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Caroline Wawira Njeru & Anthony Mugetha Irungu, PhD

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[*1]Caroline Wawira Njeru & [2]Anthony Mugetha Irungu, PhD

Department of Accounting and Finance, School of Business, Economics and Tourism, Kenyatta University

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Abstract

The research established loans, savings and training services effect on the income of household's income among saving and internal lending community groups in Evurore Ward of Embu County, Kenya. Greeman Bank model, Saving-Asset Accumulation model and Village Saving Model served as theoretical base of the study. Descriptive design was implemented following a population of 562 SILC practicing group members in Evurore Ward where proportionate sampling technique was applied to arrive at 291 respondents. Primary data was sourced employing the utilization of structured questionnaire. The outcome unveiled a significant positive effect of microfinance loans on household's income; the effect of microfinance savings on household's income among SILC groups was not statistically significant but positive; microfinance training had a significant positive effect on household's income among SILC groups in Evurore Ward, Embu County, Kenya. The survey recommends that to further enhance the income-generating potential of SILC groups, it is necessary to promote increased access to microfinance loans. This can be achieved by collaborating with microfinance institutions, NGOs, and government agencies to expand the availability of microfinance loan programs tailored to the needs of SILC groups in the area.

Keywords: *Microfinance Services, Microfinance Lending, Microfinance Training, Microfinance Savings, Household Income*

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1.0 Introduction

The savings and internal lending community (SILC) serves as a vital support system, synchronizing economic activities and contributing to household's income. SILC is a savings model with its origin from the traditional Accumulating Savings and Credit Associations (ASCA) while the ASCAs are an improvement of the merry -go- round model or the ROSCAs (Rotating Savings and Credit Associations) or chit funds. SILC plays a crucial role in providing financial stability and support to members in various countries (Ahmed, 2015; Aryeetey, 2019). The historical development of SILC group can be traced to 1943 following the conference of catholic bishops with the aim of assisting the poor and disadvantage overseas. The SILC initiative has a spread across 99 countries of the world with offices in 68 countries (Catholic Relief Services, 2006). The operation of SILC commenced in Kenya in 1965 with a base in Nairobi County serving as one of the oldest humanitarian relief and development organization in the country.

A SILC, just like the other ASCAs, is a self-volunteered group of between 15 to 25 members who come together, self-manage and accumulate their money into a common pool from where the group members can borrow and repay. The lend money is repaid back by the members at an interest rate that is agreed upon by the group members and documented in their SILC group constitution. The continued borrowing and repaying by members grow their Loan fund kitty thus expanding their borrowing base. The process of saving and loaning continues through a cycle that is pre decided upon by the group members that runs between 8 to 12 months after which the group does a share out of the total accumulated funds in the group in a proportionate formula depending on the individual member's savings. The members are free to reinvest their funds in their businesses or use the money as an initial saving in the next cycle. Additionally, a SILC group contributes to a side kitty that facilitates the emergency occurrences among the group members commonly known as a social fund (Catholic relief service, 2006).

In Pakistan, these communities are prevalent in both urban and rural areas, catering to low-income individuals who rely on informal employment, small businesses, or agriculture (Shah, 2017). By pooling their resources and making regular contributions, members are able to access credit and financial assistance to meet their immediate needs and invest in income-generating ventures (Rehman, 2017). The savings and internal lending community acts as a safety net, empowering households to enhance their overall household's income and improve their socio-economic conditions.

Similarly, in Ghana, the savings and internal lending community serves as a lifeline for low-income individuals seeking to bolster their household's incomes. With both urban and rural communities actively participating, members engage in diverse economic activities such as informal trade, small businesses, and agricultural pursuits (Aryeetey, 2019). The chit funds enable members to save money, access credit, and meet financial obligations. This financial support system not only addresses immediate financial needs but also facilitates investment in income-generating ventures, fostering economic growth within household's (Osei-Assibey, 2020) By providing a platform for resource pooling and mutual assistance, the savings and internal lending community in Ghana enhances the household's income of its members and contributes to poverty alleviation (Abdulai, 2018)

In Kenya, savings and internal lending communities have emerged as significant contributors to household's income, particularly in marginalized and low-income areas. These communities

operate on the principles of regular contributions and provide opportunities for individuals to save, invest, and access credit within their respective chama groups (Kimuyu, 2019). In both urban and rural settings, members engage in economic activities such as small businesses, informal trade, and agriculture. The SILC groups enable members to accumulate savings, secure credit for income-generating projects, and improve their overall household's income (Suri, 2016). By fostering financial resilience and resource mobilization, the savings and internal lending community in Kenya empowers households to bridge income gaps and enhance their socio-economic well-being.

1.1 Statement of the Problem

The SILC groups have contributed greatly to the financial inclusion of Kenyan households and improved the economic standards of living of its citizens. However, it is still challenged with problems. According to a report by the Kenya National Bureau of Statistics (KNBS) in 2019, the poverty rate in Kenya stood at 36.1%, indicating a significant portion of the population living on low incomes. Specific statistics on household's income within these communities are limited, but common issues include limited income diversification, insufficient savings, lack of access to credit, income volatility due to agricultural activities, limited financial literacy, and gender disparities. The World Bank estimates that about 78% of the Kenyan workforce is engaged in the informal sector, which often faces income instability. Additionally, the 2019 FinAccess Household's Survey revealed that only 30% of Kenyan adults save money, indicating challenges in building financial resilience.

Several scholars have performed researches on the nexus of microfinance with household's income. Having established that microfinance lending has a positively and significantly affected household's income in Pakistan by Khan (2016); however, with the view to expose the contextual gap limited to Pakistan whose findings cannot be applied to the current location of the study which is Evurore Ward, Embu County in Kenya. Karlana *et al* (2017) situated that savings in these community-based microfinance organizations improves household's business outcomes and women's empowerment, nonetheless, the survey was performed in three African nations with varying economic conditions that may not be applicable to Kenya. Jain (2020) instituted that saving service is strongly correlated with women's household's decision-making, substantial domestic decision-making, and the availability of essential family necessities; nevertheless, the location of the study differs from this one as it was in Nepal. Twumasi, Jiang, Ding, Wang, and Abgenyo (2022) discovered that household's income is strongly and steadily impacted by financial literacy with further revelation of AFS mediation of a positive effect of FL on household's income. Despite the study on mediation analysis, the survey was undertaken in Ghana.

The existing literature exposing varying degrees of research gaps which ranges from contextual, methodological as well as conceptual gaps. It is pertinent that the literature showed that most of the studies were empirically evaluated in other countries of the world which possesses unique features different from that of Kenya. Furthermore, to comprehensively, understand the lending activities of the microfinance services, this study conceptualized such in terms of lending, savings and training which none of the study did exposing a conceptual gap in the investigation. Most of the studies employed the use of descriptive analysis which makes different from the OLS regression intended by this investigation. Therefore, in the quest to adequately fill these gaps, the study seeks to evaluate the how household's income among SILC groups is affected by micro financing in Evurore ward, Embu County in Kenya.

1.2 Research Objectives

i. Establish the effect of Microfinance lending on household's income among the SILC groups in Evurore Ward, Embu County in Kenya.

ii. Evaluate the effect microfinance savings on household's income among the SILC groups in Evurore Ward, Embu County in Kenya.

iii. Determine the effect of microfinance training on household's income among the SILC groups in Evurore Ward, Embu County in Kenya.

2.0 Literature Review

2.1 Theoretical Review

Village Banking Model was developed by Hatch (1984). Village banks are locally owned and operated credit and savings institutions that were time-honored by NGOs to grant people with financial access to services, foster neighbourhood groups of self-help, and members help save money (Sishumba & Mulond, 2019). The model is set upon the premise that borrowers have the authority and responsibility to manage their banks. The mid-1980s saw the emergence of these groups. Comprising of 25 to 50 low-income members who want to get better with their lives via self-employment the groups are typical of that size (Haldar & Stiglitz, 2016). Overseeing such activities is the members of the groups whose operations, choice of its officers, drafting of its rules, loan provision to individuals, and fee collection as well as other payments are carried out by these members (Amin & Uddin, 2018). The guarantees that the organization will support each loan serve as moral collateral for the loans (Mucyuranyana, 2016).

A framework of asset-accumulation and saving techniques is put out by Beverly, Moore, and Schreiner (2001). The proponents maintained that accumulation of asset takes place in three different stages. The first step is less consumption of peoples' incomes by diverting resources to savings instead of consumption by boosting the flow of resources. On a second note, resources may be transformed from a most liquid form (like cash) to more complicated (non-liquid) form. As a final point, people need to protect their savings by defying pressure to take money out (Mucyuranyana, 2016). The stages are observed to asset depositing, saving and maintenance in the hypothesis. Following that, Beverly et al. (2001) proposed two major categories of strategies: psychological and behavioral. Psychological techniques are based on a person's conceptual comprehension of the flow of resource, savings objectives, and internally obligatory mental restraints for deposit making and keeping assets. These tactics are designed to prioritize saving goals; they encourage people to reach their savings goals and then consume what is left over rather than reaching their consumption goals and then saving the remainder (Berverly, et al, 2001).

2.2 Empirical Review

2.2.1 Microfinance Lending and Household's Income

The welfare effects of microfinance on rural Indonesian households were examined by Santoso, Gan, Revindo, and Massie (2020). Primary data were gathered for the study by visiting rural homes in Bantul District, Yogyakarta Province, Indonesia, and distributing a standardized questionnaire. To assess the welfare effects of microcredit borrowers, a model of the logistic regression was utilized. The outcome uncovered that various factors significantly influence the probability of borrowers experiencing an improvement in their welfare following the acquisition

of microcredit. These factors include the purpose of the loan, monthly income, marital status, interest rates, spending patterns, educational background, and the amount of the loan. Despite having a touch of microfinance, the study was evaluated under the context of rural homes in Bantul District in Indonesia.

Using information from the 2014 Cambodia Socio-Economic Survey, Seng (2017) examines the manner in which microcredit affects household's wellbeing in particularly household's expenses per capita in Cambodia. Model with endogenous treatment effects and bivariate discrete choice was utilized. In order to account for endogenous choice bias resulting from overlooked factors as well as structural variations in borrowers with non-borrowers in spending functions, the study describes the formal and informal lending sectors' effect. The results indicate that household's spending is significantly reduced by microcredit lending in the sector that is informal and formal. The outcomes of the aforementioned survey cannot be applied on the current place of this study which is Evurore Ward, Embu County in Kenya as against that which was conducted in Cambodia.

Al-Shami, Majid, Mohamad and Rashid (2017) determined productive loan impact on the welfare and empowerment of women household's provided by Amanah Ikhtiar Malaysia (AIM). Utilizing the questionnaires that amounted to 495 shared among borrowers involving both new and old, cross-sectional investigation was implemented to arrive at the conclusion of the study. Descriptively and logistically, findings of the investigation ended up with that fact that microcredit provided positively and significant effect on the income of household's borrowers as well as the acquisition of personal assets.

Mahmood *et al* (2016) examined how microfinance might help impoverished households improve their standard of life and reduce their level of poverty. 400 active customers of the microfinance bank Khushhali Bank in the Punjab (Pakistan) districts of Dera Ghazi Khan and Layyah were polled. The effects of microfinance are investigated using statistical and econometric tools. It has been discovered that loans impact positively on the generation of income and level of the poor consumption, with the impact on productive activities having a greater influence than on consumption. Noting the similarity of Pakistan with Kenya, the findings cannot be generalized due to the uniqueness of the different economies hence, the conduct of this study in Kenya.

Having established that microfinance lending has affected significantly in a positive way on the income of households in Pakistan; Khan (2016) used regression estimation techniques to examine how the level of household's consumption and income is affected by micro finance in Danyore, Gilgit-Baltistan Pakistan. The adopted survey design where a sample size of 62 household's from Danyore village was used. Information obtained via a structured questionnaire was used. With the view to expose the contextual gap, the study was carried in Pakistan whose findings cannot be applied to the current location of the study which is Evurore Ward, Embu County in Kenya.

2.2.2 Microfinance Savings and Household's Income

Using 284 panel data of China's cities, Wang, Li, Huang, Zhao and Qiao (2021) employed the used of threshold regression to uncover the non-linear effect of income on different savings level of carbon emissions of urban households. The output unearthed that residential savings variability has impact of significance on how income affects urban household's carbon emission. In order to switch from the fossil fuel system to a household's clean energy system, additional government support was necessary, particularly for low-saving household's that had trouble

obtaining clean energy. Additionally, at the saving level upper-middle, domestic income significantly impacts on the rising household's electricity and associated CO2. In northern China, households with large savings showed strong sensitivity to heating energy. The investigation was related to the energy sector in China providing a threshold analysis whereas regression analysis was offered within the context of the low- income earners in Evurore Ward, Embu County in Kenya.

In the south-west of Bangladesh, Basu, Roy, and Karmokar (2020) assessed microfinance impact on household's generation of income. To accomplish the goal of the study, a collection of statistical tools including t-test, descriptive analysis, log-linear multiple regression models and correlation analysis were used. It has been discovered that after enrolling in the microfinance program, there is significant difference in household's income, saving, expenditure, capital and working hours. Additionally, the outcomes of the correlation analysis demonstrate a favorable and significant association between household's credit and monthly income, spending, and savings. Additionally, revelations showed that the borrower's age, the number of family members, and the loan amount all positively and statistically significantly affect their ability to generate revenue. Bangladesh was used as the focus of the survey whereas this research was in Kenya.

Maganga (2020) investigates how microfinance village savings and loan associations (VSLAs) affect women's socioeconomic development and vulnerability resistance. Utilizing descriptive research approach and data from two Blantyre Rural areas were collected through household's surveys. The Pearson correlation technique and employing 70 women from VSLA groups was applied. The study's findings highlight the positive benefits of VSLAs on women, including an improvement in members' socioeconomic standing. Despite these encouraging findings, it was discovered that VSLA members lack training and have no access to financing from banks or other external groups. Nonetheless, the survey was performed in two districts; the conduct of this study was streamlined to Evurore Ward, Embu County in Kenya.

Savings groups' effects on the lives of the underprivileged in Malawi, Uganda, and Ghana were studied by Karlana *et al* (2017). Founding on survey research design, for the investigation, the utilization of an independent ordinary least squares regression model was required. Outcomes indicated that savings in these community-based microfinance organizations improves the outcomes of households business and women's empowerment. There was, however, little indication of effects on typical consumption or other sources of income. Although the study was carried out in three African nations, it concentrated on one ward in Kenya's Embu County.

DeLoach and Smith-Lin (2017) looked at how having access to formal banking services affected household's capacity to control spending when adult employees become unwell. The largest commercial bank in Indonesia's institutional quirks is used to quantify the effects of formal loan availability independently from savings. Those who have access to formal credit increase their bank borrowing, but those who just have contact to formal savings and no credit use their savings. Lacking accessibility to formal financial services, households are forced to sell off their productive assets. Indonesia was the focal point whereas the current study is restricted to Kenya.

2.2.3 Microfinance Training and Household's Income

Abdullah, Zainudin, Ismail, Haat, and Zia-ul-haq (2021) used moderated-mediation technique to observe the various impacts of microfinance programs on household's socioeconomic performance. Focus-group interviews with Amanah Ikhtiar Malaysia (AIM) management staff

and a thorough literature research were both carried out. The findings from focus-group interviews and a thorough assessment of the literature suggest that the performance of household's socioeconomic is a reliant element in the wished-for model, whereas microfinance financial services, training programs, and business mentoring are presented as independent factors. With regard to the direct link of financial services with household's socioeconomic performance as well as the indirect link of business coaching with household's performance of social economy, this study directs researchers to do empirical research in these areas.

Considering the poorest state of Sabah in Malaysia, Solarin, Loke, Ramasamy, Yen, and Gan (2020) looked at how the socioeconomic wellbeing of urban household's is affected by microfinance services. Using a self-administered questionnaire, recipients of microfinance programs provided the data, which was then analyzed by Smart Partial Least Squares. The findings demonstrated that social intermediation services, micro insurance, microcredit, savings, and training have a effect that is significant on the socioeconomic welfare of urban household's in Sabah. Although the variable such as training service by the microfinance banks was considered, Malaysia was adopted which is an advanced country as against Evurore Ward, Embu County in Kenya which is remotely compared.

In order to reduce poverty in Bangladesh, Badiuzzaman, Uddin, and Hossain (2020) identified the effects of several microfinance services. In order to settle on the effect of microfinance services to the decrease of poverty in Bangladesh, data from respondents in the Barishal division of Bangladesh were gathered using a structured questionnaire, and OLS regression estimates were made. Results indicated that microcredit has the biggest impact on reducing poverty. The alleviation of poverty in Bangladesh is also influenced by micro insurance, training, and savings. Although income is one of the measuring scales of poverty, the study concentrated more on poverty as a whole thus, illustrating its differences with the current study as it focuses on income of the household's rather than poverty as a whole.

Jain (2020) investigates the degree to which microfinance services contribute to the Nepali women empowerment in Nepal's eastern region. Using a purposive sampling technique, structured questionnaires were employed to gather the responses of 97 women. Outcome noted that using microfinance services to build credit and savings accounts benefits women's empowerment. There is no difference between the improvement of women's empowerment and satisfaction with the loan payment schedule. Saving services is strongly correlated with the decision making of women's household's, substantial domestic decision-making, and the ease of use of essential family necessities. Microfinance services aid in the socioeconomic empowerment of mothers and the education of their children. The location of the study differs from this one as the former was done in Nepal as against Kenya which this one was conducted.

Schreinemachers, Wu, Uddin, Ahmad, and Hanson (2016) assessed training in off-season tomato production effect on the income and pesticide use of smallholder vegetable farmers in southwest Bangladesh. To account for selection bias, the researchers utilized inverse probability weighting and analyzed farm-level data from 151 untrained farm households and 94 trained farm households. Propensity score matching was employed as the methodology for this investigation. Training boosted net household's income for the typical smallholder vegetable grower by roughly 48%. Discovery showed that although 31% of the trained farm households who had first accepted the technology kept using it in the second year, farm households who stopped using it also benefited significantly from the training in terms of increased income. The inquiry was

evaluated in Bangladesh utilizing the propensity matching score while regression was made useful for this examination.

3.0 Research Methodology

Descriptive research design was adopted. The target population is the Savings and Internal Lending Community Group members in Evurore Ward, Embu County in Kenya. Based on the report of the Catholic Relief Service (2021) there are five hundred and sixty-two (562) SILC group members spread across thirty-seven (37) SILC groups in Evurore Ward, Embu County. A proportionate sampling was applied across each of the SILC groups to reach the investigation's audience. This is to ensure the collection of data that is a representative of the survey population.

4.0 Data Analysis and Discussion

4.1 Regression Results

Regression analysis plays a significant role in examining the connection concerning the factors and understanding the impact of certain (microfinance services) factors on an outcome (household's income) of interest. This allows for the quantification of the nexus concerning financial literacy, microfinance services, and household's income. The outcome from this evaluation is tabulated in Table 1.

Table 1: Regression Results

Household's Income	Coef.	Robust Std. Err.	t	P>t	[95% Conf.	Interval]
Microfinance Loans	.3813287	.1037013	3.68	0.000	.1769273	.58573
Microfinance Savings	.0882438	.0901258	0.98	0.329	-.0893994	.2658871
Microfinance Training	.2253282	.0746759	3.02	0.003	.0781376	.3725187
_cons	1.443491	.2970087	4.86	0.000	.8580692	2.028913
R-squared	0.5363					
F(3, 215)	47.09					
Prob > F	0.0000					

Source: Field Survey (2024)

Table 1 outcomes unveiled R-squared value of 0.5363 which unveiled that 53.63% of the variation in household's income can be explained by the variables included in the model. The remaining 46.37% of the variation is not explained by the model. This suggests that there are other factors not included in the model that may also influence household income. These additional factors could be socioeconomic characteristics, local market conditions, cultural factors, or other unobserved variables that were not accounted for in the analysis. The F-statistic of 47.09, with its associated probability (Prob > F) of 0.0000, suggests that the overall regression model is significant. This means that at least one of the independent variables has a significant effect on the household's income. The intercept term has a coefficient of 1.443491 which indicates that the intercept is significant at the 0.05 level.

4.2 Discussion of Findings

The survey aimed to analyze the effect of microfinance loans on household's income of SILC members. Hypothetically, microfinance loans have no significant effect on household's income among the SILC groups in Evurore Ward, Embu County in Kenya. The findings unveiled a

significant positive effect of microfinance loans on household's income of SILC members in Evurore ward, Embu County, Kenya. In view of the outcome, the null hypothesis is rejected. The outcome could be attributed to the fact that microfinance loans provide households with access to capital that they utilize for various purposes such as starting or expanding a small business, investing in income-generating activities, or meeting their daily financial needs. This access to capital enables households to undertake productive ventures, increase their income-generating potential, and improve their overall financial well-being. The output is consistent with Santoso, Gan, Revindo, and Massie (2020) who unveiled that the likelihood of borrowers' welfare growing after obtaining microcredit is significantly influenced by the loan's purpose. Seng (2017) unveiled that household's spending is significantly reduced by microcredit lending in both the formal and informal sectors. Al-Shami, Majid, Mohamad and Rashid (2017) also uncovered that microcredit provided a positive and significant effect on the income of household's borrowers as well as the acquisition of personal assets. Mahmood *et al* (2016) noted that loans have a positive impact on the generation of income and level of the poor consumption, with the impact on productive activities having a greater influence than on consumption. Khan (2016) established that microfinance lending has affected significantly in a positive way on the income of households in Pakistan.

Microfinance savings effect on household's income among the SILC groups in Evurore Ward, Embu County in Kenya was examined. The survey hypothesized that microfinance savings has insignificant effect on household's income. Going by the outcome of the survey which revealed positive and insignificant effect, microfinance savings insignificantly effect on household's income thus, leading to the non-rejection of the null claim. The outcome is linked to the fact that microfinance savings programs may not be effectively mobilizing savings from households in Evurore ward. There could be various barriers that prevent households from saving, such as low-income levels, lack of awareness about the benefits of savings, or limited trust in the microfinance institution. As a result, the amount of savings accumulated might be insufficient to have a significant impact on household's income. The output is inconsistent with Wang, Li, Huang, Zhao and Qiao (2021) who unearth that that residential savings variability has a significant impact on how income affects urban household's carbon emission. Karlana *et al* (2017) noted that savings in these community-based microfinance organizations improves the outcomes of household's business and women's empowerment. The outcome varies which could be due to the contextual variation deployed in the studies which make such outcome unique in application.

Microfinance training effect was determined on household's income among the SILC groups in Evurore Ward, Embu County in Kenya. Theoretically, microfinance training has no significant effect on household's income. Regarding this, the outcome of the survey disclosed a significantly positive effect on household's income thus, leading to the rejection of the null statement. The outcome could be accredited to the fact that microfinance training programs often focus on building the business and entrepreneurial skills of individuals. By providing training on topics such as financial management, marketing strategies, record-keeping, and customer relations, household's gain valuable knowledge and expertise that can be applied to their income-generating activities. This improved skill set enables them to operate their businesses more effectively, leading to increased profitability and income. The outcome of the survey aligned with Solarin, Loke, Ramasamy, Yen, and Gan (2020) who exposed that social intermediation services, micro insurance, microcredit, savings, and training have a effect that is significant on

the socioeconomic welfare of urban household's in Sabah. Badiuzzaman, Uddin, and Hossain (2020) unfolded that microfinance training has the biggest impact on poverty of households.

5.0 Conclusion

The survey explored the effect of microfinance services on the income of household's belonging to SILC groups in Evurore Ward, Embu County, Kenya. The findings revealed several discoveries and conclusions regarding the particular services provided by microfinance institutions to SILC groups in that area. Specifically, the investigation demonstrated that microfinance loans have a noteworthy and positive influence on household's income. The survey concludes microfinance loans have a significant effect on the household's income of SILC (Savings and Internal Lending Communities) groups in Evurore Ward, Embu County, Kenya. This suggests that accessing microfinance loans contributes to an increase in income for SILC groups in the study area. These results highlight the potential of microfinance loans as a valuable financial tool for empowering households and promoting economic growth within the SILC groups in Evurore Ward.

The survey additionally examined the effect of microfinance savings on the income of household's belonging to SILC groups in Evurore Ward, Embu County, Kenya. In alignment with this aim, the survey revealed that microfinance savings have a positive but statistically insignificant influence on household's income. Based on these findings, the investigation concludes that microfinance savings have a limited role in the household's income of SILC groups in Evurore Ward, Embu County, Kenya. These results suggest that microfinance savings may not have a substantial impact on the income of SILC groups. However, it is important to note that other factors or contextual considerations may influence the relationship between microfinance savings and household's income thus having an insignificant effect on the income of the SILC group.

The study assessed the effect of microfinance training on household's income within SILC groups in Evurore Ward, Embu County, Kenya. In line with this objective, the research revealed that microfinance training has a notable and statistically significant positive effect on household's income. The survey concludes that microfinance training plays a significant role in the determination of the household's income of SILC. This indicates that providing training in microfinance contributes to an increase in income for SILC groups. These results highlight the importance of investing in microfinance training as a means to enhance the economic well-being and income generation capabilities of SILC groups in Evurore Ward.

6.0 Recommendations

The survey's recommendations were formulated in consideration of the significant factor identified in the study. Drawing from the findings, these recommendations were developed to address the outcomes of the survey. The study recommends that to further enhance the income-generating potential of SILC groups, it is necessary to promote increased access to microfinance loans. This can be achieved by collaborating with microfinance institutions, NGOs, and government agencies to expand the availability of microfinance loan programs tailored to the needs of SILC groups in the area.

The microfinance banks should enhance financial literacy and business skills among community members that can help them better manage their finances and make informed decisions regarding

savings and investment. This can be achieved through workshops, training programs, or partnerships with local organizations that specialize in financial education.

The survey recommends the expansion and strengthening of microfinance training programs targeted at SILC group members in Evurore Ward. Collaborate with microfinance institutions, NGOs, and local government authorities to develop comprehensive and tailored training programs that cover various aspects of financial management, entrepreneurship, and business development. These programs should focus on enhancing the skills and knowledge necessary to effectively utilize microfinance resources for income generation.

The microfinance should implement mentorship programs to provide ongoing guidance and support to individuals who have undergone microfinance training. Pair trained community members with experienced mentors who can offer advice, share insights, and assist in the practical application of the knowledge gained through the training. This mentorship can help individuals overcome challenges, refine their business strategies, and maximize the impact on their household income.

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