GENDER RELATIONS IN ACCESS, CONTROL AND UTILISATION OF MICROFINANCE RESOURCES: A CASE OF WOMEN IN KIHARU CONSTITUENCY, MURANG'A COUNTY, KENYA

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DECLARATION

I confirm that this research thesis is my original work and has not been presented in any other university/ institution for certification. The thesis has been complemented by referenced works duly acknowledged. Where text, data, graphics or tables have been borrowed from other works including the internet, the sources are specifically accredited through referencing in accordance with anti-plagiarism regulations.

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To the memory of my late mother and father, Mrs. Mary W. Kamau and Mr. Kamau Mweru.

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OPERATIONAL DEFINITION OF KEY TERMS

Access	It is the ability or right to attain or be able to get resources.
Assets	Refers to cookers, television sets, radios, wall units, and sewing machines, items in households used for collateral by MFIs.
Control	The power or authority to make decisions in the household regarding resources.
Deposit	Taking Microfinance Company licensed by the Central Bank of Kenya to carry or conduct microfinance business in Kenya.
Empowerment	The situation of enhancing the transformation of gender power relations through economic means, whereby women are supported to access, control and utilise resources.
Millennium Development Goals:	These are eight (8) goals in number, which were established by the United Nations Summit in 2000. They are a blue print for development by the UN, agreed by world leaders with a target date of 2015.
Gender-based violence:	Violence that occurs as a result of role expectations associated with each gender, emanating from the unequal power relationships in society. It may include physical, sexual, domestic and psychological violence.

Gender Equality:	Equal opportunities and rights for men and women in access to, control of and utilization of resources.
Gender Relations:	The way men and women interact. They show who has authority in the household regarding access, control and utilisation of resources is concerned.
Household:	A unit whose members include father, mother(s) and children, with man/woman being the head and the one with authority and power in decision-making.
Microenterprises:	Businesses that employ 1 – 9 workers.
Micro-finance institutions:	Institutions or organizations that offer micro-finance resources and other non-financial services to low-income populations.
Micro-finance resources:	Incomes, loans and any other benefits which come from engaging in micro-finance.
Microfinance services:	Financial and non-financial service provided to low-income earners who do not have adequate collateral to enable them borrow from commercial banks.
Poverty:	Hunger, lack of shelter, sickness (unable to see a doctor or buy medicine), lack of education, powerlessness, lack of representation and freedom (GOK (2004).
The Kenya Vision 2030:	Kenya's road map for socio-economic and political development by 2030. It outlines strategies that will be implemented at different levels, including socio-economic and political key targets.

ABBREVIATIONS

ACCION	Americans for Community Cooperation in Other Nations
AMFI	Association of Micro Finance Institutions
BIMAs	Business Initiatives and Management Assistance
CEDAW	Convention on Elimination of Discrimination against Women
CGAP	Consultative Group to Assist the Poor
DTM	Deposit Taking Micro Finance Institutions
GOK	Government of Kenya
ICT	Information Communication and Technology
IFAD	International Fund for Agricultural Development
ILO	International Labour Organisation
KECLOF	Kenya Ecumenical Loan Fund
K-REP	Kenya Rural Enterprise Programme
KWFT	Kenya Women Finance Trust
MDGs	Millennium Development Goals
MFIs	Micro Finance Institutions
SACCO	Savings and Credit Cooperative Society
SMEP	Small and Micro Enterprise Programme
UNCDF	United Nations Capital Development Fund

ABSTRACT

The study sought to investigate gender relations in access, control and utilisation of micro-finance resources among women in Kiharu Constituency, Murang'a County of Kenya. Specifically, the study set out to determine the factors that influence access, control and utilisation of microfinance resources, identify challenges that women face in accessing MFIs resources, those that MFIs face in extension of resources to women and strategies that can enhance access, control and utilisation of resources among women in Kiharu. The study was guided by the feminist conflict theory. It targeted women who had accessed microfinance resources from MFIs with a total study sample of 140 respondents consisting of 90 women beneficiaries of MFIs and 20 male spouses of women beneficiaries. Others were 4 key informants who were MFI officers and 2 government Chiefs who were opinion leaders. There were two focus group discussions involving 12 women beneficiaries each. An interview schedule was used to collect data from women beneficiaries, their spouses, whereas key informant guides were used for key informants and opinion leaders. Focus group discussion guide and observation checklist were also utilised. Qualitative data was analysed using themes and quantitative data using the Statistical Package for Social Sciences (SPSS) software. The study findings established that age, women's marital status, the level of formal education and number of children depending on women influenced access to microfinance resources. In addition, patriarchal ideologies, community perceptions of gender roles, gender-based violence and religion also impacted access to microfinance resources. On the other hand, lack of assets for collateral, access to information, gender division of labour in households, high interest rates, women's attitude to MFI debts and short repayment periods were challenges that women faced in accessing resources. Diversion of loan and high default rates were some of the problems that MFIs face in extension of resources to women. The study concludes that gender relations influence access, control and utilisation of resources. These includes cultural expectations that dictates the power relations at the household level, lack of assets for collateral among women beneficiaries and unfriendly policies, especially for the borrowing and repayments, and interest rates.On the basis of the findings, the study recommends that: MFIs should formulate gender sensitive policies - among which is the alternative means of collateral for women to access resources; review the loan repayment period in accordance to the ability of one's business; review the strict weekly meetings and introduce women friendly modes of information dissemination on MFI products and procedures. Further, the Government, NGOs and Civil Societies on the ground should sensitise community on gender equity and human rights using community-based structures.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In nearly every country today, governments aim to ensure that the poor access basic - services. Sub-Saharan African countries have recorded remarkable economic performance that has resulted in marginal poverty reduction over the past decades. These countries have reduced the proportion of people living on less than $1 per day from 56.5% in 1990 to 47.5% in 2008 (ILO, 2008). However, a report by the World Bank (2011) indicates that despite the signs of economic progress, sub-Saharan Africa is the region with the highest poverty rates in the world. In addition, the report states that the majority of the poor in this region lives on less than $1.25 per day. Global organisations, including the United Nations, have put in place various measures to address poverty in the region, among them being the Millennium Development Goals (MDGs) of 2000. These goals, 8 in number, address identified global challenges to be met by the year 2015 (UN, 2000). They provide a framework for the entire global community to work together towards a common end, making sure that human development reaches everyone and everywhere. The achievement of these goals would reduce world poverty, giving billions of people living below poverty line an opportunity to benefit from the global economy.

Micro finance services date back to more than 5,000 years in the ancient civilizations of Greece and Mesopotamia (Williams, 1997). The first institutions offering credit were started in Europe during the Credit Union Movement of the 19th Century, with an aim of setting up formal structures to support poverty reduction strategies and give better livelihoods to the poor. Armendariz and Murdock (2007) note that MFIs had reached about 2 million rural people in Europe with credit support by the end of 1901. In addition, Micro-Banking, (2009) reports that MFIs had reached approximately more than 52 million borrowers around the world, 60% of whom are women. This is an indication that the number of women being served by MFIs had increased, leading to the assumption that benefits from MFIs had also increased.

In Latin America, the history of microfinance dates back to the 1960s, with the Peace Corps group that started the Americans for Community Cooperation in Other Nations (ACCION), to give finance to poor people (Mohan and Elangovan, 2006). Since the 60's, ACCION has reached more than 3.87 million entrepreneurs in Latin America (ACCION, 2010). ACCION further estimates that only 8–10% micro-entrepreneurs had been reached by funding in the Amazon region by 2010, a key area for ACCION's activities, leaving a large number of entrepreneurs without finances. This MFI targets poor people in Latin America, especially women, in countries like Bolivia, Brazil, and Argentina. In 1992, ACCION helped found BancoSol, the first commercial bank in the world that was solely dedicated to microfinance, an indication of the importance microfinance sector in development.

It is, however, the contemporary microfinance services initiated by Mohamed Yunus in and others in the 1970s that has brought easy, affordable and accessible finance opportunities and resources to the poor. Yunus started the Grameen Bank as a model microfinance service for the poor and landless Bangladeshi women, considered un-bankable and risky by mainstream banks. The bank had over 2,100 branches in Bangladesh by 2009 and a total of over 4 million women borrowers (Grameen Bank, 2009). The Grameen model is based on mutual trust and peer pressure that ensure participation in groups in the form of savings and repayment of loans in microcredit programmes. Arguably, the Grameen Bank lending model has inspired many African countries with its friendly microfinance systems. It has been adopted to address poverty and women empowerment in a number of countries in Africa such as Ghana, Ethiopia, Kenya, Uganda, and Tanzania and in parts of Asia, mainly in India and the Philippines.

In Africa, ancient microfinance services were in the form of traditional savings and borrowing small loans by individuals within a context of self-help groups, for business ventures rather than a formal setting (Asiama, 2007). Notably, formal contemporary institutional microfinance is a new concept in Africa, inspired by the Grameen model's success, and adopted for local settings. Basu et al. (2004) note that in the past few years, several microfinance institutions and practitioners have set up sustainable systems in rural Africa to address the poor and specifically women. For instance, in Ghana, the growth of microfinance was noted through "Susu", one of the leading microfinance schemes in the country (Asiama, 2007). The concept then spread in Ghana, making it one of the leading African countries in microfinance. Observably, the microfinance programme generally targeted poor women who were not able to access credit from the commercial banks for lack of collateral.

The provision of financial services to women has helped increase household incomes in many Ghanaian homes. Asiama (2007) further notes that over 80% poor Ghanaians are served by microfinance institutions, a majority of whom are women. Asiama's report, thus, indicates that women are able to access financial services in large numbers, as compared to men. Thus MFIs had bought easier access of financial services to women.

In Kenya, contemporary microfinance was introduced through the International Labour Organisation's (ILO) Paper on Informal Sector in 1972 (Odhiambo, 1985). The objective of this Paper was to address poverty and economic empowerment among the poor, the majority being women. MFIs thereafter were set up in many low-income areas, for instance, informal urban settlements and rural areas. Again, Odhiambo (1985) notes that since 1972, the microfinance sector in Kenya has experienced more rapid expansion than in any other country in sub-Saharan Africa, including Ghana. The rate of access to finance in Ghana was at 1.5 million borrowers compared to over 3 million in Kenya in 2010 (Egyir, 2010).

In Kenya, fifty years after independence, lack of access to resources and poverty afflicts more than 50% of its 40 million people (GOK, 2010). The numbers continue to rise every year as more people annually fall below the poverty line. However, interventions have been put in place to address poverty in Kenya. These include the Poverty Reduction Strategies of 1999 - 2015 (GOK, 1999), Economic Recovery Strategy (2003-2007) and, more recently, the Kenya Vision 2030, which aims at transforming Kenya into a middle level economy by the year 2030 (GOK, 2010). In addition, the Vision 2030 has the goal on equity and poverty elimination, to reduce the number of people living in poverty to a manageable proportion of the total population. The main aim of this goal is to guarantee equality of opportunity to both men and women in accessing all resources; achieved by placing citizens at a level of income that is sufficient to cater for basic requirements of a healthy, productive life (GOK, 2010). To address poverty globally, the introduction of micro finance institutions (MFIs) became necessary as key drivers in addressing this problem. Microfinance is the provision of financial, economic and monetary services to poor people. These services generally include credit and saving, although some micro finance institutions also provide insurance and payment services (Mohamed et al., 2012). In both the developed and developing countries, Microfinance institutions (MFIs) have provided poor people with the finances required to set up businesses and earn an income, thereby contributing to family incomes and national economic growth of respective countries.

A pioneer MFI in Kenya is the Kenya Rural Enterprise Programme (K-Rep) that has targeted women groups since the early 1980s. Reports from Consultative Group to Address the Poor (CGAP, 2005) indicate that K-Rep Development Agency had over 50,000 clients, of whom more than 59% were women from poor rural districts in the early 2000. In Kenya, the Kenya Women Finance Trust (KWFT), is the largest MFI that has been providing financial services to almost 600,000 women, in 2011, (KWFT, 2011) – this number had risen to 900,000 in 2013. KWFT was established in 1981 to enable women access financial resources. Unlike the banking sector where collateral (mostly land title deeds) was needed to secure loans, most MFIs do not require formal security. Women clients in the MFI are expected to pledge household assets as security for loans while group members act as co-guarantors. Other mainstream MFIs include Faulu, Small and Micro Enterprise Programme (SMEP), Jamii Bora, Rafiki, Remu, Kadet and BIMAs all addressing microfinance needs for both men and women. Thus, the MFIs have brought financial and non-financial resources close to the poor people in rural areas, thereby enhancing easy access to resources.

The International Fund for Agricultural Development (IFAD, 2010) states that the microfinance sector in Kenya plays an important role in empowering the poor). The sector contributes more than 25% to the Gross Domestic Product (GDP). This figure shows that microfinance has an important role to play in the economic growth of the country with capacity to address the financial needs of the poor. However, according to a GOK (2009) report, in spite of the high contribution of microfinance to the country's economy, the number of women and men accessing financial resources is still low. This is an indication that there are factors barring access to financial resources by women in Kenya. MFIs are yet to address the core objectives of their establishment, that is, poverty reduction in many developing countries.

Abok (2001) notes that women who have accessed financial resources are still economically dependent on their husbands. This means that the resources from microfinance have not had a remarkable impact on empowerment of women at the household level. The reasons for this is varied but include gender relations between men and women, in a complex household situation in Kenya, where men are the decision makers in families. The World Bank (1995) provides evidence that gender relations where men have more power than women at the household level, impinge on economic outcomes in multiple ways. The complexity arises from the fact that gender relations are revealed not only in the gender division of labour, access, control and utilisation of resources but also in representations of ideas in the public sphere.

In Kenya, gender relations are constituted by the prevailing ideologies and roles within social structures. They are not uniform and vary from household to household, community to community and in terms of marital status (single, married, separated/widowed). Kenyan women often find themselves subordinate socially, culturally and they economically dependent on men, who are the breadwinners in most families. In particular, young unmarried and widowed women are dependent on parents and male relatives, respectively. Social and cultural motives in Kenya, therefore, subordinate and restrict women's access to resources, including their control and utilization. In addition, cultural and social stigma is also attached to women's marital status, especially in access to, control over and utilization of resources. For instance, single, widowed and divorced women find themselves with fewer options for economic opportunities (Swarup et al., 2004). Financial institutions discriminate against these women because of their marital status. A woman without a spouse is considered risky if she were to seek to access microfinance resources.Women, therefore, irrespective of their social status, face major obstacles in trying to escape poverty, among them the lack of ability to participate in the microfinance sector. Gender inequality at the household, community and national levels is another major drawback. The exclusion of many women from education still happens, in spite of the Free Primary and subsidised Secondary Education and Affirmative Action in university admissions, which take girls with lower points. Consequently, girls and women are excluded from economic, financial, market access and participation, which limits their ability to develop the much-needed skills in the microfinance sector.

MFIs offer a wide variety of services to men and women in Kiharu who have been able to access resources from a wide range of products. However, the GOK (2010) report indicates that the poverty rate in Murang'a was at 39%, with only 20% of the poor relying on resources from MFIs, a majority of them being women. The same report put the male to female ratio of the County's population at 1:2, meaning that women are the majority. The statistics show that despite the heavy presence of MFIs in Kiharu, these institutions are yet to fully benefit the poor, in particular, women. Helms (2006) links this concern with the underlying gender challenges, in particular, gender relations in households, and lack of productive assets for collateral which women face in their endeavours to access resources from MFIs.

Arguably, access to, control over and utilization of resources from microfinance provide opportunities for women to improve their bargaining position through economic empowerment, thereby improving gender relations in households. This study therefore sought to explore gender relations in access to, control over and utilisation of microfinance resources in Kiharu Constituency, Murang'a County.

1.2 Statement of the problem

The delinquent of access, control and utilisation of microfinance resources is compounded by the recommended gender relations within societies that subordinate women to men, making women more vulnerable to poverty. Men in Kiharu are not only the heads of households but also control resources, as gender relations in the community favour them as decision-makers over all household resources. As one of the means to tackle this situation, microfinance resources for women have been emphasised as a strategy for empowerment and poverty alleviation. Indeed, the link between microfinance resources and women empowerment in Kenya is not new, as MFIs have dramatically increased resources available to the poor since the mid-1980s a majority being women. Studies undertaken in Kenya on microfinance have concentrated on access to resources with a few addressing the gender relations in control and utilisation of these resources. Yet it is consistently noted that there are underlying gender relations in the household that affect access to, control over and utilisation of MFIs resources by women.

1.3 Objectives of the study

The overall objective of the study was to investigate gender relations in access, control and utilization of microfinance resources among women in Kiharu Constituency of Murang'a County, Kenya.

Specific objectives were to:

a) Determine factors influencing access to microfinance resources among women in Kiharu Constituency of Murang'a County;
b) Identify factors influencing control and utilisation of microfinance resources among women in the Constituency;
c) Identify challenges women face in access to microfinance resources in the Constituency;
d) Identify challenges faced by MFIs in extension of resources to women in that Constituency;
e) Suggest strategies that can enhance women's access, control and utilisation of microfinance resources in Kiharu.

1.4 Research Premises

This study was based on the following premises.

a) There are certain factors that inhibit women's access to microfinance resources;
b) Certain factors influence control and utilisation of microfinance resources among women in Kiharu Constituency;
c) Women encounter certain challenges in accessing microfinance resources from MFIs;
d) MFIs face challenges in extension of financial resources to women;
e) There are strategies that can enhance women access, control and utilization of microfinance resources in Kiharu.

1.5 Research Questions

The following were the research questions that this study set out to answer:

a) What factors influence access to microfinance resources by women in Kiharu Constituency?
b) What factors influence control of microfinance resources among women in Kiharu?
c) What factors determine the utilisation of microfinance resources among women in Kiharu?
d) What challenges do women encounter in accessing microfinance resources in Kiharu Constituency?
e) What challenges do MFIs face in extension of resources to women in Kiharu Constituency?

f) What are the strategies that can enhance women's access to, control and utilisation of microfinance resources?

1.6 Significance and justification of the Study

Several studies, for example Boserup (1970; 2001); Brush (1992); Kabeer (1998); Sweetman (2001); Green (2008) have been done on economic empowerment and gender equality in access to resources especially for women. The studies indicate that there is need to do more to address women's empowerment at household, community and national levels. To the best of my knowledge, other than Sweetman's 2001, study on "Gender and Money", and Kabeer's (1998), "Money Can't Buy me Love? Re-evaluating Gender Credit and Empowerment" in Bangladesh, there is no other systematic research done on gender relations in access to and control over resources. This study therefore contributes to this gap in research, specifically in Kenya. The study is significant because gender relations in households are important in women's empowerment. The study is also an attempt to contribute to the knowledge on gender relations and related knowledge on microfinance resources for empowerment and poverty reduction among women. This proposition echoes the Kenya Vision 2030 and the Millennium Development Goals, Goal number 3, (promote gender equality and empower women) which lay emphasis on the enhancement of gender equality through women's economic empowerment. It is hoped that the findings of this study will encourage MFIs to review their lending policies for the benefit of their clientele. Gender and development practitioners could also use the research findings to sensitise communities and families on access to, control over and utilization of resources by women globally. The study findings, conclusions and recommendations may form the basis for the government in advising MFIs on improving lending policies for women. Equally important, the study has added to the existing body of knowledge on gender relations at the household levels, and also form a basis for future research in related areas.

1.7 Scope and Limitations

The study was done in Kiharu Constituency of Murang'a County. It covered the period between 2005 and 2010. This period is notable for the MFIs, since it is the time when the Micro Finance Act 2006 (GOK, 2006) was enacted, with the main aim to protect microfinance clientele and allow Deposit Taking Micro Finance Institutions (DTMs) to operate. The government started regulating and monitoring MFIs to ensure accountability to their clients. The study focused specifically on women who had accessed microfinance resources during this period. Although there were many factors that influenced access, control and utilisation of microfinance resources, this study focused on gender relations as a factor.

As gender relations are mainly socio-culturally determined, they have the potential for empowering or dis-empowering men and women at the household level. Therefore, the findings of this study could be generalized to many other areas in Kiharu where MFIs operate. However, it is worth noting that beyond socio-cultural factors, Kiharu Constituency may have different forces that influence women's access, control and utilisation of micro-finance resources. This means that although the findings, conclusions and recommendations of this study could be generalised to other similar situations in other areas in and beyond Kenya, such generalisation should be done with caution.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

This chapter reviews the literature on gender relations in access, control and utilization of microfinance resources. It is divided into the following sections: gender relations and resources; access to microfinance resources; control of microfinance resources; utilization of microfinance resources; challenges in accessing microfinance resources; challenges MFIs face in extending resources; and the theoretical and conceptual frameworks.

2.2 Gender relations and microfinance resources

One of the most important institutions in the lives of women and men is the household. The household is the basic unit of society where individuals confront and reproduce societal norms, form relations, values, power and privileges. It is the central place where children first learn about the roles connected to gender and where power relations built around gender are located (Narayan et al., 2000). However, gender norms in households are reinforced and reflected in the larger institutions of the society.

While gender relations are not confined to the household, they constitute an important institutional site on which relations are played out. Wood (2011) observes that gender relations are initiated by men within society from a position of power and maintained in households, as well as community and national levels. As a consequence, men enjoy the benefits of decision-making power in households over women. Feminists contend that men dominate women in various aspects of life in most African communities. Women's roles are classified as domestic and community activities such as organizing and attending weddings. These roles have no material compensation attached to them. As such, women work related activities, despite the number of hours they spend doing them are not considered as productive work. Societal gender division of labour confines women to roles that have no monetary value, hence discrimination based on their gender (March and Lopez, 1990).

The informal and formal economic sectors in most of the African societies are classified under productive roles but they are largely the preserve of men. Conversely, women are not expected to work in productive roles and earn income, as this would bestow on them power in the household. Indeed, gender construction in society circumscribes men and women's life prospects in determining their social formation. This dimension brings about inequality, belittling women due to their gender roles in the household and community. In the Gikuyu community, gender roles and relations confine women to domestic activities in spite of the society being originally matriarchal. Gender relations have developed over time since the origin of the Gikuyu community. According to Gikuyu tribal legend (Lambert, 1956), the divider of the universe created the first Gikuyu communities and provided them with all the resources necessary for life. *Ngai*, dwelling on Mt. Kenya, founded the community as agriculturalists. Lambert also states that Gikuyu married *Muumbi* and together they sired daughters only, who form the Gikuyu clans. Lambert further notes that originally, the Gikuyu was a matriarchal society, where women had power and made decisions in households but men had a *coup d'etat* and installed a patriarchal society with age groups as the basis for kinship.

Similarly, Muriuki (1976) supports Lambert's assertion that the Gikuyu were a matriarchal, with power in the hands of women, before men overthrew them and installed a patriarchal system. He further states that in the early 19th century, a woman, Wangu wa Makeri, was elected as a Chief in the present Kiharu Division of Murang'a District and she proved to be a very powerful and authoritarian ruler. Myth has it that Wangu was ruthless with men and as a consequence they plotted to overthrow her to maintain male hegemony and power. Wanyoike (1995) further states that Wangu wa Makeri, was appointed by the British authorities, after recommendation by a male Chief, Karuri. She further notes that Wangu took the position of a Chief, when a man declined to take up the position. Wangu is today remembered as an extremely heavy-handed administrator especially towards men. In Kiharu, the folklore about Wangu has been repeated for generations, suggesting that women should never have power or rule over men because of their *high-handedness*. Although Wanyoike's work does not address gender, her work has helped understand gender relations in traditional Gikuyu society.

Gender biases in microfinance resources in the Gikuyu and many communities not only result in unequal treatment of women but also in economic inefficiency and women disempowerment. Women report that men control what they earn and that for men marriage means extra hands added to the household labour to support them (Narayan, et. al., 2000). Whereas this happens in many societies in Kenya, it is difficult to ascertain the extent of women's disempowerment and discrimination and the systematic barriers that continue to circumvent women's decision-making in households. Additionally, there is little empirical evidence on how microfinance resources earned by women, single, widowed or married shape gender relations, particularly in decision-making on access, control and utilisation of the said resources in the household. According to Spade and Valentine (2011), while women may gain control over finances or household decisions, few married or single ones report patterns that could be characterised as egalitarian. Arguably, men continue to exercise greater control in financial matters and decision-making. Characterised by these, gender relations with regard to the utilisation of microfinance resources and any other finances indicate that men and not women have authority in households. Men control the production and distribution of resources in the family, and this situation results in gender inequality at household levels, with power resting in the hands of men, in the control of resources.

2.3 Access to microfinance resources

Microfinance resources are important for economic self-reliance and development. They are a vital indicator of women's development, empowerment and improved gender relations in households. However, access to resources for women may not be the answer to women's empowerment; neither does it signify that they have power when they access resources. Deeper understanding of gender relations in households is critical to ensure women's empowerment, improvement in bargaining power and poverty reduction in the household. MFIs have been lauded for effective and positive impact on economic growth and other social empowerment indicators especially in the provision of resources to women. In addition, high microfinance loan repayment rates by women are interpreted as women utilizing the resources, hence their capacity to control resources (IDS, 1998). Nonetheless, women's access to or control of resources cannot be inferred from financial statistics on women's participation in microfinance resources, repayment levels or enterprise performance. There are few or no empirical researches done to show a clear and direct relationship between access to microfinance resources and improvement of women's status within their households and communities and changes in gender relations at the family level. This study sought to establish whether in Kiharu, this was the case.

The interest of governments and international organisations regarding access to microfinance resources by women is not new. The issue was first highlighted during the First International Women's Conference in Mexico in 1975 (UN, 1986). Since then a number of activities have led to enhanced support of women in microfinance. The Beijing Platform for Action of 1995 also called for states to support women's access to credit from MFIs (UN, 1995). The Platform encouraged links between financial institutions and non-governmental organizations (NGOs) to support lending practices that include training and credit facilities for rural women. This action led to the setting up of a Women's World Banking Network, which has supported women to access financial services through women financial institutions, for example, the Kenya Women Finance Trust (KWFT) in Kenya. In this regard, a large number of women has been able to access finances through KWFT, which is an example of a women's only MFI in Kenya that is enhancing women's economic empowerment. Similarly, other mainstream MFIs have also been able to reach women with resources in the study area.

The commitment to provide equal opportunities and access to resources by women in Kenya has been witnessed by the ratification and domestication of various international policy frameworks that spell out the need to offer financial support without discrimination. The Sessional Papers No. 2 of 1992 and 2005, the Millennium Development Goals (UN, 2000) and the Kenya Vision 2030, are some of the efforts addressing the benefits of microfinance in the economic development of women (GOK, 1992, 2005, 2010). The Government views microfinance as enabling individuals to not only improve their incomes but to also broaden their investment opportunities and contribute to economic development of the country. This is in agreement with Claessens and Krantz (2001) who have also stated that microfinance plays an important role in empowerment of women, especially the poor in the rural areas with no other sources of access to finance.

The Government of Kenya has emphasized the importance of MFIs in access to resources by the number of institutions registered to offer such services. For example, estimated statistics of MFIs by the World Bank (2003) has put the number of registered MFIs in Kenya at 56, 3,460 MFI service providers, 3,397 savings and credit co-operatives and co-operative-like community-based intermediaries, 4 commercial banks, 2 building societies, and the Kenya Post Office Savings Bank. However Dondo (2007) reports that this number continues to fluctuate, putting the number of Micro Finance Banks at 3, 41 MFIs, 5,000 Accumulated Savings and Credit Associations (ASCAs), 18,000 Rotating Savings and Credit Associations (ROSCAs), 10,000 Money lenders, 3,500 Savings and Credit Cooperatives Societies and 1 Savings Bank. However, there are 9 microfinance banks this year (2014). Nonetheless, in spite of the legislations addressing the importance of microfinance resources in Kenya, and the high number of registered institutions, access of microfinance resources should be easier. Indeed, Murdock and Armendariz (2007) have put the number of women accessing microfinance loans in Kenya at 60%. These scholars' overview suggests that there is a general increase in the number of women accessing MFIs resources in Kenya. Although this trend seems positive and creates a picture of continuous growth, the number of women who remain in poverty is still high at 46% (GOK, 2010).

Again, statistics from the Government of Kenya (GOK, 2010) too show there is a significant gap in poverty levels between female-headed and male-headed households. These statistics indicate that in Kenyan rural areas, 48.8% of male-headed households are classified as poor as compared to 50% of the female-headed ones (ibid). This implies that the push to have more women access microfinance resources does not translate into their economic empowerment, thereby suggesting that there are other underlying factors impacting women economically. These may include gender relations at household level where men are viewed as the overall heads, thus dictating access to resources by women.

Thegovernment of Kenya has emphasized women's economic empowerment through the Microfinance Act (GOK, 2006), which stresses the streamlining of the microfinance sector and creating suitable environment for women's access to resources. However, the implementation of the Act has faced challenges such as the expectation by the Central Bank that each MFI deposits KES.250 million as the deposit protection fund; inappropriate infrastructure for implementation of the laid down policies and other miscellaneous provisions, all of which limit the operationalisation of the Microfinance Act, and consequently access to resources by women.

Women in Kenya and in Kiharu in particular, make significant contributions to household income and to the County's economy through microfinance development. Although Kiharu Constituency has over 27% of the population living below the poverty line, the majority of whom are women, statistics show that more than half of those engaged in MFIs are women (GOK, 2010). This means that given the well-recognized role of microfinance as a means of poverty alleviation, women have taken this advantage to join the sector to enhance economic development and gender equity. It also confirms the importance of microfinance in the improvement of household economic welfare. Sweetman (2001) too has noted that women are not able to access microfinance resources because of a number of reasons. For instance, while men have the power to control the means of production such as land for access to resources, women do not have this control, to enable them access the same. The patriarchal culture of Gikuyu community does not allow women to control any means of production.

As Sweetman (ibid) argues, the patriarchal nature of African communities hinders women from making substantial financial investments as compared to men. Men are able to access large amounts of finances from financial institutions using land title deeds acquired through inheritance or acquisition. Lack of access to means of production therefore inhibits women from access to resources, thereby denying them participation in MFIs. This has limited their ability to earn high incomes in microfinance, which could improve their economic empowerment and independence and, in turn, improve their relations with their spouses in the household. Nevertheless, for women to participate fully in the microfinance sector, policies and laws that enable them to access resources without stringent requirements should be implemented.

In addition to the above, patriarchy has been the major barrier to women's empowerment in Kenya. The patriarchal system in Kiharu for example has been institutionalized through socialization, where women know that men make all decisions within the household. Girls are socialised into domestic roles which prepare them for marriage, whereas boys take up roles that emphasize leadership. As Fox (1993) observes, what we read constructs us and makes us who we are by presenting the image of ourselves as girls, women, men and boys. Indeed, women's responses on head of household analysed later in this thesis lend credence to this observation. Again, a community belief in Kiharu is that by virtue of men paying bride wealth, women are subordinate to them and they should therefore depend on them, and so the men as spouses, automatically become the breadwinners. Again household responsibilities are divided along gender lines, which construct men as breadwinners and women as homemakers. Gachara (2012) also states that bride wealth for women spells out their position in the family as lower than their male counterparts.

Conversely, gender activities mark the difference between men and women in households, as well as the powers each has regarding decision-making. According to sociologists, such as Sen (2007), certain preconceived notions rooted strongly in the minds of men, perceive women as inferior. Similarly, Wood (2011) stresses that gender is learned from infancy, with children being encouraged to learn how to embody the gender that society prescribes them. However, it is important to note that gender relations and gendered division of household labour is primarily constrained by cultural expectation and so men are the breadwinners and women home-makers. These cultural images must be altered to allow women access resources and improve their position in decision making in the household. Wamue and Njoroge (2011) have also shown how, traditionally, men in many communities, have authority and power over women. They contend that in patriarchal societies, customs and traditions tend to favour men at the expense of women, especially in terms of ownership of assets (household and productive) at the household level.

In Kiharu men, as heads of households, practically own all assets in the family. Such assets are linked to microfinance as important collaterals in securing resources from MFIs KWFT Report (2005). Consequently, this expectation of providing collateral to access resources put women in a disadvantaged position. Women cannot make decisions on property they do not own; hence they depend on their husbands’ permission for them to be able to use assets for collateral. Nevertheless, access to microfinance is a fundamental aspect in women’s economic power and in building their confidence levels. Microfinance resources also enhance women’s power positions at the household level where important decisions on resources are made. However, there is no data to show whether women’s confidence level has risen or gender relations in households have improved as a result of access to microfinance resources.

Historically, women have been disadvantaged with regard to access to material resources like property and they have, over years been excluded from social resources like knowledge and skills. A UNESCO/Kenya (1991) study found that for a woman to be empowered, she needs access to the material, human and social resources necessary to make strategic choices in her life. This includes their access to property, education and training. However, women in Kiharu are constrained by lack adequate skills and training in access to microfinance resources because of material property. According to Schincks (2010) the collateral requirement is generally very high and women are unable to access resources they require from the bank to engage in micro enterprise. Conversely, they have no choice but to join microfinance programmes as the only alternative to access financial credit, where collateral requirements are not as stringent as in the banking sector.

Other studies, for example March and Lopez (1990), also show other critical factors that prevent women from accessing microfinance resources, including lack of time, especially due to domestic roles that women perform in the household. Indeed, MFIs require women to participate in weekly group meetings, which pose a time constraint since women have additional reproductive roles at home, alongside attending group meetings. In this regard, they lack adequate time to participate in the sector, a fact that limits their empowerment. However, this position may not be the same for single women, who are viewed as having fewer gender roles to play in households. Abok (2001) states that in addition to time constraints, many MFIs treat women as homogenous, putting them in one group in the case of the need to access resources and offering similar services regardless of their individual ability. This serves as a constraint to those who would like to access resources as individuals. It is worth pointing out that women are not a homogeneous group as some may have individual needs and constraints, completely different from others.

A report by the IDIS (1998) points out that empowerment is about recognising the position of women in relation to men as actors in society, in the context of husbands and families, and in the local community. Indeed women's participation in microfinance would go a long way in ensuring that gender relations in the household by recognising the income women bring to the family. Other scholars such as March and Lopez (1990), stipulate that sometimes women access resources from MFIs to invest in their husbands', fathers' or other relatives' enterprises. As such, direct benefits may not materialize for them, thereby reinforcing in-subordination, as women may not reap from the wider effect of their enterprise. Even though this is the situation in most communities, there was likelihood that in Kiharu Constituency, it might not be the norm.

It is worth noting that access to microfinance services does not necessarily improve gender relations in the household. In the Gikuyu community, just like in many other African communities, marriage, as stated before, means that a woman has to obey her husband (Kabira et al., 1994). Besides, she is required to consult with her spouse of any resources accessed or any productive engagement that is likely to bring income (March and Lopez, 1990). This action strengthens male power rather than improve women's socio-economic status. As such, women continue to find themselves powerless despite accessing extra resources for example, from micro finance institutions. Though the above scholars argue that way, equally important was to find out whether women in Kiharu access resources and surrender any of the resources to their husbands willingly or they did so without their knowledge. But there is little data to show how gender relations play out in households where the woman has accessed microfinance resources.

Other scholars, among them Sweetman (2001), acknowledge that extra resources, in most instances, tend to increase stress on women, thereby straining their marital relationships. Although such scholars state that men resort to domestic violence when women do not surrender such resources to them, it was important for me to establish the situation in Kiharu. Although social norms support men's authority and their right to beat women, the latter have been able to overcome some of the above hurdles and have participated in large numbers in seeking resources from and activities of MFIs. Increasingly women's access to microfinance has been a major boost to their economic, social and political empowerment.

2.4 Control of microfinance resources

In Kiharu, allocation of gender roles at the household level is done by gender. Men in the community are the decision makers in matters of social, political and legal affairs and this includes the control of resources. Women on the other hand are confined to domestic roles of nurturing. This is as a consequence of the social classification of the roles which places them in a disadvantaged position. This has been achieved through gender division of labour in communities for many generations. Studies by Karanja (1996) and Otunga et al. (2001) discuss the role of women in enterprises, owned by their spouses. The scholars above concede that women tend to perform the role of 'business manager', often having some influence but no authority in the way the business operates and little or no control of the resources. This was largely the situation found in Kiharu during the research. In his argument, Kershaw (1975) too stresses the reduction of women to positions of 'second-in-command' in decision-making at all levels, especially where allocation of resources is concerned, as a drawback to empowerment. This assertion has a lot to do with the socialisation processes by gender, where men take positions of power and decision-making in the household at the expense of their female counterparts, especially in Africa and this was also found in Kiharu.

Women who operate small businesses not only supplement their husbands' incomes but also often become the sources of financial support within the family. Karanja, (1996) argues that the majority of women do not use the profits to re-invest into the business but to meet their domestic needs. He notes that, as a result, most women earn little from the micro-enterprises. This is consistent with the argument by Duxbury et al. (1991) that women have fewer options than men for achieving control over any resources due to competing roles of family demands and gender relations in homes. Conversely, an IDS (1998) report has observed that in some cases women have been able to overcome gender relations and challenges and be able to control resources from MFIs. However, from the perspectives of gender roles and the gender division of labour in the Gikuyu community, it might be erroneous to conclude that women are able to keep the resources and determine their expenditure. Though control of resources varies from household to household, it is important to get informative data on gender relations in different households on control, in order to draw the necessary conclusions.

In addition, the notion that women do not have control over the resources they make means that their survival and stability depends on the goodwill of their husbands, fathers or sons and they have less power to determine expenses in households. For example, no matter the kind of relationship a woman has with her spouse, she is expected to fit into his vision and do whatever she is commanded to. In some cases, this involves surrendering control of all resources, being confined at home, submission, lack of power or freedom to choose and inability to challenge the spouse. Indeed, empowerment means ability to earn and control income but in some contexts this entails women giving up some kind of power relations and status to achieve this. Blood and Wolfe (1960) argue that power is apportioned between husbands and wives based on valued resource that each contributes to the family. They define valued resource as anything one partner makes available to the other to help the latter satisfy his or her needs. As such, the more resources men have the greater the power they wield in the household. Men have gained power in the household because they have easier access to resources than women as society confers power on them through gender division of labour. Additionally, men have requisite resources of power that gives them avenues to utilise it within the household, for example access to and control over land, acquired through inheritance.

While contributing to the knowledge on constraints of women in control of resources in microfinance, McCormick (1992) noted that gender roles and relations in society tend to influence business enterprises and resources made by men and women. She maintains the argument that sex stereotyping of occupations and training opportunities limits women’s choices by blocking their entry into some enterprises. Her argument is consistent with the fact that women have tended to dominate the enterprises which are labelled traditional, such as dressmaking, knitting, embroidery, hair care and selling cheap household merchandise or fruits and vegetables. However, these enterprises do not offer meaningful incomes to them. This means they make less income compared to men, which they still have to surrender to their spouses as per cultural expectations. The gender disparity in the control of microfinance resources is attributed to many factors such as attitudes towards women in terms of knowledge and skills, types of enterprises they engage in and other socio-culturally related factors. Education and training play a key role in determining the enterprises women engage in.

According to Fatuma and Sifuna (2006) in a UNESCO/Kenya report, the gender disparity in education between men and women is seen in the enrolment, dropout and survival rates among boys and girls. The imbalances are perpetuated by ethnicity, religion, policy and region. The imbalances created have continued to secondary and university levels, despite Government efforts to ensure that women receive education and training and this has a role to play in who controls resources at household levels. The fact that the same report (ibid) showed that there were fewer girls completing higher education, even after enrolling in large numbers at lower levels, is an assertion that lack of access to education and training hampers women from embarking on non-traditional enterprises, as well as technological innovations. Aikman and Unterhalter (2003)also note that gender division of labour in households and the work of girls at home negatively affect their education. Evidently, the socio-cultural dynamics at play do not favour women or even provide them with a level ground to compete with men.

Similarly, gender stereotypes, prejudices and patriarchy within African communities reinforce gender relations in households, where women must obey the authority of men as a socio-cultural norm (Spade and Valentine, 2011). This means that anything that contradicts the cultural or societal expectations, for instance, control of money matters by women at the household level is met with resistance, thereby maintaining the *status quo*, Otunga et al. (2001). Wamue and Njoroge (2011), in the contrary, argue that colonialism rather than patriarchy in Africa subjugated women as the former constituted men as masters of the home and their designated villages. By so doing, colonialism relegated women to an inferior position as subjects and the men as heads of households. Although the above scholars'(ibid) blame colonialism for subjugating women, patriarchy in Africa is deep-rooted within societal norms, and defines social relations in a hierarchal order, based on gender and sex. As such, it is perpetuated through kinship and extended family, subjugating women, despite modernisation. In retrospect, this means male dominance as hegemonic power in households and final ultimate decision-maker and men as breadwinners. Thus, a man has to fulfil his masculine role, provide income to the family and the woman continues to fulfil feminine role, as a homemaker. Women are subjected to playing second in the family thereby, making them subordinate to men. This signifies that they relate to men in the household from a subordinate position (March and Lopez, 1990).

In another study undertaken in Cameroon, findings showed that women expressed joy at achieving access to resources from MFIs and any other income that they earned (Endeley, 1998). The study also indicated that some women had reservations in accessing resources since they did not have its control. However, the study does not state whether there were women who accessed resources without disclosing to their spouses and therefore, assume its control. Again, it was not clear from the study whether there was a change in gender relations when husbands learn that their wives have accessed resources and are in control. This could indicate that when women earn incomes and access resources they ultimately do not have power over its control at the household level or when they do they may not disclose to their spouses. However, there may also be consequences in the failure to disclose resources, which affect gender relations in the family and threaten gender roles in patriarchal societies. This argument continues to determine gender roles in patriarchal societies where women are expected to assume the role of second in command within the household in relation to the control of resources. Endley(1998) also presented a similar argument to Karanja (1996) that few male spouses knew about women accessing resources or what their wives did. Karanja asserted further that this could indicate that wives conceal their businesses from their spouses as an expression of independence or that male spouses might be disinterested in women's work, terming it as irrelevant to the family.

A study by the IDIS (1998) indicated that in some communities, women use their resources to help spouses. Otunga et al. (2001) too maintain that the relative flexibility of culture played a central role in defining how women acquired and made use of money from enterprises. It is clear that addressing gender relations is important for women in order for them to access and to have control over microfinance resources in households.

2.5 Utilisation of microfinance resources

The balance of power in most households reflects the concept of separate spheres in conventional marital contracts. These contracts consist of cultural understandings of reciprocal rights and obligations of each spouse within a household (Sweetman, 2001). In essence, power is consolidated and institutionalized through a socialization process. This ensures that men and women are aware of the power that each possesses in the community. Wood (2011) emphasises that gender relations and participation of women in decision-making is spelt out and engraved in their prevailing culture. She further notes that in patrilineal societies, the socialisation process has been used to shape and entrench gender differences between boys and girls right from birth. In Gikuyu and African communities, boys and girls are raised differently. Girls are socialised to help their mothers by taking household chores and care of younger children. Boys, on the other hand, are given roles that assist their fathers, helping in productive activities that bring income. This, as stated previously, suggests that women's work is not productive, rather reproductive and with no monetary value (income). Men are allocated power in terms of hierarchy, and according to their gender, and once assigned they are expected to utilise it accordingly (Spade and Valentine, 2011).

Pearson et al. (1984) also emphasize that gender roles give prominence to the connectedness of men's and women's lives and to the imbalances of power embedded in male-female relations. In addition, gender relations and customs at the household level demand that control and utilisation of household resources and income be regulated through marriage and family gender division of labour, which is dependent on ownership and management (Kershaw, 1975). In such cases, women are expected to disclose to their spouses all income received from whatever source, microfinance resources being no exception (Sweetman, 2001).

Evidently, gender relations in the utilisation of household resources militate against women's realisation of full benefits of MFIs despite their enormous participation in them. This renders the whole purpose of MFIs in poverty reduction, ineffective. Again, poverty levels in developing countries are a challenge which have been compounded by prescribed gender roles within societies that subordinate women, making them vulnerable to poverty (March and Lopez, 1990). Although poverty is not synonymous with any gender, women are more vulnerable than men. As such, gender roles and gender relations governing utilisation of microfinance resources within the household catalyse their vulnerability.

In comparison, matriarchal societies have better positions for women in decision-making. In such societies, women often attain economic power by inheriting resources from parents and are more likely to have a higher decision-making level on the use of the inherited property (March and Lopez, ibid). This means that variation in decision-making in communities is related to whether or not women are engaged in activities that would empower them economically or whether the community has a matrilineal or patrilineal social organization. Consequently, women who control wealth or engage in production of high value products have great access to decision-making power relative to women who do not have economic independence (Sweetman, 2001). It is however important to note that when women control wealth and they have utilisation power, they have productive assets for access to resources as compared to those where wealth is in the hands of men even when the levels of wealth are the same (Pearson et al., 1984).

In addition, Sweetman (2001) states that in most societies in Africa men make decisions on use of micro finance resources earned by women. March and Lopez (1990), too note that men dominate women in all aspects of life, including in deciding on the number of children a woman should bear. Arguably, in a majority of communities in Africa, men are not only entitled to decision-making power within the family but also allocate tasks and utilization of resources at the household level. As such, women are not allowed to spend their own income without the consulting their male spouses. In many societies in Africa and specifically in Kenya, women are expected to declare and bring home any income earned to their husbands including that of microfinance for necessary allocation and use (March and Lopez, ibid).

Traditionally Gikuyu women are excluded from decision-making forums and their participation in spheres where money issues are addressed is circumscribed. They are deemed ‘incapable of making decisions’ and have no role to effect change in institutions that perpetuate gender inequality (Kabira et al., 1994). As Brehm and Kassin (1996) put it, gender roles and societal expectations influence the way in which men and women think, feel, respond and react to the outside world. Wood (2011) asserts that religion and culture also have a role to play in apportioning power to men in the household. Thus, men take control of resources and decide on their use in households. In essence, utilisation and use of resources from microfinance is therefore determined at the household level where the family is crucial in distribution. Thus, women and young female adults in households are presumably represented by the husband and/or father, and are excluded customarily from participation in any decision-making on issues concerning finance in the family and those of a public nature. In addition, gender roles among African societies, including the Agikuyu, are affected by the rites of passage, which shape and institutionalise gender relations in households. A rite of passage through initiation or other means is meant to help young men and women transit smoothly from childhood into adulthood. The dominant male ideology is passed on to young adults during this rite, which has always played a central role in socialization, marking the different stages in an individual’s development as well as position in the broader community. Spade and Valentine (2011) state that in many societies in Africa, adulthood rites are done at the onset of puberty and are used to ensure proper shaping of responsible, productive and community-oriented adults. Ideally, the purpose of initiation is education and this has an impact on gender division of labour and gender relations in households. Young adults learn norms and expectations of their community which prepares them for future roles, especially marriage.

In the Gikuyu community, circumcision of boys and alternative rites of passage for girls has been a ritual expected to prepare them for the roles they play as adults in society. Young people are inducted into the roles where men are the breadwinners and women, homemakers. These rites continue being observed which means that apart from cultural traditions, there are other factors that come into play in transforming gender relations in households (Spade and Valentine, 2010).

2.6 Challenges in accessing microfinance resources

MFIs provide women with easy access to microfinance resources, and women are expected to form groups to co-guarantee one another for the resources. MFIs are known to reach the very poor with resources and enable then make savings as well as to access banking services. According to Littlefield et al.,(2003) microfinance resources increase income and assets, and decrease vulnerability of women in households. While much debate remains about the impact of microfinance projects on poverty, it is clear that MFIs understand the needs of the poor and try to meet them. The microfinance resources make significant contributions to increasing incomes of women. As such, microfinance resources enable women to cope with unpredictable shocks and emergencies in times of calamities. Hulme and Mosley (1996) too have stated that microfinance resources reduce isolation of women, since when they come together in groups they have the opportunity to share information, discuss ideas and develop a bond previously not there. MFIs therefore operate like a platform where women network and support each other, which can considerably build self-confidence and, to an extent, gender relations in households.

In addition, MFI resources can have a positive impact on reduction of vulnerability, not just for the poor but also the poorest in society through provision of resources and savings safety nets. However, in spite of MFIs helping poor men and women access resources, they have prohibitive policies that keep women away from accessing resources. These include high interest rates on loans thus placing more emphasis on savings programmes, rather than access to resources (Schincks, 2010). KWFT (2010) also confirms that mainstream MFIs and others have been charging interest in excess of 20% on small business loans to meet loan administration costs. This contradicts the expectation that MFIs are supposed to make the resources more accessible and affordable for women and the rural poor yet, comparatively, their interests are sometimes higher than in the mainstream commercial banks. This leads to the question whether MFIs have really brought affordable and easier access credit resources to women or their marginalisation.

Challenges emanating from accessing MFI resources have been cited as the expectation to be in groups to co-guarantee each other loans. Abok (2001) comments on this requirement, noting that women are not a homogenous group and have different needs which MFIs should realize before grouping them together. Whereas this requirement curtails innovativeness among men and women who would like to access resources individually, for MFIs it is easier to meet their clients in a group. In addition, MFIs give short-term loans which are inappropriate for those who need long-term finances. Kereta (2007) too highlights the fact that MFIs concentrate on short-term loans ranging from 6 months to 24 months, which have a negative impact on selection of enterprises, specifically those owned by women. In most cases, women tend to engage in simple trade related enterprises rather than production of goods and services, which have higher returns in the long run.

In addition, Kereta (ibid) concedes that MFIs have a feature where they expect all their clients to save on a weekly basis. These savings are not available for withdrawal until all group members the women have guaranteed repay their loans in full. However, in some cases, some MFIs allow withdrawal of 50% of the savings before the members request for the next cycle loan. The remaining 50% has to be retained until they leave the MFI. This constrains women who do not make enough money to enable them save with MFIs from accessing microfinance resources.

Furthermore, there are culturally driven constraints which women face in accessing MFIs services. These include mobility of women to marketplaces, which is curtailed by male spouses due to gender relations in households. Women are not expected to start enterprises far from their homes without specific authority from spouses. The notion that women's roles should be in homes makes it difficult for them to engage in enterprises far from their homes. Additionally, higher demand for time in reproductive activities limits their ability to access finance and participate actively in enterprise development (Sweetman, 2001) and (March and Lopez 1990).

Whereas there are major reasons that prevent women from accessing MFI resources, there are other reasons that emanate from the institutions that hindered access but are rarely brought out. Women are pushed into business by their need to seek alternative incomes, making their entry into accessing microfinance resources more of a necessity than an opportunity. Additionally, at the household level, divorce or unemployment of a male breadwinner also triggered a response on the part of female household member to substitute lost income by accessing MFI resources. However, according to IDS (1998) women without spouses are deliberately denied resources by MFIs since a 'husband' acts as security to loan repayment. McCormick (1992) also notes that the widowed, single and some married women entrepreneurs who are housewives, often focus on traditional enterprises, which MFIs do not support. Therefore, the nature of enterprise women engage in plays a major role in accessing resources from MFIs (Karanja, 1996). The MFIs argue that, basically, microenterprises do not offer value for their money in terms of interests paid, and administration costs for loan follow-up. MFIs require enough security to safeguard their money, a security that a majority of single women do not possess. This means that women in micro-enterprises often find it hard to convince the MFIs to consider them when lending. Indeed, this is the situation which widowed, single and some married women entrepreneurs who are housewives and often focusing on traditional enterprises, as cited earlier, find themselves in.

Nevertheless, MFIs continue to attract many women borrowers. A survey in Ghana by Schincks (2010) indicates that more than one-third of borrowers have reported struggling to repay their loans. The report further states that microfinance resources have not had a positive impact on gender relations in households' poverty alleviation but rather has resulted in many families breaking up because of indebtedness. Consequently, this has reduced the rate of borrowers in Ghana to 9% for those living below the poverty line. Whereas this was the situation in Ghana, equally important is to address the access to resources and impact on gender relations in households in Kiharu. Ideally, MFIs should have friendly policies that empower women economically, improve their gender relations, power positions in line with men and increase their borrowing capacity level.

2.7 Challenges MFIs face in extending resources

Providing access to finance for those excluded from formal financial systems was, and still is, the main mission for microfinance, according to Karanja (1996) and Sweetman (2001). These services were designed not only to support entrepreneurship and alleviate poverty but also to empower women and by extension, uplift entire families and communities Karanja (op. cit). In many communities, women lack highly stable employment histories that traditional lenders tend to require. As pointed out earlier, MFIs were created as alternatives for women and men who could not access resources from the mainstream banking sector. Ironically in Kenya many microfinance institutions now function as independent banks, charging high interest rates. Such institutions in Kenya include Small and Micro Enterprise Programme (SMEP), Kenya Women Finance Trust (KWFT), Kenya Rural Enterprise Programme (KREP) and Faulu. This makes them inaccessible to the very poor women in the society as a result of their stringent requirement (Yunus, 2007).

While microfinance resources contribute to poverty reduction through employment and higher incomes, it is also expected to lead to improved livelihoods and education of the borrowers' children. Littlefield et al. (2003) state that one of the first things that poor people, especially women, do with new resources from MFIs is to invest in their children’s education. They further state that children of microfinance clients are more likely to go to school and stay longer in school than the children of non-clients.

The above scholars also suggest that in many situations, microfinance resources have facilitated the creation and growth of businesses and the generation of employment. However, generating employment and increasing income is only one level of the dimensions of women empowerment through microfinance. There are other dimensions, such as changes in the gender relations in households, which merit attention. More data should be gathered to show these changes.

Studies by Robinson (2001) in 16 different MFIs from all over the world suggested that having access to microfinance services had led to enhancement in quality of life for women, an increase in their self-confidence and helped them to diversify their livelihood security strategies and thereby increase their income. Littlefield et al. (2003) also state that access to MFIs empowers women to become more confident, assertive, and more likely to take part in family and community decisions and be able to confront gender relations and inequality. Conversely, the fact that women are MFIs' clients does not necessarily mean they automatically become empowered or achieve gender equality. March and Lopez (1990) state that women need, in addition to resources, education and training to build their self-esteem.

In Africa and in many other parts of the world, MFIs face various challenges in extension of resources, among them the inability to reach the poor because of the depth of outreach that is needed to meet the demands of the rural poor, especially women. They view this as a major financial commitment and too expensive to run rural microfinance Kereta (2007). Claessens (2005) shares this view and states that high transaction costs, poor infrastructure in terms of road networks, small volumes of loans and the high costs of expanding outreach make it unprofitable to serve the rural poor. According to Abok (2001), another problem MFIs face in operational procedures is that of peer group self-selection and the drive for self-sustainability, hence they end up working with the moderately poor and discriminating against the poorest of the poor.

A common problem MFIs have continued to face is clients giving wrong information, and shifting when they have accessed resources. This situation adds to the cost of follow-up KWFT (2005). Indeed, lack of adequate information on clients' financial management and the absence of recorded evidence make the MFIs rely on fellow group members' oral information. Moreover, certifying the ownership of business as well as lack of clients' understanding of the operations of MFIs are also other major setbacks of MFIs in the extension of resources to women. In addition, Kereta (2007) found that loan delinquency was high among women in Ethiopia. This results in repossession of assets which has a negative effect on family wealth in the household and can lead to deteriorating gender relations and gender-based violence in some instances. However, IDS (1998) report, states that women borrowers tend to repay better compared to men who, in most instances, may resort to taking new loans to repay the old ones or pawning their assets. In an earlier study by Karanja (1996) on the same subject, women were found to be more likely to reduce their household budget to repay loans as compared to men. However, MFIs still report default as a major challenge in the extension of their resources. Another concern cited by MFIs is the absence of effective group pressure and lack of collateral by clients. Other challenges include ineffective repayment enforcement mechanism, death of animals bought using microfinance resources, drought leading to crop failure in agri-businesses and inflation rates (Kereta, 2007).

Collins et al. (2009) and March and Lopez (1990) also report that MFIs have had to contend with women diverting resources to activities not planned for initially. However, it is worth noting that resources, in particular money, are fungible and, so, borrowers will always use parts of it for non-business purposes, or will reduce investments as a consequence of the loan. Despite this, there is little information on whether reduction of resources for business investments to other non-business activities has had any effect on gender relations in the household.

2.8 Summary of Reviewed Literature

The reviewed literature demonstrates that microfinance resources are important for economic development and for poverty reduction among women. Besides, microfinance resources have potential for women's empowerment but the level of women's access to these resources is still low. Characterised by gender relations in households, women are not accessing these resources in large numbers despite their huge potential in poverty reduction and women empowerment. The review also indicates that access to resources alone is not directly linked to gender responsive relations, empowerment and equality. Women must also have the ability to access the resources, control and use them to meet their goals. In addition, while MFIs have addressed constraints facing women accessing resources, there are gender-related based traditional structures that inhibit women from control and utilisation of these resources. The social set-ups in the study area determine the gender relations at household and community levels, thereby subordinating women despite their marital status in access, control and utilisation of microfinance resources. Again, in patriachal societies, men are absolute heads and women their subjects, and this influences gender relations in households. In other contexts, because of the society's perception that a woman's place is in the home, most women are not aware of the existence of microfinance resources and even the few who are aware, access such resources and surrender them to their male spouses. Since it is evident that gender relations in households influence control and utilisation of resources among women, this study sought to document the extent to which women are able to control and utilise their resources without interference from men.

Documented challenges that MFIs face in extension of resources to women include diversion of resources for unplanned activities. Additionally, loan delinquency is high among women and this is a challenge MFIs have had to contend with. On the other hand, women also face challenges accessing MFIs, among them the high interest rate charged on microfinance resources and the expectation by MFIs that women access resources in group-based model. Such expectations curtail individual innovativeness. Women also face challenges of time constraint and mobility, as they juggle their domestic and productive roles, which is addressed by this study.

Notably, the reviewed literature reveals a considerable lack of empirical evidence regarding the extent to which access to microfinance resources improves gender relations in the household, a gap that this study set to fill. As gender relations are constituted by prevailing ideologies and roles within social structures, the study sought to fill the gap on the socio-cultural and economic motives that subordinate women in access, control and utilization of resources. Further, the question of whether women in patriarchal societies access microfinance resources, whether they are able to control and utilize them without jeopardizing their position in the household still remains. The literature also reviewed the challenges that women face in accessing resources from microfinance institutions, as well as the challenges that these institutions face in extending resources to women. The nature of women enterprises (traditional micro enterprise) does not allow women to access enough financial resources for expansion. Again, expectation by MFIs of women to be in groups ignores the fact that they are not homogenous, as they have different needs. Weekly savings for women without a regular income is a challenge that has been documented. MFIs too face challenges when borrowers give wrong information and shift from their homes to avoid repaying loans. Loan delinquencies, inability to reach the very poor because of high transaction costs for small loans, were other challenges.

2.9 Theoretical Framework

This study was guided by feminist conflict theory advanced by Blumberg (1984, 2005). Previously, the question of women has been studied from various feminism perspectives. However, feminism perspectives concentrated on women without incorporating men, yet they need to understand women insubordination in the society. Blumberg theory (1984, 2005) is the most appropriate in identifying gender relations and the disadvantage position of women in the society. This theory postulates that gender stratification is ultimately driven by the degree to which, relative to men, women control the means of production and the allocation of productive surplus or surplus value. Accordingly, it is the understanding that society is diverse, and gender stratification dictates the base of power relations within the family, which is a reflection of culturally defined gender-ideologies and gender-segregated resources in the wider society. The view of the theory is that stratification is driven by the way allocation of productive resources in society is undertaken for example, allocating land to men, and not women. Blumberg also notes that when women mobilize less economic power they are oppressed physically, politically and ideologically. Again, when women's economic power relative to men is growing, men are likely to perceive such changes as threats. Thus, men attempt to repress, physically and politically, women's efforts to gain equal power. Chafetz (1990) supports Blumberg's assertion and points out that successful mobilization of resources by women generates a sense of power that often threatens male spouses.

The concern of the theory is that women are oppressed as they are considered doing less valuable work (reproduction) with little contribution to the economy. Feminists argue that women's work ought to be valued and given equal pay for equal work with men and this ensures economic empower, gender equality and improve gender relations in households. In addition, the theory presupposes that gender inequalities will exist when men control disproportionate resources and, conversely, gender imbalances would decline as women gain economic, political and ideological resources. Blumberg (2005) argues that enhancing women's economic empowerment boosts gender equality, as women gain more power in the household. The scholar further asserts that women's economic empowerment leads to increased incomes, self-confidence, and that woman and men tend to spend their income differently at micro and macro levels. Based on this theory, women in Kiharu need to mobilize economic power to gain power at the household level in order to become empowered and improve the gender relations. Again, the tenets of this theory postulate that stratified societies have strata of gender prescribed social roles. These are interpreted as the expected behaviours for men and women in order to fit in society. Both men and women are required to adhere to certain social norms, values and beliefs upheld by society as the governing ideology. The adherence to this expectation on women by society shapes their perceptions and in many instances, limits from participating in activities viewed as men only. These perceptions include the view that women are not breadwinners but homemakers. Men are considered as heads of households and have the power to dictate access to, control over and utilisation of family resources. Women and men, as stated above, are expected to adhere to prescribed gender roles, which they conform to in access, control and utilisation of any resources within the household, and those in Kiharu are no exception. Women therefore occupy lower strata of the society and have little control of productive and non-productive resources.

The theory further identifies women's control of factors of production and economic empowerment as a major contributor to the achievement of power and self-confidence. As such, Blumberg argues that where women have control over their resources, for example, microfinance, they use them to support family and increase the human capital as opposed to men. The assertion here is that women are able to utilise these resources, in ways which help them gain power in households. This enhances their decision-making power, and change in gender relations at the household level. Again, Blumberg suggests that socio-cultural inhibitions that dictate women as subordinate to men, thus perpetuating male dominance in the society should be addressed thereby, ensure gender equality. As such, women's access to economic power lies in their ability to access, control and utilise resources and financial benefits at the family level and beyond.

2.10 Conceptual Framework

Figure 2.1 illustrates the conceptual framework for the variables under study. As seen from the figure, based on the reviewed literature, MFIs have been set up and policies drawn to ensure access to micro finance resources by women. However, there are factors that influence access, control and utilisation of resources. Such factors include socio-cultural factors, lack of assets for collateral, lack of education and training skills and unfavourable policies, which have been put in place by the MFIs. This implies that there is need to control the effects of these variables while addressing strategies that need to be put in place to enhance access, control and utilisation of resources by women. These include continuous raising of awareness on gender equity and human rights, addressing GBV using community based structures, capacity building of women in entrepreneurship, as well as reviewing of microfinance repayment and interest rates. When these strategies are addressed, the expected results would improved gender relations and participation in decision-making by women, increased income and control over resources among women, increased ownership of productive and household assets among women, increased self-confidence among women and change in gender roles in households among men and women.

Micro Finance Institutions: provision of resources to women

- KWFT
- SMEP
- K-rep
- Faulu

Women access, control and utilise microfinance resources

Factors Influencing access, control and utilisation of resources by women

- Socio-cultural factors.
- Gender relations in households
- Demand for collateral by MFIs other unfavourable MFI policies
- Lack of education and training skills.

Strategies to enhance access, control and utilisation of resources by women

- Continuous awareness raising on gender equity and human rights.
- Address GBV using community based structures
- Capacity building in entrepreneurship among women.
- MFIs review repayment and the interest rates

Figure 2.1: Enhancement of economic empowerment of women through microfinance resources.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter discusses research design and methodology employed in this study. Specific sub-sections are research design, study area, study population, sample size and sampling techniques, research instruments, piloting, data collection, data analysis and ethical considerations.

3.2 Research Design

The study used a case study design, which Wamahiu and Karugu (1995) define as involving a detailed study of an individual unit. The unit here was the MFIs women groups' beneficiaries in Kiharu Constituency of Murang'a County. To enrich and diversify information for comparison, different MFIs in the area were selected. Again, a case study provides rich, contextualized and meaningful information that is grounded in real life situations. It also gives insights into how and why things work the way they do in real life (Kane, 1996). The strength of a case study is its flexibility and that it also allows the researcher to go deep into qualitative data. This design allowed in-depth study approach and application of various research instruments to enable triangulation of information to strengthen internal validity and reliability of the research findings. A case study, according to (Neuman, 1994), provides fresh insights into the nature of a particular system to suggest new ideas that might be subjected to rigorous testing on a larger sample of a case. Thus, a case study was most suitable for the study. Case study provided naturally occurring source of knowledge through observations of interactions of women MFI beneficiaries who were the unit of analysis. This enabled multiple data collection through in-depth interviews, obtaining secondary data from MFIs and observations and collecting information from focus group discussion.

The study was both qualitative and quantitative in nature. The qualitative approach is often used in contemporary research as it provides in-depth data especially on sensitive issues. Qualitative research entails collecting data through interviews, analyzing and interpreting the data by observing what people do and say. This approach focuses on gathering mainly verbal data rather than measurements. It allows the researcher to examine the multiple elements and processes operating within the social context of a study. It enables the provision of answers to questions and reveals how the study population sees the situation. It therefore enhances the study interaction between the researcher and the respondents. According to Neuman (ibid) the people in the study are able to fully express their experiences, perceptions and feelings in words. This provides adequate data from which contextualized conclusions are drawn. In Kiharu, use of a case study made it possible to quote verbatim from respondent's responses. Verbatim responses are convincing and useful in making recommendations on policy. The quantitative research was also used in the study approach to help quantify variations of different phenomena (Mugenda and Mugenda 2003). Quantitative approach generated numerical data and information that is convertible into numbers. As such, this approach focused more in classifying features and constructed statistical models and figures, which explained the data collected in the study area. The study variables are presented in table 3.2 below.

Table 3.1: Dependent and Independent Variables

Dependent Variable	Independent Variables
Women: Access to microfinance resources Controlling microfinance resources Utilising microfinance resources	 Gender relations in households Socio-cultural factors Demand for collateral by MFIs and other unfavourable MFIs policies Lack of education and training skills

3.3. Study Site

The study was carried out in Kiharu, one of the Constituencies of Murang'a County. Murang'a County is about 268.80 square kilometres (GOK, 2009). As shown in Figure 3.1, Kiharu Constituency is bordered by Mathioya and Kangema to the West, while Kigumo and Maragua Constituencies border it to the South. Mwea in Kirinyaga County lies to the East of the County. Mukurweini and Ndia Constituencies in Nyeri and Kirinyaga Counties, respectively border it to the North. The constituency has 6 wards, namely, Mbiri, Wangu, Murarandia, Township, Gaturi and Mugoiri. The study was carried out in, Mugoiri and Murarandia Wards. Mugoiri Ward covers an area of 57.47sq. km. whereas Murarandia covers an area of 60sq. km. (GoK, 2010).

Kiharu was selected as a study sample because it hosts Murang'a County Headquarters and has a flourishing commercial industries and many small businesses. It has tourist attraction; *Mukurwe wa Nyagathanga*, the shrine which, in Gikuyu mythology, is believed to be the origin of the Gikuyu community, hence the significance of the choice. It has major cash crops such as tea, coffee, (tea processing factories) dairy farming and a host of fruit processing factories.

The MFIs in Kiharudate back to the 1980s when Equity Bank, a former Building Society and now a leading Micro-Finance Bank, set up a branch in the then District, now a County. In early 1990 the Bank opened its first microfinance branch there targeting poor people from the remote rural areas of the district. At the time of the study, Kiharu Constituency was served by a number of MFIs including K-Rep, KWFT, Faulu, SMEP and Kenya Ecumenical Loan Fund (KECLOF). Other more localised institutions include Visions Microfinance, Women Enterprise Fund, Savings and Credit Cooperative Societies, such as *Unaitas* formerly Muramati and Murata, besides major national banks such as Equity, Barclays, Kenya Commercial and Cooperative. Kiharu has potential for economic growth due to agricultural and dairy farming. This means that people in the County can seek microfinance support for economic advancement.

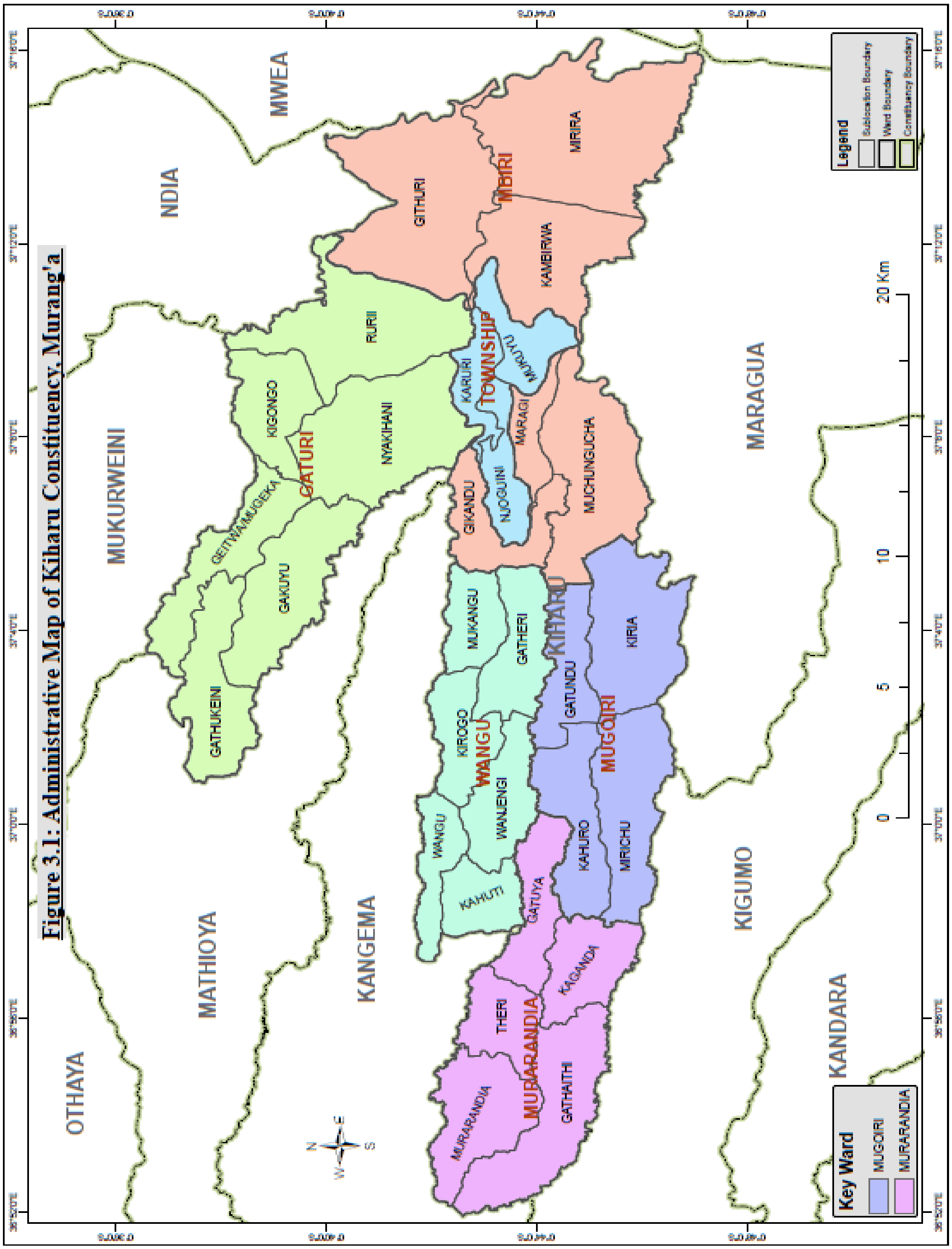

Figure3.1: LOCATION OF KIHARU CONSTITUENCY IN MURANG'A COUNTY (source GOK:2010)

3.4 Population

The target population for the study comprised all women who had accessed microfinance services from MFIs in the study area between 2005 and 2010. The total population was therefore 300 women comprising of married, single, divorced/separated and the widowed. Also targeted were:

All legally registered mainstream MFIs that are providing resources to women in the study area. These were five in number at the time of the study, which were operating in the area for a long period of time, some from the early 2000.

All male spouses of women who had accessed microfinance resources in the area. They were believed to have information about their spouses, who had accessed resources from MFIs.

Microfinance of MFIs in the area. These were the officers, key informants with information on women beneficiaries who had accessed resources from MFIs in the area.

All government officers, namely, chiefs from the area of study as key opinion leaders. These were important since MFIs involved them in mobilisation of women to access resources and they also provided information to microfinance resource providers on their clientele's creditworthiness from the society perspective.

3.5 Sampling technique and sample size

The study employed multi stage sampling which entailed sampling out in stages by use of smaller and smaller sampling units at each stage proportionately. This involved doing a sample of administrative wards and MFIs in Kiharu Constituency, then sampling individual women beneficiaries in the selected Wards. It also entailed sampling MFI officers as key informants and opinion leaders who were the chiefs and spouses of the women. These were done as follows:

Two wards, Murarandia and Mugoiri, were sampled out of the six in Kiharu Constituency using simple random sampling technique. All the six wards were written on papers, each was cut and rolled and then randomly picked. This technique ensured that each ward had an equal chance of being sampled for the study. The two wards were considered representative of the entire constituency since all are homogenous and have similar characteristics with the rest. Kumar (2011) states that, random sampling ensures each element in population has equal and independent chance of selection in a sample.

Two out of five legally registered MFIs operating in the area were sampled using purposive sampling. Babbie (2010) states that purposive sampling is based on judgement as to who can provide the best information to achieve objectives of the study. In this study, this procedure was used to ensure that at least one MFI supporting access to resources for women only was sampled. The selected MFIs were the Kenya Women Finance Trust, which supports women and the Small and Micro Enterprise Programme, supporting both men and women entrepreneurs.

Individual women who had accessed resources from MFIs between 2005 and 2010 were first sampled from group lists provided by the MFIs, with all their details. These comprised of a total population of 300 women beneficiaries. These were clustered into their marital status categories from the available information in the sampled MFIs loan forms. The study utilised this procedure to ensure that the sample represented the different categories of women accessing resources, that is single, married, widowed, separated and divorced. The status of women plays an important role in their access, control and utilisation of microfinance resources; hence it helped in comparing results from the study among the above categories. After clustering, random sampling was done to sample 90 women beneficiaries in the two wards, who comprised of 30% of the total population of 300. Kumar (2011) states that in qualitative research, as the main focus is to explore or describe a situation, the issue of sample size is less important. However, 30% sample size for this study was viewed as adequate to explore the gender relations in access to, control and utilisation of resources in households.

Four (4) credit officers who were key informants were selected using purposive sampling, two from each MFI. The sampling was based on the researcher's judgement as to who could provide the best information to achieve the study objectives.

Twenty four (24) women beneficiaries who had accessed resources between 2005 and 2010 were sampled for FGD. FGD is a form of a strategy in qualitative research whereby perceptions, attitudes and opinions of an issue are explored by use of open discussions with a group. FGD is facilitated by the researcher. FGD is an information gathering method where discussants are interviewed collectively in groups of 8–12 people (Kumar, 2011). Wamahiu and Karugu (1995) state that a focus group discussion is a more guided discussion on a specific issue or topic with the researcher as facilitator. They further state that the purpose of keeping the group small is to ensure that all members participate actively in the discussions and all the general topics of interest are covered. FGD was utilised to get in-depth perceptions, insights, experiences, attitudes and beliefs of women beneficiaries for the study objectives. The discussants in FGD were women beneficiaries of MFIs, whose information was obtained from the MFI group records. The women were sampled according to the Ward they came from. Simple random sampling was used to select the beneficiaries for the FGD, 12 women from each Ward for FGD. The women beneficiaries’ names from each Ward were written on papers; each number was cut and rolled, then picked randomly. This gave each beneficiary an equal and independent chance of selection.

Twenty (20) spouses of women who had accessed microfinance resources, ten (10) from each ward, were identified through the *snowball* sampling method. Kumar, (2011, Denzin and Lincoln (1998) state that *snowball* is used to obtain information from extended associations through acquaintances, using the process of selecting a sample from known networks. It uses recommendations to find people with a specific range of knowledge determined to be useful. It starts with few individuals who are selected and required information is collected. The study used *snowball* to contact spouses of women beneficiaries. Two known individuals in each Ward were selected and information collected from them. They were asked to identify other people in their Ward with information, who became part of the sample. Information was collected from those named who also identified others until the required number of 10 in each Ward was reached. The sample size was considered adequate for the purposes of this study. In addition, this helped avoid saturation of information from spouses.

Two opinion leaders (administrative Chiefs) were selected using purposive sampling to represent the Government officials from each Ward. This was based on their position and interactions with women borrowers, as it is a requirement that they sign loan forms for borrowers in all MFIs.

3.6Data Collection Methods and Research Instruments

To collect data, two research assistants were utilised. Semi-structured interviews were utilised (Appendix II and III) with open-ended questions for women beneficiaries and spouses. These were used to collect both qualitative and quantitative data based on research objectives. This allowed in-depth exploration of many issues of concern to the study. All interview sessions were documented through note-taking and audio recording as back-up and to accurately capture all the information. Also, semi-structured interviews (Appendix IV and V) were duly utilised by key informant and opinion leaders respectively.

A FGD guide (Appendix VI) was used to collect information from women beneficiaries. The guide had open-ended questions on the study objectives to allow in-depth discussions and explore issues of concern in the study with the beneficiaries. The FGD was administered using Gikuyu to enable the researcher gather information from beneficiaries in a language they understood and identified with. The sessions were documented in notebooks.

Observation method was utilised to collect data from FGD, beneficiaries and spouses interviews. Observation provides a researcher with ways of checking non verbal expressions of feelings, helps to determine who interacts with who, how participants communicate with each other, and how much time is spent of various activities. Observation allows the researcher to check meaning of terms used by participants in interviews, observe events that respondents are unwilling to share. An observation guide (Appendix VII) was used to capture nonverbal and relevant information. All the observations were written down in notebooks. Whatever was audible was auto-recorded to help corroborate the information gathered.

Data were also obtained from secondary sources; from selected MFIs reports and their management information systems on women beneficiaries, which showed the loan ceilings, interest and repayment rates. Other secondary data sources included books, journals, theses and dissertations, seminar and conference papers and magazines. These were from several libraries including Kenyatta University, University of Nairobi, Hekima and Krep Library.

3.7 Pre-testing Instruments

The purpose of an initial pilot study was to pre-try the instruments for reliability and validity, which were tested as follows:

Interviews were conducted with 10 women who had accessed resources from Vision MFI in Gaturi and Township Ward. Gaturi and Township Wards were selected randomly from the four remaining in the population of the six Wards in the study area. The women beneficiaries were selected randomly from Vision MFI group lists. Random sampling was done to ensure each subject had an equal chance of being in the sample. 10 women were viewed as adequate for pre-testing the interview schedule in the two Wards. The other instruments tested included Interview schedule for 4 spouses, sampled through snowball technique, from Visions MFI network from the 2 Wards. An interview schedule for the 2 Chiefs, who were opinion leaders, was also tested. The Chiefs were purposively sampled. Two (2) MFI officers were purposively sampled from Vision MFI for pre-testing the interview schedule of key informants.

3.7.1 Instrument Validity and Reliability

To ensure validity and reliability of the instruments, pre-testing was done in Gaturi and Township Wards. The sample comprised of 10 women beneficiaries, 4 spouses, 2 Chiefs and 2 MFI officers from the two Wards.

To ensure validity of the instruments, pre-testing on the interview schedule was done, to ensure questions in the schedules were valid, appropriate, necessary and sufficient in content to collect data based on research objectives. The measurement of the time taken to complete the interviews was recorded. This assisted the researcher in reviewing the questions and adjusting the content to match with the objectives that were being measured, time required for each interview. The interviews were adjusted to ensure their appropriateness. These were refined before the commencement of actual data collection in the field. The secondary data obtained from various sources was critiqued in order to verify its validity. All the data collected was then corroborated through comparison with other sources of information, such as from FGDs and individual women. Any conflicting data were followed up to confirm with the sources. In addition, the researcher posed the same questions to informants to seek clarification, especially where the information in a particular questions was not clear. This ensured that the data collected were reliable.

Focused, short, repeat interviews may be necessary to gather additional data to verify key observations or check a fact.

Reliability was established in administering the instruments to the above sample, in the 2 Wards. The results from the 2 Wards were obtained and compared, to check if they yielded the same results – accuracy. The wording of the instruments was addressed after pre-test and refined to avoid ambiguity.

3.8Data Collection Procedure

When collecting data, prior arrangements were made with the women beneficiaries, informing them of the study through the credit officers of the MFIs. The beneficiaries agreed to be interviewed after the group meetings since they had little time after meetings in their households and businesses. This lack of time was because of tight schedules as a result of gender division of labour in households. The beneficiaries stated that after meetings they had little time to finish the household and business chores. It was therefore agreed that the study was to be carried out during the morning hours after the women's microfinance group meetings. They felt this was convenient to allow them finish their group activities first then interact with the researcher. Generally, gender related challenges come into play in research and data collection due to gender relations and division of labour in households.

A set of interviews was administered to spouses of women beneficiaries, identified through the *snowball* method. These interviews were conducted in the afternoons, at the local shopping centres, where most of them were found. Since the spouses were identified through snowball, they felt comfortable interacting with the researcher outside their homes, hence the meetings at the shopping centres. Again, it was observed that men in Kiharu spend most of their afternoon interacting with others at the shopping centres. This made it easier to interview them.

The researcher was referred to the credit officers by the Head offices of their organisations. These were contacted later in their field offices. Appointments were made and meeting times were arranged for early mornings. The officers were interviewed after microfinance group meetings in the afternoon. They informed the researcher that group meetings start as early as 9.00 a.m. every day and they have to travel to reach them from the offices. Because of this schedule it was not easy to schedule a meeting before that time. They also informed the researcher that group meetings end at 2.00 p.m. to allow time for banking the loan collected and to give the officer time to compile the lists of repayment and feed them into the computer. The Chiefs were contacted through their offices in the Wards. They were interviewed at agreed time, lunch time and in the evening, after they had finished their office work.

The 24 women beneficiaries for FGD were contacted through the microfinance officers after the sampling was done. They were requested to create a convenient time for FGD and a day and date were set for interviews. The women preferred to meet at lunch time, as this was the time they had available for FGD. The FGD meetings were held in the Catholic and ACK Church compound in Gitiri and Kahatia in Mugoiri and Murarandia wards, respectively. The religious institutions allowed the use of their compounds for the FGD. The research assistants recorded the discussions from the FGDs in notebooks and on audio recorder. The researcher had sought permission to record from the discussants.

In addition, non-verbal interactions of the women respondents were also observed using observation checklist (Appendix V11) and recorded.

3.9Data Processing and Analysis

Quantitative data collected was analysed using the Statistical Package for Social Sciences (SPSS version 7.0). The data was first cleaned (edited), which involved a scrutiny of the research instruments to address any possible errors, misclassification and information gaps that may have been obtained from the respondents. The data was then coded, in a code book and a pre-test, through selecting a few interview schedules, to code responses to ensure there are no coding problems. Descriptive statistics such as graphs and frequency distributions. The tables, graphs and charts have been utilised to summarise the findings.

Qualitative data was processed and anlysed through identification of main themes from the in-depth interviews as per study objectives.The next step was the classification of responses according to objectives. The responses were then integrated into the themes using verbetim reports and frequency the theme occurred.

3.10Ethical Considerations

Before data collection, permission and a letter to undertake research was given by Kenyatta University Graduate School. Permission to carry out the study was sought from the National Council for Science and Technology (Appendix X), currently the National Council of Science, Technology and Innovation, as well as the Micro Finance Institutions (MFIs) covered in the study. Consensus and permission were sought from the respondents. The purpose of the study was explained to all potential participants, that the sole aim of the study was for academic purposes. Additionally, the researcher and the assistants assured all respondents of confidentiality of their responses and the right to anonymity was maintained by avoiding respondents’ names throughout the research.

CHAPTER FOUR

PRESENTATION OF FINDINGS, INTERPRETATIOSN AND DISCUSSION

4.1 Introduction

This chapter presents the following: the analysis of the study data,, interpretations and discussions according to the objectives, research questions and premises on gender relations in access to, control over and utilisation of microfinance resources among women in Kiharu Constituency, Murang'a County. The presentation is guided by the study objectives under the following sub-headings: factors influencing access to microfinance resources among women; factors influencing women's control and utilisation of microfinance resources; challenges faced by women accessing microfinance resources and those that MFIs face in extending resources to women; and strategies that could enhance women's access to, control and utilisation of microfinance resources in Kiharu. In addition, the demographic characteristics of women who had accessed microfinance resources for the period 2005-2010 influenced aspects of access to, control and utilisation of resources by women at the household level.

4.2 Demographic Characteristics of Women MFI Beneficiaries

The demographic characteristics for the women respondents who had accessed resources from MFIs that is analysed include age, marital status, level of formal education and number of children who are dependants, as shown in Table 4.1.

Table 4.1: Demographic characteristics of women beneficiaries of MFI

		Frequency	Percentage
Age (in years)	Below 25	7	8
	25-35	20	22
	36-45	33	37
	Above 45	30	33
Total		90	100
Marital Status	Single	15	17
	Married	54	60
	Widowed	15	17
	Divorced/separated	6	6
Total		90	100
Level of formal education	No formal education	10	11
	Primary level	32	36
	Secondary	37	41
	Tertiary/University	11	12
Total		90	100
Number of children depending on women	No children	5	8
	1-2 children	9	17
	3-4 children	11	22
	5-7 children	19	30
	More than 7 children	13	23
Total		90	100

a) Age of selected women MFI beneficiaries

The age of women beneficiaries is an important variable in access to and control of resources. The study revealed that of the 90 women respondents who had accessed resources from MFIs, 8% were below 25 years while 22% were between 25 and 35 years. Those aged 36-45 were 37%, while 33% were aged above 45 years. The findings show that a high section of women beneficiaries who had accessed resources were within the 36-45 years age bracket, followed by those above 45 years at 33%. The beneficiaries below 25 were the minority at 8%. This indicates that young women formed the lowest numbers of women accessing resources at the time of the study. Thus young women are not accessing MFI resources as expected. MFI officers stated that young women lack the necessary skills and experiences, were likely to relocate and often defaulted on loans as a result. These findings are similar to those by March and Lopez (1990) and Sweetman (2001) who noted that young women are discriminated against by MFIs because of their age.

b) Marital Status of MFI Women Beneficiaries

The study revealed that the majority of those who accessed resources were married women. Table 4.1 shows that 17% women beneficiaries were single, 60% were married, 17% were widowed and 6% were divorced or separated. Married women are trusted as MFIs assumed that their spouses would support them repay the loan in the case of default. This assertion was confirmed by MFI officers who argued that married women were settled, unlikely to move away from their homes and had support from spouses. Such claims show that marital status plays a major role in women’s access to microfinance resources. It is clear that MFIs value married women on the basis of spousal support, where a spouse acts as a ‘security measure’ to loan repayment. Although MFIs do not spell out marital status in their lending policies as a criterion for favouring married women, this expectation leads to discrimination of those women without spouses.

c) Level of Formal Education of Women Beneficiaries

The formal education level of women is another demographic characteristic that was found to affect access to, control over and utilisation of microfinance resources. As shown in Table 4.1, women beneficiaries who had no formal education were 11%, those who had attained primary education were 36%, 41% had secondary education and 12% had tertiary and university education. Formal education played a key role in access to resources by women, since it gave women confidence to approach the MFIs.

d) Number of Children Dependent on Women Beneficiaries

The study considered the number of children in terms of dependency ratio, which is defined as the number of children who are dependants within a household outside the working age. As shown in Table 4.1, women with no children formed 8%, while those with 1-2 children made up 17%, and those with 3-4 children formed 22% of the numbers. Those with 5-7 children were 30% of the studied population and those with more than seven children formed 23%. High number of dependants means that women have to supplement household incomes, hence family size is a major influencing factor in women’s access to resources.

4.3 Factors Influencing Access to Microfinance Resources by Women Beneficiaries

The study sought to establish factors influencing access to microfinance resources by women. The findings indicate the following as important factors influencing access to microfinance resources by women: age; marital status; level of formal education; number of children dependants; lack of assets for collateral; and requirement of signatures as security guarantee for the loan.

a) Age of Women Beneficiaries

From the results shown in Table 4.1, it is noted that age of women beneficiaries influenced access to resources from MFIs. Young women below 25 years accessing resources were only 8% compared to those between 36 and 45 years, who formed 37% of the sample. Discussions with women discussants revealed that MFIs only gave resources to those who were 18 years and above, since national identity cards were a basic qualifying requirement. MFIs officers confirmed this, noting that the national identity card was useful for purposes of identifying beneficiaries and also in tracking loan defaulters.

Officers of MFIs also informed the study that they preferred to offer services to older women, above 35 years, as indicated by figures in Table 4.1, because they are assumed to have the relevant experience in business enterprises, are mature and have a high possibility of repaying loans. One MFI officer confirmed to the study that this category of women, “are dependable since they are settled in their homes, as compared to young women who are ‘likely’ to get employment or get married and move away with their spouses and settle elsewhere with their new families”. This shows means that age militates against young women, predisposes them to career mobility, a challenge that makes them unattractive to MFIs.

MFI officers further revealed that the upper age limit of women accessing loans is 60. According to them, women above this age are unable to run businesses successfully. However, 43% of young women reiterated that being below 18 years affects access to resources due to lack of necessary legal documents, forcing young women to depend on parental support. These findings are consistent with IDS (1998) study that found out that young and old women do not participate in MFIs as expected, since age militate against their access to resources. This finding also corroborates the views of Sweetman (2001) in a study on 'Gender, Development and Money in Cameroon', who observed that women were discriminated against by MFIs on the basis of age, which in turn affected their access to resources.

b) Marital Status of Women Beneficiaries

The marital status of women beneficiaries played a role in access to microfinance resources among women. From the results shown in Table 4.1, married women formed the majority of those accessing resources as compared to divorced and separated at 7%, widowed and single women at 17% of the numbers in the study. One MFI officer confirmed this in his statement that:

According to our records, single women are few, and form the major loan defaulters as compared to other categories of women. Their default is even higher that the widowed and divorced.

As stated in section (4.2), the study findings revealed that single women were viewed as possible defaulters because they were thought to be more likely to relocate upon marriage, unlike the married ones. Nonetheless, 9 out of 15 widowed women also revealed that they were free to access resources without consulting male relatives to access resources, as traditionally expected. They had power to decide on when to access microfinance resources without consultation, unlike their married counterparts. However, in support of marital status as a factor that influenced access to resources from MFIs, 67% of women respondents informed the study that they had to get permission from their spouses before applying for loans from MFIs as heads of households. This observation is consistent with Wood (2011), who states that gender relations are initiated by men in society from a position of power and maintained in households by them as they enjoy the benefits of that power over women.

c) Level of Formal Education

Discussions with women beneficiaries revealed that 53% of those with secondary education and above had used their formal education to make decisions regarding access to resources. They confirmed that this was made possible because they were able to access appropriate information about services offered by MFIs. To this effect, two women respondents reiterated that they were able to access information which helped them access resources from more than one MFI. Other women respondents confirmed that formal education enabled them to access information from media and social networks for innovative business ideas, which helped in setting up enterprises that increased their household incomes. Confirming the same, another woman respondent had this to say:

> Since I have a Bachelor of Commerce Degree, I was able to carry out a feasibility survey to determine setting up a computer software business with the resources from a MFI. I made a cash forecast which gave me an idea on how much I needed to borrow from MFI.

In contrast, the study established that women with no formal education and those with primary education had limited or no access to business start-up information. As such, they were not able to utilise any information to start their businesses and thus concentrated on traditional enterprises based on their gender roles. This observation concurs with McCormick's (2001) findings. She noted that women's enterprises are influenced by the concept of gender making them lack basic information on diverse business ideas. The findings show that 'feminised' businesses do not depend on level of education of information to start up. Hence they are unlikely to mobilise enough incomes to economically empower women, and change gender relations in households.

d) Number of Children Depending on Women Beneficiaries

The number of children depending on women was found to influence women's access to resources from MFIs. The MFIs officers confirmed that their records indicate that women with many children are a majority of the borrowers, as shown in Table 4.1. The fact that more than 50% of women with five children and above had accessed resources confirmed that a high number of children led them to seek MFI resources to support family needs.Women participants in the FGD affirmed that large number of children means an increase in family needs, consequently making them join MFIs to meet them. This finding is in line with the feminist conflict theory by Blumberg (1984), which proposes that women access resources to support children at household level. The study findings are consistent with the studies of various scholars such as Yunus (2007) and Claessens and

Krantz (2001), who observed that the number of children in a family is a major drive for women to access microfinance resources, to enable them support their families. This improves gender relations between men and women due to income contribution by women in the household to support the family.

e) Lack of Assets for Collateral by Women Beneficiaries

Microfinance institutions (MFIs) demanded certain forms of collateral from women who wanted to access resources. These collateral assets were in the form of household goods equivalent to the principal value of the loan. These included furniture, electronics, cookers, sewing/knitting machines, and domestic animals. The study noted that the value of assets was an important aspect in accessing resources. Table 4.2 illustrates that 56% of the women used furniture as collateral, while those who pledged animals were represented of 9%.

Table 4.2: Types of assets used as collateral for MFI resources

Type of Collateral	Frequency	Percentage
Furniture – sofa sets, wall units, dining tables	77	56
Electronics (TVs and Radios)	30	25
Cookers, sewing machines	20	10
Animals (cows, dairy goats and pigs)	23	9
Total		100

However, some of the women interviewed lamented that they found it difficult to access MFIs resources because they did not own assets, as most of the household goods belonged to their husbands. Demonstrating the struggle women went through in securing permission to use assets, one respondent revealed that:

> In this community, men own all assets including those bought by women. Culturally, women are not expected to own any property. We have to seek permission to use assets for resources, which can be denied at times.

The discussants in FGDs confirmed that assets belong to their spouses. This implies that male supremacy in assets ownership contributes to gender discrimination against women in as far as access to resources from MFIs is concerned. This affects not only gender relations but also women's decision-making power in families, since they have to seek permission from their spouses to use household assets for collateral to access resources from MFIs. Consequently, men exercise their power to deny women from accessing assets as collateral, thereby curtailing their chances of engaging meaningfully with MFIs. This observation is consistent with the reviewed literature's main argument for example Wood (2011) and Sweetman (2001), that marriage dictates gender relations in households, which in turn stipulates the ownership of assets.

The study also established that young single women living with their parents were unable to access resources because of lack of any assets of their own. Five of those interviewed confessed that being young and single, they had to contend with using their parents' assets, and denial meant they were unable to access resources. One such woman respondent affirmed during the interview that:

> Without resources of my own, I had to request my parents to allow me use our family assets. It took a long time to convince them. It is difficult to access

> resources when you do not own any asset. This disadvantages us in this respect.

This demonstrates that young women therefore do not have power to even utilise household resources without express permission from parents. The gender relations in households do not consider single women as independent without parental support.

As for the widowed who disclosed that though they had assets, MFIs still required them to sign affidavits for verification of their assets. This implies that in the absence of a male spouse, women's ownership to family assets is questionable. This is an indicator that gender relations in households militate against access of resources by women in all categories. The MFI officers interviewed confirmed that this is done to ensure the assets belong to them, not other family members. This is consistent with the reviewed literature and Blumberg theory which suggest society stratification in the African culture spells out the power of ownership of property and gender relations in families. Again, it is similar to the findings by Gachara (2012) and Kabira et al. (1994), who observe that marriage also spells out property ownership in a family. So, if MFIs were set up to assist the poor, who do not have collateral to access financial resources or who do not have assets, due to societal stratification that spells out the owner of productive assets in a household (Blumberg 1984, 2005), it is a paradox to set out to help the poor, and again demand prove of their wealth, which provision of collateral entails. This situation defeats the central objective of MFIs, which discriminate women without assets.

f) Signature Requirements as Security Guarantee for the Loan

The women who had accessed resources affirmed that spousal and chief's signatures were a requirement in accessing resources from MFIs. Further, the study also revealed that all women were expected to get group members and advocate's signatures before accessing resources from MFIs. As shown on Table 4.3, out of 90 women beneficiaries 62% had to get spousal signatures, while 30% indicated that they were required to obtain the chief's signature. Further, 5% of those without spouses were required to use an adult next of kin, who had to be over 18 years of age, as a guarantor. On the other hand, 3% were not asked for signatures because they were employed and therefore had payslips from their employers as security.

Table4.3:Women who used spouses and chief's signatures as security to access microfinance resources

Requirements	Frequency	Percentage
Chief's signature	45	30
Husband's signature	60	62
Others (next of kin)	10	5
No signature	6	3
Total		100

The MFIs officials confirmed that spousal signatures were guarantee for loan repayment, and also to inform the spouse that their wife had a debt with the MFI. The policy on the requirement of signatures from the chief and spouse also guaranteed loan repayment. This requirement for signatures implies that patriarchy is engrained in MFIs' policies and it defines the lower position of women in relation to spouses in households, an indication that gender relations favour men. Thus, men had the power to deny women the chance of accessing resources, by refusing to append their signatures. This finding is in line Wamue and Njoroge (2011) who note that traditions and customs favour men at the expense of women in terms of power in households.

4.4 Factors Influencing Control and Utilization of Resources by Women Beneficiaries

The second objective was to identify factors influencing control and utilization of micro finance resources by women. These factors are marital status, age, religion, gender-based violence, poverty, level of formal education and lack of decision-making power at household level, as demonstrated in Table 4.4 and 4.5. This objective is presented in three sections: factors that were found to influence control and utilization of resources, those influence control and finally utilization only.

4.4.1 Factors Influencing Control and Utilisation

Among the factors found to influence control and utilization of resources among women who had accessed resources from MFIs are: marital status, gender-based violence, level of formal education and religion as presented in Table 4.4 and 4.5.

Table 4.4: Factors influencing control of resources by women beneficiaries

Factor	Frequency	Percentage
Marital status	60	32
Gender-based	40	21
Perception of men and women	35	19
Religion	25	13
Age	18	10
Level of formal educational	10	5
Total		100

a) Marital Status of Beneficiaries

As shown in table 4.4 and 4.5, marital status was cited as the most influential factor in women's control and utilisation of microfinance resources. Women discussants in FGDs lamented that spouses did not allow them to control any resources, whether from MFIs or other sources. They argued that spouses have absolute power in households. This observation is consistent with Spade and Valentine's (2011) study titled "Kaleidoscope of Gender: Prisms, Patterns, and Possibilities" which argues that gender stereotype and patriarchy in African communities reinforce gender relations in households where married women must obey the authority of men over the control of all resources as a socio-cultural norm. The two scholars also assert that while women may gain control over finances, few married women report patterns that could be characterised as egalitarian because of gender relations in households. On the other hand, the widowed, separated and divorced revealed they controlled all their resources. With the absence of a male head of household, they are the final decision makers on the control of MFI resources. As such, the widowed, separated and divorced respondents have power in households to control and utilise their resources, as opposed to the married women, who have to consult with their spouses.

Table 4.5 too reveals that 32% women respondents indicated that marital status influenced decision-making in utilisation of resources. The women interviewed felt that men had power over women because of ‘payment of bride wealth’, hence they are expected to seek spousal consent to utilise resources from MFIs. It was further established from the same women that even in marriage relations where no bride wealth was paid for whatever reason, men remain more powerful than women in decision-making because of cultural practices that bestowed on them such power. Consequently, married women have to obey their spouses and consult them in all decisions, including that involving the utilisation of resources from MFIs in households. This means that gender relations favour men in utilisation of resources from MFIs. These findings show that marital status dictates the gender relation in households and places women at subordinate position as compared to men in control and utilisation of resources.

Interviews with widows, divorced, separated and single women to the contrary revealed that as the sole breadwinners in their families, they have the power to make decisions on the use of resources accessed from MFIs. The findings contradict March and Lopez’s (1990) study which observed that widowed women consult their first-born sons on utilisation of all resources as the *bona fide* heads of households upon the death of male spouses. In Kiharu, the widowed did not consult their sons or any male relative in the household, in the utilisation of resources.

b) Gender-Based Violence

As shown in Table 4.4, the frequency of the respondents reporting gender-based violence with regard to the control of resources from MFIs was 21%..This emerged from the FGD discussion that their spouses demanded MFIs resources to decide on how best to use them. Those who did not surrender the resources reported that they experienced gender-based violence from their spouses, in form of physical abuse. During interviews, 15% of women beneficiaries expressly confirmed that their spouses violated them when they did not surrender MFI resources to them for control. The women respondents further confirmed that spouses view MFI resources as a challenge to male power, hence their use of violence on women in households. This means that the violence meted out on women by spouses made them lose control over the resources they had accessed from MFIs. The observations are consistent with Kariuki (2013) in a study titled "Feminization of Poverty in Kenya among the Abagusii and Agikuyu women of Kenya." Kariuki states that marital status makes women become assets of men, and they are forced to surrender any resources they may earn through violence.

Again, as shown in table 4.5, gender-based violence was found to influence not only the control but also utilisation of microfinance resources accessed by women. The women respondents revealed that their spouses violated them for utilising the resources from MFIs without their consent. Confirming this, one woman respondent stated that:

> When I got the loan from MFI, I decided to buy a grade cow for milk to sell in the local dairy and for home consumption. My husband was so annoyed that I had decided to buy it without his knowledge. He beat me up and said that the cow would not 'sleep' in his compound. He swore that if I did not get rid of it, he would personally kill the cow. I had to get rid of it immediately.

Affirming the same, women discussants in FGD revealed that they had experienced gender-based violence in form of beating, from spouses for utilising MFI resources without consulting them. As such, women had to get express permission from husbands to utilise resources from MFIs. This indicates that men fight hard to keep their position as decision makers at the household level in Kiharu. Blumberg's theory states, when women gain resources, they are empowered and men suppress women by use of violence. This theory is consistent with study findings in Kiharu.

The chiefs conceded that there was a paradigm shift in gender-based violence in the study area, and women were also violating their spouses in their efforts to utilise their MFI resources. A Chief of one location reported that:

> Women are fighting back their spouses, and cases received at the Chiefs' posts are those of spouses violating each other as a result of financial resources.

Thus, according to that Chief, GBV in the area seemed to be changing from being perpetrated by men only, as women countered violence from husbands. The women were fighting back to stop spousal violence. The findings show that MFI resources are viewed as a challenge to male power, hence the spouses resort to violence in households. Women are also violating their spouses, which is an indication of a paradigm shift in gender roles. This is a major social change that could affect gender relations at household levels. Gaining power from microfinance resources has led women into conflict within the family and the traditional social structures. Thus, access to resources affects marital power and gender relations, hence the link between resources and power cannot be assumed. Women battering men is a change that affects societal stratification based on gender lines.

c) Religion

As demonstrated in Table 4.4, religion was found to influence women's control of MFI resources in households. The women respondents at 13% confirmed that spouses use religion to deny them power in decision-making on control and utilisation of resources in households, including those from MFIs. Thus, religion had an effect on gender relations where men, compared to women, are controllers of resources in households as confirmed by one male that:

> Women should always allow men to control all resources including monies in accordance with the Bible, which states that a man is the head of a woman and women should submit to men.

The above is a male interpretation in Kiharu of the Bible suggesting that women are inferior to men and have less power. It is then no wonder that Wood (2011) observes that religion has a role to play in apportioning power to men in households in control of resources. These findings show religion influences gender relations in control and utilisation of resources in households in Kiharu.

d) Level of Formal Education

As illustrated in table 4.1, women with secondary, university and college education were a majority among those who accessed resources from MFIs. These respondents confirmed that formal education enabled them to access information on different ways of investing resources. Confirming the same, two women respondents stated thus:

> We were able to get information from our social networks and media that enabled us to invest our resources wisely. This gave us wide choices on control of resources we got from MFIs.

Women in FGD also conceded that formal education gave them self-confidence to question gender relations, negotiate and engage with their spouses to be allowed to control and utilise their resources, and they allowed them. These observations are supported by Kimani (2005) in her study titled “Role of Universities in Attainment of MDGs”, that education for girls, and to a large extent, women, is the single most effective way of reducing poverty, though it is dependent on changes of wider aspects of socio-economic, political and cultural life. The findings show that women with a high level of formal education have access to information and have self-assertiveness. This makes them able to negotiate with their spouses how to control and utilise resources from MFIs. As such, the level of formal education, therefore, positively affected gender relations in households, as women are able to make decisions on the utilisation ofresources from MFIs.

4.4.2 Factors Influencing Control of Resources

Among the factors found to influence control of resources among women who had accessed resources from MFIs are: perceptions of men and women and age.

a) Perceptions of Men and Women in Control of Resources

Perceptions of men towards women hinder women from making substantial decisions without the involvement of men. The men are perceived as heads of households. As shown in Figure 4.1, 47.6% of the spouses felt that men should have power to control resources from MFIs. A further 33.3% stated that men and women should have equal control, while 19.1% felt that women should have control over resources.

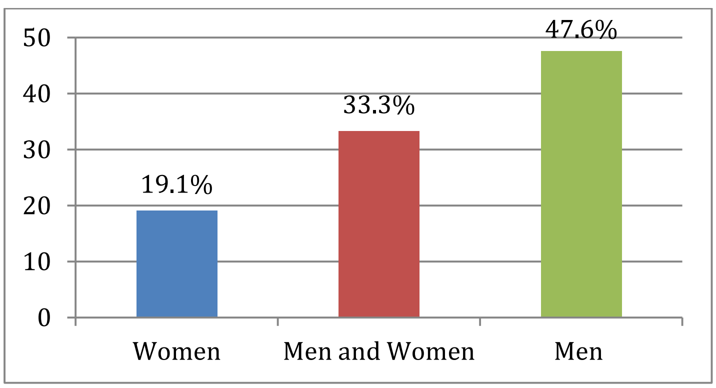

Figure 4.1: Women beneficiaries spouses view on who should control resources

Figure 4.1 indicates that a majority of women beneficiaries' spouses expect men to have more power in control of MFI resources than women. Women respondents conceded that men are the decision-makers in the households and therefore should have control over MFI resources as one respondent observed that:

> Women should let their spouses control their resources for harmony in the household. After all they are the heads of households. We have been reminded as young girls that after marriage, we should submit to the men as heads of households. They have the power in the family to make decisions.

This suggests that women avoid conflict within the family, and prefer to allow male spouses the family headship, hence making decisions on control of resources from MFIs. It is also in line with Blumberg theory that society is stratified according to gender roles.

As such, men are the heads of households and the expectation from the women is that men make all decisions. This is an indicator of the fact that gender relations in households in Kiharu are very much dependent stratification of the society and the perceptions of men and women, as well as the patriarchal nature of society. Men continue to be decision-makers and breadwinners in families and control all earned income in the family. The emphasis is that gender relations in the household, allow power to male spouses who dictate the use of resource earned from microfinance, despite women's massive participation in MFIs. This is also an indication that the socialisation process of men and women in Gikuyu community defines the power relations in households. This also stems not only from culture but also religion, where women strive to keep with Christian teaching and traditions that suggest submission to men. This observation is an indicator of string religious and cultural beliefs in the area.

b) Age of Women

Age is a factor that was found to influence control of microfinance resources by women. Confirming the findings, one young woman respondent had this to say:

> Our parents demand our resources saying we are too young to make decisions in control of money.

This corroborates the reviewed literature that the patriarchal nature of African communities considered women, especially young ones, incapable of making decisions without the support of men. This view is also consistent with Kabira (1994), Riria (1982), Spade and Valentine (2011) who observe that bias on age of women in decision-making and gender relation in households is basically rooted in the socialization process in every community or society.

4.4.3 Factors Influencing Utilisation of Microfinance Resources

The factors influencing utilisation of resourcesare analysed along the following variables: patriarchy, poverty levels and women's lack of decision-making power at household level, as shown on table 4.5.

Table 4.5: Factors influencing utilisation of microfinance resources by Women beneficiaries

Factor	**Frequency**	**Percentage**
Patriarchy	61	26
Marital status	54	23
Religion	45	19
Gender -based violence	30	13
Poverty levels	21	9
Lack of decision making power in household	13	6
Formal educational level	9	4
Total		100

a) Patriarchy

During interviews with the women, most of them conceded that men consider themselves as heads of households who should be consulted at all times in decision-making by women. This means that men, as heads of households, are the ultimate decision-makers in the utilisation of any resources. This was also confirmed by FGD discussants that patriarchal culture was used to discriminate women and deny them power to make decisions on the utilisation of resources accessed from MFIs. The following observation was made by a discussant in FGD:

> Men always remind us that our culture is very clear that they are the family breadwinners, and any decision regarding utilisation of resources from MFIs in households should emanate from them. Further, they say women should never be allowed to make major financial decisions in households.

The above observation from FGD support Wamue and Njoroge (2011) who assert in their study titled "Gender Paradigm Shift within the Family Structure in Kiambu*"* that the African family is organised along gender relations that stem from patriarchy. Considering that patriarchy places men as heads of households, existing gender relations demand that women cannot make decisions on the utilisation of any resources without consulting them. Thus in Kiharu men's societal prescribed roles are linked directly to resources and any threat to that potential becomes a threat to gender identity, which spills over to relations in the household. Men guard their roles jealously, leaving women with no alternative other than submission. As it emerges, there are structures in the society that contribute to power relations in the household leading to disempowerment of women, socially, economically and politically.

b) Poverty levels among women beneficiaries

Poverty levels among women were found to have had an influence on the utilisation of their MFI resources. Among the women beneficiaries, 9% conceded that they utilised resources from MFIs for needs other than the ones intended in the loan agreement due to poverty. Confirming the same one woman respondent had this to say:

I had so many financial needs in my home by the time I got the loan from MFI. I decided to utilise some of it to buy food, pay school fees for my son, I bought a shirt for my husband and shoes for my daughter.

Thus, high levels of poverty at household level led women to utilise the resources drawn from MFI to meet other needs. Consequently, they defaulted on the repayment of the MFI resources. The proceeds from their businesses was not sufficient for the payment of the loan due to undercapitalization. This agrees with Duxbury and Higgins (1991) observations that women have fewer options than men in achieving utilisation of resources due to poverty and their competing roles and family demands. These findings show that gender roles and relations at household level in Kiharu demand that women meet domestic needs first in the utilisation of resources, before investing in their business enterprises.

c) Lack of Decision-making Power by Women at Household Levels

As illustrated in Figure 4.2, spouses who were interviewed revealed that women should not have decision-making powers in the utilisation of resources. This is represented by 66.7% of spouses who conceded that men should have more power compared to women in the utilisation of resources, as compared to only 33.3% who agreed that both genders should have equal power.

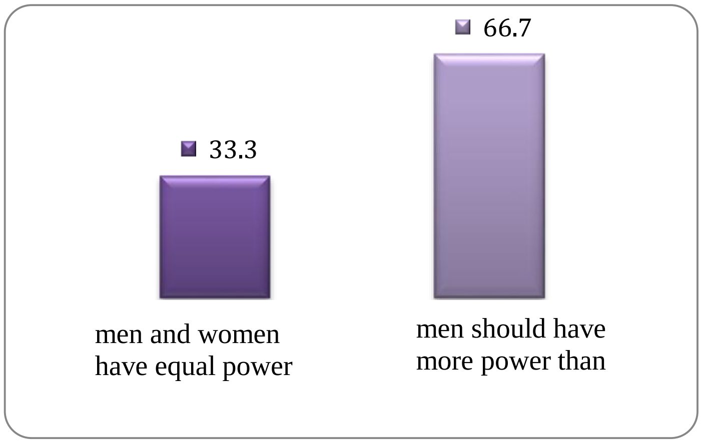

Figure 4.2: Spouses' opinions on women's power in utilisation of resources

Contributing to the same assertion that men should have more power than women in utilisation of resources, one male spouse had this to say:

> Our culture does not allow women to have power over men in the households. Men are the ultimate heads of households. Men should make all decisions on resource utilisation in the household.

This affirms that traditions and culture appropriate power to men, meaning that gender relations in decision-making in utilisation of all resources are culturally determined. Again, culturally, men do not rely on women in decision-making, whether women have the economic power or not, and they would like to maintain the *status quo*. This also confirms that in Kiharu, women do not have decision-making power in households in resource utilisation.

4.5 Challenges Faced by Women in Accessing Resources from MFIs

In response to the research objective 3 the data was also analysed to determine the challenges that women faced in accessing resources from MFIs. The analysis revealed two levels of challenges — women related, and those based on MFI policies.

4.5.1 Women-related Challenges in Accessing Resources from MFIs

Table 4.6 shows women related challenges in accessing MFI resources. These are lack of ownership of assets for collateral, lack of information relating to resources, women's attitude towards MFI debts and gender division of labour at household level.

Table 4.6: Challenges women face in accessing resources from MFIs

Challenges	Frequency of responses from women respondents	Percentage
Lack of ownership of assets for collateral	80	39
Lack of information	63	30
Women's attitude towards MFI debts	38	19
Gender division of labour at household levels	24	12
Total		100

a) Lack of Ownership of Assets for Collateral by Women Beneficiaries

The women identified lack of assets for accessing microfinance resources as a major concern. They confessed that most of them used their friends' assets or those of their families when their spouses were away in order to access resources. They further revealed that they were aware of some of their group members who withdrew from MFIs because they did not have assets to enable them access the MFI resources. Confirming that they did not always allow assets to be used for collateral to access MFI resources, 5 out of 20 spouses (25%) stated that they denied their wives assets to use to access resources offered by MFIs for fear of them being repossessed by MFIs in cases of default. Again, as discussed in 4.3, young unmarried women with no assets found it difficult to access resources, hence they kept away from MFIs. Expressing the challenge, one young unmarried woman respondent observed thus:

> Young unmarried women living with parents do not own assets to access MFI resources. Since this is an expectation, we have to use our parents' assets, who can deny us, curtailing our efforts to access these resources. I know five young women who were denied resources because of this requirement.

Ownership of family assets was an important factor influencing access to microfinance for all women and the young unmarried without collateral were simply left out for lack of it. Property ownership hinders women access to resources. This links with Blumberg theory which notes that stratification of the society denies women ownership of productive resources, which are important in accessing financial resources. As a result, lack of collateral denies young women a chance to become economically empowered through microfinance resources. Thus, asking women for assets to serve as collateral required to participate in the MFI group lending model, is a move that curtails them from benefiting fully from MFIs, despite lending institutions' "collateral free" promises.

b) Lack of Information by MFI Women Beneficiaries

Provision of information on loan products available from MFIs was found to offer opportunities to women in accessing resources from the institutions. As shown in table 4.6, 30% of the respondents revealed that they lacked information to enable them make informed decisions on the various loan products they can access from MFIs. In FGDs women confirmed that MFI officers did not have adequate time during group meetings to engage them on information of new products from MFIs, which were available for access by the women clientele.

The study also established that information from MFI head offices takes long to reach the women at the grassroots, thus denying them a chance to make informed choices to access necessary resources available. For example, during the period of the study, the Small and Micro Enterprise Programme (SMEP) was floating company shares, with the expectation that group members would buy. The women confirmed that they had no information about the shares or how to buy them or knowledge on operation of shares and the benefits thereof. The MFI officers acknowledged that it is difficult to reach all the women, as they cover wide areas. Thus, information provision is a challenge for women MFI clients who need it to access different kind of loan products from MFIs.

c) Women's Attitude towards MFI Debts

According to Table 4.6, 19% of the women stated that they fear MFI debts. They revealed that their socialisation process made them fear bank debts, including those from MFIs and their repossession. They admitted that to default on loans embarrasses them, especially when assets are recovered by MFIs for non-payment. They further complained that MFIs expect them to follow loan defaulters, demand and repossess assets used for collateral. One woman respondent narrated her experience when her assets were repossessed:

> I defaulted on MFI loan repayment for a month and the group members came to my house to repossess my assets. As they were 20 in number, it was humiliating to watch my assets being taken away. I was left poorer than even before accessing the loan. I will never want to experience that again.

This demonstrates that though MFIs support women's economic empowerment, women still face challenges due to some of the policies set down by MFIs. The women reiterated that recovery of assets interferes with gender relations in households as spouses deny them assets in future to access resources. The findings are consistent with by Schincks (2010) that MFIs resources could leave many households indebted with a negative impact on the households. This, then, negatively affects gender relations, especially the position of women in the family. MFI resources, therefore, instead of being seen as the main vehicle for poverty alleviation, in essence, disempower women.

d) Gender Division of Labour at Household Level

Gender division of labour in a household was found to be a challenge that prevented women from accessing microfinance resources. Expectation to attend weekly meetings and training before accessing loans, as women noted, increases their workload. One woman respondent stressed that;

> MFIs expect women groups to meet every week, in addition to attending training before we can access resources, in spite of the amount of work we have at home. These meetings are compulsory. When we do not attend, we are fined, or worse you are warned about forfeiting the next loan. MFIs are not sensitive about our workload.

While confirming that weekly meetings are a requirement and not an option for all clients, MFI officers interviewed affirmed the meetings were specifically for MFIs to ensure repayment and follow-up on debts owed. The officers stated that monthly meetings are not ideal for debt collections from MFIs. They also informed the study that although the trainings were meant to enhance their business skills, not all women who had benefitted from the resources were able to attend.

The women respondents said that balancing their domestic responsibilities, fetching firewood, milking, child care and sweeping (plate 4.1) left them with no time to attend weekly meetings and training as they had to forego some of their roles to attend the training. As such, attending weekly meetings and expectation to attend training by MFIs affects gender relations in households as spouses expect women's presence at home to perform their domestic roles at all times. For MFIs, imposing this requirement shows inadequate knowledge and sensitivity of gender workload in households.

Plate 4.1: Women reproductive roles in households *(taken with permission from women in Kiharu Appendix IX)*

4.5.2 Challenges of MFI Policies to Women

This section presents the challenges that women face in accessing resources from MFIs as a result of their policies as illustrated in Table 4.7.

Table 4.7: Challenges related to MFI policies

Challenge	**Frequency**	**Percentage**
High interest rate	83	40
Short repayment period	56	27
Lack of grace period, strict weekly loan repayments, and limiting loan ceilings in borrowing	55	26
Controlled non-withdrawals of savings	14	7
Total Percentage		100

a) High Interest Rates on Loans from MFIs

As shown in Table 4.7, high interests were rated as a serious challenge to women beneficiaries since it was at 40%. The women respondents revealed that MFIs charge as high as 24% per annum on a *flat rat*e basis (*Flat rate means a calculation of loans that is based on the principal amount the borrower receives rather than calculating it on the remaining loan balance, which makes the loan more expensive*) on all loans (Kereta, 2007), (See Appendix VIII for a sample of loan form). This makes the cost of borrowing very high for women. In this regard, 16% of the respondents informed the study that more than 40% of their group members had withdrawn from MFIs as a result of the high interest rates in a period of 3-5 years.

In FGDs, women also reported that they struggle to repay both the principal loan and interest accruing form the loan, which is too high. High interest rates keep women from accessing resources from MFIs and this in turn affects gender relations in households as it denies them empowerment. Empowerment positively accords women negotiating power in households with their male counterparts or spouses.

b) Short Loan Repayment Period Given by MFIs

Fifty-six out of 90 women respondents cited short repayment period as a challenge. They stated that the first loans repayment period ranges from 6 to 9 months, which is too short especially for micro enterprises with low business turnover. Plate 4.2 shows a group of MFI clients making loan repayments.

Plate 4.2:Microfinance group making weekly loan repayments*(taken with permission from participants, Appendix IX)*

The women further complained that short repayment periods do not give those involved in agribusiness enough time to plant, weed, harvest and sell produce to enable them to repay loan. The women respondents further observed that because the repayment period is too short, they are sometimes compelled to borrow from friends in order to repay the loan for fear of default and to enable them access more in future. One woman respondent during the interview confirmed that:

> I sometimes borrow money from my spouse to repay the loan and it is quite embarrassing since he always asks why my enterprise cannot make enough turnovers to enables weekly repayments.

Women participants in FGDs were also in agreement that sometimes they are unable to repay their loans on time and their friends bail them out. As a result of constant borrowing to repay loans, the women stated that they remain permanently in debt. This negatively affects gender relations at the household level as women are unable to repay loans. Expressing the same (Kereta, 2007), in his study focusing on "Outreach and Financial Performance analysis of MFIs in Ethiopia", contends that MFIs concentrate on short-term loans, with short repayment periods, which makes long-term investments impossible for women borrowers.

c) Lack of Grace Period, Strict Weekly Loan Repayment and Limiting Loan Ceilings in Borrowing

The mainstream MFIs do not give a grace period for their loans and have strict periods as well as limiting loan ceilings. Table 4.7 shows that 26% of the women respondents, stated that this is a major challenge for microenterprises clients as their businesses that do not generate enough turnovers to enable them to make weekly payments. The respondents conceded that when MFIs give them a grace period, for loan repayment, it enables that enables them to access resources and invest them before starting repayment. While affirming that the grace period was a challenge in accessing resources, women respondents stated that MFIs do not evaluate each business to gather information on the need for a grace period, as discussants in FGDs stated:

> MFIs expect that when they give you a loan, you are able to start repaying immediately. Some businesses require adequate time for investments, which MFIs ignore. Sometimes we use the same loan to repay the first and even second instalments. The weekly repayment and penalties charged for default are prohibitive, and that is why we use the same loan to pay back.

The above statement illustrates the fact that MFIs did not give a grace period to allow women get value for their money before starting to repay the loans. Also commenting on the strict weekly repayments, women discussant in a FGD noted,

> Weekly loan payments are unmanageable. We should pay monthly. Weekly instalments bring too much stress on us.

The discussants agreed that their businesses do not make enough within a week to enable such repayments. As such the weekly MFIs loan repayments work against women empowerment and their ability to change gender relations in households leading to a situation that keeps women permanently indebted to the MFIs.

The study was informed that MFIs set ranges of loans that can be accessed from time to time. These ranges as first loan — below KES 30,000, second loan — KES 31,000 –KES 60,000 and third loan — KES 61,000 – KES 90,000. Any other subsequent loan above KES 91, 000 requires additional collateral, for example, shares on the stock market, a log book or even a land title deed. The women respondents stated that the various loan ranges do not adequately cater for their business needs, and this curtails their chances for investment and improving gender relations in households.

Plate 4.3 given below shows a well-stocked enterprise where a respondent who is the owner reported informed the study that she needed more than KES 200,000 as a first loan. To achieve this she had to borrow multiple loans to enable her buy enough stock since the initial loan from MFI was inadequate. This posed a strain on loan repayment. Women in FGDs confirmed that challenges by other women also experience was being experienced by other women.

Plate 4.3: An enterprise funded by one MFI (taken with permission from the owner – Appendix IX).

d) Controlled Non-withdrawal of Savings by MFIs

As indicated in Table 4.7, 7% respondents conceded that controlled non-withdrawal of savings was a challenge in accessing resources from MFIs. The real concern was that their savings with MFIs tended not to beavailable for withdrawal until the loanee has fully repaid. Discussions in the FGDs also affirmed that MFIs expected them to make savings before accessing resources. They noted that MFIs do not allow them to withdraw the savings until members of their group they had guaranteed loans had repaid in full. They complained that this was detrimental to economic empowerment since sometimes they require withdrawal of their savings to meet urgent domestic needs but this would not be possible despite their participation in the sector.

Kereta (2007) observes the same in his study titled "Outreach and Financial Performance Analysis of MFIs in Ethiopia" that MFIs do not allow savings withdrawal. This in essence is an act that is against the spirit of saving with them, and this inhibits women from accessing resources. This means that MFIs savings affects women negatively in their effort to improve gender relations in households through contribution of their savings to meet emergency needs.

4.6 Challenges Facing MFIs in Extension of Resources to Women

In response to objective 4, data was analysed on the basis of household challenges that MFIs face in extending resources to women. The study revealed that MFIs face some challenges while extending resources to women. These include diversion of loans (resources) by women beneficiaries, high loan default rates among women and poor infrastructure in Kiharu.

a) Diversion of Loans by Women Beneficiaries

The women respondents revealed to the study that their reproductive roles came with an added burden, which forced them to divert loans to meet these needs. Such needs include buying food, medicines, school fees and clothes. As discussed in section 4.4, poverty among women contributes to the diversion of loans to other needs. Figure 4.8 given below illustrates the different ways in which women divert resources from MFIs, other than business related activities.

Table 4.8: Diversion of resources accessed from MFIs by women

Resource diversion	Frequency	Percentage
Pay school fees	34	38
Buying food (milk, groceries from shop)	26	29
Buying medicine, doctor's fees	18	20
Buying clothes, school uniform	11	13
Total		100

As indicated in Table 4.8, above women diverted loans to other uses including paying school fees, and buy food, medicine, and clothes (school uniforms). The women revealed that their needs were many and they had to balance between investing all the money in business and using some for urgent family needs. Other women respondents in the study also reported that they borrowed and gave the loan to their spouses or bought some land. Women discussants in FGD also revealed that they diverted the loans to the most urgent needs in the family.

Women who had separated from their spouses or divorced conceded that they utilise their loans to support their families in the absence of a spouse, and sometimes bought plots to set up their homes. On their part, three MFI officers stated that diversion of resources was one of the major causes of loan default. They noted that:

> Investing less money in a business than what is required results in default, as the enterprise is unable to make enough turnover to repay the loan with less capitalisation.

As such, women's loans diversion to meet domestic needs alters gender relations at the household level, as they empower women to support their families.

b) High Default Rate on Loans by Women

This study established that MFIs use group-lending schemes, popularly known as *Grameen model*(*group lending model adopted by MFIs where peers co-guarantee one another, and loan is given to women within a group structure as opposed to individuals*) (Kereta, 2007) which are characterised by group-level joint liability. The study observed that repayment rate of loans in Kiharuwas 94.4%, as illustrated in Figure 4.3 but which MFIs considered as low. The officers stated that repayment rates below 98% are considered as high default rates, noting that all MFIs require a repayment rate of 98-100% for sustainability. Two MFI officers revealed that women fail to pay their loans because the loan as a resource is diverted to meet basic needs of the family and sometimes a downturn in the economy. However, some women revealed that they also default because of business failure and diversion of resources by their spouses. Others stated that due to the nature of some businesses (agri-business – see Appendix VII and IX) it takes too long for such businesses to give returns and to enable loan recipients immediate repayments. As a consequence they default.

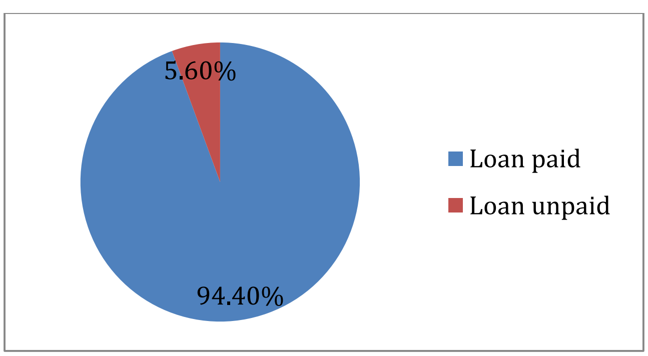

Figure 4.3: Loan repayment rate of women beneficiaries

c) Poor Road Infrastructure

The MFI officers expressed concern over poor infrastructure in Kiharu, especially the feeder roads to villages. The feeder roads to Kahuro in Mugoiri, at MbariyaHiti was impassable, as well as the road linking Theri and the main road in Kahatia market in Murarandia. This makes it difficult for MFIs to offer their services adequately. MFI officials also said it was impossible to reach women groups that are far apart because of poor road transport network. This caused delays in loan processing, which was reported by women as one of their challenges in accessing loans fast. Through observation during the study period, and as evidenced by Plate 4.4 taken in Kahuro Division in (Mugoiri Ward), the roads were very poor especially during the wet season. However, efforts were being made to upgrade them.

Plate 4.4:State of some of the feeder roads in Kiharu

As Sweetman (2001) points out, transport improvement can reduce women's poverty in rural areas as well as increase access to markets and other services that contribute to their empowerment. Thus women are able to access MFI resources easily with proper infrastructure.

4.7 Strategies to Enhance Access to, Control and Utilisation of Resources among Women

In response to objective 5, data was analysed on the basis of strategies that can be put in place to enhance access, control and utilisation of resources, as shown in Tables 4.9 and 4.10. The data analysed reveals that there are those strategies that focused on women and those to do with MFI policies. Table 4.9 present women specific strategies, in relation to enhancing access to, control and utilisation of microfinance resources.

Table 4.9: Strategies to enhance access, control and utilisation of resources by women

Strategies specific to Women					
Strategies	Area of impact				
	Access	Control	Utilisation	Frequency	Percentage
Awareness raising on gender equality and human rights				47	37
Address GBV through existing community-based structures				42	33
Capacity building in entrepreneurship training and skills development				39	30
Total					100

It emerges from the above table that there are specific strategies focusing on women that should be addressed for access, control and utilisation of microfinance resources. These are presented below:

4.7.1 Women Specific Strategies

These are awareness raising on gender equality and human rights, addressing gender-based violence and capacity building of women entrepreneurs.

d) Awareness Raising on Gender Equality and Human Rights

The respondents (37%) felt that awareness raising on gender equality and human rights could address gender relations in access to, control and utilisation of resources as well as appreciating the role women play in supporting families through microfinance resources.

e) Address GBV through Existing Community-based Structures:

The respondents (33%) suggested that the County and National Governments and religious leaders should help address GBV, which is prevalent in the area. Opinion leaders also concurred that GBV could be addressed using local community-based structures, such clans, council of elders, should be used to address the vice. This, as a consequence, would promote gender equality. Gender equality presents an opportunity for the improvement of gender relations in households.

Capacity Building in Entrepreneurship Training and Skills Development: The women respondents (30%) suggested capacity building, to enhance their entrepreneurial skills. The MFI officers also suggested that women should be trained to enhance or build their capacity. In such training, focus would be especially on marketing, business marketing, financial management skills and planning financial management. This would enable them to become successful entrepreneurs who are capable of running sustainable businesses. They further suggested that this would enable women to build an entrepreneurship culture, self-confidence and the capacity to take up or access microfinance in Kiharu.

4.7.2 MFI Policy Changes to Enhance Women's Access to Resources

The respondents suggested strategies that would enhance access to resources from MFIs by women. These are presented in Table 4.10.

Table 4.10: Microfinance Institution-based policies to enhance women's access to resources

MFI related Policies		
Strategy	**Frequency**	**Percentage**
Reduce the interest rates to manageable levels and introduce grace period for loans	80	29
Introduce different types of collateral in addition to household assets	51	18
Review the loan repayment period in accordance with ability of business to make repayments	38	14
Make provisions for emergency savings withdrawals and review mandatory weekly meetings	35	13
Review the loan size (ceiling) in accordance with business needs	27	10
Introduce more friendly debt collection methods	23	8
Introduce women friendly modes of communication on MFIs products	15	5
Review the upper age limit requirement of women accessing resources	9	3
Total		100

According to the Table given above, the women respondents and MFI officers identified the need to:

a) Reduce interest rates and introduce grace period for loans

High interest rate and lack of grace period was a concern for the respondents. They recommended that MFIs should reduce their interest rates to manageable levels to allow businesses make enough to repay loans and re-invest the rest. This was recommended by 29% of the respondents, who observed that funds from government, cooperative societies and other donors charge between 10-15% per annum on a reducing balance (a method whereby one pays interest on the remaining loan's balance as opposed to the full amount as explained elsewhere on flat rate method, that is: the interest payable per loan installment = interest rate per installment x remaining loan amount) Kereta (2007). As stated earlier, MFIs charge interest rates of up to 24%. The women respondents also suggested that MFI policies should give a grace period to allow businesses to grow before they start repaying the loans. They agreed that whereas some businesses are able to repay loans without grace periods, others are unable, and suggested a grace period of one month to allow businesses to make enough returns to repay the loans.

b) Introduce different types of collateral in addition to household assets

Lack of assets for collateral inhibited women from accessing resources. Thus, 18% of the respondents suggested that MFIs should introduce additional collaterals that are easily accessible to women. This would enable them access resources without seeking permission from spouses to use household assets for resources as revealed by the study findings. The women suggested use of collaterals such as personal individual guarantors outside the group members should be introduced.

c) Review the loan repayment period in accordance with ability of business to make repayments

The women respondents suggested that the repayment period should be based on business turnovers and business ability to repay, rather than a fixed period for all enterprises. This was a total of 14%, who also suggested that a staggered repayment period that is not fixed would enable them to repay the loans according to their businesses ability. As indicated in the study findings, women respondents stated that they had to borrow in order to make loan repayments. This was occasioned by the short repayment periods offered by the MFIs.

d) Make provisions for emergency savings withdrawals review mandatory weekly meetings

The women respondents (13%) suggested MFIs should make provisions for emergency withdrawal of savings, to meet emergency needs in the family. They suggested that each MFI client should be allowed a maximum amount withdrawal for emergency purposes within a specified period of time. The study findings revealed that MFIs do not allow emergency withdrawal on savings until those guaranteed by women, had repaid the loan in full. The women also suggested that MFIs should review their policies to allow women to meet once a month for loan repayment and group meetings instead of every week. They agreed that meeting monthly would give their businesses adequate time to make enough to repay loans as compared to a week.

e) Review the loan size (ceiling) in accordance with business needs

During the study, respondents contended that they had to borrow from multiple MFIs to meet business needs. Thus, 10% respondents suggested that loan ceilings should be set in accordance to business needs, conceding that MFIs have maintained the same ceiling (as discussed in section 4.5.2, for more than 10 years, yet business needs continue to rise because of inflation and economic downtrends. They suggested that access to microfinance resources should be based on business plans, needs and in line with prevailing inflation rates.

f) Introduce more friendly debt collection method

Debt collection was cited as a concern that disempowers women. Thus 8% respondents suggested that MFIs should employ debt collectors to support women in debt collection from defaulters. They agreed that a debt collector should be hired by the MFI and group members could contribute towards these services.

g) Introduce women friendly modes of communication on MFIs products

The respondents (5%) suggested that MFIs should put measures to ensure that women access information on their products. The mode of information delivery should be gender sensitive and women friendly.

h) Review the upper age limit requirement of women accessing resources from MFIs

The respondents (3%) suggested that MFIs should formulate policies to allow those aged over 60 to access microfinance resources. They argued that women aged above 60 are still energetic, active and are successful entrepreneurs, hence they should be allowed to access resources from MFIs.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary of the study findings, emerging implications and conclusions. In addition, recommendations based on the study conclusions and areas for further research are presented.

5.2 Summary of Findings

The purpose was to investigate gender relations in access, control and utilisation of microfinance resources among women. This was based on five objectives, namely: factors influencing access to microfinance resources; factors influencing control and utilisation; challenges women faced in accessing microfinance resources; challenges that MFIs faced extending resources to women; and suggestions of strategies that would enhance access to, control and utilisation of microfinance resources by women. The research site was Kiharu Constituency in Murang'a County.

i. Factors influencing access to microfinance resources by women

One of the objectives of this study was to determine the factors that influence access to microfinance resources by women in Kiharu Constituency. The study findings reveal that common factors include age, marital status, formal education level, collateral and signature requirements from spouses. According to MFI policies, women above 60 years are not able to access resources because of their advanced age. Those aged below 18 cannot access microfinance resources because they do not have national identity cards to transact business. MFIs prefer married women, since they are unlikely to move away from their homesteads upon accessing resources as compared to young unmarried women. Young women are discriminated against because MFIs see them as potential defaulters likely to relocate upon marrying and default on loan repayments. In addition, women with formal education had accessed information from various sources. They were able to carry out market survey, which formed the basis of their innovative businesses, as compared to those with no formal education who were unable to access such information.

The number of children a woman influences her access to resources. This is because such a woman joins MFIs to access resources and meet basic family needs. Again, lack of collateral influences access to resources, since men as heads of households own and control all assets required as security by MFIs. Thus gender relations in households demand that married women consult their spouses to allow them utilise household assets for collateral; failure to do so breeds conflict at family level. Considering that MFIs are established to help the poor who do not have collateral, it is then a contradiction to set out to help them and set up inhibiting policies, which provision of assets as collateral for loan security entails.

The requirement that spouses and chiefs to sign the loan forms as guarantee for repayment also influences women's access to resources. Widowed women are required to sign affidavits to show that collateral belongs to them. This stigmatises their status. This requirement militates against access to resources by women in as provided for by MFIs, more so Kiharu. This implies that patriarchy is engrained in MFI policies. This is outright gender discrimination, which is likely to bring conflict in households when signatures are denied, thus affecting gender relations in households, as the same is not expected of the other gender. These findings are in line with Blumberg theory that gender stratification dictates ownership of productive assets used for collateral in access to microfinance resources. These findings confirm the first premise of the study certain that certain factors influence access to resources by women.

ii. Factors influencing control and utilisation of microfinance resources among women

In terms of control and utilisation of resources, married women consult their spouses. The widowed, separated or divorced on the other hand have full control in the control and utilisation of the microfinance resources that they received. The absence of a male head means they have ultimate power. Young women consult parents who have ultimate control and utilisation of the resources the youth eventually access from MFIs.

Gender-based violence also influences control of resources, since married women are expected to surrender resources to their spouses. Men believe they have power to control women's resources by virtue of marriage. In addition, owing to the patriarchal nature of the society in Kiharu, the perception is that men have rights and power to control resources. Women therefore surrender control over resources to their spouses. In Kiharu, this reveals that gender relations in households favoured men and women seemingly accept this as the norm. As outlined in the Blumberg theory, when women become empowered men perceive this as a threat and they try to suppress them using violence.

Men use religion to show that they have power in decision-making with regard to the control and utilisation of resources. This, men do by quoting religious doctrines that demand submission by women. They expect women to submit to them, according to the Bible, stating that women are ‘second’ to men. This perception affects gender relations and reflects gender blindness in interpreting the Bible using patriarchal lens to maintain male dominance.

Poverty levels of women and demanding family needs at household level influenced utilisation of resources. Therefore, women divert microfinance resources to meet their immediate basic family needs. The lack of decision-making power by women in households also influences the use of resources. Further, gender relations in households dictate that men have the ultimate power to decide on the utilisation of microfinance resources. Patriarchal ideologies are manifested in culture to justify marginalisation of women in decision-making and in control and utilisation of resources irrespective of their age. Power is allocated to spouses according to socio-cultural systems, which are based on gender relations and role allocation within the family and wider community, as the study findings revealed, and as observed by Blumberg (1984)..The above findings indicate that certain factors like gender-based violence, poverty and marital status influence control and utilisation of microfinance resources by women in Kiharu Constituency, which supports the second premise of the study.

iii. Challenges faced by women accessing microfinance resources

Regarding the third objective, the challenges women face in accessing resources are categorised into women related and MFI policies related. Women-related challenges include lack of ownership of assets for collateral, lack of information relating to products available from MFI for access and women’s attitude to MFI debts. Women fear debts due to the way MFIs repossess assets from women defaulters, as study findings revealed... Again, the gender division of labour at the household level affects women's attendance to the MFI policies strict scheduled regarding the weekly meetings. Women balancing their domestic responsibilities, fetching firewood, milking, farming and child care left them with no time to attend these meetings.

The MFI related challenges are policy related, which inhibit access to resources by women. These include high interest rates, short repayment period of the loan, lack of grace period, strict weekly loan repayments and limiting loan ceilings, and curtail innovative women entrepreneurs from accessing higher loans for large investments. Strict non-withdrawal of savings for emergency militates against women's accessing MFI resources. The arguments above fit in with the third premise that women encounter challenges when accessing resources from MFIs.

iv. Challenges faced by MFIs in extension of resources to women

The challenges that MFIs faced in extension of resources to women were diversion of loans to meet their domestic needs, for example, paying school fees, sickness in the family, buying food for the family and buying school uniforms and clothing. This leads to high default rates in loan repayment, which lead to conflicts between MFIs and the women, due to demand for loan even through repossession of assets used for collateral. Further, poor infrastructure in the area, where feeder roads and impassable during rainy seasons was another challenge facing MFIs in extension of resources to women. This supports the fourth premise that MFIs faced certain challenges in extension of resources to women.

v. Strategies to enhance access, control and utilisation of microfinance resources by women

The strategies were categorised into two — women and MFI related. Women related strategies were: raising awareness of men and women on gender equality and human rights in marriage to improve access, control and utilisation of resources, addressing gender relations in households, and working with men and women to map out all gender related perceptions and respond through sensitisation on equal rights. Others include addressing gender-based violence through existing community-based structures, and capacity building in entrepreneurship and skills development to improve the access level to information, thus improving access, control and utilisation of resources.

The MFI policy suggestions include reduction of interest rates and introduction of the grace period; introduce different types of collateral in addition to household assets in accordance to business needsmake provisions for emergency savings withdrawals to enable women access microfinance resources easily. Others are: review the loan repayment period in accordance with ability of business to make repayments; introduce more friendly debt collection methods; initiate women friendly modes of communication on products offered by MFIs and review age limits for women to access resources.All these recommendations support the fifth premise that there are certain strategies that can enhance women access, control and utilisation of resources in Kiharu constituency, Murang'a County. Apart from the above, the following were other emerging issues from the findings included that some male spouses were not comfortable with women's access to, control and utilisation of resources from MFIs, as a result of which they resorted to violence to force women to surrender the resources to them to control. This situation affected gender relations at the household level. Again, access to MFI resources has increased gender division of labour especially for women in households, as they balanced reproductive, productive and other community roles. Women with high some level of formal education have improved their bargaining power in households and are able to gain some control over resources from MFIs, a situation that also affects gender relations in households. MFIs are empowering women and some have assumed household headship roles in the community. The widowed and separated women have also taken the role of providing for the family in the absence of a male spouse. MFIs resources have indirectly affected gender relations in households through resource power, a situation where some women have also resorted to violence when their spouses demand microfinance resources from them. As such, MFIs resources do not necessarily improve gender relations in households due to gender-based violence being experienced in some households.

5.3 Conclusions

Micro-finance institutions have helped fill the poverty gap by offering resources to people who are unable to obtain conventional loans from commercial banks. Access to resources enables men and women to improve their businesses and increase their cash inflow and develop entrepreneurship skills, which consequently lead to the overall development of a country's economy. In Kiharu, MFIs play a significant role in poverty reduction and in the improvement of standards of living. Women have been able to access resources from such institutions and these have enabled them meet their basic needs in households, as well as gaining economic empowerment. Economic empowerment has translated into improved gender relations, as women are able to negotiate power in households with the resources from MFIs.

However, women face insurmountable roadblocks in their endeavour to address gender relations in access, control and utilisation of microfinance resources in a patriarchal system, which believes decision-making in households is a preserve of men. The societal beliefs and perceptions about gender relations in households accord men control and authority over women as ‘perceived’ heads of households. These perceptions hinder women’s access to, control and utilisation of their own resources from MFIs. These impacts on gender relations at the household level and women are affected negatively.

The study confirmed that in patriarchal societies, such as in Kiharu, women do not own substantive assets as ownership is bestowed on men. Therefore women rely on their spouses or parents to enable them obtain assets to access microfinance resources. Further, socio-cultural expectations, specifically marital status of women beneficiaries, religion and gender-based-violence militate against women’s access to, control and utilisation of resources. This state impacts on gender relations in households, with women being negatively affected. Also, age, the level of formal education and number of children depending on women influence access to, control and utilisation of microfinance resources in Kiharu. It is worth pointing out that the MFI policies, such as recovery of assets in times of default have left some women poorer than they were when they first started accessing resources from MFIs. Policies should change to reflect the changes in gender, economy and technology. Thus MFIs need to review some of the policies which were introduced in the early 1985, when these institutions started operating in Kenya.

The study findings collaborate with the guiding theory feminists' conflict theory which highlights the proposition that gender stratification is ultimately driven by the degree to which, relative to women, men control the means of production and the allocation of productive surplus or surplus value. The findings presuppose that gender inequalities and relations would exist when men control resources disproportionately. As the theory posits, the study established that in Kiharu, gender stratification in the society was influenced by socio-cultural factors, which are dominant in shaping gender relations of men and women in households. However, while the theory focuses more on the patriarchal culture and inequalities within the society, the study affirmed that other variables such as age of women, the level of formal education and policies influence women's access to, control and utilisation of microfinance resources, as demonstrated in the conceptual framework that guided the study.

On the other hand, access, control and utilisation of microfinance resources by women in Kiharu depend on various influencing factors as demonstrated in the conceptual framework. Factors are; socio-cultural, gender relations in households, unfavourable MFI polices and lack of education and skills. Again, the strategies in the framework, when implemented, can enhance access, control and utilisation of microfinance resources by women.

5.4 Recommendations

Based on the study's findings, the following are the recommendations for enhanced access to, control and utilisation of microfinance resources by women. These recommendations are presented on the basis of how various institutions could facilitate, through policies and other means, improvement of gender relations to enhance access to, control and utilisation of resources women in Kiharu.

a) MFIs should:

Formulate gender sensitive policies, especially when addressing alternative means of collateral for women. For example, the savings the women have with MFIs should be used as collaterals. In addition, group co-guarantee is another collateral that women can provide as loan security. They should also develop training products that address the other needs of women such as gender division of labour and consult women on the appropriate timing of any training, for them to fully participate without disrupting gender roles.

Provide gender sensitive access to information such as the use of posters to relay information, placed in strategic places where women frequent like markets, water points, shopping centres and religious places. In addition, they should also assist women access information through their mobile phones after training them on technology use.

Introduce appropriate loan sizes in accordance with one's business needs through consultations and realistic interest rates in line with the microfinance Act and introduce new repayment periods based on business capacity to repay the loans.

b) County Governments should:

Support the establishment of committees on GBV at village level to address the vice, while working with men and women who batter. Policies should be formulated at the County level to deal with the vice. This will address changes in gender relations in households, which in turn will hopefully lead to gender equity.

c) Civil Society Organisations and Religious institutions should be encouraged to:

Undertake sensitisation on culture and customs and their effect on gender relations at household levels.

Sensitise men and women on patriarchy through community dialogues (*community based meetings where patriarchal attitudes and perceptions of women in access to, control and utilisation of resources are discussed and community based mechanisms to address them developed)* and introduce gender equality to improve gender relations in households.

5.5 Future research

Based on the scope and the findings for this study, the following are recommendations for future research:

a) A study to focus on the role of technology in enhancing women's access to and control of microfinance resources.

b) A study on effectiveness of existing strategies for poverty reduction at the household level in area of study.

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APPENDICES

APPENDIX I

LETTER OF INTRODUCTION

Pauline W. Kamau

Kenyatta University

Gender and Development Studies

School of Humanities and Social Sciences

P.O. Box 43844-00100

Nairobi

Email: wangarikamau@yahoo.co.uk

Dear Respondents'

I am currently conducting a study on Gender relations in access, control and utilisation of microfinance resources in Kiharu Constituency, Murang'a County. This information is useful for the future for MFIs to make policies that address the challenges that women face in access to resources, as well as for policy makers, NGOs, Communities and families to support access, control and utilisation of microfinance resources among women, while addressing the hindering factors.

Please feel free to complete the questionnaire and make additional notes where necessary. All information will be treated confidentially and the responses will only be treated as group data in the final report.

Your time in completing this questionnaire will be greatly appreciated

Thank you.

Yours faithfully,

Pauline W. Kamau

Admission number: C82/21329/10

Tel: 0722965201

SERIAL NO:_____

APPENDIX II

INTERVIEW SCHEDULES FOR WOMEN BENEFICIARIES

			Instructions
1	Age	[ ] Below 25 [ ] Between 26 and 35 [ ] 36 and 45 [ ] Above 45	Tick the appropriate response
2	Sub location		
3	Marital status	[ ]Single [ ] Married [ ] Widow [ ] Divorced [ ] Separated	Tick the appropriate response
4	Education level	[ ] None [ ] Primary [ ] Secondary [ ] College [ ] University [ ] Other specify	Tick the appropriate response
5	Number of Dependants	Boys ___________ Girls __________	
6	Current business enterprise Level of income per month	[below 10,000] [10,001 – 20,000} [20,001 – 30,000]	tick

		[30,001 – 40,000] [40,001 – 50,000] Above 50,000	
7	How long have you been running this business?	[ ]< than 2 years [ ] 2 – 3 years [ ] 3- 4 years [ ] 5 years+	Tick the appropriate response
8	Where did you get money to start the business from?	[ ] Friends [ ] Own savings [ ] Spouse [ ] Loan [ ] Merry-go-round [ ] MFIs	
9	When did you receive your loan? From which MFI	Year______________________ MFI___________________	
10	How much was the loan? How many loans have you taken from the MFI?	Kes___________ __________ loans of Kes________	
11	Why did you decide to take a loan?	To pay a debt To start business to supplement income To give to my husband to buy land or other assets Other (specify)	Tick where appropriate
12	What other services did you get from the MFI?	Training Study Tour Resources only	

13	Were you required to pledge any collateral? If so, what did you pledge?	(a) Land (b) House hold assets (c) Car log book (d) Own and group savings (e) Animals e.g. goats (Others – explain)	Tick the appropriate one and state (others)
14	Did they belong to you? If not, whose were they?		
15	Do you inform your spouse when pledging the collateral? If so, state his reaction?		
16	Did you consult your spouse/parent/sibling on your intention to access the loan If so, why? If not, why?		
17	What were the loan requirements? In details…		
18	Can you tell me if you were able to meet these requirements?		
19	If not, what did you do? Do you have challenges as women to meet the demands by MFIs?		
20	How do you spend the money from micro finance? Did you have control on how to spend it? If not, explain.		
21	If you consulted anybody as in (20 above), Who was it and why?		
22	How did you feel when you consulted? If you did not, why did you not do it?		

23	What is your opinion on men and women in control of resources in households and what factors influence women in control of MFI resources?	
24	Do women and men have the same powers in controlling or utilising resources? Explain	
25	Who decides on the allocation of resources at your household/family and why?	
26	Are there any advantages of involving families in decision-making on access, control and utilisation of resources? Explain.	
27	Do you think spouses (men) have influence in the way women access, control and utilise resources? Explain.	
28	Do you think religion and culture have influence inn women, access, control and utilisation of resources? What about marital status?	
29	Are the single, widowed, divorced women allowed to make decisions in control and of utilisation of resources?	
30	Does culture and religion have a role to play in access, control and utilisation of resources by women? If so, please explain in details.	
31	If you do not make final decisions on utilization of your own resources, explain the	

	challenges you face in spending resources at the household?	
32	Please suggest ways of enhancing women access, control and utilisation of microfinance resources.	

SERIAL NO:_____

APPENDIX III

INTERVIEW SCHEDULES FOR SPOUSES OF WOMEN BENEFICIARIES

			Instructions
1	Age	[ ] Below 25 [ ] Between 26 and 35 [ ] 36 and 45 [ ] Above 45	Tick the appropriate response
2	Sub location	______________________________	
3	Education level	[ ] None [ ] Primary [ ] Secondary [ ]College [ ] University [ ] Other specify	Tick as appropriate
4	Number of Dependants	Boys __________ Girls ____________	
5	Has your spouse accessed Micro finance resources?	[ ] yes [ ] no [ ] Don't know	Tick as appropriate
6	If your answer above is (yes), when did she access the resources? Please explain.		
7	Can you tell me if she pledged household assets to access resources?		

8	Was she able to repay the loan promptly or she struggled in payment? (Explain)	
9	If your spouse is unable to repay, how would you protect your household assets from repossession?	
10	Do you know of any constraints in the household that women face in access to resources?	
11	Who decides on how resources (MFIs) are controlled and utilised in households?	
12	Who should control resources in households?	[men] [women] [both men and women]
13	Who should have power to utilise resources in households?	[men] [women] [both men and women]
15	Are there social-cultural factors that inhibit women from decision on how to control and utilise micro finance resources?	
16	In your opinion, who should control resources at the household level?	
17	What are your personal views on how women spend their resources?	
18	What is your view on women and men rights in access,	

	control and utilisation of resources?	
19	Can you tell me if there would be any challenge if women solely controlled and utilised resources.	
20	Are you aware of any challenges women face accessing resources?	
21	Give suggestions on how to address the above challenges.	
22	Do you have any other comment in access, control and utilisation of resources?	

SERIAL NO:_____

APPENDIX IV

INTERVIEW SCHEDULE FOR MFI OFFICERS (KEY INFORMERS)

Hello, my name is ______________________________ During the interview, I would like to discuss the following topics about gender relations in access, control and utilisation or resources among women in Kiharu. The main areas include: factors influencing access, factors influencing control and utilisation, challenges that women face accessing resources and those that MFI face extending resources to women. I will also ask for strategies that can enhance access, control and utilization of resources, and any recommendation you may have in this area.		
Main Questions	Additional Questions	Clarifying questions
Access to resources		
What are your loans ceiling on various borrowers?	How long do women have to wait to access resources from your MFI?	
Who are the majority of women accessing resources in terms of age, marital status?	What are the main reasons for these? Under what circumstances does do women access resources? What is the age limits for borrowing?	Can you explain how you ensure all women access resources? Can you explain further on age limits for borrowing?
Can you tell me the conditions should women meet before they access resources MFIs?	What happens when they do not meet these criteria?	Can you give me examples of the conditions they must meet to access resources?
How are the repayment rates?	Who are the major defaulters?	Can you explain your answer further?

Who are the best borrowers in terms of repayment among the women and why? (Single, married, widowed, divorced/separated)?	What makes one group better than the other in the above?	
In your opinion, how satisfied are women in your services? Do you know some women dissatisfied with your services? Why is this so?	What makes women be dissatisfied in your services?	Can you explain much more on this?
In your opinion, has women economic situation improved since they started accessing resources? How do their spouses take it?	Have you noticed any changes in the attitude of women beneficiaries?	Can you explain why this is so?
Control and utilization of resources		
Are you aware whether women are able to control and utilise the resources they from MFIs with no interference?		Can you explain more on the gender dynamics in control and utilization of resources in Kiharu?
In your opinion, do women inform their spouses when they want to borrow money? If they do: Can you tell me why do they do this?	Are you aware of any conflict in households as a result of control and utilisation of these resources?	
Can you tell me if there are any challenges that women face in utilizing resources they way they want in households?		
What are your personal views on how women spend their resources?		Can you tell me if there are gender related concerns about how they spend the money?

Challenges in extension of resources to women by MFIs		
Can you tell me the challenges MFIs face extending resources to women specifically in Kiharu? Are these challenges internal or external?	Do you think women also have challenges accessing resources form MFI?	Can you give examples of both internal and external challenges?
How do you overcome the above challenges as an MFI?	Do you think the challenges are within or out of control of women?	
Challenges in accessing resources by women		
Do you know of any challenges that women face in accessing resources from MFIs?	What are these problems?	Can you explain more on how these problems are addressed?
Are there other problems that women face?	How do you explain the problem?	What is the scope of the problem? Can you give examples?
Suggestions to enhance access, control and utilisation		
Are there suggestions you can give on how women access, control and utilisation of resources can be enhanced? Are there suggestions specifically for MFIs to enhance access to resources to women?		Can you clearly explain who will be in charge to ensure implementation of your suggestions.

Are there any other issues we have not discussed which are of concern? Do you want to add anything in access, control and utilisation of resources by women?		

APPENDIX V

SERIAL NO:_____

INTERVIEW SCHEDULE FOR OPIONION LEADERS (CHIEFS)

Hello, my name is _______________________________

During the interview, I would like to discuss the following topics about gender relations in access, control and utilisation or resources among women in Kiharu.

Main Questions	Additional Questions	Clarifying questions
Do you have any experience in dealing with Micro Finance Institutions?	What has been your role?	Can you explain more?
What role do you think MFI play development in Kiharu? Please explain.		
Do you handle information relating to micro finance?	What kind of information do you handle	Can you elaborate on the type of information?
Access to resources		
Do women in your Ward access microfinance resources?		Can you explain how you get this information?
Have you dealt with problems regarding access to microfinance resources and women in your area? If so, what have been the issues?	What kind of problems do you deal with?	
Who are the majority of women accessing resources in terms of age, marital status?	What are the main reasons for these? Under what circumstances does do women access resources? What is the age limits for borrowing?	Can you explain how you ensure all women access resources?

Do you know the conditions thatwomen meet before they access resources MFIs?	What happens when they do not meet these criteria?	Can you give me examples of these conditions?
Do you know of any factors in the household that influence access to MFIs resources by women?	What factors hinder women from accessing these resources?	
Are you aware of whether women consult their spouses when accessing resources?		Can you explain this more?
In your opinion, do women inform their spouses when they want to borrow money? If they do: Can you tell me why do they do this?	Do you know what would happened if women did not inform their spouses of microfinance resources?	Can you explain in details?
How does the community view women who have accessed resources?	Do they shun or see them as heroines?	Can you explain your answer further?
In your opinion, how satisfied are women in your services? Do you know some women dissatisfied with your services? Why is this so?	What makes women be dissatisfied in your services?	Can you explain much more on this?
In your opinion, has women economic situation improved since they started accessing resources? How do their spouses take it?	Have you noticed any changes in the attitude of women beneficiaries?	Can you explain why this is so?
Control and utilization of resources		
In your opinion, do women generally control the incomes from micro finance? If not, who controls the resources?		Can you explain more on the gender dynamics in control and utilization of resources in Kiharu?

In your opinion, what are the factors that affect utilisation of resources among women in the households?	Are you aware of any conflict in households as a result of control and utilisation of these resources?	
Are there women concerns related to control and utilisation of resources?		Can you please explain in details?
What are your personal views on how women spend their resources?	What are gender or household concerns in control and utilisation of resources?	Can you explain what has been your experience in dealing with men and women in power relations over resources?
Do you receive complains in relation to access, control and utilisation of resources among	What kind of complains? are they? How do you address these complaints?	
Can you tell me if there are any challenges that women face in utilizing resources they way they want in households?		
What are your personal views on how women spend their resources?		Can you tell me if there are gender concerns about how they spend the money?
Does culture and religion have a role to play in women's access, control and utilisation of resources?		Can you explain in details?
How would you use your position to promote women's rights in access, control and utilization of microfinance resources?	How would you go about this?	
Challenges in extension of resources to women by MFIs		

Do you know of any challenges that MFIs face extending resources to women?	What kind of challenges are they?	Can you explain?
Do you know how they address them?	Do you think the challenges are within or out of control of women?	Can you explain?
Challenges in accessing resources by women		
Do you know of any challenges that women face in accessing resources from MFIs?	What are these problems?	Can you explain more on how these problems are addressed?
Are there other problems that women face?	How do you explain the problem?	What is the scope of the problem? Can you give examples?
Suggestions to enhance access, control and utilisation		
Are there suggestions you can give on how women access, control and utilisation of resources can be enhanced?		Can you clearly explain who will be in charge to ensure implementation of your suggestions.
What recommendations would you like to give to MFIs? What recommendations would you like to give to County and National government on MFIs in development?	Are there recommendations for civil society organisations and religious institutions?	Can you clearly explain in details? Can you kindly outline them?
Are there any other issues we have not discussed which are of concern? Do you want to add anything in access, control and utilisation of resources by women?		

APPENDIX VI

FOCUS GROUP DISCUSSION SCHEDULE

My name is -- from Kenyatta University. I am currently undertaking a research on Gender Relations in access, control and utilisation of Micro Finance Resources. A Case of Women in Kiharu Constituency of Murang'a County. This research is purely for academic purposes, and information from this research will be confidential, and it will not be used for any other purposes, or shared with any other persons. I will be writing notes as we talk, for the purposes of assisting in writing this report. I have assistants to help me in taking notes and recording any observations as we talk. I will use Kiswahili, but if you need me to translate to Gikuyu, please let me know. The assistants are free to answer any questions, and you can ask me to clarify any that is not clear to you.

Key Questions

1. What is your general view of microfinance resources contribution in the households?
2. Why are women not able to access MFI resources as expected? Are there constraints in households?
3. In your opinion, who are the majority of those accessing loans? Single, married divorced/separated of widowed women?
4. How do you go about control and utilisation of these resources at the household level after acquiring them? Do you consult anybody? If so, whom do you consult with? What is your opinion on women consulting spouses to be allowed to access resources in your area?
5. How do they invest the income they get from microfinance resources? Are there reasons that prevent women invest their resources as they would like?
6. Do women have power in households to decide on control and utilisation of resources? If not, what are the constraints and how do they address them?
7. What is the position of Gikuyu culture and religion in women's access, control and utilisation of productive resources in households? Are there restrictions? How do women overcome these?
8. Are there challenges that women face accessing resources from MFIs? Please explain in details.
9. What suggestions would you recommend towards improving access, control and utilization of micro finance resources by women?
10. What other comments would you like to make?

APPENDIX V1I

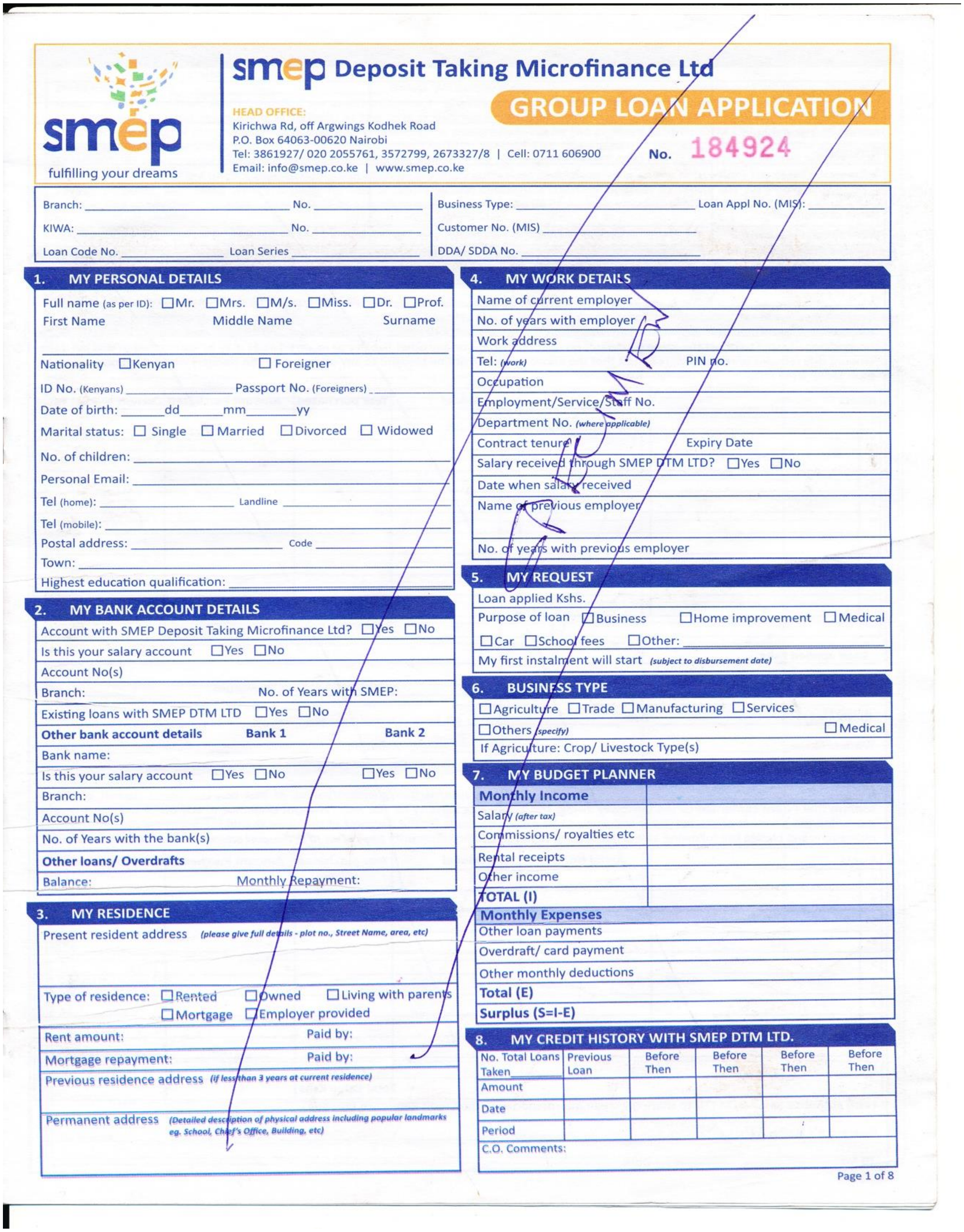
OBSERVATION CHECKLIST

Item	Brief Description	Comments
Business enterprises		
The main business activities that women undertake in the study area.		
Business size and products available.		
Gender related businesses the women are doing (according to their gender roles)		
Gender relations		
Gender differences in the way men and women talk		
Communication		
Language used by men and women when communicating		
Women's interaction in group (cordial, aggressive)		
How women beneficiaries react to MFI officers		
Women beneficiaries /MFI officers rapport		
Key Informants		
Attitude of MFI officers to women entrepreneurs		

Attitude displayed by the chiefs when attending people		
Chiefs attitude to women who have defaulted loans.		
Others		
Conditions of infrastructure – roads.		
Use of mobile phones by women		
Banking services in the area.		

APPENDIX VIII

SAMPLE LOAN FORM OF MFI



smep fulfilling your dreams

smep Deposit Taking Microfinance Ltd

GROUP LOAN APPLICATION

HEAD OFFICE:
Kirichwa Rd, off Argwings Kodhek Road
P.O. Box 64063-00620 Nairobi
Tel: 3861927/ 020 2055761, 3572799, 2673327/8 | Cell: 0711 606900
Email: info@smep.co.ke | www.smep.co.ke

No. 184924

Branch: ______ No. ______ Business Type: ______ Loan Appl No. (MIS): ______
KIWA: ______ No. ______ Customer No. (MIS) ______
Loan Code No. ______ Loan Series ______ DDA/ SDDA No. ______

1. MY PERSONAL DETAILS

Full name (as per ID): ☐Mr. ☐Mrs. ☐M/s. ☐Miss. ☐Dr. ☐Prof.
First Name Middle Name Surname
Nationality ☐Kenyan ☐Foreigner
ID No. (Kenyans) ______ Passport No. (Foreigners) ______
Date of birth: ______dd______mm______yy
Marital status: ☐ Single ☐ Married ☐Divorced ☐ Widowed
No. of children: ______
Personal Email: ______
Tel (home): ______ Landline ______
Tel (mobile): ______
Postal address: ______ Code ______
Town: ______
Highest education qualification: ______

2. MY BANK ACCOUNT DETAILS

Account with SMEP Deposit Taking Microfinance Ltd? ☐Yes ☐No
Is this your salary account ☐Yes ☐No
Account No(s)
Branch: No. of Years with SMEP:
Existing loans with SMEP DTM LTD ☐Yes ☐No

Other bank account details	**Bank 1**	**Bank 2**
Bank name:		
Is this your salary account	☐Yes ☐No	☐Yes ☐No
Branch:		
Account No(s)		
No. of Years with the bank(s)		

Other loans/ Overdrafts
Balance: Monthly Repayment:

3. MY RESIDENCE

Present resident address *(please give full details - plot no., Street Name, area, etc)*
Type of residence: ☐Rented ☐Owned ☐Living with parents ☐Mortgage ☐Employer provided
Rent amount: Paid by:
Mortgage repayment: Paid by:
Previous residence address *(if less than 3 years at current residence)*
Permanent address *(Detailed description of physical address including popular landmarks eg. School, Chief's Office, Building, etc)*

4. MY WORK DETAILS

Name of current employer
No. of years with employer
Work address
Tel: *(work)* PIN no.
Occupation
Employment/Service/Staff No.
Department No. *(where applicable)*
Contract tenure Expiry Date
Salary received through SMEP DTM LTD? ☐Yes ☐No
Date when salary received
Name of previous employer
No. of years with previous employer

5. MY REQUEST

Loan applied Kshs.
Purpose of loan ☐Business ☐Home improvement ☐Medical ☐Car ☐School fees ☐Other:
My first instalment will start *(subject to disbursement date)*

6. BUSINESS TYPE

☐Agriculture ☐Trade ☐Manufacturing ☐Services
☐Others *(specify)* ☐Medical
If Agriculture: Crop/ Livestock Type(s)

7. MY BUDGET PLANNER

Monthly Income	
Salary *(after tax)*	
Commissions/ royalties etc	
Rental receipts	
Other income	
TOTAL (I)	
Monthly Expenses	
Other loan payments	
Overdraft/ card payment	
Other monthly deductions	
Total (E)	
Surplus (S=I-E)	

8. MY CREDIT HISTORY WITH SMEP DTM LTD.

No. Total Loans Taken	Previous Loan	Before Then	Before Then	Before Then	Before Then
Amount					
Date					
Period					

C.O. Comments:

Page 1 of 8

9. MY REFEREES

	Referee 1	Referee 2
Full names *(as per ID)*		
Relationship		
No. of years acquainted	184924	
Nationality		
Tel: *(Work)*		
Tel: *(Mobile)*		
Name of employer		
Work address *(mandatory)*		

10. SECURITY/ COLLATERAL

10.1 My Collateral

I, ______________________________ ID No. ________________ being of sound mind, voluntarily pledge the following items and others in the attached additional schedule to SMEP DTM LTD and ______________________________ GROUP as a guarantee for the loan taken from SMEP DTM LTD. I understand that the items and others acquired thereafter shall be unconditionally sold to offset the same if I default on loan repayment or any other liability so incurred and I may be committed to civil jail if the amount due remains unrecovered. I commit that the above items will not be pledged to any other institution (lender) without express authority from SMEP DTM LTD.

Assets		Serial No.	Model	Year purchased	Amount Purchased	Current Market value
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
				Total Value Kshs		

Loan applied Kshs. ______________________________

Borrower's Name ______________________________ Signature ________________

ID No. ________________ Date ________________ *(NB. Borrower's National ID must be attached)*

Witness Name ______________________________ Signature ________________ Date ________________

10.2 Guarantors Collateral

I, ______________________________, the spouse/partner/guardian/parent of *(Tick One)* the above named borrower confirm that I have consented to the borrower giving, the assets as a security for the loan. Without prejudice to any other security, I hereby guarantee the payment of the borrower and agree to be personally liable for the payment of the same should the borrower default in his/her obligations and pledge the following assets that belong to me as additional security *(copy of my ID or Passport attached and relationship underlined)*

Assets		Serial No.	Model	Year purchased	Amount Purchased	Current Market value
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
				Total Value Kshs		

I also authorise SMEP DTM LTD to share my credit information with the Credit Reference Bureaus.

Guarantor's Name ______________________________ Signature ________________

ID No. ________________ Date ________________

11. GROUP MEMBERS GUARANTEE, APPROVAL AND CONFIRMATION

On behalf of ________________________________Group. We hereby confirm **(i)** That the applicant is a member of the Group, **(ii)** That the Group members have physically inspected the assets intended as security, listed in the appraisal form and confirmed that the assets belong to the borrower. **(iii)** That in an Event of Default, as the term is defined in the Loan Agreement, on the part of ANY OF THE UNDERSIGNED GUARANTORS, each of the undersigned GUARANTORS agrees to be personally liable for the payment to SMEP DTM LTD of any and all principal, service charge and penalties due and owing to SMEP DTM LTD from ANY OF THE UNDERSIGNED GUARANTORS. Each of the undersigned GUARANTORS agrees to be jointly and severally liable for any and all of the obligations to SMEP DTM LTD or ANY OTHER OF THE UNDERSIGNED BORROWERS. Each of the undersigned GUARANTORS hereby expressly authorizes deductions without any notice from any of his or her existing savings accounts, with SMEP DTM LTD being current or future, actual, contingent collateral in order to satisfy any such obligation(s), in any amount and at any time that SMEP DTM LTD, in its sole discretion, determines to be in the best interests of SMEP DTM LTD.

An "Event of Default" shall be defined as; **(a.)** Missing a single loan payment or any part of such payment; **(b.)** Missing a single savings deposit or any part of such deposit; **(c.)** The use of loan proceeds for any purpose other than those as described in the loan Application; **(d.)** The movement of business location, liquidation of substantially all business assets, or other substantial changes affecting the business, without prior written notice to and consent from the association/Group and **(e.)** Any change in the facts and circumstances represented in the Loan Application.

We the undersigned authorise SMEP DTM LTD to share our credit information with the Credit Reference Bureaus.

	Name	ID No	Signature	Date
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
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21				
22				
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24				
25				
26				
27				
28				
29				
30				

Signed on behalf of ________________________________Group by officials

Amount recommended Kshs. ______________ Repayment period ______________

Chairperson ______________________ Signature ______________ Date __________

Secretary ______________________ Signature ______________ Date __________

Treasurer ______________________ Signature ______________ Date __________

12. SMEP DTM LTD TERMS AND CONDITIONS

This is an agreement between SMEP Deposit Taking Microfinance LTD, a duly registered company limited by shares herein referred to as SMEP DTM LTD and the above stated borrower. SMEP DTM LTD agrees to advance a loan to the borrower through the above stated Group and the borrower agrees to repay the said loan and interest under the following terms and conditions:

a) Loan amount borrowed is Kshs ....

b) loan term (Months) ....

c) Interest rate .... total interest Kshs. ....

d) Total amount payable Kshs... ....

e) Penalty rate ....%

f) Amount per installment Kshs. ....

g) Proposed loan disbursement date ....

h) This loan may be prepaid without any penalty by paying the outstanding balance plus any interest due. If a payment is late penalty charges will be based on the outstanding loan balance.

i) Proceeds from the loan can only be used for the business of the borrower as described in the loan application form.

j) The borrower agrees to make monthly deposits of Kshs. .... as collateral for the term of the loan.

k) Loan repayment will be due Monthly beginning on .... and the last installment shall be due on ....

l) An event of default will have occurred when the borrower fails to make one loan payment or any parts of payments either consecutively or cumulatively, uses the loan proceeds for purpose other than those stated in the form, changes the business location or makes any substantial changes affecting the business without prior consent from KIWA and from SMEP DTM LTD. or change any of the facts appearing in the loan application form and the loan pledge form

m) If the loan is officially declared by SMEP DTM LTD, to be in default, the borrower hereby legally agrees to immediately pay SMEP DTM LTD the outstanding loan balance from the amount in term (a) plus any accrued interest, penalty and cost incurred by SMEP DTM LTD/KIWA group in collecting the loan. The borrower hereby gives SMEP DTM LTD the absolute irrevocable legal right and authority to draw from the borrower's savings (collateral) which is on deposit per the policies of the loan. SMEP DTM LTD shall be at liberty to recover any shortfall from the borrower.

n) The borrower agrees to abide by all policies, rules and regulations of SMEP DTM LTD as described during the pre-loan training of the weekly meetings. The borrower shall inform the KIWA and SMEP DTM LTD in writing and receive consent for any changes in the business location or other substantial change signed by the borrower in the presence of the SMEP DTM LTD. Officer.

o) The borrower accepts to be paid through: *(tick appropriately)*

☐ a cheque ☐ cash through DTM
☐ M-PESA ☐ RTGS

p) Disbursements may also through mobile banking and the terms & conditions there under shall apply.

q) The account statements and records of SMEP DTM LTD shall constitute conclusive evidence of indebtedness in a court of law.

r) SMEP DTM LTD reserves the right to share the borrower's credit information with the Credit Reference Bureaus.

s) Interest may vary depending on prevailing market conditions.

I, ____ (borrower), certify that I have read and understood the terms and conditions of this agreement which have been fully explained to me and I do hereby agree that I shall abide by such terms and conditions as stipulated herein.

Borrower's Name ______________________________ Signature ________________

ID No. ______________________________ Date ________________

SMEP DTM Officer's Name ____

ID No. ______________________________ Signature ________________ Date ____________

13. APPROVAL ENDORSEMENT *Official Use Only*

This is to confirm that we the undersigned have assessed the business and assets and confirmed the ability of business to repay the loan.

Official	Name	Amount Approved	Signature	Date
SMEP DTM LTD Credit Officer				
Branch Credit Committee Chairperson *(Attach Minutes)*				

13.1 Approval Endorsement

Official	Name	Amount Approved	Signature	Date
ICT Staff				
Branch or H/O Accountant /Loans Supervisor				
Regional Manager				
Credit Manager				
Head of Operations				
CEO				
BOD				

Cheque No. ______________________ Amount Kshs. ______________________ EFT Batch No. ______________________

Bank ______________________ Branch ______________________ Minutes Resolution no. ______________________

Client Bank Code ______________________ Client Bank A/C No. ______________________

14. LOAN DISBURSEMENT *Official Use Only*

Loan disbursement fee Kshs. ______________________ Receipt No. ______________________ Date: ______________________

14.1 Loan Receipt/Acknowledgement

This is to acknowledge receipt of Cheque No/ M-Pesa payment No./ Cash payment ______________________ Dated ______________________

in the amount of Kshs (in words) ______________________

____

Being loan from SMEP DTM LTD payable under the terms stated in the loan agreement.

Borrower's Name: ______________________ Sign: ______________________ Date: ______________________

In the presence of SMEP DTM LTD Officer ______________________

Sign: ______________________ Date ______________________

15. AFFIDAVIT

REPUBLIC OF KENYA
IN THE MATTER OF THE OATH AND STATUATION DECLARATION ACT
(CHAPTER 15 LAWS OF KENYA)
AFFIDAVIT

I ____

of Post Office Box Number ______________________________

In the Republic of Kenya MAKE OATH and say as follows:

1. I am the holder of National Identity Card Number ____________________ and I am the deponent herein.
2. I am an active member of the ______________________________ Group.
3. SMEP DTM LTD has agreed to lend me money in accordance with terms of the Loan Agreement, Assets Schedule and the Group Guarantee all signed by me. I undertake to repay the entire amount of the money lent to me or to be lent to me at any time in the future, together with all applicable fees, service charges, penalties and costs of recovery.
4. In the event of Default as defined in the Loan Agreement, I forego and surrender to the sale by way of private treaty or public auction all my properties, whether business or personal, listed in the Asset Schedule duly executed by me, which Asset Schedule contains my full name, my signature, my national Identity card number and the amount of loan advanced to me. The Asset Schedule shall be in the custody of SMEP DTM LTD.
5. I acknowledge that, if I miss any payment due under the loan Agreement or fail to meet my obligations under the Group Guarantee, the members of the Group named above, or SMEP DTM LTD or its agents, may, without further consent or notice to me immediately enter upon the land or premises where my properties are located and take possession and sell all of my properties by private treaty or public auction.
6. I have consented to the actions described in paragraphs 4 and 5 of this Affidavit.
7. My spouse/ guardian or live-in companion, if any such spouse or live-in companion exists, has consented to the actions described in paragraphs 4 and 5 of this affidavit.

DEPONENT HEREIN ______________________________

SWORN by the above named at)

This __________ Day of ____________ 20 ______)

BEFORE ME)

COMMISSIONER FOR OATHS)

CUSTOMER BUSINESS FINANCIAL APPRAISAL

1. DOCUMENT FOR OFFICIAL USE ONLY

SMEP DTM LTD Branch:	MIS No.:	Date:
Name of the applicant:		
Loan applied:	Loan period (In months):	
Cash in hand:	Cash in Bank:	
Accounts receivable		
Payments done in advance		

2. CURRENT LOAN WITH OTHER INSTITUTIONS

Institution	Amount Advanced	Freq-Payment	Monthly Install.	OLB

3. ACCOUNTS PAYABLE

Supplier	Goods Worth	Freq-Payment	Balance

4. PURCHASE/ SALES/ INVENTORY (Analysis)

Product	Purchases in a month			Sales in a month			Inventory		
	Price/ unit	Quantity	Amount	Price/ Unit	Quantity	Amount	Price/ Unit	Quantity	Amount
TOTAL									
GROSS PROFIT	(Sales - Purchases)								

5. EXPENSES

Business Expenses		Household Expenses	
Description	Value	Description	Value
TOTAL EXPENSES	(Business + Household Expenses)		
NET PROFIT	(Gross Profit - Total Expenses)		
Expected Monthly Installment			

6. ASSETS

Business Assets (listed from the most valuable)		**Household Assets** (listed from the most valuable)	
Description	Value	Description	Value
TOTALS			

7. APPLICANT'S BUSINESS MAP

Guide Notes:

8. APPLICANT'S RESIDENCE MAP

Guide Notes:

9. GUARANTOR'S RESIDENCE MAP

SPECIMEN

Guide Notes:

This document has been filled in by SMEP DTM LTD Credit Officer at my business: (*Customer Signature:* ______________________ *Date* ____________)

APPENDIX IX

PHOTOGRAPHS CONSENT SHEET

We, the undersigned have allowed the use of our photographs in this thesis, for academic purposes.

Plate 1	
Plate 1	
Plate 1	
Plate 1	
Plate 2	
Plate 3	

APPENDIX X

AUTHORIZATION LETTER

REPUBLIC OF KENYA

NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY

Telegrams:"SCIENCETECH", Nairobi
Telephone: 254-020-241349, 2213102
254-020-310571, 2213123.
Fax: 254-020-2213215, 318245, 318249
When replying please quote

P.O. Box 30623-00100
NAIROBI-KENYA
Website: www.ncst.go.ke

Our Ref: **NCST/RRI/11/10/SS-012/23/7**

Date: **30th October 2012**

NCST/RRI/11/10/SS-012/23/7

Pauline Wangari Kamau
Kenyatta University
P.O. Box 43844
NAIROBI

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on "**Gender relations in access, control and utilization of microfinance resources: A case of women in Kiharu Constituency, Murangá County**", I am pleased to inform you that you have been authorized to undertake research in **Kiharu Constituency** for a period ending **30th October 2013.**

You are advised to report to **the District Commissioners and District Officers of selected Districts** before embarking on the research project.

On completion of the research, you are expected to submit **one hard copy and one soft copy** of the research report/thesis to our office.

P.N. NYAKUNDI
FOR: SECRETARY/CEO

Copy to:

The District Commissioners
Murangá County

The District Officers
Murangá County