after 36%. Study results also indicated other properties women purchased after joining microfinance such as water tanks, motor vehicle/cycles, own constructed houses, and agricultural equipment products. The improved scenario is contrary to African culture's opinion that women traditionally are not supposed to own productive assets, operate only within homestead vicinity and always seek decision and permission from men for any engagement outside kitchen arena (Kithuka & Atuya, 2016).

iii) Increased knowledge and skills

Findings on knowledge and skills indicated that rural women had no adequate regular and relevant trainings. Microfinance provides trainings that impart rural women with the right information of their businesses. Findings revealed that almost equal percentage of respondents with and without trainings. It's clear to say rural women were not fully equipped with the right knowledge and skills concerning their specific daily business activities. Study results indicated that lack of adequate knowledge and skills caused closure of some business activities. However, KWFT and Uwezo Fund microfinances mostly provided knowledge and skills on loan application and repayment and savings.

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iv) Job creation

Increased income and savings translate to business expansion which creates jobs. Findings revealed job creation after expansion of businesses and more investment. As said by many respondents, before Covid 19, business income increased and some business women reinvested and created more investments such as Boda Bodas and Tuk-Tuks. These two types of investments required drivers who came from community members. Of course, expansion of the other types of businesses required assistants. Findings in chapter 4 session 4.4.1 k) showed that majority of respondents had more than 2 businesses in operation. Additionally, more than a quarter of respondents employed more than two workers to assist in operating businesses. This means that some women had stable and sustainable livelihood business before Covid 19.

Summarizing sustainable livelihood, women's income and savings increased. Observation indicated Ksh.3000 minimum to Ksh.19700 maximum per month. Findings revealed that majority of women started earning daily when before microfinance were not. Women were saving according to their business daily/monthly income with Maximum Ksh.2000. The study noticed some women who were not saving at all. According to the findings, business growth was observed as evidenced by employment creation of business assistants and property ownership. The study revealed that women's wealth increased such that those who had no property before, got some properties.

5.2.7 Inferential Results

These indicated that there was negative statistically significant correlation between women investment (IV) and sustainable livelihood (DV) ($r(367) = -.30$, $p < .05$). Microfinance characteristics (IV) positively correlated with sustainable livelihood (DV) ($r(367) = .015$, $\rho < .05$) and gender related factors showed non-significant correlation ($r(367) = -.021$, $p > .05$) with women's sustainable livelihoods

5.3 Conclusion

The study sought to find out the influence of women's investments, microfinance characteristics and gender related factor on their sustainable livelihood. Further, the study

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established from rural women, approaches enhancing women's sustainable livelihood. This thesis found that rural women through Grameen model, accessed microfinance credit and started income generating activities. These businesses were located at different areas depending on the availability of potential customers such as along highway roads. Rural women were still borrowing loans from microfinances at the time of this study. The businesses were experiencing challenges some related to microfinance's policies, others from households and the community, all of which are indicators of weak sustainable livelihood. The study noticed that women's enrollment with microfinance programmes decreased every year from 2015 (31%) to 2019 (5%) which illustrated loss or stable of income generating activities. Observation showed high level of loan diversion. Findings revealed that rural women invested in business, part of loans and the other portion settle social needs. Loan diversion means the strength of the economic livelihood is decreasing or weakening. Alongside these challenges and loan diversion the study discovered high level (62%) of business failure either temporary or permanent, which translates to unsustainable livelihood. Surprisingly, the researcher noticed a significant level (63%) of respondents operating two or more businesses at the time of this study. It implied high level of struggle of increasing sustainable livelihood.

The study observed that some microfinances charged high interest rate which was uncomfortable to members and also contributed to loan default among some group members. High interest rate has been termed as one of the contributors of loan default, hence unsustainable livelihood. The study noticed that some loan defaulters, defaulted more than once. Recovering these loans arears, microfinances used different methods with property confiscation mostly used. Regarding group policies, group vetting controlled loan size the applicant got. Loans vetting were creating misunderstanding, mistrust and poor networking among group members, a threat to sustainable livelihood. Contributing towards defaulted loans, reduced women's income that could have been used in promoting sustainable livelihood. The qualitative findings revealed that small loans from microfinances trigger loan diversion which weakens business sustainability.

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Business women experienced social and household discouragement resulting to drop out of some rural women. The study identified household responsibilities and roles that hinder women's sustainable livelihood. Women operate their business activities in the afternoon after kitchen chores and other household duties. Generally, time allocation for income generating activities, majority of women operate their businesses for a maximum of four hours, inadequate hours to earn reasonable income for sustainable livelihood. The study observed hurtful language used to label business women and that those could not accommodate the language decided to drop out from microfinance programmes, an indication of terminating livelihood. Interestingly, some gender males supported women's joining microfinance programmes and termed it as family income increment. Though rural women made some decisions alone and others with their spouses, women experienced social challenges that may reduce achievement of sustainable livelihood. These challenges were: some men controlling household activities, women closing businesses early to be at home before sun-set, women's business termed as disrespect to men, some business women seen as unfaithful to their spouse, business work termed as a job for men not women and women restricted to work within their homes. All these social women's restrictions geared towards discouraging women from business operation. Altogether, findings observed a good percentage 98% operating businesses and only 2% with no business.

To reduce business discontinuity and increase sustainable livelihood, respondents suggested approaches that women developers can use. These are bottom-up approaches to empower women economically and possibly sustain the livelihoods. Suggested approaches were: loan applicants to suggest size of starting loans, microfinance to provide interest-free loans in the first cycles, those microfinances with short grace period(1month) to increase, microfinances to provide individual loans and include women's spouses in women's economic empowerment. Alongside these suggested approaches, respondents requested developers to include or work together with area politicians (MCA) and administrators (chiefs and sub-chiefs) for smooth and transparent of women's economic empowerment and sustainable livelihood. Sustainable livelihood framework encourages use of social capital to sustain livelihood. These politicians and administrators facilitate coordination and cooperation for mutual benefits of rural women and their developers leading to sustainable livelihood. It's

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clear to say that women's income and savings increased with minimum getting Ksh.3000 to Ksh.19700 maximum per month. Findings revealed that majority of women started earning daily when before microfinance were not. Respondents reported that they saved according to their business daily/monthly income with Maximum saving Ksh.2000. The study noticed some women who were not saving at all. The study noticed business growth that was evidenced by job creation of business assistants and women's property ownership. The study revealed that women's wealth increased such that those who had no property before, got some properties. Rural women's wealth was analyzed through wealth indexing that classified the respondents into three class of upper, middle and low classes. Through regression analysis predictors explained 2% variance in the sustainable livelihood. Women investments and microfinance characteristics were statistically significant predictors of sustainable livelihood.

Concluding this study, the measures of sustainable livelihood indicated that income generating activities before Covid 19 were sustainable. Though the study revealed temporary closure, a significant number (64%) of respondents registered business operation of more than one business. There has been increased income and savings which indicated stable income generating activities before Covid 19. Further the jobs creation, property ownership and more investments were indicators of well-established and sustainable livelihood.

5.4 RECOMMENDATIONS

5.4.1. Contribution to the Theories

Grameen solidarity group theory increased credit to poor rural women with no hard collaterals. It has enabled rural women to start and expand their businesses and improved their sustainable livelihood. Grameen theory has improved women's economic condition by creating financial independence. Financial freedom has improved social capital such as education of women's children.

The critics, Grameen model has not given solutions of high interest rate which has caused default leading to loss of property. Though it has positive poverty reduction the quick loan recovery method possibly increased loss of sustainable livelihood and poverty due to loss of

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property. Findings indicated that some women terminated their economic livelihood due to loan default caused by high interest rate.

Sustainable Livelihood Framework (SLF) emphasized that poor people use the five available capitals to improve their livelihoods. Poor rural women in this study used social capital (women groups) to increase human and financial capitals which in turn improved sustainable livelihood of some women. Through women groups, women accessed microfinance credit. The credit enabled women to start and expanded business that the income improved women's sustainable livelihood. Through increased income and savings, women owned more properties, paid school fees for their children and settled other household needs. SLF has not considered natural risks, such as Covid 19 which greatly impacted negatively women's business income flow and savings. These two variables were termed a sustainable livelihood indicator in this study. Study results revealed that the women increased wealth before Covid 19.

Blumberg's theory emphasized women economic empowerment which she commended that women's decision, self -esteem and confidence among others increase. Blumberg viewed women's income spend more on children's needs. Study's results showed women's income channeled to children's needs. Findings revealed some women diverting credit to children's school fees.

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5.4.2. Recommendations to Microfinances

i) Adequate and relevant trainings: Women can have demonstrations and learn more in practical than oral. This short course empowers women with both knowledge and skills about their income generating activities. The study revealed that training after loan disbursement is poorly attended. Microfinance should encourage or make training compulsory for every rural woman. The time of business operation involve many challenges and women need advice and encouragement from experts.

ii) MCAs and Chiefs involvements. As suggested by interviewed respondents, these administrators can rearrange gender relations that increase women subordination in the

society. MCAs working together with women's funders can increase business capitals and reduce loan diversion probably through increasing school bursaries that can reduce loan diversion. Chiefs can create conducive environments for rural women entrepreneurs as social and cultural norms are concerned. Chiefs are of great assistance in changing the cultural practices and beliefs against business women in the community/society.

iii) Bottom-up approach: It's important to seek information of how the subjects can be assisted or empowered. Many microfinances use top-bottom approach which sometimes do not work the same in different environment. In this study respondents gave suggestions of approaches that microfinance can use as they provide credit.

iv) Time management. This strategy is very important for business sustainable livelihood. Poor rural women should be provided with how to locate time for each activity depending on activity's production.

v) Adequate loans: Loan size determines the type of business the client sets-up. Some microfinances for example Uwezo, provide group loans which when shared, the individual members get small loans. These loans do not assist much, instead, as narrated in chapter four, triggers loan diversion which has negative impact on sustainable livelihood. Also, small loans result to starting business which is not one's choice.

vi) Microfinance regular business visitation. The study observed that microfinance do not visit its clients at business sites. Monitoring and evaluation assess the progression of business. This will in turn determine whether is it sustainable or not. The visits also highlight instances were advice and encouragement are required. This study observed some respondents who were not operating business but were repaying loans. Is microfinance aware of such rural women? a question from the researcher.

vii) Loan arears recovery. This Thesis observed that some loan recovery methods contribute to unsustainable livelihood, loss of property and poverty increase. There is room for microfinance to review these strategies to increase sustainable livelihood. From the finding's respondents reported loss of property and other respondents running away from households to avoid seeing their property carried away. Such actions bring tension in the household and the community, and scare non-clients willing to join microfinance programmes.

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5.4.3 Recommendation to Policy Makers

i) Flexible interest rates- To create sustainable livelihood for women, consider repaying interest rate. There is call for review of interest policy to enable women to be in a position of sustainable their income generating activities. Majority of women suggested to be given interest free loans in first cycles. Interest free loans increases sustainable livelihood in that the profit will be restocking the business and repaying the capital loan. This also improves business stability.

ii) Sensitization programmes. There is need for government policy that rural women be educated according to business type before loan application. The sensitization should involve Government and private experts from various knowledge disciplines of business. Findings revealed business failures due to lack of knowledge and skills in that particular business. Rural women are not business professionals and require necessary information to sustain their livelihood. For instance, an interviewed respondent narrated that after receiving her loan she started chicken rearing. After three weeks, the chicks started dying because she had no knowledge about it. The situation forced her to look for casual work (washing clothes for people) to repay microfinance loan. Relevant knowledge and skills increase sustainable livelihood.

5.5 Further Research areas

a) Investigation through comparing the difference between individual and group microfinance lending. This research observed that microfinance lend funds to rural women either in groups or individuals. Why some microfinance prefers groups and others individuals. In other words what are disadvantages and advantages.

b) Impact of Covid 19 on microfinance credit to rural women's borrowing. Findings shown that Covid 19 lockdown in Machakos County negatively decreased business income and other business were closed. Further, revealed wealth increment before Covid 19.

c) Detailed comparison between KWFT and UWEZO Fund on women economic sustainable livelihood.

d) Research on Similarities and differences of microfinance and women's sustainable livelihood in urban and rural areas.

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APPENDICES

APPENDIX 1:

Krejci and Morgan (1970) Table for Sample Size

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N	*S*	*N*	*S*	*N*	*S*
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

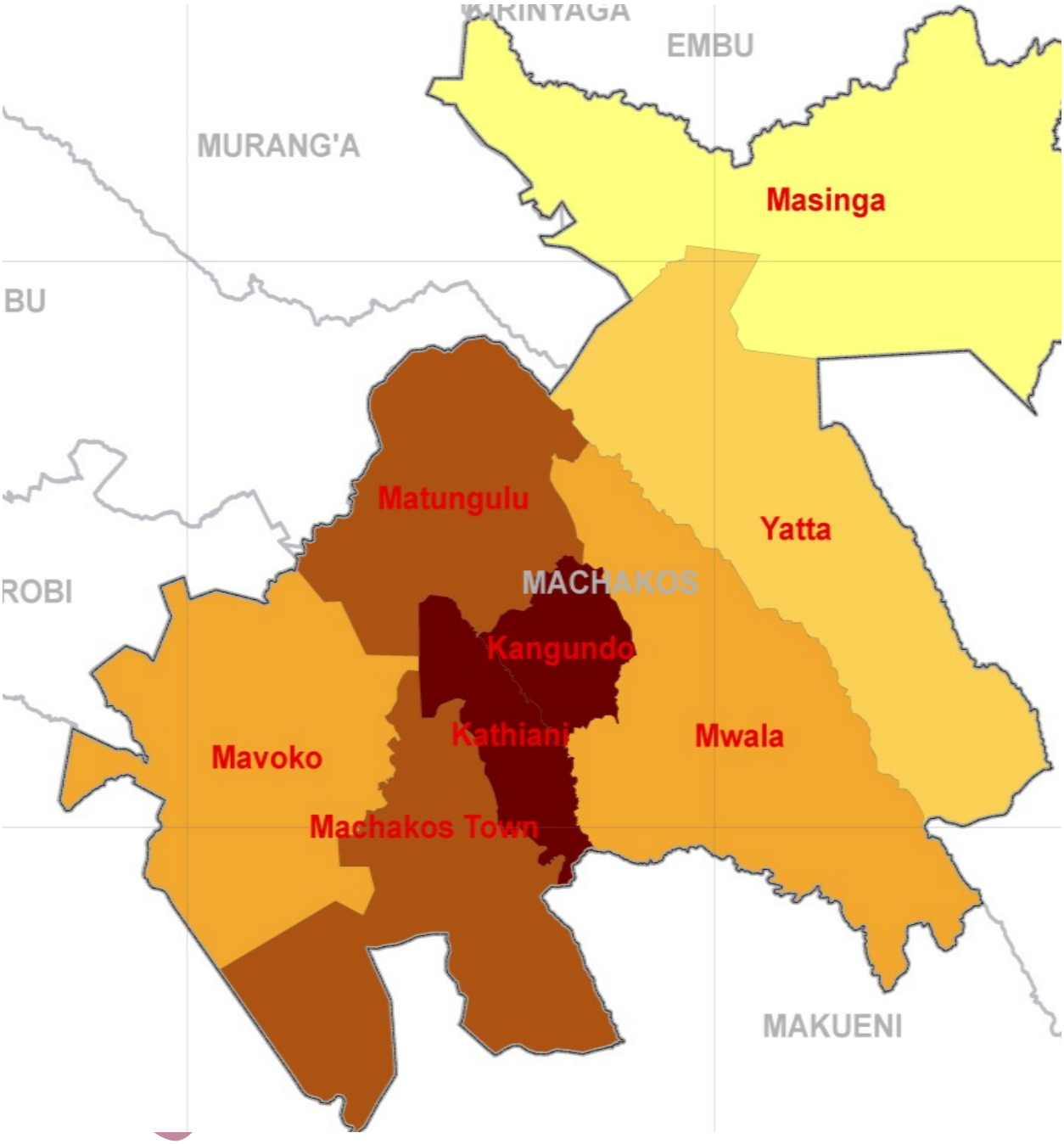
Note.—*N* is population size. *S* is sample size.

Source: Krejcie & Morgan, 1970

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APPENDIX 2:

MAP OF STUDY AREA: Machakos sub-County, Machakos County



Source- MCIDP (2015)

APPENDIX 3:

DESCRIPTIVE STATISTICS, CORRELATION AND REGRESSION ANALYSES OUTPUTS

Descriptive Statistics

	Mean	Std. Deviation	N
MeanDV	.0000	.55496	367
Mean30iilikert	2.9768	.74856	367
Q20iv	14.0649	4.36382	367
Q19e24	7.4205	1.98345	367

Correlations

		MeanDV	Mean30iilikert	Q20iv	Q19e24
MeanDV	Pearson Correlation	1	.021	-.105*	-.130*
	Sig. (2-tailed)		.692	.044	.013
	N	367	367	367	367
Mean30iilikert	Pearson Correlation	.021	1	-.019	.088
	Sig. (2-tailed)	.692		.724	.091
	N	367	367	367	367
Q20iv	Pearson Correlation	-.105*	-.019	1	.162**
	Sig. (2-tailed)	.044	.724		.002
	N	367	367	367	367
Q19e24	Pearson Correlation	-.130*	.088	.162**	1
	Sig. (2-tailed)	.013	.091	.002	
	N	367	367	367	367

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Note: MeanDV=Women's sustainable livelihood (DV)
Mean30iilikert = women's sustainable livelihood (IV)
Q20iv =microfinance characteristics (IV)
Q19e24=women's investments (IV)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.158[a]	.025	.017	.55023	.025	3.104	3	363	.027

a. Predictors: (Constant), Mean30iilikert, Q20iv, Q19e24

b. Dependent Variable: MeanDV

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.819	3	.940	3.104	.027[b]
	Residual	109.901	363	.303		
	Total	112.720	366			

a. Dependent Variable: MeanDV

b. Predictors: (Constant), Mean30iilikert, Q20iv, Q19e24

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.334	.173		1.932	.054	-.006	.674
	Q20iv	-.011	.007	-.086	-1.631	.104	-.024	.002
	Q19e24	-.033	.015	-.118	-2.246	.025	-.062	-.004
	Mean30iilikert	.022	.039	.030	.569	.570	-.054	.098

a. Dependent Variable: MeanDV

APPENDIX 4:

CYCLE ONE CODING

CODES	EXPLAINATION
Heavy household duties	The study refers to women societal assigned duties
Limited business time	It refers to little time for business activity as compared to others.
More time in household duties	It indicates that most of women time is spent in hh chores.
Vetting loan applicants	This refers to the group discussion on loan applicant before group members sign the loan form.
Social collaterals	In this study it refers to where the group becomes socially responsible for any loan and even repayment if a borrower fails to honor.
Repaying defaulters loans	In this study it means group members repaying defaulted loan of a group member.
Share experiences	Refers to group members discussing business and non-business experiences
Loan invested in non-IGAs	It means using the credit in non-income generating activities.
Loan invested in business	It indicates that borrowed money was spend on income generating activities.
Income from Marry-go-round	In this study, it means merry-go-round was a source of income
Income from Formal employment	It refers to formal employment as a source of income to some women
Income from relatives	It means household members provide funds to women
Women started earning	This refers to women not earning started doing so.
Women enlarged their business	It refers to credit enabling women to expand their businesses.
Women became self-dependence	It means women were empowered and became self-reliance.
Women's autonomy increased	This refers to women having the capacity and free will

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	to make decisions affecting their lives.
High interest rate	In this study it refers to loan repayment interest is high.
Short grace period	It refers to period of loan disbursement and first loan instalment repayment.
Amount of loan	This is the size of credit loaned to women.
Financial problem	Refers to shortage of funds made some women join microfinance.
Own property	This means women's eager to join microfinance was to own property
Provide for children	In this study it implies that some women joined MF to provide for their children
Poor loan recovery	In this study, it refers to ways MF use to repossess defaulted loans.
Inadequate business time	This means business activity was located insufficient time.
Household needs	In this study it refers to family necessities required to keep a home running smoothly
Multiple borrowing	Here it refers to borrowing funds from more than one lender.
Business failure/closure	It refers to failing of business operation either temporary or completely
Poor training	Here it means irregular and irrelevant trainings.
Property confiscation	This means carrying and auctioning of women by MF in case of defaulting.
Women abuse	It refers to labels of names given to women by their relatives and the community.
Fear of loans	This means unwilling women to borrow funds
Controlled mobility	In this study, it means women's movement is controlled.
Work under fear of spouses	This indicates lack of freedom in decision making
Business is men's work	Here it means women are not allowed to do business

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First loan with no interest	This means loan interest free especially the first cycles
Adequate grace period	It refers to enough time between loan disbursement and first repayment loan instalment
Capacity building for women and spouses	This refers to be done to both women and their spouses.
Women and spouses' regular and relevant trainings	It means microfinance to provide regular and relevant training for both women and spouses.

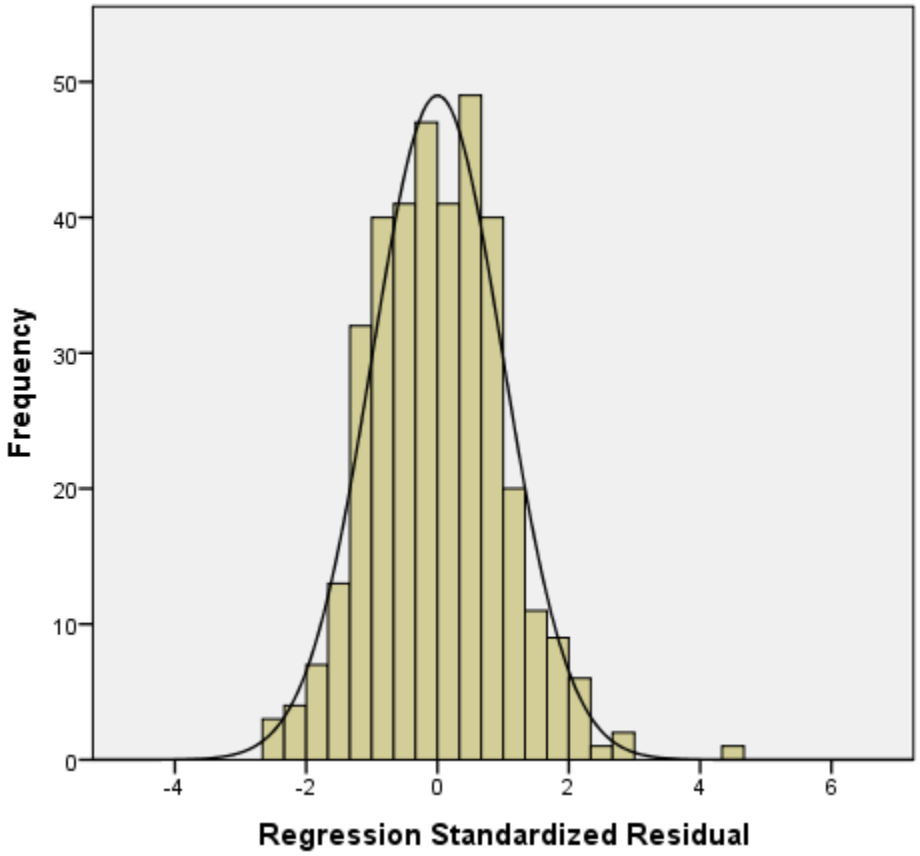
Source: Researcher's field data, 2024

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APPENDIX 5

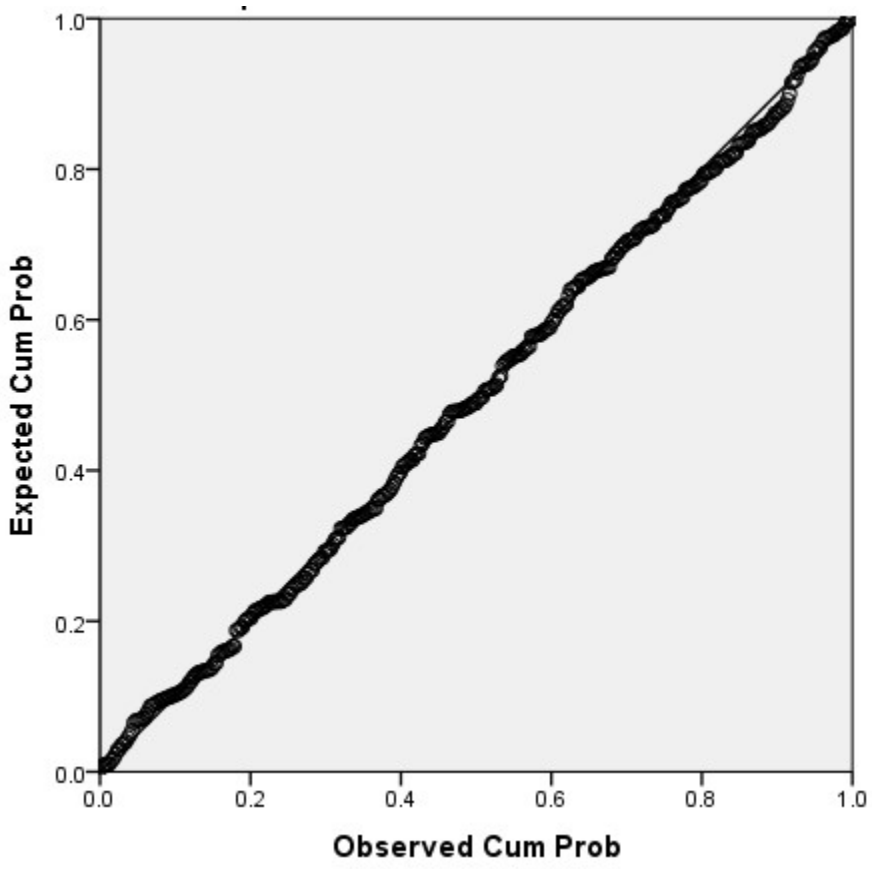
REGRESSION ASSUMPTIONS

HISTOGRAM



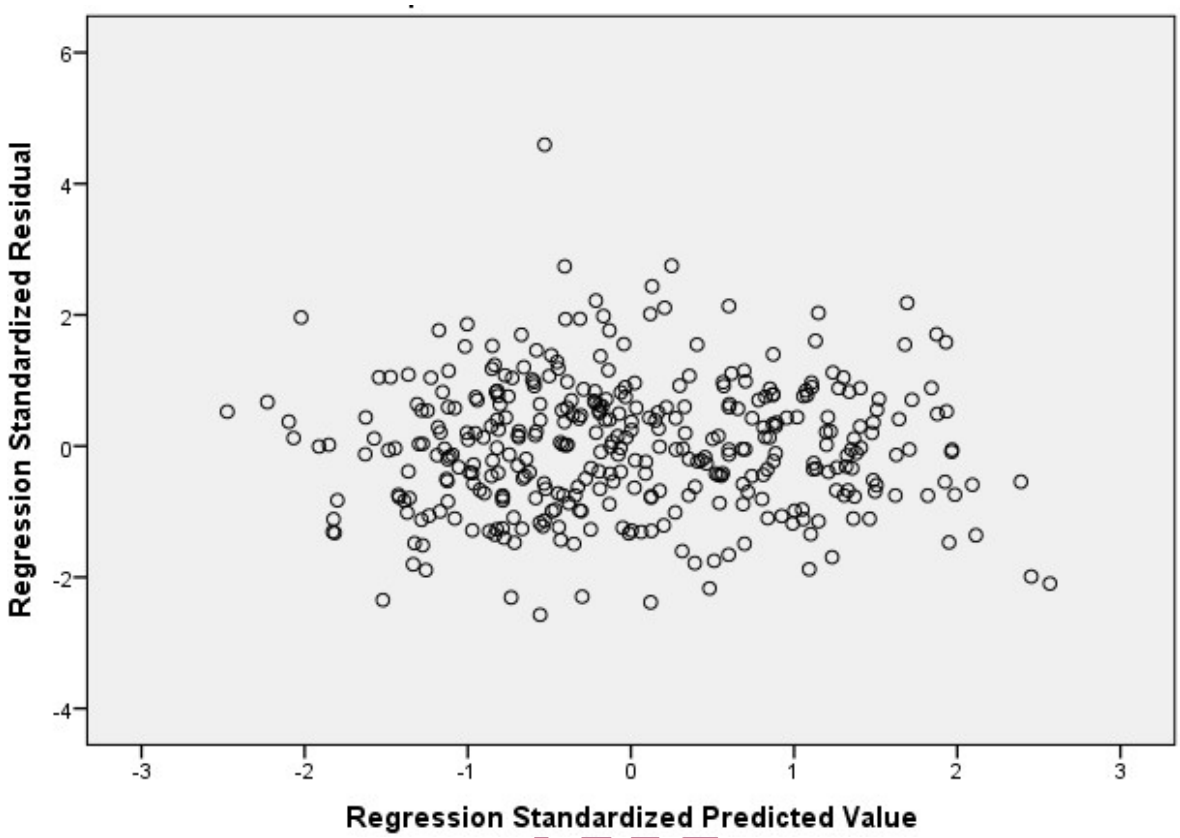
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NORMAL P-P PLOT OR REGRESSION STANDARDIZED RESIDUALS



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SCATTERPLOT



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APPENDIX 6:

St. Paul's University letter of recommendation to conduct research

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Private Bag 00217 LIMURU, KENYA
Email: office@spu.ac.ke
Website: www.spu.ac.ke

Tel Office: +254 (0) 20-2020505/10
Mobile: +254 (0) 728-669000
(0) 736-424440

14th June 2021

National Commission for Science and Technology,
P.O. BOX 30623-00100,
Nairobi.

Dear Sir/Madam,

RE: RECOMMENDATION FOR CHROCOSISCUS MUTISYA- PDSLMR304616 TO CONDUCT RESEARCH

This letter confirms the above named person is a student of the Doctor of Philosophy in Development Studies program at St. Paul's University.

The second year consists of a major research work leading to a thesis. The student's selected topic is *'Microfinance and rural women's sustainable livelihoods: A case study of Kenya Women's Finance Trust microfinance and uwezo fund in Machakos Sub-County, Kenya'.*

Kindly grant this student the required permit.

Yours Faithfully,

DIRECTOR POSTGRADUATE STUDIES ST. PAUL'S UNIVERSITY 14 JUN 2021 TEL: 020/0736424440/0728669000/0705/2020505/10 PRIVATE BAG - 00217, LIMURU

Dr. Julius Kahuthia
Director, Board of Postgraduate Studies

APPENDIX 7:

NACOST'S RESEARCH LICENCE

APPENDIX 8:

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **562534**

Date of Issue: **22/June/2021**

RESEARCH LICENSE



This is to Certify that Ms.. CHROCOSISCUS MUTISYA of St. Paul's University, has been licensed to conduct research in Machakos on the topic: MICROFINANCE AND RURAL WOMEN'S SUSTAINABLE LIVELIHOOD: A CASE STUDY OF KENYA WOMEN'S FINANCE TRUST MICROFINANCE AND UWEZO FUND IN MACHAKOS SUB-COUNTY - KENYA for the period ending : 22/June/2022.

License No: **NACOSTI/P/21/11331**

562534

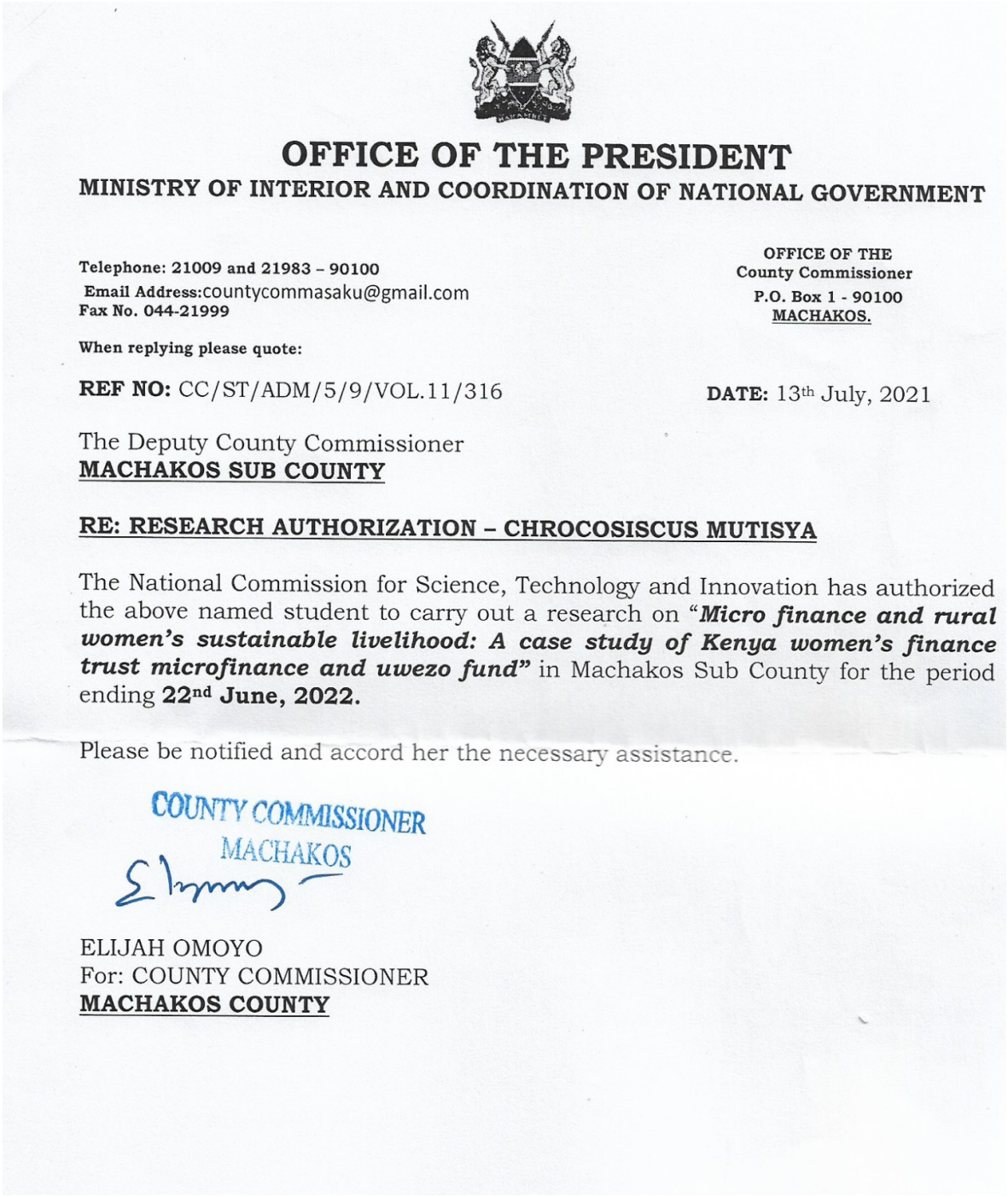
Applicant Identification Number

Director General
NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Verification QR Code

NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.

MACHAKOS COUNTY COMMISSIONER LETTER



OFFICE OF THE PRESIDENT
MINISTRY OF INTERIOR AND COORDINATION OF NATIONAL GOVERNMENT

Telephone: 21009 and 21983 – 90100
Email Address:countycommasaku@gmail.com
Fax No. 044-21999

When replying please quote:

OFFICE OF THE
County Commissioner
P.O. Box 1 - 90100
MACHAKOS.

REF NO: CC/ST/ADM/5/9/VOL.11/316

DATE: 13th July, 2021

The Deputy County Commissioner
MACHAKOS SUB COUNTY

RE: RESEARCH AUTHORIZATION – CHROCOSISCUS MUTISYA

The National Commission for Science, Technology and Innovation has authorized the above named student to carry out a research on "***Micro finance and rural women's sustainable livelihood: A case study of Kenya women's finance trust microfinance and uwezo fund***" in Machakos Sub County for the period ending **22nd June, 2022.**

Please be notified and accord her the necessary assistance.

COUNTY COMMISSIONER
MACHAKOS

ELIJAH OMOYO
For: COUNTY COMMISSIONER
MACHAKOS COUNTY

APPENDIX 9:

MINISTRY OF EDUCATION LETTER

MINISTRY OF EDUCATION
STATE DEPARTMENT OF EARLY LEARNING AND BASIC EDUCATION

Telegrams: "**SCHOOLING**" Machakos
Telephone: Machakos (
Fax: Machakos
Email –cdemachakos@yahoo.com
When replying please quote

OFFICE OF THE
COUNTY DIRECTOR OF
EDUCATION
P.O. BOX 2666-90100,
MACHAKOS

MKS/ED/CDE/R/4/VOL.4

Date: 16TH July, 2021

Chrocosiscus Mutisya
St. Pauls University
Private Bag, 00217
Limuru, Kenya

RE: RESEARCH AUTHORIZATION

Reference is made to the letter from National Commission for Science, Technology and Innovation Ref: **NACOSTI/P/21/11331** dated **22nd June, 2021.**

You are hereby authorized to carry out your research on "**Microfinance and Rural Women's sustainable livehood: a Case Study of Kenya Women's Finance Trust Microfinance and Uwezo Fund in Machakos Sub County.**" *for a period ending* **22nd June, 2022.**

COUNTY DIRECTOR OF EDUCATION MACHAKOS 16 JUL 2021 MINISTRY OF EDUCATION P.O. Box 2666-90100 MACHAKOS

SHAMSA MOHAMED ADAN
COUNTY DIRECTOR OF EDUCATION
MACHAKOS

APPENDIX 10:

St. Paul's University Repository

Consent of participant report

INTERVIEW GUIDE

Introduction of the researcher

My name is Chrocosiscus Mutisya, a PhD student in Development Studies at St. Paul's University. I am conducting a research to examine how microfinance has improved women's livelihoods in rural Machakos sub-County. However, your participation in the study is voluntary and you may choose to or not to participate. Your signature and participation indicates acceptance. Kindly understand that each individual's responses are going to be tape-recorded for future revisitation by the researcher. All information you give in this interview will be treated with utmost confidentiality. This interview is for academic work only. If you have any question about this research, please feel free to ask or contact Dr. Gladys Muasya, either by cellphone (0795542682) or by e-mail (gmuasya@spu.ac.ke). I would like to ask you some questions related to microfinance that fund women's income generating activities.

Consent of participant

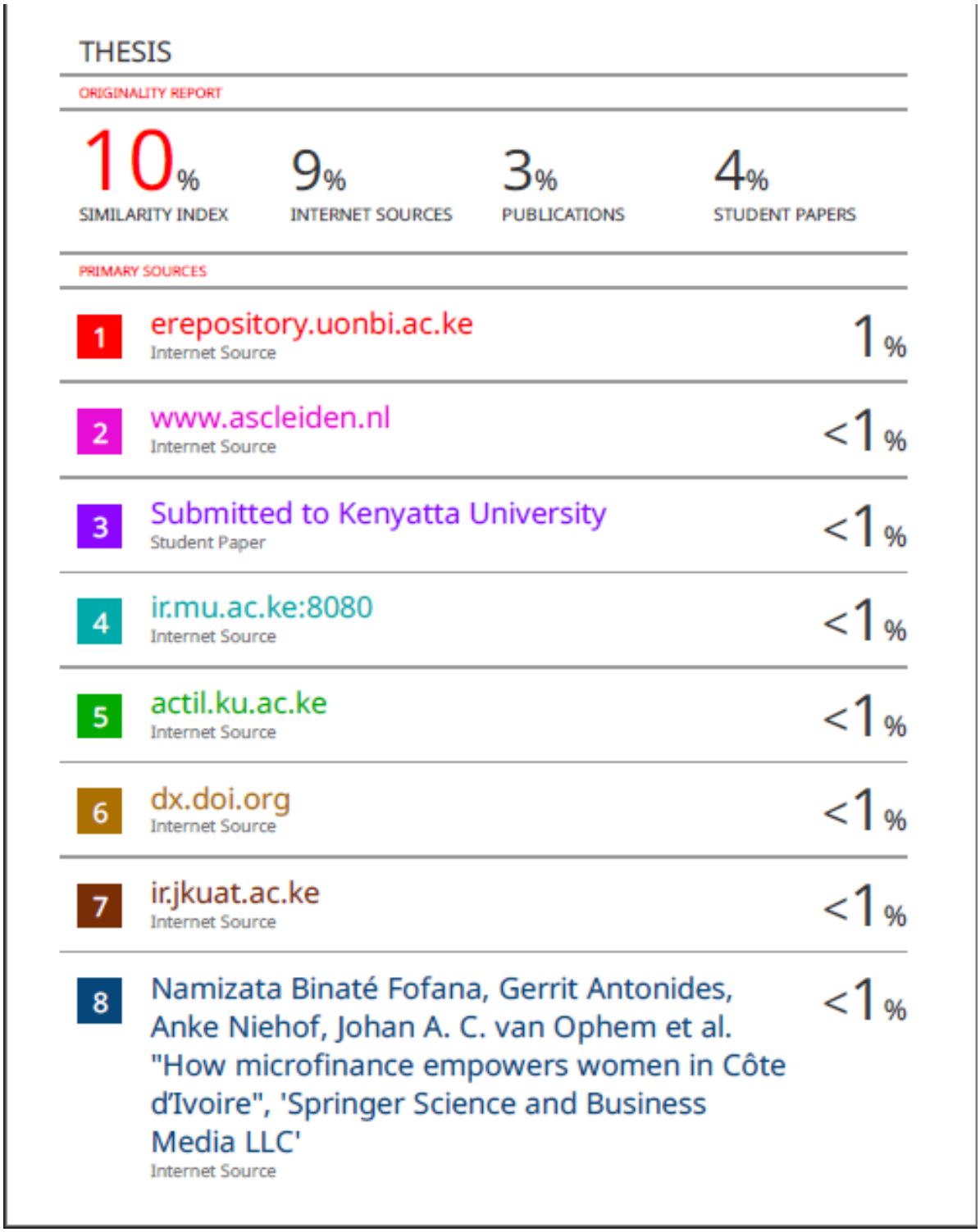
I agree to participate in the research project entitled: *Microfinance and rural women's sustainable livelihood: A case study of KWFT and Uwezo Fund in Machakos Sub-County, Kenya*, conducted by Chrocosiscus Mutisya -PDSLMR304616, who has discussed the research project with me. I have had the opportunity to ask questions about this research and I have received satisfactory answers. I understood the general purpose of the research and that all my research responses shall be tape recorded (audio tape-recording) for future reference.

ST. PAU

Respondent's No.	Signature	Date
No. 1.	Mwiwango	6/12/22
2.	Mary	28/12/22
3.	Muse	2/1/23
4.	Mwende	4/1/23
5.	Mutedi	10/1/23
6.	John	10/1/23
7.	Mwanza	10/1/23
8.	[illegible]	21/1/23

APPENDIX 11:

THESIS PLAGIARISM REPORT



THESIS

ORIGINALITY REPORT

10%	9%	3%	4%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	erepository.uonbi.ac.ke Internet Source	1%
2	www.ascleiden.nl Internet Source	<1%
3	Submitted to Kenyatta University Student Paper	<1%
4	ir.mu.ac.ke:8080 Internet Source	<1%
5	actil.ku.ac.ke Internet Source	<1%
6	dx.doi.org Internet Source	<1%
7	ir.jkuat.ac.ke Internet Source	<1%
8	Namizata Binaté Fofana, Gerrit Antonides, Anke Niehof, Johan A. C. van Ophem et al. "How microfinance empowers women in Côte d'Ivoire", 'Springer Science and Business Media LLC' Internet Source	<1%

APPENDIX 12:

THE STUDY INSTRUMENTS

QUESTIONNAIRE

My name is Chrocosiscus Mutisya, a PhD student in Development Studies at St. Paul's University. I am conducting research to understand the influence of KWFT microfinance and Uwezo Fund on women's sustainable livelihoods in Machakos sub-County. I am inviting you to fill in this questionnaire which is designed to collect data to understand this issue. I assure you that all responses will be treated with utmost confidentiality. Your participation indicates acceptance. Thank you in advance for taking the initiative to participate in this survey. In case of any question about this study, contact gmuasya@spu.ac.ke

Section A: Socio - demographic information of the respondents

1. What is your age? (tick one only)

a) Under 18 years ( )

b) Between 18-28 years ( )

c) Between 29-39 years ( )

d) Between 40-50 years ( )

e) Between 50-60years ( )

f) Above 60 years ( )

2. Your marital status (tick only one)

a) Married ( )

b) Widowed ( )

c) Single ( )

d) Separated ( )

e) Divorced ( )

3. What is the size of your family in numbers? ----------

a) How many of your children are school age (6-17years)? ----------

b) How many of your school age children currently attend school ----------

c) How many of your children are attending colleges? ----------

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4. What is your highest formal level of education (tick only one)

a) No formal education ( )

b). Primary level

i) Some primary education ( )

ii) Completed primary education ( )

c). Secondary level

i) Some secondary education ( )

ii) Completed secondary education ( )

d) Tertiary level

i) Certificate ( )

ii) Diploma ( )

e) University level ( )

5. What is your current source of income (tick all the responses that apply)

a) From relatives (husband/children) ( )

b) From formal employment ( )

c) Microfinance funded business ( )

d) microfinance funded farming ( )

e) Other sources, please specify----------

Miccrofinance and women's sustainable livelihoods

Section B. Women's economic investment

6. Below are some of microfinance services/progammes. Tick the services you used/ you are using.

a) Credit ( )

b) Insurance ( )

c) Savings ( )

d) deposits ( )

e) Other services/programmes, please specify----------

7i. Which microfinance provides the services you ticked in NO. 6 above?

a) KWFT ( )

b) Uwezo ( )

c) others, please specify……

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7ii. If no microfinance services you ticked in NO..6 above, give reason/s why you don't use the services.

---

8. Which year did you join the microfinance you mention in No. 6. above?

……

9. How did you know about the microfinance you joined above? From a--

a) friend ( )

b) Customer ( )

c) Relative ( )

d) Advertisements/promotions ( )

e) Others, please specify----------

10. Which of these products attracted you most to join the microfinance programmes?

a) Savings ( )

b) Credit ( )

c) Insurance ( )

d) Others, please specify……

11. How many cycles (rounds) of loans have you received from microfinance since you joined?

---

12. What is the amount of loan you received lastly?

---

13. How did you utilize the loan?

a) To start a business ( )

b) For family emergency ( )

c) Boost existing business ( )

d) Purchased kitchen ware ( )

e) Bought water tank ( )

f) Paying school fees ( )

g) others, please specify……

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14 In which type of business activity did you invest your microfinance loan? (tick all or any of the responses applicable)

a) Hair dressing ( )
b) Vegetable seller ( )
c) Tailoring/dress making ( )
d) Cereal seller ( )
e) Diary farmer ( )
f) chicken rearing ( )
Others, please specify……

15. How many times has your funded business failed to succeed?

---

16. How many funded projects/businesses are you currently operating?

---

17. Where was/is the location of your business/ project?

18i. Do you receive microfinance trainings?

a) Yes ( )
b) No ( )

18ii How many times did you receive trainings before first loan disbursement?

18iii. What are the benefits you gain/ed from microfinance trainings before first loan Disbursement?

a) ---
b) ---
c) ---
d) ---

19i. Do you receive microfinance trainings during business operation?

a) Yes ( )
b) No ( )

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19ii. How many times have you received trainings after the first loan disbursement?

19iii. What are the benefits you gain/ed from microfinance training during business operation?

a) ---

b) ---

c) ---

d) ---

19vi. If your answer is no in No.19i above, what challenges are you experiencing in business operation that would have been solved by training?

a) ---

b) ---

c) ---

d) ---

e). Please indicate the degree to which you agree with each item on training and financial literacy according to scale 5= Strongly Agree to 1= Strongly Disagree

	Strongly Agree 5	**Agree 4**	**Not sure 3**	**Disagree 2**	**Strongly disagree** 1
Training has encouraged me to invest my loan in business.					
Training enhanced my business records' keeping skills					
Training improved women's control on business 'credit and savings accounts					
The Knowledge I gained on business stocking and marketing keeps my business running					
Knowledge and skills I gained in training, increased business profit					
I trained on how and when to apply and repay loans in order to					

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maintain my business activity.					
Increased business profit enabled me to save monthly.					

Section C: Microfinance characteristics

20i. Have you experienced failure in your microfinance financed business?

a) Yes ( )

b) No ( )

20ii How many times have you experienced a business failure?

20iii. Explain the nature of your business failure

20vi. Please rank the following statements according to scale 5= contribute to a large extent to 1= contribute to a very little extent.

Statements	**Strongly Agree 5**	**Agree 4**	**Not sure 3**	**Disagree 2**	**Strongly Disagree 1**
High interest rate enhances business failure					
Compulsory group meetings contribute to business failure					
Compulsory loan repayment of group defaulters contributes to business failure					
Microfinance loan recovery methods lead to business failure					

21. Which group policies hinder your business longevity/permanence?

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a) ----------

b) ----------

c) ----------

d) ----------

22. Are you comfortable with the interest rate charged in loan repayment?

a) Yes ( )

b) No ( )

23i. Have you been a loan defaulter since you started borrowing funds from microfinance?

a) Yes ( )

b) No ( )

23ii. If your answer is Yes in Q.23i above, how many times have you defaulted?

a) ----------

23ii.b. What caused the default?

----------23iii. In case of default, what method does microfinance use to recover the loans?

a) ----------

---

24 . What challenges are you experiencing as a business woman related to microfinance services?

a) ……

b) ……

c) ……

d) ……

Section D. Gender related factors

25. what are the household responsibilities and roles that hinder women's business progression?

a) ----------

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b) ----------

c) ----------

d) ----------

26. What are the social factors (outside your household) that contribute to women's Unsuccessful business operation?

a) ----------

b) ----------

c) ----------

27. How does your typical daytime (12 hours) looks like? Approximate time you spend on each activity.

a) Income generating activities ( )

b) Preparing meals (cooking) ( )

c) Fetching water ( )

d) Collecting firewood ( )

e) Attending children's affairs ( )

f) Others, please specify----------

28. List the contributions you made and amount spent in the last three months in your household with the income from your microfinance business?

Contributions	**Amount spent**
a)	
b)	
c)	
d)	

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29. How is your joining to microfinance perceived/viewed by your spouse/relatives?

a) ……

b) ……

c) ……

d) ……

30. Who makes the following decisions

Decision-making	Self 1	Spouse 2	Spouse & self jointly 3
Decision to borrow microfinance loan			
Decision to invest the microfinance loan			
Decision to make/open account and make savings			
Decision to use business income/profit in non-income activities			

30ii. To what extent do you agree the following statements contribute to low business sustainability.

Statement	**Strongly agree**	**Agree**	**Not sure**	**Disagree**	**Strongly disagree**
Looking after animals					
Attending children					
Fetching water					
Collecting firewood					
Preparing meals					
Attending school meetings					

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Attending community's barazas					
Shamba/ garden work					

Section E Approaches enhancing livelihoods

31i. In the next three years do you see yourself continuing with this business?

a) Yes ( )

b) No ( )

c) Not sure ( )

31ii. If not/not sure what are the reasons that will/may lead to the change.

a) ……..

b) ……..

c) ……....

d) …… …..

32. Suggest ways which can be used to make women's microfinance funded activities more successful in rural areas.

a) ……

b) ……

c) ……

d) ……

33. What are the factors that contribute to permanence/longevity of women's income generating activities?

a) ----------

b) ----------

c) ----------

d) ----------

Section F: Sustainable livelihoods

34. Describe the trend of the profit making

a) As a business woman, in the last three months, how much money did you make?

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35i. After borrowing microfinance loans, has your overall income went up?

a) Yes ( )

b) No. ( )

35ii. If it went up discuss how?----------

35iii. If it went down explain the reason?

---

36. Approximately what is the income per month after using microfinance credit?

a) ----------

37. During the last six months how many times have you restocked your business?

---

38 . Approximately, how much do you save monthly?

a) ----------

39i. What property/properties did you have before joining microfinance programmes? Where possible give number of assets (e.g cows 2)

a) ----------

b) ----------

c) ----------

d) ----------

39ii. Which assets have you acquired since you joined microfinance programme? Where possible give number of assets (e.g cows 2)

a) ----------

b) ----------

c) ----------

d) ----------

40. How many business assistances have you employed to help you operate businesses?

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a) ----------

41a. What benefits have you gained since you joined women groups funded by KWFT microfinance or Uwezo Fund?

i) ----------

ii) ----------

iii) ----------

iv)----------

v) ----------

vi) ----------

41b. Please rank according to scale 5=contribute to largest extent to 1=contribute to very little extent

Statements	Strongly Agree 5	Agree 4	Not sure 3	Disagree 2	Strongly Disagree 1
Training improves business sustainability					
Control of credit and saving by spouses lowers business sustainability					
Types and location of business improves sustainability					
SHGs' policies lowers IGAs' sustainability					
Short grace period affects IGA's sustainability					
Women's decision-					

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making and property ownership increase IGAs' sustainability					
Women's socially assigned roles and responsibilities affects IGAs' sustainability					

42 Assets owned after joining microfinance programmes

	Alternative answers	
Durable h/h assets' ownership	**Yes**	**No**
Gas cooker		
Sofa-set		
Television		
Radio		
Refrigerator		
Sewing Machines		
Motor -cycle (Boda-boda)		
Tuk-tuk		
Car		
Bicycle		
Wooden/metal Bed		
Mattress		
Table		
Normal chairs		
43 Animals and Agricultural equipment ownership		
Cow/s		
Oxen		
Dairy cow/s		

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Sheep		
Donkeys		
Rabbits		
Chicken/other poultry		
Plough		
Wheelbarrow		
Animals' drawn cart		
Tractor		

44 Tick the facilities that provide service to your house

A) Main water source facilities	**Yes**	**No**
Piped water		
River water		
Dam water		
Bole water		
Rain water		
Vendor water		
B) Main light source facility	**Yes**	**No**
Electricity		
Solar panel		
Kerosene Lamb		

45Tick the materials used to construct your main house and type of toilet

WALLS MADE OF:	**Yes**	**No**
Stone		
Bricks		
Mud		
ROOFING MADE OF:		
Grass thatch		
Corrugated iron sheet		
Tiles		
FLOOR MADE OF:		
Earth		

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Cement		
Ceramic tiles		
THE TYPE OF TOILET/LATRINE:		
Flush toilets		
Pit latrine		

I sincerely thank you for taking time to participate in this survey. Please make sure you have answered all questions before submitting the document.

INTERVIEW GUIDE

My name is Chrocosiscus Mutisya, a PhD student in Development Studies at St. Paul's University. I am conducting research to examine how microfinance has improved women's livelihoods in rural Machakos sub-County. However, your participation in the study is voluntary and you may choose to or not to participate. Your participation indicates acceptance. All information you give in this interview will be treated with utmost confidentiality. If you have any question, please feel free to ask otherwise if you accept to participate, I would like to ask you some questions related to microfinance and women's funded income generating activities.

1. **Demographic information of the interviewees**
   a) What is your age?
   b) What is your marital status?
   c) What is your highest level of education?

2. **Access to microfinance services**
   a) Which microfinances are within your rural area?
   b) Which specific microfinance/s funds your projects?
   c) Explain what services you utilize most from microfinance institutions
   d) How many times have you received loans from microfinance institutions?
   e) How did you utilize these loans?
   f) Who initiated the use of the loan and why?

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g) Was the loan utilized to the intended purpose?

3. Types of Sources of income

a) Explain the types of income you have
b) Which income generating activity do you operate and why?
c) How long is your income generating activity?
d) Explain the challenges/constraints experienced
e) Explain how you solved the constraints/challenges
f) Did you experience collapsing of your project and what are the causes?

4. Microfinance characteristics

a) What percentage of interest rate is charge on the loan you are repaying now?
b) How is the grace period before the first repayment instalment affect your business operation?
c) How do you like the ways of microfinance loan recovery in case of loan default?
d) What are your groups formation/joining experiences? How do these experiences affect your economic activities?
e) Apart from microfinance loan recovery methods, how do group members assist in repaying defaulters' loans? How does it affect your project sustainability?
f) What are the essential responsibilities of group members required during loan application and how do their affect women's income generate activities?

5. Gender related factors on women's sustainable livelihoods.

a) Explain how in the household gender relationship affects women's sustainable economic activities
b) In your household, could you describe the chores that you engage in and spend most of the time on? How are the chores and time effecting your income generating activity/ies?
c) What are the new household tasks that women undertake as a result of joining microfinance services? How are the new tasks influencing women's IGAs?
d) To what extent have the projects/programmes empowered the Machakos women in decision-making and sustaining their livelihoods

6. Sustainable livelihoods

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a) Comment on Machakos women's access to credit. Would you say all those who have had access to credit do participate in income generating activities? If yes, to what extent are these activities sustainable or what indicates they are stable?
b) What do Machakos women own after joining microfinance programmes? What properties have they acquired through microfinance loans?
c) Which skills or knowledge women gained after joining microfinance programmes?
d) How has credit from microfinance changed women status within the household and the community as a whole?
e) What is the status of your business currently (e.g expanded or employed some worker to assist in your business)?
f) Can you conclude that microcredit created women's sustainable livelihood? If yes what indicates that? If no, why?

7. **With the experience you gained, suggest models/approach that can be used to enhance women's sustainable livelihood (especially economic) in rural areas**

a) ……
b)……
c)……
d) ……
e)……

8. **Government policies that influence women's sustainable livelihoods.**

a) What are some of government laws (policies) affecting women's income generating activities' operation?
b) How much do women pay for their business licenses?
c) Apart from license, what other taxes do women operating income generating activities pay for?
d) What are the challenges rural business women experience during license application?

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Thank you for your time and participation

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