Financial Management Techniques: The Key to Financial Health of Inua Jamii Senior Cash Transfer Beneficiaries in Kenya

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Abstract

Financial health has been identified by the World Bank as key poverty reduction constituent element, as it is important in aiding economic development goals. The financial health among the vulnerable including the aged is very important in ensuring access to medication, food and other basic amenities. Inua Jamii Programme is crucial in identification of the disadvantage groups and providing them with sustainable programme. The global environment has continuously recorded an increase in the number of people with various challenges. Cash transfer programme has been executed globally to reinforce the vulnerable group. The lubricants of poverty among the ageing population results from poor health, inaccessibility to financial support, household straining to cater for basic needs, ignorance and loss of jobs among others. The key aim of this study was to evaluate the effects financial management techniques on financial health of InuaJamii program beneficiaries in Uasin Gishu County, Kenya. Theories anchoring the research included ageing theory, financial education theory and empowerment theory. Explanatory research design will be employed. The target population for this study comprised people who are presently receiving the cash transfer from the government who are 4,093. Through Fishers formula, 351 sample size was arrived at. Primary data was gathered by a questionnaire. The study revealed that cash management, budgeting management, financial literacy and risk management t techniques had a positive significant effect on financial health among Inua Jamii cash transfer benefices in UasinGishu County, Kenya. Further it was established that proper cash management often improves financial health. As the elderly engage in budgetary planning, it helps them to prioritize key basic needs requirements. Financial literacy often involve education on financial planning, budgeting, and investment options enabling the beneficiaries to gain a better understanding of their financial situation, which enhances their ability to make informed decisions and hence improving their financial health. Financial risk management equips the beneficiaries with knowledge about different risk mitigation strategies necessary for financial wellbeing. The study recommends the stakeholders should organize regular workshops focusing on financial literacy, covering topics such as cash management, budgeting and risk management. These skills are geared towards improving beneficiaries' financial health.

Keywords: financial literacy, financial health Risk management techniques, financial planning, budgeting techniques and cash management

1. Introduction

InuaJamii is an effective social protection program in Kenya that addresses poverty and susceptibility among the population. The program offers regular cash transfers to poor and susceptible families through funding from the Government of Kenya and the World Bank. By providing financial assistance, InuaJamii allows beneficiaries to meet their basic needs, including food, shelter, and healthcare, while encouraging long-term welfare through education and economic empowerment opportunities (Mwasiaji et al., 2016). Additionally, InuaJamii has become one of Kenya's most extensive social protection programs, with over 3 million beneficiaries. The program has been intended to target families facing extreme poverty, susceptibility, and other socio-economic challenges. By offering steady and consistent cash transfers, InuaJamii purposes to lessen immediate financial hardships and produce a platform for beneficiaries to advance their general financial welfare.

Research on the financial management techniques and financial welfare of InuaJamii program beneficiaries in Kenya has produced significant understanding, which includes beneficiaries' lack of adequate financial literacy skills, thus hindering their aptitude to efficiently manage the cash transfers received through the program and make knowledgeable financial decisions. Limited knowledge about perceptions such as budgeting, saving, and debt management may consequence in problems in allocating funds for long-term needs and planning for the future (Porisky, 2020). Furthermore, beneficiaries often face the challenge of using cash transfers to meet instant requirements, such as food and healthcare. While addressing these pressing needs is vital, it can make it hard for them to save or invest their money for longer-term goals or emergencies. These highpoints the significance of exploring approaches to support beneficiaries in balancing immediate requirements with future financial security.

Financial shocks, such as illness or job loss, can significantly affect the financial health of InuaJamii beneficiaries. Without adequate financial management methods or access to financial safety nets, these shocks can undermine their financial situations and hamper their progress toward long-term stability and resilience. Addressing these shocks and building financial strength among beneficiaries is vital for continued financial welfare. Various interventions have been suggested to advance the financial management techniques and financial welfare of InuaJamii program beneficiaries. Financial education is one such intervention that can arm beneficiaries with the knowledge and skills required to make knowledgeable financial decisions (Mwasiaji et al., 2016). By offering financial literacy training, beneficiaries can better understand budgeting, saving, managing debt, and making sound financial choices. In addition to financial education, providing suitable savings and investment products can empower beneficiaries to save for the future, protect themselves from financial shocks, and possibly grow their assets. Providing accessible and secure financial services custom-made to the requirements of InuaJamii beneficiaries can encourage financial inclusion and responsible economic behavior.

Social support mechanisms can also play a critical part in refining the financial welfare of beneficiaries. Beneficiaries can access valuable guidance, advice, and motivation by establishing peer groups, mentorship programs, or support networks. Such support systems can help circumvent financial challenges, nurture a sense of community, and encourage positive financial practices. Recognizing the importance of improving the financial management techniques and economic welfare of InuaJamii program beneficiaries, the Kenyan Government has exhibited dedication in improving program's efficiency (Wanyama& McCord, 2017). The government is working to offer beneficiaries financial education, expand access to suitable savings and investment products, and found social support networks. These creativities aim to equip beneficiaries with the necessary tools and resources to advance their financial literacy, manage their finances effectively, and build resilience against future shocks.

1.1 Financial Health

Weidaet Ahmad, Burhan, Madon, & Hamsan, (2020) defines financial health as the inclusive evaluation of personal finances that comprises the aptitude to meet basic needs, and capacity to save and build wealth. Rhyne (2020) alternately describes it as the interaction between own endowments, and ability to access financial services and social safety nets. Lusardi and Mitchell (2008) asserts that financial health of individuals is measured through a multidimensional financial health index that cover three dimensions, which include; ability to cope with risk; ability to manage everyday finances; and ability to invest in livelihoods and future. This study adopts the measure of financial health as suggested by Lusardi and Mitchell, which covers the three dimensions, owing to its robustness in evaluating personal finances. With regard to ability to invest in livelihoods and future, an individual is deemed to be financially healthy when they are able to make savings for old age, set aside money for productivity and set money aside for future purposes (FinAccess Household Survey report, 2019).

In terms of ability to cope with risk, one is considered to be financially healthy when they are able to raise lump sum amount in a short period often in three days, never going without medicine and also keeping money aside for future. Similarly, financial health is considered in terms of ability to manage everyday finances whereby an individual is able to afford daily food, plan for allocating money and avoid trouble making money last (FinAccess Household Survey report, 2019). The report further indicated that male population are more financially sound at 24.4 percent, compared to the female counterpart at 19.2 percent.

According to Jorgensen (2020) women are confident just as their male counterparts in most financial tasks, such as paying bills, paying off debts, choosing insurance and budgeting. However, the level of women confidence diminishes in the area of managing investments, noting that approximately half the population of women in any population are unable to manage investments. This indicates that despite the efforts, there still exist momentous gap between men and women in investment management. Research has shown that the educational achievement for women contributes biggest impact on her likely financial health.

However, other factors also contribute to financial health such as hours worked and access to financial institutions (Herath, Guneratne & Sanderatne, 2015). Women in full-time employment own financial products just as men with percentage of variation in ownership not significant. These women also have a guarantee of occupational pension ownership just like their male colleagues (Graham & Warren, 2011). However, unemployed and generally low-income women tend to have fewer financial products. To determine a woman's financial well-being, we will look at her net worth (the value of her assets minus her obligations), her savings rate (the percentage of her monthly income she puts aside for savings), her debt-to-income ratio, and her credit score. The four metrics are critical because they reveal whether or not the women can afford to pay their basic living expenses, have sufficient savings for an emergency, and meet their debt commitments

1.2 Financial Management Techniques

This is the process of translating strategies and financial plans into actions that will help achieve a person’s financial goals and when working with financial management, it is important to be aware of the various management tools and skills used (Savina, &Kuzmina-Merlino, 2020). Gorton (2021) observe that a financial Management skills helps persons and firms to clearly monitor the current and future cash flows and helps to achieve the intended goals. Therefore, financial management skills involve analyzing how individual can operate the financial affairs. In this study, financial management skills will include; cash management skills, financial planning skills, financial literacy skills and risk management skills.

Financial management techniques enable individuals to perform specific finance tasks in a certain way (Phenya, 2011). It is basically financial knowledge demonstrated by actions. Rather, they are skills related to the understanding, evaluation and management of financial resources of an institution or a person and are acquired through both formal and informal training and practice. Financial management skills enable the person to define their goals and develop programs that will achieve the goals into quantity. Further, it helps a person to gain ability to utilize relevant knowledge to manage both expected and unexpected situations by solving financial problems and converting them into future financial benefits. Budgetary skills, investment skills and debt management skills are the key financial management skills the study will focus on.

Budgeting remains a very important and useful part of financial administrative strategy. It includes coming up with approximations of individual earnings compared to their expenditure during a given period (Majani& Gichure, 2017). Several skills are needed in coming up with workable budgets and estimates (Xaba & Ngubane, 2011. Kamunge (2016) used the following determinants to measure successful budgetary process; availability of monetary support, skilled manpower capital and personal participation as well as self-motivation while planning. This study will measure the budgetary skills of the respondents by their ability to make estimates, following the budgets and subsequently implement the budgets.

Cash management techniques connote the ability to manage an individual’s cash inflows and cash outflows. Inua jamii beneficiaries have a lean cash inflows and outflows that need prudential management necessitating the persons to be well versed with cash management skills so as to meet payment obligations, plan for future payments and keep financial steadiness. The persons should properly manage the available scarce finance resources at all levels with focus on key priorities and procure for goods and services as per set out procurement priorities (Kamunge, 2016). Cash management, collections accelerations and disbursements are enhanced fostering strong relationships with stakeholders (Modlin, 2014). Proper financial records like the must be well maintained to provide reliable information about all transactions for purposes of preparation and forecasting of future budgets (Ongeri, 2011; Mogeni, 2017).

Risk analysis and management is an essential financial management skill for monitoring the budgets and sound decision making (Financial Services Division, 2015). This is an important skill required in evaluation and interpretation of financial record. Also, individuals are able to understand how cash received was expended and why some projects were prioritized for the satisfaction of their short- and long-term obligations (Phenya, 2011).

Ademola, Musa, and Innocent (2019) define financial literacy as the desire, self-assurance, and competence to apply financial understanding and knowledge in order to generate sound judgment in differing monetary contexts to ensure one's financial soundness and allowing one to have knowledge of financial concepts and participate in economic life. According to Lusardi and Mitchell (2011), around a third of the world's population has a basic understanding of the principles that should be used when making financial choices. With the goal of helping the least-informed members of society achieve more financial security, growth, and participation, the notion of financial literacy was born.

As the complexity of financial markets grows, it becomes more difficult for the majority of low-income individuals, especially women, to make informed judgments about financial goods and services (Mustafa, Mazhar, Asghar, Usmani, Razaq& Anderson, 2019). Financial literacy equips individuals with essential instruments for forecasting, assists them to make savings and thus ensures that individuals maintain financial health. Some conventional measures of financial literacy are financial management skills and knowledge, ability to develop financial plans, positive financial behaviours and attitudes as well as informed financial product choice (Bongomin, Munene, Ntayi& Malinga, 2017).

1.3 Inua Jamii Program Beneficiaries in Uasin Gishu County

Inua Jamii program is a subset of cash transfer scheme pointed at boosting the financial health of the vulnerable people in the communities in Kenya. Its main purpose is to cushion the poorest and vulnerable members of the society in Kenya. It targets elderly people above 70 years of age, orphans and people living with disability and chronic poverty affected areas. A report by World Bank 2020 states that wealthy nations provide create cash transfer for social pension schemes using an elaborate system of cash transfer. Mbabu (2017) also noted that cash transfer is a vital method of improving livelihoods among disadvantaged groups. The program is implemented in all Kenyan Counties.

1.4 Statement of the Problem

Inua Jamii programme bridges the gap on the cost of living between the poor and wealthy. It assists the vulnerable to meet the basic needs with ease. Most of the vulnerable face challenges in access of food and medicine (World Bank, 2020). In Kenya, the program became effective in the year 2015 as part of broader efforts to promote financial inclusion and poverty alleviation by the government. With a focus on serving cash transfer to orphans and vulnerable, aged, persons with disability and huger safety net. These groups often face greater barriers to accessing their basic needs and hence missing their constitutional rights. Kenya has played a crucial role in introducing the program to enhance and promote the financial health of the vulnerable groups. Understanding the impact of Inua Jamii program on the financial well-being of the elderly members is essential for assessing the effectiveness of these institutions and informing policies and programs aimed at promoting inclusive and sustainable development (CBK, 2017).

The 2016 National Safety Net Programme progress report indicates that the program has been faced with numerous challenges ranging from the administration process, registration of the legal beneficiaries, corruption as well as delayed cash disbursements. These issues have raised concerns from different stakeholders and implementing partners including government agents, legislators and other human rights groups. A notable drawback is manifested by the lack of program awareness by the general public. This is coupled by frequent complains and grievances from the beneficiaries lamenting the poor manner of cash handling by the administrators of the process.

Ngelu (2017) carried out a study to investigated cash transfer program effects in reducing the poverty levels in Kenya. Whereas there was great success, the study observed that there was need to awareness and carry out financial education campaigns targeting the beneficiaries. This is seen as key enabler to improving the financial management skills which are necessary for financial health of the beneficiaries. Consequently, this survey strives to establish financial literacy levels impacts on the financial health of the Inua Jamii program beneficiaries

Syanda (2017) sought to investigate the effect of cash transfer on social economic wellbeing of the beneficiaries in Kitui County. The study noted that indeed there was great improvement on the livelihoods of the beneficiaries. However the study laments about the high levels of lack of awareness, low levels of understanding of the process and its requirements as well as lack of risk mitigation measures by the government in terms of security of the beneficiaries when receiving the cash. This has led to some of the beneficiaries being robbed and some killed. The current research seeks to establish the level of financial risk awareness by the beneficiaries as well as the measures put in place by different agencies.

McKay et al (2020) in their research focusing on the means and channels used for cash transfer to the beneficiaries. The study noted that a majority of the Inual Jamii beneficiaries did not have bank accounts. The study further established that the recipients had little knowledge on savings through the bank accounts and how they could link them to their Mpesa sevices. The research established a gap in how awareness is created by the facilitators of the program. Hence there is need to study the level of financial literacy as will be undertaken by this study.

Following the foregoing challenges, it will be important to investigate effects financial management skills on financial health of InuaJamii program beneficiaries. Additionally, by studying the financial management techniques utilized by InuaJamii beneficiaries, the research can identify best practices, approaches, and areas for enhancement. This knowledge can appraise the development of custom-made interventions to improve beneficiaries' financial literacy, savings behavior, and general financial management skills and hence their financial health.

1.5 Objectives of the Study

1.5.1 General Objective

To ascertain how financial management skills influences financial health of InuaJamii program beneficiaries in Kenya's Uasin Gishu County is the prime goal of this review.

1.5.2 Specific Objectives

i) To determine cash management techniques effects on Inua Jamii beneficiaries' financial health Kenya's Uasin Gishu County

ii) To assess how financial budgeting techniques influences Inua Jamii beneficiaries' financial health Kenya's Uasin Gishu County

iii) To examine financial literacy techniques impacts on Inua Jamii beneficiaries' financial health Kenya's Uasin Gishu County

iv) To ascertain how risk management techniques affects Inua Jamii beneficiaries' financial health Kenya's Uasin Gishu County

1.6 Research Hypotheses

H_{01}: Cash management techniques does not significantly affect financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

$H_{02:}$ Financial planning techniques has no substantial effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

$H_{03:}$ Financial literacy techniques does not significantly affect financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

$H_{04:}$ Risk management techniques has no substantial effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

2. Review of Literature

2.1 Theoretical Review

Critical ageing theory is the work by Estes (1991) and it explains the role of the elderly in private and public establishments. Lincon and Guba (200) reiterated the importance and need of wide understanding and development pf policies that accommodate the neglected elderly people. This is important because for a country to grow it has to bring everyone on board.

It advocates for dignified life for the elderly persons which can be enhanced by improving their financial health. Applying piece to the current research, it elucidates how financial management skills and the pooling of resources contribute to the growth of the elderly and vulnerable, thereby enhancing their financial health. By understanding and leveraging these financial skills, the elderly are empowered to improve their economic well-being, aligning with the enduring principles articulated by Estes (1991.

Financial Education Theory was the product of the work of Gallery, Newton and Palm (2021). The theory emphasizes the role of financial knowledge in creating a strong investment in human capital. It further establishes that people need to be more informed in order to build the investment skills. Financial literacy is found to be a key component in shaping economic landscapes. Therefore, research needs to provide a better platform for public policy brief in terms of incorporating financial literacy in economic development.

Empowerment Theory by Activist Julian Rappaport is responsible for the empowerment paradigm (1981). Based on this idea, we know that oppression is a major factor in the powerlessness felt by many disadvantaged people. In social work, the empowerment theory employs intervention strategies that teach individuals to increase their sense of agency (Ackerly, 1995). The goal of this theory is to question the establishments that stand in the way of these communities' ability to provide for their own basic necessities.

2.2 Empirical Literature Review

This segment provides an overview of previous researches related to the current study variables. The study analyzed those studies in terms of objectives, methodology, findings and conclusion. Fo Ahmed (2015) studied the delivery mechanisms helping cash transfer. The study was undertaken in Bangladesh and it focused on the elderly. The study recommended transparency identification process, free from fraud and favor. It further proposes elaborate and clear procedures in the transfer of cash to the elderly. The current survey was done in Kenya to establish how the cash transfer mechanism affect the financial health of the elderly. Kenya and Bangladesh are in different economic zones and therefore it was necessary to establish if the same factors are applicable in both countries.

Abiola (2016) studied mobilization for micro savings innovations and decrease in poverty level in Nigeria, targeting the underprivileged and self-employed individuals. The study employed primary$_7$ data$_7$ collected$_7$ using$_7$ structured$_7$questionnaire, and$_7$ hypothesis$_7$ tested$_7$ using$_7$ ordinary$_7$ least$_7$squares. The generated results indicated that the savings rate by the low-income people grew by 160% and has already contributed to alleviation of extreme poverty, as a result of the emergence of enterprises. Whereas the study context was Nigeria, the current study looked at cash management techniques and financial health of Inua Jamii beneficiaries in Kenya.

Idris and Agbim (2015) looked at the effectiveness of managing cash from micro credit in helping to reduce poverty among businesswomen in Nasarawa State, Nigeria. In particular, the research looked at how different forms of financial aid—including microcredit, which may be used to start a business interacted with the possibility of self-employment and increased financial independence. The current study focused on establishing financial planning techniques helped in debt management hence leading to improved financial health.

McKay et al (2020) investigated the means and channels used for cash transfer to the beneficiaries. The study noted that a majority of the Inual Jamii beneficiaries did not have bank accounts. The study further established that the recipients had little knowledge on savings through the bank accounts and how they could link them to their Mpesa sevices. The research established a gap in terms of knowledge empowerment in terms of educating the beneficiaries on how to take advantage and diversify the uses of different channels. By establishing planning techniques extent possessed by the beneficiaries, this study sought to fill the gap by establishing how well the techniques was used to improve financial health.

King'ondu (2020) assessed impact of planning techniques on individual investment decisions Machakos sub County majorly focusing on employees in the education sector. Planning techniques were found to positively influence individual investment decisions. Whereas the study focused on those in formal employment, the current study concentrated on the elderly beneficiaries if Inua Jamii cash transfer.

Klapper and Lusardi's (2020) research on financial literacy and resiliency provides some interesting insights. By quizzing locals on their understanding of financial topics like inflation, credit interest rates, and risk diversification, we were able to assess the variable of financial literacy. A third of individuals, according to the report, lacked a basic comprehension of financial principles. The study noted that more knowledgeable and informed people on the tested financial concepts are the well-educated who are already consumers of financial services and the wealthy within the society. Moreover, the study found that credit products, majority of them attracting high interest rates are becoming more readily available, and this aggravates consumer risks especially with the low financial literacy. This study sought to establish how the elderly were able to manage the risks in their daily financial transactions

Hinga (2014) in separate study in Nairobi Kenya looked at the connection between financial literacy and individual savings habits among postal corporation of Kenya employees. Through descriptive survey and descriptive analysis, it was discovered that financial literacy prominently impacted individual savings. This led to the recommendation that government to adopt policies that will ensure employee financial literacy trainings are undertaken. It provided the nexus between financial literacy and individual savings. This current research in addition explored how financial literacy influences financial health of individuals.

Hung, Yoong, and Brown (2012) examined women financial empowerment through financial awareness and education. The study using qualitative study method reviewed data on women and financial literacy. Data from academic literature and from Financial Literacy Survey from 12 member countries to OECD were considered and found there was gender imbalance in financial literacy in various countries. Further, the study noted that there was limited information on financial education available for women. While this was an empirical review of studies on women financial empowerment through financial literacy, the current study will use primary data to examine how financial literacy affects financial health. Contextually, the study focused on women registered in MFIs in Kenya while the current study focused on the aged population who are beneficiaries of the Inua Jamii cash transfer program.

In Busia County, Kenya, Obonyo (2017) explored the role of cash transfers to elderly adults on family financial standing. Cash transfer initiatives in the sub-county increased the chances of overall production among male and female adults, while reducing the hours worked by retirees having received their first payment, according to the survey. Correspondingly, the cash transfer scheme has significantly altered the labor supply in households while anticipating future money transfers, and the pension money initiative has made it easier for elderly householders to retire and reduce the amount of time they spend in strenuous work. Per the study, those who benefit from cash transfer programs reside in rural areas and primarily depend on subsistence agriculture. The current study sought to establish further how these services improved the financial health of the beneficiaries.

3. Research Methodology

The investigation employed an explanatory research framework. As posited by Fisher and Ziviani (2018), the goal of explanatory research design is to furnish a thorough comprehension of the connection between variables through the exploration of causal relationships. Consequently, through the utilization of explanatory research design, the investigation will have the capacity to scrutinize the intricacies of change management procedures and pinpoint the fundamental catalysts for successful organizational change.

The target population for this study comprised people who are presently receiving the cash transfer from the government .There are 10,014 (4,465 (44.58%) males and 5,549 (55.42%) females) people who are above the age of 65 within Ainabkoi constituency (Uasin Ngishu county social protection, 2022). This is the number eligible to receive the cash from government. However, the examination's target populace was the people who are presently receiving the cash transfer from the government who are 4,093, according to Uasin Ngishu County Social Protection (2022).

Jawale (2017) defines sampling as the method of taking a sample of a population to draw statistical inferences from that sample and to predict the characteristics of the entire population. Fisher's formula to calculate sample size was used since the population is finite and arrived at a sample size of 351

A semi structured questionnaire was utilized to collect data. It has the advantage of combining both structured and semi structured segments. This allows for comparable, reliable data with the flexibility to ask follow up question (Einola & Alvesson, 2021). Using surveys has numerous benefits, such as eliminating interviewer bias, being cost-effective for reaching a broad geographic area, providing enough time for accurate responses, being suitable for difficult-to-reach individuals, and enabling the use of large samples to produce reliable results (Abgaz et al., 2018).

The data collected was subjected to coding, inputting and examination with the help of SPSS version 26. To fully understand the research findings, this research employed both qualitative and quantitative approaches. The qualitative information was taken through content analysis for examination. The results were conveyed through a narrative format. Quantitative data including a range of statistical tests, such as descriptive and inferential analyses was taken. Descriptive statistics like averages and spreads were used to summarize and explain the data. Analyzing correlations and conducting multiple regression was used in inferential statistics to explore connections and identify factors that can make predictions.

4. Research Findings and Discussion

This segment of the survey showcases the feedback gathered from respondents, emphasizing the number of individuals who thoughtfully interacted with the questionnaire and provided their insights on the research subject. These responses are compared to the questionnaires that remained unfinished. Table 1 details the results.

Table 1. Response Rate

Response	Frequency	Percent
Returned	299	85.2
Not Returned	52	14.8
Total	351	100

Source: Field Survey (2024)

Table 1 unveiled the returned questionnaires account for 85.2% of the total, indicating a strong response rate. Conversely, the unreturned questionnaires make up 14.8% of the total. The high response rate of 85.2% suggests that the majority of the participants actively engaged with the survey and provided their valuable insights. This level of participation enhances data dependability and representativeness, as it reduces potential for non-response bias. This rate not only exceeds the acceptable benchmarks set by Dillman *et al* (2014) but also surpasses the average rates reported in the existing literature. The high level of engagement from the respondents contributes to the overall data quality and reliability, enhancing the validity and generalizability of the study's findings.

4.1 Demographic Distribution

The research sought to collect data concerning the gender and number of years of receiving cash transfer. The outcomes derived from this data are detailed in the following sections.

Gender of the respondents

The study sought the representation of the gender of the respondents and the findings are given in Figure 1.

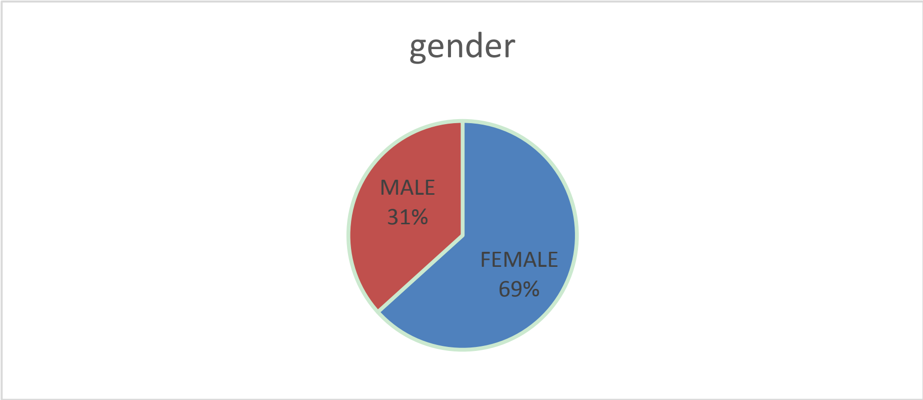

Figure 1. Gender

Source: Survey Data (2024)

69% (207) of participants were female while 31% (92) were male. This denoted that majority of Inua Jamii cash transfer beneficiaries are women in Uasin Ngishu County, Kenya. This implies that women have a higher life expectancy than men. This distribution illustrates that the respondents encompassed a variety of age groups. The diversity in age is crucial to the study, as it demonstrates how the program has addressed the challenges of both male and female genders.

Years of receiving cash transfer

Representation of number of years the respondents had received and benefitted from the cash transfer was sought. Outcomes are exhibited in Figure 2.

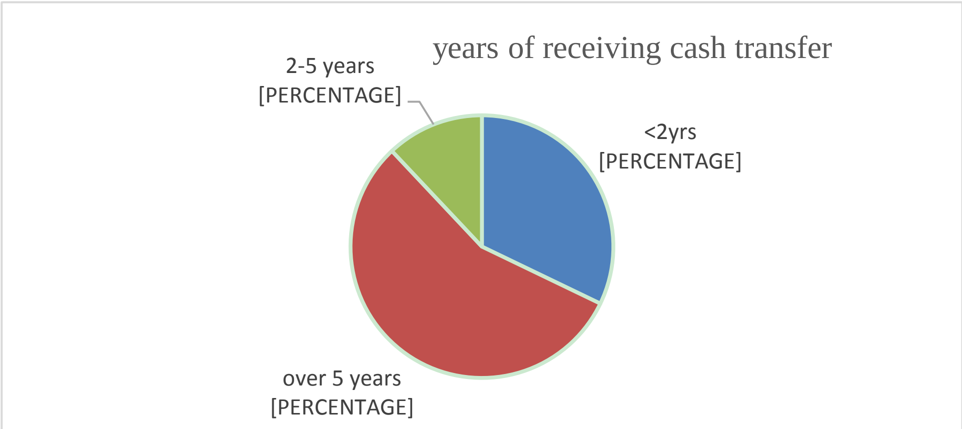

Figure 2. Number of years of receiving cash transfer

Source: Survey Data (2024)

The respondents who were 56% (168) had been in the program for more than 5 years, 32% (96) had been in the program for less than 2 years while 12% (35) were in the cash transfer program for between 2-5 years. This implied that most of the beneficiaries have enjoyed the program for greater than 5 years. In conclusion, most participants have an extensive association and benefits with the program. Indicating that the program has helped in improving their financial health.

4.2 Descriptive Statistics

The results of the descriptive statistics were articulated using the Mean (M) and Standard Deviation (SD), which were derived from data input into SPSS and displayed in tables.

Table 2. Descriptive results between financial management techniques and financial health

Statement	**1**	**2**	**3**	**4**	**5**	**Mean**	**Std.dev**
There is enhanced livelihoods through cash transfer	13.60%	13.60%	5.50%	37.00%	30.20%	3.56	1.40
There is reduced dependency on others through cash transfer	11.00%	13.00%	6.80%	30.80%	38.30%	3.72	1.38
Cash transfer has enabled the beneficiaries to access food and medication	17.50%	12.30%	7.10%	33.80%	29.20%	3.45	1.46
Cash transferee has contributed improvement of the economic wellbeing of the beneficiaries	13.60%	13.00%	2.30%	40.30%	30.80%	3.62	1.39
I have started a small business as a result of cash transfer to increase my income	13.60%	17.20%	1.90%	29.90%	37.30%	3.60	1.47

Source: Research data, 2024

The respondents, 67.2% agreed there is enhanced livelihoods through cash transfer (mean=3.56, std.dev=1.40). Further, 69.1% of participants agreed that there was reduced dependency on others through cash transfer (mean=3.72, std.dev=1.38). In addition, 63.0% of participants agreed that cash transfer has enabled the beneficiaries to access food and medication Further, 71.1% of participants agreed that Cash transfere has contributed improvement of the economic wellbeing of the beneficiaries (mean=3.62, std.dev=1.39). The participants, 67.2 % had have started a small business as a result of cash transfer to increase my income (mean=3.60, std.dev=1.47).

4.3 Inferential Analysis

Correlation Results

To assess association of financial technology and investment decision, Pearson Correlation was employed.

Table 3. Correlation Results

		Financial Health	Cash Management	Financial Management	Financial Literacy	Risk Management
Financial Health	R	1				
	Sig.					
Cash Management	R	.608**	1			
	Sig.	0.000				
Financial budgeting	R	.527**	.329**	1		
	Sig.	0.000	0			
Financial Literacy	R	.511**	.351**	.167**	1	
	Sig.	0.000	0	0.003		
Risk Management		.585**	.433**	.369**	.261**	1
		0.000	0	0	0	

Source: Research data, 2024

Cash management strongly positively correlated with financial health (r=0.608, p=0.000). This infers that cash management techniques had a strong positive association with financial health among the Inua jamii cash transfer beneficiaries. This supposes that cash management techniques improve financial health of the beneficiaries. Findings also showed that financial management skills moderately positively associated with financial health (r=0.527, p=0.000). This infers that improvement in financial management techniques would lead to financial health improvement.

Outcomes also showed that financial literacy moderately positively correlated with financial health (r=0.511, p=0.000). This deduces that increased financial literacy awareness would lead to better levels of financial health. Risk management was also found to substantially positively associate with financial health (r=0.585, p=0.000). This deduces that improved risk management would lead to better levels of financial health among the beneficiaries.

Regression Analysis

This was conducted to establish cause effect of financial management techniques and financial health among the Inua jamii cash transfer beneficiaries.

Table 4. Regression Analysis between financial management techniques and financial health

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.817[a]	.701	.667	1.312

Table 5. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	108.934	3	37.325	21.448	0.000
	Residual	14.537	8	1.742		
	Total	**123.471**	**11**			

Table 6. Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
	B	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	6.332	0.276		11.626	0.000
Cash management	0.707	0.241	0.534	2.854	0.005
Financial budgeting	0.868	0.324	0.621	2.767	0.007
Financial Literacy	0.632	0.333	0.512	2.474	0.025
Risk Management	0.736	0.301	0.716	2.335	0.003

a. Dependent Variable: Financial Health

Source: (Researcher, 2024)

As per Table 5, it is depicted that the F statistics value as indicated in model 1 on the extent to which financial management techniques affect financial health of Inua jamii cash transfer beneficiaries is concerned is 21.448 with p=0.000 which is less than the critical value of (0.05) implying a statistically significant influence of the independent variable to the dependent variable at 95% confidence level. Therefore, as per ANOVA results, the overall model was proved to be a well-fitting estimator of the variances detected on Kenya’s microfinance banks profitability.

Further analysis was done on the aspects of coefficient of determination (Adjusted R^2 =0.667), for model 1 portrays that all the predictor variables describing financial management techniques when taken together, explained 66.7% of changes in financial health. Whereas, 23.3% of changes was predicted by other variable quantity which were not unified in this experiential model.

Hypotheses testing results

The study tested the corresponding null hypotheses to ascertain degree of significance of selected independent study variables on the dependent variable. Multiple regression model was utilized to achieve this main objective. The four corresponding hypotheses which were subjected to regression test were as follows;

Optimal Model

$$Y = 6.332+0.707X_1+ 0.868X_2+ 0.632X_3+0.736X_4 +\varepsilon$$

Where;

Y= Financial Healthy

X_1= cash management technique

X_2= Financial management technique

X_3= Financial literacy technique

X_4 = Risk management technique

β_1, β_2, β_3 and β_4 = Coefficients

ε = Error term

The outcome unveiled a Y intercept constant term of **6.332** which indicates that in the absence of financial management techniques, the level of financial health will be at 6.332.

H_{01}: Cash management techniques have no significant effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

Based on the set objectives, the study tested the hypotheses emanating from the aforementioned specific aims and the outcome was as discussed herein. The foremost specific aim was to ascertain cash management techniques effects on financial health. The hypothesis which was generated from the objective was tested in order to answer the objective. The outcome presented a (β=0.707 and p=0.005). This implied that indeed cash management had substantially positively affected financial health. Hence the null hypothesis was rejected concluding that an improvement in cash management techniques would lead to a better financial health level of the beneficiaries.

The findings concur with Ahmed(2015) Who established that the delivery mechanisms is necessary for cash management and transfer The study further recommended the establishment of elaborate and clear procedures in the transfer of cash to the elderly. Additionally, Idris and Agbim (2015) established that proper cash management including microcredit and cash transfer can be used to start a business interacted with the possibility of self-employment and increased financial independence. The current study by establishing a positive relationship means supports proper cash management as a recipe to improving the financial health of the elderly in Kenya.

$H_{02:}$ Financial budgeting techniques have no significant effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

To determine financial budgeting techniques impacts on financial health was the second specific aim. The corresponding null hypothesis was generated for purposes of testing and answering the objective. It was established that the output depicted (β=0.868 and p=0.007). This implied that improvement in budgeting techniques would lead to better financial health levels for the beneficiaries. This led to failure to accept the null hypothesis and hence conclude that there is a positive influence between financial budgeting and financial health.

The findings were found to be in collaboration with a study by King'ondu (2020 who established that budgetary planning techniques on individual investment decisions are important in improving the financial health and stability of individuals. Budgetary Planning techniques were found to positively influence the utilization of funds by the Inua Jamii beneficiaries hence improving their financial health.

$H_{03:}$ Financial literacy techniques have no significant effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

To investigate how financial literacy techniques influence financial health was the third particular aim. To answer this objective, a hypothesis was generated and tested. The results from regression output established that financial literacy statistically significantly affected financial health with (β=0.632 and p=0.025). Null hypothesis was rejected and the alternative adopted which states that financial literacy improves financial health. Hence the objective three was achieved. Past studies similar to the current one have been found to be in agreement.

Hinga (2014) in his study in Nairobi Kenya found out that financial literacy and individual savings habits are key in improving the social economic welfare of individuals. This led to the recommendation that government to adopt policies that will ensure financial literacy trainings are undertaken. It provided the nexus between financial literacy and individual savings. The current study agrees with the recommendation and established that financial literacy training is important to the Inua Jamii beneficiaries.

In addition, another study by Hung, Yoong, and Brown (2012) examined women financial empowerment through financial awareness and education. Further, the study noted that there was limited information on financial education available for women. The current study confirms that financial awareness is limited in the elderly and hence it is required in order to enhance the utilization of the cash transfer program in Kenya.

$H_{04:}$ Risk management techniques have no significant effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya

The final specific objective was to evaluate risk management techniques impacts on financial health. The corresponding null hypothesis was tested in order to answer the objective. It was portrayed that risk management techniques had a positive and statistically significant effect on financial health with (β=.763 and p=0.003). This resulted to rejection of the null hypothesis and adopted the alternative one. Hence the objective number four was achieved.

According to Obonyo (2017) cash transfers to elderly adults has played a key role in improving family financial standing. Cash transfer initiatives have increased the chances of overall production among the elderly. This improves their levels of dependency making them financially independent.

According to Evans, Hausladen, Kosec, and Reese (2014), asset buildup, asset diversity, and the support of family and community are all strategies that older people use to ensure their financial risk diversification. Risk mitigation procedures are key for financial health and hence this training should be encouraged.

5. Conclusions

After testing the null hypothesis one, the results prompted for acceptance of the alternative hypothesis which states that; "Cash management techniques has a significant effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya". This portrays that effective cash management allows beneficiaries to alleviate running debts and access basic needs. The frequent cash transfer helps to minimize financial uncertainties and the beneficiaries are able to plan and align their expenditures with the cash receipt intervals. Additional cash management technique facilitates the analysis of these expenses and money allocation between the cash as well as enables the identification of changes in the cash needs. This helps them to improve on their financial health as well as social economic levels.

Similarly, the second null hypothesis was considered which states that; “Financial budgeting techniques have no significant effect on financial health of InuaJamii beneficiaries in Uasin Gishu County, Kenya.” This implies that a proper budget preparation allows to plan out expenses which makes it easy to purchase their goods according to priorities this agrees with the role of proper budgeting techniques in ensuring value for money. Proper budget preparation allows to anticipate operational changes. This means that most of the beneficiaries were able to monitor price changes and adjust their budgets accordingly. Also, expenditure priorities make the most of money not overspend and reach financial goals faster while good record keeping helps to ensure one avoids impulse buying. This deduces that most of the beneficiaries are aware of the dangers created by impulse buying. In addition, participants, proper records management enable one to gain control and financial forecasting leading to financial health and stability.

To investigate financial literacy techniques impacts on financial health was the third aim. On performing the regression analysis, it was depicted that financial literacy techniques had statistically significant effect on financial health. This implies that awareness training and advisory service concerning the cash transfer program carried out is important in informing them about the modalities of operations and benefits of the program. This means that the program official have been carrying out awareness campaigns and that financial literacy training covers area to assist in effective management of money and debt Therefore, the beneficiaries are able to optimally manage debt and payment issues, continuous improvement and updated on any new developments and new financial products and policies beneficial to them. These skills have enabled some of them to start small businesses which are helping in creating more income, hence better financial health

The fourth null hypothesis investigate risk management techniques effects on financial health. It was found to significantly effect on the financial health of the Inua Jamii beneficiaries. The study concluded that Risk management being a key component in financial investments should be emphasized and encouraged for the elderly

5.1 Recommendations

The review advises that the Inua Jamii program implementers should organize regular workshops focusing on financial literacy, covering topics such as budgeting, saving, risk management and investment options. Offer personalized financial counseling sessions to help the elderly assess their financial situations and set realistic budgeting and risk mitigation strategies.

The Ministry of Public Service, Gender and Affirmative Action to consider contacting a country wide training to the elderly together with their next of on various financial management techniques including cash management, budgeting techniques, financial literacy and financial risk management techniques. These are key components to improve their financial wellbeing.

The Government of Kenya and NGOs dealing with elderly issues should develop training programs on budgetary planning techniques to promote priorities in expenditure by the beneficiaries. This will ensure that their basic needs are well taken care of especially food and medication.

This study benefits academic frontier for theoretical concerns about the relationship financial management techniques and financial health, and it serves as a foundation for further future studies concerning other factors affecting financial health. As a result, more areas of research might be conducted from a contextual standpoint, with the same element being examined further using other financial programs.

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Authors’ contributions

Jesee Maingi Kariuki and Dr. Salome Musau contributed to the design and implementation of the research, to the analysis of the results and to the writing of the manuscript.

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