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## Socioeconomic Impact Assessment of Caritas Nairobi Self Help Programme: Ruiru Fund Self Help Group Programme

Boniface Mbugua Kabue<sup>1\*</sup>

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### ABSTRACT

Established in 1995 by 30 members of the Catholic Women Association (CWA) in Ruiru Parish, Kiambu County, the group has evolved into a leading entity within the Caritas Nairobi network, currently entitled to over 20,000 members and savings exceeding KSH 1 Billion. This assessment aimed to evaluate the socioeconomic transformation facilitated by the Ruiru Fund Self-Help Group Programme within the framework of the Caritas Nairobi Self-Help Programme. The researcher will particularly investigate the group's growth trajectory including the challenges along the ragged progressive paths, its leadership and governance management, its impact on members' livelihoods, community development initiatives, and its role in fostering financial inclusion and empowerment in Ruiru, Kenya and beyond. The study targeted 11,027 accessible members of the Programme. The study adopted descriptive survey and predictive correlation research designs, collecting data from respondents with practical experience with the socioeconomic impact assessment of the Ruiru Fund Self-Help Group Programme. The study used a structured questionnaire administered online through Google Forms to collect the required primary data. The study established a positive significant influence of the Group's growth trajectory, the challenges along the ragged progressive paths, its leadership and governance management on Socioeconomic Impact of Ruiru Fund Self Help Group Programme. Through surveys, the investigator aims to provide insights into the mechanisms through which self-help groups can contribute to socioeconomic development at the grassroots level, offering lessons and recommendations for similar programs elsewhere in other Caritas Kenya jurisdictions and beyond.

### INTRODUCTION

Globally, Microfinance Institutions (MFIs) have become crucial components of development and economic rejuvenation strategies (Chomen, 2021). Researchers (Awojobi, 2019; García-Pérez *et al.*, 2020) suggest that microfinance services can aid low-income individuals by reducing poverty, enhancing business management, increasing productivity, securing higher returns on investments, and improving their living standards along with those of others in society. Typically, MFIs provide small loans to low-income individuals with the goal of boosting labor productivity and investment, thereby enhancing household incomes (Khan & Luo, 2020). The Self Help Group consists of community members who voluntarily come together to form a collective mobilization resources aimed at overcoming poverty. Initially, they pool their financial resources through individual savings to tackle poverty. These accumulated savings are then lent to members as capital (Vetrivel & Mohanasundari, 2011).

### Caritas Movement

Caritas is an international network of Catholic organizations dedicated to addressing humanitarian crises and improving the lives of marginalized individuals in communities. Rooted in Catholic social teachings, Caritas agencies are committed to advancing development

and justice globally. They provide essential aid during emergencies and work on long-term projects to uplift vulnerable populations, ensuring they achieve a dignified and fulfilling life. Through their efforts, Caritas seeks to foster solidarity, compassion, and sustainable progress across diverse regions and cultures.

The Self-help Programme was launched by the Servant of God Michael Maurice Cardinal Otunga, who recognized the socio-economic challenges faced by communities in the Archdiocese of Nairobi. These communities were trapped in severe poverty due to exclusion from the financial system's benefits. Without opportunities for economic empowerment, many were unable to initiate or expand income-generating activities.

Caritas operates at various levels: local (parish), diocesan, national, regional, and international. Each national Caritas organization functions autonomously under its Bishops but is part of the global Caritas International is confederation, which is affiliated with the Universal Church. In the Archdiocese of Nairobi, Caritas Nairobi serves as the social and development agency. Registered as a charitable trust (Archdiocese of Nairobi Social Promotion Registered Trustees), it is chaired by the Archbishop of Nairobi. The governance structure comprises a two-tiered system with Trustees and a non-executive Board of Directors. Caritas Nairobi is authorized by the Archdiocese of Nairobi to coordinate

<sup>1</sup> Kiambu Water & Sewerage Company, and Board of Management, Ruiru Fund, Kenya

\* Corresponding author's e-mail: [mbuguab@gmail.com](mailto:mbuguab@gmail.com)

and implement aid and socio-economic development programs. Over the years, Caritas has assisted thousands through initiatives in microfinance (self-help groups), refugee aid, agriculture and food security, support for individuals with disabilities and HIV/AIDS, women's and youth empowerment, peer counseling, and child protection, among other areas. Caritas Nairobi operates within the Archdiocese of Nairobi, which encompasses the counties of Nairobi and Kiambu, divided into 14 deaneries. The Archdiocese also includes 114 parishes and numerous Christian communities.

### Caritas Microfinance

In the 1980s, the Servant of God Michael Maurice Cardinal Otunga dispatched Fr. Joseph Mukui to Sierra Leone to study its savings and lending model, aiming to implement a similar system in Kenya. Upon his return, Fr. Mukui launched a savings and lending program in Kiriko Parish, in the Archdiocese of Nairobi with an initial group of 20 members, each contributing a minimum of KShs. 20 monthly. Today, this self-help program has evolved into a model of socio-economic empowerment, benefiting society and operating on Christian values of love and charity. The Archdiocese of Nairobi Social Promotion Registered Trustees, known as "the trust," is a charitable organization operating under the name "Caritas Nairobi." It is responsible for administering and managing the affairs and projects of Self-Help Groups within the Archdiocese of Nairobi. The trust has the authority to delegate its responsibilities to one or more trustees to conduct any business or perform any tasks necessary for achieving its objectives. This delegation is given to trustees who possess the relevant professional or business expertise. The objectives within the parishes of the Archdiocese of Nairobi are as follow; Firstly, to encourage the formation of self-help groups composed of members from each specific parish. Secondly, to maintain, control, and regulate these self-help groups to ensure their proper functioning. Thirdly, to ensure that these self-help groups adhere to proper fiscal management practices. Fourthly, the tradition and doctrinal teachings of the Catholic Church within these groups must be upheld. Lastly, to coordinate the growth of self-help groups in terms of both the number of groups and the membership within them, ensuring an equitable distribution of capital and effective leadership throughout.

### Ruiru Fund Self-Help Group Programme

The St. Francis of Assisi Catholic Church Ruiru Self-Help Group, commonly known as the Ruiru Fund, operates under the Caritas Nairobi Self-Help Programme within the Archdiocese of Nairobi. This group was established in 1995 by 30 members of the Catholic Women Association (CWA) in Ruiru Parish, Kiambu County. Since its inception, the group has experienced significant growth and has become the leading Self Help Group under the Caritas Nairobi Self Help Programme. The Ruiru

Fund aims to promote self-reliance and improve the socio-economic status of its members through savings and credit facilities. Its objectives include: Encouraging a savings culture among members; providing affordable credit facilities to members; Empowering women and the community through financial education and support (Ruiru Catholic Fund, 2023). The group engages in various activities and programs to achieve its mission

**Savings and Credit:** Members are encouraged to save regularly, and the accumulated savings are used to provide loans at affordable interest rates;

**Financial Education:** Workshops and training sessions are conducted to educate members on financial management, entrepreneurship, and other relevant skills;

**Community Support:** The group participates in community development projects and supports charitable activities within the parish and beyond. The SHG has already achieved the following;

**Membership Growth:** From 30 members in 1995 to over 20,000 members currently;

**Financial Milestone:** Members' savings have surpassed KSH 1 billion, reflecting the group's strong financial foundation;

**Leadership in Caritas Nairobi:** Recognized as the leading Self Help Group under the Caritas Nairobi Self Help Programme. The Ruiru Fund aims to continue its growth trajectory by; Expanding its membership base; Increasing the variety and scope of its financial products and services; Enhancing the capacity of its members through continuous education and training; Strengthening its role in community development and social welfare initiatives (Ruiru Catholic Fund, 2023).

### Objectives of the Study

The main aim of this investigation was to evaluate the socioeconomic transformation facilitated by the Ruiru Fund Self Help Group Programme within the framework of the Caritas Nairobi Self Help Programme. The specific objectives of the investigation were.

1. Investigate the influence of group's growth trajectory on socioeconomic performance of Ruiru Fund Self Help Group
2. Analyze influence of the challenges along the progressive paths on socioeconomic performance of Ruiru Fund Self Help Group
3. Assess influence of the group leadership structure on socioeconomic performance of Ruiru Fund Self Help Group

### Hypothesis

The hypotheses of the investigation included;

H01: Group's growth trajectory does not significantly influence socioeconomic performance of Ruiru Fund Self Help Group

H02: The challenges along the progressive paths do not significantly influence socioeconomic performance of Ruiru Fund Self Help Group

H03: The group leadership structure does not



significantly influence socioeconomic performance of Ruiru Fund Self Help Group.

## LITERATURE REVIEW

### Theories of the Study

Empowerment theory, as proposed by Zimmerman (2000), involves using interventions to help communities gain a sense of control. Communities may feel powerless for various reasons, and the focus of empowerment theory is on how oppression contributes to this feeling and how communities can overcome it. The theory aims to assist disadvantaged individuals at personal, group, and community levels to acquire personal, interpersonal, economic, and political power to enhance their livelihoods. Fundamentally, empowerment theory challenges systems that prevent people from meeting their essential needs (Perkins & Zimmerman, 1995). External agents are crucial for capacity building because people need new ideas, understanding, and information to change their perceptions and mindsets, encouraging them to act against barriers in their households and communities.

Empowerment is seen as an ongoing process that involves personal determination in making choices that can improve individual and community well-being (Kabeer, 2005; Mosedale, 2005). For significant poverty reduction, interventions like microfinance services should help liberate poor individuals by providing them with the means to earn a living. Microfinance institution services offer access to and control over resources to create a sustainable, long-term livelihood and reap the material benefits of this access and control (Mosedale 2005). This fosters a spirit of independence and does not merely address existing needs (Kabeer, 2005).

### Empirical Review

Abdullah *et al.* (2021) identified microfinance financial services, training programs, and business coaching had effect on household socioeconomic performance. Additionally, the efficiency of microfinance institutions' services is considered a moderating factor that can enhance the effectiveness of microfinance services. The findings offer valuable insights for policymakers, financial institutions, households, micro-enterprises, and researchers to better comprehend microfinance interventions and their impact on household economic mechanisms.

Mukabazaire and Rusibana (2023) studied effect of Microfinance Institutions Services on Socio Economic Welfare of Women in Rwanda. A Case of Selected Umurenge SACCOs in Kigali City. The findings indicated that access to credit and social-economic welfare of women have a positive and moderately strong correlation ( $r = 0.614$ ,  $p < 0.05$ ). Saving facilities and social-economic welfare of women also have a positive and moderately strong correlation ( $r = 0.606$ ,  $p < 0.05$ ). Collaterals facilities and social-economic welfare of women have a positive and strong correlation ( $r = 0.536$ ,

$p < 0.05$ ). These correlations suggest that women's socio-economic welfare of women in Kigali City is positively influenced by better access to credit, saving facilities, and collateral facilities.

The multiple regression  $R$  is 0.704, indicates the strength and direction of the overall linear relationship between the study variables. Indicating a moderately strong positive relationship between the predictors and the dependent variable. The coefficient of determination ( $R$  Square) represents the proportion of variance in the dependent variable that the predictors explain. In this model, the  $R$  Square value is 0.495, which means that approximately 49.5% of the variance in the dependent variable can be explained by the combined effects of collaterals facilities, access to credit, and saving facilities. Dhungana (2023) investigated the perceived impact of microfinance on livelihood improvement in the Kaski District of Nepal. The study revealed that microfinance significantly enhances the livelihoods of poor and marginalized populations. Microfinance interventions have notably improved clients' economic conditions, including the establishment of microbusinesses, increased income levels, saving habits, productive investments, consumption, and capital expenditures. Additionally, clients' social conditions have significantly improved, particularly in terms of educational status, health status, women's empowerment, and social networking. Despite debates over its efficacy, microfinance can be instrumental in promoting economic growth and improving the lives of low-income individuals and communities. The regulatory authority should ensure both the welfare of clients and the sustainability of microfinance institutions by developing sound financial and social outreach efficiencies.

Mehta (2023) examined the impact of microfinance institutions on the socioeconomic development of women in Saurashtra. The study utilized both exploratory and descriptive research methods to achieve its objectives. The researcher collected data from various self-help groups across different blocks on multiple dates. To analyze the primary data, several statistical tools were employed, including Descriptive Analysis, Chi-square test, ANOVA, Garret ranking technique, Discriminate Function Analysis, Friedman Test Factor Analysis, Kendall's coefficient of concordance test, Kruskal-Wallis test, Neural Network, and Structural Equation Modeling. The study concluded that obtaining microfinance loans from these institutions significantly empowers women economically, socio-culturally, and politically. Additionally, the findings revealed that beneficiaries of microfinance loans experience better employment opportunities, increased income, and greater participation in household financial decision-making compared to non-beneficiaries.

Chikwira *et al.* (2022) argued that microfinancing aims to combat poverty by providing credit to poor and marginalized economic sectors. However, the core objective of these institutions has yet to materialize,

particularly in developing economies. Their study analyzed the role of microfinancing in poverty alleviation using a Vector Error Correction Model on quarterly time-series data. The results indicated a significant long-term relationship among variables such as poverty, microfinancing, SMEs, and agricultural growth. Contrary to expectations, microfinancing was found to increase poverty in the long run, while SMEs and agricultural development reduced poverty levels. In the short run, the regression results showed that SME growth alleviates poverty and that poverty drives the growth of microfinance loans. This suggests that the increase in SMEs is effective in reducing poverty, but the growth of microfinance institutions is propelled by existing poverty. The study concludes that improper use of microfinancing can exacerbate poverty, indicating that the mere provision of funds is insufficient for poverty reduction.

Mrindoko and Pastory (2022) investigated the impact of Microfinance Institutions (MFIs) services on poverty reduction among micro and small entrepreneurs in Iringa Municipality, Tanzania. The study included 333 micro and small entrepreneurs who had utilized MFI services. Using a cross-sectional survey design within a mixed research approach, data were collected from micro and small entrepreneurs through a structured questionnaire and from key informants using an interview guide. Out of the 333 distributed questionnaires, 320 were deemed usable for data analysis, while the remaining contained incomplete data. The study found that the entrepreneurs were engaged in sectors such as manufacturing, agriculture, services, and commerce. While most MFI services did not significantly improve the income of these entrepreneurs, the results indicated that MFIs have contributed to poverty reduction among micro and small entrepreneurs in Iringa Municipality.

Kireti and Sakwa (2014) examined the socio-economic impacts of microfinance services on women using the case of Rosewo Microfinance in Nakuru County, Kenya. The findings highlighted that microfinance services significantly influenced the socio-economic status of women. Access to microcredit services was associated with increased income levels, expanded enterprise stocks and output, and higher spending on health and education services. Additionally, micro-savings services provided women with increased capital resources for education and healthcare, smoothed irregular income patterns for better consumption management, and boosted income generation for wealth accumulation. The study also found that microinsurance services fostered stronger trust networks, enhanced social connections, and motivated greater participation in development activities among women. Lastly, non-financial services from microfinance institutions were noted to stabilize income levels, thereby alleviating production constraints and enhancing economic stability.

Patel (2023) suggests that the current body of literature indicates that microfinance affects household income,

employment, gender empowerment, education, and health. These aspects are analyzed in terms of their influence on significant poverty indicators. While the study supports the link between microfinance and poverty reduction, it acknowledges scholarly debate about its effectiveness. Technological innovation is proposed as a potential solution to address these issues, warranting further investigation.

Diar *et al.* (2017) investigated the factors influencing the growth of Microfinance Institutions (MFIs) in Kenya, focusing on selected microfinance banks in Nairobi City County. The study employed a descriptive research design where data was collected through questionnaires distributed to respondents. The study population consisted of microfinance institutions within Nairobi County, with a sample size of 20% drawn from a target population of 180 institutions. Thirty-six staff members representing various levels of the institutions were included in the study using a stratified random sampling technique.

Both primary and secondary data were utilized for data collection, analysis, presentation, and discussion of research findings. Primary data included financial and income statements spanning a five-year period, which were summarized and analyzed using SPSS version 21 to perform inferential statistics, including multiple regression analysis to ascertain relationships between dependent and independent variables. The study findings indicated a positive and significant relationship between leverage, financial literacy, and the growth of microfinance institutions in Kenya. It was concluded that the expansion of these institutions could positively impact the welfare of their clients, contingent upon achieving sound financial growth and stability. The study recommended that microfinance institutions develop strategies to ensure adequate leverage levels to meet operational needs and implement appropriate policies and procedures to achieve these objectives.

## METARIALS AND METHODS

### Location of the Study

The investigation was conducted at St. Francis of Assisi Catholic Church Ruiru Self Help Group (Ruiru Fund) operating under Caritas Nairobi Self Help Programme in the Archdiocese of Nairobi. St. Francis of Assisi Catholic Church Ruiru Self Help Group which is currently the leading Self Help Group under Caritas Nairobi Self Help Programme with over 20,000 (twenty thousand) members and members' savings in excess of KSH 1 Billion.

### Study Design

The study adopted descriptive survey and predictive correlation research designs, collecting data from respondents who have had practical experience with the socioeconomic impact assessment of Ruiru Fund Self Help Group Programme. Descriptive survey and predictive correlation research designs was

useful because the researcher wanted to collect data on phenomena that cannot be observed directly. Its advantage is that it allowed for the collection of large amounts of data from a sizeable population in a highly effective, easily and in an economical way by the use of questionnaires. Predictive correlation design was used due to its appropriateness in the measurement of two or more variables and the relationship between or among those variables (Stangor, 2011).

### Target Population

The total number of members of St. Francis of Assisi Catholic Church Ruiru Self Help Group is 20,000 scattered all over the Nairobi and Kiambu Counties. The accessible population for the investigation was 11,027 members of St. Francis of Assisi Catholic Church Ruiru Self Help Group. This population was useful for the investigation because they have been involved in savings and taking loans towards the socioeconomic transformation of their social and economic activities.

### Sample Size and Sampling Procedure

The sample drawn from every stratum was proportionate to the stratum's share of the total population. Representative sample which enabled generalization of the findings was derived from Yamane (1967) formula  $n = N/(1+Ne^2)$

Where;

$n$  = sample size

$N$  = Population

$e$  = precision error which is 0.05

Therefore, out of a population of 11,027 members of St. Francis of Assisi Catholic Church Ruiru Self Help Group, the sample consisted of 110 member as expressed in the formula  $n = 11,027/1+ (11,027 * 0.0025) = 109.1684 \approx 110$ . The sample size in this study was selected based on the criteria set by Roscoe's rule of thumb Sekaran (2003) that is a sample that is larger than 30 and less than 500 is appropriate for most research. The sample size in this study was 110 which is within the 30-500 range Roscoe's rule of thumb. The study then used random sampling technique to pick the sample.

The study used structured questionnaire as the main data collection tool. Questionnaire is appropriate in a survey research because it is simple to administer and ease for the respondents to score on a 5 point Likert Scale which is easy to analyze (Cohen *et al.*, 2007). Structured Questionnaire is also useful in obtaining consistency across the respondents (Denscombe, 2007). This allowed the collection of ordinal measure data from the respondents. Each section of the questionnaire investigated a given variable and was used to test the corresponding hypothesis and research questions. To increase response rate, questionnaires were sent to all members of the population and responses randomly picked to meet the sample numbers. To accelerated data collection process, the investigator used Google Forms where a link was sent to the respondents and when they

filled the questionnaire, it came back to the investigator's database.

### Data analysis and presentation

The researcher used multiple linear regression to investigate socioeconomic impact assessment of Caritas Nairobi Self Help Programme: Ruiru Fund Self Help Group Programme. Linear regression was used to test the relationship between variables due to the linear relationship between them. The following regression model was used for quantitative procedures examining the relationship between independent and dependent variables;

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

Where;

$Y$  = Socioeconomic Impact

$\alpha$  = constant

$\beta_1, \dots, \beta_3$  = Regression Coefficients

$X_1$  = Group's growth trajectory

$X_2$  = the challenges along the progressive paths

$X_3$  = the group leadership structure

$\epsilon$  = the error term.

## RESULTS AND DISCUSSIONS

### Demographic Results

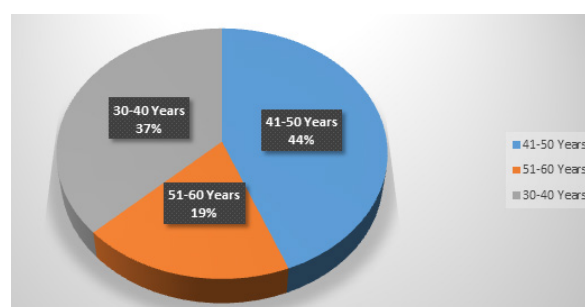
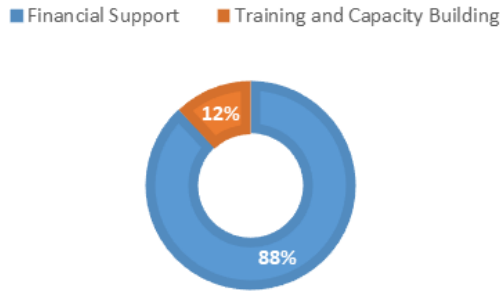


Figure 1: Age Bracket of the Respondents

The results established that majority of the respondents 44% observed that the members were within the age bracket of 41-50 years followed by 37% who were within 31-40 years age bracket and 19% who were within 51-60 years age bracket. This finding indicated that the programme was attracting middle age members for their transform their socioeconomic status. This demographic may have specific needs such as career advancement, family support, health considerations, and financial planning for retirement. Ruiru Fund Self Help Group should therefore address these needs effectively.

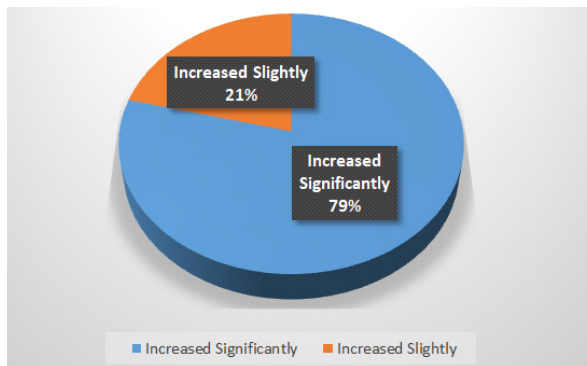
The results on the Motivation of Joining the Programme established that majority of the respondents 88% were motivated to join the Ruiru Fund Self Help Group Programme in pursuit of financial support compared to 12% who were motivated by training programme. This strong motivation suggests that financial needs are the primary concern for the majority of members. In order for the programme to pursue this motivation, it should increase the availability and accessibility of credit and



**Figure 2:** The Motivation of Joining the Programme

loan facilities. Ensure that these financial products are tailored to meet the diverse needs of members, such as small business loans, emergency loans, and microfinance options. The Programme should allocate resources effectively to strengthen financial support services. This includes funding for loan schemes, financial counseling, and development of financial products that meet member needs. In its promotional programme. In marketing and outreach efforts, the Programme should emphasize the financial support benefits of joining the Ruiru Fund Self Help Group Programme. Success stories and testimonials from members who have benefited financially can attract new members.

#### Ruiru Fund Self Help Group Growth Trajectory

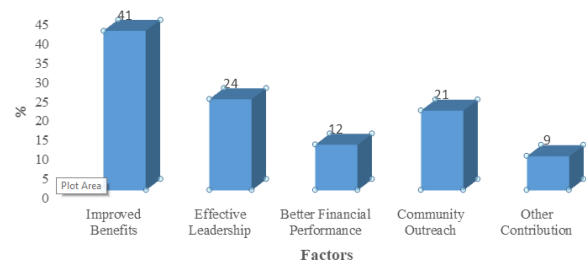


**Figure 3:** The number of group members changed since its inception

The finding on the number of group members changed since its inception, the results revealed that majority of the respondents 79% observed that membership had increased significantly compared to 21% who observed that membership had increased slightly. The significant increase in membership (79% of respondents) indicates that the Ruiru Fund Self Help Group Programme is perceived as effective and attractive. This growth suggests that the program is meeting the needs and expectations of its members. The increase in membership reflects a positive reputation within the community, likely driven by word-of-mouth recommendations and visible benefits experienced by current members.

As membership grows, it is crucial to maintain the

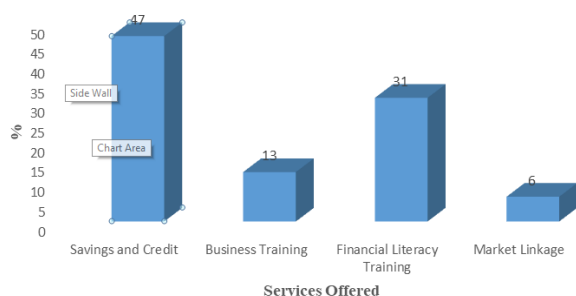
quality of services provided. This might involve scaling up operations, hiring additional staff, and implementing robust quality control measures. Efforts should be made to continue offering personalized services to members, ensuring that individual needs are met despite the larger group size. The significant increase in membership means that the program is likely having a broader impact on the community. This increased influence can be leveraged to implement larger community development projects and initiatives. A larger membership base enhances the social capital of the group, providing more opportunities for networking, collaboration, and collective action. The growth in membership is a positive indicator for the long-term sustainability of the program. However, it also requires careful planning to ensure that the program can sustain this growth over time without compromising its core values and objectives. By addressing these implications, the Ruiru Fund Self Help Group Programme can effectively manage its significant membership growth, ensuring continued success and a positive socioeconomic impact on its members and the broader community.



**Figure 4:** Factors Have Contributed to the Change in Membership

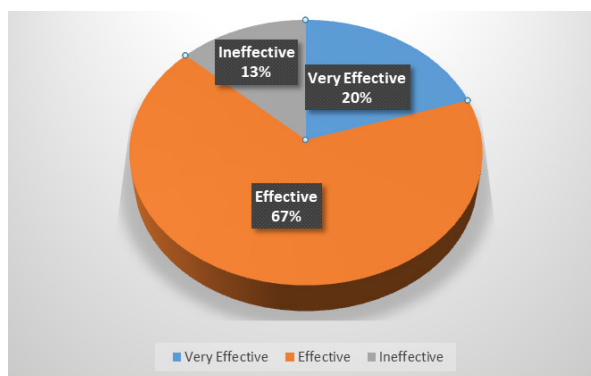
The results suggest that the primary factor driving membership growth in the Ruiru Fund Self Help Group Programme is improved financial benefits, as indicated by 41% of respondents. This implies that financial incentives are the most significant motivator for joining the program. Additionally, effective leadership, noted by 24% of respondents, plays an important role, suggesting that strong management and guidance are also key to attracting members. Community outreach, observed by 21%, indicates that efforts to engage and involve the community are essential but less influential than financial benefits and leadership. Lastly, better financial performance, cited by 12% of respondents, shows that while financial success is a factor, it is the least impactful of the four identified drivers. Overall, these results highlight the importance of focusing on financial incentives and effective leadership to continue growing membership. Results concerning the services to the members (See Figure 5) revealed that majority of respondents 47% observed the members utilized savings and credit, 31% observed that members also utilized financial literacy, 13% observed that the members utilized business training and only 6% of the respondents observed that the members





**Figure 5: Services Utilized From the Programme**

utilized market linkages. With 47% of respondents noting that members primarily utilize savings and credit services, there is a strong demand for financial products that support savings growth and access to credit. This suggests a need to continue emphasizing and expanding these services to meet member needs effectively. The significant observation (31%) that members utilize financial literacy services underscores the importance of education in financial management. Strengthening these programs can empower members to make informed financial decisions, potentially improving their overall financial health and sustainability. Despite being mentioned by 13% of respondents, the utilization of business training services highlights a notable but somewhat lower interest compared to financial and savings services. There may be opportunities to enhance these offerings to better support members in developing and managing their businesses effectively. The low utilization rate of market linkages, noted by only 6% of respondents, suggests a potential area for improvement. Strengthening efforts to connect members with markets could enhance their ability to sell products or services, thereby increasing their income and economic opportunities.

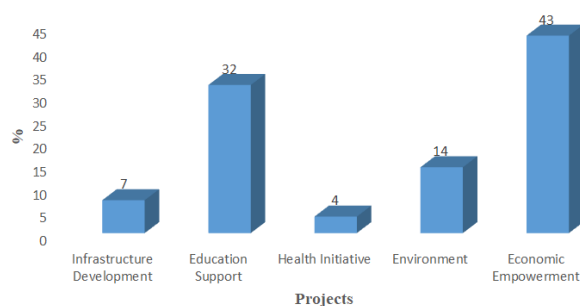


**Figure 6: Rating the Overall Effectiveness of the Programme**

Results on rating the overall effectiveness of the programme (See Figure 8) revealed that majority of respondents 67% observed that the Ruiru Fund Self Help Group Programme was effective, 20% observed that the Programme was very effective and 13% observed that the programme was ineffective. This high satisfaction level suggests that the program is meeting or exceeding

expectations in fulfilling its objectives and delivering benefits to its members. Despite the overall positive ratings, the 13% who found the program ineffective highlight areas where improvements may be needed. Understanding the reasons behind this perception can provide insights into specific aspects of the program that require attention, such as service delivery, member engagement, or program management.

The high satisfaction rates present an opportunity to build on existing strengths and successes of the program. By identifying and reinforcing what members find effective, the program can continue to enhance its impact and relevance within the community. Given the varying perceptions of effectiveness, it's important for program managers to regularly evaluate feedback and adapt strategies accordingly. This ongoing process of evaluation and improvement can ensure that the program remains responsive to the evolving needs and expectations of its members.



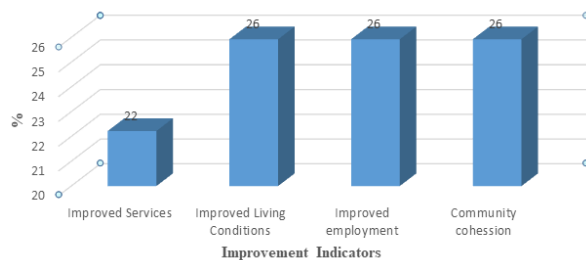
**Figure 7: Projects Members of Ruiru Fund Self Help Group Programme Participated in**

Concerning the projects members of the Ruiru Fund Self Help Group Programme participated in, the results revealed that majority of respondents 43% observed that members used the credit from the Programme in economic empowerment, 32% observed that members used the credit to support education of their family members, 14% used the credit for environmental conservation, 7% used the credit for infrastructural development and 4% used the credit for health initiatives. The majority (43%) of respondents noting that members used credit for economic empowerment highlights a significant priority within the program. This suggests that access to credit plays a crucial role in supporting members' entrepreneurial activities and income-generating projects. Emphasizing and expanding these economic opportunities can further empower members economically.

The substantial number (32%) of respondents indicating that members used credit to support education underscores the importance of education within the community. This usage suggests that the program not only supports economic activities but also contributes to improving educational outcomes for members' families, potentially leading to broader community development. While smaller percentages (14% and 7%, respectively) used credit for environmental conservation

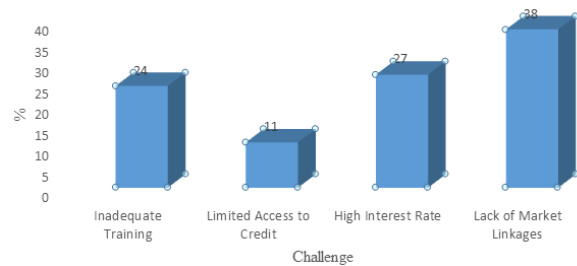


and infrastructure development, these areas indicate a commitment to broader community welfare and sustainability. Strengthening initiatives in these areas could enhance environmental stewardship and improve local infrastructure, contributing to long-term community resilience and quality of life. The variety of projects members engage in reflects the program's multifaceted impact and its ability to cater to diverse community needs. This diversity underscores the program's adaptability and responsiveness to local priorities, fostering a more inclusive approach to community development.



**Figure 8:** How Quality of Life Improved

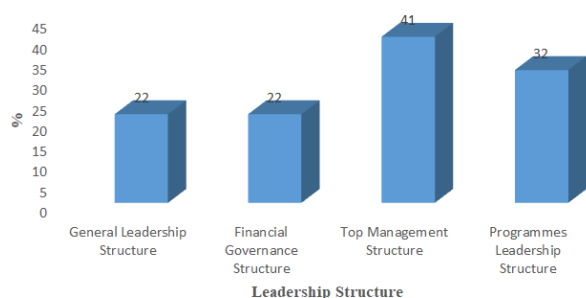
Figure 8 reveals the socioeconomic improvement of quality of life of the members. Majority of respondents 26% observed that the Ruiru Fund Self Help Group Programme has improved members living conditions, employment and community cohesion respectively Compared to 22% who observed that generally the services had improved. The majority (26%) of respondents noting improvements in members' living conditions and employment highlights the program's positive impact on socioeconomic factors. This suggests that the program effectively supports members in enhancing their livelihoods and achieving greater economic stability, potentially reducing poverty and improving overall well-being. Another significant observation (26%) is the improvement in community cohesion attributed to the program. This indicates that the program not only benefits individual members but also strengthens social ties and unity within the community. Building on this aspect can foster a supportive and collaborative environment among members, enhancing overall community resilience and solidarity. While slightly fewer respondents (22%) noted a general improvement in services, this finding underscores the program's overall effectiveness in delivering valuable services to its members. Continuously enhancing service delivery and responsiveness to member needs can further strengthen the program's impact and sustainability. This finding is supported by Patel (2023) who established that the current body of literature indicates that microfinance affects household income, employment, gender empowerment, education, and health.



**Figure 9:** Challenges Faced While Participating in the Programme

### Ruiru Fund Self Help Group Challenges along the Progressive Paths

Concerning the challenges faced while participating in the Programme, results revealed that the Ruiru Fund Self Help Group Programme faced the majority of respondents 38% observed that the Programme faced lack of market linkage to its members as a challenge, 27% observed that the members were still exposed to high interest rates, 24% observed that the members had inadequate training on operations of microfinance based Self Help groups. The majority (38%) of respondents identifying lack of market linkage as a challenge indicates a critical area for improvement. Addressing this challenge can enhance members' ability to sell their products or services, thereby increasing their income and economic opportunities. Strengthening efforts to connect members with markets through partnerships or training programs could significantly benefit program participants. A significant number (27%) of respondents highlighting high interest rates as a challenge underscores the financial burden on members accessing credit through the program. Lowering interest rates or providing financial literacy programs to help members manage debt effectively could mitigate this challenge and improve the overall financial health of participants. The observation (24%) that members have inadequate training on the operations of microfinance-based Self Help groups points to a need for capacity-building initiatives. Providing comprehensive training on financial management, group dynamics, and governance can empower members to effectively manage their groups and maximize the benefits of program participation. Addressing these challenges is crucial for enhancing the program's sustainability and impact. By improving market linkages, reducing interest rates, and enhancing training programs, the program can better support members in achieving their economic and social goals. This, in turn, can contribute to the long-term success and resilience of the Self Help Group Programme.



**Figure 10:** Required Improvement in the Leadership Structure

Concerning required improvement in the leadership structure, majority of respondents 41% observed that there is an urgent need in the improvement of the top management leadership structure of the Ruiru Fund Self Help Group Programme, 32% observed a need to improve programme based leadership structure while 22% observed a need to improve both general leadership structure and financial governance leadership structure. The majority (41%) of respondents emphasizing the urgent need to improve the top management leadership structure highlights a critical area for organizational development. Strengthening leadership at the executive level can enhance strategic direction, decision-making, and overall governance, ensuring effective management and alignment with organizational goals.

The significant number (32%) of respondents identifying a need to improve program-based leadership structure suggests a focus on enhancing leadership within operational and programmatic aspects of the organization. This can improve program implementation, member engagement, and service delivery, ultimately enhancing the program's impact and effectiveness. The observation (22%) that there is a need to improve both the general

leadership structure and financial governance leadership structure underscores the importance of governance and financial oversight. Strengthening these areas can improve transparency, accountability, and financial management practices, thereby enhancing organizational integrity and sustainability.

Addressing these leadership structure improvements requires strategic development and capacity-building initiatives. Investing in leadership training, succession planning, and governance frameworks can empower leaders at all levels to effectively manage and lead the organization, driving continuous improvement and organizational growth. These findings underscore the organization's commitment to achieving excellence in leadership and governance. By prioritizing these improvements, the Ruiru Fund Self Help Group Programme can enhance its operational efficiency, member satisfaction, and overall impact, positioning itself for long-term success and sustainability.

### Socioeconomic Impact of Ruiru Fund Self Help Group Programme

The investigator conducted inferential statistics using multiple regression analysis to establish the socioeconomic impact of Ruiru Fund Self Help Group Programme. The investigator tested the following hypotheses;

H01: Group's growth trajectory does not significantly influence socioeconomic performance of Ruiru Fund Self Help Group

H02: The challenges along the progressive paths do not significantly influence socioeconomic performance of Ruiru Fund Self Help Group

H03: The group leadership structure does not significantly influence socioeconomic performance of Ruiru Fund Self Help Group

**Table 1:** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.703 <sup>a</sup>	.494	.488	.76196

Table 1 results showed that there was a strong association since the R-value was 0.703 and the R Square was 0.494. The proportion of the dependent variable is revealed by the R<sup>2</sup> value, "Group's growth trajectory, the challenges

along the progressive paths and the group leadership structure". In this case, 49.4% was the R Squared, which was large indicating a high degree of correlation.

**Table 2:** Anova Socioeconomic Impact of Ruiru Fund Self Help Group Programme

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	178.001	4	44.500	76.648	.000 <sup>b</sup>
Residual	182.301	314	.581		
Total	360.302	318			

The predictor: Measure indicators of Group's growth trajectory, the challenges along the progressive paths and the group leadership structure and the dependent variable is Socioeconomic Impact of Ruiru Fund Self Help Group Programme. Table 2 showed that the regression

prototype substantially forecasted the outcome variable with a p-value of 0.000, less than 0.05, and that the model generally significantly and statistically predicted the result variable. This result indicated that there was a strong association between the dependent (Socioeconomic

Impact of Ruiru Fund Self Help Group Programme) trajectory, the challenges along the progressive paths and variable and the independent variable (Group's growth the group leadership structure).

**Table 3:** Influence of Organizational Structures on Leadership Performance

Model		Unstd Coeff		Std Coeff	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.484	.156		3.096	.002
	Group's growth trajectory	.494	.091	.480	5.434	.000
	The challenges	.215	.092	.200	2.328	.021
	Leadership structure	.363	.080	.048	3.788	.031

First, the study established a positive significant influence of the Group's growth trajectory on Socioeconomic Impact of Ruiru Fund Self Help Group Programme ( $\beta=0.494$ ,  $p=0.000<0.05$ ). This significant positive influence made the researcher conclude that the Group's growth trajectory influenced Socioeconomic Impact of Ruiru Fund Self Help Group Programme. Based on this finding, an increase of the Group's growth trajectory by 1 unit will lead to an increase in Socioeconomic Impact of Ruiru Fund Self Help Group Programme by 0.494 multiple units. This finding is supported by Mehta (2023) who established that microfinance loans from these institutions significantly empowers women economically, socio-culturally, and politically. Additionally, the findings revealed that beneficiaries of microfinance loans experience better employment opportunities, increased income, and greater participation in household financial decision-making compared to non-beneficiaries. The null hypothesis that H01: Group's growth trajectory does not significantly influence socioeconomic performance of Ruiru Fund Self Help Group was therefore rejected.

Second, the study established a positive significant influence of the challenges along the progressive paths on Socioeconomic Impact of Ruiru Fund Self Help Group Programme ( $\beta=0.215$ ,  $p=0.021<0.05$ ). This significant positive influence made the researcher conclude that the challenges along the progressive paths influenced Socioeconomic Impact of Ruiru Fund Self Help Group Programme. Based on this finding, an increase of the challenges along the progressive paths by 1 unit will lead to an increase in Socioeconomic Impact of Ruiru Fund Self Help Group Programme by 0.494 multiple units. The null hypothesis that H02: the challenges along the progressive paths do not significantly influence socioeconomic performance of Ruiru Fund Self Help Group was therefore rejected.

Third, the study established a positive significant influence of the group leadership structure on Socioeconomic Impact of Ruiru Fund Self Help Group Programme ( $\beta=0.361$ ,  $p = 0.031<0.05$ ). This significant positive influence made the researcher conclude that the group leadership structure influenced Socioeconomic Impact of Ruiru Fund Self Help Group Programme. Based on this finding, an increase of the group leadership structure by 1 unit will lead to an increase in Socioeconomic

Impact of Ruiru Fund Self Help Group Programme by 0.494 multiple units. This finding is supported by Dhungana (2023) who established that microfinance significantly enhances the livelihoods of poor and marginalized populations. Microfinance interventions have notably improved clients' economic conditions, including the establishment of microbusinesses, increased income levels, saving habits, productive investments, consumption, and capital expenditures. Additionally, clients' social conditions have significantly improved, particularly in terms of educational status, health status, women's empowerment, and social networking. The null hypothesis that H02: the group leadership structure does not significantly influence socioeconomic performance of Ruiru Fund Self Help Group was therefore rejected.

## CONCLUSION

The main aim of this investigation was to evaluate the socioeconomic transformation facilitated by the Ruiru Fund Self Help Group Programme within the framework of the Caritas Nairobi Self Help Programme. The first objective of the study was to investigate the influence of group's growth trajectory on socioeconomic performance of Ruiru Fund Self Help Group. The study established a positive significant influence of the Group's growth trajectory on Socioeconomic Impact of Ruiru Fund Self Help Group Programme. The significant positive influence made the researcher conclude that the Group's growth trajectory influenced Socioeconomic Impact of Ruiru Fund Self Help Group Programme. The second objective was to analyze influence of the challenges along the progressive paths on socioeconomic performance of Ruiru Fund Self Help Group.

The study established a positive significant influence of the challenges along the progressive paths on Socioeconomic Impact of Ruiru Fund Self Help Group Programme. The significant positive influence made the researcher conclude that the challenges along the progressive paths influenced Socioeconomic Impact of Ruiru Fund Self Help Group Programme. The third objective of the study was to assess influence of the group leadership structure on socioeconomic performance of Ruiru Fund Self Help Group. The study established a positive significant influence of the group leadership structure on Socioeconomic Impact of Ruiru Fund Self Help Group

Programme. The significant positive influence made the researcher conclude that the group leadership structure influenced Socioeconomic Impact of Ruiru Fund Self Help Group Programme.

### Recommendations

1. Ruiru Fund Self Help Group Programme should develop strong financial internal control systems and align all financial systems towards the recommendation of the Parent Organization; Caritas Nairobi Self Help group Programm for effective functionality. By implementing these measures, the Ruiru Fund Self Help Group Programme can develop strong financial internal control systems that align with the recommendations of Caritas Nairobi Self Help Group Programme, thereby ensuring effective functionality, enhanced financial integrity, and long-term sustainability.

2. Ruiru Fund Self Help Group Programme should develop and implement comprehensive training programs focused on enhancing the leadership skills of current and potential leaders within the group. These programs should cover areas such as strategic planning, conflict resolution, decision-making, and effective communication

3. Ruiru Fund Self Help Group Programme should evaluate term limits and rotation policies for leadership positions to prevent stagnation and bring in fresh perspectives. This can also provide opportunities for more members to develop leadership skills. The Programme should also promote diversity and inclusivity within the leadership structure. Ensure that leadership positions are accessible to all members, including women, youth, and marginalized groups, to reflect the diverse makeup of the group

4. Ruiru Fund Self Help Group Programme should allocate a dedicated budget for leadership development activities, including training, workshops, and capacity-building initiatives. Investing in leadership development can yield significant returns in terms of group performance and impact. The Programme should provide leaders with access to the necessary tools, resources, and support systems to perform their roles effectively. This includes access to technology, information, and expert advice

5. Ruiru Fund Self Help Group Programme should streamline internal processes to enhance efficiency and reduce the likelihood of operational challenges. This includes improving communication channels, decision-making procedures, and project management practices. The programme should further utilize external resources such as grants, technical assistance, and mentorship programs to provide additional support in addressing complex challenges. By implementing these recommendations, the Ruiru Fund Self Help Group Programme can effectively address and mitigate the challenges encountered along its progressive paths, thereby enhancing its socioeconomic impact and contributing to the sustainable development and well-being of its members.

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