



**Research Article**

**Influence of Women's Access to Credit on their Decision-Making Roles in the Community among the Njemps in Baringo County – Kenya**

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**Abstract**

Despite recent developments with respect to gender issues acknowledging that empowerment of women will improve their status generally and enable them to actively and effectively participate in key decision making processes at all levels of human development, women are frequently neglected in economic, trade and development policies and planning because of socio-historical patterns in regard to gender-based inequalities and division of household roles. The purpose of this study was to establish the influence of women's empowerment on their decision making roles among the Njemps in Baringo County – Kenya. The study was guided by four objectives: To determine the influence women's access to credit, on their decision-making roles in the community. The study adopted the descriptive survey research design with both quantitative and qualitative approaches. The target population for the study constituted all women from the 4,219 households in 6 administrative Locations of Baringo District. The sample size for the study was 351 households at a confidence level of 95% and margin of error 5.0%. Stratified sampling based on the administrative Locations in the area of the study was used to obtain a representative sample of the target population and ensure a balance of information gathered. The study established that majority of the women (64%) had at least taken a loan at some point. None of the respondents' spouse made a unilateral decision on the amount of loan to be taken. Significant positive relationships between women's access to credit and reproductive decision-making roles ( $r=0.13$ , at a 95% level of significance).

**Keywords:** Credit; Decision-making Roles; Women; Njemps; Community.

**Introduction**

The World Bank has identified women empowerment as one of the key constituent elements of poverty reduction, and as a primary development assistance goal [1-5]. The promotion of women's empowerment as a development goal is based on a dual argument [6-9]: that social justice is an important aspect of human welfare and is intrinsically worth pursuing [10]; and that women's empowerment is a means to other ends [11-13].

A study by Pitt and Khandker [13] in exploring the impact of female membership of credit programs found that women's preferences carried greater weight (compared to households where either men received the loans or in households where no loans had been received) in determining decision-making outcomes

including the value of women's no land assets, the total hours worked per month for cash income by men and women within the household, fertility levels, the education of children as well as total consumption expenditure. It has also been studied that women's increased economic role may lead to change in gender roles and increased status within households and communities [3].

Hashemi, Schuler, and Riley [2] explored the impact of credit on a number of indicators of empowerment: (i) the reported magnitude of women's economic contribution; (ii) their mobility in the public domain; (iii) their ability to make large and small purchases; (iv) their ownership of productive assets, including house or homestead land and cash savings; (v) involvement in major decision making, such as purchasing land, rickshaw or livestock for

income earning purposes; (vi) freedom from family domination, including the ability to make choices concerning how their money was used, the ability to visit their natal home when desired and a say in decisions relating to the sale of their jewelry or land or to taking up outside work; (vii) political awareness such as knowledge of key national and political figures and the law on inheritance and participation in political action of various kinds; and finally, (viii) a composite of all these indicators.

In [5], it was found out that women's access to credit was a significant determinant of the magnitude of economic contributions reported by women; an increase in asset holdings in their own names; an increase in their purchasing power; their political and legal awareness and their composite empowerment index. BRAC loanees report significantly higher levels of mobility and political participation. Grameen members reported higher involvement in "major decision-making". The study also found that access to credit was associated with an overall reduction of the incidence of violence against women; women's participation in the expanded set of social relationships as a result of membership of credit organizations rather than increases in their productivity per se were responsible for reductions in domestic violence which was confirmed in [6].

### Research methodology

The study adopted the descriptive survey research design with both quantitative and qualitative approaches. Descriptive research is undertaken with the aim of describing characteristics of variables in a situation. It describes "what is" and is concerned with conditions or relationships that exist, opinions that are held, processes that are going on, effects that are evident or trends that are developing [7].

A survey is an attempt to collect data from members of a population in order to determine the current status of that population [8]. According to Lokesh [4] descriptive studies are designed to obtain pertinent and precise information concerning the status of phenomena and whenever possible to draw valid general conclusions from the facts discovered. Best and Kahn [1] postulate that descriptive survey is the most appropriate design in behavioural science as it seeks to find out factors associated with certain occurrences, outcomes and conditions of

behaviour. The target population for the study constituted all women from the 4,219 households in 6 administrative Locations of Baringo District as per the 2009 population census, inhabited by the Njemps. The distribution of the target population across the 6 Locations was as shown in table 1.

Table 1. Distribution of the households per administrative location

Sl. No.	Administrative Location	Number of households
1.	Salaban	963
2.	Ngambo	949
3.	Ilchamus	669
4.	Kiserian	652
5.	Mukutan	413
6.	Ilnga'arua	573
Total		4,219

### Sample size

The sampling unit for the study was the household. The target of population of 4,219 households gave a sample size of 351 households at a confidence level of 95% and margin of error 5.0%. Krejcie and Morgan's Table is based on the formula in equation 1.

$$S = \frac{X^2 NP(1-P)}{d^2(N-1) + X^2 P(1-P)} \dots(1)$$

Where:

S = the required sample size

$X^2$  = the table value of chi-square for one degree of freedom at the desired confidence level (0.05) which is equal to 3.841 (or 1.96<sup>2</sup>)

N = the population size

P = the proportion of the population, assumed to be 0.50 since this would provide the maximum sample size.

Substituting for the variables in the formula, a population of 4,219 will give a sample size of: Therefore, the sample size for the study comprised 351 female subjects drawn from 4219 households in the district.

$$S = \frac{3.841 \times 4219 \times 0.5 \times (1-0.5)}{0.05^2 \times 4218 + 3.841 \times 0.5(1-0.5)} \dots(2)$$

$$S = \frac{4051.295}{11.505} = 350.75$$

### Sampling procedures

Sampling refers to the selection of some part of an aggregate or totality on the basis of which

a judgment or inference about aggregate or totality is made. In other words, it is the process of obtaining information about an entire population by examining only a part of it [11]. Since the population from which the sample was drawn may not have been homogenous, stratified sampling based on the administrative Locations in the area of study was used to obtain a representative sample of the target population and ensure a balance of information gathered. Stratified sampling ensured the inclusion into the sample, sub-groups which otherwise could be omitted entirely by other sampling methods because of their small number in the population. Proportionate allocation of the sample size based on the population of each Location was done and the households that participated in the study from each Location picked through simple random sampling [12].

### Results and discussions

The objective of the study was to determine the influence of women's access to credit on their decision-making roles in the community among the Njemps in Baringo County. Women's access to credit was evaluated in terms of membership in micro-finance women groups, actual uptake of credit facilities, control over use of credit, access to production inputs and control of capital [13].

The respondents were asked to indicate whether they belonged to any women's microfinance group and if so, the number of groups they belonged to. Their responses are shown in table 2.

Table 2. Women membership in micro-finance groups

Membership to Micro-Finance Group	Frequency	Percentage
Yes	140	45.0
No	171	55.0
Total	311	100.0

More than half of the women respondents (55%) indicated that they were not members of any women's micro-finance group. On the other hand, 45% of the women reported being members of such groups. When asked to indicate the number of women groups in which they were members, their responses were as shown in table 3.

Table 3. Respondents' number of group memberships

Number of Groups	Frequency	Percentage
None	171	55.0
One	92	29.6
Two	10	3.2
Three	38	12.2
Total	311	100.0

The findings indicate that 30% of the women respondents were members in only one group, 12% had membership in three groups while 3% were subscribed to at most two women's micro-finance groups. As reported in the previous table, 55% of the women did not have membership in any group.

### Women uptake of credit

The respondents were asked to indicate whether they had ever borrowed a loan from a micro-finance institution or from any other source. Their responses were as shown in table 4.

Table 4. Women uptake of credit

Uptake of Credit	Frequency	Percentage
Yes	199	64.0
No	112	36.0
Total	311	100.0

Majority of the women respondents (64%) reported having taken a loan at some point, while 34% indicated otherwise. Considering the fact that only 45% of the respondents had confirmed their membership to women's micro-finance groups, these findings implied that assuming that all the women in micro-finance groups had taken credit through their groups, at least a significant 19% of the women who had utilized some credit facility may have accessed the credit from other financial institutions.

### Number of credit facilities accessed

The women respondents who had accessed loan facilities were asked to state the number of times they had taken the credit facilities. Their responses were as shown in Table 5.

Table 5. Number of credit facilities accessed

Number of credit facilities	Frequency	Percentage
None	112	36.0
Once	27	8.7
Two times	76	24.4
Three times	27	8.7
More than four times	69	22.2
Total	311	100.0

The findings indicate that 24% of the respondents had utilized up to two credit facilities, 22% had taken credit more than four times, and about 9% in each case had taken a loan either once or three times. Thirty six percent (36%) as earlier indicated had never taken a loan. Of the 64% women respondents who had accessed the loans, 41% had used the loans in business activities while 23% had paid children's school fees with the loans. This implied that majority of the women sought to empower themselves economically by engaging in business activities which would earn them an income.

### Decision-making on amount of credit

The respondents were asked to indicate how decisions were made on the amount of credit to take. The findings were as shown in table 6.

Table 6. Decision-making of amount of credit taken

Decision-Maker	Frequency	Percentage
No credit	112	36.0
Self	71	22.8
Self and Spouse	128	41.2
Spouse	-	-
Total	311	100.0

The findings revealed that none of the respondents' spouse made a unilateral decision on the amount of loan to be taken. On the other hand, 41% of the respondents made decisions on the amount of loan taken jointly with their spouses, while 23% made such decisions on their own.

Table 7. Correlation between women access to credit and decision-making roles (n=311)

		AC	RDM	SCDM	EDM
RDM	Pearson's (r)	0.125*	1		
	P-value	0.028			
SDM	Pearson's (r)	0.361**	0.420**	1	
	P-value	0.000	0.000		
ECDM	Pearson's (r)	0.135*	0.613**	0.860**	1
	P-value	0.017	0.000	0.000	

\*Correlation is significant at the 0.05 level (2-tailed)

\*\*Correlation is significant at the 0.01 level (2-tailed)

Legend: AC =Access to Credit; RDM= Reproductive decision-making; SCDM=Socio-Cultural decision-making; EDM=Economic decision-making

The PPMC analysis revealed that there were significant positive relationships between women's access to credit and reproductive decision-making roles ( $r=0.13$ ), socio-cultural decision-making roles ( $r=0.36$ ) and economic

To analyze the influence of women's access to credit on their decision-making roles, an index for women's access to credit consisting of questionnaire items number 4-7 and a 9-point index for women's decision-making roles were adopted. In constructing the access to credit index, a scoring strategy was adopted where a score of 1 was adopted for "Yes" response and a zero (0) for a "No" response; a score of 1 for every women's group the respondent belonged to and for every credit facility accessed. With regard to decision-making, a score of 3 was adopted for each decision-making role played by the respondent, 2 for joint decision-making with the spouse and 1 for decision-making by the spouse. Decision-making roles were considered at three levels: reproductive, socio-cultural decision-making and economic decision-making roles.

The total score for women's access to credit ranged from 5 (lowest) to 13 (highest) while the total scores for decision-making ranged from 3-9 for each of the decision-making roles (reproductive, socio-cultural and economic decision-making roles). These total scores were converted into percentage scores and used to compute the Pearson's Product Moment Correlation (PPMC) to determine the direction and strength of the relationship between women's access to credit and their decision-making roles. Table 7 shows the correlation between women's access to credit and their decision-making roles.

decision-making roles ( $r=0.14$ ). The correlations were significant at the 0.05 level of confidence.

### Conclusion

Women's participation in micro-finance activities as well as women's groups, generally,

puts them in precarious positions where they are able to access credit. With access to great increasing, the women get empowered economically to the extent that they are able to make decisions on the use of the credit thus building on their capacities to make decisions at higher echelons such as on reproductive issues, cultural issues in the society as well as socio-economic spheres of their life. This leads to a positive relationship between women's access to credit and the decision-making roles they play.

### Conflict of Interest

Authors declare there are no conflicts of interest.

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