



Technological development in Table Banking (Kenya)

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Abstract

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<p>This thesis investigates the technological developments in Kenya's table banking. The main goal of this research is to identify and analyse these trends. The focus area of this research is exclusively Kenya.</p> <p>The study employs a qualitative research approach, incorporating both a theoretical framework and empirical analysis. The theoretical component, developed through desktop research, provides essential background knowledge and context for understanding this study. This is complemented by empirical research conducted through interviews with representatives of table banking group leaders and coordinators. The theoretical and empirical sections are closely inter-linked, working together to address the stated investigative questions.</p> <p>Digitalization has grown significantly in sub-Saharan Africa, alongside nontraditional financial activities. It is intriguing to explore why these trends have emerged and what the future holds for the microfinance sector.</p> <p>The research was conducted through a combination of desktop studies and qualitative interviews with table banking coordinators and group leaders. The findings reveal that technology has enhanced access to information, transparency, mobile banking, and wireless transactions. However, the major barriers to further adoption include a lack of knowledge, limited resources, poor infrastructure, scepticism toward technology, and high costs.</p> <p>To address these challenges, the study recommends investing more resources in training, fostering collaboration, and improving access to services and devices. This research aims to support table banking groups in integrating digital tools into their operations, paving the way for sustainable growth.</p>
Key words Table Banking, Microfinance, Developing Markets, Mobile Banking

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1 Introduction

This is a thesis researching the technological development of table banking in Kenya. It is a research-based thesis in degree programme of International Business, major of Financial Management, at Haaga-Helia University of Applied of Applied Sciences. This thesis contains five chapters.

1.1 Background to the topic

This thesis aims to investigate the technological developments in Kenyan table banking, or as otherwise known as savings groups technological development, what are barriers of technological adaptation and what could be done to remove these barriers.

The international aspect of the degree programme is covered by conducting research of the table banking groups in Kenya, specifically in the rural areas around Nairobi.

Kenya is an East African country at the equator with a seaside coast at the Indian Ocean, with a population of 52, 4 million. They border Ethiopia and Somalia to the north, Uganda to the west and Tanzania to the south. Globally they are perceived as a developing country and their GDP per capita 1,98 thousand USD, reflects this. (IMF 2024.) The economy's expected to grow at a rate of 5% in 2024 (IMF 2024). Kenya's currency being the Kenyan Shilling, KESH. Generally, Kenya is perceived as one of the more developed countries, and economies in sub-Saharan Africa. They are ranked as the 12th country within Africa, but still in the whole world as 146th, according to the UN's HDI report. "The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development." The dimensions of a decent living of standard, long and healthy life, and knowledge. (UN, 2024.).

Some of the issues the economy is facing include "poverty, inequality, youth unemployment, quality jobs, transparency and accountability, climate change, continued weak private sector investment, and the vulnerability of the economy to internal and external shocks" (World Bank 2024).

One of the major challenges this thesis aims to help tackle is economic inequality. Specifically, the less fortunate people, who don't have the necessary means of traditional banking services, lack the capacity and capital to start and run their own businesses in the countryside.

Table banking in Kenya has been around for a while, but the concept of it originates from still commonly used concept of rotating savings and credit associations, in short ROSCA (NASASA 2021). From ROSCA the concept was further developed and implemented in Kenya in the 1990's. This accelerated even further when the first lady to President Rachel Ruto, wife of William Ruto, founded the Joyful Women Organization (JoyWo) in 2009.

This has revolutionized small and rural communities with financial opportunities. This also has helped countless women with their entrepreneurial ambitions and given them financial independence (Odunga & Too 2024). Additionally, traditional banking has not been used by the masses. This is evident when considering that in 2021, only 44% of the adult population were using bank service providers (Cowling 2023). Due to the majority of people not using bank service, micro-finance services and communal finances have been the backbone of Kenyan people's economy.

The main concept of table banking is very straight forward and has few easily identifiable steps. Gather money from the community. This can be cash, loans, and/or other equity. Set up the table bank, admit a loan terms to a business or entrepreneur, get the loan money/equity back with interest.

So, what this thesis aims to answer is how has technology improved the core business of table banking in Kenya? What are some of the hurdles of technology implementation into table banking? How effective these technologies have been to table banking?

This hopefully can help businesses and governmental branches with the rapid growth of table banking to reach its potential in the future.

1.2 Research question

The purpose of this thesis is to study what are the benefits in table banking in Kenya, when implementing technology. Also, what are some of the obstacles incorporating technology into table banking.

Broadly the research questions can be worded as "How has technology improved table banking in Kenya's rural areas?"

1IQ: What technological advancements have happened in table banking

2IQ: What are the barriers to technological adaptation

3IQ: What could be done to remove these barriers for technological adaptation

Table 1a: Overlay matrix for research-based theses

Investigative question	Theoretical Framework	Methods	Data analysis/Results
IQ 1. What technological advancements have happened in table banking	Academic theory; Articles from reliable sources and data bases	Interviews with table banking coordinators, leaders and desktop study	Data from the qualitative interviews and desktop study.
IQ 2. What are the barriers to technological adaptation	Academic theory; Articles from reliable sources and data bases	Interviews with table banking coordinators and leaders	Data from the qualitative interviews and desktop study.
IQ 3. What could be done to remove these barriers for technological adaptation	Academic theory; Articles from reliable sources and data bases	Interviews with table banking coordinators and leaders and desktop study	Data from the qualitative interviews and desktop study.

1.3 Use of Artificial Intelligence in the research

Within the field of research, artificial intelligence has been on the rise. During my research on this topic, AI was not used anywhere else besides in the phase of formulating qualitative questions for the interviews. Chat GPT-4o was the tool that was prompted to give general question ideas, based on the themes and investigative questions. After this, the AI's answers were modified and refined to fit the structure of this research. The questions can be found in appendix 1.

1.4 Delimitation or Project scope

The focus in this thesis focuses solely on the technological improvements in table banking in Kenya. There are a lot of paper already about the concept studying its importance to the communities and empowerment of woman in those communities. The questions for these clients in table banks are formatted in a qualitative way. Meaning that the sire number of table banking profitability is less in the focus. Also, when talking about banking and technology in Kenya what way have, they implemented with nontraditional banking into the equation.

1.5 Benefits

The benefits of this research are hopefully considered when these communities have greater opportunities that come with technological integration. Making their communal banking more efficient

and sustainable for future developments in the field of table banking. Decreasing the knowledge gap withing the rural communities in technological improvements in financing their businesses.

Also, maybe in the future these people make the jump from microfinancing and get involved with the traditional banking sector. Hopefully some nongovernment, or government entities could benefit from this study, when planning and implementing digital solutions to table banking.

1.6 Key concepts

Table banking

Table banking refers to a form of community-based financial management and lending system. It is a collaborative approach to saving and borrowing that involves a group of individuals, typically from the same community or with similar economic interests, coming together to pool their financial resources.

M-Pesa

M-Pesa is a mobile money transfer service that originated in Kenya and has since been widely adopted in several other countries. The name "M-Pesa" is derived from "pesa," the Swahili word for money, and "M" stands for mobile. M-Pesa is a product of the telecom company Safaricom, which used to be an African subsidiary of Vodafone. Originally the product was launched in 2007, and it has been developing in features since (Monks 2017).

The service allows users to deposit, withdraw, transfer money, and pay for goods and services using their mobile phones. Either via the telephone network or the internet, if being used with the smartphone app. The key strength of M-Pesa being instant transfers and not needing a smartphone nor the internet. It is based on the unstructured supplementary service data standard (USSD) and used in the global system for mobile (GSM) protocol. A similar function to short message services (SMS). In simple terms, text messaging. (Rosencranc 2020.).

There is also a competitor to M-Pesa named Airtel Money and they function the same way. This study refers to wireless money transfers as M-Pesa, due to the products market domination, and its adoption in spoken language.

Digital inclusion

The use of technology in table banking that promotes digital financial inclusion, extending access to financial services to individuals who may be excluded from traditional banking systems.

Sacco

Very similar to table banking in theory. Operated by its members from usually from the same community. Does lending and saving the same way as a table banking group. Main differences between these groups are that a Sacco usually starts out as a table banking group. Within time and successful cycles, the table banking group grows big enough to become a Sacco. Sacco's correspondent in the western world usually refers to a credit union.

2 Framework of Table Banking

This chapter gives an overview of the main theoretical frameworks, terminology, and definitions related to table banking.

2.1 Table banking

To understand what table banking is, we need to understand what credit unions are. Credit unions are management and owned by its members. Customers of the bank become members by purchasing shares of the union. This money is then pooled and loaned out to its members. (Barone 2023). Locally in Kenya credit unions are called Sacco's.

Table banking functions in the same way but on a much smaller scale. They often operate in a community or village, where traditional banking does not exist. Usually, the members in these communities share a similar economic or social status. Often regarded as not favourable customers for a traditional bank, due to their economic or social status. (Human Rights & Sciences 2020).

Because the scale is much smaller than the similar credit union, table banking provides much more flexibility and self-governance among its members. (Law Insider 2024).

2.2 Forming a savings group

Forming a savings group comes from a need to gain capital to fund their own business. The savings group work with great autonomy and get to choose who will be allowed into a set group. It is advised that a group only accepts people who they can trust and are from the same community or village of people. The main reason being that the whole group is heavily based on trust. There is no set rule on how many people are required to form one group, but the recommended amount is between fifteen (15) and twenty (20). Meetings should be held regularly, weekly biweekly, or monthly. The place can be any easily accessible location. Such as a mosque, school or a shady place under a tree that provides some degree of privacy. For the meetings, chairs are not required but recommended. Only requirement being that all members can fit comfortably within the space and that there is protection from the weather. (FGCK 2024, 18,30-31.).

Members who have not been elected as part of the management committee form a semicircle, after this the management committee sits on their designated seats, forming a full circle. The seating is important for transparency. It provides a clear view for all and makes transactions visible to all, when they are done on a table or a rug. (FGCK 2024, 32-34, 37.).

2.3 Setting up rules and guidelines

First at the start a general assembly is done. The general assembly is a formal term used for the democratic process of electing the group leaders (management committee). The leaders are selected at the start of the new cycle. Anyone can be selected as a leader and everyone's vote counts as one. The elections process should be transparent and confidential. Each vote is casted anonymously in the ballot box or bag, with a corresponding colour to a management committee nominee. After this, votes are counted and winners announced. Additionally, the votes should be kept as confidential. (FGCK 2024, 60)

For the main guidelines for a table banking group without any specific order include:

Transparent and inclusive decision making. As mentioned, no one gets to make rules or decisions by themselves.

Accurate record keeping. Groups record every transaction in every meeting and knows where they are in terms of money.

Shared goals and commitment. It is vital that a group shares objectives, work together and support each other to achieve their goals.

Each Savings Group determines its share price, loan interest rate, loan duration options, social fund contribution, and a system of fines for violations of group policies. These are defined, agreed by all members and documented in the group's constitution. It is advised that writing the constitution is not rushed. The elected group leaders ensure that these policies are adhered to.

If changes to the constitution are wanted, anyone can propose a change to during a general assembly. If two-thirds of the members agree, the document is adjusted accordingly.

2.4 Group leaders

Group leaders or another term management committee, are democratically elected group of people that govern the table banking group and are responsible for various task and are accountable for the table banking group. These positions are as follows: a chairperson, a treasurer (box keeper), a secretary (record keeper), key holders, and two money counters. They are responsible for running meetings and representing the table banking group to external parties. (FGCK 2024, 26.).

Chairpersons' main responsibility consists of calling the meetings and individuals to contribute monetarily to funds, leading discussions and agendas. Treasurer keeps the money box in-between

meetings in a secure location and brings the box to the meetings. Secretary records every transaction that happens in the meetings. In some cases, the secretary helps with documenting the constitution of the table banking group. Key holders are responsible for the keys to the money box. Money counters count the money during each money box operation, inform the secretary of all the transactions, and helps the secretary if there are discrepancies with money.

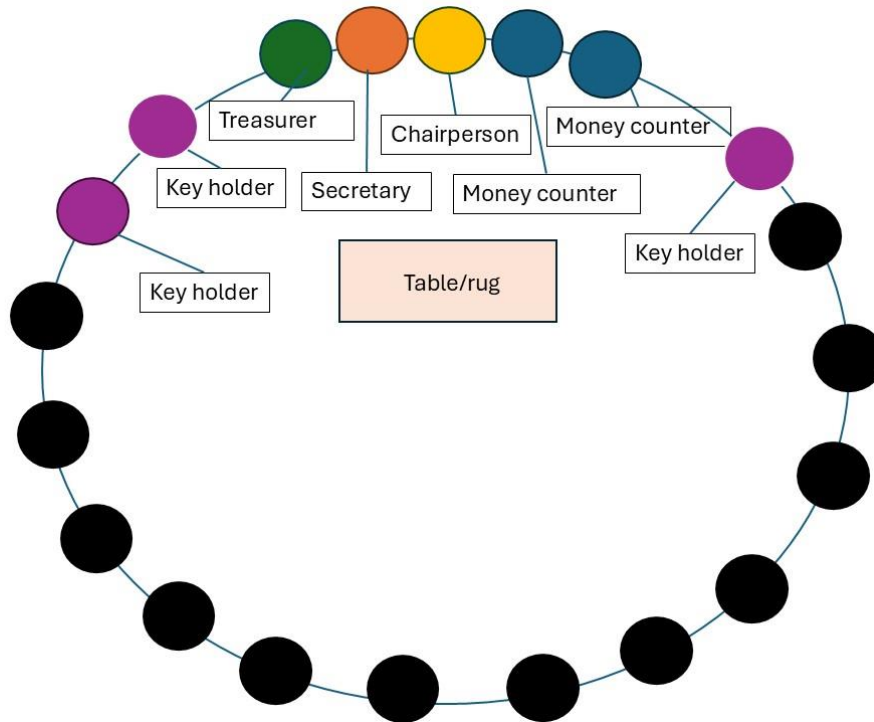


Figure 1. Table banking seating and corresponding roles

For a Savings Group with both male and female members, at least four members of the management committee should be female, and it is suggested that at least one female member occupy the post of chairperson, secretary or box-keeper, rather than simply the money counter or key holder positions. This is advised so that the balance of genders is not overpowered by men. (FGCK 2024,27.).

If the management committee loses the groups trust during a cycle they can be replaced by new elections. (FGCK 2024, 51-57.).

2.5 Shares

To get capital for the table banking group, everyone in the group must buy a share. The price of the share is determined at the start of the cycle. Generally, the price is set so that everyone is capable of buying one. The only limitation with share buying being that they are limited from 1 to 5, per person. This limitation is in place so that no one contributes to the group disproportionately.

Some groups have rules in place that they must purchase a fixed amount of share per meeting. It is advisable that everyone buys at least one share per meeting. A member can only borrow up to three times the value of their shares. (FGCK 2024, 38.).

Shares are collected one at a time. The chairperson calls members one at a time to the money bowl. (FGCK 2024, 38-39.).

If a member decides to leave the group during the cycle, their share is returned without any interest. The member only gets the share's value with interest on top, if they stay until the cycles has come to an end. (FGCK 2024, 34, 43.).

2.6 Social fund

The social fund is a separate pool of money collected at every meeting. Everyone must contribute to the fund. Members fill in their contributions one at a time, when the chairperson calls their name. The money is given to the money counters and recorded by the record-keeper to the central register.

A loan from this fund is only granted if a member of the group faces an unexpected hardship. Examples range from a funeral or a natural disaster that damages their property. When a loan is given out from the social fund, there is no interest rate on it.

What qualifies as a trigger for the emergency fund loan is set in the group's own constitution when a new cycle starts. (FGCK 2024, 44.).

2.7 Loans

The loans can only be given out when a meeting occurs. In this meeting the group discuss each loan request individually and decide whether to give it out. The interest rate is determined at the star of each cycle, and they usually vary between five (5) and twenty (20) percent. Other term used for interest rate in table banking is a service fee. The service fee increases the groups assets, rewards individuals for contributing to the fund, and discourages people to take out unnecessary loans. (FGCK 2024, 15, 17, 24-25.).

The common procedure when loaning takes place goes as follows:

1. The chairperson invites loan requests, reminding members of the loan term and maximum loan amount.
2. Each member who wants a loan then makes a request out loud to the group, announcing the amount requested and the purpose of the loan.

3. The Record-keeper checks the number of shares that the member has already saved, to ensure the member is eligible for the amount requested.
4. The Record-keeper then calculates the total value of the requests and announces it.

If the total value of loans requested is more than the money available in the loan fund, the group must discuss adjustments to the individual loan amounts until all members are satisfied. (FGCK 2024, 40-42.)

5. Once it is decided how much each borrowing member will receive, the record-keeper calls each borrowing member to the front.
6. The record-keeper then enters the loan number, loan amount and service charge due in the member's passbook.

After this the money is given out to the person. They count the money given to them. Sign it to their passbook. Lastly, they announce the amount and the payment day coherently to everyone at the meeting. (FGCK 2024, 43.)

Main difference between a loan taken out from a table banking group and a traditional money lender is that the members get at least some portion of their money back at the end of a table banking cycle. (FGCK 2024, 25)

In the case when the available funds are less than the demand for loans, the group decides which loans have the highest priority. The loans themselves are only short-term loans, and a typical time period of a loan is three (3) months. (FGCK 2024, 16.)

Also, a member is not required to take out loans at any given time during the cycle. The group can also be treated as a form of savings account. Every persons return of investment is paid out the same way, regardless of the person takes out a loan or not. (FGCK 2024,22.)

At the end of the cycle, when one (1) to two (2) months are left, new loans are not given out and the outstanding ones are collected.

It is also advisable to not give out loans to individuals who are not part of the savings group. The person is not part of the group, so they have not invested monetarily to the collective group and the default rates on these loans are very high.

2.8 Bookkeeping and security

Every Savings Group should set-up a procedure for record keeping. In general, record keeping can be done using one of three basic approaches: passbooks and recording of ending fund balances of

the group, central ledgers to track financial activity of the members of the group, and memorization. Memorization is the least favourable method and is only used if the literature rate is low.

The groups money and passbooks should be kept in a locked box that can only be opened with three (3) separate padlocks. Keys are distributed among the group to three (3) separate individuals. Each person records all the loans and share buys to their own passbook. This helps the group to stay on track about their finances. The box itself can only be opened in meetings when all members, or two-thirds are present. (FGCK 2024, 19-20, 29.)

2.9 Completing the cycle

Typical period for a table banking group is one year. This is also known as a cycle. In a traditional bank this would correspond to a fiscal year.

When a cycle is completed, a share out meeting follows. During this meeting members get the money equivalent of their shares back.

If any member owes the group at the time of 'share-out', the shares equal in value to the debt will be cancelled in the passbook, and this can be done in two ways:

1. Cancel shares equivalent to the outstanding loan at their original value:
2. Cancel shares equivalent to the outstanding loan at their new value, which includes the interest earned.

In the first option, the defaulting member is penalized, because the cancellation of the shares means that he/she will not receive the profit on those shares. Either case, this procedure must be clearly defined in the group's constitution and followed accordingly. (FGCK 2024,48.).

During the closing of a cycle members indicate if they want to continue or leave the group. If members decide to leave, new members can be accepted. Once the number of members is settled, a new cycle begins and share prices are decided. The share price can be the same, higher, or lower compared to the previous cycle. (FGCK 2024, 34,43.).

3 Research Methods

This chapter describes the methods chosen for the thesis. It provides an understanding of how the research was conducted for the reader. Including what designs and applications of theory.

The study aims to use both qualitative and academic research as the basis for the scientific study.

The qualitative research method hopefully gets answers with rich detail. The research questions are open ended, giving the interviewed an opportunity to express themselves better than a plain number.

3.1 Research design and methodology

Research could be described as a search of knowledge, deeper understanding of the topic, or a scientific investigation. (Kothari 2004, 1.)

“A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.” (Kothari 2004, 3.).

Before I started to formulate or focus on the questions for the interviews, thorough research on table banking itself was conducted. The majority of material used for framework studying was obtained from Full Gospel Churches Kenya. While doing my internship for them, they provided me with their own one hundred two (102) page manual of table banking education and counselling. These documents are used at these rural areas where they jump start the community led table banking groups. It provided immense help in the research phase and without them, this thesis would not have been finished.

Unless a piece of text is not specifically referred as an outside source, it is from FGCK's own internal documentation.

This all together provides a deeper understanding of the foundation for the guidelines of independent table banking groups.

3.2 Population

The collection of data was focused on table banking group located in Kenya's rural are. As mentioned before, Full Gospel Churches Kenya provided me with the contact information of people who organize and formulate table banking groups. For this research, three different types of groups were contacted and visited. When comparing this groups with each other they could be put into three different categories. A new group that has just started operations, group that has been

operational for three (3) years, a group that initially started as a table bank in 2013 and evolved to a Sacco (credit union). Before sending questions to these representatives, I spoke and consulted with the head of table banking groups at Full Gospel Churches Kenya.

Interviews and desktop study proved to be a good formula going forward as it provided with good context and knowledge for the thesis process as a whole.

3.3 Data collection and analysis

For the interviews, I sent questions for table banking group members, to the person who train groups and its members. These questions were open ended and provided the questioned person to express themselves freely. Some challenges arose during this process. Time constraints, finding the right people for this interview and language barriers. The process all together took an estimated four (4) weeks to complete.

The questions were sent out to the leaders of table banking groups via email. The responses given back were all sent back in an email form.

Some leaders were not able to respond this way due to language barriers, the lack of technological knowledge or equipment. The responses were given with a help of either with an interpreter, or a person who knew and owned the adequate technology.

The interviews were structured and divided into three (3) separate sections, each corresponding to the investigative questions. The technological development related to table banking, barriers to technological adaptation, and how to possibly combat these challenges. These divisions provided a crucial means of structure to the interviews in a positive manner.

The questions were open-ended and gave the interviewed person freedom to respond as they saw fit. All personal information of the interviewed are kept anonyms, due to their own will. Because the interview was structured, all of them were either logged or recorded for validity. The questions are listed in Appendix 1.

3.4 Reliability, Validity and Relevance

Within academic research, according to Dobakhti (2019) validity means: "matter of trustworthiness, utility and dependability that the researcher and different stakeholders put into it." Meaning the information should be reliable and the methods used to process this data should be accurate enough to get only relevant information.

Furthermore, reliability within the academic research ties in with reliability. Without a strong foundation that includes validity and reliability, the research is close to becoming fiction and loses its original function. In this case scientific research. (Morse & Barrett & Mayan & Olson & Spiers, 2002.).

The research based on desktop study, qualitative research method and interviews with the table banking group leaders and coordinators. In order to get a deeper understanding regarding to the investigative questions, it was important to view from different perspectives of this topic. The answers of these interviews are linked to the second chapter, in which the theoretical concepts discussed in the second chapter.

Relevance, the research needs to be relevant to people. It needs to provide something useful to the society. (Toffel 2016, 1). This thesis's topic is table banking in Kenya's rural areas and its technological advancements. In sub-Saharan Africa, where traditional banking has not been adopted by the masses, even though mobile phones and services have increased exponentially.

4 Data and Results

In this chapter the results of this research are provided in a structured manner. Due to the research being mono-phased, the results are divided into sub chapters within in the order of each investigative question. First sub-chapter concludes what technological advancements have happened and the second subchapter, the possible barriers preventing technological adaptation and in the last and third subchapter, some possible means of removing barriers and problems are discussed in detail.

4.1 Technological advancements that have happened in table banking

The major development within the table banking groups has been aided by the explosive growth of mobile phones in Kenya. It is important to note that this has made the trends explained below possible, as in 10-years the amount of mobile phone subscriptions more than doubled from 31.83 million to 66.75 million. (World Bank, 2023.).

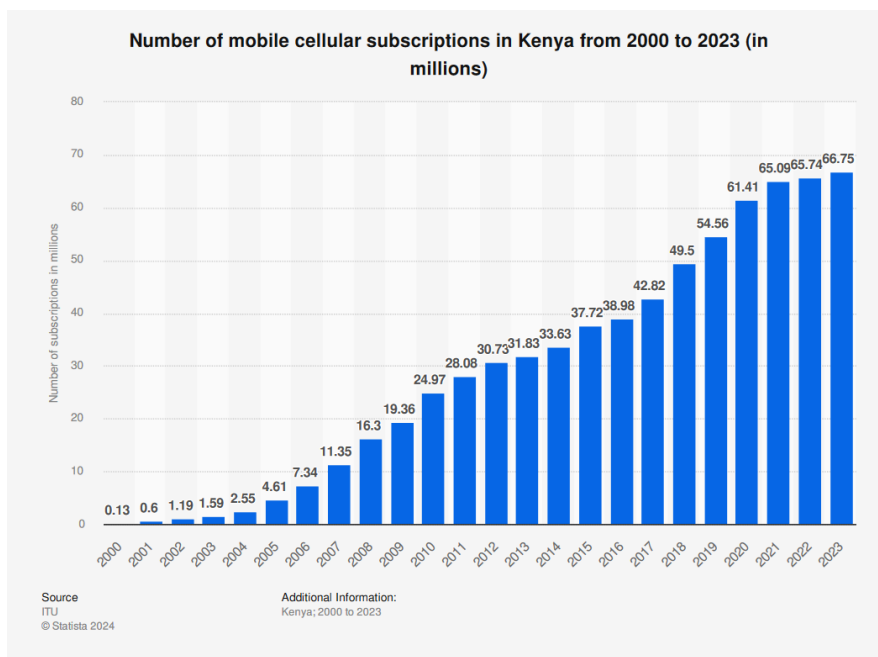


Figure 2. Mobile cellular subscriptions in Kenya from 2000 to 2023.

In relation to this, as it was mentioned in the first chapter, the transfer of funds via/through/by Mpesa, or similar services was one of the most highly mentioned developments. Making transactions more seamless and easier to the members. Another benefit that has come from digital transactions was the lowering of costs.

This was pointed out by three out of four interviewed personnel. The only group that did not incorporate technology into their table banking group was the smallest and the youngest. They have been operating now for five (5) months, while the rest have been operational for at least 5 years.

Additionally, the group that had started out as a table banking group and grown into a Sacco, had incorporated a call center to its members for additional support, in addition to their weekly meetings. The previously mentioned groups also noted that access to information was one of the key benefits of technology within the groups. This group was also the only one that mentioned traditional banking services were included in the advancements.

Access to information was mentioned in three out of four groups. Some benefits to access to technology and information were the increased transparency, using it for forecasting future developments. The ease of access to information was also utilized by one group by exchanging information on how to combat possible challenges and develop the projects further.

4.2 Barriers to technological adaptation

With all the answers from these groups, some points were pointed out more than others. The most common ones related to the lack of knowledge, education and training. All respondents mentioned that knowledge on mobile phones and computers was lacking in one way or another.

The lack of knowledge regarding the use of technology and how to adopt it to their table banking groups. One of the groups mentioned, in sub-chapter one, that they did not use any technology and had the illiteracy rate of seventy-five (75) percent. This greatly limits the possibility to use anything besides memorization in the daily operations within the group. This group was an outlier with the illiteracy rate, when compared to the rest of the groups and rest the of Kenya. The other table banking groups did mention illiteracy as problem too, but not to the extent of this one. For context the literacy rate in Kenya in 2023 was almost eighty-three (82,88) percent. (World Bank, 2023.).

Even though the amount of mobile phone users has increased in Kenya, a lack of individual ownership of phones was pointed out as a barrier to further technological adaptation. The cost of buying smartphones for some members is too much and not at the top of priorities.

Even at the groups where mobile and smart phones are used, problems with connectivity and services were one of the key problems.

The cost of training for members was also pointed out by one of the groups. With the limited resources available, it is very difficult to incorporate members to a more digital way of conducting operations.

Additionally general scepticism towards technology was one of the barriers. This hesitation towards further technological incorporation with table banking was not seen necessary.

4.3 What could be done to remove these barriers for technological adaptation

When asked about possible actions and solutions to overcome these barriers of technological adaptation, all groups and interviewed personnel emphasized the importance of training.

Training people on how to use technology and emphasising the benefits of implementing it to table banking. This could help with the aforementioned problem of scepticism towards technology. On the training methods, practical and hands on was preferred. It was mentioned by all three groups, and the coordinators of the Sacco and FGCK. The trainings could be done by government or technology companies, as two respondents pointed out.

Additionally, it was proposed that the trainings could be mandatory, forcing members to attend with the cost of some way of fine or penalty. Contrary to this proposal, the trainings could be done in an open forum way, making them easy to approach.

With the technology companies and the apps, making cost of purchasing phones lower and streamlining the apps to more user friendly was mentioned by half of the respondents. With lowering costs of mobile phones, the adaption rate of them could increase significantly. This is something that is not really in the control of the members or coordinators. The problem with this is that smartphones in Kenya are already relatively cheap, and lower costs on them could prove to be difficult.

For reference, smartphone market in Kenya is very different from Europe. As the latest available data from 2024, the biggest share of the smartphone market is held by Chinese brands at over thirty (30) percent. For comparison, Apple has only a 2,55 percent market share in Kenya. (Kombo, 2024.)

Chinese brands offer models that are catered towards the African market, and are generally, not on the leading edge of technology. (Jumia, 2024.).

5 Conclusion and Reflections

In this chapter, a summary of data will be presented from the research. It is divided into sub-chapters for key findings, further recommendations and reflection on the learning process.

5.1 Key findings

The aim of the thesis was to determine, what technological developments have happened in Kenya's table banking sector. This was concluded in empirical research as qualitative interviews with a combination of desktop study. Chapter 4 provided the findings from this research, and chapter 5 evaluates these findings further.

As it was pointed out in chapter 4, majority of the technological developments within table banking have been made possible by the huge growth in adoption of phones and smartphones. These devices have given access to banking services for who have been labelled as "unbankable". The term has been used to label people who lack collateral, high risk low yield, denying them access to these services before. Most common banking services are related to bank transfers and lending. Another significant development that these devices have brought is the ability to access information easily. Sharing information between table banking groups about possible challenges is a good example.

Major barriers to further technological innovation and adaptation in table banking come from the lack of knowledge, training and education. This included illiteracy and challenges with technology use. Even where people did have the knowledge to develop the group further with technology, poor service from telecom operators and high costs to purchase devices were pointed out.

On overcoming these barriers, there is a need to increase training resources. However, for there to be a training uptake, there is a need to sensitizing all stake holders, leaders and group members, on the benefits. Training could be initiated by the staff at FGCK, or by government entities. The government could also provide an online database for easy access to future table banking groups. Making devices more accessible by providing support and programs to the people who can't afford them.

App development catered for developing markets could also be a solution for easier adaptation for technology within microfinancing.

5.2 Further recommendations for future research

The conducted research was done in Nairobi, Kenya. Due to the flexible structure of table banking groups, this research could be replicated to other developing country's markets. More time spent with the table banking groups could also be considered in the future. The limits of time and available data did impact this research in a negative way. Going to the villages where the table banking groups meet would also be advisable.

With the technological development aspect of this research in the future, following current trends and seeing how they could be used beneficially. As an example, crypto currencies could impact the financial market in subsequent years.

Also, researching how the economy could decrease the reliability of liquid cash, providing more transparency in the bigger picture.

5.3 Reflection on the learning experience

Working with this thesis was an interesting project. I moved to Kenya for three months and completed my internship at the same time. The opportunity to do my thesis abroad and complete the internship turned out to be the right choice for me.

The whole idea of conducting both tasks started to float in the spring of 2024. The idea for my thesis was already set in stone, but basing the whole thesis on desktop studying didn't feel like a viable option. So, after not finding any suitable jobs within my major I decided to go abroad. I was lucky enough to get in contact with the people at Fida. They presented me with this opportunity and I'm more than grateful for it.

Before signing the work contract, I spoke with both the representatives from Fida and Full Gospel Churches Kenya on Teams and planned the logistics with them. I had reached out to them in late spring, but no progress was made until at the start of August. After this there was only a month and a half before my flight to Nairobi.

In September I landed in Nairobi and after a week I got to work. Some culture shocks and problems arose immediately. My luggage never arrived and the working life in Kenya turned out to be much different in comparison to Finland, at least at the place of my job. What I quickly understood

that the education that I had received at Haaga-Helia was not fully compatible to the working ways at FGCK.

Very few of the financial management tasks were digital. Most of the accounting is done by hand. For example, checks are still widely used and there was a lot of paperwork. Also, the pacing inside the working life is much slower in comparison. A good example would be the interviews. I started planning and preparing for them in late September, but all the responses came through only at the last week of the deadline. This did cause some stress, and in hindsight more time with this phase of the research would have been preferred.

The staff at FGCK provided me with great help with this thesis, as data relating to this specific field was more than hard to find. Finding any previous research in table banking field, that related to technology was my biggest concern when starting the writing process.

Overall, this experience gave a different viewpoint on life and people's needs. I got to work and visit my other home country after 16 years and a lot has changed during this period.

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Appendix 1.

First part of questions

1. What is your role in table banking?
2. How long have you been working with a table banking group?
3. What technologies have been introduced in table banking recently?
4. How has technology changed the way table banking groups operate?
5. Can you give examples of digital tools or apps being used in table banking?
6. How has technology affected things like access and security for members?
7. What changes do members notice because of these technological advancements?

Second part of questions.

1. What difficulties do table banking groups face when trying to adopt new technologies? (what are these technologies?)
2. Are there specific challenges, like cost or lack of training, that make it hard to use technology?
3. How does the digital skill level of members affect technology adoption in table banking?
4. Do you notice any hesitation or concerns from members or leaders about using new technology?
5. Does government policy help or hinder the use of technology in table banking?

Third part of questions.

1. What are some ways to help members feel more comfortable with new technology?
2. How could training sessions make it easier for people to learn new technology?
3. How could the government or management committee support the use of technology in table banking?
4. What could technology companies do to make it easier for table banking groups to adopt new tools?
5. Can you think/suggest any rules, support that might help make technology adoption easier in table banking?

