

Role of Informal Financial Banking Services in Economic Empowerment of Rural Women through Self-Help Groups Affiliated To Joyful Women Organization in Kericho County, Kenya

Felisterchebetkurgat, Prof: Peter Kibas,

PhD student, Kabarak University.

Presbyterian University of East Africa; Dr Robert Otuya, University of Eldoret.

Corresponding author Felisterchebetkurgat

ABSTRACT: *Women all over the world contribute a lot to the national agricultural output and family food security, and several studies from Sub Saharan Africa shows that rural women are credit constrained than men of equivalent socio-economic conditions. Rural women are exposed to economic disability yet they form the majority of the rural population. Empowerment and improvement of women's socio-economic status is important for achievement of the necessary rural Development. In Kenya informal financial services concept has taken root with recent adoption of Joyful Women Organisation to provide financial resources to rural women to engage in livelihood projects. The purpose of this study was to determine the role of informal financial services to the economic empowerment of rural women entrepreneurs in Kenya. The specific objectives were; to determine the role of informal savings, to evaluate role of informal loans and credit on empowering rural women entrepreneurs, and to establish the role of financial training on empowering rural women entrepreneurs and to assess the role of information access and awareness of informal financial services on the empowerment of rural women entrepreneurs in Kericho County. The study used a survey design and targets rural women who are members of groups that subscribe to (JoyWO). The study adopted Grameen Bank model. The target population was 1040 members of women spread in 65 groups. Stratified sampling method was used to sample out 153 women. The study was carried out in Kericho County. The main instruments of data collection were the questionnaire, focus group questionnaire, and use of interview schedule for key informants. A pre-test of the questionnaire was carried out in a similar setting in Nakuru County to test the reliability of the instrument. The data was analysed using descriptive statistics, frequency distributions, chi-square and multiple linear regressions with the aid of Statistical Package for Social Sciences (SPSS). The results of the study showed that there was a significant relationship between information access and economic empowerment ($\chi^2=23.508$, $df= 9$, $P=0.005$). The researcher therefore failed to accept the null hypothesis. Hence there was a significant relationship between information access and economic empowerment. The study recommends that the policy makers see the need to link formal institutions with the emerging informal ones so as to improve on capital sustainability, accessibility and finally positive financial values. The 'chamas' if given financial assistance integrated with wider formal financial market, the impact on women empowerment and to the economy is great. The study will be helpful to groups and their members in streamlining their lending, saving and borrowing programmes. The formal banks will also benefit by adapting the principles of Informal banking and the use of group lending. Both national and county governments will make policies based on the findings.*

KEYWORDS: *Informal financial Banking Services, Rural Women Entrepreneurs, Economic Empowerment, performance, poverty.*

Date of Submission: 30-03-2018

Date of acceptance: 14-04-2018

I. INTRODUCTION

Kenya's financial system is by far the largest and the most developed in East Africa despite the challenges that hinder it from reaching full potential with its stability improving significantly over the past years (Beck and Fuchs, 2004). IFAD is joining forces with the Italian Ministry of Economy and Finance (MEF), the Brookings Institution and the University of Warwick advancing global efforts to end extreme poverty and hunger by 2030 through greater investments in rural development and innovative financing for smallholder agriculture that benefits the rural poor (IFAD, 2017). Financial system comprises of formal and informal sectors: Formal banking services are provided by large financial institutions like commercial banks licensed by Central Bank of Kenya (CBK) which supervise and regulate their activities. Formal banking institutions target large scale enterprises and rich individuals and ignore the small income earners and small scale enterprises.

Informal sectors on the other hand are not legally registered at national level but belonged to a registered association (Pagura and Kristen, 2006).

Rutherford (2009) further expounds that, in Kenya and most countries financial access is limited to only 20-50 per cent of the entire population, that is, the few rich individuals excluding the other large percentage of the marginalized people. This is because the poor lack education and knowledge to understand financial options that are available to them, banks are normally located in urban centres making them inaccessible to the marginalized group. Lack of collateral to borrow large loans from banks also is a major challenge the poor face in attempt to borrow loans. This limited access to financial services by the poor over the past years have led to improvement of informal banking sector so as to enhance economic growth and improve standards of living especially to the poor rural women. Due to lack of financial access for the poor, over the past few decades, microfinance institutions and mobile banking have developed to provide financial services to small businesses like retail shops and kiosks. Microfinance provides services to such clients as relationship based banking for sole- entrepreneurs, small enterprises and group based models where several entrepreneurs come together as groups to apply for loans. Microfinance services also provide microcredit where credit services are given to the poor clients.

The establishment of sustainable financial services as a means to support or empower marginalized people to help them out of poverty differ from country to country (Adoyo, 2013). There are those microcredit programs which are member owned financial institutions which is evidence in Self-Employed Women's Association (SEWA) microfinance in India and those which are donor or government supported like Women Enterprise and Development Fund (WEDF). Microcredit and microfinance have thus, in recent years, been claimed to be the most suitable vehicles for providing access to sustainable financial services and alleviating poverty among people who are economically challenged.

Microfinance Institutions (MFI) historically offers credit mainly to the poor people in order to alleviate poverty. It has been noted that savings alone cannot be used to reduce poverty, since sometimes it may not be possible to save enough. The poor need variety of financial services and hence MFI focuses on providing loans. Savings serves as invaluable reserves, insurance against unforeseen circumstances as illness, natural calamities and other human needs that may reduce human being into a destitute (Karlan and Morduch, 2010). Savings is a saver way for most families since borrowing is a high risk decision for most poor families (Collins et al, 2009).

The Concept of microfinance came into existence due to the weakness of formal financial institutions and systems. The vulnerable people and women have continued to be denied access to funds. Initially the services which were offered by microfinance were financial services to the disadvantage group who the poor. This group were not gathered for by the formal financial institutions. This led to development of other services like micro-saving, micro-leasing, insurance and money transfers, deposits mobilization with some percentage being loaned, (Stewart et al., 2010). It is argued that microfinance is not only a source of finance for investment but also in financing well-being and reducing vulnerability to life crisis and health improvement (Armendariz&Morduch, 2010).The main objective is to improve the power of the poor and to improve in the acquisition and control of assets and also have decisions –making. It also aims at reducing inequalities and gender discriminations (Swain &Wallentin 2009).

From previous studies which have been documented reveals that there are many constraints faced by clients and especially those who are new in business in most of the developing countries, which include infrastructure, power, lack of market and many others depending on the country of origin. However, in the recent literature has revealed otherwise , that financial constraints to firms as the most hindering of these constraints (Carpenter Guariglia 2008, Beck et al., 2006, Beck et al., 2013, Ayyagari et al., 2006, Quartey, 2008). The issue of financial constraints is more serious for SMEs, informal firms who are new or may want to start business and may lack collateral securities. Therefore these firms may have two alternatives; formal finance and informal finance. Informal finance may require less detailed information for on to get to get funds from lenders due to less rigorous procedures and requirement but is normally have inadequate supply and force to offer at a higher interest rate. Formal finance can be a substitute other hand to help firms overcome financial constraints because of its adequacy in supply and financial advice on the management. The small and medium scale enterprises are driving force for Ghanaian economy. The recent research has established that informal firms serve as the engine behind any economic development (Beck et al., 2006, Triki et al., 2011). Indeed Nyamekye (2009) evidence showing that the informal sector has grown from being twice that of the formal sector in the earlier years.

Women empowerment is key to any country in achievement of sustainable development goals. The rural woman should have the information on the existence of funds, availability of markets, tenders, for their goods, social linkages, and also skills development (Kumar, 2009). Women empowerment indicators are through social, educational, political gender equality and this reflects the development of a country (IMF, 2013, CIDA, 2001). Poverty reduction is by increasing women empowerment in any developing economy, (Intel, 2013).The women population in the world constitute the poorest since they have no access to financial services

(Dupas and Robinson, 2009) and therefore cannot start businesses. (GEM, 2012). Income inequality in Kenya used (WEF) Women Enterprise Fund to improve on wealth distribution across all groups of women (Lagarde, 2013).

II. LITERATURE REVIEW

This section discusses literature review from studies done in the past that show how information access and awareness of informal financial services in developing countries have financially empowered women.

2.2.1 Information access and awareness of informal financial services

Campero and Kaiser (2013) in their study on the determinants use of formal and informal credit sources. Given that awareness is a necessary step towards use of credit, in order to control for the possible selection bias they decomposed the decision to use credit as a two stage decision process in which first, households form their choice set by deciding which type of institutions they want to consider as possible lenders (awareness), and then choose among them (use). Additionally, they allowed for correlation between being aware of a specific source of credit and using it. They found evidence that supports their hypothesis that the formal and informal credit markets in Mexico attend different segments of the population. However, their results also show that informal lending sources' characteristics are valued per-se by consumers in certain situations, such as emergencies.

Awareness of credit institutions, either formal or informal, is an essential demand-access element of credit. Individuals cannot choose to ask for a loan in an institution that they don't know. It has been recognized that access to financial services must be studied from the supply and demand sides of the market (Campero & Kaiser (2013); Beck and Demirgüç-Kunt, 2008). Claessens (2006) explains that individuals are voluntarily excluded of the credit market if they are not aware of the service, do not need the service, or assume rejection. Thus, she suggests that in order to have access to the credit market individuals should decide to be aware of the services. Even though awareness is the first step towards use, not much has been explored about the access to information and awareness of credit sources and their use.

According to previous literature, choosing which alternatives to consider when making a decision is relevant because a choice might be made when alternatives are not physically present, because consumers must know what they are looking for or because households lack the motivation to locate and examine multiple alternatives (Campero & Kaiser, 2013) and Andrews). Moreover, consumers create consideration sets with specific characteristics, they prefer to create a consideration set from alternatives that are easier to compare or that have a high likelihood of containing their optimal alternative. Consumers often use their past experiences to narrow down their awareness set, this is called screening criteria and it is used when consumers face a large set of alternatives in order to reduce the number of alternatives they will choose among. Screening criteria can rely on familiarity of the alternative or memory accessibility (Campero & Kaiser, 2013). Additionally, as it has been mentioned earlier, the literature on access to credit considers unawareness of credit sources as voluntary exclusion which suggests that individuals decide to be aware or not of lending institutions (Claessens, 2006).

According to Koech (2012), the entrepreneur's networking includes the nature and extent of one's involvement in various informal networks and formal civic organizations. Its focus is on an individual's external social ties and how the social capital, as a resource within this network, is used for the individual's private benefit to gain access to credit.

III. METHODOLOGY

This study used survey design consisting of a questionnaire with standardized answers and specific questions that made it easier to compile data and it is therefore possible to give precise and testable expression of qualitative ideas. It employed descriptive and inferential statistics in analysing the role of informal financial services in economic empowerment of rural women. Descriptive research helps in obtaining information concerning the present status of the phenomena and to describe what is in existence with respect to variable in a situation. It maximises reliability (Kothari, 2004). Successful descriptive research design should have six w's: who should be considered, where should the respondents be conducted to obtain the required information, when should the information be obtained, what information should be obtained, why information is being obtained and way in which the researcher is going to obtain the information from the respondents. (Cooper, & Schindler, 2014). The target population was 1040 members of women spread in 65 groups that subscribe to JoyWO in Kericho County.

The key informants were sampled purposefully based on their positions of authority. The sample size was arrived at using Nassiuma (2000), formula:

$$n = \frac{NC^2}{C^2 + (N - 1)e^2}$$

(Where; n=sample size; N=population size; C=Coefficient of variation which is $\leq 30\%$; e=margin of error which is fixed between 2-5%). The study sample will calculate at 25% coefficient of variation and 5% margin of error (Nassiuma, 2000).

Twenty five percent coefficient of variation was used to ensure that the sample was wide enough to justify the results being generalized for Kericho County. Higher coefficients of variation will be not used to avoid very large samples due to limitation of research funds. Five percent margin of error was used because the study used an ex-post facto survey, whereby the independent variables will not be manipulated hence necessitating relatively higher margin of error.

$$n = \frac{468 * 0.3^2}{0.3^2 + (468 - 1) * 0.02^2} = 152.17 \approx 153$$

The study used stratified random sampling to further divide the population into homogenous subgroup. Nachmias and Nachmias (2009) advises that for the purpose of getting accurate sample size, when population has more than 100 respondents, 10% or more of each stratum should be selected. In this case of the 23 groups that were randomly selected for study the stratified sample size was 153 respondents. Once you have fixed the

sample size then allocate it proportional according to Neyman's formula $n_h = \left(\frac{n}{N}\right)N_h$

The main tool employed for data collection in this study was the questionnaire. The research assistants helped administer and distribute the questionnaires to the various Joywo women groups. The questionnaires were administered by research assistant during the group meetings. However, in case of language complications, the assistants assisted the respondents in filling the questionnaires. In situations of difficulties in answering the questions using questionnaires during group meetings the respond were allowed more time to be collected in the next meeting. Researcher analysed data collected using descriptive, chi-square and inferential statistics-test correlation and multiple regression analysis. The information was presented using tables. The relationship between various independent variables and dependent variable was determined using a multiple regression model in form of:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where;

- Y = Dependent Variable (women empowerment)
- β_0 = Constant Term
- $\beta_1, \beta_2, \beta_3$ = Beta coefficients
- X_1 = Informal Savings Loans and Credit
- X_2 = Informal financial Services training
- X_3 = Information access and awareness on Informal financial services
- e = Error Term

IV. RESULTS AND DISCUSSION

This section presents a detailed descriptive and inferential statistics based on the research data.

4.4.1 Descriptive Statistics

Table 1: Awareness of loans offered by the government and microfinance institutions

	Frequency	Percent	Cumulative Percent
Yes	144	99.3	99.3
No	1	.7	100.0
Total	145	100.0	

Source: Researcher (2017)

Most respondents stated that their groups had information or awareness of loans offered by the government and microfinance institutions. 144 (99.3%) attested to this. This shows high level of awareness of many women groups in terms of loan facilities offered by the government and, or microfinance institutions.

Table 2: Length of membership

	Frequency	Percent	Cumulative Percent
1-2 years	44	30.3	30.3
2-3 years	83	57.2	87.6
3-4 years	7	4.8	92.4
4-5 years	11	7.6	100.0
Total	145	100.0	

Source: Researcher (2017)

As shown by table 4.47, most respondents stated that their groups have been members to government and microfinance loans facilities between 2 and 3 years. This was represented by 83 (57.2%) of the total response. 44 (30.3%) had 1-2 years of membership. 11 (7.6%) had 3-4 years of membership. None of the respondents reported more than 5 years of membership. Cumulatively, 127 (87.6%) of the respondents had between 1 and 3 years of membership. This shows that access to loan facilities was still lower by many groups.

Table 3: Knowledge of other micro-finance services

	Frequency	Percent	Cumulative Percent
Yes	137	94.5	94.5
No	8	5.5	100.0
Total	145	100.0	

Source: Researcher (2017)

As shown by table 4.48, most respondents stated that their groups have knowledge of other microfinance services apart from banks. 137 (94.5%) attested to this. Only 8 (5.5%) of the respondents did not have knowledge of other microfinance services. This is a clear indication that most groups are well informed on microfinance services.

Table 4: There are many informal financial institutions in Kericho County

	Frequency	Percent	Cumulative Percent
Disagree	3	2.1	2.1
Neutral	47	32.4	34.5
Agree	67	46.2	80.7
Strongly agree	28	19.3	100.0
Total	145	100.0	

Source: Researcher(2017)

Most respondents, 67 (46.2%), agreed that there are many informal financial institutions in Kericho county. 47 (32.4%) were neutral on the statement. However, 28 (19.3%) strongly agreed. From this data, we can conclude that there are many informal financial institutions in Kericho County providing informal financial services, though a considerable number of respondents seem to doubt this information. It follows that, awareness of a good number of groups should be done for well-informed knowledge on the number of informal financial institutions and services available across the county.

Table 5: Informal financial institutions are very active

	Frequency	Percent	Cumulative Percent
Disagree	2	1.4	1.4
Neutral	64	44.1	45.5
Agree	69	47.6	93.1
Strongly agree	10	6.9	100.0
Total	145	100.0	

Source: Researcher (2017)

As shown by table 4.50, most respondents agreed that informal financial institutions are very active and many poor people have on several occasions accessed loans from these institutions. This was represented by 69 (47.6%) of the respondents. However, 64 (44.1%) of the respondents neither agreed nor disagreed. 10 (6.9%) strongly agreed. Based on this information, we can conclude that informal financial institutions have on several occasions, financed poor people in terms of loans. On the other hand, a good number of respondents are not sure whether this had happened. It follows that, more information and awareness need to be so that more groups become well versed with informal financial institutions and services they offer. The findings are confirmed from the previous studies showing behaviour of MSEs (McCormick et al., 2009). Through market linkages new ideas are from customers, partners and employees that can be a driver of innovation and subsequent growth. These new ideas can yield to increased business environment scanning and better information about market. They further say that engaging employees, suppliers, customers and lead users can reveal new opportunities that otherwise might have gone undiscovered They become aware of formal and informal financial services. With adequate information and awareness, women can access loans for starting and expansion of businesses. Degryse et al (2012) further confirmed earlier studies that for most women informal banks are the main source of loan because of the complexity of formal banks.

Table 6: Informal financiers provides loans and advice

	Frequency	Percent	Cumulative Percent
Disagree	3	2.1	2.1
Neutral	54	37.2	39.3
Agree	73	50.3	89.7
Strongly Agree	15	10.3	100.0
Total	145	100.0	

Source: Researcher (2017)

As shown by table 4.51, most respondents agreed that informal financial institutions do not only provide loans, but also advice to people who need these loans. This was represented by 73 (50.3%) of the respondents. However, 54 (37.1%) of the respondents neither agreed nor disagreed. 15 (10.3%) strongly agreed on the subject matter. We can conclude that, informal financial service providers at large, offer advice to borrowers. This is due to the larger number of respondents' attestation, though a considerable number do not seem to be aware of this.

Table 7: Provision of support through buying small enterprises produce

	Frequency	Percent	Cumulative Percent
Disagree	3	2.1	2.1
Neutral	65	44.8	46.9
Agree	67	46.2	93.1
Strongly Agree	10	6.9	100.0
Total	145	100.0	

Source: Researcher (2017)

Most respondents agreed that informal financial institutions provide support through buying of small enterprise products. 67 (46.2%) attested to this. Almost the same number of respondents, 65 (44.8%), were neutral on the statement. However, 10 (6.9%) strongly agreed. Based on this information, we can conclude that informal financial institutions provide support through buying of small enterprise products of their clients and look for markets, although a good number of respondents are not sure whether this had happened. It follows that, more informative awareness need to be done so that more groups become well versed with informal financial institutions and services they offer. The findings confirmed from the previous studies showing behaviour of MSEs (McCormick et al., 2009). Through market linkages new ideas are from customers, partners and employees that can be a driver of innovation and subsequent growth. These new ideas can yield to increased business environment scanning and better information about market. They further say that engaging employees, suppliers, customers and lead users can reveal new opportunities that otherwise might have gone undiscovered.

Table 8: Informal financiers have positively enhanced development of women groups

	Frequency	Percent	Cumulative Percent
Disagree	2	1.4	1.4
Neutral	68	46.9	48.3
Agree	65	44.8	93.1
Strongly agree	10	6.9	100.0
Total	145	100.0	

Source: Researcher (2017)

As depicted by table 4.48, most respondents were neutral on the statement, "informal financial service providers have positively enhanced development of women groups". 68 (46.9%) attested to this. However, 65 (44.8%) and 10 (6.9%) agreed and strongly agreed, respectively. This shows that most respondents have no clear information on whether the informal financial service providers have positively enhanced the development of women groups or not.

4.4.2 Hypothesis testing

The fourth objective was to find out whether there was a significant relationship between information access and the level of economic empowerment. The following null hypothesis was put forward:

H₀₄: There is no significant relationship between information access and awareness on informal financial services and the empowerment of rural women groups in Kericho County.

Information access was measured at ordinal level and therefore Chi-square, (χ^2), was used to test for the significance. The results are shown in Table 9.

Table 9: Chi-square tests on Information Access and Economic Empowerment

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.508 ^a	9	.005
Likelihood Ratio	9.876	9	.361
Linear-by-Linear Association	.062	1	.804
N of Valid Cases	145		

Source: Researcher (2017)

Table 9 shows that there was a significant relationship between information access and economic empowerment ($\chi^2=23.508$, $df= 9$, $P=0.005$). The researcher therefore failed to accept the null hypothesis. Hence there was a significant relationship between information access and economic empowerment. In order to establish the direction and magnitude of the relationship, Cramer's V was obtained and the results presented in Table 10

Table 10: Cramer's V on Information Access and Economic Empowerment

		Value	Approx. Sig.
Nominal by Nominal	Phi	.403	.005
	Cramer's V	.403	.005
N of Valid Cases		145	

Source: Researcher (2017)

V. DISCUSSION OF THE RESULTS

Table 10 shows that there was a strong and positive relationship between information access and economic empowerment. This is indicated by Cramer's V value of 0.403. This implies that improvement in information access would likely lead improvement of economic empowerment of women enterprises. From the outcomes, there was a significant relationship between information access and economic empowerment as confirmed by past studies by (Tata & Prasad, 2008). Linkages provide opportunity for women entrepreneurs to network so as to access information and resources for business.

4.4.3 Explorative Analysis

The researcher established the predictive abilities of the four independent variables (information access, informal loans and credit, informal savings and educational training) on economic empowerment of women enterprises. A multiple regression was obtained and the beta coefficients were presented in Table 11.

Table 11: Beta Coefficients

Model	Standardized Coefficients	
	Beta	Sig.
1 (Constant)	13.06	.007
INFORMAL SAVINGS (IS)	.458	.020
INFORMAL LOANS AND CREDIT (LC)	.314	.016
EDUCATIONAL TRAINING (ET)	.425	.035
INFORMATION ACCESS (IA)	.221	.009

Source: Researcher (2017)

Dependent Variable: ECONOMIC EMPOWERMENT

Table 11 shows that, when all the four independent variables are equal to zero (0), the coefficient of economic empowerment is at 13.06. All the four variables were significant predictors of economic empowerment with informal savings having the highest predictive value ($\beta= 0.458$, $p<0.05$), followed by educational training ($\beta= 0.425$), then informal loans and credit ($\beta= 0.314$). Information access had the lowest predictive value ($\beta= 0.221$)

The results from Table 11 gave rise to the following equation:
 $\hat{Y} = 13.06 + 0.458 (IS) + 0.314 (LC) + 0.425 (ET) + 0.221 (IA)$.

Where:

\hat{Y} = Economic Empowerment

IS= Informal Savings

LC= Loans and Credit

ET= Educational Training

IA= Information Access

In order to establish the overall contribution of the four independent variables on the economic empowerment of women, adjusted R square was obtained and the results presented in Table 12.

Table 12: Model Summary

Model	Adjusted R Square	Std. Error of the Estimate
1	.087	.22032

Source: Researcher (2017)

Table 12 shows that the adjusted R square was .227, which means that 22.7% of the total change in economic empowerment of women enterprises can be attributed to information access, informal loans and credit and educational training. The remaining 77.3% could be attributed to other factors not considered in this study.

VI. CONCLUSION

The informal financing derives a wide range of benefits to women including education and training through the self- help groups that women are affiliated to as well as access to easy and affordable credit as collaterals are based on personal trust, familiarity, family ties, and group connections. The informal financing is not built with sophisticated documentation, it can just be given with a simple agreement in writing and, sometimes, credit can be accessed through verbal commitments.

The study found that women groups find it hard to access credit from the formal financial institutions as they fear the high interest rates and the complex documentation processes before one can access a loan. The study findings revealed that most of the respondents were aware of microfinance loans and funding from the government. The study findings also indicate that the level of awareness of microfinance loans had prompted most groups to apply for funding.

Accessibility to credit and business services was described by the respondents as good. This was because a substantial number of women were able to access credit to facilitate projects. However, findings from the study revealed that accessibility of funds from government was low as opposed to other financial institutions.

The study findings also revealed that most women group members had received training on economic empowerment. These trainings were offered by financial institutions as well as the Government. The research further established that easiness to access finance in the microfinance and enhanced access to information that would add value to the women were the most significant values of micro-finance to women groups affiliated to JOYWO.

REFERENCES

- [1]. Armendáriz de Aghion, Beatriz, and Jonathan Morduch, (2010). *Microfinance beyond group lending*, The Economics of Transition. Retrieved from http://www.nyu.edu/projects/morduch/documents/articles/2000Microfinance_Beyond_Group_Lending.
- [2]. Ayyagari, M., Demirguc-Kunt., Maksimovic, V., (2008). How Important Are Financing Constraints? The Role of Finance in the Business Environment. World Bank Economic Review 22, 483-516.
- [3]. Beck, T., & Fuchs, M. (2004). *Structural Issues in the Kenyan Financial System: Improving Competition and Access*. World Bank Policy Research Working Paper, 33-63.
- [4]. Beck, T., & De la Torre, A. (2006). The Basic Analytics Of Access to Financial Services (Vol.4026). World Bank-free PDF.
- [5]. Campero, A and Kaiser, K (2013). Access to Credit: Awareness and Use of Formal and Informal Credit Institutions. Working paper. Bank of Mexico.
- [6]. Christen, R. P., Rosenberg, R., & Veena, J. (2004). *Financial Institutions with a double bottom line, Implications for the future of microfinance*. CGAP, 2-3.
- [7]. Claessens, S., (2006). *Access to Financial Services: A Review of the Issues and Public Policy Objectives*. The World Bank Research Observer, vol. 21, no. 2.
- [8]. Collins, Daryl, Jonathan Morduch, Stuart Rutherford, and Orlanda Ruthven (2009). *Portfolios of the Poor: How the World's Poor live on \$2 a Day*. Princeton University Press.
- [9]. Cooper and Schindler (2014), Business Research Methods-McGraw-Hill.
- [10]. Demirguc-Kunt, A., Beck, T., & Honohan, P. (2008). *Finance for All?: Policies and Pitfalls in Expanding Access*. Washington: The World Bank.
- [11]. Guariglia, A. (2008). Internal Financial Constraints, External Financial Constraints, and Investment Choice:ence from a panel of UK firms. *Journal of Banking and Finance* 32, 1795-1809.
- [12]. Koech H. K. (2012). *The Role Of Informal Credit Schemes In Mobilising Funds For Micro Enterprises In Kenya*. Unpublished Masters Thesis, Kenyatta University.
- [13]. Kothari, C. (2004). *Research Methodology: Methods & Techniques*, (2nd Ed.). New Delhi: New Age International Limited Publishers.
- [14]. Nachmias, F., & Nachmias, D. (2009). *Research Methods in the social sciences Oaks*. New York: Acts Press.
- [15]. Nyamekye, M. Koboré, N., Bonégo, E. R., Kiéma, E., Ndour, B. Jallo, S. and Tarawally, M. S. (2009) "Organizing Informal Sector Workers in West Africa: focus on Women Workers, Trade Union Strategies: Case Studies from Ghana, Sierra Leone, Senegal and Burkina Faso" Accra, Ghana Trades Union Congress.
- [16]. Ojo, O. (2009). Impact of microfinance on entrepreneurial development: The case of Nigeria. Faculty of Administration and Business, University of Bucharest, Romania.
- [17]. Ranjula Bali Swain and Fan Yang Wallentin (2009). Does Microfinance Empower Women? Evidence from Self-Help Groups in India. Retrieved from <Http://Ideas.Repec.Org/A/Taf/Irapec/V23y2009i5p541-556.html> on 13th June 2016.
- [18]. Tata, J. & Prasad, S. (2008). Social capital, collaborative exchange and microenterprise performance: The role of gender. *International Journal of Entrepreneurship and Small Business* , 5 (3/4), 373-385.

Felisterchebetkurgat. "Role of Informal Financial Banking Services in Economic Empowerment of Rural Women through Self-Help Groups Affiliated To Joyful Women Organization in Kericho County, Kenya." *International Journal of Business and Management Invention (IJBMI)* , vol. 07, no. 04, 2018, pp. 32-39.