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WOMEN ECONOMIC EMPOWERMENT IN POVERTY MITIGATION IN MWALA SUB COUNTY, MACHAKOS COUNTY, KENYA.

ESTHER KATILE WASUA

1034843

A thesis presented to the faculty of arts and social sciences in partial fulfilment of the requirements for Master of arts degree in project planning and management at the Catholic university of Eastern Africa

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August , 2022.

DECLARATION

I declare that this research thesis is my original work and that it has not been presented in any other university for academic work, all work sourced from other scholars and sources have been duly cited and acknowledged in this document.

Esther Katile Wasua **MPM/1034843**

Signed: _____ Date: 27/09/2022

RECOMMENDATION BY THE SUPERVISORS

This research thesis is submitted for examination with our approval as the duly appointed university supervisors

Dr. Felistus Mwikali

Signed: _____ Date: 27/9/22

Dr. S. Ngacha Njeri

Signed: _____ Date: 28/09/2022

ENDORSED BY:

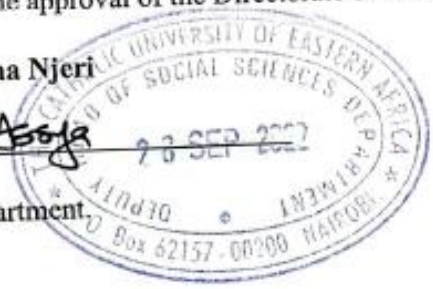
Head, Department of Social Sciences & Development Studies

This work was accomplished under the auspices of the department and has passed all required stages with the approval of the Directorate of Research, Innovation and Graduate Trainng

Dr. S. Ngacha Njeri

Signed: _____ Date: 28/09/2022

Head of department



DEDICATION

I dedicate this work to my loving family: my husband Charles Muindi and our two sons Prince and Pesach for their spiritual and moral support, their patience and understanding as I took much of time meant for them to work on this document. To my children I pray that this work will be a great source of encouragement to you as you pursue your education.

This work is further dedicated to Catholic University, my supervisors and all lecturers who have walked with me in this degree to see me this far. May the almighty God bless you all.

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ACRONYMS/ ABBREVIATIONS

ADB:	Asian Development Bank
CBOs:	Community based organizations
CCE:	Community Credit Enterprises
DFS:	Digital financial services
ECA	Europe and Central Asia
EFA:	Education for All
ETF:	European Training Foundation
EU:	European Union
FINCA:	Foundation for International Community Assistance
GB:	Grameen Bank
GDP:	Gross Domestic Product
IIEP:	International Institute for Educational Planning.
ILO:	International Labour Organization
KPHC	Kenya Population and Housing Census
KWFT:	Kenya Women Finance Trust
KWMB:	Kenya Women Microfinance Bank
MDGs:	Millennium Development Goals
MENA	Middle East and Central Africa
MFIs:	microfinance institutions
MSMEs	Micro Small and Medium Enterprises
NACOSTI	National Commission for Science, Technology and innovation
SDGs:	Sustainable Development Goals
SMEs:	Small and Medium Enterprises
SSA	Sub-Saharan Africa

UN	United Nations
UNDESA:	United Nations Department of Economic and Social Affairs
UNDP:	United Nations Development Programme
UNICEF:	United Nations International Children's Emergency Fund
USAID:	United States Agency for International Development.
VSLAs:	village savings and loan associations
WBG:	World Bank Group
WWB:	Women's World Banking

ABSTRACT

This study sought to investigate the influence of Women Economic Empowerment in Poverty mitigation in Mwala Sub County, Machakos County, Kenya. This was achieved through an investigation into the role of micro savings in poverty mitigation; the influence of access to micro credit in poverty mitigation; the influence of women training programme in women poverty mitigation; and the influence of micro insurance in poverty mitigation amongst women in Mwala Sub County, Machakos County, Kenya. Capability Approach and human development and village banking model by Hatch guided the study. Descriptive survey design was used in this study, employing the use of both qualitative and quantitative research approaches. The study targeted micro-finance women clients in Mwala Sub County. Key informants in this study included key staff members from private micro-finance institutions, and micro-finance NGOs sector in Mwala sub-county. Two staged cluster sampling was adopted by selecting micro-finance women clients. Out of 2,819 members of micro-finance woman groups in Machakos County, a sample of 350 respondents were used to gather data from the selected wards, computed using Yamane (1967) sampling formula. Data was collected from 6 key informants. Data was collected using semi structured questionnaires and interview guides. The quantitative data was analyzed descriptively by use of tables, graphs and pie charts while qualitative data from interviews was analyzed through content analysis. Under the objective of micro-savings and poverty mitigation amongst women, It was established that a sizable group of respondents (47%) had savings below Kes. 10,000. Majority (73%) of the respondents agreed that savings were done on voluntary basis. They however indicated that sometimes the microfinance institutions required them to save some amount on monthly basis, so as to keep their accounts active.84% of the respondents totally agreed that savings are needed to guard against shocks, provide cover for income and allow for capital accumulation. On the second objective that sought to determine the effects of access to micro credit in poverty mitigation amongst women in Mwala Sub- County. 40% of women acquired microcredit in order to meet necessities, which included food, shelter and clothing. 60% of the respondents had acquired microcredit for two to three times, by the time this study was being conducted. Further, majority of the respondents had acquired credit of between Kes. 20,000 and Kes. 29,000. 37% of the women claimed that they owned assets worth Ksh. 20,000 to Ksh. 29,000. From the findings, it was evident that the interest rates of microcredit were moderate, and hence friendly for the low-income borrowers. This was supported by 63% of the respondents. Most of the respondents had observed a positive change in their monthly income. On the third study objective, half of the study participants (50)

of the respondents indicated that women trainings on various financial aspects was effective. Sizable group of respondents believed that training women improved their knowledge and self-belief. On the final objective, 63.3% (210) of the respondents involved in the study had not yet subscribed to any micro-insurance scheme. Economic and financial decisions were reported to be the major determinant to subscription in micro-insurance policies while inadequate source of sustainable income emerged as a major hindrance to the respondents in accessing micro-insurance. CBOs, FBOs and NGOs offering micro credit services such as loans are recommended to partner with more institutions to raise more grants to serve higher number of poor and vulnerable women.

CHAPTER ONE

INTRODUCTION

In this study, women's economic empowerment in poverty mitigation in Kenya's Machakos County's Mwala Sub County were evaluated. Micro savings, microcredit, women's training, and microinsurance were used to identify the independent variable for this study, which is women's economic empowerment. The chapter covered the study's history, statement of the problem, purpose, specific objectives, research questions, significance, scope, delimitations, limitations, assumptions, and conceptual framework.

1.1 Study background

In the twenty-first century, women's empowerment has attracted a lot of attention worldwide. Modern women strive for equality with males and actively engage in a variety of fields, such as politics, finance, and the nonprofit sector (Narayanan and Selvanathan, 2017). A society must fully integrate women into its economic life, according to the Centre for American Progress on Women's Leadership (2014), but we have somehow managed to overlook this. Many countries have endorsed the Mexico Plan of Action (1975), the Nairobi Forward Looking Strategies (1985), the Beijing Declaration and Platform for Action (1995), among other initiatives aimed at empowering women worldwide.

Because it can aid in the accomplishment of the Sustainable Development Goals of the United Nations, women's economic empowerment is a global concern. Poverty reduction, well-being, and human development will support Vision 2030 and the Big Four Agenda goals through growth and decent jobs (big four agendas: Manufacturing; health; housing; food and nutrition security). Women's economic success has led to higher spending in children's health and education as well as a decline in household poverty (Bank, World Development Report 2013:

Jobs, 2013). Golla (2011) asserts that "country economies suffer when a major segment of the population is unable to compete," and that gender diversity has the potential to increase global GDP by $12 trillion to $28 trillion between now and 2025 (Woetzel, 2015).

The SDGs include a number of objectives for gender equality and women's empowerment in the economic sector. The first SDG, "no poverty," and the eighth SDG, "decent work and economic growth," are two examples of such SDGs. However, there is no automatic win-win scenario when it comes to overall growth and gender equality. Despite the latter being undoubtedly beneficial for development, a fair distribution of the economic advantages of progress does not happen by accident (Kabeer, 2013).As a result, achieving women's economic empowerment necessitates coordinated, focused initiatives that prioritize women's needs and desires while still acknowledging their heterogeneity. Gains in women's wellbeing do not always follow from growth (Graham, 2012). Lack of education, skill development, and training, as well as a lack of access to financial institutions, housing, and well-paying jobs, are all obstacles to women's economic empowerment (Abigail, 2016).This implies that equipping women with information, knowledge and equal opportunities at all corridors of power and business is a key step towards women economic empowerment.

The perception that women do not belong in powerful positions or as professionals on par with men is influenced by the lack of representation of women in various sectors. Since 1988, women have outnumbered men in America, and they now hold nearly 52% of all professional level positions, according to Warner (2014).They have also outnumbered men in earning undergraduate business degrees since 2002, but they are yet to rise to positions of prominence and influence in the nation. This clearly depicts how women star to growth is being withheld due to their gender.

In America, it is now estimated that, at the present pace of transition, women will not achieve parity with men in leadership positions until 2085. The saddest part is that prejudices and distorted views of women remain strong and continue to obstruct women's advancement. In terms of economics, there are many advantages of empowering women. For instance, economies expand as more women work. For instance, if women and men had equal rates of paid employment, the US gross domestic product would rise by 9%, the Eurozone's GDP by 13%, and Japan's GDP by 16%. (Economic Empowerment of Women, 2013).Therefore, it is evident that creating environment where women have equal opportunities will not only strengthen economic stability in a country but also increase household's income and increase household welfare especially dominated by women.

The national poverty rate in Haiti is 58.6% (UNDP, 2019), which is higher than the average for nations in the Western Hemisphere. Due to economic inequality between men and women, women, who make up more than half of the population, are the poorest working group in the nation (CIA, 2013). Meanwhile, women's empowerment continues to be hampered by a lack of economic progress. Haitian women, according to Bellegarde, are weaker, less educated, and less influential than their male counterparts. Klum, Wigenmark, and Asker (2010) claim that despite a provision in Article 19 of the Haitian Constitution prohibiting such disparities, Haitian women have disadvantages in the fields of job, education, and health. This situation is not only witnessed in Haiti but also in Kenya and therefore, it is evident that globally, women faced myriad of handles on their journey to economic empowerment.

Previous research has demonstrated that the moment an innovation savings account is introduced, the savings rate rises. Babajide (2015) looked into how innovative savings products in Nigerian banking affected the expansion of small businesses and the welfare of low-wage

workers and independent contractors. The outcome demonstrated that the use of innovative savings solutions had a statistically significant impact on the respondents' weekly saves rate. Saving among women is likely to increase investment and consumption among households, thus empowering them economically and solving many families financial as well as health problems In their research of cash crop farmers in Malawi, Brune (2013) discovered that utilizing a commitment savings product boosts investment and crop yield by 21%, with a rise in consumption of 11%, but regular savings products had no such effect. Microfinance organizations fill the void left in Ghana by traditional commercial banks' inability to extend credit to small businesses. Microfinance Institutions (MFIs) offer credit to the poor who cannot provide collateral, in contrast to regular commercial banks that only offer credit based on collateral. Savings can be significantly reduced by intra-household disparities in spending preferences and bargaining power. If women tend to have more child-oriented tastes, this may particularly affect them and, in turn, children.

Even though some might object that this strategy is overly individualistic, for some women, empowerment is essentially about enacting changes that enable people more flexibility to pursue their justifiable goals. According to this perspective, structural factors that contribute to women's lack of power also important, and their failure to be addressed restricts the efficacy of measures meant to increase choice (Cornwall, 2016). There are elements that support and prevent women from being economically independent. Women's individual or communal life experiences are directly correlated with direct factors. The larger structural contexts that influence women's lived experiences on an individual or a collective level are the underlying variables. The borders between the direct and underlying factors are highly flexible.

When it comes to ending intergenerational poverty loops, postponing marriage and childbirth, and enhancing long-term labor market outcomes, high-quality early childhood education has a significant multiplier effect. Abigail et al. (2016) contend that education and training are crucial throughout one's life. It is encouraging that most nations have recently attained gender parity in pre-primary and primary education.

Despite the fact that most people concur that both boys and girls should have access to high-quality education. Girls from households who place little emphasis on education are more likely to marry early and labor at home, according to Gallup data. In 29 Sub-Saharan African (SSA) nations in 2015, just 16% of married girls under the age of 18 had a secondary education, compared to 36% of unmarried girls. In 2012, there were still disparities in secondary enrollment; in South and West Asia and SSA, respectively, 84 and 93 girls were enrolled on average for every 100 males (UNESCO, Education for all 2000-2015: Achievements and challenges, 2015).Therefore, women empowerment should not only focus on women groups but should also begin from the grass root by creating parity between boys and girls so that such can be reflected in future generation.

Both boys and girls may find it challenging to finish secondary school, but it seems that girls experience the most severe forms of educational inequity. Because girls from the poorest quintiles are also the least likely to attend school, gender connects with other inequalities. Around 70% of the poorest females in Niger and Guinea in the 2000s had never attended school, which was roughly 10% more than the share of the poorest boys (UNESCO, 2015). In Western Kenya, purchasing school uniforms decreased the number of dropouts, teenage marriages, and pregnancies (Duflo, 2006). External shocks, particularly economic crises, can significantly affect how easily girls can access school. When the country's economy is in a slump, girls' primary

school completion rates are predicted to fall by 29%, compared to 22% for boys (Stavropoulou, 2013). This situation has even been exacerbated by COVID-19 lockdown which left a significant portion of girls more vulnerable due to unwanted pregnancy and early marriages which further forced the adolescent girls to drop out of school.

Decent labor is vital to economic empowerment because of its inherent importance to women's wellbeing and potential to advance in areas like earning money and property. Evidence from the Gallup World Poll shows that regardless of whether or not they participate in the labor force, as well as across socioeconomic and age categories, decent employment matters to both men and women.

Gender bias and stereotypes has led to inequalities between male and females. However, this biasness is of varying rates with some parts of the world reporting higher rates of inequality than others. 90% of both men and women indicated that having a good-quality employment is either "vital" or "extremely important" to them in 2009 across 17 countries in the Middle East and North Africa and SSA, the regions of the globe with the largest gender inequality (Stotsky, 2016).As a results, both male and females deserve good quality and well-paying job for the both genders are equal and none is more important than the other as they all have needs to fulfil.

However, despite the fact that everyone should value hard effort, men and women have very different perspectives on the workplace. According to data from international polls, women are less likely than males to be able to achieve their economic goals through employment. In 2015, there were 138 countries with an average of 15% women who were unemployed and seeking for employment compared to 11% men.

The nature and quality of the work, as well as its potential to offer a stable income, will determine how empowering employment for women is. Formal/semiform employment consistently empowers women the most, according to a large body of research. As a result, a large number of NGOs, governmental agencies, and community-based organizations have gathered in Kenya to execute Sustainable Development Goal 5, which is concerned with reducing gender inequities. Both Sustainable Development Goals 1 and 8 are concerned with reducing poverty and promoting economic growth, respectively. Through financial inclusion and economic empowerment initiatives that address the needs of women with a history of chronic livelihood insecurity who are constrained by a lack of access to and control over productive assets, a lack of basic services, and the denial of rights and live in urban informal and rural settings, they work to create positive changes for women and girls.

As stated in the Kenya Vision 2030, the current Blue-Print that is guiding by the Government Development Agenda up to 2030; poverty manifests itself in Kenya as hunger, malnutrition, illiteracy, lack of housing, and inability to access vital social services such as basic education, health, water, and sanitation. According to Syomwene and Kindinki (2015), women make up the bulk of Kenya's poor since few of them have access to educational opportunities because girls are viewed less favourably than boys. They also contend that due to ingrained ideas and behaviour, women have had little or no control over the assets and resources of the family in comparison to their male counterparts. They are therefore more susceptible to instances of deprivation brought on by poverty. Because most resources are utilised at the home level in the Kenyan social setting, women who are well endowed and economically empowered stand to help children more directly. Therefore, in Kenya, it is important to initiate projects and programmes

aimed at empowering women. This will immensely be a great mile stone towards reducing household poverty and suffering among children.

Women's access to economic resources and opportunities, such as employment, financial services, real estate and other productive assets, skill development, and market intelligence, rises with economic empowerment. In order to encourage a balanced economic income for men and women, gender equality is essential (Kenya's Women Economic Empowerment Strategy, 2020-2025). It denotes a desire to modify societal norms, behavior patterns, and structural imbalances in order to bring about social change.

However, in order for gender equality to be properly mainstreamed, all economic sectors must adopt policies that address issues including political and economic empowerment, poverty reduction, employment, and financial markets. When all people are treated equally and have similar value, including being handled in a way that guarantees equal outcomes, women's economic empowerment is realized.

Two levels of government are established under the Kenyan Constitution, and Schedule 4 specifies devolution and the division of duties between the National and County administrations. The National Government has offices in each county whose primary duty it is to advise on and ensure the mainstreaming of gender, even if gender functions are not devolved. Additionally, each County has a department tasked with resolving gender-related concerns in the county. According to an analysis of interventions and gaps by Kenya's Women Economic Empowerment Strategy (2020-2025) , county governments are putting into practice a range of initiatives aimed at empowering women, such as financial assistance, agribusiness promotion, market connections, the provision of business development services (BDS), and the provision of workspace (stalls).

Nevertheless, there are a number of gaps in the implementation of these interventions at the county level: the department of gender at the county level is not sufficiently involved in the design and implementation of the interventions; low impact due to limited resources; lack of mechanisms for collaboration between county interventions and those being undertaken by the national government, such as financial services; absence of a clear M & E system to measure outcomes; political interests; absence of WEE strategy that makes it difficult to mobilize sustainable resources.

Through carefully devised procedures that ensure lender sustainability while raising subscribers' quality of life, microfinance projects provide financial services to low-income individuals, households, and small, medium, and large businesses (PWC, 2016). Microfinance interventions, which are widely acknowledged as one of the most significant forces behind poverty eradication and economic growth, include micro savings, credit access, micro insurance, and microcredit given to owners of micro, small, and medium-sized businesses. Therefore, the purpose of this study was to assess how the economic empowerment of women had impacted the mitigation of poverty in Kenya's Machakos County's Mwala Sub County.

1.2 Statement of the problem

Empowerment is the ability to make and act on decisions that involves the control over and allocation of financial resources. Everyone's humanity is diminished by poverty. Both men and women who are impacted have their human rights compromised. Poverty places a person in a position of helplessness, pessimism, and loss of integrity, which creates a situation of multidimensional vulnerability. Since women and men experience and respond to poverty's effects differently, poverty has a gender component. The bulk of people in the society are

women. Furthermore, women are the foundation of practically every nation's development (Rajechwari, 2015). Nonetheless, women continue to be the victims of men.

Women still face certain obstacles that prevent them from fully contributing to growth. They are at a disadvantage compared to their male counterparts because of these issues (Okello, 2014).The unemployment rate in Mwala Sub County still remains high compared to the national average of 9.31 percent with women enduring the most of the burden (Trading Economics, 2019).Women's income is significant to households' economic stability and there is need for an action to improve women's income levels. Therefore, the study aimed to use four strategies (saving, micro-credit, training and micro-insurance) to empower women.

This study projects that failure to take timely action on women poverty mitigation in this locality, women will have poor saving behaviors due to lack income sources, as a result of having no assets or funds to use as security, they will be unable to receive loans as well, they will have poor financial management skills due to lack or inadequate trainings and inability to access insurance covers due to lack of income for funding regular premiums. Previous research, particularly in Mwala sub-county, has not adequately examined poverty reduction and women economic empowerment. This study aimed to bridge the current gap by examining the role of women's economic empowerment and poverty mitigation in Mwala Sub County, Machakos County, Kenya.

1.3 General objectives of the study

The broad objective of this study was to determine the influence of Women Economic Empowerment in Poverty mitigation in Mwala Sub County, Machakos County, Kenya.

This study's purpose was to ascertain how women's economic empowerment affected poverty mitigation in Mwala Sub County, Machakos County, Kenya.

1.3.1 Specific study objectives.

- To determine the influence of micro savings in poverty mitigation amongst women in Mwala Sub county, Machakos County, Kenya.
- To establish the effects of access to micro credit in poverty mitigation amongst women in Mwala Sub county, Machakos County, Kenya.
- To establish the influence of women training programme in poverty mitigation amongst women in Mwala Sub County, Machakos County, Kenya.
- To determine the effects of micro insurance in poverty mitigation amongst women in Mwala Sub county, Machakos County, Kenya.

1.3.2 Research questions

- What is the influence of micro savings in poverty mitigation amongst women in Mwala Sub County, Machakos County, Kenya?
- What are the effects of micro credit access in poverty mitigation amongst women in Mwala Sub County, Machakos County, Kenya?
- What is the influence of women training programme in poverty mitigation amongst women in Mwala Sub County, Machakos County, Kenya?
- What are the effects of micro insurance in poverty mitigation amongst women in Mwala Sub County, Machakos County, Kenya?

- **Study assumptions**

This study had assumed that respondents are able to give reliable and accurate data. It further had assumed that: Micro savings influence poverty mitigation amongst women; access to micro-credit affects poverty mitigation amongst women; Women training programmes influences poverty mitigation; Micro insurance affect poverty mitigation amongst women; and lastly intervening variables influences independent variables in poverty mitigation amongst women in Kenya's Machakos County, Mwala Sub county.

1.5 justification of the study

Since women and men experience and respond to poverty's effects differently, poverty has a gender component. It transcends gender, ethnicity, and age. Without practical and realistic actions to change the situation, poverty creates a vicious cycle in which it is passed down from one generation to the next in families, communities, and the country as a whole.

Unfortunately, lessons learned from the trend of poverty in Kenya show that many of the government's policies, objectives, and strategies have either been gender blind or gender neutral. This is despite the fact that all poverty eradication interventions need to be responsive to the specific needs and concerns for both women and men in Kenya. The assumption made by policymakers is that economic planning, programming, and implementation affect both men and women equally. The realization of Kenya Vision 2030 is also dependent on the determination to recognize and solve the gender gaps in social, economic, and political development with the goal of achieving gender equality, particularly in matters pertaining to socioeconomic empowerment.

The link between microfinance interventions and poverty reduction demonstrates that there are other burdens that microfinance consumers must deal with in addition to cash flow

constraints. Unemployment rate in Mwala Sub County remain high relative to the national index that stands at 9.31% (Trading Economics, 2019). Existing resources are not properly exploited thereby leading to poor living standards and increasing poverty levels in the region. The empowerment initiatives rolled out in Mwala Sub County seem not to be bearing the intended results. Moreover, literature searches from the library and from online databases present scanty information on women economic empowerment and poverty mitigation. This therefore justifies an investigation into women economic empowerment in poverty mitigation in Mwala Sub, Machakos County, Kenya.

1.6 Significance of the study

This study set out to ascertain the role that women's economic empowerment played in reducing poverty in Mwala Sub County. The study's findings were important to policymakers concerned with the social and economic wellbeing of women since they offered practical solutions for reducing rural women's poverty.The research findings also informed organizations dealing with women empowerment to periodically evaluate effectiveness of micro savings, micro credits, training programs and micro insurance so that they can establish their impacts to women economic empowerment. Further, the study findings were also useful to county governments and central governments in implementing mitigating poverty in the society. The rich body of literature on women's economic empowerment and poverty alleviation in the sub county, as well as scholars who wanted to advance their theoretical knowledge, benefited from this research as well. The study's findings also helped to identify areas that needed further study, which is useful in the academic community.

1.7 Scope and delimitation of the study

The parameters that the study will function within were specified by the study's scope. According to Marilyn & Jim (2013), delimitation refers to the traits that result from the study's scope being restricted by establishing its limits and by deliberate exclusion and inclusion decisions made during its creation. As a result, the study concentrated on how to reduce poverty in Kenya's Mwala sub-county by empowering women economically.

The study only covered variables of women economic empowerment that include micro savings, micro credit, training program and lastly micro insurance in poverty mitigation specifically focusing on women within Mwala Sub County. This study was limited to women who are clients of micro finance institution in the Mwala and therefore women who were not members of micro finance entities were not study participants. There are many types of women empowerments; social, psychological, economic and political empowerment, however this study will only focus on economic empowerment. It will not cover social, psychological and political empowerment.

1.8 Limitations of the study

In this study, it was projected that the study might not give a clear and full snapshot of the performance of other empowerment projects out of Machakos County, as it only focussed on one county. Consequently, the study proposed further research on the problem outside Machakos County. It was also projected that due to uncertainties of Covid-19 pandemic, some of the respondents might not be reachable during data collection, to overcome this, the researcher ensured she informed all the respondents earlier in advance and even booked appointment with those who were difficult to reach. During data collection, the researcher encountered some of study respondents (32) who were not literate enough to read and understand the study questions.

Therfore, the researcher together with the research assistants helped the respondents to fully comprehend and properly respond to the questionnaire.

1.9 Conceptual framework

Independent variables **Dependent variables**

Figure 1.1Conceptual framework

Source: Researcher's own conceptualization, 2022

The purpose of this study was to determine whether the predictive variables (microsavings, microcredit, training for women, and microinsurance) had an impact on reducing poverty in the Mwala sub-county. This conceptual framework used the underlying government policies; social, political, economic and environmental factors; gender and discriminatory social norms as the intervening variables to identify how women empowerment influences poverty mitigation in mwala sub-county.

The study predictive variables (micro savings, micro credit, women training and micro insurance) are constructed based on assumptions that they are some of the key areas which needs to be acted upon to women empowerment hence mitigate poverty. For instance, if financial institutions introduce micro-saving accounts with no or low monthly charges, low withdrawal charges, low minimum saveable amount and meaningful interests will lead to economic opportunities through increased savings among women. Microcredits designed to favour women without collateral, with low interest or interest free loans will influence women to acquire friendly credits hence provide with security against economic shocks. Training women on financial management, record keeping among others will lead to empowerment therefore improve literacy level, business management skills, participation in decision making among others. Equally, the presence of affordable micro-insurance will influence women to subscribe to micro-insurance schemes hence low mortality rates and improved health among household members.

1.10 Definition of terms

Women economic empowerment- According to this study, women economic empowerment was the process by which micro finance institutions in Mwala-sub-county help women to increase their social-economic stability through micro savings, micro credit, trainings and micro insurance.

Poverty mitigation – Poverty mitigation meant increasing resource sufficiency amongst rural women in Mwala Sub County by increasing women access to income through micro savings, micro credit, trainings and micro insurance.

Micro savings –The term "micro savings" referred to the small deposit account provided as an incentive to lower-income women to save money for future usage in Mwala Sub- County.

Micro-credits – This referred to small loans given to women in Mwala sub-county by micro-finance institutions, both governmental and non-governmental agencies for the purposes of household economic strengthening.

Training programme –Training referred to teachings done to women by micro finance agencies in Mwala sub-county to instil skills and knowledge that relate to financial management competencies in order to improve women's decision-making capacity, conflict management as well as financial management.

Micro-insurance- Micro-insurance referred to insurance service provided to low-income women in Mwala sub-county, designed and distributed in accordance to their needs and capacities.

CHAPTER TWO

LITERATURE REVIEW

The chapter reviews the empirical research connected to the study's themes as well as the theoretical literature that was used in the study. The chapter is divided into four sections: a review of John Hatch's Capability Approach, human development, and village banking model; the relationship between micro savings and poverty alleviation; the relationship between microcredit and poverty alleviation; the relationship between training and poverty alleviation; and the relationship between micro insurance and poverty alleviation among women. The chapter went into further detail on the gaps in the literature that needed to be filled in order to guarantee the investigation into the role of women's economic empowerment in mitigating poverty in Mwala Sub County, Machakos County.

2.1 Review of relevant theories

A theory is a collection of concepts and principles used to describe a certain occurrence. Therefore, Capability approach and human development; and village banking theory informed this study.

2.1.1 Capability Approach theory

Sen and Nussbaum created the capability approach, a theory that has received a lot of attention. According to Sen (1993), a person's capability is defined as the range of possible functional combinations from which he or she can select one collection. The term "human development" originally appeared in the World Report on Human Development (1990), which

gained notoriety for establishing the Human Development Index in a statistical appendix. It shifted the emphasis of economic growth to a development model that prioritizes people. Human wellbeing in terms of life expectancy, education, and health have taken the place of the old emphasis on standards of living, economic factors, and goods. Human progress is described in a 1990 report by the United Nations Development Programme as the expansion of peoples' options.

Sen argues that human development cannot be confined to increases in the gross national product (GNP), money, or levels of industrialization and technical advances. According to him, wealth, resources, and income are means to an end—human development—and not their own goals. The removal of significant restrictions on our freedom is a key component of human growth. Poverty, despotism, bad economic chances, and other things are a few of these obstacles. The growth of freedom is seen here as both the main goal and the main means of development.

People develop more fully when they have more freedom (capabilities). Sen (2000) asserts that these substantive freedoms are viewed as individual capacities to carry out tasks that a person has good reason to value. Our access to rich social, political, and economic opportunities always qualifies and limits the freedom we experience. Institutions and societal structures play a significant role in fostering individual freedom. Thus, when individual substantive freedoms are expanded, human growth also occurs as institutional frameworks including markets, public services, judicial systems, political parties, mass media, and public discourse improve.

The study's methodology was motivated by the idea that investing in public infrastructure and social sectors will increase women's capacities and, over time, improve people's health, education, and social capabilities (Alexander, 2007). This emphasizes how important people's

"centeredness" is in life. The capability approach is of key essence to the study, as poverty mitigation among women requires women economic empowerment. Women economic empowerment is geared towards improving the capabilities possessed by women and increasing their freedoms, as pointed out by Sen. This therefore justifies the incorporation of capability approach in this study.

2.1.1.1 Criticism of the capability approach

The capability approach does not give groups enough consideration. Its justification can be found in modern mainstream economics, which is structurally unable to account for membership in groups and does not acknowledge the boundaries of individual rational agency. Sen's concentration on individual freedom is significant only when it is part of a community context with other people. In addition to individual empowerment, collective empowerment is also necessary for women's economic empowerment. Some have argued that the capacity approach is overly individualistic in that it ignores the social context that influences how people live since it places such a high value on personal autonomy and choice. As a result, the village banking model, which aims to establish financially sustainable organizations rather than individuals, will be used to complement capacity theory.

2.1.2 Village Banking Model

John Hatch created the village banking model for the first time in Bolivia in the 1980s. In an effort to establish financially viable solidarity groups, the village banking institution, Foundation for International Community Assistance (FINCA), employs a village banking model. Small community groups are trained by FINCA to establish Community Credit Enterprises through a 22-module program (CCE). These tiny businesses, or firms, let shareholders to purchase shares and raise money to provide long-term loans and business strategies.

A microcredit system called Village Bank distributes financial services locally rather than centrally through a traditional bank. GB (Grameen Bank) pioneered early village banking practices, which were later refined by organizations like FINCA. Each member of the cross-guaranteed mechanism used by Village Bank guarantees the loans of the other members. Village Bank enables extremely low-income families by giving them small loans to invest in their microenterprises, enabling them to create their own jobs, increase their earnings, accumulate assets, and improve the welfare of their families (Grameen Bank, 2015). Rakodi (2002) defined a household as a single individual or co-resident group of individuals who contribute to and/or benefit from a joint economy, in either cash or domestic labor, i.e., a group of individuals who live and eat together.

The promises made by the group that they will stand behind each loan serve as moral collateral for the loans (GDRC, 2005). The implementing agency (the regional office of FINCA or its affiliate) provides the village bank with its first loan as soon as it is established, which it then distributes among the individual members of the village bank (Kyale, 2013). To provide a group guarantee, all members sign a loan agreement with the village bank. Typically, members are asked to save 20% of the loan amount each cycle (Ledgerwood, 2013). Members' deposits remain in the village bank since they are linked to loan amounts and utilized to finance further loans or group income-generating activities. Members receive a portion of the earnings from the village bank's lending activity instead of receiving interest on their funds.

Since Holt (1994) predicted that female membership in village banks will increase social status and intra-household bargaining power, several village banks specifically target women. Impacts on a household level Two significant non-financial effects of microfinance at the household level are in the fields of health and education. According to Wright (2000), the scant

research on the effects of microfinance interventions on health and education shows that nutritional indicators seem to increase in areas where MFIs have been active.

In most village banking systems, there is a limit initial loan amount and a loan size cap above which no matter how long a consumer has been a participant, they are not permitted to borrow. Additionally, programs offer a number of formulae through which specific consumers can qualify for bigger loans. Loan size growth rates are influenced by the particulars of the loan policies as well as supplementary services like internal loans and savings. In addition, a borrower's capacity to utilise larger loans may be impacted by the commercial development and potential in the program region.

Village banking model informs the current study as most of the women, especially in the rural Mwala are poor because they do not have access to credit, that would otherwise transform their socioeconomic status. There is therefore need to decentralise credit, say in microfinance institutions, geared towards economic empowerment of women, borrowing from the village banking model. This is brought about by the unwillingness of commercial banks and other conventional banks to give credit to the poor. The terms of offering credit are unfriendly; hence the poor women may not have access to credit from these institutions, hence the essence of microcredit that the women could use to engage in SMEs and are able to pay. This therefore leads to the incorporation of the village banking model into the study.

This model complements the capability approach by focusing on the essence of microfinance in poverty reduction. The village banking model focuses on empowerment of rural women as groups rather than focusing more on only individual capabilities, even though they do matter.

2.1.2.1 Criticisms of the village banking model

Many village banking consumers might not value these services highly enough to make the inflexibilities, expenses, and dangers that the village banking technique imposes on them worth it, even while village banking delivers significant savings and non-financial services that individual lending does not. These customers might give village banking a shot for a while before abandoning it once they realize its limitations and requirements. This therefore calls for improving the capabilities of these women so that even if they withdrew from the banks, they are able to sustain their lives. This justifies the essence of merging both the village banking model and the capability approach in the current study.

2.2 Review of Empirical Literature

To assess the degree to which women's economic empowerment has reduced poverty, empirical literature from the global, continental, regional, national, and local levels was analysed thematically. As a result, there was a proper identification of research gaps.

2.2.1 Micro-savings in poverty mitigation among women

The impact of project interventions is a growing source of concern for the majority of community development professionals today as they try to determine whether their objectives have been met. The quest for gender equality in economic development has made women's empowerment one of the most frequently discussed topics (Kapitsa, 2008). There is, however, a dearth of empirical studies examining the effects of economically empowered women in third-world nations. There is a need to look into the connections between women's participation and how it affects the welfare of the community in the context of microfinance and community savings clubs, where women are most active.

A component of microfinance known as microsavings provides low-income families or individuals with a modest bank account as an incentive to save money for future usage. Micro savings accounts function similarly to traditional savings accounts, but they are made to accommodate smaller sums of money. In order to allow account users to save modest sums of money without necessarily paying for the service, minimum balance criteria for opening a bank account are frequently disregarded or set at extremely low levels. Most developing nations regularly offer microsavings to assist low-income earners in saving for future investments or coping better in case of unforeseen difficulties (Babajide, 2015).They provide friendly condition to individuals across all walk of social status both low earners and high earners. These aspects motivates mostly low income people to save their little income for future use.

Due to low income and poor financial infrastructure among developing countries, the household saving behaviour and mostly among women is poor. Women are rarely found in corridors of business, they lack information perquisite resources and they end up participating activities with low earnings. Studies reveal that households often save inefficiently and that undersaving is common in many advanced economies, suggesting that many may not be able to handle the increasingly complex financial markets (Behrman et al., 2012). Additionally, this type of behavior can be seen in various contexts, such as portfolio composition (von Gaudecker, 2015), excessive and expensive borrowing (Zinman, 2015), and broad participation in financial markets (van Rooij et al., 2011). Similar issues occur in underdeveloped nations, frequently with even worse effects since individuals there are subjected to severe shocks without having access to adequate insurance or mitigation tools (Sayinzoga et al. 2016). Due to all of this, promoting financial behavior through financial education is highly motivated.

However, some states have attempted to overcome challenges related with savings through innovating various incentives that could likely encourage women to participate in saving. By allowing Mexican immigrants in the United States to obtain a necessary identification card for no cost, Chin, Karkoviata, and Wilcox (2011) assess the impact of removing such restrictions. In the five months that followed, the treatment group's likelihood of increasing savings was 40% higher than that of decreasing it. The economic size of this effect varies with the degree to which migrants in the United States can control the use of remittances in Mexico, with stronger positive effects on take-up and saving and stronger negative effects on remittances for those household with little impact on the use of remittances in Mexico. However this effect may not necessarily be the same in this study since Chin et al (2011) conducted their test on migrant people who have limited rights unlike this study which shall be conducted on Kenyan women residents. Also, Chin et al. (2011) conducted their test within USA, a developed state unlike this study which shall be conducted in Kenya, a third world country.

The absence of economic growth continues to be a barrier to women's empowerment. Haiti's 58.6% national poverty rate (UNDP, 2019) is higher than that of the majority of Western Hemisphere countries. Women are the poorest working demographic in the nation, making up more than 50% of the population, primarily due to the economic inequality between men and women (CIA, 2013). In Haiti, women head 40 percent of households and account for 60.1% of the labor force (UNDP, 2019; World Bank, 2019). Bellegarde Smith asserts that Haitian women are less wealthy, literate, and influential than their male counterparts. The right to labor, education, and health are disadvantages for Haitian women, according to Klum, Wigenmark, and Asker (2010), despite a clause in Article 19 of the Haitian Constitution that forbids such inequality. Furthermore, the government of Haiti does not offer free basic education to its

inhabitants, particularly girls and women (Klum et al., 2010).This portrays how women are limited to opportunities and if such gender inequality continues, women will be more vulnerable and marginalised to the extent of vicious poverty more so to women led households.

Savings have proved to be of great importance to household wellbeing. It has immensely contributed to development and better life among households. According to Bellegarde Smith, Haitian women are less affluent, literate, and powerful than their male counterparts. Despite a provision in Article 19 of the Haitian Constitution that outlaws such disparity, Klum, Wigenmark, and Asker (2010) claim that Haitian women are at a disadvantage in terms of their rights to work, education, and health. Additionally, the Haitian government does not provide free basic education to its citizens, particularly girls and women (Klum et al., 2010).

The innovative ways put in-place by the government and financial institutions are key in determining saving behaviour among residents. Governments and financial institutions have a role of establishing ways which fits its population in order to encourage saving behaviour. A evaluation of 12 studies conducted in low- and middle-income nations was conducted by Pande et al. in 2012. Mixed (qualitative and quantitative) method was used in this study. They concluded that "innovative design of new savings products that increase the supply of savings and increase demand for savings by helping people address behavioural challenges were found to increase income at least in the short run and can increase income by allowing households to accumulate assets."

The researcher found these findings inadequate as it does not address the impacts of the same to specifically women hence this study shall seek to address this by investigating the micro-saving effects to poverty mitigation among in Mwala subcounty. Four research on Sub-Saharan Africa are included in Stewart et al. (2010), and they show mixed results, with no effects

on income, mixed effects on education, and good benefits on housing. Overall, their assessment of the effects of microsavings versus microcredit is more favorable (given the risks involved with the latter).From the researchers perception, micro saving among women is viewed as an important aspects which is like to encourage saving behaviour and discourage the behaviour of improper and non-purposeful expenditure which leads to money wastage.

Innovation accounts are one way of encouraging saving behaviour. If people find accounts which are designed to fit their income level and also flexible enough to even grant them small loans when they are in financial need, then savings is likely to increase. According to Kalu and Nenbee (2013), the poor used microsavings to prepare for emergencies and unforeseen investment needs. Additionally, cultural obligations influence or encourage the impoverished to use microsavings. Babajide et al. (2015) investigated the impact of innovative savings products on the growth of small businesses and the welfare of independent contractors and low-income workers in Nigerian banking. The study tests the hypotheses using the t-test and ordinary least square. The outcome demonstrated that the use of innovative savings products had a statistically significant impact on the respondents' weekly saves rate. This indicates that the rate of savings rose as soon as the innovative savings account was launched.

The effects of saving to household depend on such factors like income level, purpose of saving and the type of saving. In their research on Malawian cash crop farmers, Brune et al. (2013) discovered that utilizing a commitment savings product boosts investment and crop yield by 21%, with a rise in consumption of 11%, whereas regular savings products have no such effect. The commitment savings account enables households to avoid having to share money with social networks, which makes the impact of the two savings products different.

Microsavings items are expected to promote a shift in consumer behavior toward female-focused durable goods.

Accordingly, the primary objective of many microfinance institutions is to provide sustainable microfinance facilities to the poor in order to facilitate income generation and reduce poverty. Ethiopian microfinance institutions primarily target poor household populations and lend uncollateralized and tailored loan terms to the unbanked poor in low-income communities. This demonstrates that microfinance institutions primarily serve low-income households, and that these households may readily borrow money from MFIs in order to start various small companies that would increase their income. The borrower can then easily pay the interest rate by consistently saving. Greater hope for better loan markets in developing nations follows from this. Although the efforts of microfinance institutions to increase and sustain financial services for the poor are frequently supported by a steady stream of subsidies, recent trends in the industry, including growing commercialization and competition as well as the withdrawal of subsidies, highlight the need for financial sustainability and efficiency (Tadese 2014).

Different modes of saving impact household spending differently. Some form savings are more advantageous to household wellbeing than others. Dupas and Robinson's (2013) investigation of the growth of savings accounts in rural Kenya sought to evaluate the effects on microentrepreneurs and document higher investment among female, but not male, entrepreneurs who gained subsidized access to savings accounts. Dupas and Robinson (2013) assess the efficacy of various commitment tools, such as keyed and keyless lockboxes, individual health savings accounts, and joint health pots of pre-existing ROSCAs. Clients who used the lockbox with a key increased their spending on preventive healthcare, whereas those who used the lockbox without a key did not. Similar to how using the health pot increased spending on

preventive care, using individual health savings accounts improved people's ability to pay for unanticipated emergency medical expenses.

Savings can be significantly reduced by intra-household disparities in bargaining power and spending preferences. If women have more child-focused preferences, this might particularly affect them as well as children indirectly. Evidence from an experimental study with 142 married couples in Kenya demonstrates that husbands increase private spending if they experience an income shock, but not if their women experience the shock (Robinson 2012). In a similar vein, Schaner (2015) discovered that Kenyan couples who have similar time preferences are more likely to use joint accounts than individual ones. An experiment conducted in Kenya highlights the significance of gender as it shows that only males or accounts held jointly see an increase in account utilization when transaction costs are reduced by giving away free ATM cards (Schaner, 2015). The fact that using an ATM card indicates less control over funds for women may help to explain this.

2.2.2 Microcredit in poverty mitigation among women

Through the development of entrepreneurship opportunities that stimulate the eradication of unemployment by creating viable enterprises based on their interests and talents, micro-credit acts as a strategy for improving rural livelihoods. According to Shepard (2015), microcredit is a part or unit of microfinance characteristics that deals with providing small loans to those who are living in poverty and are not eligible for conventional loans. Additionally, microcredit provides small loans to the impoverished in rural and urban areas so they can start their own businesses and earn money to support their family (Garmeen Bank, 2014). In many nations around the world, micro-credit is a crucial socioeconomic and financial tool for eradicating poverty, encouraging the growth of small businesses, and improving the wellbeing of those who are less

fortunate (Hossain et al., 2012). According to George & Jacob (2015), the term "micro-credit" refers to giving extremely modest loans to underprivileged households in order to help them engage in productive activities and expand their small businesses. With time, micro-credit has expanded to cover a wider range of services, including banking, insurance, and savings, among others.

Poor households' finds microfinance institution of great help as it provides affordable products which fits their situation. Many believe that low-income household microfinance initiatives improve the lives of people in developing nations (Ghalib, Malki and Imai, 2015). These programs are supported not only by tax-payer-funded donations, but also to a significant extent by transnational companies (TNCs) and the global business community. For instance, the food company Mars supports microfinance programs in 15 cocoa-growing areas in nations like Indonesia and Côte d'Ivoire. It offers loans and microgrants to fund inputs within its supply chain in an effort to support the empowerment of female entrepreneurs (Mars, 2015). Through a number of programs, the world's largest bank, Citibank, finances microfinance activities. It continues to collaborate with the Overseas Private Investment Corporation of the United States Government, which supports microfinance programs in developing nations worldwide and has given more than US$417.4 million in funding to 46 microfinance institutions in 24 countries (Citibank, 2016).Through this, it is clear that micro-finance institutions which facilitate micro-credits have a great role to play to ensure women empowerment through provision of pocket friendly products.

By fostering economic growth, microcredit provides a practical way to generate income, combat poverty, improve food security, and empower women. In order to secure working capital or a credit to help the poor when they need help, microcredit offers a way to start taking part in

realistic income-generating activities. Microcredit is a no-collateral investment that is mostly provided to underprivileged female clients in order to assist them in meeting the requirements for their empowerment projects. Most poor women are unable to obtain formal credit from conventional banks and other financial institutions (Roodman & Morduch, The Impact of Microcredit on the Poor in Bangladesh: Revisiting the Evidence, 2014). By assisting them in choosing an inclusive financial institution to help them alleviate their poverty, microcredit programs strive to enhance the lives of the poor. Additionally, microcredit enables underprivileged women to embark on a road of radical empowerment that will advance sustainable development. Due to microcredit's assistance of low-income households, the economic and social structures at the grassroots level have now been rebuilt. According to Roodman & Morduch (2014), Bangladeshi microcredit programs that take into account household expenses, assets, and education have had a considerable impact on the welfare of rural female borrowers. Additionally, microcredit has greatly increased household earnings, crop production, livestock growth, expenditures, and employment in Bangladesh's rural and agricultural areas. Bangladesh's microcredit program coverage has been fully utilized, however not all rural women have yet experienced pleasure.

Due to the challenges associated with the dependability and accessibility of funds, the evidence that microcredit improves poverty is difficult to ascertain and contentious. Depending on the microcredit model intervention, microcredit has a certain impact on reducing poverty. One strategy for achieving the Sustainable Development Goals has been viewed as microcredit (World Bank, 2010). The idea is that by giving more credit to economically engaged poor people (self-employed people who make less than $2 per day), poverty will decline.

There is evidence that microfinance in Latin America has a favourable effect on factors including corporate income, employment, and fixed assets. Additionally, there is evidence to suggest that microcredit may benefit children's educational outcomes. In essence, every study examined in a recent analysis of the effects of microfinance in Latin America finds that microcredit has positive and significant effects on schooling. Maldonado and Gonzalez-Vega (2008) compared clients who have been active in microfinance for some time to new clients in rural Bolivia and found that children of these longer-term clients have around half to a quarter of a year less of a schooling gap than children from new client homes.

Agriculture is major source of funds for women in most parts of the world and especially developing countries. This is because women are major participants in agriculture sector even though majority participates in small scale agriculture due inadequate resources to support them. Farm credit, in the words of Ayegba (2013), "plays a crucial role in agricultural and rural development as it enable farmers reap economies of scale, venture into new technologies, and empower them to provide utilities for a wider market. While Adegeye and Ditto (1985) defined agricultural credit as the process of obtaining control over the use of money, good, and services in the present in exchange for a promise to repay at a future date. The breakdown of the number reveals a consistent rise in the outreach for microcredit: from 7.6 million in 1997 to 92 million in 2004. (UK essays, 2014). While the 92 million are divided as follows: 7 million people lived in Africa and the Caribbean, while 81.5 million people lived in Asia (UK. essays, 2014). However, Nigeria's availability to microcredit has much to be desired.

Microfinance is now being used as a tool in many developing nations, including Bangladesh, Pakistan, and India, to raise the living standards of low-income societies. Microfinance has a positive effect on income levels, and better services provided by these

institutions lead to higher customer satisfaction levels (Akram & Hussain, 2011). The unemployed and the underprivileged receive possibilities, hope, and self-esteem thanks to microfinance. A person's sense of self-respect and dignity are greatly enhanced by having a job, whether it is as a self-employed person or one who works for an employer. Microcredit also enables people to display their creditworthiness. In the long run, poverty should be reduced if their success increases banks' willingness to lend them larger sums of money and stimulates the economy. Being prosperous businesses, MFIs have produced a lot of well-paying jobs on their own.

Microfinance organizations fill the void left in Ghana by traditional commercial banks' refusal to extend credit to small businesses. Microfinance institutions (MFIs) are the primary source of funding for microbusinesses in Africa and other developing nations (Anyanwu, 2004). Microfinance Institutions (MFIs) offer credit to the poor who cannot provide collateral, in contrast to traditional commercial banks that only offer credit based on collateral. According to Adjei (2011), for the majority of Ghana's micro and small business owners, a major barrier to the growth of successful micro firms is a lack of access to financial services.

Additionally, the combination of credit and extension services has been examined in a number of studies. In a randomized study carried out in urban Ghana by Karlan, Knight, and Udry (2014), small and micro-tailoring businesses were given cash grants, consulting services, or both. Both treatments failed, which ultimately resulted in fewer profits and business owners returning to their old operating methods. Over the course of one to two years, Karlan and Valdivia (2010) deliver 30- to 60-minute entrepreneurship training sessions during their regular weekly or monthly banking meetings with an MFI in Peru as part of an RCT. The evidence of changes in business revenue, profitability, or employment, however, is scant to nonexistent. On

the plus side, the MFI's client retention rates have increased and business understanding has improved. De Mel, McKenzie, and Woodruff (2014) find that business training combined with grant funding for the business can increase profitability for existing entrepreneurs in the short term but not the medium term (that is, more than eight months), whereas new entrepreneurs benefit from the training in a more long-lasting way.

Studies have been done to look at how microfinance helps to reduce poverty. For instance, Tammili, Mohammed, and Terano (2018) conducted a study to determine how well the AIM microcredit program in Selangor reduced users' poverty. From February to April 2016, the research sampled 326 participants using a systematic random sampling method. Multiple regressions and descriptive analysis were used to analyze the data. The study's findings demonstrate that the majority of respondents (95.7 percent) were married and had a secondary education (72.7 per cent). The bulk of respondents have an average annual income of less than RM1,500. Nevertheless, all respondents indicate a rise in income as a result of using AIM's numerous microcredit program schemes. After enrolling in the microcredit program, the respondents' income-investment ratio was positively and significantly influenced by the hired workers and family workers, according to multiple regression analysis. This study supported the AIM program's efficacy in reducing poverty among the underprivileged in Selangor.

Studies have been done to determine the effects of micro-finance on small enterprises, particularly those that are likely to be held by women and the poorer members of society. In Osun state, Nigeria, Odetayo and Onaolapo (2016) examined the impact of small businesses' ability to acquire microfinance institution products on their performance. The research design used in the study was a descriptive survey. All the banks or microcredit institutions and small companies in Osun state made up the study's population. From 30 microfinance organizations,

450 small scale firms were purposefully picked at random. To test the hypotheses, data from a questionnaire was gathered and analyzed using tables, simple percentage calculations, and multi regressions. The study shows that credit and savings have a good impact on income but a limited impact on the number of employees involved. It finds that credit and savings perceptions jointly predict or influence changes in the number of employees and profit.

Increasing productivity results in more income, which allows the borrower to pay back the loan and interest as well as start saving.Leikem (2012) established that microfinance loans help the clients to engage and increase economic productivity. This clearly reveals that the beneficiary of microfinance loans can generate more income as a result of a loan that he collected and invested in viable economic activities. According to Ameer & Jamil (2013), loans from microfinance institutions have a significant impact on reducing poverty by raising income. As a result, microfinance could be demonstrated as a more effective source of poverty mitigation if the program started on depth (grassroots) and outreach (cover all areas) than the current outreach (coverage areas). Increased household income is a result of microcredit. Utilizing loans and deposit services may lead to a diversification of income streams, such as increased business growth.

Over 500,000 women in Kenya are served by Kenya Women Microfinance Bank (KWMB), formerly known as Kenya Women Finance Trust (KWFT), a microfinance company started in 1981 by a small group of women. Oikocredit joined together with KWFT in 2010 due to their shared commitment to empowering women by ensuring better access to money. Microfinance improves women's decision-making and independence skills. Additionally, it is associated with lowering poverty, maintaining financial stability, improving wellbeing, and empowering women in social and political spheres (Oikocredit, 2017).

2.2.3 Women training programme in poverty mitigation among women

The provision of economic opportunities, including microcredit programs, as well as educational chances, political engagement, and other factors can all contribute to the empowerment of women. Depending on their requirements and aspirations, women may require different types of empowerment. Economic empowerment, improved wellbeing, and political empowerment are the three categories under which empowerment is categorized. The kind is divided because, according to various research findings, notably in the study of development economics, empowerment is one of the key variables that contributes to the decline in poverty.

An essential and direct aspect that contributes to someone's ability to participate in politics and get the most from services like health and education is their sense of autonomy and self-worth. On the other side, economic empowerment helps marginalized people to look beyond basic survival and to exercise greater control over their resources and life decisions, particularly those involving investments in their health, housing, and education.

Enhancing access to the informal economy's or agriculture's labor market boosts income and fortifies social networks. Such accessibility could be a potent instrument for reducing poverty. Learning vocational skills aids in rural development and food security, two factors crucial to the fight against poverty. Skills development contributes to social and economic integration, thus policies for its development must take into account not just households but also communities and regions. One of the six objectives listed in the Dakar Framework for Action to attain Education for All is to guarantee that the learning requirements of all children and adults are addressed through equitable access to suitable learning and life skills programs (EFA). Giving young people and adults the training in occupational skills they need to get a job and

integrate into society is crucial (IIEP, 2016). The development of women's knowledge and abilities is also greatly aided by training in occupational skills.

The capacity of the delivery system, both in terms of scale and relevance, is an immediate issue for many low-income nations when policymakers are willing to engage in skill development to combat poverty. Other suppliers, aside from the public training system, which is frequently quite tiny, are fragmented and unable to meet the needs. Building a system capable of satisfying this particular demand is also necessary to implement a skills development policy to fight poverty. For the nongovernment providers to be stimulated and enhance their capacity for training, adequate incentives and support systems are required. Encouragement of public institutions to employ new training techniques and target the underprivileged is another tactic.

In the area of education, lifelong learning is essential to eradicating poverty since, in some circumstances, families that are just over the poverty line but appear to not be poor suddenly become poor due to the effects of a crisis (loss of jobs). They end up getting old and destitute at the same time as a result of this condition. Because of this, the sole resource available to the "new poor" to help them find alternate ways to avoid poverty and "empower themselves" is lifelong learning. A good and sound educational system, which provides people with the knowledge they desire and/or need to have, and a better job system, which offers them the means to locate the place of employment that better corresponds to their studies or abilities, give individuals the chance to achieve a better life. In any case, empowering those who live in poverty (with little or restricted access to essential services) requires the combined efforts of commercial and public institutions (UNDESA, 2015).

In Bangladesh, there is still discrimination against women who are still seen as only being capable of doing domestic duties, which has contributed to the perception that women are

not permitted to work outside the home (Klugman, et al., 2014). Not to mention several more instances of prejudice against women that prevent them from reaching their full potential. In general, women engage in more unpaid work than males do; they also face less social risks and challenges, a poor working environment, and restrictions on their ability to voice their thoughts. Demanding that all good men and women, girls and boys have the chance to develop their potential and fully engage in all aspects of life is actually necessary to advance mutual prosperity (Klugman, et al., 2014).By giving equal opportunities to both genders, it will give a chance to everyone regardless a male or a female to freely exploit the available opportunities to realize their potentials and talents. Gender bias towards males; have left women less informed with meagre opportunities compared to their male counterparts.

To achieve these overarching objectives, the European Union (EU) deliberately uses a variety of vocational educational programs. The selection of topical themes of attention takes into account the needs of each partner country or region. However, flexible and problem-oriented techniques that allow partners to maintain responsibility while also having the chance to engage in learning processes are equally important during the planning and execution of schemes. Such learning processes, which enhance partners' capacity to act in anticipation of significant political decisions about creative improvements and fundamental reforms in qualification systems, are made possible by flexible procedures and fixed-term programs with little cost input (Wallenborn, 2009). Realistic assessments of the potential consequences of interventions in the form of international collaboration are produced by this method.

Despite women being majority globally, they have been so left out in development activities. In some parts of the world; their clock is still ticking backwards. According to Banerjee and Duflo (2012), when women are empowered through a variety of channels, such as

education, gender equity, microfinance, and health care programs, society gain significantly from their increased engagement in the labor. The International Children's Emergency Fund of the United Nations (UNICEF, 2011) has insisted that girls' education benefits both people and societies. A year of secondary school for females resulted in a 25% rise in income over the course of their lifetimes, according to UNICEF (2011), who also stated that educated girls feel empowered and ready to defend themselves against all types of abuse. Promoting girls' education has a positive economic impact on families and the neighbourhood as a whole.

The acquisition of financial skills occurs during the educational process and is the result of both formal education received in educational institutions and external influences (such as social networks, friends, media, etc.), as well as attitudes and learning aptitudes, family history, and other factors (Pérez and Mancebón, 2014). In this regard, Pinto et al. (2005) draw the conclusion that the primary sources of financial knowledge are parents and schools. Additionally, the development of skills can be more strongly influenced in the case of financial literacy.

Closer ties also make it possible for group members to discriminate between different causes of default and not penalize debtors who are unable to repay due to circumstances beyond their control. In laboratory experiments conducted in five developing nations, Cassar and Wydick (2010) discover that social trust and group lending can both have a favorable impact on trust. They critically document significant variations in the impact of social capital across many nations and cultural contexts.

Financial education and training is perceived to bring about immense impacts to saving behaviours, loan utilization behaviour among others to the participants. A meta-analysis of 188 papers and a comprehensive assessment of the literature are conducted by Miller et al. (2014).

Financial education, according to their findings, "may consistently improve outcomes like savings and record keeping, but works less well in preventing outcomes like loan default." One significant issue, known as an omitted variable problem, may help to explain why financial literacy treatments have a relatively low success rate. If the psychological characteristics that influence both financial behavior and financial literacy cannot be measured, this may explain why certain programs are more effective than others. This is a point addressed by Fernandes, Lynch, and Netemeyer (2014), who demonstrate that research concentrating on assessed financial literacy have a far stronger link with financial behavior than studies focusing on financial literacy interventions, particularly in low-income settings. Interventions in financial literacy similarly exhibit a significant degree of depreciation, with no effect remaining after 20 months. This can necessitate stressing the value of more universal educational requirements, such math proficiency, or the need to teach more general abilities.

The assumption is that rising financial literacy levels constitute a significant intermediate outcome in a causal chain that is anticipated to result in behavior change (Fort et al. 2016). In fact, we demonstrate that the impact size on financial literacy is a statistically significant predictor of effect size on financial behavior for a sample of 31 studies ($b=0.230$, $p=0.022$) in a regression with standard errors clustered at the study-level. As a result, an increase in financial literacy scores of one standard deviation unit is associated with an average rise in the examined financial behaviours of 0.23 standard deviation units. But when attempting to explain the variation in effect sizes, the non-overlapping confidence ranges of these effect sizes also suggest that these two links in the causal chain should be examined separately.

Increased income brought on by a microloan can help women send their kids to school and, in cases where public schools are insufficient, decide to transfer them to private schools

since they can now afford it. Ayuub (2013) posits that loan facility collected through microfinance institution has helped the clients to give better education to their children. This is because the income of households increases after taking loans and leads to increase in expenditure on their children education. Women that were unable to continue with their education could find it easier to enrol or continue their education even up to higher level thereby completely escaping poverty.

Women training reduce vulnerability and women gets access to information which helps them improve their saving behaviours, gain knowledge on their rights and become self-reliant. The Integrated Women's Empowering Programme, which offered functional literacy instruction, training in livelihood skills, economic support, and associated training to women in impoverished parts of Ethiopia, was the subject of a Sandhaas (2008) report. The NGO in charge intended it to transform Ethiopian women and lessen poverty despite certain implementation difficulties. The goal was to empower women to become more independent, self-assured, and resilient. Sandhaas discovered that educated women were better aware about health care issues, which led to healthier families and higher economic production. Gerzher-Alemanyo (2010) also looked at the Ethiopian diaspora with a particular focus on the Awlaelo Schools Alumni Association and how its members effectively continued their community's educational growth while residing overseas.

Programs offering one-time cash grants improved wages significantly in northern Uganda. The WINGS initiative gave ultra-poor women a $150 grant, as well as training in business skills and follow-up visits. Participants' earnings nearly doubled, while household spending rose by approximately a third (Blattman, Green, Annan, & Jamison, 2015). The Teenagers Opportunities Program offered scholarships to unemployed youth in need of work

worth close to $400 per in exchange for a business plan to enroll in vocational school and begin a trade. Four years later, grant recipients had worked 20% more hours and made around 40% more money (Blattman, Fiala, & Martinez, 2014).This implies that giving grants alone, is not adequate in women empowerment, there is a need to supplement grant beneficiaries with skills which will inform them on financial management and business skills.

Upon gaining independence, the Kenyan government declared war on illiteracy, illness, and poverty as the three main foes of development. It was acknowledged that education and training were essential to the success of national development. In order to address the relationship between education and the broader economic environment, policy-making in Kenya's education sector has continually strived to link education and training with job and employment.

The results of investigations conducted by numerous government-established commissions served as the inspiration for expanding educational options. These included the commissions called after their individual chairs, the Ominde (1964), Gachathi (1976), Mackay (1981), Kamunge (1988), and Koech (2000) commissioners. A policy framework for education, training, and research, Sessional Paper No. 1 of 2005, is one of the pertinent policy texts that go along with these commissions. Although the government has shown commitment to the education sector, as evidenced by the percentage of the budget allocation, which accounts for almost 30% of total government expenditure and 6.2% of the country's GDP in 2007/08, there are still many challenges. This is especially true for higher education, training, and learning, which only accounts for 3-4.2% of the overall budget (Ngolovoi, 2009).Higher education, training and learning are very important levels of education as they help one to specialize and

develop strong skill and experience which are most important in long run. Therefore, 4.2% allocation on this sector is deemed inadequate to finance training and learning.

The burden of continuous failure and the difficult responsibility that the losers in Kenya must carry will serve as a barrier to their future aspirations. In some instances, society's pressure or discrimination against students and learners will stunt personal growth and produce dissatisfied citizens. The pressure to perform is so great that some people who don't perform have turned to suicide, a phenomenon that is becoming more common among primary school graduates. There has also been an increase in examination cheating, including impersonation, leaking exams, buying papers, and colluding with invigilators.

This culture resulted from an educational system that prioritizes test results over other abilities. Two instances in the year 2002 demonstrated how schools are destroying students' opportunities for personal growth and civic fulfillment. After receiving low scores on the Kenya Certificate of Primary Education, a head teacher and two former candidates committed themselves. This discloses a great deal about the flaws in the educational system as well as the pressure from a societal system that has failed to grasp the true meaning of education. It records the loss of fulfillment, self-worth, and hope (Kabaji, 2012).It further displays the misplaced priorities and a culture which prioritizes formal education only with less focus on skill based education. As a consequence, those who fail in exams are perceived to be failures with minimal chances of success unlike those who passed formal education exams and perceived to be bright and more likely to succeed hence formal education is perceived as the only key to success.

In Kenya, women and girls have limitless potential. Women are constrained by numerous factors. Gender-based violence is still a major problem. At all levels, women are still underrepresented in decision-making. Girls and women still spend hours gathering firewood and

water. Household duties restrict my ability to work and go to school. The advantages of land tenure, education, and career possibilities are less accessible to them, and they have less influence over them. To help Kenya achieve its development objectives, they must boost their contributions. Kenya's transition to independence is supported by USAID (USAID, Gender Equality and Women's Empowerment, 2020). Many institutions have tried to reduce poverty by teaching women, but no significant research has been done to determine how this training affects women's socioeconomic standing. This study will try to close this gap by looking at how training helps Machakos County's rural women combat poverty.

2.2.4 Using Micro-insurance in poverty mitigation among women

Micro-insurance is a method designed to shield underprivileged people from risk (accidents, illnesses, family deaths, natural disasters, etc.) in return for premium payments that are appropriate for their needs, income, and risk profile. The International Association of Insurance Supervisors (2007) described micro-insurance as insurance that is available to low-income people, provided by a variety of businesses, but operated within generally recognized insurance norms. The process of giving women equal access to and control over economic resources and ensuring they can utilize those resources to exercise more influence over other aspects of their lives is known as "women's economic empowerment" (Taylor and Pereznieto, 2014). In light of its potential contribution to the Sustainable Development Goals (SDGs), its attainment is now a global policy priority, as demonstrated by the UN Secretary-decision General's to form a High-Level Panel to accelerate progress in this field. This emphasis can help achieve Agenda 2030 goals for growth and decent work, lowering poverty rates, improving well-being, and promoting human development. It is commonly known that women's economic success has raised spending in children's education and health, decreased household poverty, and

otherwise benefited society and families (World Bank, 2013). The economic argument is very strong.

It has been demonstrated that "national economies lose out when a substantial part of the population cannot compete equitably or realize its full potential" (Woetzel et al., 2015). According to recent estimates, gender parity globally could increase global gross domestic product (GDP) by $12 trillion to $28 trillion between now and 2025. (Golla et al., 2011). Given the high population of unutilised women, it’s worthy assuming that a significant proportion is missing out in the economy and therefore without equitable participation of all genders, the chance of successfully achieving Agenda 2030 remains meagre.

Having a successful method of coping when a calamity happens can frequently mean the difference between life and death for millions of women around the world. For poor women, who not only face a greater vulnerability to risk for themselves but also have to manage the dangers posed by their family, having coping methods is essential (Cohen, 2014). Over the course of a woman's lifetime, these risks can include health issues for both the individual and their loved ones, the loss of a breadwinner's income as a result of death or divorce, vulnerability in old age, concern over the upbringing of children in the event of one's own death, domestic violence, job-related risks like unstable income or workplace injuries, natural disasters, and other emergencies. Unmanaged, every one of these risks has the potential to deepen poverty, instability, and vulnerability for poor women and their households by delivering substantial and frequently devastating financial shocks.

Men in poverty face many of the same dangers. You discover that they face social and economic obstacles that prevent them from paying microinsurance premiums. However, the effects for underprivileged women are even more severe. 70% of the poor people in the world

are women (Anjali, 2019). They experience unusually high rates of physical vulnerability and violence. They have less ownership and management of property and earn less money, frequently from jobs in the unorganized sector. It is evident that women not only have a special and compelling need for proper risk management tools, but also act as agents for the risk management of their entire families when these vulnerabilities are paired with the duty of safeguarding the welfare and security of their families (Anjali, 2019).On flipside, it also shows that women are overwhelmed with variety of responsibility while at same time their opportunities are limited with slim chances of fairly competing with male counterparts.

Generally speaking, central governments in developing nations create strategies, policies, and institutions to reduce poverty while assuming control of the available financial and human resources. Because there is no mechanism in place or there is little awareness on the part of government officials regarding the need to respect the needs and wishes of the poor, there are many instances where the actual conditions and needs of the poor are not accurately reflected in those measures of the central governments. For instance, tax policies frequently favor high earnings, while redistribution systems are either nonexistent or ineffective in nations where there is a significant wealth difference. Additionally, it is not uncommon for political judgments to take precedence over administrative decisions, and it is frequently challenging to align administrative procedures with governmental policy (UNDESA, 2015). The political class of thirty, which does not care about the wellbeing of the poor, and corruption are the main causes of this.

One of the fundamental institutions that may offer protection from social and financial exclusion for those whose current coping mechanisms are failing is insurance. Additionally, if people's livelihoods are adequately safeguarded, lower-income groups should be encouraged to

invest, which will boost overall investment and growth rates. However, "there are essentially no insurance markets in developing countries due to challenges with contract enforcement and asymmetric knowledge," according to the 2000 World Development Report on Poverty (World Bank, 2000). Even while this description of the situation may be a little exaggerated, there is no denying that the supply of one of the services that has the greatest potential to reduce poverty is seriously lacking, particularly at the lower end of the market when risk-coping capacity is at its lowest. The ability of the microfinance movement to address this deficit, which has been so dynamic in other areas of the financial spectrum, is therefore brought to light. In this study, we investigate what this contribution might be and how, in light of previous insurance for the poor studies, its efficacy might be maximized.

After that initial wave of failure, what has actually arisen in developing nations is a collection of activities known as micro insurance, where life and health insurance today take the lead and agricultural and insurance against climatic risk follow behind. Churchill defined microinsurance as "the protection of low-income persons against certain perils in exchange for recurring premium payments equal to the probability and risk of expense involved" (Churchill, 2007). The micro insurance movement fundamentally consists of three parts, each of which has a unique historical origin. The first is experimental insurance programs created by non-profit organizations (or, less frequently today, the government) to protect against specific risks like property, health, and life insurance risks; the program run by FINCA Uganda, which will be discussed below, is an excellent example of this type of program.

These aim for financial sustainability over the medium term and attempt to learn from the mistakes of multiple-risk schemes. They frequently involve microlending operations and are descended from "emergency fund" life insurance schemes that pay off a loan's outstanding

balance in the event that the borrower passes away. The second strand consists of profit-making schemes created by the private sector (Gono Bima of Bangladesh is one of the largest examples), which are willing to offer small insurance contracts to low-income borrowers even though they are not specifically designed to serve the bottom end of the market. These schemes primarily result from a move downmarket by commercial insurance companies after they saw the profits that could be made from microfinance (Churchill, 2007). Low-income individuals are given the chance to take part in long-term, crucial micro insurance programs through this.

The third strand, which crosses over with the first, consists of not-for-profit organizations' programs that explicitly insure a variety of social functions on behalf of marginalized groups. These programs typically start with family health insurance but frequently expand to include insurances for a variety of personal assets. One of the first and most well-known of these, SEWA of north-western India, which is also a registered trade union, has sought to provide "work and income security, food security, and social security" since the 1970s (Sinha, 2002), as well as many of the social protection functions that are typically provided by the welfare state in industrialized nations. It addresses the asymmetry of risk between men and women that Elson identified because it is a women's organization. The Grameen Kalyan (Grameen Welfare Organization), founded in 1996 to manage the health insurance business of the Grameen Bank after it was realized that "sickness was the principal reason for 44% of our defaults," exhibits a similar gender prejudice (Daiyan, 2001). Therefore, such plans were developed to address the most prevalent social issue in the neighborhood.

Local communities are launching steps to set up microinsurance programs in response to the threat of being excluded from social protection. Microinsurance is provided by a variety of organizations and covers a range of risks or events, such as sickness, pregnancy, death, and

incapacity. Some programs have the potential to aid in the expansion of social protection to underserved groups and are not only tools for risk management. These programs can also raise additional funds that strengthen social protection as a whole and better the governance of social protection providers (such as healthcare providers). Particularly where the state has inadequate institutional and financial capacity (Christian Jacquier, 2017).You find that these schemes are flexible in way that they are in a position to give marginalized groups lead by women the opportunity to choose the insurance product which favours their pocket and through the small regular contribution, reduces the risk of suffering once in need of financial assistance in future due to household problem like sickness.

Poverty impairs one's ability to function (become insignificant) in society and increases one's susceptibility to financial, meteorological, and virtually any other minor social shocks. Providing adequate social protection presents significant difficulties for developing nations. There are no efficient ways to systematically reach the great majority of people since they are employed in the informal economy. Since they are independent contractors or employed by unofficial enterprises, they do not have a formal employer who contributes to pension, unemployment, or healthcare programs. However, the working poor cannot pay for social security programs in full. Meanwhile, governments in many developing nations lack the funding to build adequate infrastructure (such as hospital facilities) or cover the ongoing costs of social protection programs (Shilabeer, 2008).It is due to these that micro-insurance are necessary to come in for people of low income who cannot afford big monies for regular contribution. Micro insurance are likely to benefit women as they are the majority of who register low income.

One of the fundamental institutions that may offer protection from social and financial exclusion for those whose current coping mechanisms are failing is insurance. According to

Cingano (2014), good protection of people's livelihoods should boost investment among lower-income groups and increase total investment and growth rates. Access to official insurance services is limited. Poor people put out constant effort to better their lives. It is a gradual process characterized by hesitant steps forward. Because they are always under financial stress, low-income households discover that shocks can quickly undo their accomplishments.

Microinsurance enables impoverished households to share their risks and so prevents them from falling deeper into the poverty trap due to unforeseen shocks, according to development experts from all over the world. Various risks (health, life, etc.) may be covered by micro-insurance programs; the most popular micro-insurance products are life, health, disability, property, and crop insurance. Microinsurance is understood to be an effective strategy for fostering economic growth.

Since many low-income individuals lack access to sufficient risk-management resources, they are more likely to relapse into poverty during trying times, such as when the family's primary provider passes away or when expensive medical expenses force families to take out high-interest loans. Additionally, micro-insurance enables consumers to take bigger risks. Farmers are better able to plant crops that yield high yields in good years and poor yields in drought years when they are insured against a disastrous harvest (caused by drought). They will be more likely to cultivate crops that are more drought resistant but have a much lower yield in favorable weather without the insurance since they must protect a minimum level of income for themselves and their families (Maleika, 2009).

With countries experiencing great growth, the market for microinsurance increased from 78 million lives insured in 2005 to 263 million lives in 2013. (WBG, 2015). Nearly US$ 647 million in microinsurance premiums were issued in Africa in 2014, covering 5.4% of the

continent's population, a 30% increase from 2011. Written premiums in Latin America and the Caribbean totaled US$ 828 million, covering 7.9% of the region's population. In Asia and Oceania, gross premiums totaled $170 million, with 4.3% of the population being covered.

Despite this expansion, the majority of people with low incomes, particularly women, continue to lack insurance. Women make up 70% of the world's poor and are particularly exposed to health and financial risks due to lower salaries, gender-specific health needs, and limited access to assets. Due to their risk profile, the insurance industry has not adequately catered to this market (World Bank Group, 2015). Owing to their involvement in a variety of risky activities, including childbirth, child rearing, and dangerous employment, women are disproportionately underrepresented in insurance programs. Unfortunately, this is due to their marginalization in all spheres of life.

In a 2009 study, the Micro Insurance Centre and the International Labor Organization's (ILO) Micro insurance Innovation Facility discovered 14.7 million persons in 32 African nations (or 2.6% of the population) who are covered by micro insurance products and make less than $2 per day. Notably, 8.2 million (almost 56%) of this population reside in South Africa, where even the most impoverished people receive funeral insurance. Group-credit life insurance policies with additional payouts to the beneficiary are available in Indonesia. This shows that some countries have attempted to create friendly insurance schemes for their citizens, however, the statistics still show that majority of the poor still lacks insurance.

Micro-insurance is the defense against specific risks for low-income persons in return for recurrent premium payments according to the likelihood and expense of the risk involved. The main guiding principle is the pooling of risks, which denotes that financial contributions are obtained from insurance scheme participants, and the loss of one person is distributed among all

participants in the event of risk occurrence. The primary distinction between microinsurance and traditional insurance is that the former is designed primarily for low-income individuals who have few financial resources and frequently erratic income flows. As a result, the product is made to suit their wants as well as their financial capacities.

Micro insurance products have typically been tacked on to loans given out by microfinance organizations (MFIs), and MFI borrowers have had exclusive access to them for the life of the loans. This paradigm is, however, shifting. Nowadays, community-based organizations (CBOs) also create and market their own insurance goods. By providing a variety of micro insurance products, insurers can reach out to the low-income group, especially women, by utilizing new technology and creative distribution channels. Women traditionally serve as the financial backbone of their families and communities, making them a crucial entrance point into the family budget and a potential market for insurers.

Additionally, by focusing on the low-income female market, insurers can expand their brand and foster customer loyalty among a group of people who may one day become middle-income clients. In the end, specifically focusing on this market segment as a business opportunity can help insurers stand out and establish themselves in a market that is underserved yet has great potential for the financial industry. Microinsurance can be financially viable and profitable, despite the fact that many insurers were initially drawn to inclusive insurance for humanitarian reasons (World Bank Group, 2015). Despite the fact that microinsurance protects customers against dangers, some of the terms of the contracts are unfair and are more likely to penalize the poor if they are not well-informed.

Due to responsibilities, Low income women are only able to save a small portion of their income. Low-income women can save between 10 and 15 percent of their net monthly income,

but this rarely covers more than the most basic home emergencies and modest health-related needs, according to a Women's World Banking (WWB) research from 2015. By providing savings-linked insurance products, insurers can take advantage of women's saving habits. These often make it possible for pensions and long-term savings plans to reach more women than simply the entrepreneurs that credit-life products traditionally target. It can be beneficial for insurers to collaborate with organizations that promote saving, such as village savings and loan associations (VSLAs), as this can help them reach regions without access to conventional financial services (World Bank Group, 2015).It will also assist them to reach different groups with different needs and assist them to come with products able to be consumed by people from different social class.

In 2015, households in developing nations paid $148 billion out-of-pocket for healthcare costs, and because of the high cost of healthcare, 100 million people are forced into extreme poverty every year. Health insurance is the most efficient approach for consumers to lower their out-of-pocket costs and prevent having a significant medical emergency push them into further poverty, especially for major inpatient spending.

Insurance companies, however, frequently struggle to persuade low-income clients to pay insurance premiums now for needs that may or may not materialize in the future. Thankfully, digital financial services (DFS) have made it simpler to include insurance in packages with other financial products that cover a variety of inpatient and outpatient health treatments and educate individuals about the advantages of insurance. In many underdeveloped nations, different DFS assist people with financing their medical care. Even in remote locations, patients may now get rapid loans for medical care thanks to digital credit (Hanouch, 2018). Notably, it is not clear how

the digital credit has been effective to illiterate women and those who lack electronic gadgets for the credit application.

In fact, according to CGAP study conducted in Kenya, one of the most often claimed justifications for borrowing via the online lending marketplace M-Shwari was to cover medical expenditures. People can simply save money and withdraw it from special health savings accounts thanks to financial goods. The best approach to plan for significant medical costs is still to have insurance, but too few low-income individuals do. Around 75% of people on the planet are not sufficiently covered by insurance, and 40% have no coverage at all. Paying monthly premiums is a huge difficulty for consumers with erratic income sources, despite the fact that there are numerous explanations for this.

The fact that low-income consumers value liquidity and are hesitant to commit money to any one place until an immediate need arises is another significant problem. This makes selling insurance on its own challenging. However, thanks to digital channels, providers can more successfully combine insurance with other services to address a variety of both immediate and long-term healthcare needs. In Kenya, Micro Ensure's Fearless Health product is a good illustration of the possibility of bundling. In 15 countries, Micro Ensure has more than 50 million registered users. Through partnerships with mobile network carriers, the company offers free basic life, accident, and hospital insurance through mobile phone to many of its consumers.

These models, however, are only able to address catastrophic demands rather than the more frequent risk events that affect customers directly. Fearless Health, which combines insurance with other products to assist customers access the inpatient and outpatient care they need without postponing treatment due of the expense, was created by MicroEnsure to handle a wider variety of probable health occurrences. Because administrative costs associated with

outpatient claims tend to raise premiums, MicroEnsure was able to keep premiums low by limiting the insurance component to solely inpatient care and providing loans for outpatient requirements (Hanouch, 2018).This attracts more participants to subscribe to their services.

CIC and NHIP provide insurance coverage for the KWFT health microinsurance program. All KWFT members have access to the optional, personalized policy. With a 67.2% market share, it is the largest regulated women-only serving institution in Africa and the top deposit-taking microfinance institution in Kenya. With the aim of reducing poverty through the provision of cutting-edge savings and loan products customized to fit client demands, the institution specifically targets low-income women as an entry point and point of contact to their families. The advantages of the family's health insurance plan include all inpatient expenses, including maternity expenditures. To receive medical care, the covered person must go to the designated hospitals or clinics. The annual premium is US$39 (KSH 3,600). (as of 2010). CIC engages in extensive marketing and offers insurance education (KWFT, 2020). There is a paucity of research on the subject and few studies have been done on how micro insurance helps women avoid poverty. The purpose of this study is to examine the function of micro insurance in initiatives to empower women.

2.3. Chapter Summary and Research Gap

In summary, the study is guided by two theoretical models that is the capability approach and human development by Sen 1993, and village banking model by John Hatch, both of which explain the significance of microfinance in women empowerment. Various studies have revealed that a number of women have ventured into micro savings, especially in table banking and Self-help Groups. These savings have been seen to alleviate poverty among women, most of whom seem economically abandoned, both by culture and education. Studies reveal that households

frequently save inefficiently and that undersaving is common in many modern economies. It implies that many people would not be able to handle the financial markets' growing complexity. In many nations around the world, micro-credit is a crucial socio-economic and financial tool for eradicating poverty, encouraging the growth of small businesses, and improving the livelihood of the poor. An essential and direct aspect that contributes to someone's ability to participate in politics and get the most from services like health and education is their sense of autonomy and self-worth. Microinsurance is provided by a variety of organizations and covers a range of risks or events, such as sickness, pregnancy, death, and incapacity. Some programs have the potential to aid in the expansion of social protection to underserved groups and are not only tools for risk management.

Many institutions has attempted to mitigate poverty by training women, however, no serious studies which has been conducted to ascertain the impacts of this training to women social economic status. Further, there exists scanty literature and very few studies conducted on the role micro-insurance in poverty mitigation among women. Therefore, the purpose of this study was to explore how micro insurance is used in programs for women's empowerment.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

Introduction

This chapter describes the research methodology that the study used. It discusses research design, research site, target population, sampling procedures, sample size, data collection procedures, research instruments, data analysis and ethical considerations.

3.1 Research design

The overall strategy you use to bring all of the study's elements together logically and coherently to ensure that the research issue is sufficiently addressed is known as the research design. According to (Creswell, 2013), research designs are strategies for conducting studies that can range from broad hypotheses to extensive approaches for data collecting and analysis. The nature and complexity of the topic influence the choice of a research design, according to Fellows and Liu (2013). According to Robson (2002), there are three different sorts of study designs: exploratory, descriptive, and explanatory. His classification approach is based on the goal of the research area because each design serves a different end purpose.The purpose of this study was to evaluate the influence of women economic empowerment in poverty mitigation in Mwala Sub County, Machakos County, Kenya.

In the women's poverty alleviation programs in Mwala Sub-county, a descriptive survey design was utilized to assess the impact of independent variable on dependent variable. Descriptive design is a representation of the current state of affairs (Kothari, 2008). Descriptive

survey research sought to collect data from members of a community and classify current trends by asking them questions about their attitudes, views, habits, or values.

Both quantitative and qualitative research approaches were used to assess the effect of micro-finance savings, micro-credit, women training programmes and micro-insurance in women poverty mitigation under the influence of government policies, social, political, economic, technological environmental, gender norms and discriminatory social norms. Lastly, questionnaires and interview guides were used for data collection from women and micro-finance agency staff respectively.

3.2 Research site

One of the administrative sub counties of Machakos County is Mwala Sub County.The sub county is made up of 7 wards; Kibauni, Masii, Mbiuni, Makutano Mwala, Muthetheni and Wamunyu wards. Mwala Sub County occupies approximate area of 1020.30 square kilometers with a population of 91,466 women and total population density of 178 per Sq.Km (KPHC, 2019). Further, the 2019 Kenya Population and Housing Census (KPHC, 2019) states that the sub county has 45,840 households with average household size of 4 members. The Mwala sub-county was chosen for this study because of its large concentration of microfinance women groups and active NGOs providing services connected to microfinance. This meant that respondents could comprehend the topic at hand and provide accurate information.

3.2.1 Target population

The target population in this study was the micro-finance women members from various voluntary micro finance groups and key informants. Key informants in this study included key staff members from private and public micro-finance institutions, micro-finance NGOs, FBOs

and CBOs in Mwala sub-county. According to Ministry of planning and devolution; department of women enterprise fund, (2015), Machakos county has approximately 148 voluntary women groups with approximately 2,819 members. General economic orientation of this groups includes agricultural farming (fruits), vegetables faming, poultry farming, Small and Medium sized Enterprises, table banking and merry go-rounds. Specifically; the researcher gathered data from Masii, Mbiuni and Wamunyu wards in Mwala sub-county. The three wards were purposely sampled because they have both town and rural setting in them therefore the researcher will be able to gather quality data from the two diverse environments.

3.3 Sampling techniques

A sample is a subset of data that a researcher selects from a bigger population using a pre-determined technique. The sampling strategy involves choosing a number of people or things from a population so that the chosen group comprises aspects that are indicative of the traits present in the overall group (Orodho & Kombo, 2003). In order to choose the respondents (micro-finance women clients), a two stage cluster sampling method was used. Customers of microfinance institutions were divided into subgroups based on the three sampled wards' micro-small and medium enterprises, farmers' groups, and women's associations, among others.

Simple random sampling was used within each of these groups that formed the cluster. Cluster sampling, according to Cooper and Schindler (2003), is appropriate when sampling naturally occurring yet moderately varied population groupings.These respondents were preferred because they were perceived to possess adequate knowledge and understanding on the Women economic empowerment in poverty mitigations. In addition, six key informants were successfully interviewed on issues related to topic under investigation.

3.3.1 Sample size

Out of 2,819 women members of voluntary groups in Machakos County, a sample of 350 respondents was used to gather data from the selected wards. Notably, samples were distributed proportionately to each ward population. The study adopted Yamane (1967) scientific formula to determine study sample. The formula asserts that:

$$n = \frac{N}{1 + Ne^2}$$

Where:

n=Sample size

N=total population

e=margin of error

Given:

N = 2,819 women

e = 0.05

1 is constant.

$n=2,819 / 1+2,819 (0.05)^2$

n = 350 respondents

Table 3.1 sampling frame

Wards selected	Population	Type of sampling method	Sample proportion %	Sample size
Mbiuni	32,142	Two stage cluster sampling and random sampling	35.6%	124
Wamunyu	25,664	Two stage cluster sampling and random sampling	28.5%	100
Masii	32,367	Two stage cluster sampling and random sampling	35.9%	126
Total Respondents				**350**

Source: Ministry of planning and devolution; department of women enterprise fund, (2015),

3.4 Tools of data collection

The key informants were interviewed using semi-structured interview guides, while semi-structured questionnaires were used to acquire quantitative data from the women participants.

A questionnaire is a list of questions that are posed to respondents with the goal of gathering statistically significant data about a particular topic. A questionnaire can be a useful instrument for making claims about certain groups, people, or entire communities when it is designed and used effectively (Satya, 2012).Questionnaires were preferred because they are the most appropriate when time and research resources are limited. According to Satya (2012), a questionnaire is used when resources are scarce because it is relatively cheap to produce and run and since time is a precious resource that a questionnaire completely utilizes.

Semi-structured interview guides consist of a sequence of key questions that help outline the areas to be studied while also allowing the interviewer to deviate in order to further explore a

response. Interview guide were favored since it allowed for the finding of information that was important but was not previously considered relevant by the researcher. Interviews provided deeper understanding of the subject under study.

The research tools were arranged into five sections: the first section addressed respondents' demographic information; the second section addressed the role of micro savings in poverty mitigation; the third addressed the role of micro credit in poverty mitigation, the fourth one addressed the role of training in poverty mitigation; and the last one addressed the role of micro insurance in poverty mitigation Mwala sub county.

3.5 Validity and reliability

This subsection will describe how validity and reliability was arrived in this study.

3.5.1 Validity of the data

Validity is the degree to which a concept is precisely measured during a scientific examination. A measure has validity when it accurately captures the concepts it is meant to measure (Rubin & Babbie, 2007). Validity is the most important factor used to assess sound measurement, according to Kothari (2004). The researcher used content validity in this study. Kothari (2004) defined content validity as the degree to which a measuring instrument adequately covers the subject being studied. Evaluation of an instrument's representation of the subject under study is known as content validity.

In order to ensure validity of the instrument, the researcher gave out copies of the questionnaires and interview guides to supervisors and social sciences lectures in Catholic University of Eastern Africa to read, judge and ascertain whether the instruments measure the constructs that is set out to measure. Further, peer scrutiny was done in order to achieve validity.

3.5.2 Reliability of the research instruments

Reliability describes a measurement's consistency. Wadsworth (2006) defined dependability as the extent to which the same instrument produces the same results for the same subjects at various dates. An instrument is considered dependable, according to Kimberlin and Winterstein (2008), if it consistently measures whatever it claims to be measuring. According to Siegle (2002), the three main types of reliability for the majority of instruments are test-retest, equivalent form, and internal consistence. Additionally, test-retest assesses consistency throughout time, while equivalent-form evaluates consistency between two iterations of an instrument, according to Siegle (2002). On the other hand, internal consistency measures consistency within the instrument, that is, among the questions. In this study, the researcher used internal consistency method. Among internal consistence methods, the researcher used Cronbach's alpha (*a*) method since it required only one testing session.

According to Mugenda & Mugenda (2013), this method does away with the possibility of error brought on by different test conditions as in test-retest or analogous form procedures. An alternate formula for determining how consistent subject replies across questions on a study instrument is Cronbach's Alpha. According to Gliem & Gliem (2003), the range of the Cronbach's alpha reliability coefficient is typically 0 to 1. The internal consistency of the scale's items is inversely correlated with how near the Cronbach's alpha coefficient is to 1.0. The following guidelines for Cronbach's alpha are provided by George and Mallery (2003), which are quoted in Gliem and Gliem (2003): the following scales: r >.9 (outstanding), r >.8 (good), r >.7 (acceptable), r >.6 (questionable), r >.5 (poor), and r 5 (unacceptable); (where r stands for reliability coefficient). According to Nunnaly (1978), the result is credible if the Cronbach's alpha coefficient value is more than or equal to 0.70 because it meets or exceeds the minimum

criterion of 0.70.Pilot testing was conducted to women in Miu ward. Miu ward was preferred because it was within mwala sub-county and it was neighbouring the sampled wards and therefore the ward folks possessed demographic features similar to those from sampled wards. After pilot testing of the questionnaires, the researcher calculated the reliability coefficient by use of SPSS in order to get the Cronbach's alpha. Pilot testing results showed a reliability coefficient of 0.75 implying the results were reliable since the coefficient exceeded a minimum threshold of 0.7.

3.6 Data analysis and presentation

Data analysis is the process of making data more manageable through categorization, interpretation, and the search for recurring patterns to ascertain the information's applicability.

Data analysis started once all the data had been collected. Upon completion, the researcher coded, entered, edited and cleaned quantitative data into statistical packages for Social Sciences (SPSS) version 23. The researcher used descriptive inferential statistics in the analysis to infer from the sample data study population for quantitative data. Frequency tables, charts and graphs were used to present analyzed quantitative data showing frequencies and percentiles. Pearson's correlation coefficient was used to measure the association between research variables.

The data analysis for qualitative data started by coding each incident into as many categories as possible as the data collection continued then new data was placed in existing categories if not and new categories emerge. The researcher read all the interviews repeatedly to gain a sense of all the data and facilitate interpretation of smaller units of data. The researcher further compared and contrasted the text segments .Comparative method were used to compare units of information with one another in order to identify recurring regularities and patterns in the data to assign the information into categories. Finally, the researcher thematically

summarized the data, coded it using unique identities and analysed it using verbatim. The data was presented through narrative analysis. Narrative analysis focuses on the stories that were told by the respondent during data collection.

3.7 Ethical considerations

Ethics in research refers to a set of guidelines that direct study ideas and methods. Scientists and researchers must always adhere to the underlying set of standards when collecting data from individuals. Kombo and Tromp, (2011) posits that as a requirement when carrying out research, the researcher must give attention to ethical issues of research. The researcher has a responsibility to respect the informant's rights, needs, values, and preferences (Creswell, 2014).

Therefore, in research participants have to be respected and protected by the researcher. First, the researcher obtained a letter from Catholic University of Eastern Africa to allow her conduct the study, additionally; a permit was also sought from NACOSTI and County Commissioner, Machakos county. The study ensures the security and confidentiality of the information acquired. In this sense, all the information gathered was held in strict confidence. To maintain confidentiality, respondents did not sign their names on the questionnaires. A letter of introduction was used to introduce the study to respondents requesting them to participate in the study. As a courtesy to the respondents and a means of assuring that their informed permission to participate in the study, this was done. Integrity of scientific knowledge was insured by refraining from forging data and avoiding plagiarism.

CHAPTER FOUR

DATA PRESENTATION, INTERPRETATION AND DISCUSSION

4.0 Introduction

In Mwala Sub-County, Machakos County, Kenya, the study findings on women's economic empowerment in poverty mitigation are presented, interpreted, and discussed. The chapter delves into the study's objectives, demographic profile, and chapter summary. While qualitative data is presented verbatim, quantitative data is presented as frequency distribution tables, pie charts, and bar graphs.

4.1 Demographic profile

This section addressed the response rate, respondents' age group, education level, occupation, marital status, number of children, monthly income, family home head, number of children, number of children enrolled in school, number of rooms in the household, and quantity of cultivatable land.

4.1.1 Response rate

The study sought to investigate a total sample of 350 micro-finance women members from micro-finance groups from Masii, Mbiuni, and Wamunyu wards in Mwala Sub- County, Machakos County. During data collection, total of 332 women successfully participated in the study representing 95% response rate. As a consequence, the study had sample deficit of 18 respondents representing 5% deficit.

This was caused by missing respondents who had requested to deliver their questionnaires later but could not be traced. It was established that some of the missing respondents highly depended on casual jobs and during the time of collecting the questionnaires

they had gone to work in areas far from their household. Given the increased cost of leaving and drought in Kenya which had left many deprived at time of data collection, this was well understood.

According to Kombo and Tromp (2006), a response rate of 50% is sufficient for a descriptive whereas one of 70% or higher is good. Therefore, 95% response rate was good enough for the researcher to commence data analysis. Further, the researcher successfully interviewed 6 key informants on issues related to topic under investigation.

4.1.2 Respondents' age distribution (n=332)

Age was a key factor in this study. The researcher sought to establish the age distribution of the women respondents. The analyzed and summarized data was presented in figure 4.2 below;

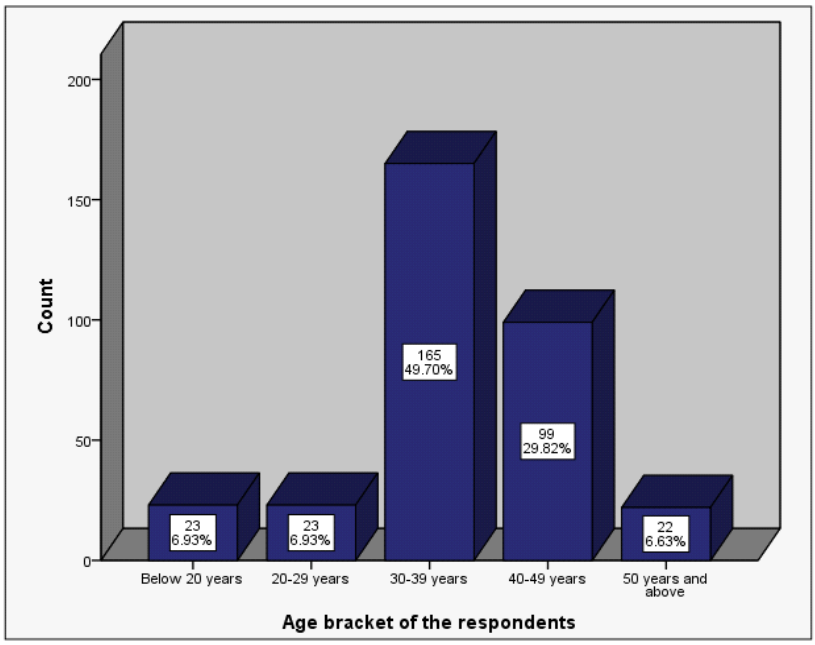

Figure 4.2: Respondents' age distribution

Source: Field data, 2022.

As displayed in figure 4.2 above, most (49.7%) of women who were available and willing to participate in this study were in the age bracket of 30-39 years while women aged 50 years and above were the least (6.63%). The study further reveals that 6.9% of study participants

were yet to celebrate their 20th birthday with the rest (93.1%) of the participants were 20years and above. This shows that majority of study participants were old enough to understand issues related to women empowerment and poverty mitigation.

Notably, the age 30-49 years had a significantly large group of respondents (79.5%). It implied that majority of women who joined micro-finance groups in Mwala were likely to lie between 30-49 years. On flipside, this was seen as a critical age at which parenting roles were at the peak hence women were keen in raising their children, offering to them the daily basic necessities. Due to the socioeconomic strain brought about by drought and unemployment in the area, most women strained to make ends meet, hence the need of joining empowerment programmes to ease the strain.

4.1.3 Respondents Education level (n=332)

In empowerement programmes, education level is a key parameter in detemining the ability of program participants to understand and appropritely use the gained knowledge in mitigating household poverty.Respondents were asked to state their education level.Findings were summerized in figure 4.3 below;

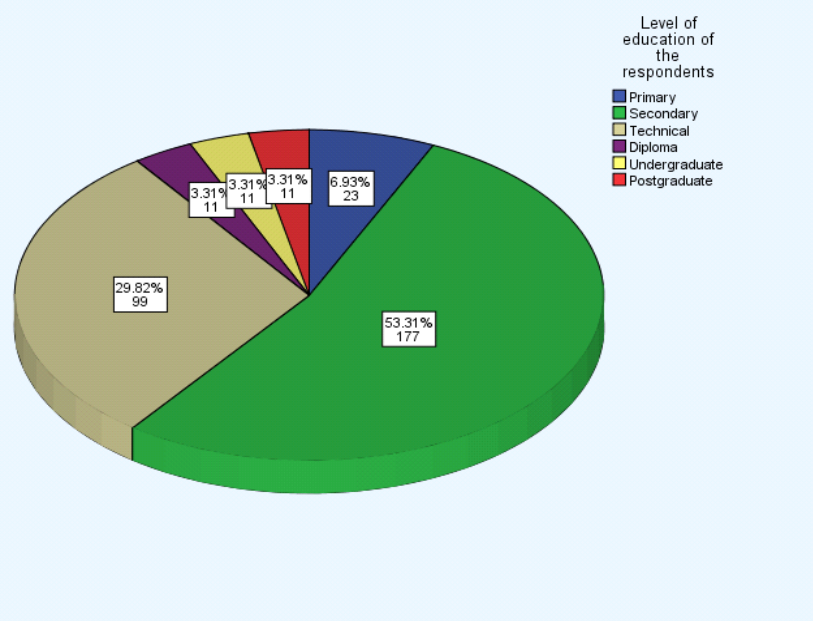

Figure 4.3: Respondents' education level

Source: Field data, 2022.

Accordingly, the education level of majority (53%) of study participants were secondary education with the smallest group having diploma (3%); undergraduate (3%) and postgraduate (3%). The least educated group had primary school education (7%) which was significantly low. From these results, it was evident that all the study participants had basic education hence this implied that they were educated enough to understand the topic under investigation and provide quality data.

4.1.4 Respondents' Occupation (n=332)

Determining the respondents' source of income in this study was paramount.Study participants were asked to state their occupation.Findings are displayed in figure 4.4 below:

Figure 4.4: Respondents' Occupation

Source: Field data, 2022.

As displayed in figure 4.4 above, 53% of the respondents indicated that they never had any occupation at time of data collection.This rate depicts the picture at which income generating opportunities were meagre during time of data collection among rural based women.A significantly big group (33%) were self employed specifically in businesss related activities with 4% angaged in Agricultural activities.Only 7% of the respondents were employed.This showed that employment oppotunnities among rural women in Mwala sub-county was also scanty. This was exacerbated by the inversion of COVID-19, which saw lots of people losing their sources of livelihood. Additionally, very few women engaged in agricultural activities hence displaying the magnitude of on going drought which had been felt country during the time of data collection.It is evident that most women had been empowered to angage in businesses as alternative to prolonged lack of adequate rainfall in mwala sub-county. However, it was established that the businesses made very low income compared to high household expense a situation which had been aggravated by hard economic times in Kenya.

4.1.5 Marital Status of the respondents(n=332)

To examine women empowerement and household poverty mitigation, marital status is a key demographic feature worthy establishing. To some extent, this could help the reseacher to accertain the level at which women are left with burden of care giving and providing for the family.

Figure 4.5:Marital Status of the respondents

Source: Field data, 2022.

Evidence from the findings in figure 4.5 above show that Majority (73%) of the women respondents were married while13% were sceptical in getting involved in marriages and hence

had decided to lead a single life indefinitely. This implied that even though marriage rate among micro-finance group members were high (73%), a significance group lacked life partner who could assist them with burden of household responsibilities hence given previous finance finding in this study which shows that majority of women lacked any form of income generating activities and the few had any had low earning due to COVID-19 impact on businesses as well as drought and difficult economic condition proofing that empowerment programs for poverty mitigation were of great importance to women in Mwala sub-county. Marital status among study respondents in this study was important as it informed the extent to which women undertook household roles depending on marital status.

4.1.6 Respondents head of family

When asked to state the head of the family, majority 59% stated that their spouses were house heads while the rest (41%) claimed to be house heads. This means that even among the respondents who had earlier claimed to be married, some were still house heads implying that their spouses were either absent or not shying away from responsibilities.

4.1.7 Respondents' monthly average income(n=332)

The study sought to establish respondents' monthly average income. Findings were as presented in figure 4.6 above.

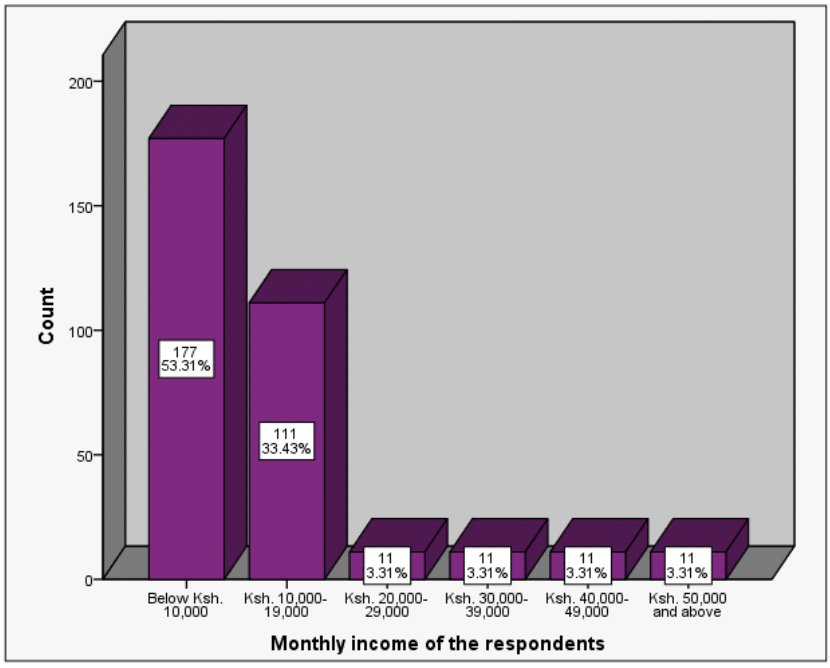

Figure 4.6: Respondents' average monthly income

Source: Field data, 2022.

From the findings, there was unfair distribution in average monthly income among women. Majority (53.31%) of the respondents involved in the study earned averagely below Kes.10,000 on monthly basis, with only 13% earning above Kes.20,000. This was attributed to COVID-19 effects, drought, and high inflation rate in Kenya that had led to diverse joblessness, which pushed most of the women into doing menial jobs that couldn't raise significant income. The same was witnessed in the businesses and other ventures, some of which would end up collapsing. The income was not adequate according to the respondents to sustain their needs and those of their household members. The respondents therefore went out of their way in ensuring that they got an extra coin, even if it meant through accessing credit.

4.1.8 Number of household children and number of schools going children(n=332)

As per children Act 2001, Kenyan constitution 2010 and children Act 2022, every parent or guardian as duty holders have the duty to ensure children as right holders fully enjoy their rights among them being right to education. In order to get a picture of respondents' burden of responsibility at household level, the researcher sought to investigate the number of household children and number of schools going children per household. The analysed data was therein summarised and presented in figure 4.7 below;

Figure 4.7:Number of household children and number of schools going children

Source: Field data, 2022.

Results displayed in table 4.7 above showed that majority (54%) of the households had averagely 2-4 children. No single household of the study participants which lacked a child. In fact, a sizable group of households (8%) had more than 7 children. This implied that all the respondents were either a parent or a guardian and therefore they had responsibility and therefore each of them needed sustainable income.

Further, study findings showed that 66% of the respondents had 2-4 children who were schooling. No single household which lacked schooling child. Surprisingly, 3% households even had 5-7 children who were in school. This meant that majority of the study respondents not only had children but schooling children something which bloated their household expenses. This study established that majority of women financially struggled and others were overwhelmed by household responsibilities. Majority of respondents earned less than Kes.10,000 and at same time they are expected to take care of household responsibilities, hence proofing life being difficult among women.

At time of this study, the cost of living in Kenya had become unbearable due high cost of commodities and services. For example, according to Kenya Secondary School Heads Association (KESSHA), school programmes face imminent disruption due to looming cash crisis affecting many of learning institution in Kenya. In an interview with one of the National TV stations (Citizen Tv) on 9th July 2022, the Association chairman Mr. Indimuli posits that a 90kgs bag of maize which initially costed Kes. 3, 000 had risen to Kes.7000; while a 90kgs bag of beans which was initially Kes. 6,000 have increased to Kes.10, 000 hence the budget for purchasing such commodities had remain constant.

As earlier stated in this study, majority of women earned less than Kes.10,000 and therefore given the economic situation their average earning could play little role. From this finding, the researcher assumed that most of the households could barely provide basic necessities to their children.

4.1.9 Number of house rooms

Respondents were asked to state the number rooms in their households. Table 4.2 below displays the findings;

Table 4.2:No. of home rooms

No. of rooms	Frequency	Percent
1room	3	1
2 rooms	103	31
3 rooms	170	51
4 rooms	43	13
More than 4 rooms	13	4

Total	**332**	**100**

Source: Field data, 2022.

As shown in table 4.2 above, 51% of the respondents had averagely 3 rooms in their households while 1% of the respondents had 1 room. Very few (4%) respondents who had more than 4 rooms in their households. This shows that at least all the respondents had somewhere to call home. However, the study failed to ascertain the quality of the houses.

4.1.10 Size of cultivatable land(n=332)

The study sought to ecertain the respondents' size of cultivatable land.Analysed data was herein summerised and presented in figure 4.8 below.

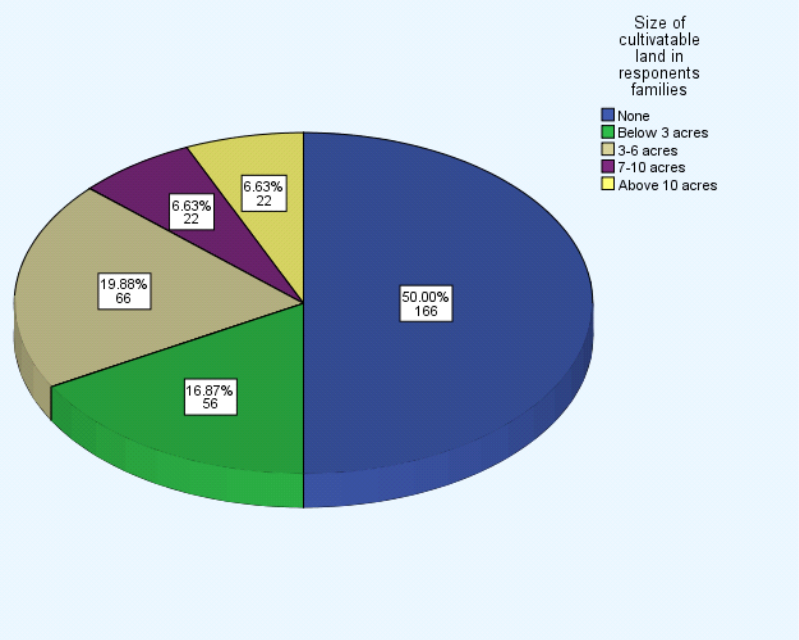

Figure 4.8: Size of cultivatable land

Source: Field data, 2022.

Most communities in Kenya are patrilineal, Mwala not being an exception. Most properties especially land is attached to the males. This rendered the women helpless, especially when it came to acquiring credit facilities from commercial banks, most of which required

security. When asked to indicate the size of cultivatable land the respondents' families possessed, 50% of the respondents had no piece of land. The respondents indicated that they stayed in rented houses. Those who owned some land had either bought them or inherited from their deceased husbands. This represented the 50% (166) of the respondents who indicated to have some land from 1 to 10 acres, with a few having above 10 acres of land.

4.2. Presentation, interpretation and discussion of findings

This section will present, interpret and discuss findings thematically, according to study objectives.

4.2.1 Micro-savings in poverty mitigation amongst women

Most developing nations regularly offer micro savings to assist low-income earners in saving for future investments or coping better in case of unforeseen difficulties (Babajide, 2015). The first study subject aimed to determine the role that micro savings had in reducing poverty among women in the Mwala sub-county. Below is a summary and presentation of the results;

4.2.1.1 Respondents having a micro-savings account

The study sought to find out from the respondents whether they had micro-savings accounts. From the findings, all the respondents involved in the study affirmed to be having micro-savings accounts. The respondents indicated that microfinance institutions gave them a chance to open zero balance account which would enable them save the little they could get.

4.2.1.2 Analysis by the respondents' amount of savings

The quantity of money that respondents had saved in their accounts was also looked into by the study. The results of the investigation are shown in figure 4.7 below.

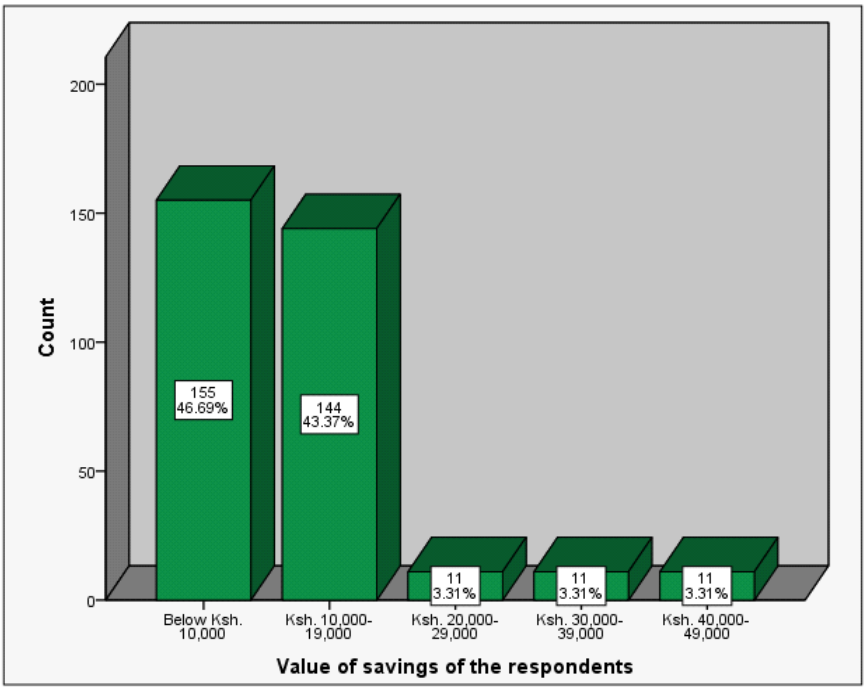

Figure 4.9:Respondents' value of saving

Source: Field Data (2022)

Proportional to their level of income, most of the respondents (47%) indicated to be having savings below Ksh. 10,000 with 43.37% of the respondents having tried to save between Ksh. 10,000 and Ksh. 19,000. The respondents indicated that their income was not adequate in meeting their daily basic needs and those of their households, and as a result, they would not have huge savings in their account. Some of the respondents indicated that they just saved part of their income, not because they had surplus, but because they wanted to qualify for credit, that could support them in their ventures. This was as presented in figure 4.9 above.

The study further probed on the amount the respondents were charged when initializing their micro-savings accounts and whether or not savings in any way positively impacted borrowers' productivity. From the study findings, it was evident that the respondents weren't charged anything when opening the micro-savings accounts, but rather were required to make an initial deposit into the account of any amount they were comfortable with. Moreover, the respondents indicated that the more an individual saved, the more chances they had of qualifying for microcredit. This as well translated to the value of microcredit one would be given.

These findings were in agreement with response given by one of the key informants (respondents, R05), a trainer of women support groups who stated that the micro-finance institution barely charge them for account opening, further, she stated that they are not given minimum saving amount and therefore they can save the little they could afford. The saving was even made easier by introduction of mobile banking that relieved them the cost of going to banks halls for deposit.

> *"They don't charge, account opening is free, also, there is no minimum saving amount. This encourages them to save the little they can afford at any time. The savings determine the possibility of being given credit and the amount of credit one can receive. we have also started free mobile banking which help them to save any time and save the time and transport fee of travelling to banks for depositing"*
>
> Respondent (R05)
>
> ***Source**: Field Data (2022)*

4.2.1.3 Impacts of saving to women

All the study respondents agreed that, saving was important to women members. It was reported that it determines the extent to which one could borrow. It also helped women members to accumulate wealth that they can use for starting

investment in future. Others stated that through little saving; they could accumulate adequate school fees for their children. In addition, saving tendencies helped women to develop the behaviour of saving something out of the little they could earn in their daily income.

4.2.1.4 Consent of the respondents in saving

The researcher sought to ascertain whether women who had savings had done so willingly or due to conditioning. Analysed data was presented in table 4.3 below;

Table 4.3: Consent of the respondents in savings

They consented	Frequency	Percent
Voluntary	243	73.2
Mandatory group saving	89	26.8
Total	**332**	**100.0**

Source: Field Data (2022)

Findings showed that Savings to majority of the respondents was entirely a voluntary activity. It was upon an individual to decide whether they would save, the amount and the frequency. This was evident from the study as 73.2% (243) of the respondents involved in the study indicated that savings were done on voluntary basis. The respondents however indicated that sometimes the microfinance institutions required them to save some amount on monthly basis, so as to keep their accounts active. Individuals who registered micro-savings accounts as groups indicated that it was compulsory for each member to contribute an agreed amount of money towards the account. This was done at a regular interval of a week, two weeks, a month, quarterly, semi-annually and annually. This was as presented in table 4.3 above.

4.2.1.5 Benefits of micro-finance saving (Linkert scale)

Through a linkert scale, the researcher sought to examine some of the saving benefits to women. Findings were herein presented in table 4.4 below.

Table 4.4: Respondents' opinion on benefits of saving with micro saving accounts [n=332]. (1- strongly disagree (SD), 2- disagree(D), 3- neutral(N), 4- agree(A), 5- strongly agree(SA)

Statement	**Likert scale**						
	Total disagreement			**Total agreement**			
	SD	**D**	**N**	**A**	**SA**	**mean**	**mode**
Encourage saving by accepting small client deposits on a regular basis for the aim of capital accumulation.	()	30(9%)	70(21%)	172(52%)	60(18%)	4.45	4
The poorest of the poor gain from savings services because they make it easier to establish or grow businesses, buy assets, and manage expenses like school tuition.	23(7%)	33(10%)	37(11%)	163(49%)	76(23%)	4.55	4
Savings are necessary to protect against shocks, ensure income security, and enable capital creation.	6(2%)	20(6%)	27(8%)	196(59%)	83(25%)	4.575	4
Help in creating opportunities among women	43(13%)	153(46%)	33(10%)	76(23%)	27(8%)	2.211	2
Savings prevent low-income borrowers from re-entering poverty as a result of unforeseen circumstances and emergencies.	47(14%)	126(38%)	23(7%)	96(29%)	40(12%)	2.112	2

Source: Field Data (2022)

According to the study findings displayed in table 4.4 above, majority of the respondents were in total agreement that micro insurance institutions facilitate saving by accepting small deposits at regular intervals for the purpose of accumulating capital; it was further found that savings services benefited the less privileged because it facilitates business start-up or expansion, acquisition of assets and sorting out expenses like school fees; additionally, there was total agreement that women need savings to guard them against shocks, provide cover for income and

allow for capital accumulation. This was evident through the following items; Micro-savings facilitate savings by accepting tiny clients' deposits at regular intervals for the purpose of accumulation capital (70%); Savings services benefit the less privileged because it facilitates business start-up or expansion, acquisition of assets and sorting out expenses like school fees (72%) and others fully agreed that savings are needed to guard against shocks, provide cover for income and allow for capital accumulation.

Nevertheless, respondents were in disagreement that saving accounts help in creating opportunities among women. Women argued that accounts only allowed them to safely keep their little monies in a trusted place but they were yet to see any opportunity due to saving. There was further total disagreement that savings shield poor borrowers from falling back into poverty due to uncertainties and emergencies. It was respondents view that their savings were not that big and therefore it was not able to sustain them for long term therefore not able to make much impacts in case of major uncertainties. This was stated through the following items; Saving help in creating opportunities among women (59%) while other were in total disagreement that savings shield poor borrowers from falling back into poverty due to uncertainties and emergencies (52%).

These results are consistent with several research in the reviewed literature that demonstrate that households often save inefficiently and that undersaving is common in many industrialized nations, suggesting that many may not be able to handle the increasingly complicated financial markets (Behrman et al., 2012). Similar issues occur in underdeveloped nations, frequently with even worse effects since individuals there are subjected to severe shocks without having access to adequate insurance or mitigation tools (Sayinzoga et al. 2016). Due to all of this, promoting financial behavior through financial education is highly motivated.

In her experimental study of Nepal, Prina (2013) discovers that having access to savings accounts may aid households in better resource management, prioritizing categories of spending like schooling and food consumption, and feeling more in control of their financial status. However, she did not discover any impact on wealth. However, Karlan and Linden (2014) highlight the trade-off that savers must make when using commitment savings accounts: overcoming irrational preferences versus losing flexibility. In their context, a soft commitment savings account has a stronger impact on savings and educational spending than a hard commitment savings account.

4.2.1.6 Pearson's correlation- women monthly savings and women monthly income

Correlation analysis was conducted to establish whether there is a relationship existed between the women monthly saving and women monthly income. Findings showed that women monthly income had strong positive correlation with monthly saving with a correlation coefficient of 0.810. This reveals that any positive change in women monthly income led to increase in women monthly saving.

Table 4.5: Pearson's Correlation-women monthly savings and women monthly income

Variables		**Income**	**Saving**
Income	Pearson Correlation	1	
	Sig. (2-tailed)		0.810
Saving	Pearson Correlation		1
	Sig. (2-tailed)	0.810	

4.2.2 Access to micro-credit in poverty mitigation

Micro-credit is described by Shepard (2015) as a part or unit of microfinance variables that deals with providing modest loans to those who are living in poverty and are not eligible for conventional loans. The second study objective sought to investigate the effects of accessing micro credit in poverty mitigation amongst women in Mwala Sub-County. Findings were as displayed below;

4.2.2.1 Respondents access to micro-credit

The meagre income among most of the respondents could not allow them to successfully meet their basic necessities as well as engage in sustainability programmes like business. The

respondents hence complemented their income with microcredit from microfinance institutions, which in fact was the main reason for their membership. This was evident from the study as 83.1% (276) of the respondents involved in the study affirmed to have acquired microcredits. The respondents further highlighted that they had been denied credit by commercial banks since they didn't have job security as well as adequate fixed assets to act as collateral for the credit facilities. Microcredit was of big relief to their struggles and more sorting out household needs.

4.2.2.2 Reasons for the uptake of micro-credit

Different people take loans for different reasons. The study sought to establish factors that drove women to take loans. Findings were displayed in table 4.5 below;

Table 4.6: Reasons for the uptake of microcredit

Reason	Frequency	Percent
Business start-up	100	30.1
Business expansion	34	10.2
Cover the basic needs (housing, food, and clothing)	132	39.8
Pay school fees	33	9.9
Others	33	9.9
Total	**332**	**100.0**

***Source**: Field Data (2022)*

Various reasons explained the respondents' uptake of the credit facilities. From the findings presented in table 4.5 above, majority acquired microcredit in order to meet necessities, which included food, shelter and clothing. This had proven a challenge fitting into their small income. This was indicated by 39.8% of the respondents involved in the study. Moreover, 30.1% of the respondents acquired credit facilities to either start-up businesses that could possibly sustain

them. Other respondents indicated that microcredit to them was meant to expand their businesses, pay school fees and purchase other essential assets. A keen analysis of this findings showed that majority acquired credit facilities for non-income generating activities. This implied that according to respondents' hierarchy of needs, necessities like food, housing, clothing and paying school fees took higher priority than other activities like business.

Ayuub (2013) concurred with the study findings and argued that loan facility collected through microfinance institution has helped the clients to give better education to their children. This is because the income of households increases after taking loans and leads to increase in expenditure on their children education.

4.2.2.3 Number of times the respondents had acquired credit facilities

The study also aimed to determine how frequently respondents had acquired credit facilities. The results are shown in figure 4.8 below.

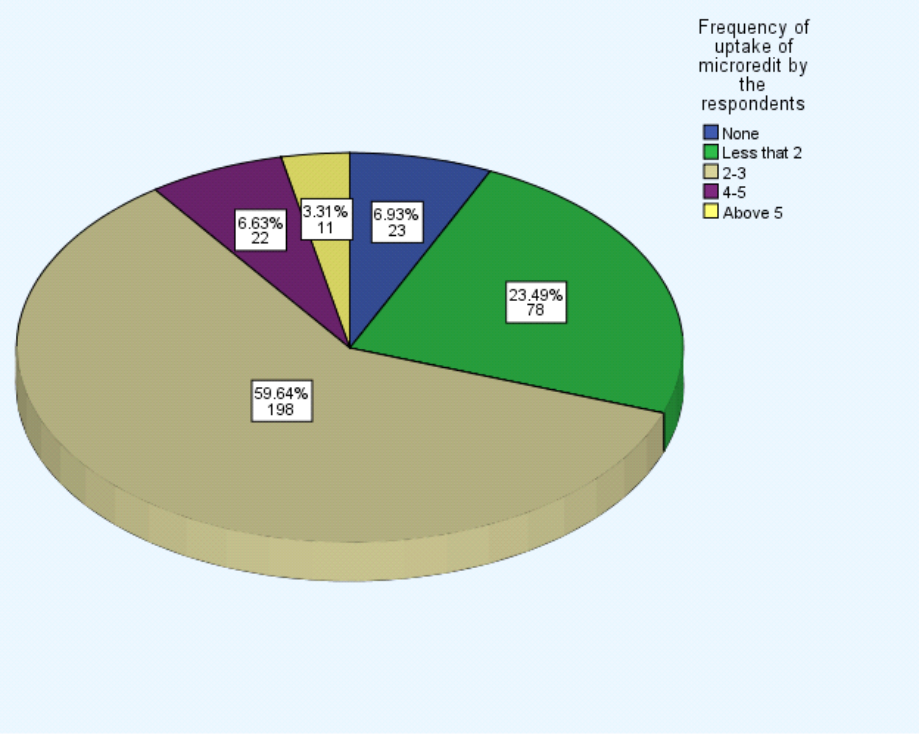

Figure 4.11 Number of times the respondents had acquired credit facilities

***Source**: Field Data (2022)*

From the study findings, 59.64% of the respondents involved in the study had acquired microcredit for between 2 and 3 times, by the time this study was being conducted. The respondents indicated that despite the fact that repayment had not been easy for them, they still took more and more credit as they could barely meet their unending list of needs and cope up with increasing cost of life without the credit. Some used their credit for business start-up.However, it was reported that some of the businesses were not performing very well and factors attributed to worsening business performance included inflation, which was at 8.5%, during the time of data collection hence leading to high commodity cost. For example, a 2kgs bag of maize flour, which initially coasted Kes.90, was costing Kes.250 at time of study hence, leading to low product demand from shops. Other factors that supplemented poor business environment were countrywide drought and COVID-19 impacts which immensely led to loss of jobs and inadequate food due to poor rains. They hence applied for credit facilities to add stock to their businesses with the intent of getting more income. Almost 7% of the respondents had hence taken credit facilities for between 4 and 5 times while others (3%) had acquired credit facilities for more than 5 times. Some respondents however had been unable to repay their first credit facility since they used the credit facilities on non-income generating activities. This therefore denied them chances of getting more credit facilities. They hence had just acquired credit facility once, while a further 6.93% (23) had never acquired a credit facility by the time the study was being conducted. Notably, only 10% of the respondents who had taken credit for more than 4 times. Meaning that only few who had the ability to pay their loans on time and take another one. The researcher assumed that those who had taken few loans was majorly due to failure to sort the previous one hence qualifying to take limited loans.

4.2.2.4 Total amount of credit acquired by the respondents

For further understanding ability of women to access credits, the researcher sought to determine the credit amount each respondent had already accessed at time of the study. Analysed and summarised data was presented in figure 4.11 below.

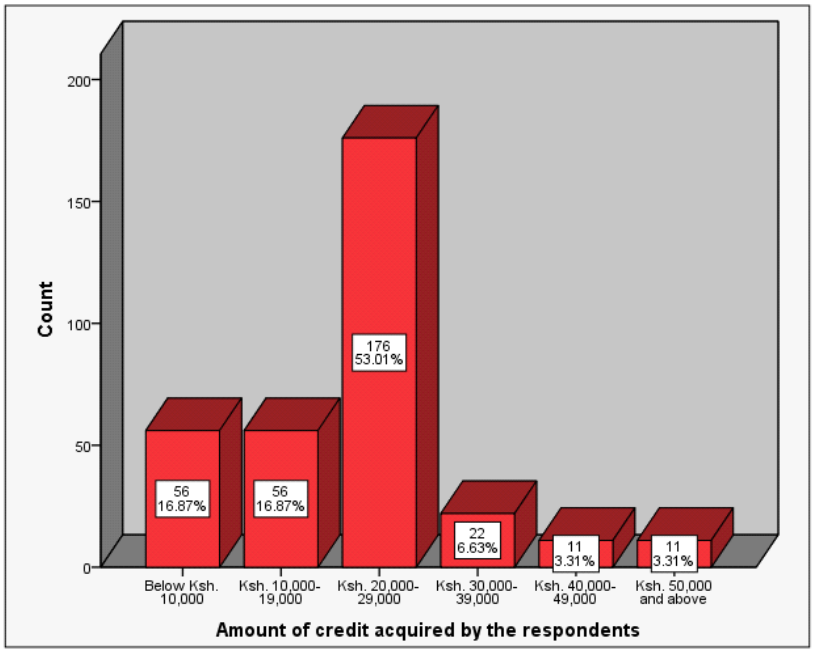

Figure 4.12: Total amount of credit acquired by the respondents

***Source**: Field Data (2022)*

The value of one's savings determined the value of credit they qualified to get. This was a precautionary measure by microfinance entities in ensuring that despite the socioeconomic conditions of their customers, they did not run at a loss. The study therefore enquired from the respondents on the total value of credit they had acquired. From the findings, majority of the respondents had acquired credit of between Ksh. 20,000 and Ksh. 29,000. This was indicated by 53.01% (176) of the respondents involved in the study, only 3% who had accessed credit more than Kes.50,000. From previous findings in this study, it was established that majority had an

average of 2-4 school going children with monthly average income of less than Kes.10,000. From this finding its evident that the household expenses were higher than monthly income. It is researchers view that even though credit of Kes.20,000-29,000 made significance financial impacts to the most vulnerable households, still the credit which majority had already accessed seems not be adequate to fully mitigate poverty appropriately. However, the study fails to establish the interval to which respondents had accessed the credit.

4.2.2.5 Net-worth of respondents' assets

Assets were in most cases used as security when acquiring credit facilities, especially from commercial banks. These included land, buildings and automobiles among others. The study therefore enquired from the respondents on the net-worth of their fixed assets. This was aimed at determining whether or not, they qualified for credit from other lenders in addition to the microfinance institutions. The study respondents were asked to state their net worth. Gathered and analysed data was presented in figure 4.12 below;

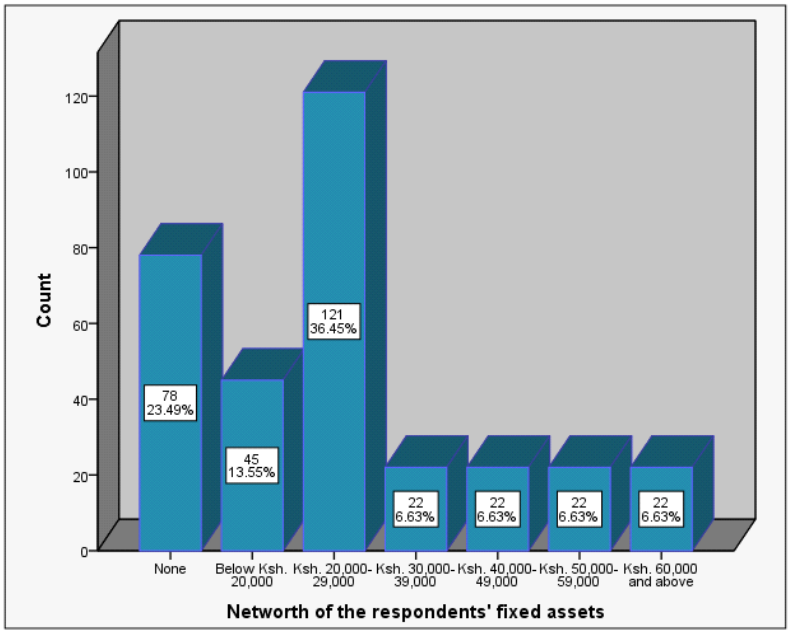

Figure 4.13: Net-worth of respondents' fixed assets

***Source**: Field Data (2022)*

Study findings depicted in figure 4.12 above indicated that majority of the respondents owned assets worth Ksh. 20,000 to Ksh. 29,000. This was indicated by 36.5% (121) of the respondents involved in the study. This was attributed to the societal limitations in terms of women ownership and inheritance of property including land from either their parents or spouses. This therefore hampered their qualifications of bigger amount of credit that could better their Quality of Living (QoL), while at the same time ensuring that they sustainably earned a living.

In an interview with a key informant, (respondents R04) he added more weight on these findings and argued that most women are limited in succession and inheritance of family property, hence they could barely access big loans due to lack of big assets to act as loan collateral.

> *"As you know majority of women are limited in terms of succession and inheritance of property as a result they own less. Actually, it is not funny even to get a woman telling you she does not own any even if she is married. Even for the married, majority cannot use their husband's property as collateral without their husbands' consent. So, when it comes to loans which require collaterals it is more difficult for women"*
>
> Respondent R04 ***Source:** Field data, 2022*

4.2.2.6 Respondents' description of the interest rate of the credit facilities

Interest rates determines credit uptake across all social status. Different financial institutions charge different credit interest rates. Respondents were asked to describe the interest rates of the credit facilities they had accessed.

Table 4.7: Description of the credit interest rate of the credit facilities by the respondents

Description		Frequency	Percent
	Very low	34	10.2
	Low	34	10.2
	Moderate	209	63.0
	High	33	9.9
	Very high	22	6.6
	Total	332	100.0

***Source**: Field Data (2022)*

An analysis of the description of the interest rates charged by micro-credit facilities revealed that majority of women were pleased by the interest rates charged on micro-credits. From the findings, it was evident that the interest rates of microcredit were "moderate" and hence friendly for the low-income borrowers. This was indicated by 63% (209) of the respondents involved in the study. According to the respondents, they had suffered high interest rates from shylocks and nonbank online mobile lenders. The respondents had however used them out of desperation, save for the intervention of microfinance institutions that literally transformed their credit acquisition.

In conversation with one of the women respondents, she stated that micro finance institutions are far better when it comes to credit accessibility because their demands are very low and easy to fulfil unlike commercial banks, shylocks and online mobile lenders. She argued that commercial banks charged high interest rates and needed collaterals which majority lacked. Shylocks and mobile lenders were accused of charging high rates and very abusive in case the borrower delays payment.

4.2.2.7 Respondents' monthly income after credit uptake

The purpose of credit was to better women's income. In order to establish whether access to credit had any impact on women's average monthly income, the researcher sought to investigate whether their monthly income had changed after credit uptake.

The study findings indicated that most of the respondents had observed a positive change in their monthly income. This was indicated by 59.9% (199) of the respondents involved in the study. According to the respondents, the credit had helped them to venture into different income generating activities; hence, they got some additional income from the ventures. The respondents confessed that before joining micro-finance entities to have had good business ideas but had no access to credit facilitation unlike now. Microcredit from microfinance entities came to their aid. Therefore they are gradually realizing their dreams.

The researcher asked the respondents to indicate on whether or not microcredit could reduce poverty. The findings indicated that the respondents were very optimistic about microcredit reducing poverty. According to the respondents, microcredit gave chances to individuals who would otherwise not have acquired capital to venture into business for instance, to explore their potential. Those who utilised the credit facilities well grew to be self-sustainable. This was adopted from the following respondents:

> *"Yes…..microcredit can reduce poverty…..some of us would never have been where we are if not for microcredit…it sets grounds for the sober minded to invest, and those who make good use of the opportunity, excel and can sustainably take care of their households."*
> Respondent R321
>
> ***Source**: Field Data (2022)*

The study's findings support Akran & Hussain's (2011) hypothesis that microfinance has a beneficial effect on income levels and that better services provided by microfinance institutions lead to higher customer satisfaction levels. The unemployed and the underprivileged receive

possibilities, hope, and self-esteem thanks to microfinance. A person's sense of self-respect and dignity are greatly enhanced by having a job, whether it is as a self-employed person or one who works for an employer. Microcredit also enables people to display their creditworthiness. In the long run, poverty should be reduced if their success increases banks' willingness to lend them larger sums of money and stimulates the economy. Being prosperous businesses, MFIs have produced a lot of well-paying jobs on their own.

However, Karlan, Knight, and Udry (2014) carried out a randomised study in urban Ghana, providing cash grants, consultancy services, or both, to micro and small tailoring businesses. According to their findings, neither remedy was effective, which ultimately resulted in fewer profits and business owners returning to their old operating style. This finding differs with this study as findings show that women in Mwala Sub-County Machakos County appreciate availability of microcredit entities in their locality. However, the researcher suggests that differences might have emerged because the study this study was done in rural Mwala, which have different dynamics from urban. This study concludes that women access to micro-credit is key in mitigating household poverty. Therefore, the researcher assumed that facilitating women with favourable credit facilities is a step towards development.

4.2.2.8 Threats facing micro-credit consumers

Through a linkert scale, respondents were asked to rate their level of agreement on threats facing consumers in Micro-credits loan payment obligation. Table 4.7 below presents the findings.

Table 4.8:Linkert scale rating on respondents' level of agreement on the threats facing consumers in Micro credits loan payment obligation (1- strongly disagree-SD, 2- disagree-D, 3- neutral-N, 4- agree-A, 5- strongly agree-SA) (N=332)

Statement	**Likert scale**				
	Total disagreement		**Total agreement**		

	SD	D	N	A	SA	Mean	mode
The health status of household members	20(6%)	50(15%)	7(2%)	186(56%)	69(21%)	4.125	4
Poor loan management after borrowing	10(3%)	23(7%)	20(6%)	203(61%)	76(23%)	4.350	4
There is no income to pay.	17(5%)	43(13%)	50(15%)	176(53%)	46(14%)	4.122	4
using the credit for non-profit endeavors	70(21%)	123(37%)	30(9%)	86(26%)	20(6%)	2.191	2
Misuse of funds for a different purpose than planned	20(6%)	30(9%)	50(15%)	169(51%)	63(19%)	4.118	4

***Source**: Field Data (2022)*

As depicted in table 4.7 above, there was total agreement among respondents that the health status of household members was a threat to consumers in micro-credit loan payment obligation. This was supported by 77% of the study respondents. For example when a woman who had taken credit gets sick, she is not able to work meaning she will not be able to pay the loan back since there no income.

Further, there was a total agreement that micro credits face the threat of Poor loan management after borrowing (84%).It was established that due to limited income and many expenses, sometime the credit loan beneficiaries tend to shift the purpose of the loan to other purposes hence ends up not performing the intended purpose. In addition, 70% of the women participants totally agreed that diversion of funds from its intended purpose leads to threats facing consumers in Micro credits loan payment obligation

Lack of proper income source to pay loan was also rated as a threat to loan payment obligation (67%).In this, if the loan consumer does not have sustainable source of income, she deemed to unlikely to fulfil the loan payment obligation.

However, there was total disagreement that using the credit for non-income generating activity was a threat facing consumers in Micro credits loan payment obligation (58%).It was

respondents view that credits can also be for other purposes but not for income generating activities only because they can pay via other means. It was also argued that sometimes even the income-generating project can fail leading to losses so it's not a guarantee that its only income generating activity which can help them fulfill the obligation of loan payment.

4.2.2.9 Means of increasing the effectiveness of micro-credit

Respondents were asked to state ways that can be used to improve the effectiveness of micro-credit institutions. Responses were as displayed in table 4.8 below;

Table 4.9: Increasing the effectiveness of microcredit

Ways of increasing effectiveness	Frequency	Percent
Interest rate should be reduced	45	13.6
Credit instalment should be monthly instead of weekly	138	41.4
Exemption from the service fee would lessen the adverse impact of microloans.	112	33.7
The amount of credit might be increased, which could help reduce poverty.	77	23.2
Other	33	9.9

***Source**: Field Data (2022)*

From the findings, 41% of the respondents felt that micro-credit services would be more effective if credit payment instalment would be on monthly basis rather than weekly. The respondents indicated that this would give them a chance to focus on maximizing profit so that by the end of the month, they would settle the instalments. Moreover, 34% of the respondents involved in the study indicated that exemption of the service charge would decrease negative effect of microloans. A further 23.2% highlighted the need to increase the amount of credit so that they had enough capital to venture in whatever business opportunity they wished while

13.6% indicated that slightly reducing the interest rates would serve them better by minimizing on their expenditure, hence giving them room to grow.

4.2.2.10 Pearson's correlation- women monthly income and amount of loan taken

Pearson's correlation test showed that there was strong relationship (0.840) between women earnings and the amount of loan taken. This implied that increase of women's income is likely to increase women access to higher loan amount. Therefore, the study calls for steady measures which can increase women's income to be taken by relevant stakeholders.

Table 4.5: Pearson's Correlation- women monthly income and amount of loan taken

Variables		**Income**	**loan**
Income	Pearson Correlation	1	
	Sig. (2-tailed)		0.840
loan	Pearson Correlation		1
	Sig. (2-tailed)	0.840	

4.2.3 The influence of women training programme in poverty mitigation amongst women

Women's empowerment can be achieved through a variety of elements such as educational possibilities, political participation, and the provision of economic opportunities including micro-credit schemes. The third study objective sought to establish the influence of women training programmes in poverty mitigation among women.

4.2.3.1 Attendance of micro-finance training

The researcher sought to determine whether study respondents had attended any microfinance training. Gathered data showed that majority (67%) of the study respondents had

been trained while the rest (33) were yet to attend any training section. The respondents indicated that most of microfinance institutions gave them some financial literacy before they could offer them credit. The trainings were done to women groups. This financial literacy training as indicated by the respondents had been instrumental in transforming their livelihoods and ensuring that they effectively managed the funds they received as credit.

4.2.3.2 Area of training

The researcher sought to understand areas in which women respondents had been trained in. Findings were displayed in table 4.9 below;

Table 4.10:Areas the respondents had been trained in

Topic	Frequency	Percent
Market information	67	20.2
Financial management	23	6.9
Savings and borrowing	110	33.1
Book keeping	55	16.6
Personal development	66	19.9

***Source**: Field Data (2022)*

It was evident from the study that the respondents had been trained in diverse areas. Majority had received literacy on savings and borrowing. This was indicated by 33% of the respondents involved in the study. A further 21% had been trained on market information, 20% on personal development, 17% on book keeping and 7% on financial management. The respondents indicated that these training sessions were essential to their progress, and as a result, they were able to start, run and sustain various business ventures.

An interview with one of woman participant revealed that the trained women were appreciative of the trainings. This is because through the training most of them had gained

financial and business management skills that had helped some to start new business while others expanded their businesses despite of the ash business environment. Further, the training had equipped them with knowledge to appropriately calculate net profit in their business something that taught them further on strategies to avoid poor business behaviours which leads to losses.

4.2.2.3 Training frequency

The study further probed on the frequency at which the trainings were conducted. The findings were as presented in table 4.15 above.

Table 4.11 Frequency of training

Frequency	**Frequency**	**Percent**
Weekly	34	10.2
Twice in a month	34	10.2
Once in a month	231	69.6
Quarterly	22	6.6
Never	11	3.3
Total	**332**	**100.0**

***Source**: Field Data (2022)*

From the findings, most microfinance institutions trained their beneficiaries on monthly basis. This was done once in a month as indicated by 70% of the respondents involved in the study. Due to the costs and logistical issues, the trainings would only take place once in a month. It is during this period that the institutions and their beneficiaries met to carry out SWOT analysis, hence forging the way forward. The respondents indicated that they were updated with the emerging trends and trained on risk management during such sessions.

Only 3% of study respondents who had not yet be trained. The researcher assumed that they were new members who were less than a month in their respective groups hence they were yet to start training.

4.2.3.3 Effectiveness of the trainings

The study sought to establish how effective the trainings were to women's daily lives. Gathered and analysed data was presented in table 4.11 below;

Table 4.12 Indicating the effectiveness of the trainings

How effective	Frequency	Percent
Very ineffective	45	13.6
Ineffective	67	20.2
Neutral	44	13.3
Effective	165	49.7
Very effective	11	3.3
Total	332	100.0

***Source**: Field Data (2022)*

On how effective the trainings were, most of the respondents indicated that they were effective. This was indicated by 50% of the respondents involved in the study. They indicated that they initially had no knowledge of how they could plan, start, run and maintain business opportunities, manage finances, they had no savings and were not able to access credit as a result. The trainings had come in handy to bridge their educational gaps and develop skills in them that would ensure that they sustainably met their basic necessities and those of their household members. The respondents further highlighted that courtesy of the trainings, they were able to settle credit facilities on time and that they had not defaulted by the time the study was carried out. A woman respondent who agreed with these findings had the following to comment;

"The trainings are very good, actually if we were given the money before training, I do not know what could happen to most of us. As you know some of us we are not much educated so the trainings has been an eye opener. To be sincere, I am not the person I joined this group one year ago. I started my shop through loan am now thinking of expanding. I believe this is due to good business management skills"

Respondent R010 ***Source**: Field Data (2022)*

Sandhaas (2008), writing about the Integrated Women's Empowering Programme, which offered functional literacy instruction, livelihood skills training, economic support training, and related training to women in impoverished districts of Ethiopia, agreed with these findings and stated that women training reduce vulnerability and women get access to information which aids them in improving their saving habits, learning about their rights, and becoming self-sufficient.

4.2.2.4 Benefits of microfinance training

Respondents were asked to state whether the microfinance trainings are of any benefits to them. Table 4.12 displays the findings;

Table 4.13 Indicating benefits of microfinance training

Benefits	**Frequency**	**Percent**
improves their business performance	67	20.2
could increase their capacity to start a new business	78	23.5
bolster the ability of their current fbusiness to survive	99	29.8
increases their understanding and confidence	77	23.2
Other	11	3.3
Total	**332**	**100.0**

***Source**: Field Data (2022)*

Various benefits accrued from the trainings as presented in table 4.17 above. From the findings, 20% of the respondents indicated that the training enhanced their business performance; 23.5% of the respondents said that the trainings improved their ability to create new businesses; 30% that the trainings strengthened the survival of their existing businesses; and a further 23.2% indicated that training improved their knowledge and self-belief. This therefore saw most of the women who were beneficiaries of microfinance being empowered to take care of themselves and their children. This implied that training was a significant tool in empowerment.

4.2.2.5 Means in which microfinance institutions could improve training

When asked on the ways in which microfinance institutions could improve training, the respondents indicated that there was need to increase the contact hours between the trainees and the trainers and if possible, increasing the training frequency. Since the respondents had families to take care of, handouts including a token after the training and some meals would act as a motivation. Some of the respondents indicated not to understand the trainers, hence there was need to incorporate learner-centred approach in the training, using a language that could be easily understood (if possible, Kikamba). Others argued that because some of them are also caregivers and they are normally late for meetings, there should be some knowledge compensation means for the late members. This was based on the following verbatim.

> *"The training time is not enough…..they should use technology for instance projectors in the training to motivate us... they should give us some money and/or food to cater for the days we spend in the trainings, we have families to take care of……they should train in Kikamba."*
>
> Respondent 010

***Source**: Field Data (2022)*

According to the research analysis, Banerjee and Duflo (2012) concluded that when women are given the opportunity to become empowered through a variety of channels, including education, gender equity, microfinance, and health care initiatives, societies stand to gain significantly. The International Children's Emergency Fund of the United Nations (UNICEF, 2011) has insisted that girls' education benefits both people and societies. A year of secondary school for females resulted in a 25% rise in income over the course of their lifetimes, according to UNICEF (2011), who also stated that educated girls feel empowered and ready to defend themselves against all types of abuse. Promoting girls' education has a favorable economic impact on families and the neighborhood as a whole.

Miller et al(2014) .'s research also revealed that while financial education is consistently effective in enhancing outcomes like savings and record keeping, it is less successful at preventing others like loan default. One significant issue, known as an omitted variable problem, may help to explain why financial literacy treatments have a relatively low success rate. If the psychological characteristics that influence both financial behavior and financial literacy cannot be measured, this may explain why certain programs are more effective than others.

This is a point addressed by Fernandes, Lynch, and Netemeyer (2014), who demonstrate that research concentrating on assessed financial literacy have a far stronger link with financial behavior than studies focusing on financial literacy interventions, particularly in low-income settings. Interventions in financial literacy similarly exhibit a significant degree of depreciation, with no effect remaining after 20 months. This can necessitate stressing the value of more universal educational requirements, such math proficiency, or the need to teach more general abilities.

4.2.4 Effects of micro insurance in poverty mitigation amongst women

For poor women, who not only confront a greater vulnerability to risk for themselves but also have to manage the risk of their families, having coping methods is essential (Cohen, 2014).The last study objective sought to establish the effects of micro insurance in poverty mitigation amongst women in Mwala Sub County.

4.2.4.1 Subscription of the respondents in micro-insurance

The uptake of insurance policies by the women of Mwala Sub County was poor. This was evident from the study, as when asked on whether or not they were subscribed to micro-insurance, majority of the respondents denied. This was indicated by 63.3% (210) of the respondents involved in the study. The respondents feared the payment of monthly premiums. Due to uncertainties facing the economy during the time of study, respondents felt that they may not sustain payment of monthly premiums. The respondents therefore indicated that they preferred to save and invest other ventures which to them was less risk. This was attributed to the strain they went through in ensuring that they made ends meet, hence sparing some *coins* for insurance was not an easy task.

4.2.4.2 Type of insurance of the respondents

Respondents were asked to state the type of insurance they had sub-scribed in. Findings were displayed in table 4.13 below

Table 4.14:Type of insurance of the respondents

Type of insurance	Frequency	Percent
Health insurance	67	20.2
Life insurance	36	10.8
Crop insurance	11	3.3
Livestock insurance	11	3.3
None	210	63.3
Total	**332**	**100.0**

***Source**: Field Data (2022)*

When asked on the type of micro-insurance they were subscribed to, 63.3% (210) of the respondents involved in the study were not subscribed to any insurance policy. The respondents, despite having received adequate training, still believed in investing for *today* and not for *tomorrow*. The respondents therefore indicated that they would rather use their limited income in feeding their households and stocking their businesses rather than saving it in insurance policies. They claimed that some form insurances like life insurance will not benefit them any soon but after 5 and above years so believed that if they invest for such kind of insurance, it will be difficult to support daily family expenses. Further, they feared the risk associated with insurance, for example if they fail to pay for several months their saving might go forfeited. Therefore, saving was far better for them. However, 20.2% (67) of the respondents indicated to have subscribed to health insurance. Health insurance was perceived to be beneficial with more benefits than loses only that most of them could not afford. The researcher understood this was because of the catastrophic health expenses hence paying health insurance was more beneficial to them than any other form of insurance. The later were affiliated to the NHIF health insurance policy, some of whom did not even contribute monthly premiums to the kitty, although some actually did contribute.

Other policies that emerged from the study included the life insurance (e.g. school fees savings), crop insurance livestock insurance and retail trade insurance. The respondents however indicated that given financial resource, they would get enrolled to most of the insurance policies. They did have failed to enrol due to the socioeconomic strain.

> *"I have health insurance only. You know health has become expensive these days so paying monthly premium of 500 is better because I have 4 children and if I were to pay directly per month, I could spend more than Kes.1200. So am happy with insurance"*
>
> Respondent R015
>
> ***Source**: Field Data (2022)*

> *"…So, form insurance like life insurance are difficult to sustain, they need high and sustainable income because failure to pay for some months all your saving will go waste…right now life is difficult and I cannot afford to loose money in such means. I better save the little I have in micro-saving without pressure."*
>
> Respondent R019
>
> ***Source**: Field Data (2022)*

4.2.4.3 Determinants of household demand for insurance policies

The study sought to ascertain the determinants to insurance policy subscription. Table 4.14 below displays the study results;

Table 4.15: Determinants of household demand for insurance

Determinant	Frequency	Percent
Prioritization of needs	34	10.2
Economic and financial decisions	89	26.8
Family size	22	6.6
Vulnerability to various risks	77	23.2
Nature of occupation	33	9.9
House hold characteristics	77	23.2
Total	**332**	**100.0**

***Source**: Field Data (2022)*

The demand for insurance by households was dependent upon various factors. Some of the determinants that emerged from the study included the economic and financial decisions as indicated by 26.8% (89) of the respondents involved in the study. Household income determined subscription to insurance policies. Those with higher income and certain of their income were reported to be more likely to subscribe. 23.2% (77) of the respondents pointed out the vulnerability to various risks. Women respondents feared that at some point they may not be able to pay before policy maturity hence they will be penalised otherwise their saving with insurance will be forfeited.

Other mentioned factors were household characteristics; prioritization of needs; identified the nature of occupation; while others identified family size. The respondents indicated that a person would easily venture into insurance if they had surplus income. Larger family sizes meant increased expenditure on basic needs, hence the household heads were not able to effectively venture into insurance of any type. One of the respondents had the following to say;

> *"Given the current economic hardship, you do not know whether you will be employed tomorrow or you will be laid down, you do not know whether your business will be surviving tomorrow or it will crush, given that is their main source of income, most of them shy away from subscribing because they might end up overwhelmed."*

Respondent R019

***Source**: Field Data (2022)*

4.2.4.4 Difficulties faced in the enrolment into micro-insurance

Respondents were asked to state the major challenges that made majority not to enrol in micro-insurance policies. Findings were presented in table 4.15 below;

Table 4.16: Indicating difficulties faced in the enrolment into micro-insurance

Difficulties	Frequency	Percent
Low/lack of awareness about insurance products	23	6.9
Lack of information about insurance products	23	6.9
Lack consistent source of income	187	56.3
Ignorance	22	6.6
Poverty	77	23.2
Total	**332**	**100.0**

***Source**: Field Data (2022)*

Inadequate source of sustainable income emerged as a major hindrance to the respondents in accessing micro-insurance. This was indicated by 56% of the respondents involved in the study. The respondents highlighted to have challenges in even meeting their necessities. Anything gotten was channelled towards food, shelter, clothing, education and other basic necessities, with very little or none being left as surplus. Inadequate access to disposable income led to poverty, which as well was a hindrance to the subscription into micro-insurance policies. This was indicated by 23% of the respondents involved in the study.

Other limiting factors included inadequate awareness on insurance products, which resulted to the respondent's lacking information on insurance products. This was as presented in table 4.15 above.

4.2.4.5. Extent of the importance of micro-insurance to women empowerment

The study sought to establish the extent to which micro-insurance policies were important to women empowerment. Gathered and analysed data was presented in table 4.16 below.

Table 4.17 Indicating extent of the importance of micro-insurance to women empowerment

Extent		**Frequency**	**Percent**
	Marginal extent	23	6.9
	Average extent	45	13.6
	High extent	165	49.7
	Very high extent	55	16.6
	Not important	44	13.3
	Total	**332**	**100.0**

***Source**: Field Data (2022)*

Despite the fact that most of the respondents were not subscribed to micro-insurance, its significance in women empowerment was evident. This emerged from the study as 50% of the respondents indicated that micro-insurance was to a high extent important in women empowerment. The respondents highlighted that unlike other conventional insurance policies, micro-insurance favoured the low-income earners. However, due to factors such as lack of constant income and poverty, they could hardly subscribe to micro-insurance policies. This was with the argument that in micro-insurance, one would pay non-refundable premiums, unless a risk occurred while others argued that even with life insurance products such education insurance, if you do not finish paying the policy, you risk losing the whole investment.

Therefore, it required an individual who is socio-economically stable. This was as presented in table 4.22 above.

The study's findings concur with Churchill's (2006) observation that micro-insurance protects low-income individuals against certain risks in exchange for recurrent premium payments proportionate to the likelihood and expense of the risk involved. The main guiding principle is the pooling of risks, which denotes that financial contributions are obtained from insurance scheme participants, and the loss of one person is distributed among all participants in the event of risk occurrence. The primary distinction between microinsurance and traditional insurance is that the former is intended primarily for low-income individuals, who frequently have erratic income flows and few financial resources. As a result, the product is made to suit their wants as well as their financial capacities.

Additionally, Women's World Banking (WWB) research (2015), which claimed that low-income women are able to save about 10 to 15 percent of their net monthly income, appears to support the study's findings. However, this rarely covers more than basic household emergencies and minor health-related costs. By providing savings-linked insurance products, insurers can take advantage of women's saving habits. These often make it possible for pensions and long-term savings plans to reach more women than simply the entrepreneurs that credit-life products traditionally target. It can be beneficial for insurers to collaborate with organizations that promote saving, such as village savings and loan associations (VSLAs), as this can help them reach regions without access to conventional financial services (World Bank Group, 2015).

4.3. Findings and discussion of the study

This study confirms the claim made by Babajide (2015) that micro savings are frequently made available in the majority of developing nations to assist low-income workers in saving for

future investments or coping more effectively with unforeseen circumstances. The study established that they provide friendly condition to individuals across all walk of social status both low earners and high earners. These aspects motivate mostly low income and especially women people to save their little income for future use.

The study findings established that saving has immensely contributed to development and better life among poor households. The study concurs with Prina's (2013) experimental study of Nepal, which discovered that having access to savings accounts seems to help households better manage their resources, prioritize spending on things like food and education, and feel more in control of their financial situation. Similarly, Women of Mwala sub-county were found to prioritize basic domestic necessities such as food, clothing, shelter and children's school fees.

The study established that majority of women who had participated in saving plan had improved their planning as well purposeful as expenditure. These findings were concurred with Stewart et al. (2010) who argued that from the researcher's perception, micro saving among women is viewed as an important aspect which is like to encourage saving behavior and discourage the behavior of improper and non-purposeful expenditure which leads to money wastage.

Ayuub (2013) posits that loan facility collected through microfinance institution has helped the clients to give better education to their children. This is because the income of households increases after taking loans and leads to increase in expenditure on their children education. This argument is in line with the study finding which established that majority of women increased their income after accessing loans which was also used to pay children's school fees among other uses. This helps to overcome financial challenges which one of the key impediment to education among poor children.

In many nations around the world, micro-credit is a crucial socioeconomic and financial tool for eradicating poverty, encouraging the growth of small businesses, and improving the wellbeing of those who are less fortunate (Hossain et al., 2012).Among women in Mwala sub-county, micro-credit was found to have played key role in helping poor women start business as well as expanding their business which has led to improved earnings. Therefore, the study supports arguments by Hossain et al., 2012 and George and Jacob (2015)

Poor households' finds microfinance institution of great help as it provides affordable products which fits their situation. Many believe that low-income household microfinance efforts improve the lives of individuals in developing nations (Ghalib, Malki and Imai, 2015). According to Roodman and Morduch (2014), Bangladeshi microcredit programs that take into account household expenses, assets, and education have had a considerable impact on the welfare of rural female borrowers. The study finding concurred with above findings. Evidence from this findings showed that after accessing micro-credits, women at Mwala sub-county were able to start business and educate their children.

The study further found out that majority of women who had participated in micro-credit schemes at Mwala sub-county had increased their income implying that access to micro credit has positive impact to income. The study therefore supported Ameer and Jamil's (2013) conclusion that loans from microfinance institutions have a significant impact on reducing poverty by increasing income. As a result, if the program started on depth (grassroots) and outreach (cover all areas) rather than the current outreach, microfinance could be proven to be the more powerful source of poverty mitigation (coverage areas).

The study found that providing women with financial education benefits them in a variety of ways, including enhancing their business performance, strengthening the survival of their

existing firms, and increasing their knowledge and self-belief. Miller et al. (2014) who conducted a broader assessment of the literature with 188 papers and a meta-analysis of a subset of them supported these findings. They find that “financial education can consistently improve outcomes such as savings and record keeping, but does less well in preventing outcomes such as loan default.”

In contrast, studies focusing on measured financial literacy have a much larger relationship with financial behavior, according to Fernandes, Lynch, and Netemeyer (2014), who disagreed with this finding and attempted to demonstrate that financial literacy interventions have a very small impact across a large sample of studies, especially in low-income settings. Interventions in financial literacy similarly exhibit a significant degree of depreciation, with no effect remaining after 20 months.

The Teenagers Opportunities Program offered scholarships to unemployed youth in need of work worth close to $400 per in exchange for a business plan to enroll in vocational school and begin a trade. Four years later, grant recipients had worked 20% more hours and made around 40% more money (Blattman, Fiala, and Martinez, 2014). It was determined that the microfinance institution trained the borrowers first before giving out the money. This study therefore seems to agree with Blattman, Fiala, and Martinez, (2014), and conclude that giving grants or loans alone, is not adequate in women empowerment, there is a need to supplement grant beneficiaries with skills that will inform them on financial management and business skills.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

Introduction

This chapter focuses on the study's summary, theoretical implications, conclusions, suggestions derived from the research, and potential future research fields. The study has been synthesized thematically. Inferences are made based on whether the study's goals were achieved. The study's recommendations offer a course of action for all parties involved in reducing poverty in Mwala County, Machakos County, through empowering women economically.

5.1 Chapter Summary

This sub-section’s content is thematically presented. Summary of the key findings related to this study are presented with discussions done.

5.1.1 Micro-savings and poverty mitigation amongst women

From the findings, respondents involved in the study affirmed to be having micro-savings accounts. The respondents indicated that microfinance institutions gave them a chance to save, and hence would qualify for some credit facilities. Most of the respondents indicated to be having savings below Kes. 10,000.It was noted that their income was not adequate in meeting their daily basic needs and those of their households, and as a result, they would not have huge savings in their account.

Savings was entirely a voluntary activity. It was upon an individual to decide whether or not they would save, the amount and the frequency. This was evident from the study where majority the respondents involved in the study indicated that savings were done on voluntary basis. The respondents however indicated that sometimes the microfinance institutions required them to save some amount on monthly basis, to keep their accounts active. Individuals who registered micro-savings accounts as groups indicated that it was compulsory for each member to contribute an agreed amount of money towards the account.

Micro-savings was essential to the respondents in various ways. Micro savings made it easier for businesses to launch, grow, buy assets, and pay rent for commercial space. This was made possible as the individuals saved part of whatever income they got, and hence when it reached a certain amount, they would be able to top up with credit and comfortably start up, expand and sustain their businesses.

The majority of the respondents were in complete agreement that micro savings institutions encourage saving by accepting small deposits at regular intervals for the purpose of accumulating capital; it was also discovered that savings services benefited the less fortunate because they made it easier for them to start or grow businesses, buy assets, and pay for expenses like school fees; finally, there was total agreement that women need savings to protect them from shock. Nevertheless, respondents were in disagreement that saving accounts help in creating opportunities among women. Women argued that the accounts only allowed them to safely keep their little monies in a trusted place but they were yet to see any opportunity due to saving.

5.1.2 Micro-credit in poverty mitigation amongst women

The meagre income of the respondents could not allow them to successfully meet their basic necessities as well as engage in sustainability programmes like business. The respondents

hence complemented their income with microcredit from microfinance institutions, which in fact was the main reason for their membership. The respondents further highlighted that they had been denied credit by commercial banks since they didn't have job security as well as adequate assets to act as security for the credit facilities.

Various reasons explained the respondents' uptake of the credit facilities. Majority acquired microcredit in order to meet basic domestic necessities, which include food, shelter and clothing. This had proven a challenge fitting into their small income. Another significant group of the respondents acquired credit facilities to start-up businesses that could possibly sustain them in long run.

The study findings established, majority of the respondents involved in the study had acquired microcredit for between 2 and 3 times, by the time the study was being conducted. The respondents indicated that despite the fact that repayment had not been easy for them, they still took more and more credit as they could to meet their unending list of needs. Some of them however had started up businesses and by the time the study was conducted, some of the businesses were nourishing even others were somehow struggling due difficult economy in Kenya

The value of ones savings determined the value of credit they qualified to get. This was a precautionary measure by microfinance entities in ensuring that despite the socioeconomic conditions of their customers, they did not run at a loss. The study therefore enquired from the respondents on the total value of credit they had acquired. From the findings, majority of the respondents had acquired credit of between Ksh. 20,000 and Ksh. 29,000. This implied that the respondents could not qualify for a higher cred facility by the time the study was conducted,

since the level of their income was still low. As a result, their savings were not that much. Most of them therefore qualified for credit facilities of below Ksh. 10,000.

Study findings revealed that majority of the respondents owned assets worth Ksh. 20,000 to Ksh. 29,000. This was attributed to the societal limitations in terms of women ownership and inheritance of property such as land from either parents or spouses. This therefore hampered their qualifications credit for from commercial banks that could better their Quality of Living (QoL), while at the same time ensuring that they sustainably earned a living.

From the findings, it was evident that the interest rates of microcredit were moderate and hence friendly for the low income borrowers. According to the respondents, they had suffered high interest rates from shylocks and nonbank online mobile lenders. The respondents had however used them out of desperation, before the intervention of microfinance institutions that literally transformed their credit acquisition.

The purpose of credit was to better ones income. The study findings indicated that most of the respondents had observed a positive deviation in their monthly income. According to the respondents, the credit had helped them to venture into different income generating activities; hence, they got some additional income from the ventures. The respondents confessed to have had good business ideas but had no access to credit.

It was further revealed that the respondents were very optimistic about microcredit reducing poverty. According to the respondents, microcredit gave chances to individuals who would otherwise not have acquired capital to venture into business for instance, to explore their potential. Those who utilised the credit facilities well grew to be self-sustainable.

There was total agreement among respondents that; the health status of household members; Poor loan management after borrowing; lack of proper income source to pay loan; and Diversion of funds from its intended purpose were threats to consumers in micro-credit loan payment obligation. However, there was total disagreement that using the credit for non-income generating activity was a threats facing consumers in Micro credits loan payment obligation. It was respondents view that credits can also be for other purposes but not for income generating activities only because they can pay via other means.

Respondents felt that micro-credit services would be more effective if credit payment instalment would be on monthly basis rather than weekly. The respondents indicated that this would give them a chance to focus on maximizing profit so that by the end of the month, they would settle the instalments. Others indicated that exemption of the service charge would decrease negative effect of microloans. Similarly, another group highlighted the need to increase the amount of credit so that they had enough capital to venture in whatever business opportunity they wished while 13.6% indicated that slightly reducing the interest rates would serve them better by minimizing on their expenditure, hence giving them room to grow.

5.1.3 Women training programme in poverty alleviation amongst women

The study therefore sought to find out whether or not the respondent had attended microfinance training by the time the study was conducted. Gathered data showed that majority of the study respondents had been trained while the rest were yet to attend any training section. The respondents indicated that most of microfinance institutions gave them some financial literacy before they could offer them credit. This financial literacy training as indicated by the respondents had been instrumental in transforming their livelihoods and ensuring that they effectively managed the funds they received as credit.

It was evident from the study that the respondents had been trained in diverse areas. Majority had received literacy on savings and borrowing. Others had been trained on market information, personal development, bookkeeping and financial management. The respondents indicated that these training sessions were essential to their progress, and as a result, they were able to start, run and maintain various business ventures. This pointed out to the significance training had to any society members to whom empowerment programmes were aimed.

Findings found out that most microfinance institutions trained their beneficiaries on monthly basis. Due to the costs and logistical issues, most of the trainings would only take place once in a month. It is during this period that the institutions and their beneficiaries met to carry out SWOT analysis, hence forging the way forward. The respondents indicated that they were updated to emerging trends and trained on risk management during such sessions.

On how effective the trainings were, most of the respondents indicated that they were effective. The respondents indicated that they initially had no knowledge of how they could plan, start, run and maintain business opportunities, manage finances, they had no savings and were not able to access credit as a result. The trainings had come in handy to bridge their educational gaps and develop skills in them that would ensure that they sustainably met their necessities and those of their household members. The respondents further highlighted that curtsey of the trainings, they were able to settle credit facilities on time and that they had not defaulted by the time the study was carried out.

Respondents indicated that there was need to increase the contact hours between the trainees and the trainers and if possible, increasing the training frequency. Since the respondents had families to take care of, handouts including a token after the training and some meals would

act as a motivation .Some of the respondents indicated not to understand the trainers, hence there was need to incorporate learner-centred approach in the training, using a language that could be easily understood (if possible, Kikamba). Others argued that because some of them are also caregivers and they are normally late for meetings, there should be some knowledge compensation means for the late members

5.1.4 Micro insurance in poverty mitigation among women

The uptake of insurance policies by the women of Mwala Sub County was poor. This was evident from the study, as when asked on whether or not they were subscribed to micro-insurance, majority of the respondents denied. The respondents feared the payment of monthly premiums. Due to uncertainties facing the economy during the time of study, respondents felt that they may not sustain payment of monthly premiums. The respondents therefore indicated that they preferred to save and invest in other ventures that to them was less risky. This was attributed to the strain they went through in ensuring that they made ends meet, hence sparing some *coins* for insurance was not an easy task.

Majority of respondents involved in the study had not subscribed to any insurance policy. The respondents, despite having received adequate training, still believed in investing for *today* and not for *tomorrow*. The respondents therefore indicated that they would rather use their limited income in feeding their households and stocking their businesses rather than saving it in insurance policies. They claimed that some form insurances like life insurance will not benefit them any soon but after 5 and above years so believed that if they invest for such kind of insurance, it will be difficult to support daily family expenses. Further, they feared the risk associated with insurance, for example if they fail to pay for several months their saving might go forfeited. Therefore, saving was far better for them. However, a small group of respondents

indicated to have subscribed to health insurance. Health insurance was perceived to be beneficial with more benefits than loses only that most of them could not afford. The researcher understood this was because of the catastrophic health expenses hence paying health insurance was more beneficial to them than any other form of insurance.

The demand for insurance by households was dependent upon various factors. Some of the determinants that emerged from the study included the economic and financial decisions. Household income determined subscription to insurance policies. Those with higher income and certain of their income were reported to be more likely to subscribe. Women respondents feared that at some point they may not be able to pay before policy maturity hence they will be penalised otherwise their saving with insurance will be forfeited.

Other mentioned factors were household characteristics; prioritization of needs; identified the nature of occupation; while others identified family size. The respondents indicated that a person would easily venture into insurance if they had surplus income. Larger family sizes meant increased expenditure on basic needs, hence the household heads were not able to effectively venture into insurance of any type.

Inadequate source of sustainable income emerged as a major hindrance to the respondents in accessing micro-insurance. The respondents highlighted to have challenges in even meeting their necessities. Anything gotten was channelled towards food, shelter, clothing, education and other basic necessities, with very little or none being left as surplus. Inadequate access to disposable income led to poverty, which as well was a hindrance to the subscription into micro-insurance policies. Other limiting factors included inadequate awareness on insurance products, which resulted to the respondents lacking information on insurance products.

Despite the fact that most of the respondents were not subscribed to micro-insurance, its significance in women empowerment was evident. This emerged from the study as half of the respondents indicated that micro-insurance was to a high extent important in women empowerment. The respondents highlighted that unlike other conventional insurance policies, micro-insurance favoured the low-income earners. However, due to factors such as lack of constant income and poverty, they could hardly subscribe to micro-insurance policies. This was with the argument that in micro-insurance, one would pay non-refundable premiums, unless a risk occurred while others argued that even with life insurance products such education insurance, if you do not finish paying the policy, you risk losing the whole investment. Therefore, it required an individual who is socio-economically stable.

5.2 Theoretical implication of the study

The study was informed by two theories; Capability approach theory and Village Banking model.

According to the philosophy of capability approach theory, wealth, resources, and income serve as means to human progress rather than as its own purpose. The elimination of significant restrictions on our freedom is referred to as human development. These obstacles include things like poverty, despotism, bad economic prospects, and others. From the study findings, women who had subscribed to Micro insurance services reported to have started business, expanded their business, paid school fees and increased their monthly income among others. Thorough these findings, the study concurred with capability approach theory that removal of major hindrances in women can lead to mitigation of poverty and create opportunities.

A microcredit system called Village Bank distributes financial services locally rather than centrally through a traditional bank. Village Bank gives very low-income households small loans to invest in their microenterprises, enabling them to create their own jobs, increase their incomes, acquire assets, and improve the welfare of their family. In most village banking systems, there is a limit initial loan amount and a loan size cap above which no matter how long a consumer has been a participant, they are not permitted to borrow. Additionally, programs offer a number of formulae through which specific consumers can qualify for bigger loans.

Village banking model informed the current study as most of the women, in the rural Mwala were poor and could not access loans from commercial banks that would otherwise transform their socioeconomic status. The study found out that women in Mwala were able to start micro-saving, accessing micro-credits and trainings, something which made them to improve their financial capabilities and skills. It was also established that the amount one could borrow were determined by various factors such the amount one had saved or the period one had had after joining the group otherwise non-members were not eligible.

Therefore, the theory agrees with Village Bank model that micro-credit terms of offering credit are friendly hence poor women can have access to credit from these institutions, engage in SMEs and are able to pay.

5.3. Implication of the Study findings to the Programme pursued

The researcher pursued project planning and management. This programme is development based and it seeks bring change to the society through initiating sustainable and viable development initiatives. This study set out to ascertain the role that women's economic empowerment had in reducing poverty in Kenya's Machakos County's Mwala Sub County.

It is therefore evidence that this study sought to empower women financially in order to reduce poverty at household level and at community level as well. Through this empowerment, women will be able to participate in development initiatives. A step towards achieving the Sustainable Development Goals of the United Nations and Kenya's Vision 2030 will be made if this project is successfully managed since it will allow women to start small businesses, purchase assets, send their children to school, and get healthcare on time.

5.3 Conclusions

After carrying out this study and keenly analysing its findings it was concluded that Savings was entirely a voluntary activity in the study area. Majority of women were found to have practised micro-savings with the existing micro savings institutions. Micro-savings are essential in facilitating business start-up, business expansion, and acquisition of assets and payment of accommodations for business premises. Nevertheless, the amount which majority could save was limited. This was because majority earned income which was not adequate to support family needs hence forcing them to do minimal savings. Women were not charged for account opening even though they were supposed to make some initial deposit immediately after account opening. The more the savings the more an individual qualified for larger credit. This was because an individual could only be allowed to take loan amount equivalent to the savings s/he has made.

On the second objective, it was found that access to micro-credit had influenced poverty mitigation efforts among women in Mwala Sub-county. Evidence from study findings substantiated that micro credit plays key role in facilitating women provision of necessities at household level and even starting small income generating activities. Micro finance entities give the poor and low earning women opportunity and hope through providing affordable credits.

Women financial situation improved after accessing micro credit hence suggesting that micro credit access among women plays a role in mitigation poverty among women. Therefore, facilitating women with favourable credit facilities is a step towards mitigating poverty at household level and development.

On the third study theme, it was concluded that training programs among women influence poverty mitigation. Microfinance institutions and local CBOs had brought financial literacy among women through training. Various topics under which women had been trained on included; savings and borrowing, market information; personal development; bookkeeping and financial management. Trainings were described as "effective". This helped to bridge their educational gaps and development of skills that helped in development and sustainability of their business and any other income generating activity. The training further enhanced business performance, ability to extent existing businesses and start-up of new business.

On the last theme, it was concluded that the uptake of insurance policies by the women of Mwala Sub County was poor. The respondents feared the payment of monthly premiums for risks, some of which took longer to occur in their cases while others feared lack of consistency in payment in future due to their unpredictable and unsettle monthly income. Respondents preferred to use their limited income in feeding their families and stocking their businesses, saving with micro-finances rather than saving it in insurance. The most of the few who had insurance policies were affiliated to NHIF health insurance policy and life insurance. Determinants for enrolment to insurance services were economic factors; vulnerability to risks; prioritization of needs; family size and nature of occupation. Inadequate source of sustainable income emerged as a major hindrance to the respondents in accessing micro-insurance. The respondents highlighted to experience challenges in even meeting their necessities. Inadequate access to disposable income

led to poverty, which as well was a hindrance to the subscription into micro-insurance policies. Despite the fact that most of the respondents had not subscribed to micro-insurance, its significance in women empowerment was evident. Micro-insurance was to a high extent important in women empowerment. Unlike other conventional insurance policies, micro-insurance favoured the low income earners.

5.4 Recommendations

After carrying out this study, various recommendations were drawn:

5.4.1 Micro savings in poverty mitigation amongst women

Micro finance entities were recommended to reduce all charges related saving in order to encourage more women to save with the entities. This include saving cost and withdrawal cost. Micro-finance entities are also recommended to introduce a simple mobile banking system, which can be easily utilised by rural based women. This will encourage saving and reduce transport cost incurred to bank halls. Lastly, women need to be informed the importance of saving something out of their daily income.

5.4.2 Access to micro credit in poverty mitigation amongst women

The government was recommended to enforce property law and ensure property succession and property ownership among women is fully encouraged and enforced among women. Lack/inadequate assets makes majority of rural based women to be limited in accessing loans due to lack of assets that can be used as collateral for the loan.

Microcredit CBOs, FBOs and NGOs offering micro credit services such as loans are recommended to collaborate with more institutions to raise more grants in order to increase the

number of women they serve. This is informed by increased cost of leaving in Kenya meaning more and more women are becoming poor hence low interest micro-credits provided by CBOs, FBOs and NGOs could be of great impact to poor women. This could also raise the amount of credit one be granted.

5.4.3 Women training programme in poverty mitigation

There is a need for micro-finance institutions to increase awareness on services they offer in order to increase the subscription level. The institutions should adopt learner centred approach when necessary, in the training of microfinance beneficiaries to increase the effectiveness of the training. Further, trainers should increase the contact hours between with the trainees and increase the training frequency. Some of the respondents indicated not to understand the trainers due to language barrier; hence, trainers should incorporate learner-centred approach in the training, using a local language that could be easily understood (for example, Kikamba).

5.4.4 Micro insurance in poverty mitigation amongst women

Micro finance entities should consider revising their insurance policy terms to fit to be more affordable of the rural poor women. Further, there is a need to conduct door to door marketing to create awareness about micro-insurance policies to the rural women as majority seemed to have little knowledge about micro-insurance services.

5.5 Areas of further studies

After carrying out this study, suggestions for other studies of interest in relation to women economic empowerment and poverty mitigation may include:

- Comparative performance of women economic empowerment projects and poverty mitigation between rural and urban setting, Kenya.

- The performance of micro-finance and women economic empowerment in post-COVID - 19 lock down period.

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APPENDICES

Appendix i: Introduction letter

Dear Respondent,

I am a student pursuing a Master's Degree in Project Planning & Management at Catholic University of Eastern Africa. I am conducting a research on *Women Economic Empowerment in Poverty mitigation in Mwala Sub County, Machakos County, Kenya.* The objectives of this study are to access the role of micro savings in poverty mitigation amongst women, to examine how access to micro credit in poverty mitigation amongst women, to establish how women training programme influence women in poverty mitigation , and lastly to find out how micro insurance influence women in poverty mitigation in Mwala Sub county. By completing the attached questionnaire, your participation is entirely voluntary and the questionnaire is completely anonymous. Please be assured that this information sought out here is for academic research only and will be treated with utmost confidentiality. No individual's responses will be identified as such and the identity of persons responding will not be published or released to anyone.

Sincerely,

Esther Katile Wasua

Admission No; 1034843

Cell: +2540724938173

Appendix ii: Questionnaire for women

SECTION A: Demographic information

- Kindly indicate your age bracket

Below 20 years [ ] 20-29yrs [ ] 30-39yrs [ ]

40-49yrs [ ] Over 50yrs [ ]

- Education level

  Primary [ ] Secondary [ ] Technical [ ] Diploma [ ]
  Undergraduate [ ] Post graduate [ ]

- Kindly state your occupation

  Employed [ ] Agriculture [ ] Business [ ] Non [ ]

  Others (specify) ……

- Marital status

  Married [ ] Single [ ]

- Who is the house head of your family?

  Spouse

  Me (respondent)

  Others (specify)…….

- What is your income level per month?

  Below Ksh.10, 000 [ ] Ksh.10, 000-19,000 [ ] Ksh.20, 000-29,000 [ ]

  Ksh.30, 000-39,000 Ksh.40, 000-49,000 [ ] Above Ksh.49, 000 [ ]

- Number of children in your family

  Non [ ] Below 2 [ ] 2-4 children 5-7 children [ ] Above 7 children [ ]

- Number of School going Children

  Non [ ] Below 2 [ ] 2-4 children 5-7 children [ ] Above 7 children [ ]

- How many rooms does your house have?

  Non [ ] 1room [ ] 2 rooms [ ] 3 rooms [ ] 4 rooms [ ]

  More than 4 room [ ]

- Size of cultivatable land in your family?

  Non [ ] Below 3 acres [ ] 3-6 acres [ ] 7-10 acres [ ]

  Above 10 acre [ ]

SECTION B: Access to micro savings in poverty mitigation

- Do you have a micro saving account?

  Yes [ ] No [ ]

- If yes to the question above, how much have you saved?

  Below ksh 10,000 [ ] Ksh 10,000-19,000 [ ] Ksh 20,000-29,000 [ ]

  Ksh 30,000- 39,000 [ ] Ksh 40,000-49,000 [ ] Ksh 50,000 and above [ ]

- If you attributed no to the question above, kindly explain why you don't have an account?

  ……
  ……..

- If you have a micro saving account, how much were you charged to open then account?

  ……..

- In your view, do saving has any positive impacts on borrower's productivity? justify

  ……
  ……..

- In your group, (e.g. self-help group) is saving done in terms of voluntary (individual) or mandatory group savings?

Voluntary [ ] Mandatory group saving [ ]

- Kindly justify your response above

  ……
  …….

- In the Likert scale below, are the benefits of having a micro saving account. Use a scale of 1-5 to rate your level agreement where by; 1- strongly disagree, 2- disagree, 3- neutral, 4- agree, 5- strongly agree

Statement	**Likert scale**				
	Strongly disagree	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
Facilities for savings by accepting tiny clients' deposits at regular intervals for the purpose of accumulation of start-up capital					
Savings services benefit the poorest of the poor because it facilitates business start-up or expansion, acquisition of assets and accommodation					
Savings are needed to guard against shocks, provide cover for income and allow for capital accumulation					
Projects appraisal					
Savings shield poor borrowers from falling back into poverty due to uncertainties and emergencies					

SECTION C: Access to micro-credit in poverty mitigation

- Have you ever taken any micro credit from micro credit institutions?

  Yes [ ] No [ ]

- Why did you take the loan? (You can tick more than one answer)

  Business startup, [ ]

  Business expansion [ ]

Cover the basic needs (housing, food, and clothing) [ ]

Pay school fee [ ]

Other, Please specify……

- How many times have you taken the loan?

  Non [ ]

  Less than 2 times [ ]

  2-3 times [ ]

  4-5 times [ ]

  More than 5 times [ ]

- What is the range amount of loan taken?

  Below ksh 10,000 [ ] Ksh 10,000-19,000 [ ] Ksh 20,000-29,000 [ ]

  Ksh 30,000- 39,000 [ ] Ksh 40,000-49,000 [ ] Ksh 50,000 and above [ ]

- What is the maximum worthy of your fixed assets?

  Non [ ]

  Below ksh 20,000 [ ]

  Ksh 20,000-29,000 [ ]

  Ksh 30,000-39,000 [ ]

  Ksh 40,000- 49,000 [ ]

  Ksh 50,000-59,000 [ ]

  Ksh 60,000 and above [ ]

- How would you describe the interest rate of the credit facilities?

Very Low [ ]

Low [ ]

Moderate [ ]

High [ ]

Very High [ ]

- Has your monthly income increased after taking the loan

  Yes [ ] No [ ]

- Do you think Micro credit can help reduce poverty? Justify

  ……
  ……

- Has your monthly income increased after taking the loan

  ……
  ……..

- Do you think Micro credit can help reduce poverty? Justify

  ……
  ……..

- In the linkert scale below, rate you rate your level of agreement on the threats facing consumers in Micro credits loan payment obligation whereby; 1- strongly disagree, 2- disagree, 3- neutral, 4- agree, 5- strongly agree

Statement	Likert scale				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
The health status of household members					
Poor loan management after borrowing					
No source of income to pay					
Using the credit for non-income generating activity					
Diversion of funds from its intended purpose					

- What do you suggest to increase the effectiveness of microcredit on poverty alleviation

  Interest rate should be reduced [ ]

  Credit installment should be monthly instead of weekly [ ]

  Exemption of the service charge would decrease negative effect of microloans [ ]

  Increase of the amount of credit might have a positive impact on poverty alleviation [ ]

  Others …….

SECTION D: Training programs in poverty mitigation

- Have you ever attended any micro finance training programme?

  Yes [ ] No [ ]

- If yes, which area?

  Market information [ ]

  Financial management [ ]

  Savings and borrowing [ ]

  Book keeping [ ]

Personal development [ ]

Others …….

- How often is the training done?

  Weekly [ ]

  Twice per month [ ]

  Once per month [ ]

  Quarterly [ ]

  Never [ ]

- How effective are these trainings?

  Very ineffective [ ]

  Ineffective [ ]

  Neutral [ ]

  Effective [ ]

  Very effective [ ]

- In your view, what are the benefits of microfinance institutions trainings to their clients?

  Enhances their business performance [ ]

  Could improve their ability to create a new business [ ]

  Strengthen the survival of their existing businesses [ ]

  Improves their knowledge and self-belief [ ]

  Others ……..

- Suggest ways in which micro finance institutions should improve their trainings

……
……

SECTION E: Micro insurance access in poverty mitigation

- Have you subscribed to any micro insurance products

  Yes [ ] No [ ]

- If yes, which type of insurance? (you can tick more than once)

  Health insurance [ ]

  Life insurance [ ]

  Crop insurance [ ]

  School fee insurance [ ]

  Livestock insurance [ ]

  Retail trade insurance [ ]

- If you have not subscribed, in case you wish to, which product you would highly prefer?

  Health insurance [ ]

  Life insurance [ ]

  Crop insurance [ ]

  School fee insurance [ ]

  Livestock insurance [ ]

  Retail trade insurance [ ]

- In your view, what do you think determines household demand for insurance?

  Prioritization of needs [ ]

Economic and financial decisions [ ]

Family size [ ]

Vulnerability to various risks [ ]

Nature of occupation [ ]

House hold characteristics [ ]

- What are major risks/shocks poor and low income groups mostly confronted in regular payment of risks? E.g. death of bread winner, job loss etc.

  ……
  ……..

- What are major difficulties to enrollment in micro insurance sector?

  Low/lack of awareness about insurance products [ ]

  Lack of information about insurance products [ ]

  Lack consistent source of income [ ]

  Ignorance [ ]

  Poverty [ ]

- If you have Insurance, would they like to continue with existing insurance policy? justify

  ……..

- To what extent do you think micro insurance is important to women empowerment?

  Marginal extent [ ]

  Average extent [ ]

  High extent [ ]

  Very high extent [ ]

Not important [ ]

End……thank you

Appendix iii: Interview guide for key informants

- Probe on how micro saving has impacted women empowerment
- Probe on major challenges experienced in micro saving
- Probe on suggestions to improve and encourage more women's in micro saving
- Probe on micro credit patterns in the region
- Probe on loan payment patterns
- Probe major challenges experienced in loan payment
- Probe on risks and threats faced by many microfinance institutions
- Probe on whether client training is mandatory or voluntarily
- Probe on the training major goals
- Probe on after training achievements
- Probe on micro insurance enrolment pattern
- Probe on the major preferred micro insurance products

Appendix vi: Mwala Sub County map



Source: softkenya.com

Appendix v: Plan of Action

Activities	**Timeline**				
Proposal writing	September2021-April 2022				
Defend the proposal and make corrections		April-May 2022			
Ethical Clearance			May 2022		
Data collection, Data entry, cleaning and analysis			June 2022		
Submission of thesis and defending				July 2022	
Corrections and final submission					August 2022

Appendix vi: Budget

Item	**Units**	**Unit Cost (Ksh)**	**Total (Ksh)**
Stationery and Related Services			
Writing materials	20	100.00	2000.00
Pens	10	20.00	200.00
Document folders	2	200.00	400.00

Printing and photocopying services	2000	15.00	30,000
Field Work			
Field travel	30	1,000.00	30,000.00
Research assistants	7 days	2,500	17,500.00
Communication with the respondents:			
Phone calls	50	100.00	5,000.00
Data Analysis and Reporting			
Statistician and qualitative research analyst consultation.	1	30,000.00	30,000.00
Dissemination of Results			
Thesis printing and dissemination	10	1,000.00	10,000.00
Contingences		21,000.00	21,000.00
Grand Total			**Ksh. 76, 100.00**

Appendix vii: NACOSTI

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Date of Issue: **13/July/2022**

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off Waiyaki Way, Upper Kabete,
P. O. Box 30623, 00100 Nairobi, KENYA
Land line: 020 4007000, 020 2241349, 020 3310571, 020 8001077
Mobile: 0713 788 787 / 0735 404 245
E-mail: dg@nacosti.go.ke / registry@nacosti.go.ke
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