

# Influence of Team Factors on Performance of Women Enterprise Fund Loan Groups in South Imenti Constituency, Kenya

Mary Mwangi<sup>1</sup>, Erick Kiprono Bor <sup>2</sup>, Samson Wokabi Mwangi<sup>3</sup>

<sup>1</sup>MA Student in Sociology (Community Development and Project Management) at Egerton University- Kenya

<sup>2,3</sup>Senior Lecture, Department of Peace, Security and Social Studies at Egerton University- Kenya

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## ABSTRACT

The Women Enterprise Fund (WEF) was established in 2007 as a programme for empowering women and reducing poverty. Studies conducted on this programme have found that while there are some women groups that have excelled after receiving funds, a good number have performed dismally. The objective of this study was to assess the influence of team factors on the performance of WEF loan groups in South Imenti Constituency. The study utilized the descriptive research design where 76 women groups that received WEF loans in 2014 were targeted. Data was collected from a sample of 12 women groups that were selected using a multistage sampling method that combined clustered, random, and purposive sampling techniques. Focus group discussions were used to collect data from group members while semi-structured interviews were used to collect data from group officials. Quantitative data was analysed using descriptive statistics through the Statistical Packages for Social Sciences (SPSS) version 27 and result presented using tables and figures. Qualitative data was analysed using the thematic analysis technique and results presented using illustrative quotes. Result showed that the performance of the groups was moderate with the majority having a monthly group income of Ksh 10,000-49,999. Most of the groups had also acquired assets like livestock, tents and seats but had also engaged in acquisition of non-productive assets like kitchenware. The performance of the groups was influenced by team factors like group size, group leadership, and group cohesion. Based on these findings, the study concludes that team factors influence the performance of WEF loan groups in South Imenti Constituency. The findings underscore the need for development policies that promote optimal group sizes and prioritize team-building initiatives.

**Keywords:** Team, performance, women groups, cohesion, group size, leadership.

## INTRODUCTION

The International Monetary Fund (IMF) identified gender discrimination as one of the main characteristics of a country that leads to rural poverty (Fernandez et al., 2021). In rural areas, women constitute more than 50% of the population and assume the roles of producers and procreators in their communities. However, rural women involvement in family responsibilities has left little room for their involvement in economic activities outside family farms (Chekol, 2023).

The government of Kenya initiated the Women Enterprise Fund (WEF) in 2007 through Legal Notice No. 147: Government Financial Management Regulations with the aim of empowering women. It is a semi-autonomous Government Agency that provides credit and other financial services to women (Women Enterprise Fund, 2017). WEF's vision is to socially and economically empower Kenyan women by mobilizing resources and offering access to affordable credit and business support services. WEF loans are accessed through two main channels: the Constituency Women Enterprise Scheme (CWES) and Financial Intermediary Partners (FIS) (Women Enterprise Fund, 2017). The FIS channel offers credit to individual women, groups and companies owned by women at a rate of 8% per annum on reducing balance. Eligible entities can borrow up to Ksh. 2 million, but

loans of above Ksh. 500,000 require approval by the WEF board (Mwirigi, 2017). The maximum repayment period is 36 months and candidates are required to provide collateral depending on the Financial Intermediary.

The CWES channel only offers credit to registered groups of 10 or more members whose women representation is more than 70% and all leadership positions are held by women (Women Enterprise Fund, 2017). This channel uses a cycle approach to determine the maximum amount of credit that a group can access. Eligible groups applying for a loan for the first time can only get a maximum of Ksh. 100,000 while groups applying for the 5<sup>th</sup> time get a maximum of Ksh. 750,000 depending on how well they repaid previous loans (Musya, 2019). The loan is interest free, repayable within one year with the only cost being a 5% administrative fee. The CWES loan was of particular interest to this study as it provides loans to groups rather than individuals. The rationale behind this approach of lending is to eliminate the need for collateral requirement because the SHGs act as guarantees for the loans (Magaju, 2013). This concept of social collateral has been instrumental in increasing women access to business financing as lack of collateral has been cited as a major factor barring women from accessing capital (Roy & Patro, 2022).

Since its establishment, WEF has dispatched millions of shillings to women groups across the country through the CWES channel. Despite its general success, WEF has encountered several challenges that hinder the realization of its objectives. One of the main challenges is group dynamics. The study by Kilonzo (2011) established that 67% of WEF beneficiaries who had defaulted on their loan cited the collapse of their groups as the main reason for the failure to repay the loan. Although studies exist on table banking, WEF dynamics are underexplored. It is in this regard that the study aimed to examine the influence of team factors on the performance of WEF loan groups in South Imenti Constituency.

## LITERATURE REVIEW

### Empirical Review

A real team comprises of individuals whose membership is stable over a reasonable period of time, have clear affiliation boundaries, and share tasks (Ciaramella & Dall'Orso, 2021). One of the team factors that have been associated with performance of groups is cohesion. In his study conducted in Mwingi Central Suyb-County, Muli (2018) found that groups that had a high level of cohesiveness marked by inter-personal trust between members, high sense of unity and belonging, and high level of honesty and truthfulness among members were more successful than those that were low on these factors. Similarly, groups where members show support and encourage each other also recorded high levels of success. The study however focused on table banking groups, which differ from WEF loan groups in terms of levels of formality. Groups have to be registered in order to qualify for WEF loan while registration is not a requirement for table banking groups (Musya, 2019). It is therefore expected that WEF loan groups will have different dynamics from table banking groups that may have an impact on team cohesion.

Leadership is another team factor that has the potential of affecting the performance of entrepreneurship groups. The importance of leadership was illustrated by Masara et al. (2025) who found that groups whose leaders were more consultative, emphasized on planning, recognize and value other group members were more successful than groups whose leaders lacked these traits. Ciaramella and Dall'Orso (2021) also observed that for a team to be effective, its leadership must be able to create the conditions that propagate innovation and inclusion, values diversity, enhance skills of team members, and fosters collaboration. The leadership must also demonstrate the ability to delegate power and maintain control through creation of a corporate identity, team spirit, and team culture. The current study sought to determine whether such leadership qualities exist among WEF groups in South Imenti Constituency and how they have impacted the performance of these groups.

Group size has also been linked to the performance of groups. In their study examining microfinance loan repayment by groups in South Africa, Machnick and Kollamparambil (2014) found that large groups had poor repayment records than smaller groups. The study also found that groups that were more homogenous particularly in terms of genders performed better than heterogeneous groups. Amir et al. (2018) further observed that a large group size decrease the performance of the group by diminishing the quality of the group's decision-making processes. These results imply that groups with large membership are less likely to make quality

decisions leading to poor group performance. However, the study by Amir et al. (2018) analysed groups of students in an experimental set-up rather than self-help groups in a real-world step. Therefore, results of the study may not represent the real situation among WEF groups in South Imenti Constituency.

Another team factor that has been linked to performance of entrepreneurship groups is the quality of the group decision-making. Wachilonga (2018) found that the ability of the youth groups to make satisfactory financial decision was a critical determinant of their loan repayment success. The study recommended the incorporation of training programmes that are geared towards improving the group's financial literacy and decision-making in order to improve loan repayment. The study by Wachilonga (2018) however focused on loan repayment, which is just one of the indicators of the performance of loan groups. The current study used broader indicators of performance including income generation and asset acquisition by the groups. Inclusion of these indicators is founded on the rationale that while a group may be successful in repaying its loan, it may not be attaining the greater social goals like improving the livelihoods of household, the voice of women, and resilience to shocks.

## Theoretical Framework

The study was anchored on social capital theory developed Pierre Bourdieu and advanced by James Coleman and Robert Putnam. Bourdieu (1985) advanced that social relationships and networks are resources that can contribute to the advancement of the welfare of individuals. Coleman (1988) opined that social relationship create value for individuals by enabling them to access recourses that entrenched in the network. Putnam (1994) value of social network is optimized when group relations are institutionalized leading to high quality relations and increased production of quality resources. Although Bourdieu (1985), Coleman (1988) and Putnam (1994) disagree on the goal of social relationships, they all agree that social relationship are not just for socialization but also have economic and functional value. They also identify the importance of mutual recognition, cohesion and trust in making a social network work. Consequently, group dynamics that affect these elements are bound to have an impact on the networks ability to generate value for its members. The study sought to determine how group size, composition, cohesion, organization, rules, leadership and composition affect the ability of WEF group to deliver value.

## METHODOLOGY

### Study Design

This study employed the descriptive research design that integrated both quantitative and qualitative research methods. The target population for the study was all the 76 women groups that received WEF's Tuinuke (CWES) loan in the year 2014 in South Imenti Constituency, Meru County, Kenya. A single year (2014) was picked to accord a fair comparison of the performance of the groups. The study collected data from 6 wards in South Imenti Constituency, Meru County, Kenya. The wards were: Abogeta East, Abogeta West, Igoji East, Igoji West, Mitunguu, and Nkuene. Based on the judgment regarding the heterogeneity of target population, the sample size was set at 12 WEF loan groups comprising of an estimated 120 women. Proportionate sampling was used to determine the sample size of the groups from each ward for participation in the study. Simple random sampling method was used to select groups from each ward. From each of the selected group, three officials were picked purposively for interviews while the rest of the group members were involved in focus group discussions.

### Data Collection

Ethical approval was obtained from the National Commission for Science, Technology and Innovation (NACOSTI) and verbal informed consent was obtained from respondents. Two methods of data collection were used: focused group discussion and semi-structured interviews. Focus Group Discussions were used to collect data from all members of the 12 groups. Twelve separate focus group sessions were organized; one for each group. Each session lasted for 30 and 45 minutes. Interviewing was used to collect data from group officials. Three interviewees were selected from each of the 12 groups to form a sample of 36 interviewees. The interviews were semi-structured meaning that all participants were asked the same set of questions, but the researcher asked varying follow-up questions depending on the participant's initial response. The interview sessions took between 30 and 45 minutes. Interviews were conducted in the participant's language of choice to ensure that the questions

are understood in a consistent manner. The researcher also took notes of important observations during the data collection exercise.

### Data Analysis

Responses to multiple choice questions in the interview guide was coded and entered into the Statistical Programme for Social Sciences (SPSS) version 27 and analysed using descriptive statistics such as frequencies and percentages. This type of analysis facilitated the identification of trends and patterns regarding performance of WEF loan groups in South Imenti and associated factors (Creswell & Clark, 2023). The thematic analysis technique was used to analyse responses to the open-ended question.

## RESULTS

### Response Rate

The target of the study was to conduct 36 interviews and hold 12 focus group discussions involving 120 participations. Table 1 presents the response rate:

**Table 1: Response Rate**

Category	Expected number	Obtained Number	Response Rate
Interview	36	35	97.2%
FGD	120	116	96.7%
Total	156	151	96.8%

Table 1 shows that the response rate for the interview was 97.2%. The study intended to conduct 36 interviews with officials of the 12 groups but only 35 officials were available. The response rate for the FGD was 96.7%. The study expected to have at least 120 women participating in the 12 FGDs; one FGD per group. This is because all WEF groups have a minimum of 10 members. However, 116 women were available for the FGDs. The total response rate for the study was 96.8%. Booker et al. (2021) opined that although there is no standard threshold that defines a high response rate, a rate of 80% and above should be considered excellent. A high response rate is one of the attributes of quality research as it guarantees reliable data that is free from sampling bias.

### Performance of the WEF Loan Groups

The dependent variable of the study was the performance of the WEF loan groups. Performance was measured using two indicators namely: income and assets. The income of the group was assessed by asking the interviewees to indicate the average amount of income that their group gets per month. Table 2 summarizes this information.

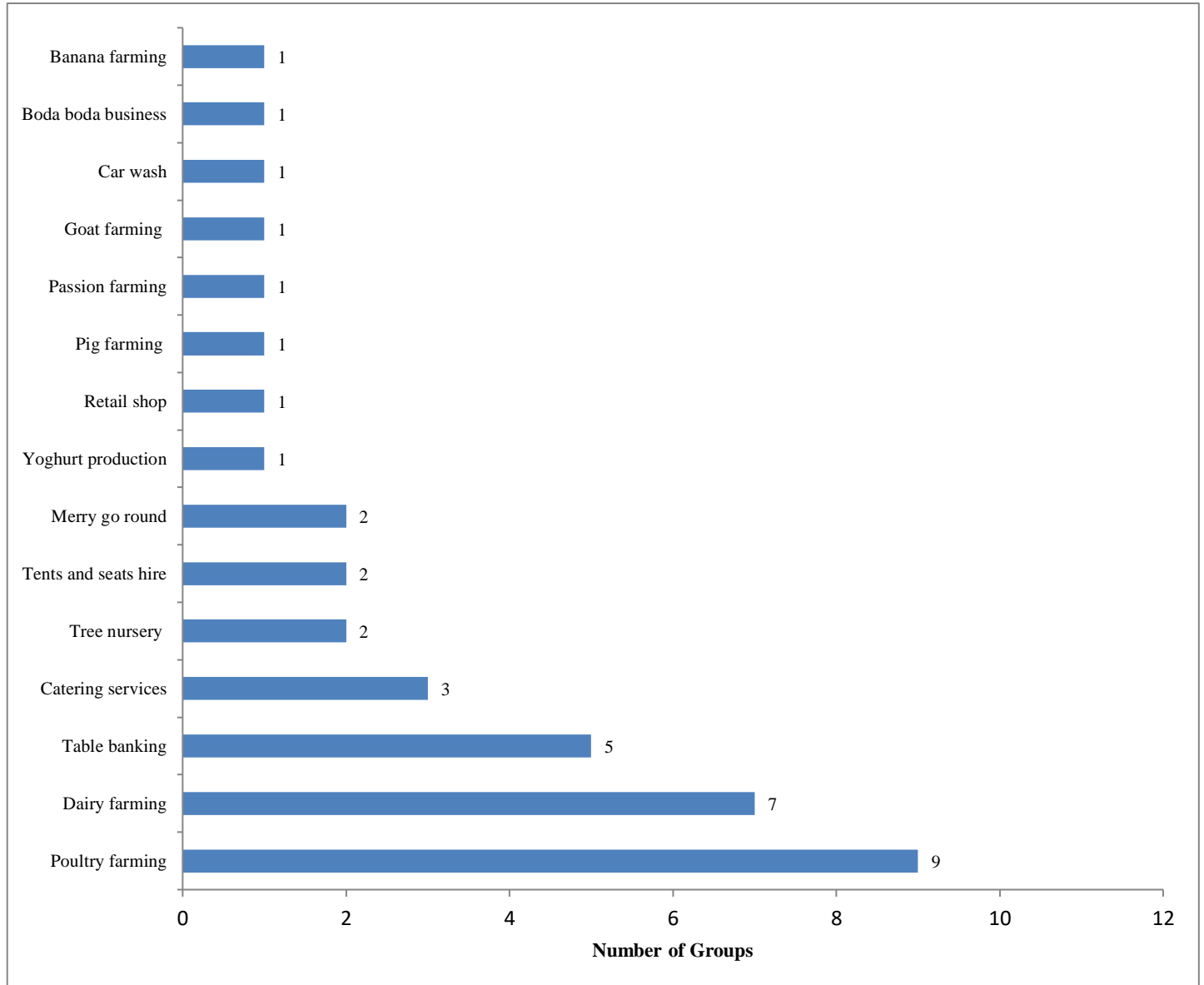
**Table 2: Distribution of the Groups by Monthly Income**

Income Categories (Ksh)	Frequency	Percent
Less than 10,000	1	8.3%
10,000- 49,999	9	75%
50,000- 99,999	2	16.7
<b>Total</b>	<b>12</b>	<b>100.0</b>

Results in Table 2 indicate that 8.3% of the WEF loan groups in South Imenti had a monthly income of less than Ksh 10,000, which suggests they may face financial vulnerabilities or limited capacity to generate revenue. About 75% of the groups earned between Ksh 10,000 and 49,999 monthly, demonstrating a moderate level of income that can support their basic operational costs and allow for some development activities. Meanwhile, 16.7% of the groups reported earning between Ksh 50,000 and 99,999, indicating higher financial performance and potentially greater capacity for expansion and investment. This distribution reflects a diverse range of financial outcomes among the groups, highlighting varying levels of success and sustainability.

The group earning less than Ksh 10,000 could be at risk of financial instability or limited growth opportunities, emphasizing the need for targeted support to enhance their income-generating capacity. To better understand the factors influencing these income levels, the study examined the specific income-generating activities (IGAs) undertaken by the groups, as summarized in Figure 1.

**Figure 1: Income Generating Activities Done by the WEF Groups**



Results in Figure 1 illustrates that the WEF loan groups engaged in a wide range of income generating activities that were 15 in total. The activities ranged from small-scale farming, livestock rearing, and petty trading to more diversified ventures, revealing different strategies for income generation. This diversity underscores the importance of tailoring interventions to the specific needs and capacities of each group to maximize their economic benefits and sustainability. However, the most common was poultry farming that was done by 9 out of the 12 groups representing 75% of the sample. The second most popular activity was dairy farming done in 7 groups translating to 58.3% of the sample followed by Table banking done in 5 groups accounting for 41.7% and then catering services done by 3 groups representing 25% of the sample. Tree nursery, tents and seats hire, and merry go round were each presents in 2 of the groups translating into a prevalence of 16.7%. Less common income generating activities included yoghurt production, retail shop, pig farming, passion farming, goat farming, car wash, boda bode transportation business, and banana farming with each featuring once.

Eight out of the 15 income generating activities that the groups were partaking are agriculturally based. The prevalence of agricultural activities is likely an indication of the availability of local agricultural resources on

which the women are leveraging. South Imenti is a rich agricultural area that has fertile arable lands and receives high amount of rainfall of 1500 millimetres (mm) (Karienyee et al., 2021; Nyamamba et al., 2020). Agriculture activities may also feel familiar and manageable to the group members because it is the main economic activity in their community. Although agriculture is a viable economic activity, it exposes the groups to shocks like weather fluctuations and changes in market demands. However, the variety of the agricultural activities creates a buffer for the women. It also provides them with the opportunities for value addition. Only one group was engaged in value addition that entailed the production of yoghurt from raw milk.

Poultry farming emerged as the most common likely reflecting its relatively low start-up costs, the ability to quickly yield returns, and the high demand for poultry products in many communities. Dairy farming was the second more prevalent activity, which could indicate that the women are likely leveraging of local resources like availability of land and feeds as well as the availability of markets for dairy products. Table banking was the third most prevalent activity and the most prevalent non-agricultural economic activity. Table banking generally entails each member contributing a specified amount of money at regular intervals (weekly, fortnightly or monthly) that is placed on the table during meeting for any member to borrow and pay it back at an agreed rate of interest and within the agreed period of time (Oria et al., 2022). The groups make money from the interest paid. Prevalence of table banking among the groups indicate that beyond agricultural production, the groups are also engaged in financial empowerment activities that enable women to save, access credit, and enhance economic resilience.

With participations from 3 groups (25%), catering services is also a common non-agricultural income generating activity. This result illustrates that there a notable number of groups that are keen on diversifying their income away from agriculture. This is bound to have a positive impact on the economic resilience of the women in the groups especially in the wake of the global warming and climate change phenomena that have made agricultural activities unpredictable (Karienyee et al., 2021). The prevalence of catering services is a likely indication that the women are capitalizing on events and local demand for food services. Activities like tree nursery, tent and seat hire, and merry go round albeit less common also signifies a diversification in income sources. They are an indication that the groups are exploring niche market and least explored opportunities. Merry go round is also financial empowerment scheme but unlike table banking, this one entails every member contributing an agreed amount at every sitting (it maybe weekly, bimonthly or monthly) (Oria et al., 2022). Every time money is collected, the full sum is given to one of the members for use as she pleases. The cycle goes on until every member receives the sum.

Activities like yoghurt production, retail shop, pig farming, passion farming, goat farming, car wash, boda boda transportation business, and banana farming were rare. This may indicate that they are not widely recognized as viable or feasible options by the women groups. However, they present opportunities for the groups to diversify the sources of income. The choice of income generating activities is likely a reflection of the local market demands, the skills and capabilities of the women, and other dynamics.

The second indicator that was used to measure performance of the WEF loan groups was asset ownership. Table 3 presents information on asset ownership by the groups.

**Table 3: Assets Owned by the Groups**

Asset	No. of Groups owning the Asset	Percent
Livestock	11	91.7
Plastic seats	5	41.7
Tents	4	33.3
Land	2	16.7
Motorcycle	2	16.7

Results in Table 3 illustrates that livestock was the most prevalent asset with 11 out of the 12 groups accounting for 91.7% of sample owning this asset. The second most prevalent asset was plastic seats that were owned by 5 groups translating to 41.7% of the sample. Tents were the third most prevalent asset with 4 groups (33.3%) owning tents followed by land and motorcycle that were each found in 2 groups (16.7%). Results shows that

livestock is a vital component of the WEF loan groups income generation strategies. This is likely attributed to the importance of livestock as both financial assets and sources of livelihoods among communities in South Imenti. Ownership of plastic seats and tents reflect a focus on event-based income generation, which is likely to highlight the groups’ recognition of the demand for social events services. On the other hand, land and motorcycle are less common despite earlier data showing that the groups were highly dependent on agricultural activities to generate income. The results are likely an indication that most of the women depend on their families’ land to implement their agricultural activities or are compelled to lease land. Nonetheless, results in Table 2 show diversity in the assets owned by the groups. The assets owned by the group indicate an asset accumulation strategy that combines both traditional agricultural assets and modern service-oriented assets. Apart from assets owned by the group, it emerged that the groups had also assisted their members to acquire assets individually. The assets acquired for individual falls into two broad categories: household furniture and kitchenware shown in Table 4 presents below.

**Table 4: Groups Involved in Acquisition of Household Items for Members**

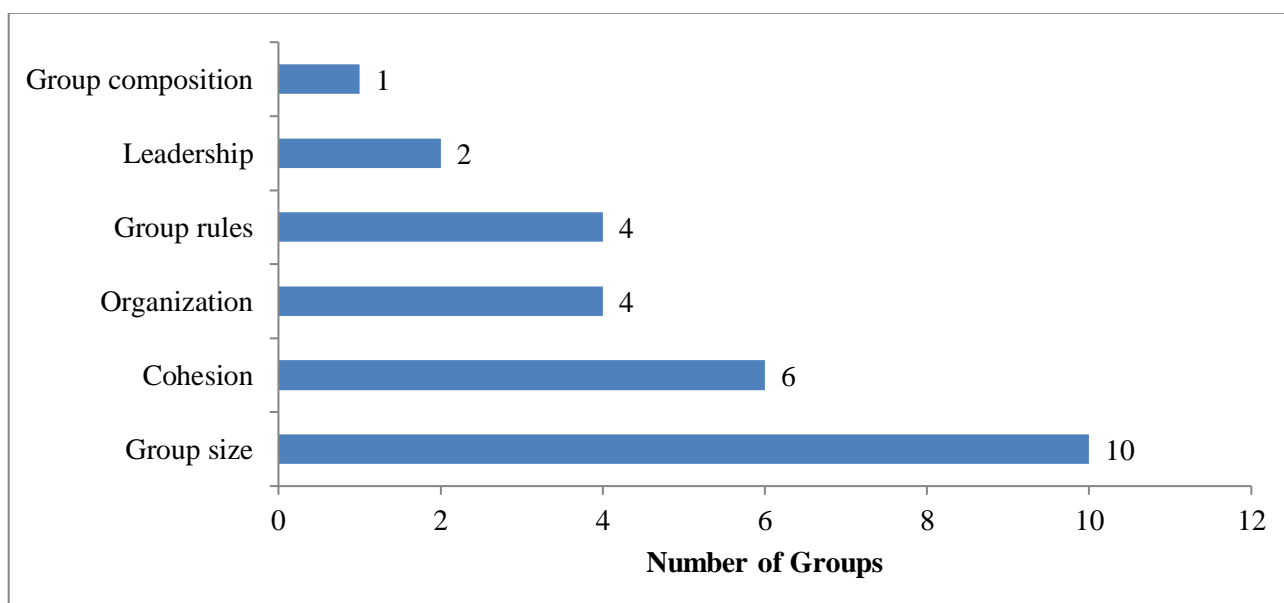
Asset	No. of Groups involved in Acquisition	Percent
Kitchenware	9	75.0
Household furniture	5	41.7

Table 4 displays that 10 groups accounting for 75% of the sample assisted their members to acquire kitchenware while 5 groups representing 41.7% assisted members to acquire household furniture. These results indicate that besides generating income, the groups are also focused on assisting women to improve their quality of life and standards of living. Kitchenware is essential for daily living and directly relates to the roles of women in many households. Household furniture also increases the comfort and quality of life in the women’s households. However, because these assets do not generate income, group that focus on their acquisition may face challenges repaying WEF loans potentially leading to financial stress or default. Although the assets improve members’ quality of life, they do not contribute to the group’s long-term financial sustainability and growth.

**Team Factors and Performance of WEF Loan Groups**

The objective of the study was to examine the influence of team factors on performance of WEF loan groups in South Imenti Constituency. Respondents were asked to identify some of the team factors that influence the performance of the group. Figure 2 summarizes their responses.

**Figure 2: Team Factors Influencing Performance of WEF Loan Group**



Results in Figure 2 shows that group size was the most frequently mentioned team factors having features in 10 out of the 12 focus group discussions. The term group size referred to the numbers of members in a group.

Results presented in the demographic section (Table 11) showed that the 12 groups that were sampled in this study had an average of 16 members. However, group size varied significantly with the smallest having 10 members and the largest having 30 members. Results in Figure 8 suggest that size has a major implication on the performance of WEF loan groups. Cohesion was the second most frequently cited factor having featured in 6 groups representing 50% of the sample. The term cohesion refers to the level of bonding and unity among group members.

Some respondents used other alternative words that were categorized under this theme like love and friendship. Results suggest that cohesion is also an important determinant of group performance. Organization and group rules were joint-third having being mentioned by 4 out of the 12 groups. The term organization refers to how the group is structured and level of planning with the groups including the assignment of tasks and responsibility. Group rules refer to guidelines that define the conduct of group members. Results suggest that organization and group rules could be having an impact on the performance of a sizeable number of groups.

Leadership and group composition were least common having featured in 2 groups and 1 group respectively. Leadership refers to the provision of direction, guidance, and decision-making within the group while group composition refers to the make-up of the groups in terms of traits like age, skills, or experience of group members. Results suggest that these factors could be having an impact on a few groups. To interrogate the influence of team factors further, respondents were requested to elaborate how each of the factors that they had mentioned affected the performance of the group. Table 5 summarizes these responses.

**Table 5: Influence of Team Factors on Group Performance**

<b>General Theme</b>	<b>How factors affect group performance</b>
Group size	Determines the quality of management
	Shapes the group’s ability to raise resources
	Affects the level of cohesion
Cohesion	Encourages regular meetings
	Increases trust among group members
	Improves communication and conflict resolution
	Inspires members to support each other
	Encourages risk-taking and innovation
Organization	Ensures that members perform their tasks on time
	Reduces conflicts
	Enhances efficiency
	Creates accountability
	Enhances inclusiveness
Group rules	Helps in managing time
	Ensures members perform their role
	Reduce conflicts
	Create a structure way of doing things
Leadership	Bring members together
	Provide guidance and direction
	Enforce group rules
	Resolve conflicts
	Motivate members
Group composition	Has promoted cohesion
	Has promoted communication

Results in Table 5 shows that group size influences group performance by determining the quality of management. The respondents explained that smaller groups are easy to manage than bigger groups. This is because communication and finding consensus on issues is easy when dealing with a few than when dealing with many individuals. It is also easy to coordinate group activities when dealing with a few members. Results also show that group size determines the group’s ability to raise resources. Large groups find it easy to raise

resources because many members can bring their input as opposed to smaller group that receive input from a few individuals. Group size also affects the level of cohesion within the group. Small groups tend to be more cohesive than large groups because smaller groups allow frequent and meaningful interactions among members leading to stronger relationship and sense of unity. Smaller groups also facilitate better communication and conflict management. The following are excerpts illustrating respondents' views on how group size affects group performance.

### **Excerpt Box 1: Easy to Manage Conflicts in Small Groups**

*"A small group performs better. A big group is difficult to manage. When starting, the group had 65 members but 40 individuals dropped out because of conflicts. We were moving very slow because we argued a lot about many things"*

A Female Group 11 Chairlady,  
60 years old  
October, 2024

### **Excerpt Box 2:**

#### **Bigger Number in Group is Good for Table Banking**

*"A bigger number is good when doing table banking because the group raises more money. The group also get more interests because it lends money to many people"*

A Female Group 11 Secretary,  
43 years old  
October, 2024

### **Excerpt Box 3:**

#### **Small Group Helps in Knowing Each Member Well**

*"A small group is much better. Because we are not many, we know each other very well and trust each other without reservations. This has made our work easier. When we give loans to members, we have the confidence that each will be able to pay because we understand each other well"*

A Male Group 11 member,  
65 years old  
October, 2024

Results in Table 5 also show how cohesion influences group performance. One way in which cohesion shapes performance is by encouraging regular meetings. The respondents explained that when members have built close relationship with each other, they are more willing to meet on regular basis because they are comfortable with each other. More meetings facilitate more deliberations of group agendas. Another way in which cohesion affects performance is by increasing trust among team members. The respondents explain when groups members a share strong bonds, the feel more secure and confident in each other's intentions and contribution leading to enhanced trust. Cohesion also encourages frequent and meaningful interaction between members allowing them to understand each other strengths, weaknesses, and intentions leading to greater trust. The third way in which cohesion can improve performance is by enhancing communication and conflict resolution. Cohesion tends to encourage open and frequent communication that enables members to air their concerns openly and resolve conflicts constructively. Communication also enables members to share ideas without reservations leading to innovation. Cohesion also makes members less afraid of taking risk because they are confident with each other abilities to implement new ideas. Cohesion also inspires members to support each other in things like securing

loan where one group member acts as a guarantor for the other. The following are excerpts showing the sentiments of the respondents regarding how cohesion affects group performance.

**Excerpt Box 4:****Regular Meetings Have Enabled Members to be Active in the Group**

*In the beginning, we were distant with each other, but now we have gelled up well after being together for more than 10 years. Now we are able to meet regularly because we are comfortable with each other. Regular meetings have enabled members to remain active in the group.*

A Female Group 12 Chairlady,  
57 years old  
October, 2024

**Excerpt Box 5:****Closeness Has Built Trust Among Members**

*I would say that the members have bonded with each well because they interact even outside the group activities. This closeness has built trust among members. We now loan each other money without mistrust and help each other build in building businesses.*

A Female Group 12 Secretary,  
63 years old  
October, 2024

**Excerpt Box 6:****Duration of Togetherness Has Built Trust Among Members**

*We started this group in 2013 and group members have developed stronger bonds over the years. Now, we do not fear applying for bigger loans because we trust that each member will honour their obligation of paying on time.*

A Female Group 12 Treasurer,  
58 years old  
October, 2024

**Excerpt Box 7:****Being Together for Many Years Has Reduced Conflict Among Members**

*“Since we have been together for many years, group members have become very close. In the beginning, there were conflicts that led to exit of some members. In recent years, we have not lost any members due to conflict because we now understand each other better. We are now not afraid to venture into different types of businesses”*

A Male Group 12 member,  
51 years old  
October, 2024

**Excerpt Box 8:**

*"I would say that we are very close. We have been together for many years; we are now like a family. We care for each other. When one is not able to clear her loan on time, other members come in to help"*

A Female Group 12 member,  
45 years old  
October, 2024

**Many Years Together Has made Members Care for Each Other**

Results in Table 5 further illustrate how group organization affects group performance. According to the respondents, effective group organization ensures that each member completes their task on time by assigning specific tasks to individuals and setting completion deadlines. Organization effectiveness also reduces conflict by clarify the roles of each member and defining the relationships between the members. It clarifies what each member is supposed to do and the time for doing it thus reducing conflicts. Organization also enhances efficiency by reducing duplication of tasks and ensuring that all tasks are assigned. It also increases accountability by ensuring that the role of each member is well defined making it possible to evaluate the performance of each member. Organization particularly of how group members engage each other and how decisions are made enhances inclusiveness. Groups that give all members the opportunity to air their contribution promote inclusivity. These issues were captured from the following excerpts.

**Excerpt Box 9:**

*"I would say the there is good organization in the group. The officials are known and responsibilities of all members are defined. This has ensured that all our group activities are completed on time. The leaders have done their roles well by resolving conflicts"*

**Responsibilities are well defined in the Group****Excerpt Box 10:****Official Understand Their Roles**

*"This is good organization because all officials understand their roles and all members participate in group activities. Because of this, we are able to complete our projects on time"*

A Female Group 2 Secretary,  
55 years old  
October, 2024

**Excerpt Box 11:**

*"Everything in the group is well organized. The officials are known; the meeting date, time and venue is known by all members, and everyone understand their responsibility. This has given has good result and enables to know who is sleeping on the job"*

A Female Group 2 member,  
54 years old  
October, 2024

**Meeting Date, Time and Venue Known by All Members**

**Excerpt Box 12:**

*“The organization is good. We usually meet every month and most members attend without fail. Those who cannot attend due to pressing issues have to give an apology to the chairperson. The meetings are usually very orderly as every member is given a chance to speak. All members are encouraged to use respective language during meetings”*

A Female Group 2 member,  
45 years old  
October, 2024

**Majority of Members Attend Meetings Without Fail**

Results in Table 5 also elucidate how group rules influence group performance. The group rules mainly centred on issues like attendance and participation, meeting procedures, members’ admission and exit, decision-making process, financial contributions, and members conduct. From the discussion and interviews, it emerged that group rules help to manage time by clarifying to members what is expected of them in terms of time for meetings and time for completing tasks assigned to them. Rules also help the group to move faster by eliminating misunderstanding and confusion. Group rules reduce conflict by setting boundaries and regulating the interaction between members. Regulating interactions between members also make the group inclusive to all members. Group rules also create a structure way of doing things by setting boundaries and clarifying expectation. For instance, group rules define when the group meets, the time for meetings, what is to be done to members who do not attend or who come late, how issues should be discussed, and how decisions should be made (either through consensus or voting).

**Excerpt Box 13:**

*“Following group rules and regulations has ensured that members interact with each other with respect. This has minimized conflict and enhanced the contribution by each member”*

A Female Group 3 Chairlady,  
62 years old  
October, 2024

**Group Rules and Regulations are followed****Excerpt Box 14:**

*“Strict rules and regulation have helped to make the group stable and keep the members together for years. The rules have made it clear what is expected of each member and how we are supposed to conduct ourselves”*

Female Group 3 Secretary,  
59 years old  
October, 2024

**Strict Rules and Regulations Have Made the Group Stable**

**Excerpt Box 15:****Rules are Very Important in Maintain Discipline**

*“Rules are very important in the group. They help ensure that everyone keep time and behave well in the group. The rules have played in important role in promoting discipline and bring stability into the group”*

A Female Group 3 member,  
61 years old  
October, 2024

Results presented in Table 5 provided valuable insights into how leadership influences the performance of WEF loan groups. The majority of respondents rated their group leadership as good, indicating a general level of satisfaction with how their groups were managed. This suggests that effective leadership is a key factor in fostering group cohesion and success. Respondents emphasized that leadership plays a crucial role in bringing members together, acting as the unifying force, or the 'glue,' that holds the group members in a collaborative and motivated state.

Leaders are seen as the vision bearers who articulate the group's goals and aspirations, providing clarity and purpose to all members. They guide the group in developing strategies and determining the steps necessary to achieve their collective vision, ensuring that everyone is aligned and working towards common objectives. Good leadership involves setting and enforcing rules that help maintain order within the group, promoting discipline and organization. It also involves managing interactions among members, ensuring that communication remains respectful and constructive. When conflicts arise, it is the responsibility of the leadership to mediate and resolve disputes promptly, preventing discord from escalating and disrupting group harmony. Furthermore, effective leaders serve as role models, motivating members through their own actions and encouraging a positive attitude towards group activities. They inspire members by recognizing their contributions and encouraging active participation. Leaders also motivate by providing support, feedback, and guidance, which boosts members' confidence and commitment. Overall, strong leadership fosters a sense of trust, accountability, and purpose within the group, which directly influences their ability to perform effectively and achieve their goals.

The following are the views expressed by some of the respondents about leadership.

**Excerpt Box 16: Group Leaders Remind Members About Group Rules and Regulations**

*“Our leaders have impacted the performance of the group by guiding us well and bring all members together. They constantly remind us of the group rules and regulations and enforce the rules when it is necessary”*

A Female Group 1 member,  
65 years old  
October, 2024

**Excerpt Box 17:**

*“The leaders have been organizing meetings on a regular basis, which has kept the group going. They keep good records, which increases members trust and confidence. They also resolve conflicts between group members leading to greater cohesiveness. They also motivate members to pursue new opportunities”*

A Female Group 5 member,  
46 years old  
October, 2024

**Leaders Guided and Resolve Conflicts between Members**

**Excerpt Box 18:**

*“The leaders have guided us well and always remind us of group rules and regulation. They have resolved conflicts between members on several occasions and this has helped to keep the group stable”*

A Female Group 2 member,  
63 years old  
October, 2024

**Members Have Confidence in Group Leaders****Excerpt Box 19:**

*“The leaders give us direction and members have confidence in them. They have encouraged us to start different projects without fear. They also motivate us to take higher loans”*

A Female Group 4 member,  
42 years old  
October, 2024

**Group leaders Keep Good Records**

Lastly, results in Table 5 demonstrate how group composition affects group performance. Group composition appears to have the least impact as it was mentioned in only one group. Respondent in this group clarified that their group was more also homogenous in terms of age and cultural background. They perceived this homogeneity as a point of strength and opined that it has made them more cohesive because they share a lot of things in common. They also believe that the homogeneity of the group has ensured effective communication because members have the same language, education level, age, and cultural expectations. However, Akhmad et al. (2020) contends that there are several downsides of having a homogenous group including diminished creativity because there is no diversity of thinking and increases the tendency for group members to conform to consensus opinions because of group think.

**DISCUSSION**

The study uncovered several team factors that influence performance including group size, cohesion, organization, group rules, group leadership, and group composition. Group size emerged as the most critical determinant of group performance having been cited in 10 out of the 12 groups. Results showed that the sampled groups had an average of 16 members but the size varied with some having as few as 10 members and others having as many as 30 members. The findings are congruent with the study by Fafchmaps and Ferrara (2012), which found that women SHG in informal settlements in Nairobi had an average of 14 members but there were major variations in the size of the group. The discussions and interviews revealed that smaller groups facilitated better management, fostered effective communication, and sped-up decision-making by ensuring quicker consensus. These findings are congruent with those of Machnick and Kollamparambil (2014), which showed that smaller microfinance loan groups in South Africa had better loan repayment record than larger groups.

The findings are also consistent with the study by Amir et al. (2018), which found that small group size increased the performance of groups by enhancing the quality of their decision-making processes. On the other hand, current findings show that larger group enhance mobilization of resources and offer diverse perspectives. This was a unique finding given that most previous literature did not identify advantages of having a large team. However, Bumbuc (2024) noted that the effect of group size varies task complexity with smaller teams being more effective in complex tasks and larger teams being more effective in structured environments. Current

findings suggest that while small groups excel in generating relational capital (deep trust), larger groups create structural capital by supporting faster capital accumulation and providing diverse perspectives.

Cohesion was the second most frequently cited appearing in half of the groups. The results revealed that most of the groups had high levels of cohesion mainly because they had existed for many years. This finding is congruent with the study by Meneses et al. (2020), which found that team cohesion was a factor with teams that have existed for long duration being more cohesive than their counterparts. Current results further showed that cohesion had a positive influence on the performance of the WEF loan groups because it encouraged regular meetings, enhanced communication, reduced conflicts, fostered trust, and encouraged risk-taking and innovation. These results reinforce the findings of study by Muli (2018), which showed that high level of cohesiveness in women table banking groups in Mwingi Central Sub-County was associated with better group performance. In the current study, respondents noted that they had developed strong relationships over time leading to frequent meaningful interactions that had enhanced the performance of the groups. The findings also reinforce Putnam (1994) premise that social networks add value by creating norms of reciprocity and trustworthiness.

The study also identified organization and group rules as important contributors to performance. It emerged that most groups were well organized and had basic rules governing their operations. Effective organization enhanced the groups' performance by clarifying members' roles and responsibilities, enhancing accountability and efficiency, and promoting inclusiveness. These findings are congruent with the study by Ji and Yan (2020), which found that effective team structures enhanced team performance by improving coordination of team activities. Group rules enhanced performance by enhancing time management, regulating members' interactions, promoting respect and reducing conflicts. These findings are in line with those of the study by Lai (2021), which stated that regulating groups by setting goals and dividing work led to enhanced group performance. The findings reinforce Coleman (1988) proportion of accountability as a key component of social capital.

Although leadership was mentioned in only two groups, indicating that many respondents in the two groups felt that it was not primary factor, majority still rated their group's leadership highly. Those who considered leadership an important determinant explained that effective leaders serve as the glue that binds members together, fostering unity and shared purpose. Good leadership provides clear vision and direction, which helps members stay focused on their collective goals and work efficiently towards them. It also plays a vital role in conflict resolution, ensuring disagreements are managed constructively rather than disrupting group harmony. Strong leadership encourages participation, motivates members, and builds trust, which are all essential for sustained group performance.

Even if not, everyone viewed leadership as the most critical factor, those who appreciated its importance highlighted its influence on group cohesion and overall success. In essence, leadership acts as the backbone of effective group functioning, guiding members through challenges and maintaining momentum (Masara et al., 2025). Its role, therefore, is fundamental in shaping the group's ability to achieve its objectives and maintain stability over time. These views are consistent with the study by Muli (2018), which found that groups with effective leaders who were more consultative and good in planning were more effective than other groups. The views are also congruent with the observations made by Ciaramella and Dall'Orso (2021) that for a team to be effective, its leadership must be able to create the conditions that propagate innovation and inclusion, values diversity, enhance skills of team members, and fosters collaboration.

Lastly, group composition was mentioned in one group as a potential determinant of group performance. Respondents from the group valued their homogeneity in terms of age, religion, culture, marital status, and education arguing that it fostered understanding and communication among members. These views reinforce the study by Marx et al. (2015), which found that ethnic, gender and age homogeneity among teammates in an organization increased team productivity. The study found that the respondents got higher utility when working alongside people who are similar to them than when working with people who were different from them. The study also found that homogeneity makes it easy to enforce group-level norms because homogenous teams can prevent free-riding by imposing within group sanctions. This finding reflect the groups' reliance on bonding social capital.

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## CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

Based on the findings, the study concludes that team factors exert a significant influence on the performance of Women Enterprise Fund (WEF) loan groups in South Imenti Constituency. Team factors such as group size, cohesion, organization, leadership, and composition, have a direct impact on the efficiency and effectiveness of the groups. The study found that smaller groups tend to perform better, primarily because they are easier to manage and decision-making processes are quicker. Additionally, long-standing and cohesive groups benefit from trust and strong interpersonal relationships, which bolster collaboration and resilience. Well-organized groups with clear rules and capable leadership are more likely to succeed, as these elements enhance accountability and operational efficiency. Furthermore, homogeneity among members in terms of age, religion, and culture was observed to improve understanding and communication, thereby positively influencing group performance. Therefore, empirical evidence indicates that the performance of WEF loan groups is heavily influenced by the interplay of these social, cultural, and team factors. Recognizing and strategically leveraging these elements can lead to improved group cohesion, better resource management, and ultimately, enhanced economic outcomes for women entrepreneurs within the region.

The findings support the Social Capital Theory, which emphasizes the importance of trust, networks, and social cohesion in fostering effective group functioning and resource mobilization. The positive impact of shared cultural and religious beliefs on group cohesion underscores the relevance of cultural dimensions in influencing collective behaviour and performance, aligning with Hofstede's Cultural Dimensions Theory. Furthermore, the study affirms that organizational and team theories, such as Tuckman's stages of group development and leadership models, are applicable in understanding the dynamics within WEF loan groups. The importance of group size, leadership, and structure observed in the findings correlates with these theories, which highlight the significance of effective leadership, clear roles, and group cohesion for optimal performance. The study's findings thus contribute to the theoretical understanding that social cohesion, cultural alignment, and effective team organization are critical determinants of group success in microfinance initiatives.

### Recommendations

Based on the findings and conclusions of the study, several recommendations are proposed to enhance the performance of Women Enterprise Fund (WEF) loan groups in South Imenti Constituency. Firstly, policymakers should prioritize the promotion of social cohesion and trust-building among group members. Encouraging activities such as regular meetings, community events, and conflict resolution mechanisms can strengthen social bonds. Building trust is crucial for collective decision-making and repayment adherence, which directly impacts the sustainability of the groups. Additionally, there is a need to strengthen organizational support structures by establishing clear guidelines for group formation, leadership development, and governance. Such frameworks will promote effective management, accountability, and long-term viability of the groups.

Furthermore, continuous capacity building and training should be prioritized through policy initiatives. Providing women entrepreneurs with ongoing training on financial management, leadership, and organizational skills will empower them to run their groups more effectively. It will also enhance their ability to manage loans, resolve conflicts, and adapt to changing circumstances. It is also essential to establish standardized procedures for group formation that include clear criteria for selecting committed and trustworthy members. These procedures should be supported by training sessions to ensure that members understand their roles and responsibilities from the outset, fostering accountability and commitment within the group.

Implementing regular training programmes focused on financial literacy, leadership skills, and conflict resolution can significantly improve group management. These trainings should be tailored to address the specific needs of women entrepreneurs and should be conducted periodically to ensure continuous skill development. Establishing a mentorship or peer-support system within groups can facilitate knowledge sharing and collective problem-solving, thereby strengthening group cohesion.

Although this study provides valuable insights into the factors affecting the effectiveness of WEF loan groups, several areas warrant further investigation. Future research could explore the long-term impacts of participation in women-led microfinance groups on women's economic empowerment and social status, providing a deeper understanding of sustainability and transformational change. Comparative studies across different regions or cultural contexts could shed light on how varying social norms influence group dynamics and success, enabling the development of more tailored interventions.

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