

**CHAMA MEMBERSHIP: ENHANCING WOMEN EMPOWERMENT THROUGH
PARTICIPATION IN MICRO-ENTERPRISES IN KARIOKOR MARKET**

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DECLARATION OF ORIGINALITY FORM

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This research project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

To

My dearest mum, Eunice

Thank you for your constant love, support and encouragement

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ACRONYMS

| | |
|----------|--|
| CBD | Central Business District |
| COVID-19 | Corona Virus Disease of 2019 |
| CRB | Credit Reference Bureau |
| DADA | Dare to Aspire, Dare to Achieve Initiative by Stanbic Bank |
| DFID | Department for International Development |
| FGD | Focus Group Discussion |
| ILO | International Labour Organization |
| KCB | Kenya Commercial Bank |
| KII | Key Informant Interview |
| KNBS | Kenya National Bureau of Statistics |
| MFI | Micro Finance Institution |
| MSE | Micro and Small Enterprises |
| MSME | Micro, Small and Medium Establishments |
| NACOSTI | National Commission for Science, Technology and Innovation |
| SPSS | Statistical Package for the Social Sciences |

ABSTRACT

Microenterprises are a meaningful source of livelihood for rural and urban dwellers across the African landscape. In Kenya, majority of microenterprises are women-owned, demonstrating their importance in facilitating socio-economic empowerment. Literature points out that women-owned microenterprises often resort to borrowing from chamas or their close networks of friends and family to circumvent hindrances encountered when seeking formal finance. This study focuses on the role played by chamas in enhancing women empowerment and microenterprise growth on traders specializing in handicrafts in Kariokor market. To address its objectives, the study profiled the characteristics of women microenterprise owners involved in chamas; the essence of their involvement in these groups; and the subsequent change experienced in their livelihoods and personal status. The study employed the sustainable livelihoods theory to engender the activities and interactions influencing the sustenance and uplifting of livelihoods of women traders. To gain insight into lived chama experiences as perceived and interpreted by women micro-enterprise owners, the study employed a descriptive research design with qualitative data collection approaches. The study collected responses from 27 women-owned microenterprises with chama membership, five key informants and four focus group discussions. The study found that that most of the women microenterprise owners specialized in selling beadwork, had completed secondary education, sourced their start-up capital from personal savings and were introduced to handicraft trade, and chamas by their close social ties. The study also revealed that chama membership plays a crucial in facilitating the meeting of household needs, buying of stock, fulfilling personal aspirations and enhancement of business knowledge and creative skills. Nonetheless, due to endearing household and enterprise priorities, women traders are often unable to redirect chama funds to other businesses ventures. The study found that challenges encountered in chamas such

as irregular payments and members defaulting from MFI loans often leads to disempowerment and disbanding of groups. The study also found that despite their potential, chamas were not efficiently utilized by women microenterprise owners to engage with market authorities. Among others, the study recommends training on maintaining positive group dynamics and enlightenment on participatory decision making.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Microenterprises create job opportunities and foster entrepreneurial skills, thus improving people's wellbeing (Kenya, 2012; KNBS, 2016). Microenterprises sustain households through the provision of affordable goods and services. In Kenya, microenterprises are predominantly women-owned (KNBS, 2016, 2017; McCormick, 1992), highlighting their importance, especially in terms of women's access to gainful employment, which is crucial for socio-economic empowerment.

The 2012 MSE Act defines microenterprises as businesses with less than ten employees. Studies have, however, observed that microenterprises often have less than six employees (McCormick, 1992; Stevenson & St-Onge, 2005), and are operated mostly by owners (KNBS, 2016; Kamau et al. 2015). Microenterprises constitute an average of 90 per cent of the licensed and unlicensed MSMEs in the country (KNBS, 2016). Studies attribute this dominance to apprentices graduating from small enterprises to start their establishments (Ngau & Keino, 1996; Yankson, 1996) and people's aspirations for self-employment and better income (KNBS, 2016).

Microenterprises tend to be clustered in specific locations, leading to the development of networks that prompt the formation of cohesive groups with shared interests now commonly referred to as chamas (Kinyanjui & Kamau, 2007; McCormick & Kimuyu, 2007; Pedersen, 1996). Chama members meet periodically to contribute and distribute funds on a rotational basis (Gugerty, 2007; Impio et al. 2009; Kinyanjui, 2014). Chamas have a higher prevalence of female than male membership (Alila, 1996, 1998; Elliot, 2014; Impio et al. 2009). Kinyanjui (2014) posits that chamas serve as a cornerstone in which women, particularly in the informal sector, embrace solidarity entrepreneurship by collaborating to reduce transaction costs, share business ideas and workspaces. Chama membership, therefore, enables low-income women to access savings and

address their socio-economic needs (Alila, 1998; Otunga et al. 2001). This finding confirms Adams & Pischke's (1991) assertion that an assured flow of small amounts of funds is crucial in sustaining microenterprise operations.

Through various policy pronouncements, the Kenyan Government has progressively recognized the useful role played by microenterprises in absorbing the unemployed (Alila, 1998; KNBS, 2016; McCormick, 1988). In Sessional Paper 2 of 2005 on Development of Micro and Small Enterprises for Wealth and Employment Creation for Poverty Reduction, the government recommends the integration of MSMEs and the establishment of a central coordinating body for women enterprise development (ILO, 2008). The government emphasizes gender mainstreaming and market access expansion in the Micro and Small Enterprises Act 2012. Microenterprises have been recognized as essential agents in steering the economic pillar of Vision 2030, to achieve the broader sustainable development goals of the country.

1.2 Problem Statement

In Kenya, microenterprises are a predominant livelihood strategy through which low-income women earn a living and provide for their families. Microenterprises utilize local material and resources, showcasing their usefulness in facilitating sustainable development (Mbugua et al. 2014). Owing to the scarcity of formal employment opportunities, these establishments are often borne out of necessity (Stevenson & St-Onge, 2005). The 2016 KNBS report on Micro, Small, and Medium Establishments found that women solely own 61 per cent of the country's 5.9 million unlicensed businesses. Additionally, the report found that the sector hires an average of 8.6 million people and that most enterprises fall under retail trade.

In the course of business operations, microenterprises encounter a myriad of challenges such as high operation costs, scarce resources, low market demand, adverse work environments, and rising

local competition (KNBS, 2017; 2019). Poor planning and inadequate infrastructure are also cited as deterrents to microenterprise development. To improve performance, microenterprise owners require capacity building to enhance their managerial skills and business knowledge (Kamau et al. 2015). Stevenson & St-Onge (2005) recommend follow-up training inputs to further support and assist entrepreneurs.

Access to finance has a high potential for boosting micro-entrepreneurial activities (Alila & Atieno, 2007). However, formal credit providers such as banks are often disinclined to lend to these businesses, citing information asymmetry and high risk (Alila & Atieno, 2007). The bias is more accentuated on women entrepreneurs due to their lack of collateral and limited control over fixed assets (Alila, 1998; McCormick & Kimuyu, 2007; Pedersen, 2001). Generally, microenterprise owners often treat formal finance providers as lenders of last resort due to their high lending costs (Stevenson & St-Onge, 2005). Similarly, despite government intervening to improve financial access by initiating loan schemes such as the Women Enterprise Fund, a significant proportion of women-owned microenterprises are still not reached. Lengthy loan processes and the fear of being blacklisted by the CRB in case of loan default also deter women from pursuing enterprise funds (Kamau et al. 2015).

Borrowers who fall short of meeting formal credit requirements, such as low-income women often circumvent these constraints by resorting to their social capital networks for assistance (Mwangi & Ouma, 2012). Chamas are an example of groups that emerge from such networks. Chamas embrace a savings model which increasingly deems viable for facilitating access to finance. Savings are instrumental in availing cash for investment and development (Alila & Atieno, 2007). Kinyanjui (2012) terms chamas as alternative banking systems which facilitate reciprocal wealth redistribution as opposed to capitalistic banking which restricts wealth transfer to a few people.

Chamas thereby serve as a channel for low-income women to overcome funding barriers since their arrangements allow mutual assistance on a rotational basis (Njeru & Njoka, 2001). Low start-up capital and operating costs requirements allow owners, relatives or informal groups, such as chamas, to finance microenterprises (Kamau et al. 2015; Njeru & Njoka, 2001). Chamas are also instrumental in providing socio-economic assistance to members in the form of in-kind contributions and social support through various life experiences.

Studies on women-owned microenterprises have generally focused on hurdles encountered in accessing credit, negatively affecting the expansion of establishments. There is however need for data linking the viability of chama membership to women-run microenterprises, particularly those engaged in handicrafts such as basketry, beadwork, and leatherwork. Therefore, this study endeavours to unpack the synergy between women enterprise growth and chama membership, enhancing women empowerment in Kariokor market.

1.3 Research Questions

The broad research question is: How does engagement in microenterprise based chamas enhance women empowerment in Kariokor Market?

To help answer this question, the specific research questions are:

1. What is the essence of women's involvement in chamas?
2. What are the characteristics of women chama member-operated microenterprises?
3. How does engagement in microenterprise based chamas enhance women empowerment?

1.4 Research Objectives

The overall objective of the study is to analyse the role of chama membership in enhancing women empowerment through participation in microenterprises in Kariokor Market.

To help realise this general objective, the specific research objectives are:

1. To analyse the essence of women's engagement in chamas
2. To examine the characteristics of women chama member-operated microenterprises
3. To explore the role played by chama members' participation in microenterprises, focusing on women empowerment

1.5 Justification of the Study

Microenterprises provide affordable goods and services to the domestic market. These establishments are also crucial building blocks of livelihoods, particularly for low-income women. In their enterprise operations, women entrepreneurs heavily draw upon chamas for financial support to counter hindrances faced when seeking formal finance. The thrust of this study is to build on existing literature about the experiences of chama membership on women-owned microenterprises. Prior studies on this group generally focus on challenges affecting their operations or on their credit experiences with micro-finance programmes or cooperatives. Additionally, previous groups highlighted in studies are either vegetable vendors, rural-based women or second-hand cloth retailers. There is, therefore, need for data linking the viability of chama membership with women-owned microenterprises engaged in handicrafts.

The study will be useful among scholars and researchers seeking to gain insight into the role that chamas play in enhancing the livelihoods and operations of women-owned microenterprises engaged in handicrafts.

1.6 Scope of the Study

This study is limited to the lived chama experiences as perceived and interpreted by women micro-enterprise owners, specializing in handicrafts in Kariokor market. The study also reflects the insights of other traders within the market premise and select key informants.

1.7 Operational Definition of Terms

Chama: A group formed by people with shared interests where members meet periodically to contribute and distribute funds or in-kind items on a rotational basis. Although chamas can be broadly categorized as registered or unregistered, the groups can also be categorized according to the purposes they serve. The following are some types of chamas that this study highlights:

- (i) Merry-go-rounds: Groups where members pool and distribute funds or in-kind items on a rotational basis.
- (ii) Welfare chamas: Groups where members accrue funds with intent to provide social support in the event of a life event or emergency.
- (iii) Micro-finance/ Bank-based chamas: Groups where members pool funds with intent to seek credit from MFIs or banks through mutual guarantee systems.

Women empowerment: The means in which women transform their choices into outcomes. Women empowerment entails access to productive resources, knowledge and skills which enhances their ability to make life decisions.

1.8 Organization of the Research Paper

The research paper is organized in five chapters. Chapter one includes the background of the study, which introduces microenterprises, their role in fostering women's access to meaningful employment, and the emergence of chamas amongst these entities. Chapter one also includes the problem statement; research questions; research objectives; the scope and justification of the study. The main argument in this section is the continued significance of chamas in terms of women's access to finance and the need for data linking the said viability to women-owned microenterprises specializing in handicrafts.

Chapter two explores literature that discusses the interlinkage between women's involvement in chamas and microenterprises. Theoretical literature is drawn from the sustainable livelihoods theory while empirical literature is analysed and discussed thematically. The section concludes with the conceptual framework, which depicts the relationship between the study's variables.

Chapter three covers research methodology which comprises of the research design, study site, target population, sampling techniques, data collection methods, data analysis process and the data needs table which provides a summary of the information required to answer each research question. Ethical considerations and challenges encountered during the data collection process are also included in this section. Chapter four presents and discusses the research findings, while chapter five comprises the summary, conclusion and recommendations of the study. The appendix consists of the data collection tools.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section comprises of theoretical literature, empirical literature and the conceptual framework. Theoretical literature discusses the sustainable livelihoods theory, and further outlines the linkages between women's involvement in microenterprises and chamas.

Empirical literature will discuss previous studies in three sections. Firstly, women's involvement in chamas from a historical perspective. Secondly, the characteristics of microenterprises operated by women chama members, and finally, engagement in the earlier mentioned establishments enhancing women empowerment. The conceptual framework will include a diagrammatic conceptualization of the relationship between the study's variables.

2.2 Theoretical Literature Review

2.2.1 Sustainable Livelihoods Theory

Livelihoods comprise of assets and activities through which people ensure their wellbeing (Chambers, 1986). This study focuses on microenterprises which are an essential avenue through which women gain a living and satisfy their needs. The study employs the sustainable livelihoods theory, by Chambers & Conway (1992), to analyse the activities, factors and interactions influencing livelihoods.

According to Chambers & Conway (1992), sustainable livelihoods are those that can cope with and recover from stresses and shocks while maintaining their capabilities. Microenterprises continuously absorb women who fail to secure formal employment, enabling them to meet their daily needs. However, KNBS (2016) cites inadequate working capital as the primary constraint to MSME growth and survival. Information asymmetry, high transaction costs, lack of collateral and limited control over fixed assets deprive women-owned microenterprises of securing formal

finance (Alila & Atieno, 2007; Pedersen, 2001). Other observed realities that often prove to be challenging include rising local competition, adverse work environments and poor business management and administration skills (KNBS, 2016).

Also crucial to livelihoods, are assets, which individuals draw upon for reinforcement. Scoones (1998) asserts that access to a diverse asset base is essential for the fulfilment of livelihood needs. Women-owned microenterprises often possess social capital endowments, which ease the formation of chamas. Social capital networks include affiliations and mutually beneficial relationships drawn upon in times of need (Scoones, 1998). Berrou & Combarous (2012) further that the social networks of informal traders often comprise of a blend of kinship, friendship and business ties. Solidarity groupings that emerge from these ties facilitate access to resources and information, easing members' abilities to cope with rising pressures.

According to Berrou & Combarous (2012), social capital networks are important, particularly amongst informal entrepreneurs, since they compensate for weak and often inadequate internal resources. Mitchell & Co (2004) point out that social networking facilitates broadening of links, access to resources and information, building one's knowledge and skills base. Furthermore, social capital bonds that exist in groups such as chamas foster collaboration among members while building interpersonal relationships, a shared sense of identity, trust and reciprocity (Kinyanjui, 2012).

Chamas are also an example of self-organization processes through which women increasingly participate as agents of change. Shared values of solidarity, interdependence, the need to maintain relationships and uphold one's reputation lessen opportunistic behaviour and contribute to the sustenance of these groups (Mwangi & Ouma, 2012). Kinyanjui (2012) asserts that the chama concept has evolved out of ordinary people's desire to creatively address their welfare and material

needs, facilitating poverty alleviation. Through encouraging savings, chamas increase members' opportunities to widen their finance options, counteracting their exclusion from formal credit. Thus, these synergies have relatedness to Sen's (2000) definition of freedom of choices. Access to finance is deemed instrumental in facilitating entitlements that agents seek to secure (Sen, 2000). In this case, chamas cater to women excluded from formal finance, building their capacity to address their socio-economic deficits.

In a similar lens, DFID (1999) regards sustainable livelihoods as those that are internally manageable and not entirely dependent on external support. Chamas build the financial self-reliance of women-owned microenterprises by enabling access to lump-sum payments on a rotational basis. Chamas also serve the double incentive of lending to members at reduced transaction costs, and rates that are deemed more viable and convenient than formal credit (Srivastava cited in Oino et al. 2014). These terms allow members to manage repayment on a more sustained basis, easing their ability to continue making meaningful investments on their wellbeing and that of their dependents. Overall, these groups demonstrate their resourcefulness by their ability to enable members to navigate life's challenges and opportunities collectively.

The sustainable livelihoods approach emphasizes the importance of people-centred development, which is advancement according to one's interpretation of their own goals and objectives (DFID, 1999). By being a source of gainful employment, microenterprises enable low-income women to earn a living, empowering them to make life choices in contexts previously denied to them (Kabeer, 2001). Enterprise owners, therefore, have a higher chance of deciding how to spend their earnings according to priorities that they find befitting. Since freedoms reinforce empowerment, this advancement translates to higher chances of women achieving long-lasting life improvements

such as re-investing in better education, health, and playing a more active role in claiming their rights (DFID, 1999; Sen, 2000).

While this study adopts the positive hypothesis of chamas uplifting women microenterprise owners, it is essential to note that not all livelihoods can accomplish this across all dimensions. Therefore, sustainability is an ongoing pursuit which livelihoods strive to achieve (DFID, 1999). Kamau et al. (2015) remark on the need for further advancement of various human capital skills such as business training and financial literacy to facilitate better reinvestment of chama funds by women microenterprise owners. Nonetheless, this study seeks to highlight the importance of chamas in fostering cooperation and emboldening the livelihoods of women microenterprise owners.

2.3 Empirical Literature Review

2.3.1 Women's involvement in chamas from a historical perspective

African communities are attributed to have long-standing traditions of supporting each other in times of need. In Kenya, solidarity groupings such as the *saga* among the Luo and *lisanga* among the Luhya trace back to village-oriented groups associated with convening labour exchange on people's farms and promoting inter-homestead assistance (Shipton, 2007). Such gatherings were instrumental in uplifting the poor, who actively participated, particularly during hard times, to obtain in-kind gestures such as meals from the *saga* hosts. Among the Kikuyu, collective labour groups are known as *ngwatio*, while groups that provide reciprocal social assistance in times of sickness, childbirth and weddings are known as *matega* (Kinyanjui, 2014). Maina (2013) commends the social aspect of the *ngwatio* groups with turning mundane tasks that were also laborious into enjoyable activities, making work easier, particularly for young adults.

Among the Nigerian Igbo, *isusu* groups are notable for providing pooled labour and resources to support communities. Nwabughuogu (1984) documents that these groups (*isusu*) transitioned from facilitating periodic contributions that enabled people to meet various social life expenses such as marriage, death and sickness, to providing capital support to those who wished to engage in large-scale trade. Mayoux, (2001) documents that the *tontine* women groups in Cameroon are integral in facilitating reciprocal in-kind household contributions, rotational labour and funds. In Ethiopia, *debo* groups provide labour arrangements in rural areas, *iddir* groups provide social insurance in times of crises, while *iqqubs* provide rotational savings arrangements (Kebede & Butterfield, 2009). To date, solidarity groupings such as *chamas* continue to play an active role, uplifting women. Kinyanjui (2012) posits that *chamas* have evolved, urbanized, and currently contribute to providing socio-economic assistance to members, serving as a link between the present and the past.

Impio et al. (2009) attribute women's sustained high involvement in *chamas* to their social, communal and self-help nature. *Chamas* are a conduit for women to maintain and reaffirm their social ties. In his study on the Gurage in Ethiopia, Baker (1992) observes that *chamas*, also referred to as *iqqubs* are a popular means for migrants, especially women, to reassert their commitments with the rural folk. Baker (1992) links women's higher involvement to lower incomes earned, compared to their male counterparts, giving them a higher incentive to pool their savings.

Kinyanjui (2014) observes that women micro-traders join these group to work with others as one cannot function alone, particularly in urban areas ridden with challenges. Rising economic pressures often stimulate the development of personalized networks, outside kinship ties, amongst informal traders leading to the formation of groups with shared interests (Berrou & Combarous,

2012). Kinyanjui (2014) elaborates that chamas, therefore, embolden women traders with a sense of identity and belonging, enhancing their capacity to engage with modernity.

Chamas provide women with an avenue for accumulating and accessing funds. Due to their lack of collateral and limited control over fixed assets, women-owned microenterprises often fail to meet the stringent loan requirements of formal credit providers (Kamau et al. 2015). High interest rates also account for low formal credit demand by these establishments. Therefore, existing social capital networks enable women to organize themselves in chamas, which allow them to manoeuvre financial distress, and manage socio-economic difficulties (Oino et al. 2014). Chamas serve the double incentive of providing lump-sum rotational payments, and accessible lending at terms that are deemed more convenient than formal credit (Kinyanjui, 2014). Mwangi & Ouma (2012) observe that to heighten their chances of accessing informal loans, people often pledge their loyalty to several groups. Similarly, Kinyanjui (2014) posits that women in the informal sector often join multiple groups to maintain friendships and enhance their ability to engage with modernity as one cannot survive alone. These findings affirm Atieno's (2009) assertion that firms form linkages to overcome constraints affecting their operations collectively.

Chamas tend to emerge in groups of women with shared interests and experiences such as common workspaces and faith-based networks. These groups are associated with facilitating social interaction, maintaining cohesion and elevating members' welfare. Impio et al. (2009) document that the progress of friends, relatives and neighbours in chamas encourages women to join these groups. Additionally, chamas provide welfare support to members in times of childbirth, weddings, illness and bereavement, facilitating bonding and increasing solidarity.

2.3.2 Characteristics of women chama member-operated microenterprises

While the owners of micro establishments vary in terms of sex, age, education level and skills-set, this study endeavours to focus on microenterprises whose proprietors are women chama members. In Kenya, the focus on small and micro enterprises traces back to the 1960s and 1970s as demonstrated by various government policy pronouncements focused on promoting and advancing indigenous entrepreneurship. However, these entities became more globally pronounced after ILO's 1972 mission to Kenya, which led to the birth of the informal sector concept (Bangasser, 2000). The report defines the sector as one that comprises of small-scale activities, family labour, low capital and technology requirements. The sector demonstrates its efficiency and productivity by its ability to absorb the majority of the unemployed urban population (ILO, 1972). Similarly, Kinyanjui (2014) defines economic informality as heroic, revolutionary and innovative entrepreneurship borne out of ordinary people's response to the desire for survival and self-fulfilment.

There are varying definitions for small and micro enterprises across the globe. Authors characterize these establishments according to the number of employees, annual turnover, business maturity, initial capital requirement, type of technology and asset accumulation. In the Kenyan context, the definition of small and micro enterprises has evolved over the years. Sessional Paper No. 2 of 1992 on Small Enterprises and Jua Kali Development defines small establishments as entities hiring 1-50 employees. The 1999 National MSE Baseline Survey distinguishes between micro and small enterprises. The Survey defines microenterprises as establishments employing up to ten workers and small businesses as entities engaging up to 50 workers. Similarly, Sessional Paper No. 2 of 2005 on Development of Micro and Small Enterprises for Wealth and Employment Creation for Poverty Reduction acknowledges the distinctions between micro and small

enterprises. The policy paper proposes a Small Business Act to support and address MSME needs which led to the decreeing of the MSE Act in 2012.

The 2012 MSE Act defines microenterprises as establishments that hire less than ten employees. The 2016 National MSME Survey further states that most of these entities are often owner-operated. Generally, owners occasionally involve family members to assist with running operations when work necessitates. This attribute contributes to microenterprises' low operating costs, which facilitates their flexibility in managing risks such as unfavourable market conditions (McCormick, 1988). Overall, McCormick (1992) argues that these features contribute to the continued survival of microenterprises, influencing their sustained intentions to remain small.

Microenterprises often require relatively low start-up and subsequent working capital which eases the entry of low-income women (Otunga et al. 2001). Other observed motivations for enterprise establishment include the availability of customers, prior experience and interest in the business (Kamau et al. 2015). Kinyanjui (2014) finds that informal women traders are often introduced to these new workspaces by their relatives, friends or by people from their close networks. Due to the increase in the number of women inhabiting business buildings along the CBD's Taveta Road, Kinyanjui (2014) concludes that chamas have had a high bearing on the city's changing landscape from male domination to the remarkably high female occupation.

Women-owned microenterprises possess social capital endowments which ease the formation of chamas. Kinyanjui (2014) posits that these establishments embody the African principle of solidarity entrepreneurship by setting uniform prices which ensures they all remain in business, sharing workspaces, transport costs and rents which facilitates the reduction of transaction costs. Social ties often provide a reprieve to women microenterprise owners who encounter hindrances while seeking formal finance due to stringent loan requirements, high interest rates and their lack

of required security. Therefore, women traders often resort to borrowing from either their networks of friends and relatives or chamas, which offer loans at terms that are more favourable than formal credit (Kamau et al. 2015; Kinyanjui, 2014). In a similar lens, Njeru & Njoka (2001) find that women microenterprise owners cope with competition by utilizing their social capital networks to attract and retain clients.

However, despite its relative accessibility, various studies suggest that at times, not all MSME credit needs are adequately catered to by informal finance (Alila & Atieno, 2007; Atieno, 2001). Similarly, Stevenson & St-Onge (2005) posit that, while the financial needs of women-owned microenterprises are often perceived solved by chamas, the rotational model can at times inconvenience those seeking an immediate financial reprieve. At times, these groups resort to seeking micro-credit from MFIs through mutual guarantee systems (Alila & Ouma, 2007; Stevenson & St-Onge, 2005). On the other hand, banks are increasingly attempting to fill this finance gap as illustrated by the incorporation of chama aspects and principles into their formal banking systems (Kinyanjui, 2014). This dynamism is demonstrated by various loan schemes that encourage chama savings and borrowing such as Stanbic Bank's DADA Initiative, Family Bank's Chama Account and KCB's Tuungane Chama Account.

Kinyanjui (2014) observes that women with relatively high levels of education are increasingly engaging in microenterprises, proving that despite prior statistics and notions, the trade is no longer an exclusive venture for women with low levels of education. Nonetheless, studies find that generally, women have lower levels of education compared to men. This aspect confines women to lower paying jobs which avail lower savings, ultimately confining them to set up comparatively smaller businesses than men (Kinyanjui, 2014; McCormick, 2001).

2.3.3 Engagement in microenterprise based chamas enhancing women empowerment

Access to finance is likely to reduce inequality and lead to a reduction in poverty (World Bank, 2008). Chamas are an essential finance option to women-owned microenterprises. Studies find that savings from these groups enable women to offset various familial needs, such as children's education and domestic expenses (Impio et al. 2009; Oino et al. 2014). Kinyanjui (2012) documents that bulk in-kind transfers facilitated by chamas enable women to save and reallocate funds to other household priorities. Women also channel these funds to boost or set-up microenterprises, which allows them to meet their current and future income needs (Alila, 1996). Accordingly, McCormick (1996) argues that these groups provide a reprieve to microenterprise owners, allowing for the reinvestment of profits into businesses since chama savings already cover household expenses. Kinyanjui (2012) also posits that small-scale business opportunities initiated through chamas foster women's participation in active citizenship, in their contribution as social entrepreneurs who provide employment opportunities to other members of the community.

Access to chama funds enhances the ability of women to attain self-development. Impio et al. (2009) observe that chama membership increases women's likelihood of achieving various social gains such as purchasing farm inputs and additional stock for their businesses without necessarily seeking financial support from spouses and relatives. Kinyanjui (2014) finds that engaging in informal trade enables women traders to participate in managing their households, increasing their bargaining power and the likelihood of their attainment of self-transformation and freedom from relying on handouts from their spouses and relatives. Kinyanjui (2014) elaborates that microenterprise based chamas enable women's access to lump-sum rotational payments which increases their capacity to meet their daily needs and make meaningful household investments

which builds their overall self-esteem. Such social gains result in improved socio-economic status and strengthened interpersonal relationships among chama members.

Chamas serve as a platform where women microenterprise owners build their interpersonal relationships and forge meaningful links with others engaged in different trade specialities. Kinyanjui (2014) furthers that discussions held in chama meetings enable women to bond, build trust, exchange ideas and learn from one another. Chamas, therefore, facilitate shrewd decision making, such as sending a member to buy commodities on behalf of others, thereby saving on transport and accommodation costs (Kinyanjui, 2014). Additionally, by facilitating savings and investments, chamas enable women members to improve their financial literacy and skills, strengthening their path to self-actualization (Kinyanjui, 2012). To further boost the attainment of the potential benefits demonstrated by chama membership, Muia et al. (2018) propose training on development and management of group dynamics, to strengthen chamas.

Even though Kinyanjui (2014) finds that chamas serve as a social infrastructure which enables cooperation and solidarity, she documents that issues affecting informal women traders are either overlooked or inadequately addressed by affirmative action and women movements. Therefore, questions arise as to whether chamas serve as vehicles for engaging and bargaining with authorities. Mitullah (2003) notes that while women traders groups are increasingly improving their awareness on their rights and position in policy formulation, there is need for further enlightenment on the importance of assuming leadership roles in organizations that are on the forefront in lobbying for the rights of informal traders.

2.4 Conceptual Framework

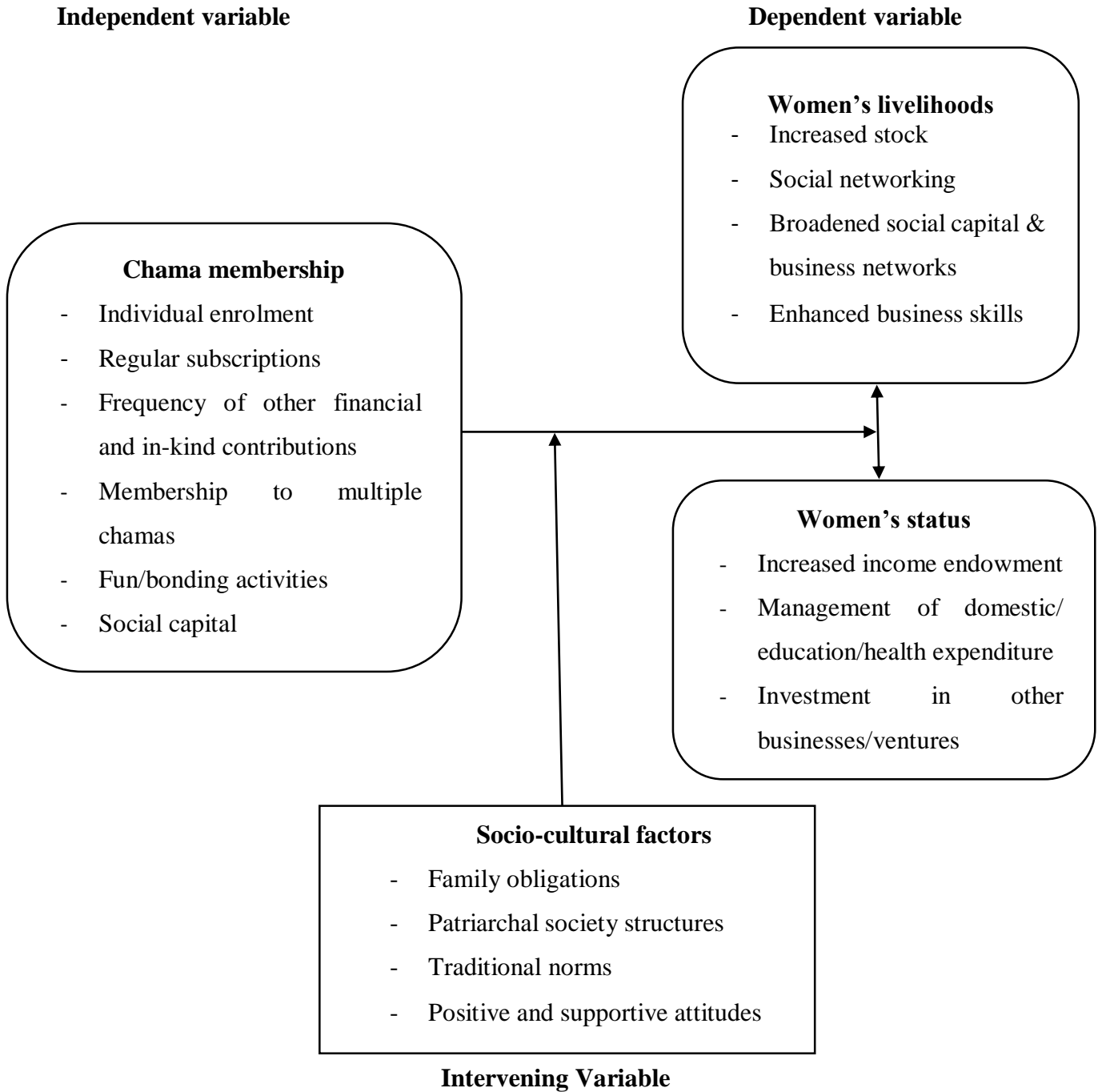
This study employs the sustainable livelihoods theory, which discusses the factors, activities and interlinkages affecting livelihoods. Microenterprises meaningfully occupy women, enabling them

to earn an income and meet their life needs. Sustainable livelihood theorists propose access to a diverse asset base to facilitate the maintenance and enhancement of livelihoods even amid stresses and shocks (Chambers & Conway, 1992; DFID, 1999; Scoones, 1998). In the course of running their enterprises, women encounter restraint in accessing formal finance due to stringent loan requirements and limited control over productive assets (Alila & Atieno, 2007; Kamau et al. 2015), often implying relying on spouses and relatives for financial assistance (Kinyanjui, 2014). Financial constraints directly impede women's ability to fulfil their life aspirations successfully. The sustainable livelihoods theory emphasizes access to a diverse asset base for continuity in livelihood operations (Scoones, 1998). Women-owned microenterprises possess social capital networks which ease the formation of chamas. These groups facilitate accumulation and distribution of funds, which is instrumental to enterprise survival, growth and women's socio-economic development. By encouraging savings, and facilitating sharing of new ideas and business perspectives, chamas build the financial literacy of women members (Kinyanjui, 2014). Reinvestment of chamas funds into their enterprises, other business ventures and various socio-economic priorities reinforces their capability to cushion themselves and their dependents (Kinyanjui, 2012).

These groups also serve as an avenue for women to grow their interpersonal relationships and obtain welfare support (Kinyanjui, 2012). Chamas enhance the feeling of mutual growth since members derive satisfaction from seeing each other thrive. Chamas are, therefore, requisite self-initiated groups which have proven their dynamism in the reinforcement of women's livelihoods and members' self-advancement according to their priorities (Impio et al. 2009; Kinyanjui, 2014). In this study, the conceptual framework depicts a relationship between the study's variables. It suggests the existence of a correlation between the independent variable, chama membership, and

the dependent variable, women’s status and livelihoods. Socio-cultural factors are the intervening variable. Diagram 2.1 below conceptualizes the relationship between the study’s variables.

Diagram 2. 1:Conceptual Framework



Author’s conceptualization, (2020)

2.4.1 Study variables

Independent variable

Chama membership is the independent variable in this study. The focus will be on enrolment charges to new members, the regularity of payments such as subscription fees as well as other financial and in-kind contributions. The study will also include a focus on women's membership to multiple groups and meetings where members converge for bonding or fun activities which reinforce the already existing social capital bonds among members.

Dependent variable

This study breaks down the dependent variable into women's livelihoods and status. Under livelihoods, the study will centre its analysis on women-owned microenterprises' increase in stock, improvement of business skills and knowledge. The study will also look at broadened social capital and business networks attributed to chama membership, and overall social networking facilitated by these groups.

Under women's status, the study will direct its analysis to advancement through increased income endowment, investment in other businesses or ventures and management of domestic, education and health expenditure accredited to women's participation in microenterprise based chamas.

Intervening variable

Socio-cultural factors are the intervening variable. These factors include norms and attitudes which direct the way of life in society. While women's freedoms are progressively increasing, Sen (2000) asserts that various cultures still deny women the freedom of fully pursuing external employment opportunities, impeding their ability to attain economic empowerment and fulfil their social needs. Socio-cultural factors such as family obligations, interrupt the running of business operations. Limited spousal support in enterprise engagement and chama involvement due to spouses' fear of

being overpowered, or other women's influence also contribute to the suppression of women's chances of accessing gainful business and chama experiences in entirety.

Notwithstanding, the study will also look at constructive socio-cultural factors such as positive attitudes towards women's engagement in microenterprises and chamas, which support the involvement of women in these endeavours.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section outlines the methods and techniques that were used to generate data on chama membership, enhancing the operations of women-owned enterprises. This section includes the research design, study site, target population, sampling procedures, data collection methods, data needs table and techniques for data analysis. It also covers the challenges encountered during fieldwork and the ethical considerations.

3.2 Research Design

Research design is a data collection and analysis framework that aims to facilitate the collection of complete and adequate information (Bryman, 2012). This study employs a descriptive research design. Descriptive research describes phenomena under study systematically. Therefore, descriptive research involves collecting data to test hypotheses and answer questions concerning the subject under study (Gay, 1992). This study aims to gain insight into how chama membership enhances women empowerment through participation in microenterprises in Kariokor market.

Due to the absence of a comprehensive sampling frame (list of women-owned microenterprises involved in chamas), the study employs non-probability sampling techniques. The study's respondents were, therefore selected through purposive sampling.

Qualitative data collection approaches were utilized to gain insight into lived chama experiences as perceived and interpreted by women microenterprise owners. Semi-structured questionnaires (Appendix 1) were the primary research tool utilized to give perspective on the socio-economic effects of chamas on the livelihoods and status of the women in Kariokor market. Interview guides administered on focus group discussions (Appendix 2) and select key informants (Appendix 3)

provided in-depth insights into individual experiences and perceptions on the synergies of chama membership experiences on women's livelihoods and enterprise growth.

3.3 Study Site

The study was conducted at Kariokor market in Starehe constituency, within Nairobi City county. The market is located in Kariokor ward, which covers 1.5 square kilometres and has a total population of 18,834 (KNBS, 2019). Nairobi City county comprises of a dense urban population. The county has an overall unemployment rate of 14.7 per cent. Female unemployment stands at 18.99 per cent, while male unemployment stands at 11.55 per cent¹. The informal labour force is approximately 3.5 times higher than the formal labour force owing to its ease of entry and relatively low start-up requirements¹. While Starehe also harbours Nairobi's CBD, a central commercial hub, high class and socio-economic disparities characterize the constituency. For instance, market traders continuously face challenges such as poor access to safe water and sanitation, fire outbreaks, demolitions and harassment from police officers and county officials. Kariokor market is a bustling open-air market with approximately 206² rental stalls. The market harbours a variety of economic activities such as the production of leatherworks, handicrafts, Maasai sandals, shoe-making, food vending, and second-hand goods sales. Male traders primarily specialize in shoe-making and leatherworks while women traders are mostly involved in handicrafts, accessory making and food vending. Vendors from the market also supply unique goods and curios to Maasai market, which attracts both foreign and local clients. Suppliers of materials such as beads, sisal, leather and tools used in the production of craftworks also occupy

¹ County Integrated Development Plan (CIDP) 2018-2022, Nairobi City County.

² This information was obtained from Nairobi City County's website: <https://nairobi.go.ke/wp-content/uploads/NCC-Markets.pdf>

the market premise. Artisans also attest to sourcing materials in bulk from other market locations such as Gikomba while stock such as sisal and basketry is sought from Machakos and Kitui. The choice of Kariokor market as a study site is influenced by the uniqueness of the handicraft activity and the presence of women traders who organize themselves in multiple chammas.

Figure 3. 1: Location map showing the study area



Source: <https://earth.google.com/>

3.4 Population and Sampling

3.4.1 Sampling Women Micro-Enterprise Owners

Women-run microenterprises with chama membership, and specializing in retailing handicrafts were the unit of analysis in this study, while their owners were the respondents. Purposive sampling approaches were employed due to the absence of a comprehensive sampling frame. Convenience and snow-balling sampling techniques were therefore used in identifying and selecting respondents within the market premise. Convenience sampling involves collecting data from respondents based on their accessibility, availability and willingness to participate as study subjects (Etikan, 2016). In this case, members of the target population, women micro-enterprise

owners, who fit the set criterion, chama membership, were interviewed based on their availability and willingness to participate in the study. In the course of the data collection process, existing respondents also referred their close acquaintances who fit the set criterion to the researcher.

Face-to-face interviews were conducted till the desired number of 27 respondents was reached, and the response saturation attained. Effort was made to cover the study site as extensively as possible and to include micro-enterprise based chamas involved in various economic activities within the market.

3.4.2 Sampling of Key Informants

Five key informants were purposively sampled based on their knowledge of the phenomenon of interest. Purposive sampling enabled the selection of respondents who were well-informed on women-owned microenterprises and chamas by virtue of their background and experience interacting with these groups. The researcher sent outreach emails to the key informants and scheduled telephone interviews. All five (5) key informants responded positively.

Four (4) focus group discussions were conducted on market traders. The FGDs comprised of a mix of male and female traders (7 males and 12 females) engaged in various economic activities within the market such as selling Maasai sandals, beadwork, basketry, shoe-making and operating kiosks. The focus group discussions provided insight on the history of Kariokor market, the nature and evolution of chamas and economic activities within the market, and the general perceptions on the role of chama membership with regards to women empowerment.

3.4.3 Summary of the Sample Size

In summary, the researcher collected data from 27 women micro-enterprise owners who responded to the semi-structured questionnaires, 19 focus group discussants and 5 key informants, totalling to 51 respondents.

3.5 Data Sources and Data Collection Methods

The study used both primary and secondary data sources. Primary data was obtained from administering semi-structured questionnaires (Appendix 1) on women chama members who ran micro-enterprises, and from focus group discussion guides (Appendix 2) conducted on male and female traders within the market premise. Key informant interview guides (Appendix 3) were administered via telephone interviews.

Prior to conducting the interviews, the data collection instruments were pre-tested on three respondents. This enabled the researcher to identify questions that needed clarification and estimate the average time required to administer the tools.

The data collection exercise was carried out from 12th October to 24th October 2020. Additionally, an interview was conducted on 1st November 2020 on a key informant who had earlier confirmed their availability for the said date.

The open-ended questions on the semi-structured questionnaire enabled the researcher to gain insight into individual chama experiences as lived by women microenterprise owners. The questions sought to engender responses on the effects of chama membership on women empowerment and enterprise growth. Responses from focus group discussions and key informant interviews were also recorded by note-taking. Notes taken were quite insightful and came in handy when synthesizing data.

Secondary sources of data include literature reviewed from books, journal articles, reports, working papers and other scholarly works on livelihoods, women's participation in microenterprises and chama membership.

3.6 Data Needs Table

The data needs table shows a summary of the type of data, sources, instruments to be utilized and overall data needs required. The general research question is, how does engagement in microenterprise based chamas enhance women empowerment in Kariokor Market? Table 3.1 below depicts data needed on each of the specific research questions to help answer the overall research question.

Table 3. 1: Data Needs Table

| Research Question | Data Needs | Type of Data | Source(s) of Data | Instrument(s) |
|---|--|------------------------------|-------------------------------|-------------------------------|
| What is the essence of women's involvement in chamas? | Motivation for joining chama | Qualitative | Women micro-enterprise owners | Semi-structured questionnaire |
| | Individual enrolment and regular subscription fees | Quantitative and qualitative | Market traders | FGDs |
| | Frequency of other financial and in-kind contributions | | Key informants | KIIs |
| | Membership to multiple chamas | | | |
| | Fun and bonding activities | | | |
| What are the characteristics of women chama member-operated microenterprises? | Age | Quantitative | Women micro-enterprise owners | Semi-structured questionnaire |
| | Education level | | | |
| | Marital status | Qualitative | | |
| | Why they chose to engage in the trade | Quantitative and qualitative | | |
| | Source of start-up and daily working capital | | | |
| Family/employee involvement in the business | | | | |
| How does engagement in microenterprise based chamas | Reinvestment in the business | Quantitative and qualitative | Women micro-enterprise owners | Semi-structured questionnaire |
| | Investment in other businesses or ventures | | Market traders | FGDs |

| | | | | |
|----------------------------|---|--|---------------|------|
| enhance women empowerment? | Addressing of welfare needs | | Key informant | KIIs |
| | Voicing concerns to market officials | | | |
| | Socio-cultural factors affecting involvement in chamas and microenterprises | | | |

Source: Researcher, 2020

3.7 Data Analysis

Data analysis involves organizing, transforming and studying data to discover information and suggest conclusions. In this study, data obtained from the research instruments was both quantitative and qualitative in nature.

Field data from the semi-structured questionnaire, focus group discussions, and key informant guides was first cleaned and checked for accuracy. Quantitative data from the structured parts of the semi-structured questionnaire (Appendix 1) was analysed using SPSS 22.0 to generate simple descriptive statistics results in the form of frequencies, percentages and cross-tabulations.

Qualitative data from the semi-structured questionnaire was subjected to content analysis and assigned codes according to emerging themes. The data was then transferred to SPSS for analysis in frequencies. The descriptive analysis results were presented in tables, graphs and pie-charts in Chapter Four. Responses from focus group discussions, key informant interviews and unstructured parts of the questionnaire were reported in verbatim and used to elaborate the data analysed.

3.8 Challenges Encountered During Data Collection

The study was carried out during the global COVID-19 pandemic where the government had put in place restrictions to limit in-person contact and unnecessary movement, to minimize the risk of contracting and spreading the virus. However, due to the absence of a list of respondents who fit the study’s criterion, primary data collection was inevitable. Face-to-face interviews were

conducted on the market traders while taking into account the Ministry of Health's COVID-19 Prevention Guidelines³. Whilst interviewing the traders at Kariokor market, some respondents expressed distrust in research since they hadn't heard from previous researchers after partaking in their studies.

3.9 Ethical Considerations

The researcher obtained a research permit from the National Commission for Science, Technology and Innovation (Licence No: NACOSTI/P/20/7300). All respondents targeted in the study were over 18 years. Informed consent was sought from all respondents before proceeding with the questionnaire and interview guides. The informed consent statement outlined the purpose of the study, expected outcomes and assured them of the confidentiality of their identities and all information shared.

³ This information was obtained from The Ministry of Health's Website https://www.health.go.ke/wp-content/uploads/2020/06/Case-management-protocol-24_03_20-Draft-LA.pdf

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

Chamas are essential in facilitating socio-economic advancement, particularly among low-income women. This study sought to explore the sustained role of these groups in supporting the lives of women and the operations of their enterprises, focusing on Kariokor market. This chapter presents and discusses the study's findings.

The chapter is outlaid according to the specific research objectives that the study sought to address. Firstly, the characteristics of women chama member-operated microenterprises, secondly, the essence of women's involvement in chamas. Finally, the role played by chama members' participation in microenterprises, focusing on women empowerment. The chapter also outlays various challenges encountered in chamas. The findings are drawn from data obtained from semi-structured interviews conducted on women chama members running microenterprises, focus group discussions conducted on traders in Kariokor market, and interviews conducted on key informants.

4.2 Types of economic activities in Kariokor market

Kariokor market is a crucial livelihood source for many city residents. The market hosts a variety of economic activities ranging from the selling of basketry 'kiondoos', beadwork, shoes, Maasai sandals, second-hand goods to eateries, kiosks and live chicken sales. Being that Kariokor can trace its history to the 1940s, the economic activities carried out in the market have changed over the years. Focus group discussants explained that:

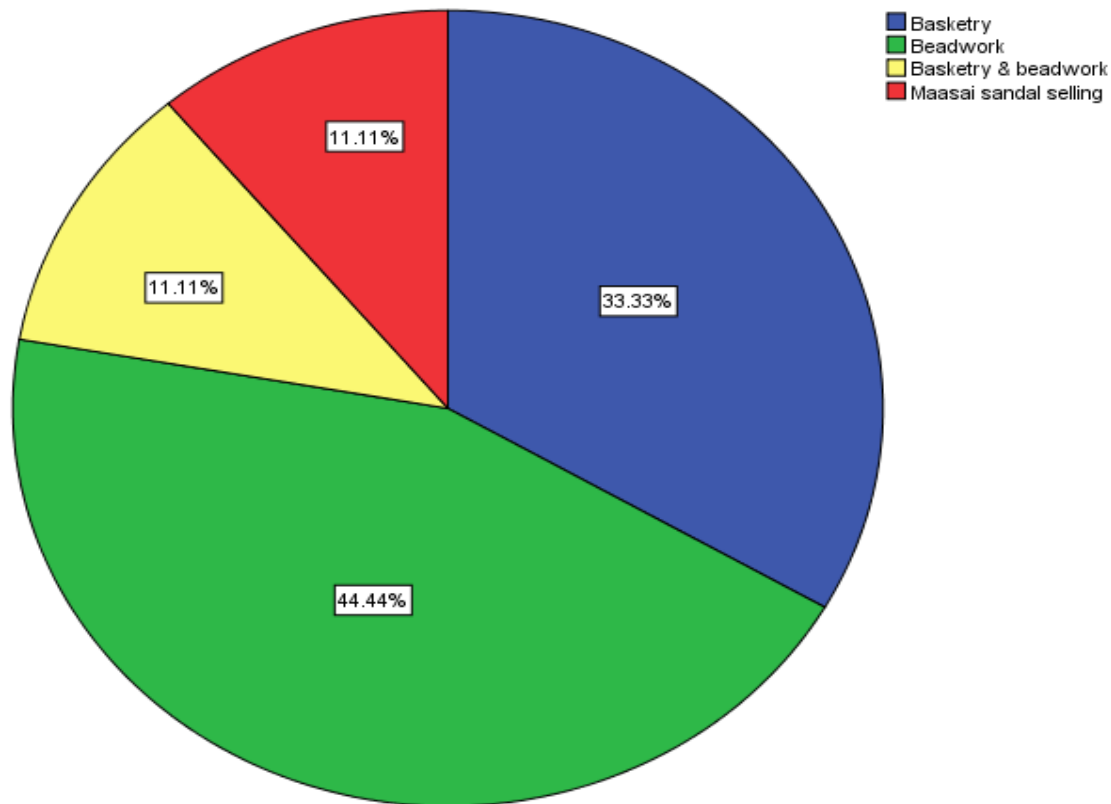
The oldest business that can be traced to Kariokor market is the sale of live chickens under the 'City Chicken & Eggs Dealer Cooperative Society Limited'. However, the live chicken sale diminished after the cooperative's collapse. Handicrafts trade gained popularity with

the relocation of women 'kiondoo' sellers from the City market and carvings sellers from Kamukunji. (FGD, 17/10/2020)

After the collapse of the cooperative, some women set up salons, but they later joined the rest in selling handicrafts. Nowadays, we also have sellers of second-hand goods, butcheries, kiosks, and the government is planning to upscale leather works by launching the 'Kariokor Common Leather Factory'. (FGD, 18/10/2020)

While both male and female genders are engaged in a mix of economic activities in the market, the study sought to focus on women handicraft traders. A total of 27 women microenterprise owners with chama membership were interviewed. Chart 4.1 presents a summary of the types of economic activities carried out by the women microenterprise owners sampled in this study.

Chart 4. 1: Types of economic activities sampled



Source: Field Data, 2020

The study found that at 44.44%, majority of the traders sampled specialized in trading beadwork. Women who sold basketry were at 33.33%, while Maasai sandal vendors and traders specializing in selling both basketry and beadwork were at 11.11% each.

Notwithstanding, of all the traders sampled, only 7.4% (n=2 out of 27) reported to operating additional income-earning activities such as farming and tent & chair hire. Being that the study revealed that most of the women, at 92.6%, do not run other businesses, this indicates that Kariokor market is a primary source of livelihood for the majority of the traders.

4.3 Characteristics of women chama member-operated microenterprises

4.3.1 Age of women owning microenterprises in Kariokor market

The study segmented women microenterprise owners in six age categories with the lowest being 18 – 25 years and the highest being 66 years and above. The study found that over 60% of the traders fall between the 26 – 45-year age bracket indicating that both young and middle-aged women dominate the market workforce. Overall, at 37%, the highest concentration of the women traders was aged 36 – 45 years, followed by traders aged between 26 – 35 years at 25.9%. In comparison, only one of the traders (3.7%) fell between the 18 – 25 year-age bracket.

Table 4. 1: Age of women owning microenterprises

| Age Group | Frequency | Percentage (%) |
|---------------------------|------------------|-----------------------|
| 18 – 25 years | 1 | 3.7 |
| 26 – 35 years | 7 | 25.9 |
| 36 – 45 years | 10 | 37.0 |
| 46 – 55 years | 4 | 14.8 |
| 56 – 65 years | 2 | 7.4 |
| 66 years and above | 3 | 11.1 |
| Total | 27 | 100 |

Source: Field Data, 2020

4.3.2 Marital status of women microenterprise owners

The study results revealed that over half of the women microenterprise owners sampled, at 59.3%, were married. Of the remaining participants, 25.9% were single while 14.8% reported that they were widowed. Table 4.2 presents descriptive analysis results on the proportions of women traders sampled by their marital status.

Table 4.2: Marital status of women microenterprise owners

| Marital Status | Frequency | Percentage (%) |
|-----------------------|------------------|-----------------------|
| Single | 7 | 25.9 |
| Married | 16 | 59.3 |
| Divorced/ Separated | 0 | 0 |
| Widowed | 4 | 14.8 |
| Total | 27 | 100 |

Source: Field Data, 2020

4.3.3 Highest level of education attained

On the highest level of education attained, the study found that majority of the women microenterprise owners had completed secondary education. Diploma and college certificate holders stood at 14.8% while 55.6% of the participants reported to have completed secondary education, meaning that overall, 70.4% of the respondents had completed at least secondary education. Participants who had set up their businesses after completing secondary education intimated to possessing networks of friends and family who welcomed them to handicraft trade in Kariokor market. One respondent explained that:

Growing up, I looked up to my mother who brought us up with earnings from selling sisal baskets at Kariokor market. Seeing and experiencing the meaningfulness of this business, I decided to join her immediately after completing form four. After all, formal jobs are hard to come by nowadays. (Trader 1, 12/10/2020)

On the other hand, only 1 of the respondents reported to have not attained any form of formal education while none of the traders attested to attaining university education. The under-representation of women with higher levels of education affirms assertions made on the correlation between low levels of education and the smallness of enterprises owned by women by McCormick (2001).

Table 4. 3: Highest level of education attained

| Highest level of education | Frequency | Percentage (%) |
|-----------------------------------|------------------|-----------------------|
| None | 1 | 3.7 |
| Primary completed | 7 | 25.9 |
| Secondary completed | 15 | 55.6 |
| Diploma/College level | 4 | 14.8 |
| University level | 0 | 0 |
| Total | 27 | 100 |

Source: Field Data, 2020

4.3.4 Age of women-owned microenterprises

In relation to the number of years that the women-owned establishments had been in operation, majority, at 81.5%, had been running for over 5 years while the remaining 18.5% fell within the 3 – 4-year range. The results revealed that there were no businesses reported to have run for less than 3 years. Overall, the mean number of years in which the women-owned microenterprises had been in operation was 11.8 years. This finding is not in conformity with prior perception that characterizes microenterprises as establishments that close their operations after 5 years.

Table 4. 4: Age of microenterprises

| Age of microenterprise | Frequency | Percentage (%) |
|-------------------------------|------------------|-----------------------|
| Less than a year | 0 | 0 |
| 1 – 2 years | 0 | 0 |
| 3 – 4 years | 5 | 18.5 |
| Over 5 years | 22 | 81.5 |
| Total | 27 | 100 |

Source: Field Data, 2020

4.3.5 Motivation for engaging in the trade

On motivation for engaging in handicrafts, the study revealed that 25.9% of the respondents were introduced to selling handicrafts by family members while 22.2% were introduced by friends. This finding indicated that overall, social ties directly account for at least 48.1% of the women's decisions to set up businesses.

Women who had prior experience in the craft as former apprentices were at 14.8%. On further investigation, the study found that some of these former apprentices had worked under the supervision of friends before setting up their establishments. This finding underscores the prominence of social capital networks in influencing majority of the respondents' decisions to set up enterprises in Kariokor market. This finding corroborates Kinyanjui's (2014) assertion that women in the informal economy are often introduced to the trade by people from their close ties. Some of the traders' accounts on the influence of friends and family are captured in the statements below:

My mother introduced me to making and selling beadwork. She still runs her business within the market while I have been operating mine for 3 years now. (Trader 5, 12/10/2020)

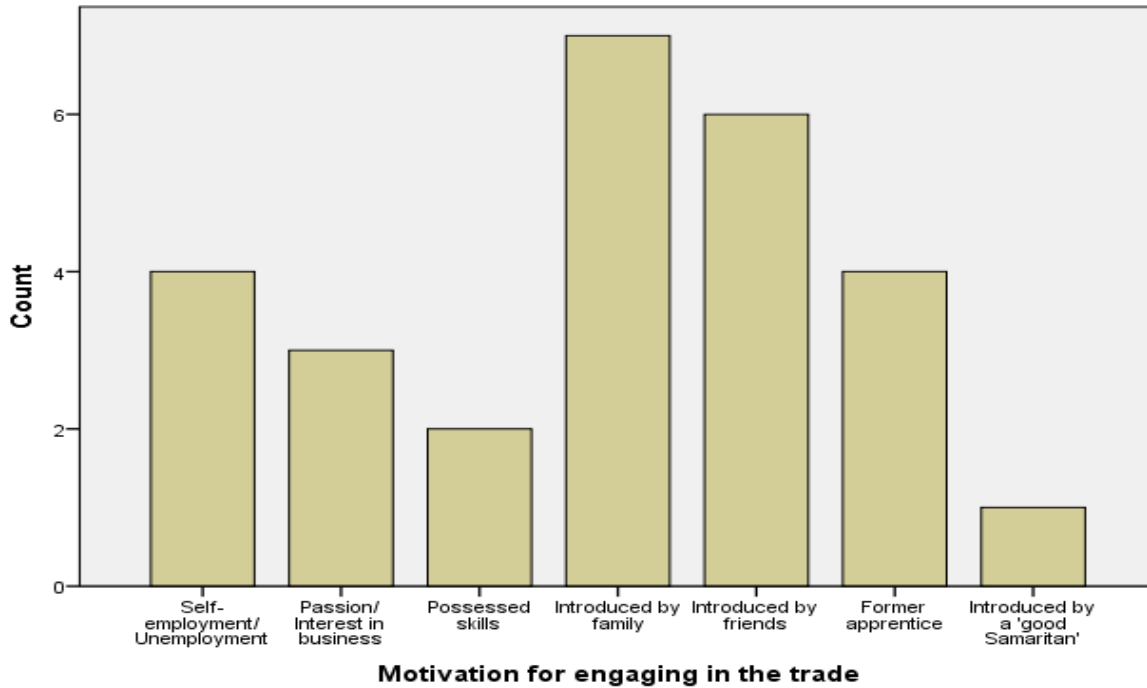
A friend of mine subcontracted me to weave some 'kiondoos' for her. When she saw how well I sewed, she encouraged me to set up my own business so that I could also uplift myself. (Trader 16, 13/10/2020)

I worked for a friend who used to pay me on commission basis till I set up my stall almost 10 years ago. Since then, I have introduced my younger sister and taught her how to make beaded jewellery. We now share a stall. (Trader 2, 12/10/2020)

Other motives for women's engagement in handicrafts include the necessity for employment at 14.8%, interest in engaging in handicrafts at 11.1% and possessing skills at 7.4%. Also distinct

was one respondent who attributed her engagement in the trade to a ‘good Samaritan’ who she came across by chance.

Chart 4. 2: Motivation for engaging in the trade



Source: Field Data, 2020

4.3.6 Source of start-up capital

The study found that at 74.2%, personal savings were the primary source of start-up capital for majority of the women-microenterprise owners. The most prominent sources of start-up capital reported were casual jobs and apprenticeships within the market premise. Low initial capital requirements were listed as a determinant which eased the respondents’ ability to set up businesses on their own. A trader’s remarks affirming this finding is captured in the statement below:

This business, (making Maasai sandals) does not require much start-up capital. I managed to buy the tools and material using savings from a casual job. A friend allowed me to share a workspace with her before I moved to my own space. (Trader 14, 13/10/2020)

On the other hand, 9.7% of the women utilised chama savings to set up their businesses while spouses ranked as the lowest source of start-up capital at only 3.2% despite the study revealing that majority of the traders (59.3%) were married.

Table 4. 5: Source of start-up capital

| Source of start-up capital | Percentage (%) |
|-----------------------------------|-----------------------|
| Personal savings | 74.2 |
| Spouse | 3.2 |
| Chama savings | 9.7 |
| Support from family | 7.4 |
| Loan from friend | 7.4 |
| Total | 100 |

Source: Field Data, 2020

4.3.7 Source of working capital

On the source of working capital, half of the women sampled, at 50%, stated business earnings as their primary source of working capital while chama savings, at 40.7%, were listed as the second most significant source of working capital. The study revealed that access to capital enables the traders sampled to buy stock (basketry, beaded items), material (sisal, leather, beads) and hand tools. Only 3.7% of the total participants reported seeking credit from mobile money lending platforms. Reasons cited for their reluctance in soliciting digital credit include high interest rates and the fear of over-indebtedness.

Table 4. 6: Source of working capital

| Source of working capital | Percentage (%) |
|----------------------------------|-----------------------|
| Business | 50.0 |
| Chama savings | 40.7 |
| Mobile loan | 3.7 |
| Support from family | 3.7 |
| Loans from friends | 1.9 |
| Total | 100 |

Source: Field Data, 2020

4.3.8 Involvement of family in running the enterprise

The results revealed that 48.1% of the women microenterprise owners involved family members in running operations, while 51.9% did not engage family members in business on-goings. Of the family members involved, the study found that majority assisted voluntarily and that some had either set up establishments within the market premise or shared workspaces with the respondents. This finding reemphasizes the relevance of social capital networks when it comes to running businesses in Kariokor market. Table 4.7 presents descriptive results on the involvement of family members in the women-owned microenterprises sampled.

Table 4. 7: Involvement of family members

| Involvement of family | Frequency | Percentage (%) |
|------------------------------|------------------|-----------------------|
| Yes | 13 | 48.1 |
| No | 14 | 51.9 |
| Total | 27 | 100 |

Source: Field Data, 2020

4.4 Essence of women’s involvement in chamas

4.4.1 Motivation for chama involvement

The study results revealed that 45.2% of the women microenterprise owners sampled took initiative to form chamas with friends while 41.9% were introduced to these groups by friends that they had made within the market premise. This finding indicates that overall, close ties accounted for at least 87.1% of the women microenterprise owners’ decisions to partake in chama activities. On the other hand, 12.9% of the traders attested to developing interest and subsequently taking initiative to join these groups.

Reasons cited for chama involvement include the realization of the value of working and accumulating together, particularly in the market environs populous with people known to them, the need for a platform which binds them together, and ensures that they keep in touch and support

one another. Some of the traders’ remarks on the motives behind chama involvement are captured in the statements below:

Our chama is called ‘Nitaacha Wakiacha’. I formed it with my friends who sell basketry, beadwork and Maasai sandals. Other than that, I am also a member of another chama in the area that I live in. (Trader 6, 12/10/2020)

My friend introduced me to ‘Mama Wajane’ soon after my husband passed away. She wanted me to make new friends and expand my ideas by seeing what other women are doing. (Trader 22, 16/10/2020)

I developed an interest to join ‘Kuona Mzazi’ after hearing of the good things that the members do for themselves and their parents. Other than that, I was also introduced to another chama within the market by a friend. (Trader 5, 12/10/2020)

Table 4. 8: Motivation for chama involvement

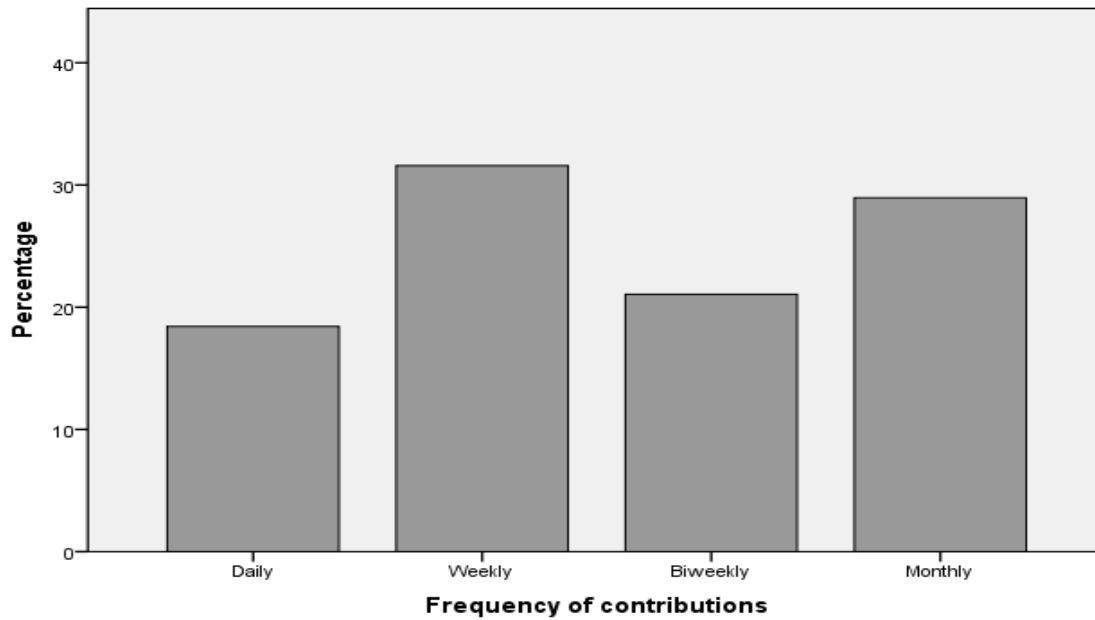
| Motivation for chama involvement | Percentage (%) |
|---|-----------------------|
| Self-initiative | 12.9 |
| Formed chama with friends | 45.2 |
| Introduced by a friend | 41.9 |
| Total | 100 |

Source: Field Data, 2020

4.4.2 Frequency of chama contributions

On the frequency of making contributions, most of the women, at 31.6%, reported contributing chama payments weekly. Other respondents reported making monthly contributions at 28.9%, biweekly contributions at 21.1% and daily contributions at 18.4%. The amounts contributed per cycle ranged from KES 50 to KES 4000. Chart 4.3 presents descriptive results on the frequency of contributions made by the women traders sampled.

Chart 4. 3: Frequency of chama contributions

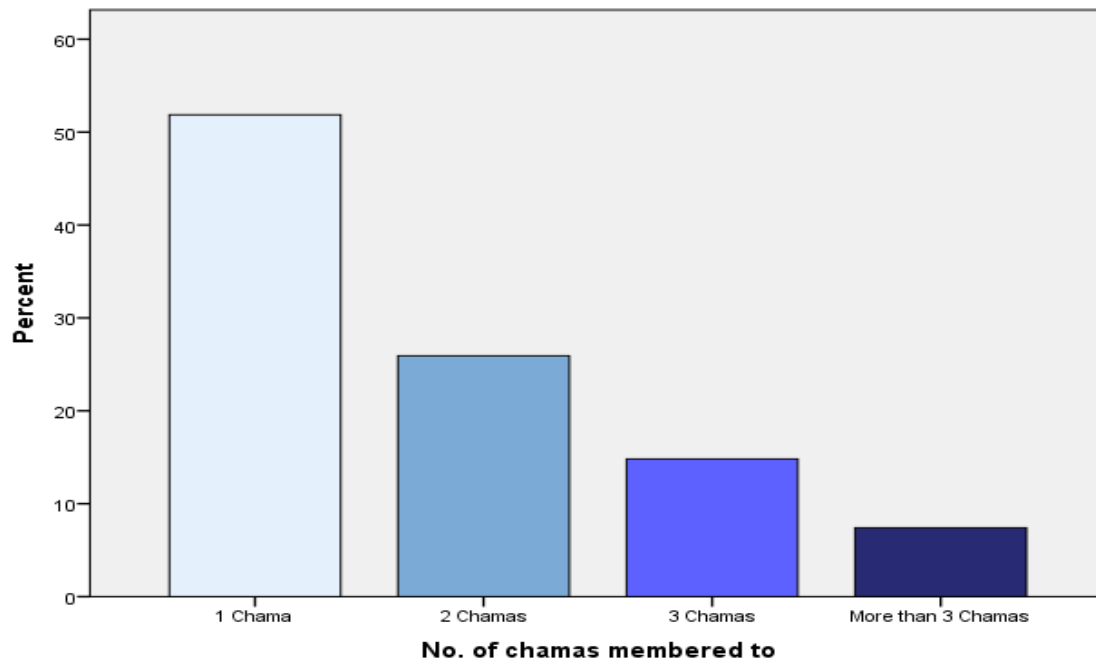


Source: Field Data, 2020

4.4.3 Membership of multiple chamas

In regard to the multiplicity of chama membership, the study found that over half of the women sampled, at 51.9%, (see chart 4.4) were only involved in 1 chama. Reasons cited by respondents include the inability to afford to make payments to more than 1 chama, or their withdrawal from other groups due to financial constraints owing to the COVID-19 breakout. Respondents intimated that most memberships given up were to welfare-based chamas, indicating their preference to chamas rendering finance-based benefits.

Chart 4. 4: Membership of multiple chamas



Source: Field Data, 2020

Furthermore, the results revealed that 25.9% of the women sampled had pledged allegiance to 2 chamas while only 7.4% were involved in more than 3 groups. Reasons cited for multiplicity of membership include increasing chances of receiving lump-sum payouts; intent to stay in touch with multiple friends and relatives in different locations; variation of chama purposes such as uniting widows, visiting parents, provision of social insurance and faith-based groups.

4.5 Chama membership enhancing women empowerment

4.5.1 Financial and non-financial transfers

Chamas enable the attainment of financial and in-kind gains. In regard to financial transfers, the study found that other than facilitating the distribution of savings, chamas also enable members to access loans and payments in the form of dividends. This finding demonstrates the role of chamas in widening the finance options of women handicraft traders. Furthermore, from interviews conducted on key informants, the study revealed that rotational chama arrangements motivate

members to keep their businesses afloat in order to keep up with contributions. A key informant explained that:

By disciplining members to save and make timely contributions, chamas exert constructive 'peer' pressure. Consequently, members motivate each other to keep their businesses going so as to keep up with making timely contributions. (KII 2, 23/10/2020)

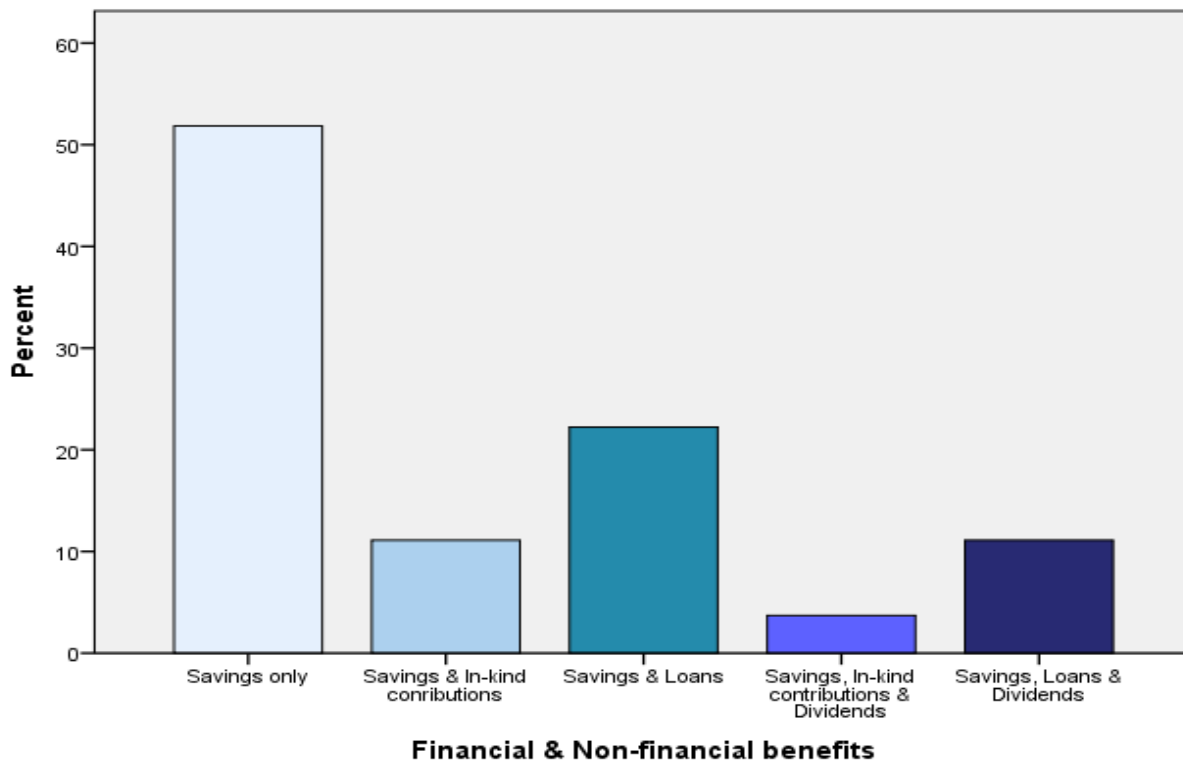
Chart 4.5 presents descriptive results on various financial and in-kind benefits rendered by chama membership. Most women, at 51.9%, stated that they only received savings from their groups while 22.2% reported to attaining savings and loans. Of the remaining respondents, 11.1% reported to receiving savings and in-kind contributions while only 3.7% of the traders sampled reported to receiving savings, in-kind contributions and dividends. Some of the traders' accounts on the various benefits rendered by chama membership are captured in the statements below:

We contribute KES 3000 per cycle – KES 1000 is given to the recipient while KES 2000 is deposited in our chama's Equity Bank account. Time and again, the accumulated savings deposited in our account enable us to borrow loans from Equity Bank. (Trader 9, 12/10/2020)

We only accumulate and distribute savings. Nonetheless, when a member encounters an emergency, we facilitate their immediate assistance by exchanging payment positions. (Trader 24, 16/10/2020)

At the end of the year, dividends are distributed such that each member of 'Mwanzo Mpya' receives at least KES 5000. We collectively agree on how to spend any remaining funds. Last year we bought plastic chairs to boost our tent and chair hiring business. (Trader 16, 13/10/2020)

Chart 4. 5: Benefits of chama membership



Source: Field Data, 2020

Given the findings on the variation in chama benefits, the study sought to find out whether there was a relationship between the charging of enrolment fees and benefits rendered by chamas. The results revealed that 33.3% of the women were charged enrolment fees while the remaining 66.7% were not charged a fee on enrolling as new members. To investigate the relationship between enrolment fees and benefits rendered to chama members, data was cross-tabulated (see table 4.9). The results revealed that a high count of chamas (n=5) charged enrolment fees and only rendered benefits in the form of savings. Counteractively, a relatively high count of chamas (n=4), did not charge enrolment fees but provided benefits in the form of savings and loans to members. Therefore, this finding showed that each group operates according to its set by-laws and that not one-size-fits all when it comes to charging enrolment fees.

Table 4. 9: Cross-tabulation of enrolment fees and chama benefits

| Chama benefits attained | Enrollment fees | | Total |
|--|-----------------|-----------|-----------|
| | Yes | No | |
| Savings only | 5 | 9 | 14 |
| Savings & in-kind contributions | 1 | 2 | 3 |
| Savings & loans | 2 | 4 | 6 |
| Savings, in-kind contributions & dividends | 0 | 1 | 1 |
| Savings, loans & dividends | 1 | 2 | 2 |
| Total | 9 | 18 | 27 |

Source: Field Data, 2020

4.5.2 Facilitation of investments

Access to chama savings has a significant contribution to investments made by women microenterprise owners. The study found that the traders directed their funds to various forms of investments such as stock, material (sisal, beads, leather, tools, storage tanks), land and separate business ventures. The other lines of businesses invested in include agri-business and tent and chair hire.

Being that 51.2% of the traders reported utilizing chama funds to buy additional stock while 36.6% bought material, this indicates that overall, at least 87.8% of the women prioritised enterprise needs when spending chama funds. In contrast, 7.3% of the total respondents reported investing in land while 4.9% redirected their savings to other businesses, meaning that overall, only 12.2% of the traders directed chama funds to other ventures. Reasons cited as to why only a fraction of the women (12.2%), managed to invest in external endeavours include the insufficiency of funds received and the competing demand of business and household needs. Table 4.10 presents descriptive analysis results on various investments facilitated by chama membership.

Table 4. 10: Investments facilitated by chama membership

| Investments facilitated by chama membership | Percentage (%) |
|--|-----------------------|
| Stock | 51.2 |
| Material & tools | 36.6 |
| Land | 7.3 |
| Additional businesses | 4.9 |
| Total | 100 |

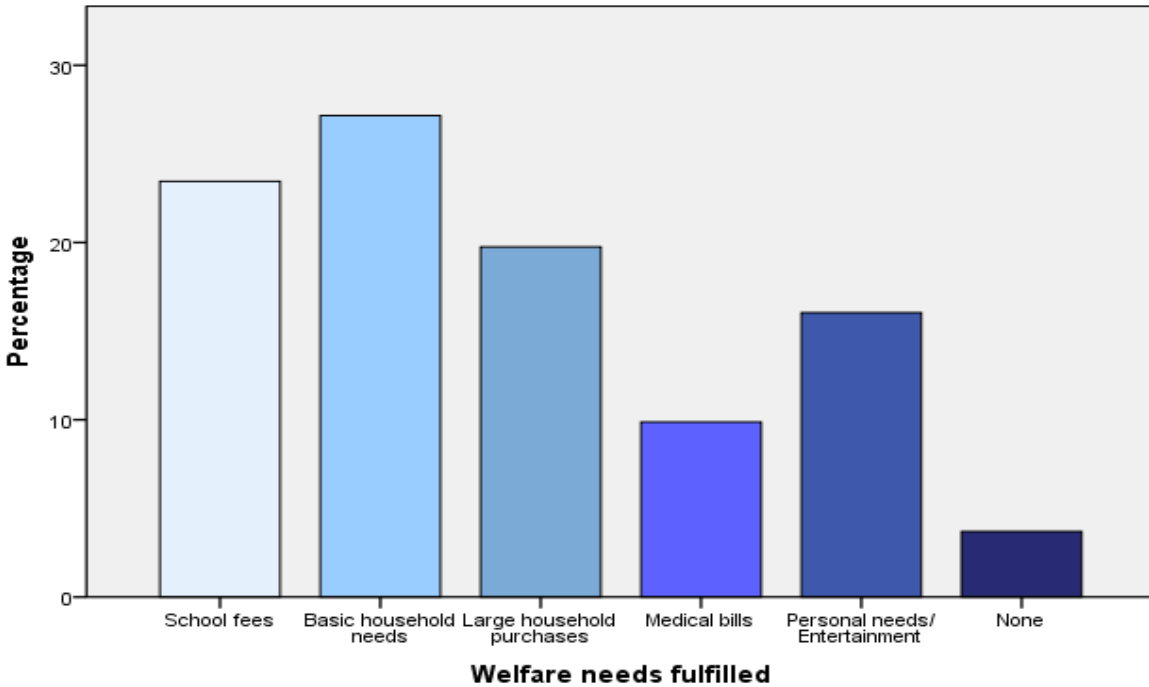
Source: Field Data, 2020

4.5.3 Fulfilment of welfare needs

Chama membership is crucial to enabling the attainment of various familial needs and personal aspirations. The study results revealed that 27.2% of the women sampled utilized chama funds to meet basic household expenditure such as food, fuel, livestock feed, water and electricity. Women microenterprise owners who directed chama funds to settle their children’s school fees were at 23.2% while 19.8% remarked on the facilitation to make large household purchases such as furniture and appliances. Overall, the results showed that domestic needs accounted for at least 70.2% of chama funds expenditure. Women who used chama payments to settle medical bills were at 9.9% while 16.0% of the women sampled attested to directing chama funds to fulfilling their personal needs.

In contrast, 3.7% of the women microenterprise owners reported to neither directing chama funds to fulfilling familial nor personal needs due to their keenness on prioritising enterprise needs. Nonetheless, this proportion of respondents (3.7%) stated that by keeping their business afloat, chama funds indirectly sustained their ability to cater to various welfare needs. Chart 4.6 presents a summary of the descriptive results on various welfare needs fulfilled by the women chama members who participated in the study.

Chart 4. 6: Fulfilment of welfare needs



Source: Field Data, 2020

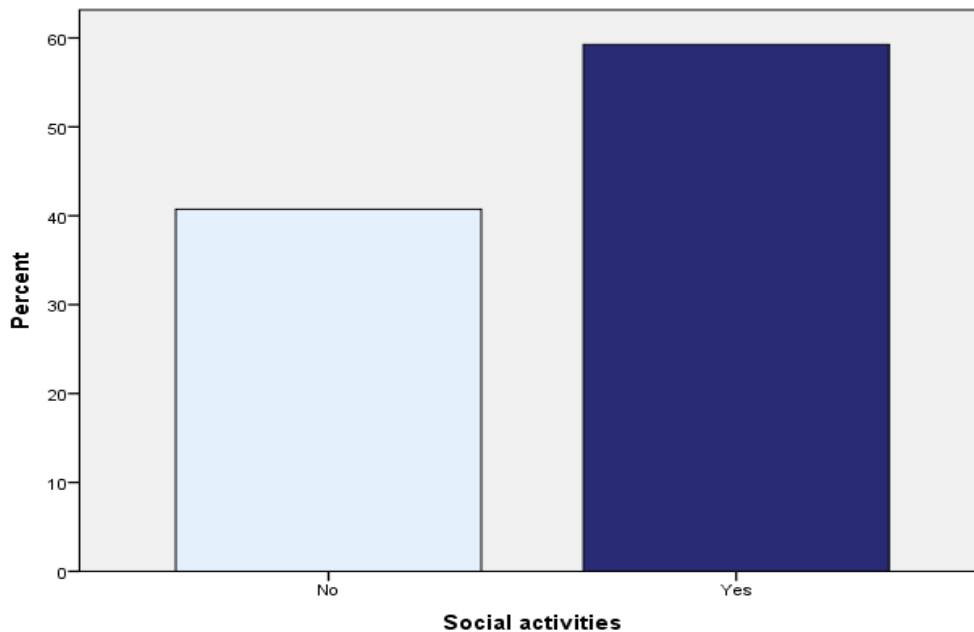
4.5.4 Social and bonding activities

Other than the financial and in-kind benefits rendered by chamas, the study found that the social aspect of these groups is just as instrumental in uplifting women. Social activities organized by groups include meetings held on a weekly, monthly or annual basis. From the interviews conducted on key informants, the study found that these meetings serve as a platform for members to bond, socialize, exchange ideas, recoup their day to day lives and group happenings. Some of the key informants' accounts on the various benefits of chama meetings are captured in the following remarks:

Chama meetings are instrumental in nurturing friendships. The meetings are also a means by which members receive information on upcoming or existing opportunities which can lead to empowerment if acted upon. (KII 3, 23/10/2020)

Chama meetings reinforce the feelings of solidarity and reciprocity, which often strengthens mutual support in the event of a life emergency such as bereavement and illness. (KII 5, 01/11/2020)

Chart 4. 7: Social and bonding activities



Source: Field Data, 2020

Of the women micro-enterprise owners sampled, 59.3% reported that their chamas facilitated the hosting of various social activities such as meetings, annual trips and nurturing of hobbies such as singing. Respondents shared that meetings served platforms where they kept in touch; ensured one another's welfare; and exchanged updates on everyday life, such as their families' wellbeing and their children's schooling. Participants also reported recounting various chama happenings such as members leaving, new enrolments and the group's overall financial standing, particularly during

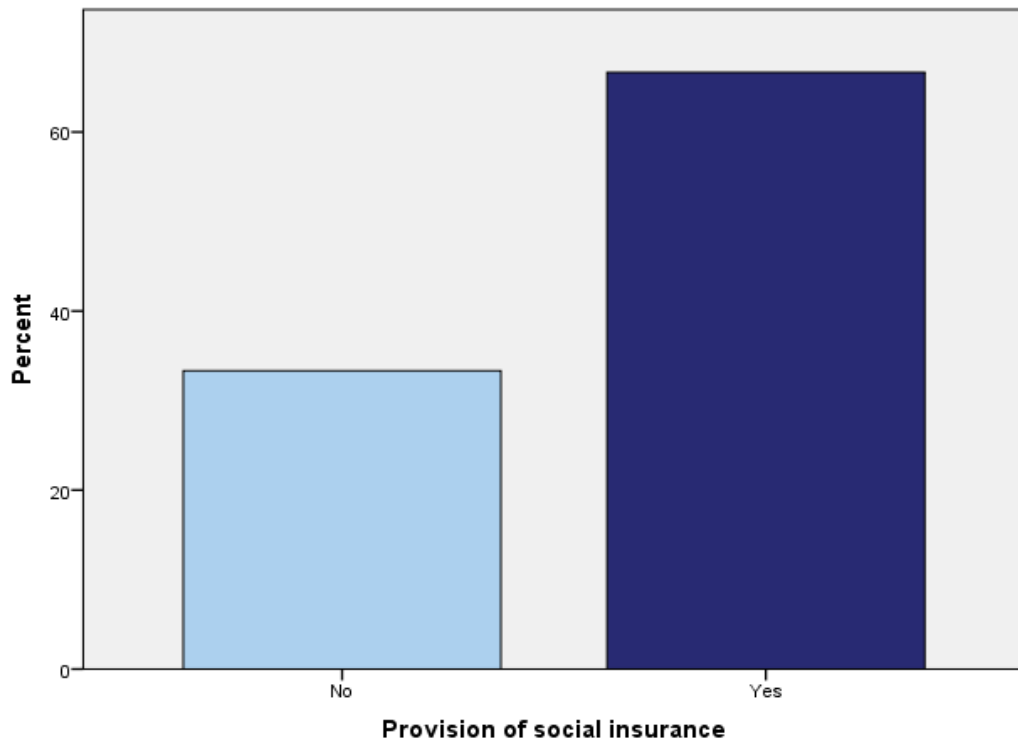
end-of-year meetings. In comparison, 40.7% of the women sampled were involved in chammas that neither hold meetings nor any other type of bonding activity. The study found that these groups primarily focused on the rotational accumulation and disbursement of savings.

4.5.5 Provision of social insurance

In regard to the provision of social insurance, the results revealed that 66.7% of the women sampled attested that their groups eased their ability to manage various life occasions such as weddings, illnesses and bereavement. The study found that in the event of a social life occurrence, these groups had set by-laws on paying extra contributions; attending life functions to celebrate, console or give hope to members; facilitating 'special' loans; and exchanging of positions to enable the immediate receipt of lump-sum payments.

Notwithstanding, 33.3% of the traders sampled reported that their groups lacked cushioning mechanisms against crises and life events. Reasons cited by the respondents include the prioritization of rotational payments over 'extra' contributions and chammas in their early stages that were yet to encounter grievances and set befitting guidelines.

Chart 4. 8: Provision of social insurance



Source: Field Data, 2020

4.5.6 Enhancement of skills

By sharing and exchanging views and ideas in meetings, chamas enable women traders to enhance various skills which improve their capabilities to run their enterprises and navigate through everyday life. Women who attested to improving their business skills and financial knowledge through chama membership were at 61.5%. The study found that this know-how includes managing expenditure, keeping their businesses afloat, and instilling of the saving culture. Other benefits attained include gaining ideas on retaining clients and various means of sourcing and maintaining stock. These results highlighted the importance of chamas in facilitating access to information on meaningful market opportunities. Furthermore, 35.9% of the women traders sampled attested to enhancing their creativity in sewing and designing the latest ‘kiondoo’ and

beaded pieces. The study found that this expertise enabled majority of the women microenterprise owners sampled to attract new clients. Table 4.11 provides a summary of the skills enhanced through chama membership.

Table 4. 11: Enhancement of skills through chama membership

| Skills | Percentage(%) |
|--|----------------------|
| Business/ Financial skills & knowledge | 61.5 |
| Creative skills & ideas | 35.9 |
| None | 2.6 |
| Total | 100 |

Source: Field Data, 2020

4.5.7 Broadening of networks

On broadening of networks, the study found that 67.6% of the traders managed to deepen and widen their networks with traders engaged in similar lines of business (handicrafts trade) within Kariokor and in various market locations such as Maasai market. The study found that chamas created a pool of specialized labour where members were at liberty to source services from. For instance, chamas linked basketry sellers with beadwork and leatherwork artisans who accessorized their baskets with beads, and attached leather handles, thereby increasing the market value of the pieces whilst eliminating transaction costs of searching and screening for befitting artisans. In contrast, 32.4% of the traders attested to broadening linkages with members from diverse backgrounds such as the formally employed and casual workers engaged in different lines of businesses within and beyond the market.

Table 4. 12: Networks broadened

| Networks broadened | Percentage (%) |
|----------------------------------|-----------------------|
| With similar lines of business | 67.6 |
| With different lines of business | 32.4 |
| Total | 100 |

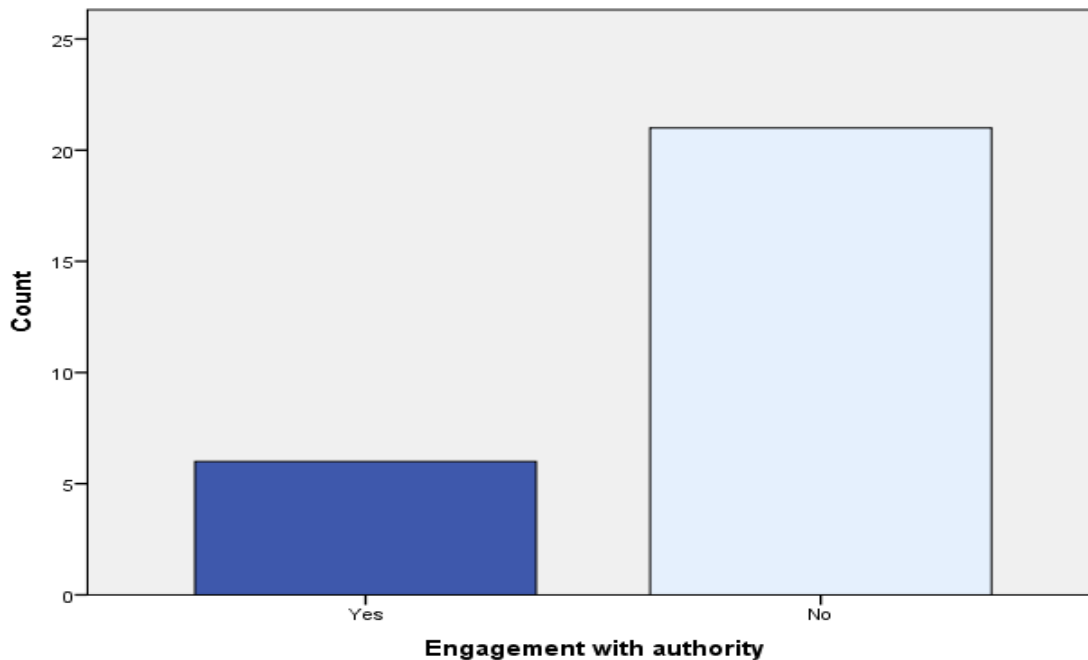
Source: Field Data, 2020

4.5.8 Engagement with authorities

In regard to engaging with authorities, the study found that a low proportion of the traders sampled, at 22.2%, utilized their chamas as channels for voicing their concerns. Issues raised include brokers intending to take advantage of ‘kiondoo’ sellers, inability to secure enterprise funds, and harassment by county officials over payments. Respondents shared that of all the three concerns raised, the issue with city council officials remained unresolved while the other two were settled – prices were negotiated with middlemen, and ‘Jawaka Women Group’ secured a loan from Uwezo fund after the intervention of market officials who endorsed their chama.

Whilst 77.8% of the women did not report to utilizing their chamas to engage with authorities; the study found that there were already established reporting systems within the market. For instance, rather than going through chamas, issues were taken up to respective chairpersons who then escalated the matters to market authorities.

Chart 4. 9: Engagement with authorities



Source: Field Data, 2020

4.6 Challenges encountered by women microenterprise owners involved in chamas

The majority of the women microenterprise owners sampled expressed that they faced various challenges within their chamas. The results revealed that a high proportion of the women, at 63%, complained about being involved in groups with irregular contributors. Respondents intimated that this trend had been particularly regular with the COVID-19 impact that had negatively affected their business cash flows.

Similarly, 11.1% of the women sampled complained about members defaulting from formal loans received from MFIs and enterprise funds. Participants intimated that this challenge often led to the disbanding of groups. In comparison, only one of the traders sampled (see table 4.13) complained about members displaying their disloyalty by leaving merry-go-rounds on receipt of payment. Remarks by a trader on some of the challenges experienced in chamas are captured in the statement below.

I lost my savings when some members defaulted on a loan that we had borrowed from Musoni Micro Finance. Soon afterwards, the chama disbanded, but since then, I have joined another group within the market. (Trader 4, 12/10/2020)

Table 4.13: Challenges encountered in chamas

| Category | Frequency | Percentage (%) |
|---|-----------|----------------|
| Irregular contributors | 17 | 63 |
| Members defaulting from formal loans | 3 | 11.1 |
| Members leaving groups on receiving payment | 1 | 3.7 |
| No challenges | 6 | 22.2 |
| Total | 27 | 100 |

Source: Field Data, 2020

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study was designed with the overall objective of analysing the role of chama membership in enhancing women empowerment through participation in microenterprises in Kariokor Market. To realize the general objective, the study sought to analyse the essence of women's involvement in chamas; to examine the characteristics of women chama member-operated microenterprises; and to explore the role of chama membership in enhancing women empowerment.

This section presents a summary of the study's findings, concluding remarks and recommendations proposing key areas to advance women microenterprise owners in Kariokor market and elsewhere in the country.

5.2 Summary

The evidence largely points to access to a diverse asset base being essential in uplifting and sustaining livelihoods. Women-owned microenterprises possess social capital networks which ease the formation of chamas. These groups facilitate mutual assistance which enables investments, the meeting of welfare needs and management of everyday life. This study establishes that chama membership improves the overall wellbeing of women microenterprise owners in Kariokor market.

The study involved women from a variety of economic backgrounds such as beadwork, basketry and sandal making. The study established that Kariokor market is the primary source of livelihood for most micro-entrepreneurs since only 7.4% of the traders sampled pursued additional income-earning activities. The dominant age bracket was 36 – 45 years at 37.0%. Most of the traders had completed secondary education, demonstrating that women with low levels of education were more likely to rely on economic informality as a source of livelihood. A majority of the women

had been running their businesses for more than 5 years, not conforming with prior notion that characterizes microenterprises as being short-lived.

The study highlights the importance of social capital networks in Kariokor market as 48.1% of the women were introduced to handicrafts trade by close friends and family. Low initial capital requirements enabled a majority of the women (74.2%) to set up their businesses with savings from casual jobs and short-term contracts. A majority of the traders derived their working capital from chama savings and business earnings. The study found that almost half of the traders (48.1%) involved family members in running the businesses and that some of the said family members ran their establishments within the market premise, underlining the importance of social capital networks within Kariokor.

Similarly, the study found that most women microenterprise owners (87.1%) utilised their close ties of friends to either form or join savings groups. This study noted that the value accorded to chama membership includes the facilitation of accumulation, provision of social support and social insurance. On membership to multiple groups, the study revealed that over half of the women microenterprise owners (at 51.9%) could only afford to pledge alliance to one (1) group due to rising financial constraints. Majority of the women traders preferred chamas rendering finance-based benefits.

The study results revealed that chama membership was instrumental in sustaining microenterprise operations. At least 87.8% of the traders sampled utilized chama funds to boost their businesses by buying stock, material and tools. Similarly, chama payments were instrumental in enabling a majority of the women to meet various household needs and personal gains. However, due to the competing demand of business and familial needs, and the subsequent insufficiency of chama

funds, few of the women at only 12.2% managed to reinvest chama funds in other businesses and ventures.

The study revealed that the social aspect of these groups enabled members to pursue hobbies, nurture interpersonal links and develop friendships with others engaged in different lines of business. Other than instilling the saving culture in their endeavours, the study found that chama members gained skills on maintaining stock, running their enterprises and balancing expenditure, enabling them to keep their businesses afloat. Additionally, members gained creative skills that allowed them to improve their basketry and jewellery designs which translated to attracting and retaining customers. Furthermore, chamas enabled members to access pooled labour and ideas, reducing transaction costs associated with searching and sourcing for talent.

Despite the benefits rendered, the study found that women microenterprise owners encounter various challenges in their chamas. These challenges include disloyal members, irregular contributions and members defaulting from MFI loans often leading to the disbandment of chamas. The study also found that majority of the women microenterprise owners (77.8%) did not utilise their chamas as vehicles of engaging with authorities. Nonetheless, the study found that Kariokor market has already established mechanisms for voicing concerns through select representatives.

5.3 Conclusion

In conclusion, this study highlights the role played by chamas in empowering women microenterprise owners. It, therefore, reinforces the sustainable livelihoods theory by Chambers & Conway (1992) which proposes access to a diverse asset base to facilitate the maintenance and uplifting of livelihoods. This study highlights the value of financial and social capital assets in meeting personal aspirations, familial needs and sustaining businesses.

Women microenterprise owners rely on chama funds to buy stock and material for their businesses, and fulfil familial needs such as food, rent, school fees and large household expenses. However, due to the insufficiency of chama funds and the endearing demand of household and enterprise responsibilities, women microenterprise owners are often unable to invest in additional business ventures.

Overall, chama membership is crucial to women microenterprise owners in both their livelihood and personal endeavours. Livelihoods are sustained through increasing of stock and material, broadening of networks and enhancement of business management and creative skills. Increased income endowment uplifts their status and that of their dependents through the fulfilment of personal and familial needs. The social aspect of these groups deepens friendships, strengthens bonds and enhances the feeling of mutual satisfaction since members see each other thrive. Notwithstanding, challenges encountered in chama membership include irregular payments and members defaulting from loans often leading to the disbandment of groups. Finally, the study found that chamas are not efficiently utilized as vehicles for engaging with authorities by women handicraft traders.

5.4 Recommendations

Following the research findings set out in chapter four, the study would like to make the following recommendations. Firstly, to strengthen social capital networks within chamas members should be trained on developing and maintaining positive dynamics within their groups. Secondly, to reduce the incidence of disbandment of groups members should be enlightened on the long-term benefits of upholding loyalty to their chamas. Thirdly, to increase the incidence of chamas being utilized as channels of engaging with authorities, women micro-enterprise owners should be enlightened

on participatory decision making to enable them to use the power and influence of their groups to demand meaningful change.

Finally, since this study adopted a descriptive research approach and focused on women chama member-operated microenterprises in Kariokor market, a cross-sectional study covering traders in different market locations across various cultural contexts or different towns is recommended for future research. It will be interesting to generate a typology of chamas and to analyse the role played by these groups in empowering women microenterprise owners across different ethnic backgrounds and contexts.

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APPENDICES

Appendix 1: Semi-Structured Questionnaire

Informed Consent Statement

Good morning/afternoon. My name is I am a student from IDS, the University of Nairobi pursuing a Masters in Development Studies degree. I am conducting research for my project paper on women micro-enterprises owned by members of chamas. The information that I need for my study is on the role of chamas in supporting the livelihoods of women and operations of their enterprises, focusing on Kariokor market.

I am kindly requesting your permission to talk to me about chama membership and women participation in these groups, to help me understand how women who own microenterprises benefit from these groups. Let me assure that your identity and all the information that you'll share will be treated with confidentiality, and will only be used for learning purposes for my project paper.

I greatly value your participation. Please note that this will be treated as voluntary because the information is for a study paper, and normally, there is no compensation for participation. I will, however, be sincerely grateful for your cooperation. It is my hope that the outcome of this study, especially the recommendations will contribute to the advancement of fellow women in Kariokor market and elsewhere in the country.

Now that the purpose of my coming is clear, please let me proceed with the questionnaire

Date: Location:

Start time: End time:

SECTION A: DEMOGRAPHIC INFORMATION

1. Respondent's name:
2. Name of chama:

3. Age:
- 01). 18 – 25 years
 - 02). 26 – 35 years
 - 03). 36 – 45 years
 - 04). 46 – 55 years
 - 05). 56 – 65 years
 - 06). 66 years and above

4. Highest level of education attained:
- 01). None
 - 02). Some Primary
 - 03). Primary Completed
 - 04). Some Secondary
 - 05). Secondary Completed
 - 06). Diploma/College level
 - 07). University education

5. Marital status:
- 01). Single
 - 02). Married
 - 03). Divorced/Separated
 - 04). Widowed

6. How would you describe the work you do in this market?

SECTION B: BACKGROUND INFORMATION ON MICROENTERPRISE

7. How long have you been operating your business?
- 01). months
 - 02). 1 – 2 years
 - 03). 3 – 4 years
 - 04). Over 5 years

8. How did the idea of starting this business come about?

9. Where did you get the start-up capital to begin this business?

- 01). Personal savings
- 02). Spouse
- 03). Chama savings/loan
- 04). Formal finance source (Bank, MFI etc.)
- 05). Loans from family (*specify*)
- 06). Other.....
- 04). Loans from friends (*specify*)

10. What is the source of your working capital?

- 01). Business
- 02). Chama savings
- 03). Mobile loans
- 04). Family (*specify*)
- 05). Friends (*specify*)
- 06). Other

11. Do you involve family members in running the business?

- 01). Yes
- 02). No

Explain

.....

12. Do you hire other relatives and non-relatives in your business?

- 01). Yes
- 02). No

Explain

.....

13. Do you engage in any other economic activity (within market premise/ outside)?

- 01). Yes
- 02). No

Explain

.....

SECTION C: CHAMA MEMBERSHIP

14. How many other chamas do you belong to?

Explain

15. How did the idea of chama membership come about? (*also probe for brief background of the chama*)

.....

16. How long have you been a member of this chama (s)?

Explain

17. Were you charged a fee when enrolling in this chama(s)?

- 01). Yes 02). No

Explain

18. How regularly do you contribute subscription fees in your chama(s)?

Explain

19. How much subscription fees do you contribute (per cycle)?

Explain

20. Other than savings (subscription fees), do you contribute other non-financial or in-kind gestures in your chama(s)?

- 01). Yes 02). No

Explain

.....

21. Does your chama(s) engage members in social activities?

- 01). Yes
- 02). No

Explain

.....

For the next section, identify MAIN chama related to microenterprise

SECTION D: CHAMA MEMBERSHIP ENHANCING WOMEN EMPOWERMENT

22. How many are you in this chama?

23. What benefits, including payments do you get from your chama?

Explain

.....

.....

24. How do you utilize these payments in your business?

.....

.....

.....

25. What welfare/familial needs are you able to fulfil through chama membership?

- 01). School fees payment
- 02). Basic household expenses (food, fuel, water, electricity etc.)
- 03). Larger household purchases (upgrading household amenities, purchasing assets etc.)
- 04). Medical bills
- 05). Personal needs/entertainment

06). Other.....

26. Is your chama involved in any income-generating activity?

01). Yes

02). No

Explain

.....

Kindly answer whether you “Agree” or “Disagree” with the following statements

Chama membership:

| | Statement | 01).Agree | 02). Disagree | Explanation |
|-----|---|-----------|---------------|-------------|
| 27. | Has improved my capability to manage/sustain my business | | | |
| 28. | Adequately caters to all my credit/ financial needs | | | |
| 29. | Has enabled me to improve my business & financial skills/ knowledge (through saving, investing etc.) | | | |
| 30. | Has enabled me to gain ideas and learn other creative skills which I can apply to my business (by members sharing, personal observation etc.) | | | |
| 31. | Has enabled me to strengthen my relationships with women microenterprise owners (engaged in the same business) | | | |

| | | | | |
|-----|---|--|--|--|
| 32. | Has enabled me to broaden/diversify my social networks (with people engaged in different businesses | | | |
| 33. | Has improved my capability to attend to my household's needs | | | |
| 34. | Has improved my capability to achieve personal gains | | | |
| 35. | Eases my ability to manage various social life experiences, emergencies and crises | | | |
| 36. | Eases my ability to voice concerns/raise issues with market officials | | | |

37. Do you face any challenges in your chama?

01). Yes

02). No

Explain

.....

38. Do you have any recommendations on improving social networks within chamas?

01). Yes

02). No

Explain

.....

39. Would you recommend chama membership to other women entrepreneurs?

01). Yes

02). No

Explain

.....

40. Do you have any other issue that you consider relevant and would like to raise that you feel we haven't talked about?

.....

.....

Thank you

Appendix 2: Focus Group Discussion Guide

Informed Consent Statement

Good morning/afternoon. My name is I am a student from IDS, the University of Nairobi pursuing a Masters in Development Studies degree. I am conducting research for my project paper on women micro-enterprises owned by members of chamas. The information that I need for my study is on the role of chamas in supporting the livelihoods of women and operations of their enterprises, focusing on Kariokor market.

I am kindly requesting your permission to talk to me about chama membership and women participation in these groups, to help me understand how women who own microenterprises benefit from these groups. Let me assure that your identities and all the information that you'll share will be treated with confidentiality, and will only be used for learning purposes for my project paper.

I greatly value your participation in this discussion. Please note that this will be treated as voluntary because the information is for a study paper, and normally, there is no compensation for participation. I will, however, be sincerely grateful for your cooperation. It is my hope that the outcome of this study, especially the recommendations will contribute to the advancement of fellow women in Kariokor market and elsewhere in the country.

Now that the purpose of my coming is clear, please let me proceed with the questionnaire

Date: Interview site:

Start time: End time:

Participants' Representative's Name:

| | |
|------------------------|--|
| No of participants | |
| Gender of participants | |

A brief introduction by participants on who they are

Questions

1. Briefly, how would you describe the historical background of Kariokor market?
2. What economic activities are being carried out in the market and how have these activities changed over time?
3. Are there any economic activities carried out by women only in the market? (*Explain, get to quantify*) Why do women choose to engage in these activities?
4. Are there any women chamas that the women in Kariokor market join?
5. Describe for me the women that you know that join chamas
6. Have they been able to improve their businesses and buy assets using chama funds?
7. Describe the benefits of chama membership compared to non-chama membership?
8. Do women voice issues/concerns to market officials through chamas? Are their concerns adequately addressed?
9. Explain any challenges encountered in chama membership.
10. Do you have any other issue that you consider relevant and would like to raise that you feel we haven't talked about?

Appendix 3: Key Informant Interview Guide

Informed Consent Statement

Good morning/afternoon. My name is I am a student from IDS, the University of Nairobi pursuing a Masters in Development Studies degree. I am conducting research for my project paper on women micro-enterprises owned by members of chamas. The information that I need for my study is on the role of chamas in supporting the livelihoods of women and operations of their enterprises, focusing on Kariokor market.

I am kindly requesting your permission to talk to me about chama membership and women participation in these groups, to help me understand how women who own microenterprises benefit from these groups. Let me assure that your identity and all the information that you'll share will be treated with confidentiality, and will only be used for learning purposes for my project paper.

I greatly value your views, considering your expertise and knowledge in this matter. Please note that this will be treated as voluntary because the information is for a study paper, and normally, there is no compensation for participation. I will, however, be sincerely grateful for your cooperation. It is my hope that the outcome of this study, especially the recommendations will contribute to the advancement of women in Kariokor market and elsewhere in the country.

Now that the purpose of my coming is clear, please let me proceed with the questionnaire

Date: Interview site:

Start time: End time:

Key informant's general information

| | |
|-------------------------|--|
| Name of Respondent | |
| Gender of Respondent | |
| Job Title of Respondent | |

Questions

1. How have you worked with women-owned microenterprises in the past?
2. What do you know about chamas and how have you interacted with these groups in the past?
3. Kindly explain to me the importance of chama membership?
4. For women microenterprise owners, what would you say is the linkage between chama payments and their businesses?
5. In what ways does chama membership provide socio-economic support to women microenterprise owners?
6. In what other ways do women benefit from chama membership?
7. Does chama membership enhance the interaction of women with market officials in terms of voicing their concerns?
8. What is the importance of sociocultural factors with regards to women involvement in chamas and microenterprise trade? (*Both positive and negative sociocultural factors*)
9. What are some of the challenges encountered in chamas?
10. What is your opinion on the future of chama membership among women microenterprise owners?
11. Do you have any recommendations on improving the social networks within chamas?
12. Do you have any other issue that you consider relevant and would like to raise that you feel we haven't talked about?