

**INFLUENCE OF COMMERCIAL BANK CREDIT FACILITIES ON
PERFORMANCE OF WOMEN'S PROJECTS IN BUNGOMA
COUNTY KENYA**

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**Research Project Submitted in Partial Fulfillment of the Requirement
for the Award of Degree of Master of Arts in Project Planning and
Management of the University of Nairobi**

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DECLARATION

This research project is my original work and has not been submitted to any other university for a degree or any other reward.

Signed.....

Date.....Linnet N Kalenda L50/77786/15

The research project has been presented for examination with my approval as the University Supervisor.

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DEDICATION

I dedicate my work to my parents Wycliffe and Mary, my lecturers and classmates for their continuous support in undertaking this research project.

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ABBREVIATIONS AND ACRONYMS

MSEs	Medium and Small Enterprises
GOK	Government of Kenya
CBD	Central Business District
MFI	Micro Finance Institutions
ROSCAS	Rotating Savings and Credit Associations
AfDB	African Development Bank

ABSTRACT

The banking industry plays a vital role in today's society in promoting economic development by giving support to businesses through credit facilities creation and encouraging a culture of savings amongst individuals, businesses and development groups. The local banking system comprised of 46 commercial banks, 15 microfinance institutions and 1109 forex bureaus at the end of December 2008. The industry has over the past few years enjoyed exponential growth in deposits, assets profitability and products offering, mainly attributed to automation of services and branch network expansion both locally and regionally. The growth has brought about increasing competition among players and new entrants into the banking sector. The competition has led to banks focusing on diverse customer needs rather than traditional banking products such as over the counter deposits and withdrawal. The purpose of this study was to investigate the influence of bank credit facilities on the performance of women's projects in Bungoma County. The researcher used self-administered drop and pick questionnaires to collect data as well as document reviews were used. The target population was women business entrepreneurs in Bungoma County, specifically in the central business unit. A total of 170 entrepreneurs were selected through stratified simple random sampling. The results were analyzed through both qualitative and quantitative techniques. The output of this study was vital in providing information to women entrepreneurs about banking to improve performance, as well as to banks to help them encourage women to access the credit facilities.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Credit facilities have enabled extremely impoverished people to engage in self-employment projects that generate income for them and their families. These facilities are gaining credibility in finance industry and many traditional large finance organizations are contemplating credit projects as a source of future growth, even though it had been earlier disguised in its likelihood to success (Yunus, 2008). Credit facilities refer to loans extended to the poor for undertaking self-employment projects that would generate income and enable them to provide for themselves and their families (Yunus, 1999).

Working women contribute to national income of the country and maintain a sustainable livelihood of their families and communities throughout the world as they face many socio-cultural and legal barriers as well as lack of education and financing. Traditionally, women have been marginalized and are rarely financially independent and often the more vulnerable members of society. About 70% of world's people are women yet they have no access to credit and other financial services (UNDP, 1995). Women however get benefits from banking institutions and many micro finances target only women, to empower them.

Credit facilities is a banking service that provide access to financial services to low income or unemployed people as well as people with development ideas and has empowered women at worlds level. Women's access to finance is a major constraint to start and expand businesses. Improving women's direct access to credit leads to higher investments in human capital and have a stronger impact on a country's economy in terms of health, education and long term implications for families and societies. There is a great need for women entrepreneurs to get access to credit facilities and the policy makers should understand and develop successful strategies to address the issue (World Bank, 2008). According to Besley,(1995) without adequate access to this credit facilities women entrepreneurs will be subjected to negative shocks and factors such as poor production levels in their businesses, lack of growth and generally poor performance of

the business and can lose some of the few assets they have unlike their male counterparts who can access well-designed credits and loans easily thus able to finance their businesses and adopt more effective and efficient strategies to stabilize their businesses (Diagne and Zeller, 2001). In general proper access to financial services provides opportunities for improving the women's businesses and the economy of the entire communities and countries. Despite this however, credit facilities have been designed and crafted in a manner that will lock most women entrepreneurs from accessing it since it does not recognize that women as well as men are active, productive and engaged in business and thus they face their own financial constraints and needs.

The problem of women's less access to credit was given a particular concentration at the First International Women Conferencing Mexico in 1975. It has been well documented that an increase in women resources or better approach for credit facilities results in increased wellbeing of the family especially children. (Maoux, 1997; Kabeer, 2001). According to the poverty reduction strategy paper (PRSP) of 1999, a large number of Kenyans derive their livelihood from the (Micro and Small Enterprises) MSEs. The development of this sector therefore represents an important means of creating employment promoting growth and reducing poverty.

According to the Ministry of Planning National development and vision 2030, provision of banking services is core as Kenyans will be in a position to access credit facilities. This means the government will work towards making sure all Kenyan are banked. As employment shrinks in the formal sector, there is a corresponding increase in growth and employment creation in Micro and Small Enterprises (MSE) sector. MSEs are reputed to be behind most of the socioeconomic transformation in South East Asia, and play a significant role in Kenya's development process. This is because during the early stages of economic development, these enterprises embodied unique opportunities for creating employment and wealth. According to the department of Micro and Small Enterprise Development in the Ministry of Labor and Human Resource Development, there were about 2.8million MSEs in Kenya in 2002, employing about 5.1 million people. In 2003

there were 5.5 million people in MSEs and, in 2004, there were about 6million (5.97) Employed in MSEs in Kenya (GOK Economic survey,2005).

The 1999 Micro and Small baseline survey revealed that there were 1.3 Million Micro and Small Enterprises employing 2.3 million people (GOK 1999). On the contrary, large organizations (both public and private) employed approximately only 1.6 million people. Kenya economic report (2009) reveals that in Kenya, MSEs produced 77%of the total jobs while Kenya Association Manufacturers (KAM, 2009) observes that in Kenya the Small, Micro and Medium enterprises (SMMEs) contributed about 85% level of employment. Presenting the case of Europe, Lukas, (2005) observes that SMMEs are essential since they have the capability to provide what large business ventures are unable to offer. According to the 1999 National MSEs Baseline Survey, there were 612,848 women in Kenya accounting for 47.45% of all those in MSEs.The results showed that women tended to operate enterprises associated with traditional women's roles such as restaurants and hairstyling.

In general, women tended to operate smaller enterprises than men with the average number of employees in a women owned/managed MSE being 1.54 versus 2.1 in men owned/managed Mses. The MSEs sector holds more promise for women in providing and accessing employment opportunities .Other studies have shown the sector is very dynamic, as evidenced by the rapid rate of investment and enterprise growth (Kimuyu, 1999). The development of the sector is therefore critical in reducing poverty in Kenya.

Gakure (2003) found that women's productive activities were concentrated in microenterprises that conformed to the traditional gender roles, such as food processing and beauty industry. The Kenya Central bureau of Statistics (GOK, 1999) baseline survey reveals that while the number of women and men owned enterprises are almost equal women outnumbered men in the service industry (55.7% women) while men outnumbered women in manufacturing and construction.

1.2 Statement of the Problem

Women empowerment through financial support contributes to the income of the country and maintains a sustainable livelihood of families and communities throughout the world. Small enterprises created out of credit facilities provide employment and supplement income as well as empowering women. The employment opportunities provided by bank credit facility funded projects are minimal, with limited growth of the projects. Many income generating activities started by women especially in less developed economies seldom succeed. This has not been an exception for projects started by women in Bungoma County through credit facilities.

Bank credit facilities have an influence on women's projects as a result of economic empowerment. Loans acquired are used to start up new projects and expand existing ones. In addition there is financial knowledge and skill acquisition from bank facilities through training that help women improve their projects. This study therefore sought to find out why the projects started by women funded by credit facilities perform the way they do and how credit facilities influence their performance.

1.3 Purpose of the Study

The purpose of the study was to investigate the influence of commercial bank credit facilities on performance of women's projects in Bungoma County.

1.4 Objectives

- i. To establish how loans made available by commercial banks influence performance of women's projects in Bungoma County.
- ii. To assess the influence of management training from bank credit facilities on performance of women's projects in Bungoma County.
- iii. To determine the influence of financial literacy provided by bank credit facilities programs on the performance of women projects in Bungoma County.
- iv. To establish how consulting and investment advisory services by commercial banks affect the performance of women's' projects in Bungoma County.

1.5 Research Questions

These were the research questions;

- i. How do loans made available by commercial banks affect the performance of women's projects in Bungoma County?
- ii. How does management training influence the performance of women's projects in Bungoma County?
- iii. To what extent do banks financial literacy empowerment programs affect performance of women's projects in Bungoma County?
- iv. How does commercial banks consulting and investment advisory services affect the performance of women's' projects in Bungoma county?

1.6 Significance of the Study

This study evaluated the effects of credit facilities on the performance of women projects within Bungoma County. The study is hoped to benefit the government, financial institutions and stakeholders in coming up with policies that will enable better performance of the women owned income generating projects. It provided practical recommendations aimed at helping banks to improve on provision of their services to women entrepreneurs. The banks would be able to address the emerging needs of women entrepreneurs as a clear distinct market segment. They will hence be able to come up with quality products that will address these needs. The results will as well add to contribution of knowledge useful in institutions of higher learning.

1.7 Delimitations of the Study

The research study was carried out in Bungoma County specifically to women enterprises operating within the central business unit (CBD).

1.8 Limitations of the Study

The study was limited by access to information due to poor record keeping. There also arose a problem of communication through questionnaires due to illiteracy among some respondents. These limitations were solved by interviewing respondents directly and use of simple language.

1.9 Assumptions of the Study

A number of assumptions were made while carrying out the study. It was assumed that the study would access respondents who would be ready to fill questionnaires and respond to interview questions promptly. In addition, the respondents would be truthful. It was also assumed there would be no unexpected events that would affect the speed of the study.

1.10 Definition of Significant Terms

Credit facilities –Money lend to persons, businesses and groups in form of loans overdrafts and trade finance.

Project performance -the assessment of the present state of the project as measured by such indicators as profits, turnovers and expansion

Commercial banks- financial institutions that provides services such as accepting deposits, giving business loans and auto loans, mortgage lending and basic investment products like savings accounts and certificates of deposit.

Financial literacy- the ability to understand how money works, how someone manages to earn or make it, how the person manages it and how he invests it

Management training- an activity that focuses on improving an individual's skills as a leader and manager

Advisory services- a range of consulting services provided by financial advisors to businesses and individuals who require specialized services on capital formation, cash flow and wealth management

1.11 Organization of the Study

The research project was organized as follows: Preliminary pages, Chapter one, introduction, Chapter two; Literature review, Chapter three, Research Methodology References and Appendices. Chapter one aimed at giving an overview of urgent need to have research conducted to find out how credit facilities influence performance of women

projects in Bungoma County. The researcher highlighted on the objectives and research questions that guided the study. Chapter two dealt with literature review relevant to the study. A conceptual framework showing relationships that existed between the identified independent variables was drawn. Chapter three dealt with research design, sampling procedures ,research instruments, data collection procedures, validity and reliability of instruments, data analysis and ethical considerations that were met while collecting data. Chapter four dealt with data analysis, presentations and interpretations and chapter five dealt with summary of the findings, conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focused on the review of related literature more specifically literature on the amount of loans, the influence of the management training from credit facilities to women projects, the contribution of financial skills imparted to women about credit facilities by banks, and the level to which advisory services affect performance of women's projects. It reviewed the past studies that helped the researcher understand and identify problems being studied more appropriately. It also helped the researcher to avoid duplication of previous studies done and help improve the research methodology from previous studies (Mark, Philip and Adrian, 2003). This was followed by summary of the literature review and the conceptual framework.

2.2 Loans and Performance of Women's Projects

Women's access to credit is generally believed to result in their economic empowerment; as a result the provision of credit facilities to women has been called for by the various international and national organizations in light of their productive role for economic development and women's rights. However, many still question the empowering capacity of credit in relation to the economic social and political conditions of women (Mayoux, 2002).

The impact of credit on income has been observed to be variable. It appears that for the majority of borrowers income increases are small and even in some cases negative. This is due to the fact that most women invest in existing activities which are low profit and insecure. In addition, women's choices and ability to increase income is constrained by gender inequalities in access to other resources for investment in household responsibility and lack of mobility (Mayoux, 2002). Hence, the presumption that access to credit automatically leads to women's empowerment is not often true. This is because women with access to credit are usually unable to gain and maintain control of it.

In addition there are additional disadvantages that women face including inability to access information, productive resources and social networks that hinder their access to and control of resources (Mayoux, 2002). As mentioned earlier, access to credit facilities, by and large has a positive economic impact. The impact becomes larger for those closer to the poverty line and it also increases with the duration of membership or intensity of loans as members begin to invest in assets rather than consumption (Morduch and Haley 2001). Credit delivery in various points of the world has improved the economic position of households, enhancing the asset base and diversification in to higher return occupations among members.

However, there are also a number of issues within the women's empowerment framework that impede the poverty reduction capacity of microfinance (Skarlatos, 2004). First the size of the loans is too small which does not enable the women to make long lasting income change for the household. Secondly, the increased access to credit in the same geographic area could contribute to market saturation of products provided by women. This is because poor women usually engage in similar businesses. Thirdly, there is the possibility that the women's successful business might have a negative impact on the girl child who might be required to help her mother leaving the school. The greatest barrier facing women entrepreneurs in Kenya is access to finance is an issue because of requirements of collateral.

In Kenya only 1% of women own property and that makes it very difficult for women to provide collateral for banks. Most women who venture into businesses in the rural areas and need financing lack the needed collateral to enable them secure bank loans. Responsibility of entrepreneurs for dependents has limited opportunities to make savings or undertake business expansion and diversification (Athanne, 2011). The financial aspects of setting up a business are without doubt the biggest obstacles to women (Zororo, 2011, Brush, 1992). Women entrepreneurs often lack information about how to get a loan, lack the necessary collateral to obtain one and /or face discriminatory laws or practices related to finance and credit. Finding the finance to get a new business going, or to grow an existing one is a difficult challenge.

Though commercial banks and Development Finance Institutions (DFIs) have vast financial resources, their impact is yet to be felt among the SMEs, and particularly by women entrepreneurs, most of whom have no collateral. Consequently, most banks have created special facilities to support SMEs as a result of government encouragement and their own need to expand.

However many entrepreneurs and in particular women, tend to steer clear because of lack of information and conditions such as high transaction costs and interest rates. According to a survey conducted by the African Development Bank Group in East Africa Fifty percent of Kenyan banks reported that they were motivated to participate in the SME market in view of its profitability. They also reported that the need to seek out SME relationships from existing large corporate clients (reverse factoring) was also an important factor (50 percent of banks). This is probably because of the existence of a well-developed corporate sector in Kenya based on value chains, when compared to the other countries in the region. A quarter of Kenyan banks also reported that intense competition for retail clients drove them to the SME sector (AfDB, 2012).

Despite their critical role, women-owned SMEs continue to experience a myriad of challenges of financing and non-financing nature. Financing challenges have been a subject of empirical investigations, as well as policy debate and action for a while. According to Robichaud et al. (2010), the assumption that addressing financing challenges can place SMEs on the fast lane for growth may be fallacious because such growth is also influenced by various non-financing factors. Better still, inadequate access to financing is not the only factor impeding the growth of women-owned SMEs; non-financing issues emanating from within and without SMEs also have serious effects on the growth of SMEs (Robichaud et al., 2010; Jahanshahi et al., 2010; ILO, 2007).

MSEs are generally undercapitalized, suggesting major operational difficulties in accessing credit and pursuing corporate goals. Kimuyu and Omiti (2000) observe that 18.4% of the MSEs in Kenya cite access to credit as their second most severe constraint

after market access. Further the 1999 National Baseline survey (International Centre for Economic Growth *et al.* 1999) indicates that 70% of the MSEs in Kenya require loans that do not exceed Kshs. 20 000 (US\$ 285) while 96.3% do not require loans exceeding Kshs.100 000 (US\$ 1428). Ondiege (1996) demonstrated that access to credit is associated with improved performance of MSEs in Kenya.

Moreover, Lundvallet *al.* (1998) show that manufacturing enterprises in Kenya that have limited access to credit also tend to be less productive and cannot always move to points of best practice. This indicates that since the MSE sector does not have adequate access to credit, its potential role in transforming the country is unlikely to be realized Bank credit is among the most useful sources of finance for business in Kenya (GOK, 2005). Bank credit refers to loans and overdrafts extended to enterprises by formal banking institutions. Only 1.5 percent of MSEs receive loans from commercial banks in Kenya (International Centre for Economic Growth 1999). It is unclear, how the rest, who form the majority, meet their working and investment needs (Kimuyu and Omiti 2000). Perhaps this is not surprising in light of the magnitude of barriers that they face in accessing credit. Lack of tangible security by MSEs, the limited capacity, outreach and linkages by financial intermediaries and a hostile legal and regulatory framework for financial services are the main constraints (GOK, 2005). Yet there is little information as to how the few MSEs that access formal credit manage to do so in light of this very difficult environment.

There have been a number of attempts to explain the limited access to credit by MSEs in Kenya. These attempts have broadly taken two arguably complimentary, perspectives. The first highlights the prevalence of factors external to MSEs including the limited capacity, outreach and linkages by financial intermediaries as the main constraints to MSEs access to credit (Atieno, 2001). A hostile legal and regulatory framework for financial services underlies such constraints (GOK, 2005). The second perspective also acknowledges the problem of macro level constraints, but emphasizes the greater explanatory powers of the relatively weak MSEs capacities including lack of tangible security and limited human capital (Kimuyu and Omiti, 2000). Arguably, both

perspectives have enhanced our understanding of the factors that affect the likelihood of MSEs to access bank credit.

2.3 Management Training and Performance of Women's Projects

The importance of skill acquisition is increasingly well documented. The latest national skills assessment (Campbell, 2001) demonstrates that the demand for skills is increasing across the board. Management skills are one of the key 'hotspots'. Jobs in management occupations are growing rapidly and an increasing number of other employees are undertaking a range of management tasks. A distinction can be drawn between *management skills* and the *skills of managers*. The former refers to elements of managerial capability which might be required by people in a range of occupations. The latter refers to the competencies required by people in predominantly management occupations. Both the jobs and their skill content may be different education and training (if any) which tends to affect effective performance in later life.

Starting and operating a small business includes a possibility of success as well as failure. Because of their small size, a simple management mistake is likely to lead to sure death of a small enterprise hence no opportunity to learn from its past mistakes. Lack of planning, improper financing and poor management have been posited as the main causes of failure of small enterprises. Lack of credit has also been identified as one of the most serious constraints facing SMEs and hindering their development. Women, in particular the less educated ones, find it more difficult to get financing from banks because they lack information on how to go about securing a loan. Moreover, bank managers are often more reluctant to lend to women than to men. Sometimes, credit may be available for women through several schemes but there are bottlenecks and gaps, and the multiplicity of schemes is often not adequately listed nor is there networking among agencies. As a result, clients approaching one institution are sometimes not made aware of the best option for their requirements.

In many countries, women face unequal inheritance practices and laws, discriminatory laws on ownership of property or access to bank loans, or discriminatory practices by

banks. In the area of guarantees, several discouraging habits have become ingrained in financial institutions and banks, such as requiring male members to accompany women entrepreneurs for finalizing projects proposed by women, as well as almost invariably insisting on guarantees from males in the family (Commonwealth Secretariat, 2002).

Lower education levels puts women entrepreneurs in Kenya at a disadvantage compared to men. While gender gap in primary education in Kenya has decreased in recent years, the gap remains high at secondary and tertiary education levels. Lower education does not emphasize entrepreneurship skills. It decreases the chances that women will have the knowledge needed to excel in business, and thereby contribute to the country's overall economic growth. In education, preference is given to boys, thus the educational level of most women entrepreneurs is very low, creating a barrier to them accessing training and other business developments services. (Women entrepreneurs in Kenya, 2008). Lack of sufficient education and training for women is another impediment to micro-enterprise success. Culturally, and especially in the rural setting, the girl child was not given equal opportunity to study like the boys; hence they had limited education and training (if any) which tends to affect effective performance in later life.

Although there is limited available research on the profile of Kenyan women entrepreneurs, there is certainly anecdotal evidence that this profile is not homogeneous, perhaps falling into three segments. Women in each segment differ slightly from those in the others in terms of their demographic profile, extent of previous business experience, capacity, needs, access to resources (credit, premises, and BDS), and orientation towards growth. The first segment is that of the Jua Kali micro-enterpriser. The women who own these enterprises, often unregistered and in the informal economy, have little education (less than secondary level), and are constrained by their lack of entrepreneurial and business know how, access to credit, and awareness of markets and market opportunities. Key information indicated that they might be further constrained by their household responsibilities and the need to obtain permission from their husbands to travel out of town for training or trade fairs. Husbands were also reported to object if their wives participated in training and counseling services provided by men. Since men make up

about 90 per cent of the trainers and business service providers in Kenya, this is particularly problematic.

These women start very small enterprises, most likely only employ themselves or a few family members, and operate from a home base or Jua Kali shed. Their enterprises have limited potential for growth. To obtain credit for her business, a woman is likely to participate in a “merry-ground” group of five or six women who combine their savings over a six-month period of time and then start lending, on a very short-term basis, to members from the pool. One woman entrepreneur (a key informant during the mission’s consultations) referred to this group as the grassroots “underclass”. Several key informants stressed that many Jua Kali women have the potential to move into the “economic grid”, but need more support, encouragement, visibility and economic empowerment (Alterna, 2010).

The second segment is comprised of women with very small (6-10 employees) and small enterprises (over 10 employees) who have a minimum of secondary education, previous experience as an employee in a public or private sector enterprise, and these women are more likely to be able to access business development services (BDS), training and micro-finance, they are still constrained by access to supportive husband who may be directly or indirectly involved in the business. Their businesses are generally registered and operate from legitimate business premises. Although financing. Once they have surpassed the lending limits of micro-finance organizations (over Ksh. 500,000), they are still likely below the threshold to be of interest to commercial banks, which prefer to lend to large depositors. Furthermore, they are unlikely to have title deeds and cannot meet collateral security requirements. Many of the firms owned by these women have growth potential; some already tapping into international markets (Khandker SR, 1998).

The third segment is made up of women with university education, who came from entrepreneurial family backgrounds, have experience in managerial positions in the corporate world, access to financial means and supportive husbands. This group was referred to in key informant interviews as the “elitist class”. These women are amongst

the group most likely to have small, medium-sized or larger enterprises with growth potential and the group most likely to be engaged in exporting. Each of these three groups of women entrepreneurs are in need of tailored responses to their specific enterprise needs. However, the groups most in need of targeting may be at the “top end” of the bottom segment and the middle segment – the groups referred to as the “missing middle” of women entrepreneurs.

Kenyan women entrepreneurs at the micro, Jua Kali level, have great difficulties obtaining financing due to collateral constraints. Most of them are forced to cooperate with other women in small groups to mobilize savings and pool these resources for lending to individual group members. Alternatively, they form in small groups to access micro-credit, through a mutual guarantee system, from a micro-finance organization, such as the Kenya (Epstein, Keith, 2007).

Women Finance Trust (KWFT) or the Women Economic Empowerment Consort (WEEC). According to key informants, men have an easier time accessing credit because they are more likely than women to have title deeds to offer as loan collateral. This enables them to function on an “individual” basis more so than women, who must use the group to pool resources. As expressed by one key informant, “men stand-alone better than women ...women still need to work in groups”. Women who make it beyond the micro-enterprise threshold of more than five employees are seen as more able to stand on their own, but they often lack sufficient working capital to prepare for a growth in demand, unable to fulfill a large order because they do not have the working capital to finance raw materials and work-in-progress inventory. The interest rates of commercial banks range from 16 to 21 per cent, and they prefer to cater to clients who have large deposits. For these reasons, several key information stated that a scheme is needed to provide credit to those women who are trying to pursue growth objectives – lower interest loans to meet their capital investment and working capital needs. Women with larger enterprises are more sophisticated, better educated; more experienced, more traveled, and have access to more networks, information and resources.

However, they would benefit from better access to information regarding market opportunities, export procedures, and leadership development. Although this group may have greater access to collateral, they may still face some barriers to obtaining flexible financing for the further development of their enterprises (Tazul, 2007).

2.4 Financial Literacy and Performance of Women's' Projects

Improvement of the condition of women through the provision of skills acquisition and adult literacy is another role played by banks. This is done through building capacities for wealth creation among enterprising poor people and promoting sustainable livelihood by strengthening rural responsive banking methodology and the introduction of simple cost-benefit analysis in the conduct of businesses. In most cases a profit sharing agreement is entered between a bank and an entrepreneur and new methods and innovations are passed to the prospective entrepreneur by the banks professionals, while at the end of the production period the proceed is being shared and the entrepreneur if so wishes can continue on his own after the necessary skills and production techniques are acquired (Umar, 2008).

One of the striking things about literature is that financial literacy has been variably defined as a specific form of knowledge, the ability or skills to apply that knowledge, perceived knowledge, good financial behavior, and even financial experiences (Hung, Parker, & Yoong, 2009). Financial literacy as sufficient knowledge about facts on personal finances and is the key to personal financial management (Garman & Fogue, 2002). Their study likewise reviews the lack of knowledge in personal finance, intricate financial situations, in addition to a large range of choices for making decisions on financing, and time constraints on learning about personal finance which is a barrier to financial literacy.

Many researchers have defined financial literacy in many studies in the area of personal finance; many fail to define the concept financial literacy properly because it does not capture the manager and the business people. Gitman (2003) outlined financing provision and indicates that financial service is the section that will include the delivery of financial

products to individuals. Financing literacy is listed as one of the critical managerial competencies in SMEs firm and development (Spinelli, Timmons, & Adams, 2011). Most scholars agree that entrepreneurs, regardless of their age, are consistently engaged in decision-making activities concerning resource procurement, allocation and utilization. Such activities almost always have financial consequences and thus, in order to be effective, entrepreneurs must be financially literate (Oseifuah, 2010). There is the only reference made to the importance of managing money and the author only describes the management process of individual households, but there is no clear description of SME owners/manager financial literacy. However, there are definitions of financial literacy specifically addressed to managers and business people.

A financially literate SME owner/manager was defined as someone that knows what are the most suitable financing decisions on the business performance at the various growth stages of the business; knows where to obtain the most suitable products and services; and interacts with confidence with the suppliers of these products and services (USAID, 2009). Likewise, Marriott and Mellett (1996) defined the manager's ability to understand and analyze financial information and act accordingly. Lusardi and Tufano (2009) emphasized on managers' ability and decision-making aspect of financial literacy. Likewise, they target on a particular form of financial literacy-debt literacy Moore (2003) goes far as including practical experience, on the contention that it provides the basis for knowledge and other faces of financial literacy. In the present paper, financial literacy is conceptually of how firms manage and strategize financial knowledge, which significantly affect decision makers' behaviors, awareness and attitudes, concerning sound decision making and eventually achieving organizational performance.

Positive relationships between financial literacy and performance have been noted by a number of researchers (Hilgert et al., 2003; Huston, 2010; Kidwell & Turrisi, 2004; Lusardi, Mitchell, & Curto, 2010; Piprek & Coetzee, 2004). Financial resources are essential resources for obtaining both tangible and intangible resources and arranging other resources (Alsos, Isaksen, & Ljunggren, 2006; Brinckmann, Salomo, &

Gemuenden, 2011). The concept of financial literacy as comprising three dimensions in knowledge (Lusardi & Bassa Scheresberg, 2013); attitude (Sabri & MacDonald, 2010); and awareness (Rahmandoust, Shah, Norouzi, Hakimpoor, & Khani, 2011). Knowledge is about understanding how business performance and business condition are measured using the mental model to facilitate, support, or enrich decision-making (Lusardi & Michell, 2007; Moore, 2003).

Lusardi and Michell (2006) suggested that financial literacy is needed to create a measure of financial competence, i.e., to stay knowledgeable about financial matters. These literate people are more participating in financial markets because they know financial matters. Lusardi and Bassa Scheresberg (2013) examined the impact of financial literacy and high cost of the borrowers. The result indicated that there is a relationship between financial literacy and low-cost borrowers. Most high-cost borrowers display very low levels of financial literacy, lack knowledge of basic financial concepts, which affect their performance level in a business. Tamimi and Kalli (2009) examined the impact of financial literacy on financial knowledge. Their results showed that the field of individual activities affects the financial literacy level and people that invest in financial awareness have a higher level of financial literacy. The review also showed that male gender possesses higher financial literacy and income, age and education level are followed by a higher level of financial literacy.

Braunstein and Welch (2002) pointed out that obtaining additional information can lead to improved financial attitude. Morgan, Kaleka, and Katsikeas (2004) concentrated on the importance of linkages among obtainable resources and capabilities, competitive strategy decisions, competitive advantage and performance outcomes. These factors are conceptualized in terms of experiential, financial, scale & physical resources; product development, networking and knowledge potential; cost-based advantage; the lowest cost of operation, marketing, product differentiation; product-based, economically, distributor & end-user. Kidwell and Turrisi (2004) indicated that firms with better financial knowledge keep detailed firm financial records and have a more competitive advantage in accessing external funding than their counterparts who keep not. While, Hilgert et

al.(2003) insisted that a strong link between financial knowledge and financial behavior subsists.

Financial knowledge would affect in increase firm total sources of financing (Marcolin & Abraham, 2006). Moore (2003) elucidated that literacy or knowledge is gained via practical experience and active integration of knowledge. In other words, people will become more sophisticated in terms of finance when they are more literate. Likewise, another researcher, emphasized that an individual or organization who had financial literacy, knowledge and ability to put to use this knowledge, may not show the assume behavior or enhance his or her financial well-being as a result of other influences such as cognitive and behavior that is biased, self-control problems, family, peers, economic and institutional conditions that may affect the financial habits and financial well-being (Huston, 2010). However, researchers agreed that there is no established instrument applied to measure financial literacy and that financial literacy cannot be measured directly. Awareness comes under the sector of the managerial, where it is the duty of the manager to look after organization for the well-being of the business. The ability to read, analyze, manage and discuss various financial conditions that eventually lead to individuals' economic well-being (Lusardi & Tufano, 2009; Rahmandoust et al., 2011; Vitt & Ward, 2000). Deakins, Logan, and Steele (2001) found that owners-managers have different approaches concerning business planning. Fundamentally planning was indispensable to those firms under growing growth and periods of rapid changes. However (Lusardi & Tufano, 2009); Mandell (2007), emphasized on ability and decision-making aspect of financial literacy. Berman and Knight (2008) definitely stated that financial literacy needs to become part of every business culture. Audet and St-Jean (2007) discovered that the SME owner/managers, who perceived more and aware about the external service providers, make use of those services more than SME owner/managers who did not hold any information about these services.

While attitude is related to risk-taking, it is the firm consciously committing resources to projects with a chance of higher returns but may also entail a possibility of high failure (Lumpkin & Dess, 1996). Nevertheless, risk-taking is also usually linked with

entrepreneurial behavior and that mainly successful entrepreneurs are risk-taker (Kuratko & Hodgetts, 2001). Lusardi and Tufano (2009) likewise concentrated on a particular pattern of financial literacy-debt literacy. Moore (2003) goes far as incorporating handy experience in the argument that it provides the basis of knowledge and different perspectives financial related proficiency. Cude (2010) examined effective factors of people's financial literacy. He observed that more work experience, higher levels of education, risk appetite, parental occupation, higher age, family income, and training attending classes will boost financial literacy. Bond and Meghir (1994) opined that credit terms also determined the extent to which SMEs access finance. They noted that when credit terms are favorable the SMEs managers' attitudes to accessing that credit tends to be positive and they are encouraged to borrow and, therefore, expansion of the capital base leading to increasing business activity. In this study, it is signified that the most successful people in their line of work and personal lives are highly financially literate. Their financial concerns were well lower and they had long-term savings and investments and triggered a better future with more long-term vision. Financial literacy is reported having a negative relationship to financial constraints (Sabri & MacDonald, 2010).

2.5 Consulting and Advisory Services and Performance of Women's Projects

Maixe-Altes (2009) contends that microfinance institutions are unmistakable in their quest to spur on growth in entrepreneurship investment with initiation of advisory services for the entrepreneurs to continue seeking and wisely using their services. Between the 1950s and 1970s, governments, non-government organizations, and donors focused on providing agricultural credit to small and marginal farmers, in hopes of raising productivity and incomes offered investment advices. These efforts to expand access to agricultural credit emphasized supply-led government interventions in the form of targeted credit through state-owned development finance institutions, or farmers' cooperatives in some cases, that received concessional loans and on-lent to customers at below-market interest rates and how they can wisely invest and repay the loans.

In some cases, these subsidized schemes were rarely successful. Rural development banks suffered massive erosion of their capital base due to subsidized lending rates and

poor repayment discipline and the funds did not always reach the poor, often ending up concentrated in the hands of better-off farmers. Thus the reason in many MFIs offering financial training and advisory services to the people taking up their loans for entrepreneurial activities so that there is guaranteed the loans repayment via wise investment (KIT and IIRR, 2010). The pioneers of micro-finance Institutions whose impact remain etched in the books of history include Muhammad Yunus, Friedrich Wilhelm Raiffeisen, and Joseph Blatchford among others.

Joseph Blatchford, a law student formed ACCION International whose aims were to address poverty in the cities of Latin America. The organization began as a student-run volunteer effort in the shantytowns of Caracas where \$ 90,000 was raised from private companies. According to Yollin (2007), ACCION today is one of the premier microfinance organizations in the world with a network of lending partners that spans Latin America, Africa, and the United States. 15 VIn 1972, SEWA Bank in India was formed by women as the initials stand for Self Employed. Women Association and was registered as a trade union in Gujarat. The aim of this organization was to strengthen its members bargaining power to improve income of its members, create employment, and access social security. Scholars attribute the formation of such micro-finance organizations as propelled by the impetus to address the lack of access to financial services. This in a way explains why the members of SEWA decided to form a bank of their own.

Consequently four thousand are said to have contributed the share capital to establish a micro-finance institution to provide the banking services to the marginally poor, illiterate, self-employed women (Vetrivel & Kumarmangalam, 2010). The micro-finance organizations have thus become viable financial options to many small scale clients who seek small loans as well as advices on how to wisely utilize the loans borrowed. The contribution of Muhammad Yunus in Bangladesh through his Grameen Bank which he initiated a programme of action-research, addressed the banking problem among the poor. With his graduate students in Chittagong University in 1976, he designed an experimental credit programme to serve them. It spread rapidly to hundreds of villages.

Through a special relationship with rural banks, he disbursed and recovered thousands of loans, but the bankers refused to take over the project at the end of the pilot phase. They feared it was too expensive and risky in spite of his success. Eventually, through the support of donors, the Grameen Bank was founded in 1983 and now serves more than 4 million borrowers. The initial success of Grameen Bank also stimulated the establishment of several other giant microfinance institutions like BRAC, ASA, and Proshika among other (Yunus, 2007).

In Africa, non-governmental organizations and donors initiated the MFIs where through the 1980s, the policy targeted, subsidized rural credit to the poor people. Ogbor (2009) argues that the cultural environment of entrepreneurship needs to be understood so that there is the understanding of what hinders or promotes its development in the society. Governments in Africa have enabled the legal and the regulatory framework that encourages the development of a range of institutions and allows them to operate as recognized financial intermediaries. With the need to alleviate poverty, microfinance institutions have been initiated in Africa to broaden loans financing arena especially for the poor and marginalized people. Business-like NGOs have offered micro credit for micro entrepreneurs at low cost and risk plus advice on putting into use the loans given to them by the micro credit banks. From past MFIs interaction with small scale businesses, advisory services have immense influence on the entrepreneurs because they are advised on which actions would be drastic or beneficial to their businesses thus enable sustainable entrepreneurial.

2.6 Women Project Performance

Performance is the accomplishment of a given task measured against preset standards of accuracy, completeness, cost and speed (Muthuri, 2010). Measurement of performance can be done through performance indicators. Such measures are commonly used to help an organization define and evaluate how successful it is, typically in terms of making progress towards its long term organizational goals. Business performance can be used to assess the present state of the business and to assist in prescribing the course of action.

According to Muthuri (2010) business organization could measure its performance using the financial and non-financial measures. The financial measures include profit before tax and turnover while non-financial measures focus on issues pertaining to customers' satisfaction and customers' referral rates, delivery time, waiting time and employee's turnover. Recognizing the limitations of relying solely on either the financial or non-financial measures, owners-managers of the modern SMEs have adopted a hybrid approach of using both financial and non-financial measures.

These measures serve as precursors for course of actions. Some of the key indicator areas of performance include; customer-related numbers, new customers acquired, status of existing customers, attrition of customers, turnover generated by segments of the customers-possibly using demographic filters, outstanding balances held by segments of customers and terms of payment- possibly using demographic filters, collection of bad debts within customer relationships, demographic analysis of individuals (potential customers) applying to become customers, and the levels of approval, rejections and pending numbers, delinquency analysis of customers behind on payments, profitability of customers by demographic segments and segmentation of customers by profitability and sales analysis byproduct segments.

2.7 Knowledge Gap

Lardechi argues that the capability approach provides a much wider range of the causes of poverty and possible policy alternatives for poverty alleviation than the monetary approach (Lardechi 2003). However, given the difficulty nature of measuring capabilities across countries, for comparison and coming up with statistical figures, monetary measurement has been seen as a complementary approach to the capability approach. With the ideas from Sen's capability approach that saw the dominant ideology of human development, WB and IMF policies shifted the focus to freedom and rights, governance, democratization and welfare. While developing an appropriate intervention by banks, different deprivations that surround the poor need to be assessed so that the poor are helped to function. However, over emphasis on credit which is only measured in monetary terms portrays a lot of loopholes in the argument that banks contributes to

poverty reduction as well as banks benefiting the poor. It is important to understand that over reliance by banks on credit/loan and repayment without knowledge on the poor faced with capability deprivations creates a lot of doubt on whether their intervention can address these deprivations to be able to contribute towards poverty reduction (Tazul, 2007).

2.8 Conceptual Framework

The study derived its conceptual framework through definition of relationship between independent and dependent variables. The independent variable in this study was credit facility provision in terms of: loans provided by commercial banks for women projects, whether the projects were fully funded or partially funded by the commercial banks. Credit terms constitute the interest rates charged, the repayment period and as well as the frequency of payment. The commercial banks skills empowerment and support programs include programs on decision making; business management skills and investment skills. The moderating variables are those which affect the dependent variable and no one has control over. These include the management styles, level of education of the respondents, prevailing economic conditions and the other sources of credit available to the respondents. The dependent variable in this study was the performance of the women owned income generating projects. The performance indicators were the Growth of the projects in terms of asset base and number of employees as well as expansion; revenues and the profitability of the projects are the other performance indicators used in this study.

According to Kombo and Tromp (2006), conceptual framework can be defined as a set of broad principals taken from the relevant fields of enquiry and used to structure a subsequent presentation. It is an identification and description of the elements, variables or factors to be measured or addressed by the research. It is a research tool intended to assist a researcher to develop awareness and understanding of the situation under scrutiny and to communicate it.

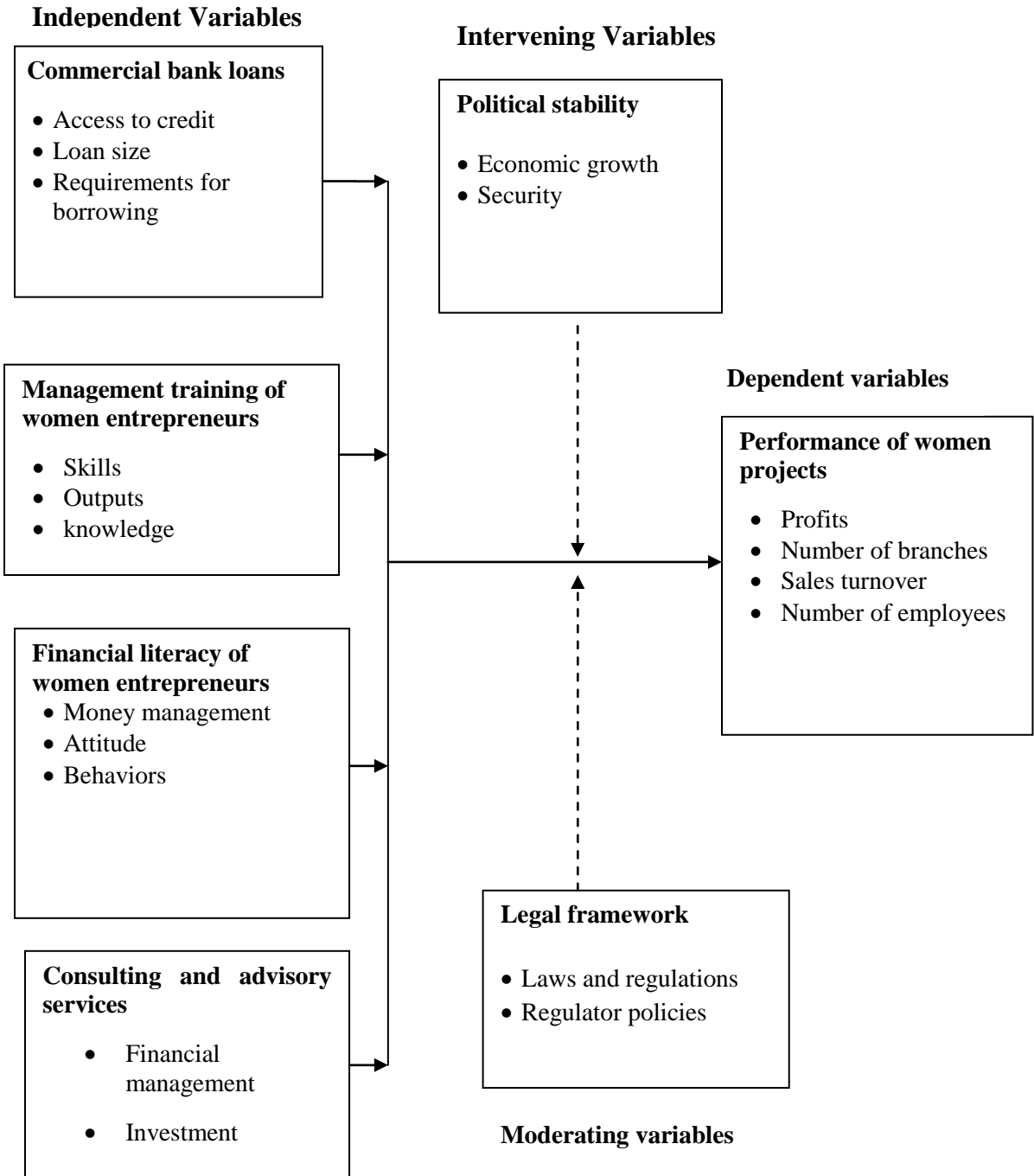


Figure 2.1: Conceptual Framework

In the study the independent variables were the elements of credit facilities that influenced performance of women's projects which are loans, financial skills, management training and consulting advisory services. The independent variable is the performance of women's projects. The amount of funds determined the performance of business by availing needed capital for expansion, stocking and purchase of inventories and raw materials. Management training affects performance of projects in terms of the knowledge, skills and attitudes. Financial skills imparted by banks to women in creation and running of projects affect how the said projects perform. The skills are in form of knowledge and money management. Consulting and advisory services also affect performance of projects because investment becomes easier in terms of available ideas and networking which means more contribution of finance and skills by members thus improving performance, as well as stability and growth of the projects.

2.9 Summary

This chapter dealt with literary work that existed concerning the influence of credit facilities on projects owned by women. The chapter discussed the independent variables which are; loans, management training, contribution of financial skills and investment advisory services. Literature review on the dependent variable which is project performance was also discussed. The conceptual framework was also developed in this chapter.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discussed the research methodology which was used in this study and provides a general framework for this research. The chapter presented details of the research design, target population, sample and sampling procedures, description of research instruments, validity and reliability of instruments, data collection procedures, data analysis techniques and ethical considerations while conducting the study.

3.2 Research design

This study employed descriptive survey design by use of questionnaires. Ogula (2005) describes a research design as a plan, structure and strategy of investigation to obtain answers to research questions and control variance. Additionally, a research design is the plan of action that a researcher adopts for answering the research questions and it sets up the framework for study or is the blueprint of the researcher (Kerlinger, 1973). According to Kothari (2005) the major purpose of descriptive research is description of the state of affairs as it exists at present.

According to Kothari (2004) a questionnaire is the most popular method of data collection since it can be posted to the targeted people no matter how far they are and has minimal or no cases of interviewer bias as the respondents use their own words. Kothari (2004) also gives out the limitations of this method as being too slow since the respondents might take too long to give answers, is difficult to know whether the respondents are true representatives of the information given and can only be used where the respondents are literate and co-operative.

3.3 Target Population

According to Ogula, (2005), a population refers to any group of institutions, people or objects that have common characteristics, and specifically, According to Mutai (2000) a target population refers to individuals, objects or items from which a sample is drawn.

This study targeted the members of four major commercial banks in Bungoma town which include: Equity bank of Kenya, Co. operative bank of Kenya, Kenya Commercial bank (KCB) and Barclays bank of Kenya. The target population comprised of 1700 women members.

3.4 Sampling Procedure and Sample Size

The most appropriate sampling design was stratified random sampling for the bank members. This is selected to offer a proportionate opportunity to all women members of the different banks. According to Mugenda and Mugenda (2003), a sample size of 10% - 20% of the population is representative. The researcher intended to obtain information from at least 170 respondents from the four banks located in Bungoma town. The researcher did a physical count of the banks within the town. Each of the banks was be taken as a stratum, 170 respondents were selected proportionately from the strata depending on the members being served by each of the Banks. Having known the proportionate number of the respondents from each stratum, and convenience sampling was used to select the final sample. The sample size from each stratum is as shown in table 1.

Table 3.1: Sample Size

STRATA	TOTAL	PROPORTION
Barclays Bank	350	$170(350/1700)=35$
Kenya Commercial Bank	450	$170(450/1700)=45$
Equity bank	500	$170(500/1700)=50$
Co-operative bank	400	$170(400/1700)=40$
TOTAL	1700	170

3.5 Methods of Data Collection

According to Koul (1993), most techniques for measuring perceptions and attitudes rely heavily on verbal material in the form of interviews or questionnaires. The instruments used in order to meet the objectives of the study were: questionnaires and interview schedules. The research used structured questionnaires and interview schedule with both

closed ended and open ended questions developed taking into consideration relevant published literature. They were used to collect information from the respondents. A questionnaire is a research tool that gathers data over a large sample (Kombo 2006). Interviews were aimed at those respondents who cannot read and understand English to obtain information. The respondents were also provided with an opportunity to provide recommendations. Both primary and secondary sources of data were used in order to collect the relevant information. Personal interviews utilized structured interviews. Personal interviews have the ability to extensively probe respondents on their impressions of a service or product, observe individual or group behavior, and this method allowed for the exchange of material and/or information between the respondent and the interviewer. Advantages of this method include: very good response rate; respondents having the ability to see, feel and/or taste a product; longer interviews are sometimes tolerated; and attitudinal behavior can be best observed with this method. Supplementary information can also be collected through probing. The questionnaires were administered randomly to borrowers visiting the banks in question over a period of two weeks. This ensured no bias since no one can determine beforehand those who would visit those institutions during the data collection period.

3.5.1 Pilot Testing of the Instruments

Questionnaires were piloted in a pilot survey using 17 members who are beneficiaries of services from Chase Bank and Imperial bank in Bungoma County. The aim to ascertain practicality and effectiveness in gathering the desired information using identified instruments. That was administered to a similar study population to the one which will be used in the research.

3.5.2 Validity of the Instruments

Validity is the accuracy and meaningfulness of inferences which will be based on the research results. It is the degree to which results obtained from the analysis actually represent the phenomenon under study; Mugenda and Mugenda (1999). In order to improve validity, the researcher ensured that she uses simple language that the

respondents understood and also ensured that research instruments were accurate. In addition, expert opinion of the supervisor evaluated validity of research instruments.

3.5.3 Reliability of the Instruments

According to Orodho (2003), reliability of the instrument concerns the degree to which a particular measuring procedure gives similar results over a number of repeated trials. This refers to the consistency of the scores obtained for each individual. To increase reliability of the data collected the researcher employed test retest technique in which the instruments were administered twice to the same subjects.

3.6 Data Collection Procedures

Before initiation of the actual field work, two research assistants were identified to assist the researcher in administration of the questionnaire. The two assistants were briefed about the project and its objectives and then trained on the administration of the questionnaire to the subjects. After this, in the actual study, the subjects were first briefed on the purpose of the study and assured them that all the information collected would be kept confidential. To ensure high return of questionnaires, the researcher personally collected data from the respondents directly.

3.7 Data Collection Techniques

The research findings were put in categories in line with the research questions. The data was checked for completeness of information at the end of every field data collection day and before storage. The data from the research instrument was coded and analyzed using the Statistical Package for Social Sciences (SPSS). Coding is the process of dividing or segmenting data into topics or categories. The different categories represented different themes. The coding procedure assisted in reducing and categorizing large quantity of data into more meaningful units for interpretation. Data was analyzed descriptively and presented in form of tables. Data analysis will be facilitated by use of SPSS (Statistical Package for Social Sciences).

3.8 Ethical Considerations

Permission to carry out the study was sought from The University of Nairobi, and from the respondents who participated in the study. The nature and the rationale for the study were explained to the respondents by the researcher. The researcher respected the individuals' rights and also safeguarded their personal integrity. In the course of the research, the respondents were assured of anonymity and confidentiality.

3.9 Operationalization of Variables

It shows how the dependent variable and independent variables can be measured both qualitatively and quantitatively through the use of parameters as specified by the researcher.

Table 3.2: Operationalization of Variables

Objectives	Type of variable	Indicator	Measure	Approach	Research instrument
To establish how loans made available by commercial banks affect women's projects in Bungoma county	independent	Interest rates No of loans borrowed Amount borrowed	Growth in profits Growth in sales Number of employees No of branches	Percentage and frequency	Questionnaire interview schedules
The assess the influence of financial literacy on performance of women's projects in Bungoma county	independent	Attitude Awareness Money management		Percentage and frequency	Questionnaire Interview schedules
To determine the influence of management training on performance of women's projects in Bungoma county	independent	Skills Output knowledge		Percentage and frequency	Questionnaire Interview schedules
To establish the influence of consulting and investment advisory services on performance of women's projects in Bungoma county	independent	Investment networking		Percentage and frequency	Questionnaire Interview schedules

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the analysis and findings with regard to the objectives and discussions of the same. The data was collected from a sample of 170 respondents made up of women entrepreneurs from four major banks operating in Bungoma CBD in Bungoma County.

4.2 Biodata of Respondents

This section analyzes the bio-data of the selected respondents. It helps to build a profile of the respondents on their age, marital status, occupation of the respondents, and highest educational qualification for the respondents. The study findings are summarized in the subsequent sub-headings and tables.

4.2.1 Response Rate

Table 4.1: Response Rate

Instrument Frequency Percentage	Frequency	Percentage
Returned	150	88.24
Non-Returned	20	11.8
Total	170	100

Table 4.1 reveals that 170 questionnaires were issued out. The completed questionnaires were edited for completeness and consistency. Of the 170 questionnaires used in the sample, 150 were returned. The remaining 20 were not returned. The returned questionnaires' represented a response rate of 88.24%, which the study considered adequate for analysis. In my opinion, 88.24% response rate was adequate to make generalizations.

4.2.2 Age of Respondents

The researcher wanted to find out the age of the women entrepreneurs from the selected women owned projects in Bungoma County. Age of the respondents is significant because it indicates level of maturity in doing a business and in answering the questions. The results are shown on table 4.2.

Table 4.2: Age bracket

Age	Frequency	Percent
18-30 years	8	5.3
31-40 years	75	50
41-50 years	32	21.3
50 years and above	35	23.4
Total	150	100

Table 4.2 shows that out of the 150 respondents, 35(23.4%) were aged above 50 years, 32(21.3%) were aged between 41 -50 years, 75(50%) were aged between 31-40 years while the rest 8(5.3%) were aged between 18-30 years. The findings showed that the majority of the selected women entrepreneurs were aged between 31-40 years and few were aged between 18-30 .This implies that most of the women entrepreneurs were in mid-life, meaning they are at their prime age; therefore they have lived long enough to have tried one or two business ventures and could be having the experience and relevant information on the influence of commercial bank services on growth of women owned projects in Bungoma CBD, Bungoma County Kenya.

4.2.3 Marital Status

The researcher wanted to find out the marital status of the women entrepreneurs before and after the start of the selected business because marital status may have positive or negative influence in growth of women entrepreneurship.

Table 4.3: Marital status

Marital status	Before starting business	Currently
Married	78 (52%)	99 (66%)
Single	33 (22%)	12 (8%)
Divorced/Separated	21 (14%)	20 (13.3%)
Widowed	18 (12%)	19 (12.7%)
Total	150 (100%)	150 (100%)

The researcher wanted to establish the marital status of the women entrepreneurs in Bungoma CBD in Bungoma County. The study found out that majority of the respondents were married before starting 78(52%), this number rose to 99(66%) after starting the business. Furthermore the study showed that 33(22%) of the respondents were single before starting the business and reduced to 12(8%) after starting the business, whereas 18(12%) were widows before starting business as compared to 19(12.7%) currently.

The findings shows that most of the respondents were married before and after, those who were married before stating their business could have been helped by their spouses to start one. However, it's worth to note that most of them got married after they started their business. These could be because their business flourished and they got enough money to start a family as a result, those who were single reduced.

4.2.4 Level of Education

The researcher wanted to find out the education level of the selected women entrepreneurs. Level of education of the women entrepreneurs indicates how well they will answer the set questions on the influence of commercial bank services on growth of women owned projects in Bungoma CBD, Bungoma County Kenya. The response of the women entrepreneurs were sorted coded and summarized in table 4.4.

Table 4.4: Education Level

Level of Education	Frequency	Percent
None	12	8
Primary	74	49.3
Secondary	58	38.7
Post-secondary	6	4
Total	150	100

Table 4.4 shows that 74(49.3%) of the selected women entrepreneurs had attained primary level of education, 58 (38.7%) had attained secondary level of education, 12 (8%) never attended school, while the rest 6(4%) were post-secondary graduates. This was so because most of them were women who had abandoned furthering their education and opted for farming and business as a source of income. What this implied is that the selected women entrepreneurs would understand the questions and answer as expected because their level of education allows them to have the basic knowledge in reading and writing apart from those who never attained any education level whose understanding was difficult.

4.2.5 Respondents Occupation

The researcher wanted to establish the respondents' occupation of the selected women entrepreneurs in Bungoma CBD, Bungoma County. Table 4.5 shows the details.

Table 4.5: Occupation of the Respondents

Occupation	Frequency	Percentage
Farmer	56	37.3
Business	48	32
Teacher	24	16
Others	22	14.7
Total	150	100

Table 4.5 shows that 56(37.3%) of the selected women entrepreneurs practice farming projects, 48 (32%) undertake different business projects, 24 (16%) are teachers while the rest 22 (14.7%) undertake other projects like cleaning services, nurses, among others.

4.2.6 Loans and Growth of Women Entrepreneurship

The study went further to find out the extent to which accessibility to loans from commercial banks influence the growth of women owned projects; their responses are summarized in table 4.6.

Table 4.6: Loans and Growth of Women Entrepreneurship

Statement	1(SD)	2(D)	4(A)	5(SA)
All women are eligible for loans	32(21.3%)	72(48%)	46(30.7%)	0(0%)
Women who are qualified for loans should have collaterals requirements	63(42%)	42(28%)	45(30%)	0(0%)
The loan application procedures are simple.	51(34%)	71(47.3%)	28(18.7)	0(0%)
The loan repayment schedule is flexible	4(2.7%)	62(41.3%)	84(56%)	0(0%)
Application process is transparent.	27(18%)	33(22%)	90(60%)	0(0%)
Interest rates are affordable.	32(21.3%)	105(70%)	13(8.7%)	0(0%)
Loan providers are available	56(37.3%)	37(24.7%)	57(38%)	0(0%)

As revealed in Table 4.6, 32(21.3%) strongly disagreed that all women are eligible for loans, 72(48%) disagreed, while the rest 46(30.7%) agreed. Table 4.6 also showed that 63(42%) of the sampled women strongly disagreed that women who are qualified for loans should have collaterals requirements, 42(28%) disagreed whereas 45(30%) agreed as compared to 51(34.0%) of them who strongly disagreed that the loan application procedures are simple, 71(47.3%) disagreed while the rest 28(18.7) agreed. Of the 150 of the sampled women entrepreneurs 4(2.7%) strongly disagreed that the loan repayment schedule is flexible 84(56%) agreed, while 62(41.3%) disagreed. It was also noted that 27(18 %) women entrepreneurs strongly disagreed that application process is transparent, 90(60%) agreed, whereas 33(22%) disagreed.

Out of the 150 sampled women entrepreneurs, 32(21.3%) strongly disagreed that interest rates are affordable, 105(70%) disagreed while 13(8.7%) agreed. Moreover 56(37.3%) strongly disagreed that loan providers are available, 57(38%) agreed while the rest 37(24.7%) disagreed. Choudhury et al. (2005) said that commercial banking institutions have emerged as a substitute for government financial institutions which are limited to the poor due to lack of collaterals. It is an important source of income for many women entrepreneurs who can afford to raise capital for their business in Kenya.

It was also clear that a majority of the respondents were of the view that the loan application procedures are not simple and that the loan repayment schedule is flexible. Loan application should be made easy to woman entrepreneurs of which are not the case in Bungoma CBD, Bungoma County. This has hindered most of the women in accessing these financial services from the banks. Access to economic independence can change the long tradition of suppression of women and denial of opportunities. It was however noted that those who access this loans have humble and flexible repayment schedule.

The commercial banking institutions have repayment periods of weekly and monthly depending on the size of the loan, lending rules and how one agrees with other members of the group ran by the micro-finance institution, who jointly acts as guarantors of the loan. Also it was noted that most of the women entrepreneurs were of the view that application process is transparent, though their interest rates are not affordable. They were also of the view that loan providers are available in Bungoma CBD, Bungoma County Kenya.

According to standard digital (2014), expensive microfinance loans in Kenya are driving small scale business people away from the same institutions that are supposed to boost businesses and help in eradication of poverty. This is what was seen in most women projects in Bungoma CBD where they are shunning loans from the institutions due to high interest rates and strict repayment conditions, which make the loans hard to service.

Most commercial banking institutions in Kenya charge interest rates that range from between 1.8 per cent to 2.5 per cent per month. Others, on the other hand, charge at least 0.5 per cent per week. This translates to between 21.6 per cent and 30 per cent per year. Moreover, since most of the loans offered by the institutions do not have grace period, women entrepreneurs start servicing the loans as soon as they receive them. All this means that the entrepreneur would not have time to accrue profit enough to repay the loans and therefore little growth in projects will be seen.

According to the above findings most women do not access credit facilities because loan acquisition procedures are not simple and transparent and the interest and repayment schedules do not favor them. Therefore few women entrepreneurs realize the growth of their projects.

4.2.7 Effects of Management Training Services on Growth of Women Entrepreneurship

Women are starting and growing their projects at a remarkable rate. It was therefore prudent to examine the role of financial and management training service offered by commercial banks on the growth of women entrepreneurship.

Table 4.7: Management Training Services and Growth of Women Projects

Statement	1(SD)	2(D)	4(A)	5(SA)
Training service are available from commercial banking institutions	36(24%)	9(6%)	105(70%)	0(0%)
Training services offered are frequent.	125(83.3%)	25(16.7%)	0(0%)	0(0%)
Training services are readily available.	116(77.3%)	16(10.7%)	18(12%)	0(0%)
Training venues are convenient.	15(10%)	18(12%)	117(78%)	0(0%)
Topics trained are relevant.	9(6%)	5(3.3%)	136(90.7%)	0(0%)

On commercial banks financial training, the (table 4.7) 36(24%) of the respondents strongly disagreed that there is training in the commercial banking institutions, 9(6) disagree, while on the other hand 105(70%) agreed. Out of the 150 women entrepreneurs 125(83.3%) strongly disagreed that these training services offered are frequent, while only 25(16.7%) disagreed.

Table 4.7 also showed that 116(77.3%) strongly disagreed that the training services are readily available, 16(10.7) disagreed while 18(12%) agreed. 15(10%) of the women strongly disagreed that the training venues are convenient, 18(12%) disagreed while the rest 117(78%) agreed while on the other hand 136(90.7%) agreed that the trainings offered are appropriate.

From the above findings in table 4.7 the financial training service from commercial banks has improved the growth of women owned projects in Bungoma CBD as seen by the responses above which measures growth in terms of increased income, profit, savings and the scope of decision making). Commercial banks are vital to the development of entrepreneurship projects entrepreneurship development in Bungoma and Kenya in general. The findings show that there exists a positive correlation between education and business project creation. Women who receive entrepreneurial education perform better at running their own projects.

Similarly, Peterman and Kennedy (2003) found that attendance at an entrepreneurial program has positive effect on both the desirability and feasibility of starting a project. On the same view Edgcomb (2002) too notes that training has significant impact on participant's characteristics and final participant's outcome. The major contribution of commercial banking institutions to the developing economy like that of Kenya is its role in promoting entrepreneurship development in the nation. One of the goals of entrepreneurship routed by successful government has been the reduction of unemployment and poverty alleviation.

A cordial thrust in public policy for the achievement of indigenous women entrepreneurs through the provision of long term loans and equity capital by commercial banks. Given the gap between savings and invertible funds, the short fall is provided by credit delivery. Many newly developed and developing countries have therefore made credit delivery an enduring strategy in the development of entrepreneurship in both industry and agriculture.

Table 4.8: Effects of the Financial Service on Growth of Women Entrepreneurship

Statement	1(SD)	2(D)	4(A)	5(SA)
There is increased profits from the business am running	13(8.7%)	17(11.3%)	120(80.0%)	0(0%)
There is increase in income from the business am running	32(21.3%)	25(16.7%)	93(62%)	0(0%)
Have employed people.	16(10.7%)	112(74.7%)	22(14.6%)	0(0%)
Have increased savings from business.	20(13.3%)	14(9.3%)	116(77.4%)	0(0%)
Have increased the power of making decisions.	3(2%)	25(16.7%)	122(81.3%)	0(0%)

Out of the 150 selected women entrepreneurs, 120(80%) agreed that due to the services offered by the commercial banks there is increased profits from the projects they are running, 17(11.3%) disagreed while the rest 13(8.7%) strongly disagreed. On the other hand 93(62.0%) of them agreed that these services have increased income from the projects they are running, 32(21.3%) strongly disagreed 25(16.7%) disagreed. 16(10.7%) strongly agreed that they have employed more employees due to the growth of the projects 112(74.7%) agreed 22(14.6%) disagree.

Table 4.8 also showed that 20(13.3%) strongly agreed that the financial services have increased savings from projects, as compared to 116(77.4%) who agreed. Of the 150

respondents (selected women entrepreneurs), 25(16.7%) disagreed that they have increased the power of making decisions, 3(2%) strongly disagreed, while the rest 122(81.3%) agreed. Therefore increasing women access to loans helping them have savings and providing them with financial and management training will help women grow their projects.

4.2.8 Influence of Consulting and Investment Advisory Services on the Growth of Women Owned Projects

The distributions of the responses of the women entrepreneurs are given in Table 4.9.

Table 4.9: Influence of Advisory Services on the Growth of Women Owned Projects

Statement	1(SD)	2(D)	3(U)	4(A)	5(SA)
Consulting and investment advisory services are available to women entrepreneurs	0(0%)	131(87.3%)	0(0%)	19(12.7%)	0(0%)
Advisory services are affordable	0(0%)	71(47.3%)	11(7.4%)	68(45.3%)	0(0%)
Has advisory services benefited your project	10(6.7%)	68(45.3%)	2(1.3%)	70(46.7%)	0(0%)
Investment advisory venues are convenient	28(18.7%)	34(22.7%)	88(58.6%)	0(0%)	0(0%)

Table 4.9 shows 131(87.3%) disagreed that investment advisory services are available to women entrepreneurs, while 19(12.7%) agreed. Moreover the study showed that 68(45.3%) agreed that the Advisory services are affordable, 71(47.3%) disagreed whereas the rest 11(7.4%) were undecided. Table 4.9 also shows that those who agree that advisory services have benefited their projects, were 70(46.7%) as compared to 68(45.3%) who disagreed. On the other hand 28(18.7%) strongly disagreed that investment advisory venues are convenient, 34(22.7%) disagreed while the rest 88(58.6%) agreed on the statement.

From the findings as shown in table 4.9 most of the women entrepreneurs were of the view that investment advisory services are not available to women entrepreneurs because advisory services are not affordable. Although these services were not available, most of the entrepreneurs opined that these services can benefit their projects. On the other hand most of the entrepreneurs were of the view that most of the investment advisory venues are not convenient. These services might be on how to manage funds, advice on loans and business ventures, current business opportunities and financial services.

The findings, above shows that although advisory services by commercial banks have a huge role to play as far as development of women-owned entrepreneurship projects. Financial advisory services is among the principle of the services commercial banks offer to their clients in order to ensure the small scale businesswomen make the right choice in their project ventures. It is true that with the right advice many of the small scale women entrepreneurs can break into the business field and make big returns after all. The women entrepreneurs supported the advisory services because they were of the view that it might have enlightened them on the difficulties encountered, therefore they will be in a position to handle them and thus enhanced growth of their projects.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter provides a summary of major findings as deduced by the study, it also presents discussion, conclusions, recommendations and areas of further research.

5.2 Summary of Findings

The study sought to investigate influence of commercial banking services on performance of women owned projects in Bungoma CBD, Bungoma County Kenya and the following were the study findings.

5.2.1 Loan and Performance of Women Projects

On the first objective of the study on influence of accessibility to credit facilities from commercial bank institutions on the growth of women owned projects is that most of the respondents, 72 disagreed that all women at Bungoma CBD are eligible for microcredit, further a majority of the respondents strongly disagreed that women who are qualified for micro credit should have collaterals requirements. They were of the view that it is not necessary for women to have a collateral in order to be eligible to borrow loans. This is because most of the women in Bungoma county are farmers and small business holders and do not have any collateral apart from their fathers' or husbands' land. As shown in (table 4.6), 71 disagreed that the loan application procedures are simple, the thought that the process was tiresome. However, 84 of them agreed that the loan repayment schedule is flexible and 90 agreed that the application process is transparent although the interests are high as indicated by 105 who disagreed when asked if the interest rate are affordable.

5.2.2. Effects of the Financial and Management Training Services on Performance of Women Projects

On the third objective it was clearly indicated as shown in table 4.7 that most of the respondent agreed that, 105 training service are available from microfinance institutions although this training services offered are not frequent are not readily available. Nonetheless it was clearly indicated that 117 agreed that the training venues are

convenient and that topics trained are relevant to their businesses. Still on the same most of the women entrepreneurs, 120 indicated that due to the training they get from commercial banks there has been increased profits from the business they are running because of the management and financial knowledge and skills they have gotten. This is due to the fact that they can manage well their funds and keep records to monitor the firm progress, 93 agreed that there is increase in income from the business they are running in that due to good management and expansion of their business they have surplus money and therefore they can have little money to save for other projects. Furthermore due to the increase in the firms income most of the women 112 indicated that they have employed more people, 122 agreed that because of the training they receive on savings they have increased savings from business and therefore increasing their power of making decisions because they now know how to manage and make decision on how to run their business implicating that they can also make decision on other important issues in the family because of their financial empowerment.

5.2.3 Influence of Consulting and Investment Advisory Services on the Growth of Women Owned Projects

In summary it was noted that most 131 of the entrepreneurs were of the view that investment advisory services are not available to them because they are not affordable. Despite the fact that these services can benefit their business most of the investment advisory venues are not convenient. The current business environment presents a constant stream of both challenges and opportunities. Against this backdrop of change women entrepreneurs should embrace the idea of financial advisory services in order for them to reach their potential, organizations must continuously improve their performance, and sustain that improvement through investing in financial advisory services from and accredited financial advisor.

5.3 Conclusion

Based on the findings, the researcher concluded that women in Bungoma CBD do not access loans because of the lack of collaterals and timely trainings. Commercial banking institutions have limited the accessibility to credit by the poor due to lack of collateral. It

was also concluded that women entrepreneurs were of the view that women who are qualified for loans should have no collateral requirements in order for them to get access to capital for starting their business (seed capital) or expand them. This eventually will lead to increased productivity and ownership of assets which eventually improves their household income and the power of decision making.

Secondly, it was also concluded that training services which are available from commercial banking institutions are relevant to the needs of the women though they are not offered frequently. Lack of proper training leads to poor planning, improper financing and poor management which have been posted as the main causes of failure of small enterprises and projects. As to whether training has improved the projects performance, it was concluded that women who received entrepreneurial education perform better at running their own projects.

Lastly it was concluded that advisory financial services in Bungoma CBD are not available, are expensive to the women entrepreneurs who own the small and micro projects in the study area. They have not embraced the importance of advisory services which can help their projects develop and implement strategies for improving the efficiency and relevancy of their projects, financial accounting, and technology processes.

5.4 Recommendations

On the basis of the findings and conclusions above, the following section presents the recommendations of the study:

- Commercial banking institutions should reduce the cost of training sessions or provide it as a complementary free service for the first year to all their clients in order to allow a larger number of women entrepreneurs to access training and hence get empowered.
- The regulators of commercial banking institutions should have a policy that will regulate the rate of interest charged, savings limits and other requirements as the women entrepreneurs felt that the interest rates were too high and hence some

were reluctant to take the loans. Also the government should help subsidize the interest rates offered by this commercial banks to women so as to make it affordable to all women.

- Moreover, the government should also partner with the commercial banks and conduct civic education to reach out to the small scale entrepreneurs as well as to the potential entrepreneurs to seek the services of commercial banks as a way of ensuring poverty alleviation in the rural areas.

5.5 Suggestion for Further Research

Further, a study should be carried out in other sub-counties/counties since this involved Bungoma CBD only. This will establish more on how commercial banking institutions credit facilities help on growth of women owned projects

5.6 Contribution to the Body of Knowledge

The findings of the study will be significant in that it will add more information. Some of the contributions are indicated in table 5.1 below.

Table 5.1: Contribution to the Body of Knowledge

Objectives	Contribution
i. Influence of accessibility to loans on the performance of women owned projects from commercial banks	<ul style="list-style-type: none">• It provided information on the accessibility to credit facilities and their barriers which included lending policies as in; prescribed minimum loan amounts, complicated application procedures and restrictions on credit for specific purposes
ii. Influence of financial management on growth of women owned project	<ul style="list-style-type: none">• The study provided information on financial management policies. These included; loans limit, collateral required from potential borrowers and the interest rates charged on the loans given out in relation to the study area (Bungoma).• It also provided information on the views of the women entrepreneurs on the state of these policies that will help policy makers and other fellow researchers.
iii. Influence of management training services on growth of women owned projects	<ul style="list-style-type: none">• The role of education and training in the performance and growth of women owned projects in Bungoma County.• From the findings tailored development programs will be designed to suit the local demand
iv. Influence of consulting and investment advisory services on growth of women owned projects	<ul style="list-style-type: none">• This has provided information on the state of investment advisory services in Bungoma CBD which can be used by researchers carrying out research in the study area and Bungoma County as a whole• It has also provided the policy makers and advisory bodies information which will help them in designing the appropriate investment advisory programs to women entrepreneurs across the country

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APPENDICES

Appendix I: Letter of Transmittal

LINNET N KALENDA,

Po Box 371 Eldoret, Kenya.

Telephone No. 0723384539

E-mail Address: linnetkalenda8@gmail.com

Dear Sir/Madam,

REF: LETTER OF TRANSMITTAL FOR DATA COLLECTION

I am a postgraduate student at the University of Nairobi pursuing masters of in Project Planning and Management Degree. In order to be awarded the degree I am carrying out a research on, effects of credit facilities on the performance of women-owned income generating projects. A survey of commercial banks funded projects within Bungoma Town.

Kindly assist me in filling this questionnaire during your most convenient time. You are requested to note that this exercise is purely for academic purposes and will be treated with utmost privacy. Thanking you in advance for your cooperation.

Yours Faithfully,

Linnet Kalenda. (Researcher)

Appendix II: Questionnaire

SECTION A: PERSONAL INFORMATION (Tick where appropriate)

Age

(a) 18-30----- (b) 31 -40----- (c) 41-50----- (d) 50 and above----

Education None ----- Primary----- Secondary -----College-----

Employment Self ----- Formal Employment----- Unemployed---

Marital Status Single----- Married----- Divorced ----- Separated—

SECTION B: Loans on growth of women projects.

What are the effects of loans on growth of women projects?

Instructions

1 Strongly disagree 2. Disagree 3. Not sure 4. Agree 5. Strongly agree

Statement	1	2	3	4	5
All women are eligible for loans					
Women who are qualified for loans should have collaterals requirements					
The loan application procedures are simple.					
The loan repayment schedule is flexible.					
Application process is transparent.					
Interest rates are affordable.					
Loan providers are available					

5

SECTION C: Management Training on growth of women entrepreneurship.

What are the effects of management training on performance of women projects?

Instructions

1. Strongly disagree 2. Disagree 3. Not sure 4. Agree 5. Strongly agree

Statement	1	2	3	4	5
Management training services are available from commercial banks					
Management training services offered are frequent.					
Management training services are readily available.					
Training venues are convenient.					
Topics trained are relevant.					

SECTION D: FINANCIAL SKILLS (TICK WHERE APPROPRIATE)

Financial Services provided by commercial banks on growth of women projects

What are the effects of the financial service provided by commercial banks on growth of women projects?

Instructions

1 Strongly disagree 2. Disagree 3. Not sure 4. Agree 5. Strongly agree

Statement	1	2	3	4	5
There is increased profits from the business you are running					
There is increase in income from the business you are running					
Have employed people.					
Have increased savings from business.					
Have increased the power of making decisions.					

SECTION E: Influence of investment advisory services offered by micro finance institutions on the growth of women owned small and micro enterprises

To what extent do you agree with the effects of advisory services on growth of women entrepreneurship?

Instructions

1. Strongly disagree 2. Disagree 3. Not sure 4. Agree 5. Strongly agree

Statement	1	2	3	4	5
Investment advisory services are available to women entrepreneurs					
Advisory services are affordable					
Has advisory services benefited your business					
Investment advisory venues are convenient					

Appendix III: Interview schedule

How many Banking institutions do you belong to? -----

For how long have you been a member? -----

Have you ever taken any loan from the bank? Yes -----No—

If yes, how many times have you taken a loan this year? -----

How much did you borrow? -----

What type of income generating project did you start /expand using the loan? -----

How much did you use to start the project-----?

How much did you contribute as capital from other sources? Ksh. -----

How many loans are you servicing currently?

Have you ever been trained on how to manage a business? Yes -----No-----

Did the bank you belong to follow up to ensure that the loan was put to the intended use?
Yes-----No----- (Tick)

How often do you bank the money generated from your business? Often do you bank the money generated from your business?

Appendix IV: Authorization Letter



NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

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when replying please quote

9th Floor, Utalii House
Uhuru Highway
P.O. Box 30623-00100
NAIROBI-KENYA

Ref. No.

NACOSTI/P/16/76971/12398

Date:

1st August, 2016

Linnet Nekesa Kalenda
University of Nairobi
P.O. Box 30197-00100
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *“Influence of access to bank credit facilities on performance of womens’ projects in Bungoma County Kenya,”* I am pleased to inform you that you have been authorized to undertake research in **Bungoma County** for the period ending **30th July, 2017.**

You are advised to report to **the County Commissioner and the County Director of Education, Bungoma County** before embarking on the research project.

On completion of the research, you are expected to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.


BONIFACE WANYAMA
FOR: DIRECTOR-GENERAL/CEO

Copy to:

The County Commissioner
Bungoma County.

The County Director of Education
Bungoma County.

National Commission for Science, Technology and Innovation is ISO 9001: 2008 Certified

Appendix V: Research Permit

THIS IS TO CERTIFY THAT:

**MISS. LINNET NEKESA KALENDA
of UNIVERSITY OF NAIROBI, 594-30100
Eldoret, has been permitted to conduct
Research in Bungoma County**

**on the topic: INFLUENCE OF ACCESS TO
BANK CREDIT FACILITIES ON
PERFORMANCE OF WOMENS' PROJECTS
IN BUNGOMA COUNTY KENYA**

**For the period ending:
30th July, 2017**

**Applicant's
Signature**



Director General

**National Commission for Science,
Technology & Innovation**

CONDITIONS

- 1. You must report to the County Commissioner and the County Education Officer of the area before embarking on your research. Failure to do that may lead to the cancellation of your permit**
- 2. Government Officers will not be interviewed without prior appointment.**
- 3. No questionnaire will be used unless it has been approved.**
- 4. Excavation, filming and collection of biological specimens are subject to further permission from the relevant Government Ministries.**
- 5. You are required to submit at least two(2) hard copies and one(1) soft copy of your final report.**
- 6. The Government of Kenya reserves the right to modify the conditions of this permit including its cancellation without notice**



REPUBLIC OF KENYA

NACOSTI

**National Commission for Science,
Technology and Innovation**

**RESEARCH CLEARANCE
PERMIT**

Serial No: A/0501

CONDITIONS: see back page