ABSTRACT

Due to the development of new policies, programmes and even projects, the status of women has totally been changed as they provide assistance to the low income women. Various intervention approaches have been developed in order to address the needs of the women which ultimately reveal modifications not only in social policy approaches to third World Development, state policies relating to women but also in the overall economic policy of the country as a whole. The empowerment approach is the most recent and is aimed at empowering women through greater self-reliance and internal strength. The fact that none of these studies was done on the effect of gender based financing on the growth and development of SHGs, presents a gap in knowledge, thus, the research question: Does gender based financing affect the growth and development of SHGs? The objective of the study was to establish the effect of gender based financing on growth and development of SHGs in Mwingi Central Constituency. The descriptive survey method was preferred because it ensured complete description of the situation, making sure that there is minimum bias in the collection of data. The target population had all the 10 women SHGs that have been in existence between 2009 and 2013. The study intends to use a census. Primary data was used. Descriptive statistic, content analysis and regression analysis were used in data analysis. The study found that most of SHG in Mwingi central faced challenges in repaying the borrowed amount, all the groups had witnessed some drop outs by some members due to member relocation or failure to meet targets set by the group and that considerable number of the SHG had not received financial literacy training in the past 2 years from a Government Agency, therefore the study concludes that lack sufficient means of financing, low levels of government support, low level of financial literacy and lack of ideal group management strategies were some of the attributes linked to slow growth and development of SHGs in Mwingi Central Constituency. The study established a unit increase in NGO, support would lead to increase in the growth and development of SHGs in Mwingi Central Constituency, thus the study concludes that NGO support had a positive impact of growth and development of SHGs in Mwingi. In order to ensure growth and development of SHGs in Mwingi, the study recommends that the county government of Kitui in collaboration with ministry of devolution should frequently organize financial literacy training programmes to women in the county. County government in collaboration with financial institutions needs to sensitize all registered groups on the financial product and services offered by financial organizations and the government as well as their accessibility. The non-governmental organizations need to keep on mobilizing the communities on the importance of forming self-help groups as well as the education them on group management skill. This will help to improve on the social economic status of the society in general.