

International Journal of Management and Leadership Studies

2025; 5(2): 33-48

ISSN 2311-7575

CONTRIBUTION OF COMMUNITY PARTICIPATION IN THE GROUP SAVINGS & LOAN PROJECT TO HOUSEHOLD ECONOMIC WELFARE IN KIBERA, NAIROBI COUNTY.

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**ABSTRACT**

Community empowerment projects are initiated and designed to meet the felt needs of the target group in the community. However, most of the community empowerment projects experience major challenges in their life cycle thus begging the question whether they have any effects on the lives of the community members. The purpose of this study was to investigate the effects of community participation in the Group Savings & Loan Project to household economic welfare in Kibera, Nairobi County; The study was a descriptive using census of 98 members of Group Savings & Loan Project (GSL). Data, primary, was collected from the members and project team using a semi-structured questionnaire and interview schedule. Secondary data was obtained from project documents. Statistical Package for Social Science (SPSS) was used for analysis of quantitative data. Descriptive statistics was used to analyze the data, which was presented in tables and bar charts as frequencies and percentages, and used to draw conclusions and make inferences. Qualitative data from the interviews was analyzed thematically and presented in a narrative format. The findings revealed that stakeholder participation contributes to 19.6% variance in Household economic welfare,  $R^2 = .196$ ,  $\beta = .442$ ,  $p < .05$ . The study concluded that stakeholder participation has a positive contribution to household economic welfare of project beneficiaries. It is recommended that the savings and loans project enhance its stakeholder participation. These results have the potential to improve the economic status of community members through income generation and the satisfaction of basic needs by providing community development and government officials with the appropriate knowledge necessary to effectively manage and implement community empowerment projects.

**Keywords:** *Community participation, Stakeholder Participation, Loan Project, Group Savings, Economic Welfare*

**BACKGROUND OF THE STUDY**

Empowering communities is seen as a way to reduce poverty in a world where over a billion people are poor, the vast majority of who reside in rural parts of developing countries (Livingstone, 2020). This is because it prioritizes people above bureaucratic institutions and places them at the center of growth by emphasizing bottom-up rather than top-down approaches. Therefore, increasingly, community empowerment, in its different forms, is becoming an aspect of urban and rural development policies (Adamson, 2010;

Phillips et al., 2010). Moreover, sustainable development requires a capable civic body. The connection between community and sustainable development, however, remains imprecise and confusing, leading to unclear expectations and inaccurate evaluation of results of community development projects (Alexander et al., 2003). Similarly, Fetterman (2007) contends that there is a lack of clarity surrounding the notions of community empowerment and sustainability, which has led to a misunderstanding of the connection between community involvement, capacity development, and project longevity. The contribution of community empowerment projects to household livelihoods, however, is not a guarantee but is invariably moderated by numerous concerns, with the consequence that success is often varied from one project to another.

The fact that development projects continue to register mixed results is perhaps due to less attention that has been paid to the role of community empowerment in sustaining them. Thus, there are many challenges that continue to face projects in many localities rendering almost insignificant the huge amounts of resources pumped into the projects. In Pakistan for example, before the 2001 Development Plan, community involvement in local development was not sufficiently appreciated (Bess *et al.*, 2011). Henceforth Pakistani government instituted Citizen Community Boards (CCBs) (Paul, 2010).

Kenya continues to receive international donor aid, with 2012 estimates showing the country received \$404 million, making it the 11<sup>th</sup> largest recipient of such aid. In 2013, the aid was estimated at \$429 million. Donations peaked in 2011 at \$ 553million (Njuguna, 2016). Thus, the international community through various NGOs continue to channel aid to the country in form of community empowerment programmes but the poverty index remains high. Kibera hosts a number of local and international NGOs, which have moved in to fill the gap left by the government in terms of provision of social services (UN Habitat, 2020). The NGOs operate in various sectors of the economy from Health, Education, Agriculture, Relief to environment. Covering an area of approximately 2.5km<sup>2</sup>, Kibera is the largest settlement in Kenya and has a population of approximately 250,000 and the highest population density in the country. It is also the largest slum settlement in Africa. Residents of this settlement earn livelihood mainly from the informal economy.

### **Problem Statement**

More often than not, there exists a significant difference between the theory of community empowerment and its actual implementation (Livingstone, 2019). Many initiatives are sometimes stymied by the complexities inherent in the existing social structures. These always have the potential to combine with the professional and organizational structures of the donor organizations to adversely affect the project outcomes.

In spite of development partners putting many resources into community projects, however, the actual effects of the projects on household economic welfare are not always clearly or conclusively established and rarely documented. GSL Project, an initiative of HSF, has invested significantly to improve prospects of household welfare in Kibera. This study therefore intended to investigate the link between community empowerment projects, particularly Group Savings & Loan Project on household economic welfare in Kibera, Nairobi County.

## **OVERALL OBJECTIVE OF THE STUDY**

The aim of this study was to investigate the effects of community empowerment projects, particularly Group Savings & Loan Project on household economic welfare in Kibera, Nairobi County.

The study was guided by the following objective:

Determine the contribution of community participation in the Group Savings & Loan Project to household economic welfare in Kibera, Nairobi County.

The study sought to answer the following question:

What is the contribution of community participation in the Group Savings & Loan Project to household economic welfare in Kibera, Nairobi County?

## **INFLUENCE OF COMMUNITY EMPOWERMENT PROJECTS ON LIVELIHOODS**

A livelihood is a means of supporting oneself. It involves people's abilities, resources, income, and the actions necessary to meet their basic needs. When people are able to adapt to and recover from disasters, as well as improve their own well-being and the well-being of their neighbors, without compromising the integrity of the natural environment or the availability of resources, they are experiencing livelihood sustainability (Chambers & Conway, 1992). The Sustainable Livelihoods Framework was developed by the UK's DFID to shed light on people's strategies for establishing and maintaining sustainable income streams (SLF).

Hence, this framework served as a tool for analyzing the various aspects that affected a person's livelihood and the ways in which those factors interacted with one another, so improving our capacity to comprehend livelihoods. The systems that SLF studied in order to gain an understanding of people's means of subsistence, their strategies for making a living, the context in which their livelihoods emerged, and the factors that made them more or less vulnerable to shocks and stresses were the focus of their livelihoods observations (DFID report, 2014).

A person's standard of living can be assessed in six different ways: food security, nutrition security, economic security, housing security, water and sanitation security, health and education security (TANGO International Inc, 2004). Food security was defined using the criteria of food availability and food safety (Riley et al., 1999). The availability of food on the farm or in the market, the ability of families to obtain that food, and whether or not eating habits and intra-household distribution ensure that everyone in the household gets the nutrition they need are all factors that were taken into account when analyzing food security from the household livelihood perspective. Benefits from community empowerment projects can be evaluated with the help of the six-component framework that aims to give a measurement for household welfare.

Ahmad and Talib (2014) looked at the perspective of community-driven (CD) organizations to investigate the connection between community empowerment, a strong sense of community, and the long-term viability of CD projects (the CCBs in Pakistan). Community empowerment and CD project longevity were tested by hierarchical regression in this

analysis. The key finding was that social cohesion was crucial in reducing the correlation between community leadership and long-term viability. Empowerment and a shared sense of purpose went hand in hand, allowing people to raise the standard of living in their neighborhoods. While Ahmad and Talib (2014) looked at how community empowerment (which includes community involvement, capacity building, access to information, and a feeling of community) affects sustainable development in Pakistan, this study takes a different approach, the present investigation focused on the United States. However, the current study is focused with the economic well-being of households, whereas the previous research did not tackle the issue of how community projects affect individual households.

Nader (2016) looked at how self-determination can improve rural incomes in India using a specific initiative called Self-Help Groups. The findings of this qualitative study (literature review) demonstrated that severely low-income women have been helped to increase their independence and self-esteem and given greater agency in family-related decision-making processes. They had the freedom to make their own choices about their own lives and the lives of their families. They were able to improve their capacity for saving and investing, as well as engage in activities that generated revenue, thanks to the curriculum. In addition, by working together, they were able to solve a number of problems hindering their communities' social and economic development. Hence, higher food quality and access to fundamental services like education and healthcare resulted from the mobilization of financial and human resources, which in turn led to a diversity of revenue sources. However, the focus of this research is limited to the ways in which communities can be more involved and their members' abilities enhanced. Stakeholder participation, capacity development, and management are three areas that this research focuses on because of their importance in empowering individuals.

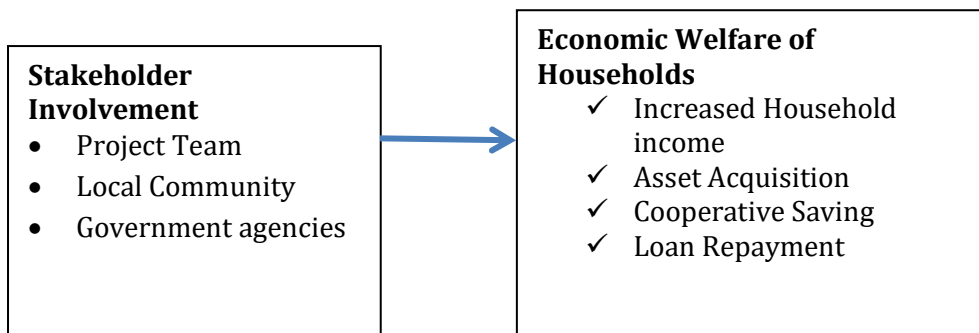
Sibanda (2011) conducted research into the Zvishavane district of Zimbabwe to see how involved the local population was in the Danga Ecological Sanitation Project. They used a mixed-methods design informed by the people-centered approach to conduct this descriptive survey. Results showed that community participation in the ecological sanitation project was insufficient, leading to subpar outcomes. The research conducted by Sibanda (2011) was confined to the impact that local involvement had on the success of an ecological sanitation project in Zimbabwe. This Kenyan research looks at community empowerment from three angles: stakeholder involvement, capacity building, and management.

Orech (2016) examined the impact of non-government community empowerment activities in the Buoye community of Kisumu East Sub-County. It took into account both private development and public transformation. Researchers observed that in Kisumu East, the vast majority of residents had graduated from high school or college. As a result of the high quality of education available, the community benefited from the contributions of many skilled individuals. Most residents said they now utilize more sanitary methods of trash disposal such incinerators, pit latrines, covered pits, and dustbins as a direct result of increased access to clean water and sanitation. In addition to a decrease in water-related illnesses, health empowerment has resulted in the first-aid training of around half of the community's residents. The majority had received education on the need of hygiene, which

had resulted in the widespread availability of low-cost, high-quality medical care provided by professionals who were themselves well-trained.

Indicators of empowerment considered in Orech's study included access to clean water, improved health, and greater public understanding of their rights. A fundamental component of community empowerment is effective administration and governance, although these are not explored in depth in the study. In this study, empowerment was defined in terms of stakeholder participation, capacity development, and management. Several indices of economic (as opposed to social) well-being, such as increasing household income, asset acquisition, and cooperative saving and loan repayment, were used to evaluate the dependent variable, household livelihood. Prior research has centered on such factors of social and economic well-being as housing conditions, food availability, medical care, and school quality.

### CONCEPTUAL FRAMEWORK



### METHODOLOGY

This study was based on a descriptive census design to explore the effects of community empowerment projects on community households. The investigation was conducted in Kibera, Nairobi County. Nairobi County is bordered by Kiambu County to the north-west, Kajiado County to the south, and Machakos County to the east. The County is situated between longitudes 36° 45' East and latitudes 1° 18' South and has a total area of 696,1 km<sup>2</sup>. Its elevation is 1,798 meters above sea level.

The population of Nairobi County stands at 4,397,073 (KNBS, 2019). Kibera has 18 villages including Makongeni, Silanga, Sarang'ombe, Anyany, Karanja, Olympic, Laini Saba, Soweto East, Soweto West, Kambi Muru, Kianda, Raila, DC, Toi Market, Makina, Mashimoni, Kisumu Ndogo and Salama (UN Habitat, 2020). The target population for the survey was 98 members of GSL project in Kibera, Nairobi County (HSF, 2022). The beneficiaries were interviewed, together with three officers from HSF, Head of Programmes, Project Manager and Finance Manager.

This study adopted census design, which involves the complete enumeration of a universe or population. The data was collected using a semi-structured, self-administered questionnaire from members of GSL project in Kibera. A research assistant drawn from the study area and who understands Kiswahili language helped to administer the questionnaires to ensure the questions are clearly understood so as to elicit appropriate

responses. To guarantee accuracy, these data were first cleansed immediately after collection. After that, it was all coded and sorted into its respective groups. The data was then analyzed using descriptive statistics (i.e., frequencies and percentages) to address the study's aims and questions.

## FINDINGS

### Economic Welfare among Project beneficiaries in Kibera, Nairobi County

The aim of this study was to investigate the effects of community empowerment projects, particularly Group Savings and Loan Project on household economic welfare in Kibera, Nairobi County. In regard to this, the study first sought to establish economic welfare among project beneficiaries in Kibera, Nairobi County. Specifically, the study looked at the contribution of community participation, capacity building and management in the Group Savings & Loan Project on the household economic welfare in Kibera, Nairobi County. These were measured on a five-point Likert scale.

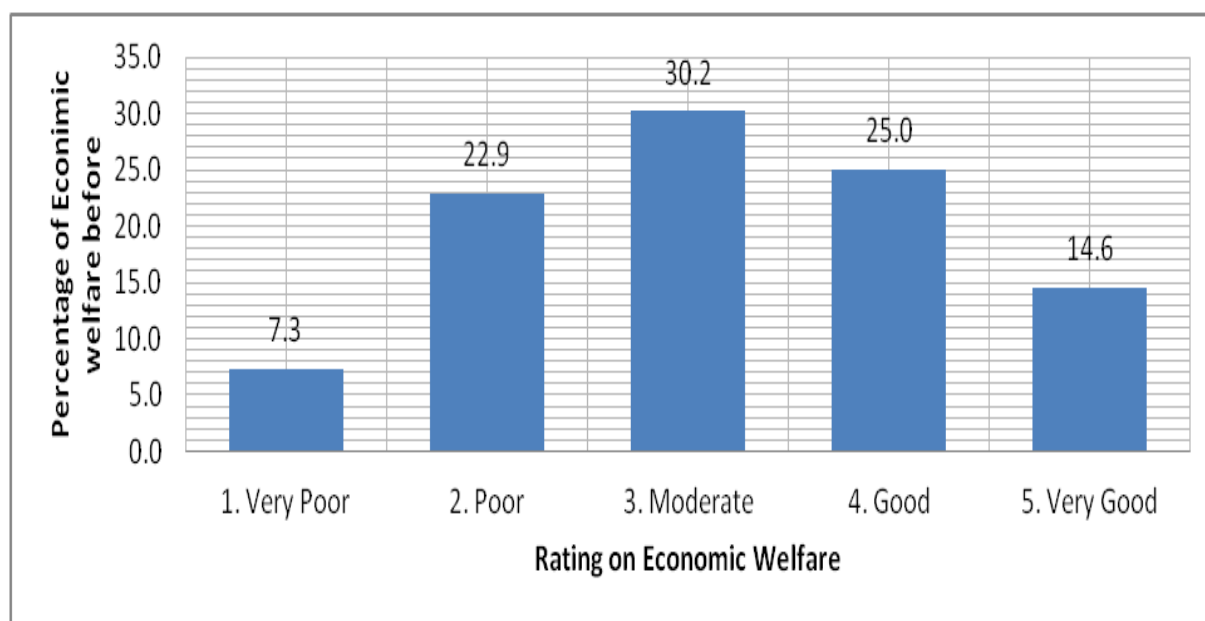
### Project Beneficiaries Economic Status before implementation of the Project

Project beneficiaries were asked to indicate how their economic status was before the implementation of the Group Saving and Loans projects. This was rated on a scale of 1-5 where 1=Very Poor, 2=Poor, 3=Moderate, 4=Good and 5=Very Good. The findings are presented as shown in Table 4.3 that follows.

**Table 1: Overall Economic Status of Project Beneficiaries before Project Implementation**

Status	Frequency	Percent
1. Very Poor	24	25.0
2. Poor	29	30.2
3. Moderate	22	22.9
4. Good	14	14.6
5. Very Good	7	7.3
Total	96	100.0

From the findings, majority of the project beneficiaries, 29(30.2%) revealed that their project status was poor, followed by 24(25.0%) who reported that it was very poor, 22(22.9%) who reported that it was moderate and 14(14.6%) who reported that it was good. There were only 7(7.3%) project beneficiaries who reported that their economic status before implementation of the project was very good. The findings are also presented as shown in Figure 1 below.



**Figure 1:** Economic Status of the Project beneficiaries before Project Implementation

Therefore, on average, the analysis revealed that the economic status of project beneficiaries was rated at 2.49 with a standard deviation of 1.22, implying that it was close to the category of being poor. This implies that the overall economic status of the project beneficiaries before the implementation of the project was poor, an indicating that the project targeted people who were economically poor to benefit from the project.

### Accessibility to Project financing and Assets before project Implementation

Project beneficiaries were asked to indicate the extent to which they were able to access finances and assets before the implementation of the Group Saving and Loans Project. These included incomes, animal rearing, acquisition of other assets and loan re-servicing. The findings are presented as shown in Table 2 using frequency counts, percentages, means and standard deviation.

**Table 2:** Accessibility to Project financing and Assets before project Implementation

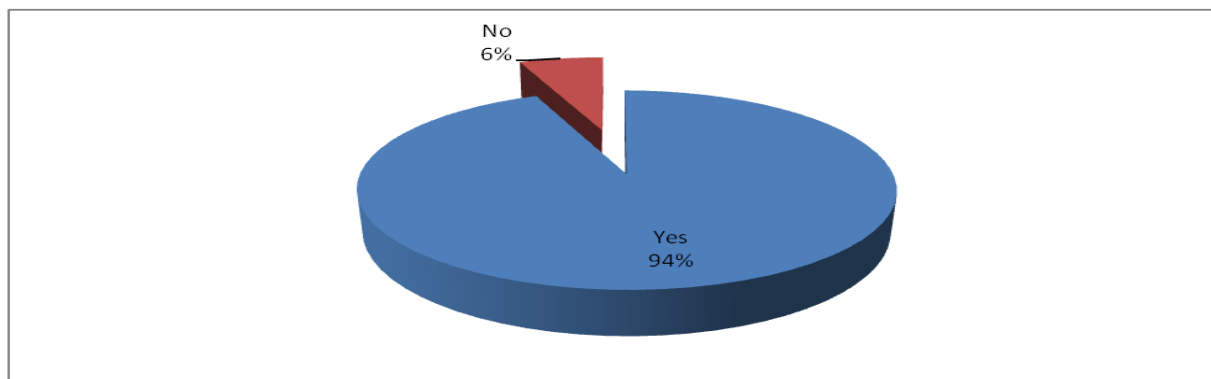
Aspect of Economic Welfare	Not at all	Less Extent	Moderate Extent	Great Extent	Very Great	M	SD
Income	31(32.3)	20(20.8)	14(14.6)	20(20.8)	11(11.5)	2.6	1.42
Asset buying	42(43.8)	23(24.0)	11(11.5)	8(8.3)	12(12.5)	2.2	1.41
Acquisition of other Assets	30(31.3)	39(40.6)	16(16.7)	4(4.2)	7(7.3)	2.2	1.14
Loan re-servicing	33(34.4)	39(40.6)	10(10.4)	7(7.3)	7(7.3)	2.1	1.18
Overall mean						2.3	.78

The findings show that before project implementation, there was low ( $M=2.6$ ,  $STD=1.42$ ) access to income as indicated by majority, 31(32.2%) of the respondents who did not at all get access to income, 20(20.8%) who accessed to a less extent and 14(14.6%) who accessed to a moderate extent. There were also rare practices on animal rearing as indicated by a low rating ( $M=2.2$ ,  $STD=1.41$ ) with majority, 42(43.8%) and 23(24.0%) indicating that they did not at all or to less extent do animal rearing. There was equally low acquisition of other assets such as land, house and motors as indicated by a low rating ( $M=2.2$ ,  $STD=1.14$ ) with majority, 39(40.6%) indicating that they accessed to a less extent. Finally, the findings shows that there was very low loan re-servicing practice ( $M=2.1$ ,  $STD=1.18$ ) among project beneficiaries, with majority, 39(40.6%) indicating that they did it to a less extent. From these findings, an overall mean ( $M=.3$ ,  $STD=.78$ ) implies that there was low access to financing and other benefits before project implementation. Therefore, the beneficiary's economic welfare was poor such that they did not have sufficient money and could also not access the money.

Respondents were also questioned whether or not they had gotten a loan to fund the project. The findings are presented as shown in Table 3 and Figure 2 respectively.

**Table 3:** Loan Accessibility

Do You receive Loan	Frequency	Percent
a) Yes	90	93.8
b) No	6	6.3
Total	96	100.0

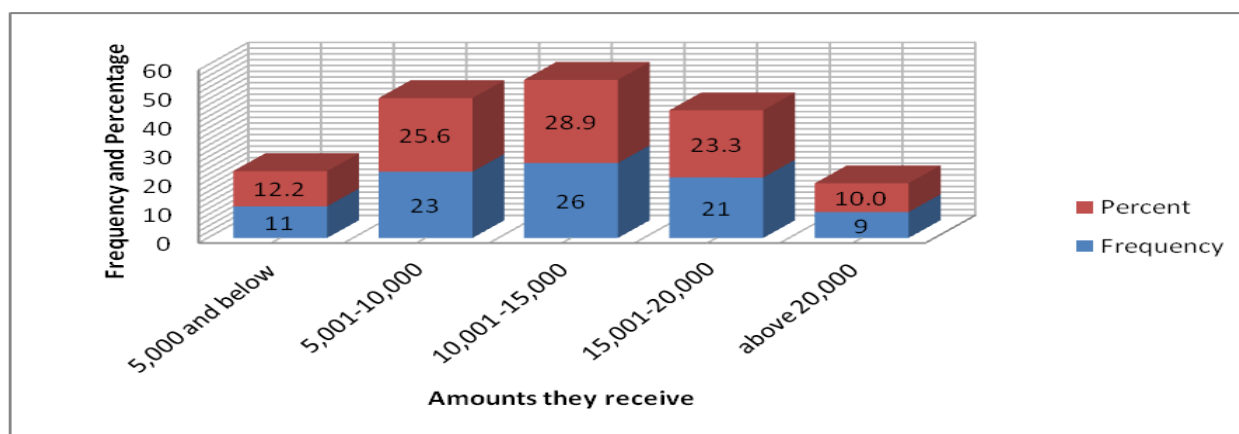


**Figure 2:** Received Loan

From the findings, it is clear that majority, 90(93.8%) of the project beneficiaries received a loan while 6(6.3%) were not able to receive a loan. This means that although they had low access to other finances, they still received some loans. However, it was not clear the amount of loan that they received. Therefore, they were asked to indicate the amount of loans that they received based on categories that were given which included Kes. 5,000 and below, Kes. 5001-10000, Kes 10001 -15000, Kes 15001-20000 and Kes. 20000 and above. The findings are presented as shown in Table 4.6 that follows.

**Table 4:** Amount of Loan Received

How much do you receive	Frequency	Percent
1. 5000 and below	11	12.2
2. 5001-10000	23	25.6
3. 10001 -15000	26	28.9
4. 15001-20000	21	23.3
5. 20000 and above	9	10.0
Total	90	100.0

**Figure 1:** Rating on Economic Welfare

From the findings, majority of the project beneficiaries, 26(28.9%) received Ksh. 10,000-15,000 followed by 23(25.6%) who received Kes. 5,000-10,000, 21(23.3%) who received Kes. 15,000-20,000 and 11(12.2%) who received Kes. 5,000 and below. However, very few, 9(10.0%) received above Kes. 20,000. This means that although the project beneficiaries received loans before the project implementation, the amount of money they received was very little with majority not exceeding Kes. 20,000.

#### Accessibility to Project financing and Assets after project Implementation

Finally, the project beneficiaries were asked to indicate the extent to which they were able to access finances and assets after the implementation of the Group Saving and Loans Project. This included income, animal rearing, acquisition of other asset loan re-servicing. These were measured using respondents rating on a five-point Likert scale. The findings are presented as shown in Table 5 using frequency counts, percentages, means and standard deviation.

**Table 5: Accessibility to Project financing and Assets after project Implementation**

Aspect of Economic Welfare	Not at all	Less Extent	Less Extent	Great Extent	Very Great	M	SD
Increased income	19(19.8)	23(24)	9(9.4)	31(32.3)	14(14.6)	3.0	1.40
Asset buying	20(20.8)	23(24)	10(10.4)	17(17.7)	26(27.1)	3.1	1.53
Saving in cooperative	13(13.5)	23(24)	14(14.6)	25(26.0)	21(21.9)	3.2	1.38

Loan re-servicing	16(16.7)	21(21.9)	14(14.6)	25(26.0)	20(20.8)	3.1	1.41
Overall mean						3.6	.31

Key: 1 = Not at all, 2 = Least extent, 3 = Little extent, 4 = Great extent, 5 = Very great extent

From the findings, it emerged that after project implementation, majority, 31(32.3%) were able to increase their income to a great extent, with an overall mean (M=3.0, STD=1.40) which is high. The findings also shows that there was high rating (M=3.1, STD=1.53) on asset buying with majority, 26(27.1%) indicating that it was to a very great extent. Project beneficiaries were also able to save their money in co-operatives as indicated by majority, 25(26.0%) to a great extent with a high mean (M=3.2, STD=1.38). Finally, the findings shows that majority of the project beneficiaries, 25(26.0%) were able to re-service their loan to a great extent and 20(20.8%) were able to re-service to a very great extent. A high mean of 3.1 and small standard deviation of 0.78 implies that there was great extent of loan re-servicing among project beneficiaries. Therefore, from these findings, it can be noted that accessibility of project beneficiaries to financing and Assets greatly increased and was high after project implementation. These findings are in line with those of Livingstone, (2019) who posits that the net effect of such efforts is that these communities become self-reliant thus avoiding the need for external assistance.

### Stakeholder Involvement

The study sought to determine the ways in which project stakeholders, particularly project beneficiaries get involved in project activities. Therefore, the project beneficiaries were asked to rate their involvement through decision making, resource mobilization, voting procedures and training by indicating on a questionnaire. The question therefore stated "I highly participate in the Group Savings and Loans project in the following ways" The key used was: 1 = Not at all, 2 = least extent, 3 = little extent, 4 = Great extent, 5 = very great extent. The findings are presented as shown in Table 6 using frequency counts, percentages, means and standard deviation.

**Table 6:** Summary of Project Involvement by Beneficiaries

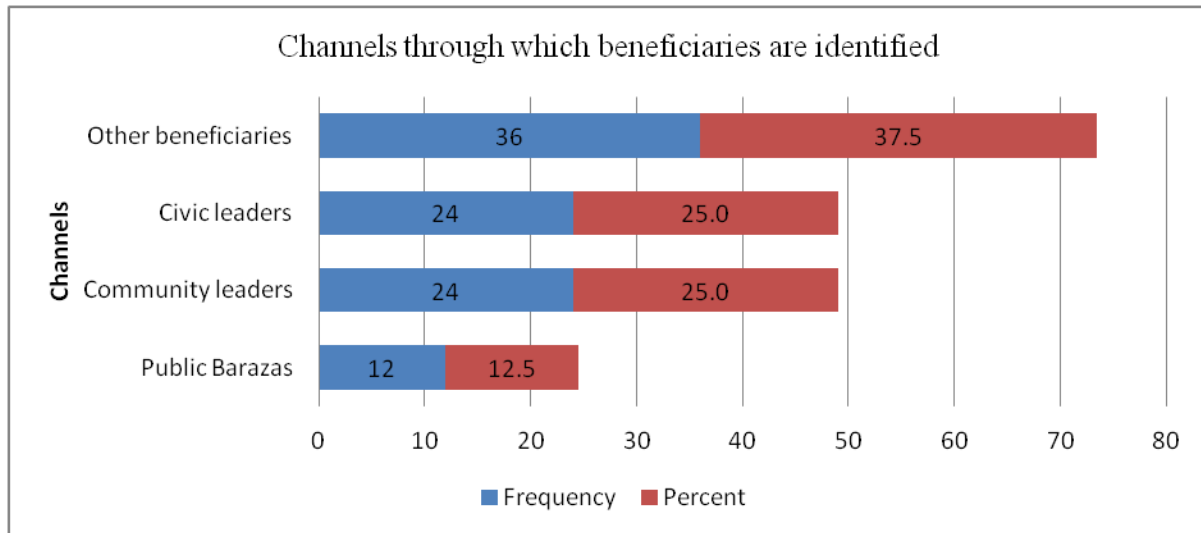
Ways of involvement	NAT	LE	LTE	GE	VGE	M	STD
Decision making	9(9.4)	29(30.2)	16(16.7)	26(27.1)	16(16.7)	3.1	1.27
Resource mobilization	7(7.3)	2(2.1)	6(6.3)	32(33.3)	49(51.0)	4.2	1.14
Voting procedures	4(4.2)	8(8.3)	4(4.2)	30(31.3)	50(52.1)	4.2	1.12
Training	4(4.2)	3(3.1)	5(5.2)	34(35.4)	50(52.1)	4.3	1.00

Source (Field Survey Data, 2022)

Key: 1 = Not at all (NAL), 2 = least extent (LE), 3 = little extent (LTE), 4 = Great extent (GE), 5 = very great extent (VGE), M-Mean, STD-Standard Deviation.

From the findings, majority of the respondents, 29(30.2%) indicated that they participated in decision making to a least extent. However, the statement recorded a high mean (M=3.1, SD=1.27) although with a high standard deviation as well, indicative of high variation. The findings also shows that majority, 49(51.0%) participated through resource mobilization to a very great extent, which also recorded a high mean (M=4.2, SD=1.14). Respondents highly

(M=4.2, SD=1.12) participated in voting procedure and training (M=4.3, SD=1.00) as reflected by majority, 50(52.1%) to a very great extent. These findings therefore show that respondents participated highly in some areas but to a least extent in other areas. In addition to the findings in Table 4.5, the study sought to identify the channels through which the beneficiaries were identified or chosen to participate in the project. The suggested ways were through public barazas, community leaders, civic leaders or others. The findings are presented in Figure 4 that follows.



**Figure 4:** Channels of identifying beneficiaries

The findings in Figure 4.1 shows that the main channels through which beneficiaries of project were identified were through fellow beneficiaries, 36(37.5%) followed by civic leaders and community leaders, 24(25.0%), and finally public Barazas 12(12.5%).

### Decision Making

The second main mode of stakeholder involvement was through decision making. This entailed decision making on initiation, planning, execution, monitoring and control. Respondents were therefore asked to indicate the extent to which members were involved in decision making in the project activities through a rating where 1 = Not at all, 2 = least extent, 3 = little extent, 4 = Great extent, 5 = very great extent. The findings are presented as shown in Table 7 using frequency counts, percentages, means and standard deviation.

**Table 7:** Beneficiary Participation Through Decision Making

	NAL	LE	LTE	4GE	5VGE	M	STD
Initiation	52(54.2)	38(39.6)	3(3.1)	1(1)	2(2.1)	1.6	.79
Planning	65(67.7)	22(22.9)	7(7.3)	1(1)	1(1)	1.4	.77
Execution	59(61.5)	33(34.4)	2(2.1)	1(1)	1(1)	1.5	.69
Monitoring and control	57(59.4)	33(34.4)	2(2.1)	3(3.1)	1(1)	1.5	.78

Source (Field Survey Data, 2022)

Key: 1 = Not at all (NAL), 2 = Least extent (LE), 3 = Little Extent (LTE), 4 = Great Extent (GE), 5 = Very Great extent (VGE), M-Mean, STD-Standard Deviation.

From the findings in Table 4.8, it emerged that majority, 52(54.2%) of the project beneficiaries indicated that they were not at all involved in decision making at the initiation stage, which had a mean of (M=1.6, SD=.79). The findings further shows that majority, 65(67.7%) of the respondents were not involved at planning stage, which was rated low (M=1.4, STD=.77). It is also clear from the findings that project beneficiaries were lowly (M=1.5, STD=.69) involved at project execution stage, which is also confirmed by majority, 59(61.5%) who indicated that they were not at all involved. Finally, the findings shows that project beneficiaries were lowly (M=1.5, STD=.78) involved in monitoring and control of the project activities, which is also indicated by majority of the respondents, 57(59.4%) who indicated that they were not involved at all, which could have a negative effect on their economic welfare since lack of involvement denies them financial knowledge.

### Resource Mobilization

Another aspect of stakeholder involvement was through resource mobilization. The study sought to establish how project beneficiaries were involved in the project activities through membership contribution call to take loans, new membership registration, uptake of new products and marketing of new friends to join. The respondents were therefore asked, "To what extent do you involve yourself in resource mobilization activities" Their response was rated on a five-point Likert scale that entailed 1 = Not at all, 2 = least extent, 3 = little extent, 4 = Great extent, 5 = very great extent. The findings are presented as shown in Table 8 that follows using frequency counts, percentages, means and standard deviation.

**Table 8:** Stakeholder involvement through Resource Mobilization

Activity	NAA	LE	LTE	GE	VGE	M	STD
Membership contributions	2(2.1)	2(2.1)	4(4.2)	41(42.7)	47(49.0)	4.3	.83
Call to take loans	4(4.2)	3(3.1)	8(8.3)	41(42.7)	40(41.7)	4.1	.99
New membership registration	3(3.1)	2(2.1)	5(5.2)	44(45.8)	42(43.8)	4.3	.89
Uptake of new products	2(2.1)	1(1)	4(4.2)	47(49.0)	42(43.8)	4.3	.79
Marketing to new friends to join	3(3.1)	5(5.2)	6(6.3)	35(36.5)	47(49.0)	4.2	1.00

Source (Field Survey Data, 2022)

Key: 1 = Not at all (NAL), 2 = least extent (LE), 3 = little extent (LTE), 4 = Great extent (GE), 5 = very great extent (VGE), M-Mean, STD-Standard Deviation.

From the findings as indicated in Table 4.10 above, it emerged that project beneficiaries were highly involved through the mentioned aspects. For instance, 47(49.0%) indicated that they were involved to a very great extent while 41(42.7%) further confirmed that they were involved to a great extent leading to a high mean (M=4.3, STD=.83). Majority of the project beneficiaries, 41(42.7%) report a great extent of involvement whereas 40(41.7%) reported that they were involved through call to take loan to a very great extent. A high mean (M=4.1, STD=.99) and low standard deviation confirmed that their involvement through call to take loan was high.

The findings shows that project beneficiaries were involved through new membership registration, whereby 44(45.8%) were involved to a great extent and 42(43.8%) were involved to a very great extent. A high mean (M=4.3, STD=4.3) also confirmed stakeholder

involvement through new membership registration. Further analysis indicates that project beneficiaries were highly (M=4.3, STD=.79) involved through uptake of new products as indicated by majority, 47(49.0%) to a great extent and 42(43.8%) to a very great extent. Finally, the findings shows that majority of the project beneficiaries were involved through marketing to new friends to join to a very great extent, 47(49.0%) and great extent, 35(36.5%). The mean on marketing to new friends to join was high (M=4.2, STD=1.00) implying that it was also an aspect of high involvement. It is consistent with the findings of Ahmad and Talib (2014), who investigated the link between community empowerment, a strong sense of community, and the long-term viability of community-driven initiatives, that the beneficiaries' economic well-being may improve due to the high level of participation.

### Voting Procedures

The final mode of stakeholder involvement was suggested to be through voting procedures. Therefore, project beneficiaries were asked to rate the extent to which they agreed on their involvement in voting activities using a five-point Likert scale where 1-Strongly Disagree, 2-Disagree, 3-Not Sure, 4-Agree, 5-Strongly Agree). The findings are presented as shown in Table 4.11 using frequency counts, percentages, means and standard deviation.

**Table 9:** Stakeholder Involvement through Voting Procedures

Activity	1	2	3	4	5	M	STD
Members are involved in decision making such as voting to a great extent	5(5.2)	3(3.1)	5(5.2)	78(81.3)	5(5.2)	3.9	.79
My participation in the projects annual general meetings is very good?	5(5.2)	7(7.3)	6(6.3)	62(64.6)	16(16.7)	3.9	.94
Members are contented with the voting procedures to a great extent	5(5.2)	5(5.2)	3(3.1)	73(76)	10(10.4)	3.9	.86
Our Voting procedure is free and fair	9(9.4)	5(5.2)	2(2.1)	65(67.7)	15(15.6)	3.9	1.05
Results announcement is done openly after voting	3(3.1)	3(3.1)	6(6.3)	68(70.8)	16(16.7)	4.0	.79

Source, (Field Survey Data, 2022)

Key 1-Strongly Disagree, 2-Disagree, 3-Not Sure, 4-Agree, 5-Strongly Agree

From the findings, it emerged that 78(81.3%) of the project beneficiaries agreed that members are involved in decision making such as voting to a great extent, which was confirmed by a high mean (M=3.9, STD=.79). Their participation in the projects annual general meetings was very good according to 62(64.6%) project beneficiaries who agreed, with a high mean (M=3.9, STD=.94). The findings further shows that project beneficiaries were contented with the voting procedures to a great extent (M=3.9, STD=.86) as indicated by majority, 73(76.0%) who agreed. Finally, the findings revealed that project beneficiaries' voting procedure was free and fair as indicated by majority, 65(67.7%) with a high mean

(M=3.9, STD=.1.05). From these findings, it emerged that there is high involvement of project beneficiaries through voting procedures.

### Effect of Community participation to household economic welfare

The objective of the study was to determine the contribution of community participation in the Group Savings & Loan Project to household economic welfare in Kibera, Nairobi County. Therefore, a simple linear regression model was carried out to establish the effect of community participation in the Group Savings & Loan Project to household economic status. The findings were combined and presented as shown in Table 10 below.

**Table 10:** Effect of Stakeholder participation on Household Economic status

<b>Model Summary</b>									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change in R Square	F Change	df1	df2	Sig. F Change
1	.442 <sup>a</sup>	.196	.187	.17001	.196	22.853	1	94	.000
a. Predictors: (Constant), mean stakeholder Involvement									
<b>ANOVA<sup>a</sup></b>									
Model		Sum of Squares	Df	Mean Square	F				Sig.
	Regression	.661	1	.661	22.853				.000 <sup>b</sup>
1	Residual	2.717	94	.029					
	Total	3.377	95						
a. Dependent Variable: Economic Status									
b. Predictors: (Constant), mean stakeholder Involvement									
<b>Coefficients<sup>a</sup></b>									
Model		Unstandardized Coefficients	Std. Error	Standardized Coefficients	T				Sig.
	(Constant)	2.650	.154		17.252				.000
1	mean stakeholder Involvement	1.235	.258	.442	4.780				.000
a. Dependent Variable: Economic Status									

Using a simple linear regression model, the findings shows that overall stakeholder participation account for 19.6% variation in household economic status of the project beneficiaries, R Square=.196, F (1, 94) =22.853, p<.05. This implies that stakeholder participation contributes to a significant percentage's variance in household economic status after project implementation. Examining the model coefficient results, the findings shows that stakeholder participation has a positive and significant effect on household economic status ( $\beta=.442$ , p<.05) which implies that stakeholder participation positively contributed to the household economic status of project beneficiaries. However, the level of participation is not yet good enough to fully improve household economic status through gaining more financial knowledge.

In addition to these findings, an interview was carried out with key informants. During the interview, one of the key informants reported that,

*“The top management tries as much as possible to involve members in decision making although this has not been fully achieved. The areas that the beneficiaries are fully involved are resource mobilization and voting procedures. We hope to improve in involvement of project beneficiaries in future”*

From these findings, it emerged that indeed, there is little involvement of project beneficiaries on decision making. However, they were involved in resource mobilization and voting procedures. These findings are in line with Capra (1996) suggestions who sees participation as essential for establishment of community cohesiveness. The findings are also closely knit to those of Ahmad and Talib (2014) who also established a relationship of almost similar nature. It can thus be concluded that stakeholder participation has a positive contribution to the household economic status of project beneficiaries since they gain more knowledge and hence come up with ways improving the economy.

### **SUMMARY OF FINDINGS**

The first objective of the study sought to determine the contribution of community participation in the Group Savings & Loan Project to household economic welfare in Kibera, Nairobi County. A few underlying aspects, which include project participation through decision making, resource mobilization, voting procedures and training were analyzed. From the findings, there was low participation through decision making but high participation through resource mobilization and voting procedures. The main channel through which beneficiaries were identified was through other beneficiaries. Using simple linear regression model, the findings revealed that stakeholder participation explained a significant amount of variance in household economic status and hence had a positive contribution to household economic status.

### **CONCLUSION**

Implementation of the community project has resulted into community participation through different ways, which include resource mobilization, voting procedures, decision making and training among others. Unlike other projects where the management is usually monopoly in decision making, the group savings and loans project partially involves the beneficiaries in decision making. They also involve the beneficiaries in other practices such as resource mobilization and voting processes to a large extent. This is very important as it positively contributes to the household economic status. Involvement of the beneficiaries is also important to the project itself since it can enhance the sustainability of the project. Since voting procedure is open and transparent, the beneficiaries have faith in the project as well as the system and the leaders hence enhancing efficiency of the project goals thus resulting to improvement in household economic status. It can thus be concluded that stakeholder participation has a positive and significant contribution to the household economic status.

### **RECOMMENDATION**

The study recommends improvement further involvement of the project beneficiaries in the decision-making processes to make the project more transparent. There should also be

improvement in the voting procedures so as to choose the best project board members and representatives.

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