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## The Impact of Households Participation in Informal Saving towards Poverty Reduction: Case Study of Saving Internal Leading Communities within the Household Level in Naivasha Sub County, Kenya

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### Abstract:

*Savings internal leading communities (SILC) are groups formed by community members who are known to each other. They are user-owned and managed with no external interference, with the aim of creating sustainability, accessibility of the loans, transparency and flexibility in the group activities. SILC group members are given loans with small interests and the interest gained throughout the cycle is shared among members at the end of each cycle. The aim of the study to examine the impact of households' participation in informal saving towards poverty reduction within the household level in Naivasha sub county Nakuru, Kenya. The study revealed that savings internal lending communities have enabled members to save their money borrow and invest the amount in different ways such as poultry and start of small businesses. SILC has proved to be a mechanism to prosperity through training of caregivers in agriculture, business management and record keeping apart from training. Members have a social fund which caters for emergency need thus reduce anxiety and avoid usage of the saved amount for development. The study concludes that the Participation in saving internal lending communities had a significant influence on poverty reduction at households within Naivasha Sub County. The study recommends that there is a need for further research to establish the influence of Savings internal lending communities in education in Naivasha sub county Nakuru.*

**Keywords:** Household, Empowerment, participation, SILC, INGO and NGO

### 1. Introduction

Informal savings groups are user-owned and managed with no external interference, this create sustainability, accessibility, transparency and flexibility in the groups.

Saving has become an important mean for sustainable cash-flow management and consumption smoothing for the poor. In response, scholars, development practitioners similarly have promoted saving programs as a promising poverty alleviation plan for development. The reduction of poverty has been on the agenda of development for developing countries been focused by many agencies including Governmental and INGOs and local NGO's for a long time. Saving group is one approach in trying to improve the living standards of the poor this is focused on the financial sector through rural, urban- rural or pro-poor financial services. The saving groups help the low income and poor to access financial services such as loans where no security attached for the members are collateral. (Allen, 2006) and (Flynn & Sumberg, 2018).

According to (Oyoo, 2016) Savings internal lending communities has an aim of providing opportunity to its members to save have access to loan as well as insurance for the loan taken. SILC members are poor thus they among community who do not have access to formal sector financial services, this is because they don't have or meet the required criteria such as collaterals. The money is paid back with small interest, which causes the fund to grow. The end of each cycle Members share the saved amount depending on each one's savings, here members are free to use their saved lump sum money as they wish but with the development in mind including reinvestment for another cycle. Moreover, SILCs contribute to a social fund that caters for member emergencies upon the members' agreement. SILC trains members on different skills such as financial education agricultural skills and parental skills. Young people you are involved in SILC do learn much about savings which include financial goals setting, entrepreneurial skills, distinguish between good and bad options for borrowing and discover how to link with financial institutions.

Saving internal leading communities participants are both men and women despite the fact that majority are women, in most cases women are the ones we focus on this is because culturally they are primary caregivers hence, they are most affected by poverty. In SILC it was recognized that people need a range of financial services not just savings and credit, given that their incomes are 'low, changeable and irregular'. They need to enhance linkages of the established SILC to financial and agricultural institutions(Hongo,2013).They also need social issues addressed such as psychosocial and emotional support this shows there are many factors to poverty rather than financial.

### 1.1. Problem Statement

Savings Groups (SGs) provide access to fundamental monetary services to those in who are poor and cannot afford what the markets requires such as collateral. SILC is one of the community-managed models which require only one's savings for him/ her to access long/ short term investment. This helps those in low income households, poor and more vulnerable populations than formal financial service provider such as banks. Informal social savings groups are the last barrier that protects people when all else is failing like banks, or government or social welfare. Because of the highly stringent and prohibitive conditions that are offered by the banks to customers as a prerequisite for getting loans, the poor are usually a disadvantaged lot. SILC was developed by the Catholic Relief Services with the goal of empowerment of communities. This according to CRS (2010), were a user owned, self-managed savings and credit groups. Under this arrangement, caregivers do self-select themselves with a frequent group meeting, this forms convenient and safe opportunity to save. These members often with time build useful lump sums which become available at a pre-determined time and hence allow them to access small loans or emergency grants for investment consumption (Ferguson, 2012). At the same time, SILC has over the years helped to enhance food security, protect assets of members and increase social engagement in the rural communities.

SILC has come as a saving grace to these communities, a majority of whom are in dire need of financial empowerment. Scholars such as Mwaisaka (2012) has noted that saving groups such as SILC have an impact thus regarded as an important development tool. However, some scholars suggest that that may not necessarily the case; they argue that there is skepticism as to whether indeed these institutions act as the 'golden bullet' as often anticipated. Naivasha has many slums which is a clear indication that many of the population lives below 1 dollar a day which force many household heads to form SILC group and other saving groups as merry go round to try leverage their income as well as fight poverty. SILC has been going on in the country for long with no/little research to establish its impact on poverty reduction economic empowerment among its members at household level. Therefore, it is envisaged that this study acted as a tool with useful insights on how the relationship of SILC activities, its organizations and how it influences on poverty reduction, food security and investment at the household level. There has been no consensus on the impact of SILC in Kenya despite many people practicing it. In the past very little has been established on SILC activities and its relationship in poverty reduction at household level. In Naivasha poverty levels are high as compared to other sub counties, this is led by many flower farms reducing workforce as well as others closing completely as well as many migrate from other counties in search for employment. Many of the job seekers end up doing casual as well as seasonal jobs which make them exposed to poverty. This enabled the research to narrow down to Naivasha Sub County in Nakuru County. Thus, this paper analyzed the effects of SILC activities on poverty reduction at household level.

## 2. Literature Review

### 2.1. The Impact of Household's Participation in SILC

Participation helps people in social interactions where they share the problems and challenges, they face both in life at home as well as in business. In the SILC group meetings come up with solutions of the problems faced, for the once behold them they call a trainer to help them solve them thus improve their lives as well as grow economically. Improved knowledge on savings and loaning management through training on basic business skill to all members. Participation improves political processes for group members are able to address the factors which might interfere with their business as such laws and regulations. Through the discussions within the group one understands how well he can run his businesses with all necessary requirement set by the government both national and county. e.g. Group members do register the group, make constitution which govern them for the duration they will be in operation. While for those who run businesses, they are advised to get licenses and pay taxes. Group members improve in decision making processes in the matters that affect them for they have knowledge on what they want, how they want it and why they want it thus they advocate and lobby for them. This is envisioned in Microfinance Act (2006) which was established to assist the low-income earners to form groups and access support through microfinance thus help promote the welfare of the people both direct and indirect (Republic of Kenya, 2006). The Act sought to improve the legal and regulatory framework of microfinance in order to promote greater access, involvement in the community groups to help them to have sustainable flow of financial services and training on financial management (Obebo, 2018).

According to (Dean Karlan, et al, 2017) savings groups have improved participation in Kenya where people finds important for it creates an opportunity for them to save and find efficacy of savings group where some are linked to microfinance banks while others are managed by community members while there are NGO who help in monitoring them to address the challenges they face during their implementation. SILC is managed by agents who are either paid by NGO or by group members, the agent model is less expensive compared to microfinance model, SILC assist members to generate more borrowing, savings, and enterprise investment. SILC impact is seen by many within the society which attract more to join and even the business-oriented members. Through participation people are able to own what they do in SILC and ensure that what they do succeed, this also helps members to share and come up with solutions of their problems.

### 2.2. Anti-Poverty Programs from an Individual Theory of Poverty Perspective

This theory focuses on building individuals' capacities as opposed to other strategies that punish and try to change individuals by force as a solution to poverty. Here individuals are involved in programs that help them come out of poverty voluntarily, they only get knowledge on its importance, how it works and how well they can be involved with the decision either to join or not. This helps to push the poor into work as a primary goal to earn income thus help in

improving their living standards (Bradshaw, 2007). This theory helps to raise individual characteristics which fight conflicts and enhance team work within the community hence create powerful individuals in what they are good at without victimization of anyone. Theory tries to help individuals come together study and analyze their strengths and weakness and develop strategies to help them overcome their weakness and focus more on their strengths. e.g. We have community members who are good in farming and because they know they don't have markets for their produce they form self-help groups in order to join hands and address their challenge of markets the same case with SILC members they came together who are drawn from same locality with the same goal and facing same challenge then forge the way forward in SILC enables households to access and protect assets, improve their cash flow and increase income. SILC provides flexible and sustainable financial solutions to needy households hence reduced poverty.

This theory is therefore appropriate for this study in helping the researcher gain theoretical perspective of how SILC role in influencing on poverty reduction. Also is relevant in revealing the role of individual members and risk management within the households.

### 2.3. Summary of Literature and Gap

The literature reviewed has demonstrated that the concept of SILC has a long history in the world and specifically Kenya. What has come out is that since their introduction, these associations have changed the lives of many, though the change is a subject to varied debates with those who support it disagreeing with those who don't. Consequently, most of the research works reviewed do not point out specifically the various realms that these associations have transformed, hence they are general also there is no research has been done to establish the intervention done by development agencies if they are bearing fruit, that is if there are reduction in poverty levels at the households. Naivasha sub county Nakuru county Kenya. Therefore, it is this gap in limited literature on the effects of informal savings groups' activities in poverty reduction at household level. Case study of Savings internal Lending Communities group activities that this research intends to fill, in Naivasha Sub County, Nakuru, Kenya.

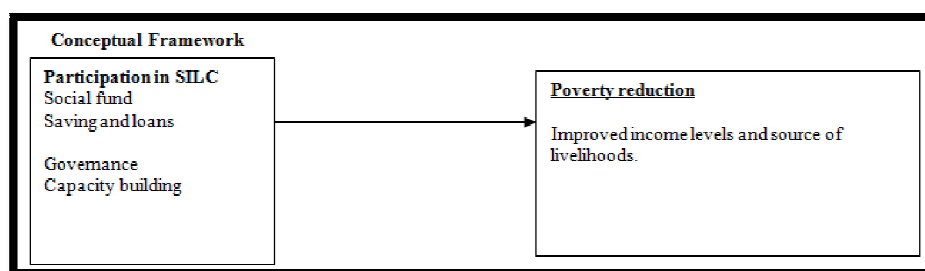


Figure 1: Conceptual Framework

## 3. Methodology

The target population of a study refers to the elements or units in which the researcher aims to make inferences from (Cox, 2013). In this case, the target population constituted the households living in the sub county. According to The Kenya National Bureau of Statistics, the total number of households in the sub county is 105,318. In total There are 58 SILC groups within Naivasha Sub County where each group consists of 30 members each representing one household, in total we have 1740 households represented, there are the trainers who are in charge of these SILC group were involved for they have key information about the groups. Therefore, these constitute the target population. Out of these the target population 87 members of savings and 13 group leaders.

### 3.1. Data Analysis and Presentation

The study employed both qualitative and quantitative data. The data from the field was thoroughly checked to ensure completeness, consistency and accuracy. The data was then coded and tabulated to facilitate data analysis. The researcher went further to analyze the data and present the results in form of percentages, frequencies and tables. In addition, the researcher used descriptive statistics to present the data. Statistical Package for Social Science (SPSS) this were used for analysis's of the data collected to help understand the relation between dependent and interdependent variables were also explained, how the change in the value of an interdependent variable can affect the dependent data and its effects. Qualitative data obtained from the interview were analyzed using specific themes related to the objectives of the study.

### 3.2. Results and Discussions

Sample size	Target	Respondents Reached	Percentage
Key informant interviews	13	13	100%
Individual questionnaires	87	82	91%

Table 1: Questionnaire Response Rate

Out of the 100 respondents in the main sample, 93 were reached and their questionnaires completed for analysis 7 were not reached. This represented a response rate of 93.%. A response rate of 50% is considered adequate for analysis

and reporting, while 60% is good and that of 70% and above is very good (Mugenda and Mugenda, 2003). the respondent was both men and women, who reside within Naivasha sub county.

### 3.3. Demographic Characteristics of the Respondents

During the survey, the demographic characteristics considered during the study were age, sex and Number of household members.

Age	Frequency	Percent
18-28	9	10%
29-38	17	18%
39- 48	45	48%
Over 48	22	24%
Total	93	100

Table 2: Distributions of Respondents by Age

None of the respondent was below of age. Majority of the respondents were aged between 38- 48 years which form 48%. This category of people are have a lot of experience in life and have stable families which make them to join saving groups to meet the challenges faced at the households , at this age members have children in secondary school who need school fees, clothing and food which when one is doing it alone cannot manage thus require to join forces with others .This category is the put active with a lot of ideas for develop themselves and their families in order to fight poverty . While over 48 years were 22 which translate into 24%. They are taking care of their grandchildren who were left orphaned due to HIV /AIDS ,thus having difficult in raising them which make them require support to ensure they are able to meet the basic needs of their grandchildren, at this age some are windows who solely take care of their grandchildren .They also have a rich experience of life thus they were of great influence in the study. Most of the respondent here are poor, they don't have stable income mostly depend on casual jobs thus without the group savings they will leave poorly and the nutritional support of the children remain wanting. For those aged 18-28 were 9 who participated which is 10% this group doesn't have a lot of burden of the household for some are in colleges , universities while others are just married , just gotten their first job so they join with no much pressure on poverty reduction at the household instead they do it to learn how well to start saving early for future . Those aged 29- 38years were 17 which is 18% in total 93 people participated in the research all from different wards within Naivasha sub county.

Sex	Frequency	Percent
Female	77	82.7%
Male	16	17.3%
Total	93	100%

Table 3: Distribution of Respondents by Sex

Women were the majority with 82.7% of the respondents which indicate women are more involved into small savings as well as informal savings than men. Out of research respondent 17.3 % were men who were involved in the research. Women have no access to credit facilities in the bank for they don't have collaterals, the lands they use for farming belong to their husbands or their fathers. Women are majorly in charge of households taking care of the children, the sick and domestic work. Majority are hard stricken by death of their husbands who are bread winners which prompted them to join saving group to mitigate them from poverty and enable them to improve their living standards. Women form a greater part of the poor and are often the poorest of the poor due to discrimination against them backward traditions which make them second class citizens. The community disadvantage and inequality they face because they are women shapes their experience of poverty differently from that of men, which increases their vulnerability, and makes it more difficult for them to move out of poverty. Traditionally women are caregivers who had no voice nor power to make any decision but since Beijing (1995) women have been in the forefront in fighting for their space which made them to be form associations, welfares, SILC groups, owing properties and even getting education and employment.

Number of Household Members	Frequency	Percent
Less than 2	13	13.9%
3-6	57	61.3
More than 6	23	24.8%
Total	93	100

Table 4: Respondents and Their Number of Households' Members

Majority of the people who are involved in the research have 3-6 members in the households which translates in to 61.3% (57), while those with more than 6 family members were 24.8 % (23) and those with less than 2 members in the households were 13.9% (13). From the research those with many family members are involved in the SILC. The number of dictates how the household will live and their ability to meet the basic needs, from the respondents the high number of household members the more challenges they face in putting meal on their table forcing them to join hands with each other for support.

Years	Frequency	Percentage
Less than 2years	1	1%
2-4 years	46	49.5 %
Over 5 years	46	49.5%
Total	93	100%

*Table 5: Number of Years the Respondents They've Participated in SILC*

Those who participated in SILC for less than 2 years were 1%, 49.5% of the respondent had participated in saving internal leading communities for 2 -4 years while 49.5 % had participated in SILC for 5 years and above. These are a clear indication there are benefits in saving activities for members, they gave rich experience and insight into the influence of Savings and Loans activities in poverty reduction at household level for the year they have participated in SILC. The respondents said SILC is better than saving with banks for we are able to share profits earned unlike banks where the profits is only for the few, also the flexible mode of loan repayment as well as little interest rate.

### *3.4. SILC Has Empowered Its Members on Risk Management towards Poverty Reduction*

In this section of risk management of poverty reduction at households looks in to the following area: How SILC has cushioned financial risk at the households, Social fund in the SILC how it has enhanced the unexpected circumstances that compromise their households stability. Skills and knowledge have you learnt (in your SILC) on how to manage entrepreneurial risks for the Income Generating Activities that you engage in? What happens when one of SILC members is not able to pay his /her loan?

Empowerment is a process of making people better than they are this is done through training on new knowledge or skills to improve their lives also it can be learning on modern techniques of doing business e.g. Learning how to do business online as opposed to having a shop where one opens and wait for customers. Getting markets for the products where one can sell the right prices where the expenses incurred can be included when costing to profits. Empowerment helps members to have bargaining power, know their rights and who are there to support them to achieve what they need such government ministries who are very in linking farmers to market as well as trainers for more knowledge and skill.

Risk management is a process of ensuring there are mitigation measures to prevent the risk to have huge impact on the people, group and the business. Also according to (Rouse, 2009) is the process of identifying, assessing and controlling threats in <https://whatis.techtarget.com/feature/How-to-assess-and-prioritize-insider-threat-risk> to an organization's/group /individual capital and income or earnings. According to the respondent they are trained on how to identify threats within their groups as well as in their businesses also how to assess the threats and how to manage through mitigation measures which has helped there are such as understanding each member who joins the group where his comes from , what he does for living .SILC group been registered with ministry of labour social security and services , give people loans which at least 2-3 times of their savings this makes their saving as security of the loan . The research shows that an increased income level, purchase of land, start and expansion of business, increased of saving amount and rearing of livestock can be understood as engaging in a risk mitigation strategy and therefore contributing to household poverty reduction. SILC groups do have a constitution which protects interest of groups by ensuring that there is a framework in place to facilitate the functioning of the group and address problems that may arise. Constitutions prevent abuse of power, conflict among members, and actions that may put group savings or its assets at risk.

### *3.5. Skills and Knowledge Learnt in Your SILC*

All 93-respondent agreed they have learnt something from SILC which has helped improve their lives more so that of their household's members.

	Frequency	Percent
Marketing	46	49.5
Record keeping	33	35.5
Seedlings selection	6	6.5
Sources of capital	8	8.6
Total	93	100.0

*Table 6: Respondents Skills and Knowledge Gains*

According to respondents 49.5 % acknowledged that marketing has really helped them in their day to day thus improve their lives this involve advertisement, helps to boosts Sales, build a Relationship between a business and its Customers these has helped respondents in establishing their small business which they run out of SILC. 35.5% of the respondent stated that Record keeping has also helped them to in what they do in their business, written down what they have done to avoid forgetting especially when it comes to debt form their customers. 6.5 % stated Seed selection has helped in improving their crop production thus improved income. 8.6 % and how to sources different types of capital for investment were also trained to the respondents within their SILC cycle. This skill helps members to improve on the challenges they face during their day to day life e.g. In business someone may be making a lot of sales but he can't differentiate the capital from the profits thus when it comes to spending he spends all thus ending up not able to sustain the business , this helps them to keep records to the any increase in income earned , its usage and the amount saved or the

household also assist to monitor how the crops, livestock have produced over time and develop strategies to improve productivity.

The gained knowledge help members to know how well they can have the production sold to the ready market without middle men who gain a lot than the farmers, this helps in seeking or market as a group that does the same production e.g. Those farming potatoes are within one SILC group are able to register themselves and form a marketing group where they will be selling their produce as one this helps in bargaining for prices which improve incomes of the households. This research is in agreement with Allen (2006) on his study on Village Savings and Loans Associations he stated that there was a substantial improvement in housing quality due to financial services received from the group. The SILC groups assist members not to sell their produce immediately after harvest, for they prices are always low thus will not provide the necessary income to cater the expenses incurred and enable one to gain some profits this helps avert seasonal food shortages at the households. Some SILC groups have organized themselves to sell their produce as a group which helps them to bargain for better prices. This reports concurs with what Odele, (2007) stated SILC members have used their savings and credit to build their lives and of their households members e.g. some have built permanent houses and purchase land, household items, livestock and start income generating activities among other things. SILC has helped members to strengthen their financial asset base through expansion of their income sources and build up forms of livelihoods which has in turn improved their living standards as well as reduce poverty levels.

### *3.6. How Has Participation in SILC Activities Contributed to Poverty Reduction*

Participation brings ownership of the activities of SILC bring helps members to be sustainable Through participation in SILC members are able to provide food security, clothing, shelter healthcare costs, and land and livestock purchases and education to their households this is provided in three main components: availability, access and utilization. This is in agreement with (Parker, 2015) report where members from Haiti SILC groups expressed the impact which they have experiences in their lives and their households.

Members are able to get loans, social welfare, registration of the group with the ministry of labor, social security and services which enables the groups to get more resources for their development. An example in Naivasha a self-help group by the Name Afya yako in Maaimahiu Naivasha, Nakuru which started as a merry go round later become SILC not now a fully registered self-help group managed to get affirmative action fund totaling to 200,000 in the last two years, the amount they managed to start a greenhouse for the group while for the individuals were given each 10,000/= as loan to be paid within one year some members bought poultry for layers, others invested the amount in to their small business. The group is now able to meet the needs of their household's members. The amount gotten from the greenhouse the group has members who are HIV affected the amount is given to them inform o school fees, uniform and presents for those who manage to do well in national examination as a way of motivating the others. This year two more groups one in Naivasha east ward by the name Atiririri self-help group and Twaomba kuishi self-help in Hellsgate ward Naivasha sub county managed to apply for uses fund as well as agricultural grant to help them do poultry with support of the government. The time the researchers was interviewing the respondents they were working with ministry of to support them with ass avocado, maize and pyrethrum seedlings for planting. SILC model promotes members participation from the moment of group formation up to the point of the end of cycle. Election of leaders, identification of what activities the group will undertake during particular time, who will be doing what. Respondents who participated in the research stated since they began to participate in the SILC program, they have increased self-confidence in addition to greater financial independence and also improved their ability making decisions. The group has demonstration farms where they take members to learn and gain knowledge on what need to be done; the farms were developed with the help of agricultural extension officers.

These findings are in agreement with (Vanmeenen, 2010) who indicated that SILC engages local people, more so women, in decision-making and governance, empowerment at individual, household and community level. SILC has also helped its member in strengthening their leadership skills for it is self-managed and controlled members do elect leaders every cycle SILC has helped members especially women to be self-aware of themselves understand what they can do thus improve self-awareness. The respondent stated that SILC has trained members on skills and knowledge which helps each to be accountability and transparency thus build trust among each other. SILC has the power to bring change the usual political tensions, ethnic fights, and antagonism into more comprehensive structures, as SILC groups they can form a strong unity reposes their rights and advocate for resources with the local/ national government as well as take away the tension among community by bringing cohesion and unity. Through loans members are able to Increase individual wealth and allows members to invest money in their households or income generating assets as well as community assets thus help in poverty reduction provides. The invasion of locally generated resources to build new, less vulnerable assets to meet basic and productive needs such as shopping baskets and bead work among others. The groups are at the grass root level thus have the potential to provide the organizational structure in support of natural environmental protection systems in cooperation with local governments and NGOs.

SILC has Integrated Household Economic Strengthening activities; these are activities which households start to improve their income they include cereal shop, poultry keeping among others. SILC groups are also having complementary interventions such as parenting skills which help the households with their relationship among each other thus improve the unity while Income promotion using low-risk activities to diversify and stimulate growth in household income which lead to wealthy individual, households and communities. This finding is in conformity with (Obebo, 2011)) states that participation in microfinance and saving groups have had a positive effect on household wellbeing were members are using the knowledge gained to improve their lives through income generating activities and savings.

The respondents who managed to answer this question were 82, with the majority having begun a business venture to help improve the household's economic status thus poverty reduction. Most of the respondents were doing poultry keeping which translates in to 41.5% followed by vegetable farming which had a total of 29.3% and 22 % doing cereal shop. This is clear indication that SILC has helped its members to sustain themselves considering they are doing business with what people need daily such as vegetable, poultry products such as eggs, cereals such as beans, maize, among others. Members agreed apart from doing business they also use their product they sell within their households. We have 3.7 % and 3.7 % doing second hand clothes and transport (boda boda) respectively which is necessary for the living in low income. (Hugh ,2009) in an impact study in Tanzania found out that participant stores of maize are double that of non-participants, despite owning less land, this is to some extent in agreement to the finding of this study. It can therefore be indirect that loans facilities have very strong potentials of making households food secure which help household to move from poverty. Through loan facilities households are able to increase their production as well as sells done which help meet the daily expenses thus improve the living condition of household members.

	Frequency	Percent
Cereal shop	18	22.0
Sell of second-hand clothes	3	3.7
Poultry keeping	34	41.5
Transport (boda boda)	3	3.7
Vegetable farming	24	29.3
Total	82	100.0

*Table 7: Respondents Business Started from Loans*

The respondents when asked about loan utilization they are all willing and happy to express their experiences and how SILC has helped them and their households, which enable individual members to improve their lives and that of their households. This methodology has proved that SILC has helped its members to be sustainable thus free from poverty in short term as well as long term.

	Frequency	Percent
Payment of school fees	10	10%
Payment of school levies	4	5%
Purchase of uniform and scholastic materials	6	7%
Expansion of business	41	44%
Purchase of farm input	32	34%
Total	93	100

*Table 8: Respondents Usage of Loan*

The respondent managed to share were 10% took for Payment of school fees while 5%to pay school levies and 7% for purchase of school uniform and scholastic materials for their children. It is believed that when one gets education, knowledge and skill he/she is able to find something to do unlike who those who don't have this will go a long way in fighting poverty in the households. 44% of respondent stated they took loan to start and expand business to help improve their livelihoods as well as reduce poverty levels in their household. 34% of the respondents acknowledged they took loan to venture into crop farming which they are making profits out of to support the household's basic needs. The members of SILC groups apart from giving loans they are trained on how to manage their businesses, how to re-invest their profits to businesses and other ventures which will help in reducing poverty at their households. Members are able to use the loans received in bigger development such as build up an investment such a purchase of land, building houses this is due to the fact that the loans are given with minimal interest and the payment is flexible. There are members who indicated that before joining SILC they were not able to have 3 meals a day but they are now able due to small businesses they started with the loan received, the businesses are able to meet their basic needs such as pay rent, clothing, buy food and save small into SILC.

#### 4. Conclusions

The main sample comprised 87 respondents, 82 respondents were reached and their questionnaires completed for analysis. This gave a response rate of 94.3%. Among the 11 respondents targeted for the Key Informant Interviews (KIIs), all 11 were reached and data sourced from them for analysis. This represented a response rate of 100%. Out of the respondents interviewed, 82.7% while men were 17.3% women were the majority taking part in SILC as well as saving groups this because of the roles by play of care giving within in the households. The respondents who were aged between 38 and 48 years of age were 48%while the respondents were aged between 28 and 38 years old, 18% while 24%of the respondents were over 48 years old while another 10% were between 18 and 28 years. Among the respondents, 49.5% indicated that they had 2-4 years in SILC groups and those with over 5 years in SILC groups were 49.5% among those interviewed 1% had less than 1 year in SILC group .13 .9% of the respondents had less than 2 member of their household while those with 3-6 members in their households were 61.3% and those with more than 6 household members were 24.8%.



During SILC period which takes 12 month many things do take place where members do participate in such as training of members according to the respondents who took part in the research stated they were trained 47.3%, business while 4.3 %who learnt exchange visit while 43.0% learnt agricultural training mostly poultry and crop framing and saving 5.4%. We have those who gained skills on 49.5% marketing, while 35.5% benefited on record keeping and 6.5% seed selection and 8.6 % how to source for capital. They are other activities that take place during SILC meeting which include registration of the group with the ministry of labour social security service and linkage to financial support within the ministry as well as with the county and national government .Among the key informant interviewed 67% have their groups registered while 52 % have either received money from county (affirmative action fund) or uwezo fund ,youth fund from national government .While 13% were waiting for the said fund having applied . From the training 36.6% stated they were able to start their own business, 47.6% were able to keep poultry and 15.9% are able to track their business as well as their savings.

Initially members used to save and borrow without any form of training, many of the members used to use the money in unplanned ways which made members and their households remain the same over years. This made leaders to analyze their groups and realized there was little change as compared to what they expected, leaders talked to group members on the need to have them participate in different trainings to boost their knowledge on how to do investments as well as how to monitor them. As the groups increased their knowledge and skills, they also saw the need have becoming a registered entity, because there were benefits in registering the groups such as have access to government funds, tenders among others. Participation in SILC has helped members to manage risk management through empowerment of members, decision making, credit and saving also cohesion among communities thus reducing their poverty levels. This research has established that SILC has activities which are promoting wellbeing of members who alone they wouldn't manage to face the challenges of life. Participation in informal saving activities from the finding it has established that members are able to gain knowledge and skills in different sectors in order to improve their lives such training include group dynamic, agricultural, marketing and leadership skills from the participation members are able to develop social network to support during social challenges such as death, sickness, political instabilities. Participation so helps members in developing decision making skills, parental skills to be used at group and household levels and proper management of resources. Participation helps to inform the members future planning in terms of training needs which they require ,understand where they can get the training and how can help them .It allows for cross learning between the groups especially in farming skills (poultry and crop farming and cattle grazing) .Participation in SILC activities also helps members to get not only financial support but also emotional, spiritual as well as psychological support from other each other .Those participating in SILC are more likely to start various businesses to complement each other in the households some in small scale while others at agribusiness level.

## 5. References

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