

**FACTORS INFLUENCING PERFORMANCE OF PERSONS WITH  
DISABILITIES IN MICRO AND SMALL ENTERPRISES IN BUNGOMA  
COUNTY, KENYA**

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## DECLARATION

This project report is my original work and has not been presented elsewhere for award of any degree in this or any other university.

Signature.....

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This project has been submitted with my approval as as a University Supervisor.

Signature.....

Date.....

Prof. Preston Chitere

## **DEDICATION**

This project proposal is dedicated first and foremost to my dear parents, the late Mzee Benjamin Kokonya Nabwela and my mother, Mama Dina Khasasia Kokonya for taking me to school in the first instance. I would like to dedicate this project to my loving wife- Victoria Anyango Wekesa, my children; Alvin, Diana, Sarai and Israel plus my extended family for encouragement in allowing me time to read and research for the project. I realized, studying at an advanced age, one needs support from all quarters.

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## **LIST OF ABBREVIATIONS AND ACRONYMS**

|               |   |
|---------------|---|
| <b>CBR</b>    | Community Based Rehabilitation                                    |
| <b>CDF</b>    | Constituency Development Fund                                     |
| <b>DDC</b>    | Disability Development Communities                                |
| <b>DFID</b>   | Department of International Development                           |
| <b>DPI</b>    | Disabled Persons International                                    |
| <b>DPO</b>    | Disabled Persons Organizations                                    |
| <b>ECOSOC</b> | Economic and Social Council                                       |
| <b>IDF</b>    | International Development Fund                                    |
| <b>LATF</b>   | Local Government Transfer Fund                                    |
| <b>MDGs</b>   | Millennium Development Goals                                      |
| <b>MDS</b>    | Model Disability Survey   |
| <b>NCPWD</b>  | National Council for Persons with Disability                      |
| <b>NGOs</b>   | Non Governmental Organization                                     |
| <b>PHRD</b>   | Policy and Human Resource Development                             |
| <b>PWD</b>    | Persons with Disability   |
| <b>SADPD</b>  | Secretarial of the African Decade of Persons with Disability      |
| <b>SAGA</b>   | Semi-Autonomous Agency  |
| <b>UNCRDP</b> | United Nations Convention on the Rights of People with Disability |
| <b>UNIC</b>   | United Nations Center for Information                             |

## ABSTRACT

The current study sought to investigate the factors influencing the performance of people with disability in small and medium enterprises in Bungoma County. The study's objectives were to: explore the characteristics of small and medium enterprises owned by people with disability; determine how awareness and perception of policy and regulations influence the performance of people with disability in small and medium enterprises; find out the types of small and medium enterprises owned by people with disability; determine the technical and credit support accorded to people with disability; and lastly investigate the performance of small and medium enterprises owned by people with disability.

To achieve these objectives the study adopted a descriptive research design. Qualitative information was obtained using a questionnaire as per the selected sample of fifty persons with disability residing within Bungoma Municipality. While supplementary data qualitative was obtained from six key informants and all these was analyzed together.

Majority of respondents had not received any business credit from either the County Government or the National government and even information on different regulatory frameworks they are not aware.

It's recommended that the Bungoma county government should come up with policies and regulations that will support people with disability to engage in small and medium enterprises. The county government should also come up with programmes that should encourage the growth of SMEs owned by people with disability in regard to registration of their businesses, licensing fees so that they remain focused and geared towards expanding their businesses from survivalist nature to bigger enterprises. People with disability should also be encouraged to diversify their businesses so that they can attract a bigger market share and lastly policy makers should also provide technical and credit support to this group of business persons such as training opportunities, access to loan facilities through banking institutions, Women Empowerment Fund and Youth Enterprise Fund among others. Short courses for people with disabilities should be designed so that they acquire management skills and competencies necessary for proper management of their enterprises.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the study

Disability is a cross cutting issue. It involves every sector of society. Everyone should be aware of the needs of people with disabilities (PWD) and which should be included in all development processes. There is no universally agreed definition of disability though historically disability was seen primarily as a medical condition, with the problem located within the individual. This Medical or individual model was challenged by disability activists who re-conceptualized the definition as captured in “Chronic Poverty and Disability” (Yeo R. 2001).

It is estimated that there are 500 million people with disabilities in the world and that a majority of them live in developing countries (IDF, 1998). Every year, millions of people are disabled through poverty related diseases. It is acknowledged that the International Development Targets are unlikely to be met unless the needs and rights of people with disabilities are addressed. Yeo (2001) argues that there is no country in the world where people with disabilities rights are not violated. The discrimination, violence and abuse faced by people with disabilities do not respect national boundaries, national wealth or national poverty.

According to Yeo (2001) disability is generally viewed as an abomination, disgrace or a curse from God but this is not true. Families and society have not accepted people with disabilities and as such they are hidden away from society to avoid family and social

disgrace. There are so many people with disabilities who are never given the chance or opportunity to release their God-given potential and talents. Potential cannot be maximised unless you live in an environment that is conducive to its development and release. Disabled people, just like able-bodied people have talents and potential, which if exploited to the maximum can better their lives, families and communities.

According to Government Economic Recovery Paper (2004) poverty is not simply a matter of incomes that are too low to meet basic subsistence needs. It is above all a symptom of imbedded structural imbalances, which manifest themselves in all domains of human existence. As such, poverty is highly correlated with social exclusion, marginalisation, vulnerability, powerlessness, isolation and other economic, political, social and cultural dimensions of deprivation.

In addition to low incomes, poverty is reflected in malnutrition, poor health, low literacy levels and inadequate clothing, housing and living conditions, etc. It results from limited or no access to basic infrastructure and services, and is further compounded by people's lack of access to land, credit, technology and institutions and to other productive assets and resources needed to ensure sustainable livelihoods (Republic of Kenya, Poverty Assessment Study Report, 1995).

According to the United Nations Standard Rules on the Equalization of Opportunities for Persons with Disabilities (1994), the concept of 'disability' in relation to policy interventions defined to an acceptable level as "the functional limitations occurring to any

population in different forms of physical, intellectual or sensory impairment, medical conditions or mental illness”. Such impairments, conditions or illness may be permanent or transitory in nature. The same rules define the term ‘handicap’ to mean the loss or limitation of opportunities to take part in the life of the community on an equal level with others. Therefore, for the sake of simplicity, this paper refers to disability as defined within the above concept, including situations of being handicapped in order to guide the relevant policy interventions and for political action.

According to the National Disability Survey Report (2008), Kenya has a population of about 38 million people of which 4.6% or 1.6 million people have a disability. About 40% (640,000) of them are physically challenged; most live in rural or slum areas on less than \$1 a day and this limits their accessibility to quality rehabilitation services. To rectify this state of affairs, the government, enacted an Act of Parliament ‘*The Persons with Disabilities Act*’ (PWD) 2003 to mainstream these groups’. A majority of them are unable to access or afford quality rehabilitation services as epitomized by a campaign a few years by the Kenya Paraplegic Organization dubbed ‘*Bring Zack Back Home*’. As a result, the vast majority of People with Disabilities (PWDs) in Kenya have been hindered from enjoying their human rights and fully participating in the communities’ development Bungoma County is no exception! According to the 2005 -2010 Bungoma County Development Plan, in the whole county, there are a total of 5,764 people with some form of disability. People with disability and the aged; suffer from acute food shortages.

The problem with the persons with disability not taking part in the development of their areas could be more than what the current situation could be having information about. Most of the times these persons are not seen regularly in the main stream media to lobby and network, but when this happens, they are portrayed in self-pity and apathy. According to ‘*The Secretariat of the African Decade of Persons with Disabilities*’ (2000), there are about 80 million persons with disabilities in Africa who are often discriminated against, excluded from schools, work opportunities, and health services to become more visible in their societies. However as long as these large groups of people are invisible, the inequalities experienced by them shall remain largely unknown to the general public and the same applies to the positive changes that do take place on the continent, no one may come to know about them.

Kenya has however not been left behind, The National Council for Persons with Disabilities (NCPWD) was set up in December 2004 following the enactment of The Persons with Disabilities Act (PWD). The Council is a Semi-autonomous Government Agency (SAGA) whose parent Ministry was the former Ministry of Gender, Children and Social Development. The membership consists of nominees of Organizations of persons with disabilities, key government ministries, the Office of the Attorney General, Federation of Kenya Employers and the Central Organization of Trade Unions. The Board is headed by a Non-Executive Chairperson. The day-to-day activities are run by a Secretariat.



There are a number of programs in the name of economic stimulus packages at the constituencies but PWDs have not been integrated into these. Some efforts have been made like what the Government has said through the Minister for Finance in his 2009/2010 budget speech:

“...in an effort to boost the welfare of disadvantaged groups, micro, small and medium enterprises, I direct the Public Procurement Oversight Authority to make appropriate regulations that will enable these groups to participate effectively in Government tenders. These regulations should ensure that contracts awarded through the Constituency Development Fund (CDF) Local Authority Transfer Fund (LATF) and other development funds are reserved for tenderers’ who are located and operate in those regions except where such local capacity is not available...”

People with disability are not the only ones yearning for government intervention but other vulnerable groups like the elderly were as well captured in the Ministers’ speech:-

“.....as a society we must care for those amongst us who are either elderly, Physically or mentally challenged, recognizing that disability is not inability. In this budget, I have allocated Kshs 200 million interest-free revolving fund toward financing business ventures by our brothers and sisters who are physically challenged..”

## **1.2 The Problem Statement**

It is estimated that of the 500 million people with disabilities in the world, a majority of them live in the developing countries (IDF, 1998). Every year, millions of people are disabled through poverty related diseases. It is acknowledged that the International targets are unlikely to be met unless the need and rights of people with the disabilities are addressed. Yeo, R. (1999) argues in his book that there is no country in the world where rights of people with disabilities are not violated. Disability is generally viewed as an abomination, disgrace or a curse from God.. Families and society do not accept people

with disabilities and as such they are hidden away to avoid disgrace. In Bungoma Municipality, the disabled have not fared any differently therefore the need to follow up on their plight for services.

Poverty is not simply a matter of incomes that are too low but also basic subsistence needs. It is above all, a symptom of embedded structural imbalances which manifest themselves in all human existence. As such, poverty is highly correlated with social exclusion, marginalization, vulnerability, powerlessness, isolation and other economic, political, social and cultural dimensions of deprivation. There have been several interventions with the people with disability to become self-reliant through small and medium enterprises, but majority are still in need. This study sought to examine the reasons behind these interventions.

### **1.3. Objective of the Study**

#### **1.3.1 General Objective**

The main objective of the study was to investigate the factors influencing the performance of persons with disabilities in micro and small enterprises in Bungoma County, Kenya.

#### **1.3.2 Specific objectives of the Study**

The study was guided by the following objectives:-

- a) To find out the characteristics of the persons with disabilities engaged in small and medium enterprises;

- b) To examine persons with the disability awareness and perceptions of policies and regulations influencing the performance of small and medium enterprises;
- c) To examine the types of small and medium enterprises carried out by persons with disabilities;
- d) To assess credit support given to persons with disabilities; and
- e) To determine how persons with disability access information for their Small and Medium Enterprises.
- f) To assess level of performance of SMEs operated by PWDs,

#### **1.4 Research Questions**

The study will be guided by the following research questions:

- a) To what extent does the characteristics of the persons with disabilities impact on their small and medium enterprises?
- b) To what extent does awareness and perception of policies and regulations influence persons with disability in the performance of their small and medium enterprises?
- c) To what extent are the types of small and medium enterprises carried out by persons with disabilities?
- d) To what extent does credit support affect the performance of small and medium enterprises ran by persons with disabilities?
- e) To what extent does access to information by persons with disability affect the performance of their small and medium enterprises?

- f) To what extent does the performance of small and medium enterprises related to persons with disabilities?

### **1.5 Significance of the Study**

It is hoped that the study findings will make a positive contribution to the realization of Vision 2030 of the Kenyan Government in capacity building within the overall scope of development assistance. It will also contribute to the empowerment of persons with disability to run successful small and medium enterprises. The study will also provide insights about potential for transition of persons with disability from deprivation to productivity and create an environment for sustainable production and empowerment. Lastly, the study will show the types of new ventures carried out and the potential ones that are important for strengthening the persons with disabilities well being.

### **1.6 Scope of the Study**

This study was confined in Bungoma Municipality of Bungoma County. To answer the objectives, the researcher in liaison with the Bungoma County personnel in charge of licensing, Women Empowerment Fund and the Youth Enterprise Fund will take an audit of enterprises that the persons with disability are engaged in (supported) by undertaking an audit of the available records both at the county and National Government levels. Focusing on the population ratio, the study was able to examine other enterprises as well to have a comparison of the different engagements and understand the underlying reasons.

The study also examined the recently published business entry incentives that focused on different local authorities in the country, the study. It delved into understanding the factors that the county has put in place to lure investors with a bias to the physically disabled within her boundaries. Apart from looking at the records at the County, formulated a questionnaire to be administered to the physically disabled already engaged in micro enterprises.

Lastly the study reviewed the different by-laws that concerned licensing in Bungoma Municipality. While looking at this, we conducted interviews (guided) with selected micro finance institutions to understand how they benefitted the Persons with Disability and know if devolved funds such as the Women Empowerment and Youth Enterprise Funds had lending policies that specifically targeted Persons with Disabilities so that they were able to start and grow their businesses.

### **1.7 Limitations of the Study**

The study was faced with various challenges such as limited funds to carry it out in good time. To mitigate this and other challenges, the researcher sought assistance from friends for their contributions to help in financing the study. The Information ACT hinders easy access to information therefore limiting the study to access information from the public domain, to mitigate this, the researcher obtained a transmittal letter from the University showing the purpose of the study.

### **1.8 Definition of key Terms and concepts**

**Small and Medium Enterprises:** These are enterprises by either an individual or a group of people making a living.

**Poverty:** This is a state where a person lives on less than a dollar per day.

**Transparency:** refers to conducting affairs professional and honest manner and without un-declared intentions.

**Conditions:** Restrictions on doing something.

**Empowerment:** Process of conferring rights, knowledge, and other resources needed to live better lives.

**Disabled Persons Organizations (DPOs):** Organisations that are led and managed by people with disabilities

**Cross-cutting:** Disability components included in all sectors of government and development.

**Partnership:** this refers to a multi-faceted and diverse range of relationships between Northern and Southern organisations. Such relationships are based on mutual respect, and value diversity. Furthermore, such relationships are empowering, based on mutually agreed terms/principles, dynamic and change over time.

**Affirmative Action:** Policies aimed at redressing historical exclusion of the minority and disadvantaged people.

## **1.9 Organization of the study**

This project paper is divided into five chapters: Introduction, literature review, research methodology, data presentation, analysis and interpretation and summary, conclusions and recommendations. Chapter one (Introduction) was divided into the following sections: Background information, statement of the problem, purpose of the study,

objectives, research questions, significance of the study, basic assumptions of the study, limitation and delimitations of the study and definition of significance terms. Chapter two on literature review included a review of literature based on the study objectives and theoretical and conceptual frameworks. Chapter three research methodology included; research design, target population, sample size and sampling procedure, data collection instruments, data collection procedure, validity of instruments, reliability of the instruments, data analysis techniques, ethical considerations and operational definition of variables. Chapter four contains analysis of the data, its presentation and interpretation of the findings. Chapter five presents a summary of the findings, conclusions and recommendations for policy and for further research.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1. Introduction**

This chapter will review the related literature on the factors that influence the participation of persons with disabilities in micro and small enterprises in Bungoma County, Kenya. This will be based on the study objectives: namely, to examine the policies and regulations influencing the participation of persons with disabilities in small and medium enterprises in Bungoma; to find out the characteristics of the persons with disabilities engaged in small and medium enterprises; to examine the types of small and medium enterprises carried out by persons with disabilities; to assess technical and credit support given to persons with disabilities and lastly to assess the performance of small and medium enterprises operated by persons with disabilities in Bungoma County, Kenya. The chapter will also look at the theoretical and conceptual framework and summary of literature.

International Entrepreneurship: A Meta-Analysis on the Internationalization and Performance Relationship Christian Schwens Florian B. Zapkau Michael Bierwerth Rodrigo Isidor Gary Knight Rüdiger Kabst. Sage Publication 2017 affirms to the theory

#### **2.2 Concept of Medium and Small Enterprises**

Some experts differentiate *Jua Kali* (informal) micro-enterprises from very small micro-enterprises by using the term "very small" to define micro-enterprises with 6 to 10 employees (Stevenson and St-Onge, 2005 pages 9-11). The *Jua Kali* micro-enterprises



are identified as owners of unregistered (informal) businesses who have little formal education (usually less than secondary school level) and lack entrepreneurial and business know-how. They also have little access to credit, with limited awareness of markets and market opportunities. None of these studies done in the SME sector in Kenya, including the 1999 National Baseline Survey, looked at the case of entrepreneurs with disabilities and, hence, the absence of data by disability therefore the need for this study to add more information.

In the (Government of Kenya Report 1992) titled “Small Enterprises and Jua Kali Development”; its noted that the support framework pursued since 1986 in this sector has been characterized by unsustainable subsidies and stop-go policies that emanate from an inadequate understanding of the sector and its relationship with the rest of the economy. The mismatch between policy pronouncements and resource allocation—capital financial and human—has brought about poor implementation of these policies and the persons with disabilities have been hard hit.

The Government of Kenya, through its then Ministry of Gender, Sports, Culture and Social Services, unveiled its policy in the Kenya National Plan of Action (Government of Kenya Report, 2004). The Plan spelled out the country's national programme as part of the African Decade of Persons with Disabilities (1999-2009). Small and medium enterprises are some of the intervention areas targeted to improve the lives of persons with disabilities. Although Kenya, compared with other countries in the region, has put in place some good policies and legislation for the disabled in the SME sector, there still

remain areas that need streamlining (Persons with Disabilities Act, 2003). This is particularly so because of poor implementation of existing policies, due to lack of coordination between the implementing agencies, poor resource management and lack of enthusiasm by policy-makers (Ronge et al., 2002 page 10).

### **2.3 Characteristics of the Persons with Disabilities Engaged in Small and Medium Enterprises**

Despite constituting a major proportion of the business sector, there is little data on the role and experience of small and medium sized enterprises (SMEs) in the employment of Persons With Disabilities as captured by Tushabonwe-Kuzzoba, C (2006) in his case study, *“Causes of Small Business Failure in Uganda: a case study from Bushenyi and Mbarara towns”*. In another study by Wanjohi A. (2009) titled *“Challenges Facing Small and Medium Enterprises in Kenya”*; Persons with Disabilities are identified as owners of unregistered (informal) businesses who have little formal education (usually less than secondary school level) and lack entrepreneurial and business know-how. They also have little access to credit, with limited awareness of markets and market opportunities. They are constrained by their household responsibilities and marital status ( with women, having to obtain permission from their husbands to travel out of town for training or trade fairs).The majority of women entrepreneurs with disabilities are reported to be concentrated in this group and engage in unregistered hawking businesses. Some of them belong to Disabled Persons ‘Organizations (DPOs) or the Disabled Hawkers' Association (DHA), normally used as lobby groups. This category of entrepreneurs is disadvantaged, because of their disabilities.

In study commissioned by the United Nations (1991) “*Integration of Disabled Persons in Community Life*” it’s noted that in many developing countries, there is a dearth of statistics on the Small and Medium Enterprises and Kenya is no exception. Other than employment statistics in the sector, no other time series statistics exist that can capture the evolution of the sector, more that touching on the persons with disabilities therefore the need to explore further. The sector in Kenya has grown tremendously over the last two decades despite poor policy conceptualization and implementation in the sector Ronge et al (2002 pg 11). However, this growth is characterized by low productivity and survivalist activities despite the fact that this sector is very strategic in providing future employment. In this chapter, we explain the characteristics of persons with disabilities and the type of small and medium enterprises they are engaged in and how they are performing in addition to looking at the support they are getting including the policies in place to support them.

According to Disabled Person Act, (1992) a disabled person, “means a person with a physical, mental or sensory disability, including a visual, hearing or speech functional disability, which gives rise to physical, cultural or social barriers inhibiting him from participating at an equal level with other members of society in activities, undertakings or fields of employment that are open to other members of society. The same definition is captured by the World Health Organization (1981) titled “*Disability, prevention and rehabilitation*”, it this classification which determines the different types of disability and the mitigation measures that can be put in place for them to fit in the mainstream society. In a study by Yeo R. (2001) “*Chronic Poverty and Disability*” persons with disability are

disproportionately amongst the poorest of the poor in all parts of the world and the basic cause of this poverty is exclusion from social, economic and political life.

It is argued that disabled people are largely invisible, ignored and excluded from mainstream development (Burchardt, 2003). In a report by the United Nations (1993) titled, “*World Programme of Action Concerning Disabled Persons*”, it noted that in general, they (persons with disability) face disempowerment and economic exclusion, irrespective of where they live, are statistically more likely to be unemployed, illiterate, deprived of formal education, and have less access to developed support networks and social capital than their able bodied counterparts. Consequently, disability is both a cause and consequence of poverty (Yeo, 2005). Maxwell (1998) noted that people become poor because they are excluded from social institutions where access is based on status, privilege, race and gender. Exclusion leads to lack of resources, lower expectations, poor health and poor education. This study will try to establish the characteristic of persons with disability who engage in medium and small enterprises in Bungoma County.

#### **2.4 Policies and Regulations and Participation of Persons with Disabilities in Small and Medium Enterprises**

Kenya’s constitution of 2010 and the new Micro and Small Enterprise Act 2012 provide a window of opportunity through which the evolution of SMEs can be realized through the devolution framework. However, the impact of devolution of SMEs development depends on the architecture of the regulatory and institutional framework inclined to support SMEs in an economy (Kigguddu, 2000). Research by Harper (2004) shows that governments that are not concerned with the promotion of small enterprises should examine the impact of their policies and programmes on the small businesses. Mann et al

(1984) makes a similar observation that government regulation about wages, taxation, licensing and others are among the important reasons why the informal sector business develops. Without careful attention, government policies could crush the small business sector in any economy.

Government policies should aim to encourage and promote the development of local technologies (Wanjohi, A Mugure, A (2008). Emphasis should be on the promotion of the local tool industry to reduce reliance on imports. SMEs are said to face a “*liability of smallness*.” Because of their size and resource limitations, they are unable to develop new technologies or to make vital changes in existing ones. However there is evidence that SMEs have the potential to initiate minor technological innovations to suit their circumstances. However, for SMEs to fully develop and use this potential, they need specific policy measures to ensure that technology services and infrastructure are provided (Wanjohi, 2009). Policy initiatives in revitalizing the SME sub-sector should not be only government engineered, but all the stakeholders in development arena should take frontline.

Studies by Ngobo (1995); Kibera and Kiberam (1997); Chijoriga and Cassiman (1997), point to finance as one of the key constraints to small enterprise growth. This is worsened by the absence of financial markets in the developing countries. Small enterprise owners cannot easily access finance to expand business and they are usually faced with problems of collateral, feasibility studies and the high bank charges. This means that they cannot access finance to enable them to grow. Ngobo (1995) makes a detailed analysis of finance as a constraining factor and includes collateral, interest rates, extra bank charges, inability to evaluate financial proposals and lack of financial management skills as

hindrances to small enterprise growth. Under-developed financial markets impose additional constraints. There are no financial instruments and no independent financial sources that are market driven.

## **2.5 Types of Small and Medium Enterprises carried out by Persons with Disabilities**

The types of enterprises that Persons with disability engage in have less remained static for a while. In a report by the United Nations Department of Economic and Social Affairs (1972) compiled by Campbell A, Goold M and Alexander M , titled “*Cooperate Strategy*” , Small business can be categorized as survivalists, micro-enterprises, very small enterprises, small or medium enterprises. A study carried out by Josephat and Nzaramba (2013) in Rwanda found out that enterprises engaged in by persons with disability are of light consumer goods that are primarily related to food and beverages, second hand clothing, automotive repair, shoe shine and repairs, carpentry. Small scale business owners can also be grouped as producers, shopkeepers or vendors. They can be categorized in sectors such as very small-scale producers in agriculture, small-scale mining and manufacturing, and services, artisans and traders. The degree of permanence, productivity and formality varies considerably between micro-enterprises. Some micro-enterprises are indeed growing ‘entrepreneurial’ firms with skilled owners and productive business models. However, the majority of small-scale business owners are self-employed and often struggle to get by, and will never grow their businesses into larger enterprises (Thibault et al, 2002).

Thibault et al. (2002) suggest that factors influencing business performance could be attributed to personal factors such as demographic variables and business factors such as

the degree of financing, use of technology, age of business, operating location, business structure and number of full-time employees.

While the contributions of small businesses to development are generally acknowledged, entrepreneurs in this sector face many obstacles that limit their long term survival and development. Scholars have indicated that starting a business is a risky venture and warn that the chances of small-business owners making it past the five-year mark are very slim. In Kenya, Mbugua, Njeru and Tirimba (2014) identified unavailability, irrelevancy and inaccuracy of business information services; access to finance; lack of relevant management skills; and underdeveloped transport, information and communications technology (ICT), and business development support as key factors impeding performance of small businesses.

In Rwanda, Josephat and Nzaramba (2013) cited the high cost of conducting business, lack of access to finance, limited access to market information and markets and the competitive advantage of enterprises as key factors impeding on the performance of small businesses. This study seeks to determine the various types of medium and small enterprises that persons with disability engage in Bungoma County, Kenya.

## **2.6 Credit Support given to Persons with Disabilities Engaged in Small and Medium Enterprises**

The studies conducted by Ibrahim (1986), provide evidence that management skills are critical factors in both the failure and success of businesses (Lichtenstein & Brush, 2001). They illustrate that accounting, cash flow, and marketing need management skills and

lack of them is a major cause of failure. Weaknesses in these areas are found to impact on all other areas of the business. A lack of management skills and expertise is a major constraint hindering the progress of the SME sector in Kenya.

In Republic of Kenya Sessional Paper No.2 (2005) titled “*Development of Micro and Small Enterprises for Wealth and Employment Creation for Poverty Reduction*”; it’s noted that lack of access to credit/ finance is almost universally indicated as a key problem for SMEs. Credit constraints operate in variety of ways in Kenya where undeveloped capital market forces entrepreneurs to rely on self-financing or borrowing from friends or relatives who are not enough to enable SMEs undertake their business activities optimally. In a study by Wanjohi A. (2009) “*Challenges Facing Small and Medium Enterprises*”; lack of access to long-term credit for small businesses forces them to rely on high cost short term finance and there are various financial challenges that face small enterprises; they include the high cost of credit, high bank charges and fees. The scenario witnessed in Kenya particularly during the climaxing period of the year 2008, testifies the need for credit among the common and low earning entrepreneurs where persons with disability and women belong.

Numerous money lenders in the name of Pyramid schemes came up, promising hope among the ‘little investors,’ which they can make it to the financial freedom through soft borrowing. The rationale behind turning to these schemes among a good number of entrepreneurs was mainly to seek alternatives and soft credit with low interest rates while making profits. Financial constraint remains a major challenge facing SMEs in Kenya (Wanjohi and Mugure, 2008). Finding start-up finance for the business is the biggest



hurdle that many entrepreneurs go through. Even after getting started, getting sufficient finance to sustain business growth is another problem.

Research findings by McCormick et al (1996), Daniels et al (2003) Kinyanjui (2006) show how SMEs are constrained by finance. Studies undertaken by Kiiru, Mirero and Masaviro (1988) for Kenya Rural Enterprise Programme (K-Rep) confirm that a major constraint within the small business enterprise sector is financing. In the study carried in Nairobi among small manufacturing enterprises, Nyambura (1992) established that finance was rated among the biggest problem. In South Africa Eeden (2004) found finance as cited as one of the most prominent constrains. The problems related to finance includes lack of information on where to source for finance, restrictive lending offered by commercial banks, lack of access to finance, insufficient financing, lack of track record required by the banks, limited access to collateral, and the fact that financial institutions lack appropriate structure for dealing with SMEs.

In a study by Tushabonwe-Kuzooba, C (2006) titled “*Causes of Small Business Failure in Uganda*”, many SMEs owners or managers’ lack managerial training and experience. The typical owner or managers of small businesses develop their own approach to management, through a process of trial and error. As a result, their management style is likely to be more intuitive than analytical, more concerned with day-to-day operations than long-term issues, and more opportunistic than strategic in its concept as affirmed in a study by Hill (1987). Although this approach (trial and error) is the key strength at the start-up stage of the enterprise because it provides the creativity needed, it may present problems when complex decisions have to be made. A consequence of poor managerial

ability is that SMEs owners are ill prepared to face changes in the business environment and to plan appropriate changes in technology.

Cant and Lightelm (2003) in a survey of small business failure maintain that entrepreneurs often have good ideas and are competent but they do not have a clue on how to run a business and have no underlying appreciation of business fundamentals. Professional experience has been cited as an important factor affecting many aspects of entrepreneurial firms. Experience takes many guises and breadth of experience is shown to be an important factor driving the performance of firms, with the number of previous jobs positively related to new firm performance (Lumpkin & Marvel 2007). Thapa (2007) found a positive association between education and small business success. The likelihood of failure was also found to be associated with the owner/manager's work experience prior to business launch and education. Human capital is the most critical agent of SME performance. The recruitment of academically qualified employees is a necessary start for sustainable human capital development in all organizations. Human capacity has become a critical index of competition in the world of business to the extent that the development of such capacities through training has become top priority in designing the strategic plan of business organizations (Tim & Brinkerhoff, 2008).

Education and skills are needed to run micro and small enterprises. Research shows that majority of the people carrying out micro and small enterprises in Kenya are not quite well equipped in terms of education and skills. Studies suggest that those with more education and training are more likely to be successful in the SME sector (King & McGrath, 2002). As such, for small businesses to do well in Kenya, people need to be

well informed in terms of skills and management. SMEs in ICT appear to be doing well with the sprouting of many commercial colleges offering various computer applications. Further, studies show that most of those running SMEs in this sector have at least attained college level education (Wanjohi & Mugure, 2008).

Management is therefore necessary to enable group or business goals to be accomplished through the functions of planning, staffing, directing, controlling activities, coordination and directing. Personal characteristics of the owner/manager were interpreted by Larson and Clute (1979) as lack of experience among small business managers who happen to be the owners leading to poor performance and consequently to business failure. Bamback and Lawyer (1979) also identified poor management as the root cause of many failings and poor performance of small business. Nzioka (1995) in the role of education in business performance notes that one of the things that hold back the development of small –business is the need for better management.

## **2.7 Sources of Information used by Persons with Disabilities Engaged in Small and Medium Enterprises**

According to Mutua-Kombo (2001), information is only relevant if it serves the users' needs, but if it does not, then it is insignificant. Persons with disabilities' groups in rural areas do not have ready access to information mainly due to the ways in which rural information services are coordinated. Steeves (1996) emphasized a communication and information policy based on gender equity that encompasses employment, information access, information representation and content, and the appropriate selection of technologies. Persons with disabilities' engage in small and medium enterprises with the aim of alleviating impoverished economic and social conditions that characterize many

rural areas, so their information needs must be addressed and the requisite information made available toward that end (Mutua-Kombo).

Persons with disabilities' have special knowledge of their needs and some of the pertinent information that could be used to satisfy those needs. Additionally, PWDs possess crucial technical knowledge which has been neglected, especially with regards to SMEs (Steeves, 1996). Mutua-Kombo (2001) asserted that information providers and experts must pay attention to the unique information needs of women's groups and how best they could use information.

Even with the enormous contribution to development around the world, PWDs are still disadvantaged by the lack of information and resources needed to improve their socio-economic status (Herz, 1989). In many rural areas, it is largely a result of previous government failures in rural information provision which creates a culture of mistrust on the part of rural citizens who may have little trust for government agents at the outset (Mutua-Kombo, 2001). Herz (1989) argued that national policies promote equality of opportunities regardless of gender; yet, women still lag behind men in many aspects of life. Traditional constraints also limit the opportunities of PWDs. This results in a vicious cycle of poverty that depresses both productivity and welfare among PWDs, their children, and their communities (Herz).

In all the studies carried out, little is cited for Persons with Disability hence the need for this study to add more knowledge on this subject.

## **2.8 Theoretical Framework**

The number of theories on development is constantly increasing. Individual theories differ in terms of the characterization of the principal actors and the mechanisms of

regional development. In most cases, nothing like a commonly accepted paradigm on development exists (Ward and Hite 1998; Suchacek and Malinovsky 2007). This study was guided by theories from the field of rural sociology and community development and entrepreneurship. The theories from these fields help in understanding how people are socialized and how they start businesses within the society and how the factors influence (them) in fitting into the society, therefore having an impact on what they do for a living.

### **2.8.1 Entrepreneurship Theory**

Economic entrepreneurship theories date back to the first half of the 1700 century with the work of Richard Cantillon, who introduced the idea of entrepreneurs as risk takers; the classic neoclassical and Austrian Market process schools of thought all pose explanations for entrepreneurship that focus, for the most part, on economic conditions and the opportunities they create. Economic theories on entrepreneurship tend to receive significant criticism for failing to recognize the dynamic, open nature of market systems, ignoring the unique nature of entrepreneurial activity and downplaying the diverse in which an entrepreneur operates in.

An entrepreneur, as described by Small Business Association, puts together a business and accepts that which is associated with risk to make a profit but it fails to explain the phenomena of entrepreneurship itself. To fill up this; a number of theories exist, but all of them fall into one of the five main categories of Economic, Resource-Based, Psychological, Sociological/Anthropological, Opportunity-Based

Psychological Theories of entrepreneurship focus on the individual mental or emotional elements that drive entrepreneurial individuals. A theory put forward by David

McClelland (1961) a Harvard emeritus professor posess a need for achievement that drives their activity Julian Rotter (1916) theory control theory emphasis that people with strong internal locus believe their actions can influence the external world and research suggests most entrepreneurs posses such traits. A final approach though unsupported by research suggests personality traits ranging from creativity and resilience to optimism drive entrepreneurial behavior.

A prolific business management author and cooperate consultant, Peter Drucker put forward an opportunity-based theory. Druker contents that entrepreneurs excel at seeing and taking advantage of possibilities created by social technological and cultural changes. For example, where a business that caters to senior citizens might view a sudden influx of younger residents to a neighborhood as a potential death stroke, an entrepreneur might see it as a chance to open a new club.

The Sociological/Anthropological theories center its explanation for entrepreneurship on the various social contexts that enable the opportunities entrepreneurs leverage. Paul D. Reynolds, a George Washington University research professor, singles out four such contexts; social networks, a desire for meaningful life, ethnic identification and social-political environment factors. The Anthropological model approaches the question of entrepreneurship by placing it within the context of culture and examining how cultural forces, such as social attitudes, shape both the perception of and the behaviors of entrepreneurs.

### **2.8.2 Theory of Achievement Motive**

David McClelland's motivation theory (1961) suggests that motives to work well reflect persistent characteristics or perceptions of reality that are acquired from one's culture, i.e. learned at an early stage through coping with one's environment. These motives or needs to which people are differently motivated, become the focus of one's motivation and help create one's value system. McClelland identified in his three needs theory, also called achievement motivation theory and learned needs theory, three categories (motives) of human needs, with particular attention to "need for achievement" Need for achievement – a need to take personal responsibility and show successful task results; need for power – a need to be able to influence and control others and to shape events; and need for affiliation – a need to develop and maintain interpersonal relationships (Emery & Oertel 2006, p. 17; Boddy 2006, p. 399.) .

These motives roughly correspond to Maslow's self-actualization, esteem and love needs. All these needs are present in each individual and individuals possess these needs in different amounts and combinations, which influences their behavior at work. The needs are developed over time and can be influenced by training to modify one's need profile. A person's motivation and effectiveness at work are influenced by these three needs. The relative intensity of the motives varies between individuals and different occupations, for example the extent of achievement motivation varies between individuals and some people think about achievement more than others. People holding manager positions appear to be higher in achievement motivation than in affiliation motivation and the need to achieve is shown to be closely linked to entrepreneurial spirit and the development of

available resources (Mullins 1999, pp. 425-426). Also a study, which implemented Maslow's hierarchy of needs theory showed to be in line with McClelland's theory, the study results showed that managers in higher organizational levels are generally more able to satisfy their growth needs than lower-level managers (Steers & Porter 1991, p. 37).

The need for achievement is defined as behavior directed toward competition with a standard of excellence. People with a strong achievement need have been identified with some distinctive characteristics: preference for moderate task difficulty; personal responsibility for performance and personal credit for outcome; need for feedback and innovativeness and novel solutions (Miner 2006, p. 48; Mullins 1999, p. 425; Steers & Porter 1991, p. 37).

Preferring moderate task difficulty provides an opportunity to prove that one could do better; too difficult task would reduce the chances of success and of gaining satisfaction. At the same time, too an easy task would not provide enough challenge in accomplishing the task. Personal responsibility means preferring one's own efforts rather than by succeeding by working in a team, a preference to work alone. Clear and unambiguous feedback serves as a determinant of success or failure in accomplishing the goal, and not as a praise or recognition. Innovativeness and search for novel solutions derives from the fact that people with a strong achievement need are in a constant search for variety and improvement. High achievers actively search for information to find new, more effective ways of doing things and solving problems (Miner 2006, p. 48; Mullins 1999, p. 425).



For people with a high achievement motivation, money is not an incentive and doesn't have a very strong motivating effect as high-achievers are already highly motivated. It is important only as a source of information on how one is doing and thus serves as a feedback on performance. Money may seem to be important to high achievers, but they value it more as feedback and recognition symbolizing successful task performance and goal achievement than as a financial reward itself. According to McClelland it is the prospect of achievement satisfaction, not money, which drives the successful entrepreneur and people with a high achievement motivation. For them, achievement is more important than financial reward whereas for people with low achievement motivation money may serve more as a direct incentive for performance (Miner 2006, p. 48; Mullins 1999, p. 425-426; Steers & Porter 1991, p. 40).

The second category of motives in McClelland's motivation theory, the need for power, produces a need to control others, to influence their behavior, and to be responsible for them as well as to make an impact with a strong need to lead. There is also a motivation and a need towards increasing personal status and prestige. A person's need for power can be personal or institutional. Those who need personal power tend to direct others and their satisfaction comes from conquering others. Those who need institutional power, which is also called socialized power, want to organize work of other people in order to further the goals of the organization. Concern for group goals is involved, and the need for power is oriented toward achieving organizational effectiveness rather than satisfying a self-serving egoism. Although McClelland had in his theory emphasized the need for achievement as being necessary for entrepreneurial activity, he has also argued that the

need for social power is the most important determinant of managerial success (Miner 2006, p. 50; Steers & Porter 1991, p. 42).

The third category of motives is affiliation, a desire to establish and maintain friendly and warm relations with other individuals. People with high motivation for affiliation need harmonious relationships and need to feel accepted by other people. In many ways the need for affiliation is similar to Maslow's social needs. Individuals with a high need for affiliation have a strong desire for approval and reassurance from others; they have a tendency to conform to the wishes and norms of others when they are pressured by people whose friendships they value and they have a sincere interest in the feelings of others. Individuals with a high need for affiliation prefer cooperation and team work over competition and working alone, and work providing significant personal interaction, for example, customer service. They also tend to perform better when personal support and approval are tied to performance (Miner 2006, p. 50; Steers & Porter 1991, p. 41).

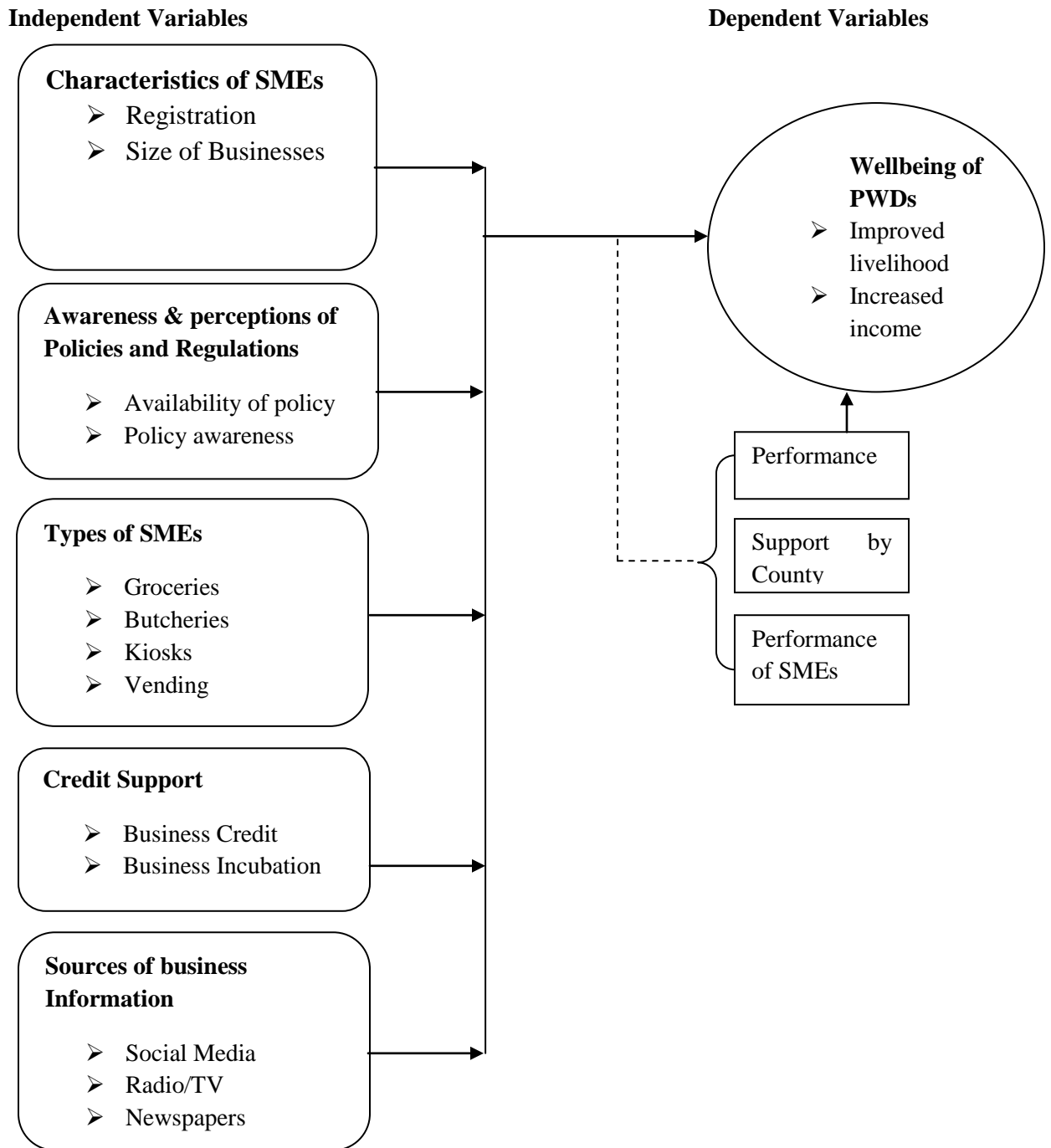
The theory is relevant for the study since there is plenty of research evidence that high levels of achievement motivation and socialized power motivation are important for efficient business development and entrepreneurial and operational efficiency. A strong need for affiliation, on the other hand, may undermine the objectivity and decision-making capability due to desire to be accepted by other. High achievers can be given challenging tasks with reachable goals and power motivated people are able to manage others effectively.

## **2.9 Conceptual Framework**

The Small and Medium Enterprises ran by the disabled are not thriving well like others, not because of reasons of their own making but, majority of them have not learned from anywhere, but out of default. There are businesses ran by people of the Indian or Kikuyu origin and they have thrived, this is because right from the start, the children are part of the business therefore able to learn the ropes with time. People with disabilities; find them in business as a last resort to be able to take care of themselves and their immediate families.

The good performance of Small and Medium Enterprises depends on progressive policies developed by the government then they are followed up. In addition, the characteristics of the enterprises, the different types coupled with technical support and credit shall help spur the performance of business which shall in turn guarantee good returns therefore a good livelihood for persons living with disabilities as figure one demonstrates.

It is important to note, for any enterprise to thrive, policies that have been formulated should be responsive and applicable to the consumers (small and medium entrepreneurs) which in turn shall be noticed in the characteristics' of the enterprises.



**Figure 2.1 Conceptual framework**

## 2.11 Operational Definition of Variables

**Table 2.1 Operational Definition of Variables**

|    | <b>OBJECTIVES</b>  | <b>VARIABLES</b>  | <b>INDICATORS</b>   |
|----|--|---|---|
| 1. | To determine the extent to which awareness and perception of policies and regulations influence the performance of persons with disability in SMEs in Bungoma Municipality | <b>Independent V</b><br>Policies and Regulations<br><b>Dependent V</b><br>Performance of SMEs | <ul style="list-style-type: none"> <li>• Availability</li> <li>• Awareness</li> </ul>             |
| 2. | To establish the characteristics of persons with disability engaged in SMEs in Bungoma Municipality  | <b>Independent V</b><br>Characteristic<br><b>Dependent</b><br>Performance of SMEs             | <ul style="list-style-type: none"> <li>• Registration</li> <li>• Size of Business</li> </ul>      |
| 3. | To examine the types of SMEs persons with disability engage in Bungoma Municipality  | <b>Independent V</b><br>Types of SMEs<br><b>Dependent V</b><br>Performance of SMEs            | <ul style="list-style-type: none"> <li>• Survivalists</li> <li>• Medium/Small</li> </ul>          |
| 4  | To examine technical and credit support offered to persons with disability engaged in SMEs in Bungoma Municipality   | <b>Independent V</b> Credit Support<br><b>Dependent V</b><br>Performance of SMEs              | <ul style="list-style-type: none"> <li>• Training</li> <li>• Credit</li> </ul>                    |
| 5  | To examine the sources of information for persons with disability engaged in SMEs in Bungoma Municipality  | <b>Independent V</b><br>Business Information<br><b>Dependent V</b><br>Performance of SMEs     | <ul style="list-style-type: none"> <li>• Social Media</li> <li>• Radio/TV</li> </ul>              |
| 6  | To examine performance of the SMEs   | <b>Independent V</b><br>Type of SME<br><b>Dependent V</b><br>Performance of SMEs              | <ul style="list-style-type: none"> <li>• No. of employees</li> <li>• Amount of Savings</li> </ul> |

## **2.10 Conclusion**

A lot of research has been carried out locally and internationally reviewing small and micro enterprises. Most of the research concentrated on businesses in the cities and urban centre's. They also concentrate on their study areas based on their own objectives. There is scarcity of literature touching on persons with disability. Therefore, the proposed study build on the local literature on factors that influence the performance of persons with disability in medium and small enterprises in Bungoma County. Similar studies have focused on the challenges faced by SME traders but this study concentrated on the performance of persons with disability in medium and small enterprises. The influence of policies and regulations, characteristics of people with disability engaged in medium and small enterprises, types of medium and small enterprise engaged in, technical and access to credit and the performance of medium and small enterprises engaged in by people with disability Bungoma County, Kenya. The scarce availability of reliable and valid data continues to be one of the key obstacles in understanding medium and small enterprises engaged in by people with disability in Bungoma County. This study will help build on the local available data.

## **CHAPTER THREE**

### **METHODS OF THE STUDY**

#### **3.1 Introduction**

This chapter shall describe the study site then focus on the target population with emphasis on the units of observation and analysis in the County. In addition, the chapter shall explore the sampling methodology and the sources of data.

#### **3.2 Study Site**

The study was carried out in Bungoma Municipality of Bungoma County. Bungoma County is located in Western Kenya and constitutes 9 constituencies which also double up as the Sub-Counties. Bungoma Municipality covers an area of 336.8 sq kms with temperatures ranging from between 15 – 30 Degrees Celsius depending on the season, (Census Report, 2009). The site was chosen because of the high rates of unemployment and underemployment of persons with disabilities and they are very concentrated here therefore easier to reach. In addition, many of the organizations giving support to these group of people are available and as a student with limited resources, this was an ideal site. The overall unemployment rate for persons with disability is double the adult average, at about 11% (YEDF, Government of Kenya Report, 2013). Statistics on joblessness suggest that the magnitude of unemployment problem is larger for persons with disability standing at 38%. The study focused the performance of persons with disabilities engaged in Small and Medium Enterprises.

### **3.3 Research Design**

A descriptive survey design was used in this study where it utilized both qualitative and quantitative data. Descriptive survey design is usually used in preliminary and exploratory studies (Lucky and Reuben, 1992) cited in Orodho (2004) to allow the researchers gather information, summarize, present and interpret for the purpose of clarification. Borg and Gall (1989) state that “descriptive survey research is intended to produce information about aspects of education that interest policy makers and educators”. The design entailing a survey was preferred because it is the only design through which desired information could be obtained more easily and less expensively as compared to other designs (Sharma *et al*, 1989). The design entailed process of collecting data in order to answer questions concerning the current status of the subject in the study area. Its design allowed the researcher to determine and report things the way they were like in terms of behavior, attitudes, values and characteristics and design to describe, explain and validate findings showing the relationship of variables under investigation.

### **3.4 Sampling procedure**

According to Kothari (2004), a sample of 10-30% is good enough if well-chosen and the elements in the sample are more than 30. The sampling size for the study comprised of 50 persons with disabilities and this is the unit of analysis.

For the exact individuals to participate in the study, the researcher indentified the first respondent then sort the next respondent until the last was reached and interviewed for the study within the selected site.



### **3.4.1 Key Informants**

The key respondents were selected on the basis of their involvement with Persons with Disability in Bungoma County. There were a number of them in Bungoma, but selected those who had been working directly with Persons with Disability engaged in SMEs. Five were selected, and they were: -

- County Director for the Ministry of Social Services for Bungoma County;
- Programme Manager for the National Council for Persons with Disability (NCPD)
- Nominated member of the County Assembly of Bungoma (MCA), he suffers from Albinism- he representing persons with disabilities
- A disabled Senior Officer from the County Government of Bungoma
- A County Government Officer in charge of the Disabled programmes in the county.

### **3.5 Data Collection Procedure**

The researcher administered the questionnaires to the relevant respondents in an effort to achieve the necessary information sampling was done using snowball method, where the respondent directed the researcher to the next available person. They eased the respondents' burden by giving them the time to think through their responses (Monessen & Horn, 2008); and those who were too busy were revisited later.

### **3.6 Data Collection Instruments**

The study employed questionnaires to collect primary data. Gall and Borg (1996) point out that questionnaires are appropriate for studies since they collect information that is not directly observable as they provide information about feelings, motivations, attitudes,

accomplishments as well as experiences of individuals. Data collection strategies in mixed methods research - Johnson - Cited by 1182... versus written questionnaire data: How data collection ... - Cummings - Cited by 454, ... Nutrition (EPIC): study populations and data collection - Riboli - Cited by 1198 They further observe that questionnaires have the added advantage of being less costly and using less time as instruments of data collection.

### **3.7 Validity of Research Instruments**

Validity refers to the degree to which results obtained from the analysis of the data actually represent the phenomena under study (Kothari, 1985). Gay, (1987) sees validity as the ability of an instrument to measure what it is intended to measure. Content validity is a measure of the degree to which data collected using a particular instrument represents a specific domain of indicators of a particular concept (Kothari, 1985). In this study, the researcher ensured that the questionnaire items were well constructed or formulated based on the objectives of the study. The instruments were written in a clear and simple language for easy comprehension by the respondents. To ensure content validity, the researcher worked closely with the University lectures including the supervisor to determine the validity of the questionnaires. This ensured that data tools captured the intended information accurately according to the objectives of the study.

### **3.8 Data Analysis and Presentation**

The questionnaires were checked for completion. Kothari (2004) assert that data obtained from the field in raw form is difficult to interpret unless it is cleaned, coded and analyzed. Qualitative analysis consisted of examining, categorizing, tabulating and recombining

evidence to address the research questions. Qualitative data was grouped into meaningful patterns and themes that were observed to help in their summarization and organization. Data was analyzed in terms of techniques of frequency counts, percentages, arithmetic means, modes, and tabulation to show differences in frequencies. Tables were used to display nominal or ordinal data. Statistical Package for Social Sciences (SPSS) versions 21.0 was used in the analysis of quantitative data from the closed ended questions.

### **3.9 Ethical Considerations**

The researcher maintained confidentiality of the data for the purpose of academic and ensured that no plagiarism was involved by acknowledging the sources of information. It can be argued that ethics expresses the fundamental considerations that inform any societal decisions. Ethics brings together and integrates relevant interests, individual, familial, community and societal. Ethics can have an integrative function in the context of biotechnology:

Ethical judgements are not stand-alone judgements, rather they are integrative, holistic, or 'all things considered' judgements. The Canadian moral theorist Thomas Hurka put this point well in a book on the ethics of global warming:

## **CHAPTER FOUR**

### **DATA ANALYSIS PRESENTATION AND INTERPRETATION**

#### **4.1 Introduction**

This chapter presents findings of the study which have been discussed under thematic and sub-thematic sections in line with the study objectives. The thematic areas included characteristics of SMEs owned by persons with disability, awareness and perceptions of policies regarding persons with disability, types of SMEs owned by persons with disability, technical and credit support and how SMEs owned by persons with disability perform and finally accesses sources of business information in Bungoma County, Kenya.

#### **4.2 Characteristics of the respondents**

The first objective of the study was to find out the characteristics of the persons with disability engaged in small and medium enterprises. The characteristics were gender, age bracket, and type of disability, level of education, marital status, and number of children they had

##### **4.2.1 Gender of Respondents**

This was examined since its findings would help show whether male persons with disabilities participated more than their female counterparts and the findings are shown in table 4.1.

**Table 4.1 Gender of the Respondents**

| <b>Gender</b> | <b>Number</b> | <b>Percentage</b> |
|---------------|---------------|-------------------|
| Male          | 45            | 90                |
| Female        | 5             | 10                |
| <b>Total</b>  | <b>50</b>     | <b>100</b>        |

The data in Table 4.1 showed that majority of persons with disability engaged in small and medium enterprises were male as shown by 90% responses as compared to 10% of their female counterparts. The data indicated that more male than female persons with disabilities engaged in small and medium enterprises in the study area.

#### **4.2.2 Age of Respondents**

This was examined as it was likely that young persons with disability were likely to perform better in small and medium enterprises than older ones and the findings are indicated in Table 4.2.

**Table 4.2 Age of the Respondents**

| <b>Age</b>   | <b>No. of Respondents</b> | <b>Percentage</b> |
|--------------|---------------------------|-------------------|
| Under 29 Yrs | 33                        | 66                |
| 30-39 Yrs    | 10                        | 20                |
| 40-49 Yrs    | 5                         | 10                |
| Above 50 Yrs | 2                         | 04                |
| <b>Total</b> | <b>50</b>                 | <b>100</b>        |

Table 4.2 shows that majority of the respondents were aged under 29 years as shown by 66%, however 20% were aged between 30-39 years, while 10% were aged between 40-49 years and 4% were aged above 50 years, respectfully. This shows that most of the persons with disabilities sampled were younger.

#### **4.2.3 Types of Disability**

This was examined as it was more likely that persons with physical disabilities would engage in small and medium enterprises as compared with those with hearing and visual disabilities and the findings are presented in Table 4.3.

**Table 4.3 Types of Disability**

| <b>Type of Disability</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|---------------------------|---------------------------|-------------------|
| Hearing                   | 2                         | 04                |
| Physical                  | 48                        | 96                |
| Total                     | 50                        | 100               |

Table 4.3 shows that majority of the respondents (96%) had physical disability (one was an Albino lady), while 2 4% had hearing disabilities and none had visual disabilities. It can therefore be deduced that physical types of disabilities enabled more persons with disabilities to perform well in small and medium enterprises as compared with other forms of disabilities ranging from hearing to visual disabilities.

#### **4.2.4 Level of Education**

This was examined as it was likely that persons with disabilities with formal educational background could perform better in small and medium enterprises as compared with their counterparts with little formal education and the findings are shown in Table 4.4.

**Table 4.4 Level of Education of the Respondents**

| <b>Level of education</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|---------------------------|---------------------------|-------------------|
| Primary                   | 47                        | 94                |
| Secondary                 | 3                         | 06                |
| <b>Total</b>              | <b>50</b>                 | <b>100</b>        |

Table 4.4 shows that majority of persons with disability had a primary level of education as indicated by 94% of the respondents, while 6% had some secondary level of education. This implied that persons with disabilities engaged in small and medium enterprises in this study were inadequately schooled to handle their businesses effectively.

#### **4.2.5 Marital status of the Respondents**

The researcher examined this since it was more likely for married persons with disabilities to fully engage in small and medium enterprises as compared to their unmarried counterparts and Table 4.5 shows the study findings.



**Table 4.5 Marital Status of the Respondents**

| <b>Marital Status</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|-----------------------|---------------------------|-------------------|
| Single                | 35                        | 70                |
| Married               | 15                        | 30                |
| <b>Total</b>          | <b>50</b>                 | <b>100</b>        |

Table 4.5 shows that majority of respondents (70%) were single, while (30%) were married, and none were divorced/separated or widowed. The findings indicate that persons with disabilities engaged in small and medium enterprises were single. However, a majority of the married once had less than three children and had no other dependents, while those single had no children.

#### **4.2.6 Assets owned by the Respondents**

The researcher examined this as it was likely that persons with disabilities with more assets were more likely to perform better in small and medium enterprises as compared with those with little assets and the findings are indicated in Table 4.6.

**Table 4.6 Assets owned by the Respondents**

| <b>Assets</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|---------------|---------------------------|-------------------|
| Donkey/Oxen   | 3                         | 6                 |
| Handcart      | 1                         | 2                 |
| Others        | 46                        | 92                |
| <b>Total</b>  | <b>50</b>                 | <b>100</b>        |

Table 4.6 shows that majority of the respondents (92%) indicated that they owned other assets like local cattle breeds, sheep, goats and land, while 6% owned donkeys/oxen and 2% owned handcarts. Therefore it can be deduced that majority of the respondents did not own moveable assets such as vehicles and motor cycles. However they owned other types of assets such as handcarts, and donkeys for ferrying water for commercial purposes.

#### **4.2.7 Type of housing of Respondents**

This was examined since it was likely that the persons with disabilities living in permanent housing were more likely to perform better in small and medium enterprises as compared to those living in semi-permanent and local houses and Table 4.7 shows the study findings.

**Table 4.7 Types of housing of Respondents**

| <b>Types of Houses</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|------------------------|---------------------------|-------------------|
| Permanent              | 2                         | 04                |
| Semi-Permanent         | 8                         | 16                |
| Local Housing          | 40                        | 80                |
| <b>Total</b>           | <b>50</b>                 | <b>100</b>        |

Table 4.7 shows that a majority of respondents (80%) lived in local houses, 16% lived in permanent house and 4% lived in permanent houses. This can be attributed to low income they earned from the enterprises they engaged in and the low status of houses they could afford to pay for by the end of the month.

#### **4.2.8 Main Sources of Income of the Respondents**

The study sought to examine the main sources of income for persons with disabilities since those with stable sources of income were more likely to perform better in small and medium enterprises as compared with their counterparts with unstable sources of income and the findings are presented in Table 4.8.

**Table 4.8 Main Sources of Income Reported by the Respondents**

| <b>Source</b>           | <b>No. of Respondents</b> | <b>Percentage</b> |
|-------------------------|---------------------------|-------------------|
| Earning from their SMEs | 47                        | 94                |
| Farming                 | 3                         | 06                |
| <b>Total</b>            | <b>50</b>                 | <b>100</b>        |

Table 4.8 shows that majority of respondents 94% indicated that their main sources of income is earnings from their small and medium enterprises they own, while 6% earned their income from food crop farming activities. Therefore 94% of persons with disabilities earned their income from their SMEs that were between Ksh. 2,000 to 4,000 Kenya shillings per month from the enterprises they owned.

Based on the study on the first objective of characteristics of respondents it can be concluded that majority of persons with disabilities engaged in small and medium enterprises were male. They were younger, aged less than 29 years, with physical type of disabilities and primary level of education. Majority were single and owned assets that ranged from sheep, traditional cattle breeds, goats and donkeys, they lived in local houses and income earned from their businesses ranged between Ksh. 2,000 to 4,000 per month.

### **4.3 Respondents' Awareness and Perceptions of Policy and Regulation and performance of their Small and Medium Enterprises.**

The second objective of this study sought to determine the extent to which policy and regulation had influenced persons with disabilities performance in small and medium enterprises. To explain this objective, the respondents were asked to answer to various questions relating to their awareness of: PWDs Act, 2003; National Disabilities Policy; Affirmative Action and United Nations Convention on Disabled Persons and Kenya Constitution (2010)

**Table 4.9 Awareness of Policies and Regulations by Persons with Disabilities**

**Table 4.9**

| <b>Awareness</b>  | <b>No. of respondents</b> | <b>Percentage</b> |
|---|---------------------------|-------------------|
| <b>PWDs Act 2003</b>  |                           |                   |
| Yes   | 35                        | 70                |
| No  | 15                        | 30                |
| <b>National disabilities' Policy</b>  |                           |                   |
| Yes   | 29                        | 58                |
| No  | 21                        | 42                |
| <b>Affirmative Action and the United Nations Conventions for Disabled persons</b> | 28                        | 56                |
| <b>Total</b>  | <b>50</b>                 | <b>100</b>        |

Table 4.9 shows that majority of persons with disabilities (70%) asserted that they were aware of the Persons with Disabilities Act while (30%) were not. About half (58%) of the respondents are aware of the National Policy on Persons with Disability, while (42%) are not aware of the policy. Fifty six (56%) of the respondents were aware of the Kenya's Affirmative Action and the United Nations Convention on Persons with Disability while (44%) were not aware. Similarly a majority of respondents (70%) are aware of the Kenya Constitution 2010 with matters touching on the persons with disability issues, while (30%) were not aware.

The study sought to find out from the respondents whether the awareness and perceptions of policies and regulations for persons with disabilities had influenced their performance of small and medium enterprises and the findings are as indicated in Table 4.10.

**Table 4.10 Perception of Policy and Regulations and their influence on Performance of the Small and Medium Enterprises**

| <b>Category</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|-----------------|---------------------------|-------------------|
| Influenced      | 2                         | 04                |
| No influence    | 48                        | 96                |
| Total           | 50                        | 100               |

Table 4.10 shows that majority (96%) of the respondents were of the opinion that there was no influence from policy and regulations in regard to performance of their businesses. However, a few (4%) asserted that policy and regulations for persons with disabilities had influenced performance of their small and medium enterprises as it helped

them register their businesses, although there was a lot of bureaucracy and licenses were very expensive.

This study finding concurs with remarks made, the county social development coordinator in charge of the persons with disabilities who asserted that “.....due to the small numbers of efficiency they were not able to sensitize persons with disabilities on policies and regulations in the entire county...”

Based on these findings, it can be concluded that majority of persons with disabilities were aware of the various policies and regulations that influenced their enterprises such as the Disabilities Act of 2003, the National Disability Policy, and constitution (2010), although this did not translate into better performance of their small and medium enterprises. According to the County Director of Social Services“.....this is as a result of poor implementation of the policies and regulations in the study area.....”

#### **4.4 Types of Small and Medium Enterprises operated in by Persons with Disability**

The third objective of this study sought to determine the type of small and medium enterprises engaged in by persons with disabilities, the objective was answered using the following indicators; types of businesses, ownership of enterprises and training of entrepreneurs.

The respondents were asked to identify the various types of small and medium enterprises they engaged in and the findings are presented in Table 4.11.

**Table 4.11 Types of Businesses**

| <b>Category of Business</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|-----------------------------|---------------------------|-------------------|
| Car wash                    | 11                        | 22                |
| Contracts/Tenders           | 1                         | 2                 |
| Automotive                  | 2                         | 4                 |
| Electronic shop             | 1                         | 2                 |
| Shoe shining and repair     | 5                         | 10                |
| Hawking                     | 30                        | 60                |
| <b>Total</b>                | <b>50</b>                 | <b>100</b>        |

Table 4.11 shows that a majority (60%) of the respondents were operating in hawking businesses and (22%) in car wash. The findings were supported by the remarks of the County Officer in charge of Persons with Disabilities who said *that*:

*“.... persons with disabilities were engaged in shoe shining and repair, groceries, hotel and kiosk businesses, while others were involved in small holder crop farming...”*

#### **4.4.1 Ownership of Enterprises**

The study also sought to determine whether persons with disabilities owned the various enterprises they engaged in and the findings are presented in Table 4.12.



**Table 4.12 Ownership of Enterprises**

| <b>Ownership</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|------------------|---------------------------|-------------------|
| Self             | 47                        | 94                |
| Employed         | 03                        | 06                |
| <b>Total</b>     | <b>50</b>                 | <b>100</b>        |

Table 4.12 shows that majority (94%) owned and hence were self-employed in the various small and medium enterprises they engaged in, while only a small fraction( 6%) were employed in the enterprises they engaged in. It was further revealed that for those who owned the enterprises, they had been operating their hawking and car wash businesses for the last five years as managers and had accumulated savings ranging from Kenya Shillings 20,000 to 50,000. The finding is in agreement with that of the member of county assembly (MCA) representing persons with disability who asserted that

*“.....the county government of Bungoma is supporting persons with disabilities in purchasing car wash machines and assisting them in getting operating space in the central business district.....”*

#### 4.4.2 Training in Entrepreneurship

The study also sought to determine whether persons with disabilities had attended any training in entrepreneurship and Table 4.13 shows the study findings.

**Table 4.13 Training in Entrepreneurship**

| <b>Category</b> | <b>No. of Respondents</b> | <b>Percentage</b> |
|-----------------|---------------------------|-------------------|
| Trained         | 6                         | 12                |
| Not Trained     | 44                        | 88                |
| <b>Total</b>    | <b>50</b>                 | <b>100</b>        |

Table 4.13 shows that majority (88%) of the respondents had not got any form of training in entrepreneurship, with just a few (12%) having had some form of entrepreneurship training. The reason for non-training of persons with disabilities was that their work was not complicated and only learned from friends. The training offered to those trained was on women and youth empowerment, it was offered for two weeks at Kibabii University.

#### 4.5 Credit Support offered to Persons with Disability Engaged in Small and Medium Enterprises

The fourth objective of this study sought to examine the technical and credit support offered to persons with disabilities engage in small and medium enterprises under the following themes; business credit, and business incubation.

The study sought to determine whether persons with disability engaged in small and medium enterprises had received any business credit and the findings are as shown in Table 4.14.

**Table 4.14 Business Credit**

| <b>Credit</b>    | <b>No. of Respondents</b> | <b>Percentage</b> |
|------------------|---------------------------|-------------------|
| Had received     | 3                         | 06                |
| Had not received | 47                        | 94                |
| <b>Total</b>     | <b>50</b>                 | <b>100</b>        |

Table 4.14 shows that the bulk (94%) of the respondents had not received any business credit from the central government or the county government. However, a few (6%) of the respondents had received business credit in the form of loans which they were still repaying. According to a nominated member of the County Assembly of Bungoma representing persons with disabilities in Bungoma County,

*“....the County government had set aside 18 million for persons with disabilities every year and only 5.1 million had so far been loaned out since the year 2013, the rest, no one knows....”.*

This can be attributed to lack of adequate information and lack of interest from persons with disabilities.

The study also sought to determine whether persons with disability engaged in small and medium enterprises had received any business incubation business incubation is apprenticeship where new business start-ups learn from established ones to kick start theirs.. The findings are as shown in Table 4.15.

**Table 4.15 Business Incubation Credit**

|                  | <b>No. of Respondents</b> | <b>Percentage</b> |
|------------------|---------------------------|-------------------|
| Had received     | 4                         | 08                |
| Had not received | 46                        | 92                |
| <b>Total</b>     | <b>50</b>                 | <b>100</b>        |

Table 4.15 shows that the bulk (92%) of the respondents had not received any form of business incubation. This could be as a result of them operating survivalist businesses given that most of them are operating hawking businesses, with only 8% having received business incubation in the form of apprentice in the automotive garages they worked in. Those in the car wash learned operating the washing machines from friends.

Based on these findings it can be concluded that the bulk (94%) of respondents had not received any business credit from the central government or the county government with only a small number (06%) indicating that they had received business credit in the form of loans which they were still repaying. Majority had not received any business incubation apart from a small number that indicated that they had received business incubation in the form of apprentice in the automotive garages they worked in.

#### **4.6 Source of Business Information for Persons with Disabilities Engaged in Small and Medium Enterprises**

The fifth objective sought to examine the sources of information for persons with disabilities in regard to participation in small and medium enterprises under the following themes namely: sources of business information and suggestions to enhance the performance of small and medium enterprises engaged in by persons with disabilities.

The study sought to determine the various sources of information for persons with disabilities engaged in small and medium enterprises and the findings are shown in Table 4.16.

**Table 4.16 Source of Information**

| <b>Source</b>                          | <b>No. of Respondents</b> | <b>Percentage</b> |
|--|---------------------------|-------------------|
| Visit by government official           | 1                         | 02                |
| Visiting to government or NGO officers | 3                         | 06                |
| Newspapers                             | 14                        | 28                |
| Radio/TV                               | 16                        | 32                |
| Social Media                           | 10                        | 20                |
| Shows/Exhibitions/Workshops            | 4                         | 08                |
| Exchange visits                        | 2                         | 04                |
| Total                                  | 50                        | 100               |

Table 4.16 shows that the bulk (32%) of respondents accessed business information by means of radio and television closely followed with a sizeable number (28%) got information through newspapers and other print media; a good number (20%) got information through social media while a small number (8%) through shows/exhibitions and workshops, a few (4%) got information through exchange visits then finally a small number (2%) got their information through government officials' visits. This can be attributed to the availability of vernacular radio stations in the county and affordable television networks. This was also true with the Kanduyi Sub- county Officer in charge of persons with disabilities who noted that

*“.....radio stations, television and newspapers were the major means through which persons with disabilities accessed information.....”*

According to Bungoma county coordinator for persons with disability,

*“.....persons with disabilities had been accessing information through public barazas and in forums organized for them by the county.*

Lastly the study sought the establishment how to enhance the participation of persons with disabilities in small and medium enterprises and the findings are presented in Table 4.17.

**Table 4.17 PWDs Suggestions to enhance persons with disabilities’ participation in Small and Medium Enterprises.**

| <b>Views</b>                   | <b>No. of Respondents</b> | <b>Percentage</b> |
|--------------------------------|---------------------------|-------------------|
| Increase grants for PWDs       | 10                        | 20                |
| Open training centers for PWDs | 20                        | 40                |
| Implement PWDs Acts            | 5                         | 10                |
| Employ more personnel          | 5                         | 10                |
| Capacity building of PWDs      | 10                        | 20                |
| <b>Total</b>                   | <b>50</b>                 | <b>100</b>        |

Table 4.16 shows that a big number (40%) of respondents were of the opinion that the County and the National Government needed to provide more educational opportunities by opening training centers for persons with disabilities, as this would assist them acquire the relevant skills in entrepreneurship and broaden their scope in regard to their rights and about how they could take advantage of the current PWDs policies and regulations to better themselves in the society.

According to the nominated member of county assembly representing persons with disabilities “

*.....there is need for increased advocacy for PWDs in the County, persons with disabilities should be encouraged to form and register their self-help groups for them to be able to access grants from both the county and national governments.....”*. It was also suggested by the Kanduyi Sub County Social Development Officer “*that funds from the government towards PWDs should be increased and the government create more avenues to sensitize the PWDs on the same. The government ministries should also implement the 30% tender opportunities to youth, women and persons with disability..... ”*”.



#### **4.7 Conclusion**

Based on the above findings it was concluded that majority of persons with disabilities accessed business information by means of radio and television. This can be attributed to the availability of many vernacular radio stations in the county and affordable television networks. It was also revealed that most of persons with disabilities were of the opinion that the County and National governments open up more educational opportunities through training centers for persons with disabilities, as this would assist them acquire the relevant skills in entrepreneurship and broaden their scope in regard to their rights and how they can take advantage of the current PWDs policies and regulations to better themselves in the society.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Summary of the Findings.

Concerning the first objective on characteristics of the respondents, it was clear that majority of persons with disabilities who engaged in small and medium enterprises were male, they were younger, aged less than 29 years, with physical type of disabilities and primary level of education. Similarly majority were single and owned assets like tools for their different trades (shoe brushes and polish for shiners) and a large number lived in local houses.

On the second objective, it can be summarized that majority of persons with disabilities were aware of the Disabilities Act of 2003 and slightly more than half (58%) were aware of the National Disability policy. In the study, more than half (56%) of the participants were aware of the Affirmative Action and the United Nations Convention on persons with disability. Majorities (70%) were aware of provisions in the constitution for persons with Disability. However this had not translated into more participation in small and medium enterprises. According to the County Director of Social Development

*“...this is as a result of poor implementation of the policies and regulations in the study area....”.*

Concerning the third objective it can be summarized that a majority (60%) of the respondents were operating in hawking businesses and (22%) in car wash. However some (10%) were engaged in shoe shining and repair. Majority (94%) of persons with disabilities were self employed in hawking and car wash small and medium enterprises

they operated, with only a smaller number (6%) employed by other entrepreneurs. It was further revealed that for those who owned the enterprises, they have been operating for the last five years. Majority (88%) had not got any form of training.

On the fourth objective it can be summarized that the bulk (94%) of the respondents had not received any business credit from the central or the county governments with only a small number (6%) indicating that they had received business credit in the form of loans from National Council for Persons with Disabilities which they are still repaying. Majority (92%) had not received any business incubation apart from a small number (8%) that indicated that they had in the form of apprentice in the automotive garages they work in. In order for businesses owned by persons with disability to thrive, there should be deliberate affirmative actions targeting them.

On the fifth objective, it was summarized that a sizeable number (32%) of persons with disabilities accessed business information by means of radio and television. This was attributed to the availability of vernacular radio (Mambo, West FMs) stations in the county and affordable television networks (Free to Air) West TV and TV Magharibi within.

## **5.2 Conclusions**

Based on the study findings, the following conclusions were put forward in line to the study questions. Concerning persons with disabilities engaged in small and medium enterprises were male and younger, aged less than 29 years, with physical type of disabilities and primary level of education; majority was single and lived in local houses.

They were aware of the various policies and regulations on persons with disabilities such as affirmative action, disabilities Act of 2003, the national disability policy, persons with disability Act and the new constitution; however this has not translated into more participation in small and medium enterprises. However, the impact of devolution of SMEs development depends on the architecture of the regulatory and institutional framework inclined to support PDWs in an economy (Kigguddu, 2000). A study by Harper (2004) observes that governments that are not concerned with the promotion of small enterprises among persons with disabilities should examine the impact of their policies and programmes on PDWs. Mann et al (1984) makes a similar observation that government regulation about wages, taxation, licensing and others are among the important reasons why the informal sector business develops.

Majorities (60%) of respondents were operating in hawking businesses and (22%) in car wash; however some (10%) were engaged in shoe shining and repair, groceries. Majority (88%) have not had any form of training. The findings are similar to other findings by Thibault et al, (2002) who asserted that persons with disability owned businesses were survivalist in nature. However, the majority of small-scale business owners are self-employed and often struggle to get by, and will never grow their businesses into larger enterprises.

Similarly a majority (94%) of respondents had not received any business credit from the central government or the county governments with only a small number (06%) indicating that they had received business credit in the form of loans which they are still repaying. Majority (92%) had not received any business incubation apart from a small number (08%) that indicated that they had received business incubation in the form of apprentice in the automotive garages they work in.

Several studies have indicated that starting a business is a risky venture and warn that the chances of small-business owners making it past the five-year mark are very slim. In Kenya, Mbugua, Njeru and Tirimba (2014) identified unavailability, irrelevancy and inaccuracy of business information services; access to finance; lack of relevant management skills; and underdeveloped transport, information and communications technology (ICT), and business development support as key factors impeding performance of small businesses. In Rwanda, Josephat and Nzaramba (2013) cited the high cost of conducting business, to lack of access to finance, limited access to market information and markets and the competitive advantage of enterprises as key factors impeding on the performance of small businesses.

Finally persons with disabilities accessed business information by means of radio and television. This was attributed to the availability of vernacular radio stations in the county and affordable television networks. Studies suggest that those with more education and training are more likely to be successful in the SME sector (King & McGrath, 2002). As such, for small businesses to do well in Kenya, persons with disabilities need to be well informed in terms of skills and management. Further, studies show that most of those running SMEs in this sector have at least attained college level education (Wanjohi & Mugure, 2008).

Personal characteristics of the owner/manager were interpreted by Larson and Clute (1979) as lack of experience among small business managers who happen to be the owners leading to poor performance and consequently to business failure. Bamback and Lawyer (1979) also identified poor management as the root cause of many failings and poor performance of small business. Nzioka (1995) in the role of education in business

performance notes that one of the things that hold back the development of small – business is the need for better management.

### **5.3 Recommendations**

The following recommendations were made based on the findings thereof:

- a. In formulating policies targeting empowerment of persons with disabilities improve their businesses, they (PWDs) must be involved from the start and have access to access start up funds and loans.
- b. In supporting SMEs owned by persons with disability then registration of their businesses and licensing fees should be reduced so that they focus their energies on expanding their businesses from survivalist nature to bigger enterprises and diversify their operations.
- c. To improve on their business operations then short courses for persons with disabilities should be designed so that they acquire management skills and competencies necessary for proper management of their enterprises.

Therefore there is need to bridge the gap in gender; it was found out that balancing aspects encourage PWDs to acquire formal training so that they can enhance the performance of their enterprises.

### **5.4 Areas for Further Study**

- a. Future researchers should dwell on extensive feasibility studies need to be carried out to establish proper demographic factors about persons with disability for swift program initiation, implementation through to monitoring and evaluation for targeted goals accomplishments.

- b. Furthermore, studies on constraints affecting sustainability of persons with disability in Bungoma County.
- c. A study ought to be carried out on constraints in funds accessibility by people with disability and their effect on sustainability of such projects

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## **APPENDICES**

### **APPENDIX I: TRANSMITTAL LETTER**

I am a Master degree student at the University of Nairobi specializing in Rural Sociology and Community Development. My research project is on “The Factors Influencing Performance of persons with Disability in SMEs in Bungoma Municipality: Kenya”

In order to gather data for the research, I have prepared a questionnaire to be filled by the respective people with disability engaged in SMEs in Bungoma County. I kindly request your assistance in this academic endeavor by filling this questionnaire. Your response will be extremely valuable to me and I would greatly appreciate you for answering all questions.

Thank you in advance for your cooperation.

**Wycliffe Wekesa Kokonya**

**C50/70750/2008**

**APPENDIX II: QUESTIONNAIRE FOR PERSONS WITH DISABILITY  
OPERATING IN SMALL AND MEDIUM ENTERPRISES INTERVIEW GUIDE**

Good morning/afternoon, my Name is....., a student from the University of Nairobi pursuing a Master of Arts degree specializing in Rural Sociology and Community Development. The study on “*Factors Influencing participation of Persons with Disability in Micro and Small Enterprises in Bungoma County*”; you are among the persons with disability selected for the interview. Participation is voluntary and there is no harm in taking part in this study. All the information given is confidential, but the results shall be shared with the County and National government to help better intervene in businesses run by persons with disability and others.

Name of interviewee.....Contact.....

Place of interview.....Date of interview.....

**Section A. Characteristics of Persons with Disability:**

1. Gender: - Male  Female   
2. Age: Below 29  30-39  40-49  Above 50

3. Type of disability  
Hearing  Physical  Visual

Others..... (Please Specify)

4. Level of Education  
None  Primary  Secondary  College

5. What is your marital status?  
Single ( ) Married ( ) Separated/ Divorced ( ) Widowed ( )

If married, how many wives/ co-wives do you have?.....

6. a) How many children do you have? Less than 3 ( ) 3-5 ( ) above 6 ( )

b) Do you have other dependants? YES ( ) NO ( )

If YES, how many?.....

7. a) Which of the following assets do you own?

- Motor vehicle ( )
- Motor cycle “*boda boda*” ( )
- Donkey/oxen ( )
- Handcart ( )
- Other/s (specify).....

b) What type of house do you live in? Permanent ( ) semi-permanent local ( );

Is it your own ( ) rented ( )

8. What are the main sources of your income?....., approximately, how much do you earn per month?..Kshs.....

**Section B. Policy and Regulation and Performance of Micro and Small Enterprises operated by people with disability**

9. Are you aware of any policies in place that support Persons with Disabilities excel in their SMEs in this County?

YES ( ) NO ( )

If yes, which ones? (*Mention at least three*)

.....  
.....

.....  
.....  
10. In your view how have these policies and regulations influenced your participation in SMEs in regard to..

- a) Registration of your business?.....
- b) Licensing/renewal of you license.....
- c) Operating space.....
- d) Any other (specify).....

**Section C: Types of SMEs engaged in by Persons with Disability**

11. a) What type of business are you doing?

Commercial farming [ ] crop farming [ ] dairy farming [ ] improved poultry [ ]

Others (Please Specify).....

b) Do you own this enterprise?

YES ( ) No ( ), if NO, who owns it?.....

c) What is your position in this enterprise? .....

d) If it's yours; how long have you been operating it? Less than 2 yrs ( ) 3-4 yrs ( ) over 5 yrs ( )

12.a) Were you operating any other enterprise before this one?

YES ( ) NO ( )

If yes, which one?.....

b) For how long? Less than 2 years ( ) 3-4 years ( ) over 5 years ( )

13. How much stock is your enterprise worth in kshs?.....(approximate)

14. How many workers do you have?.....

15. Do you have any branches?.....

16. Would you say your enterprise has been performing well over the past three years?

YES ( ) NO ( )

If YES, in which way.....

If NO, why.....?

17. a) Have you attended any training on entrepreneurship?

YES ( ) NO ( )

b) If yes, which type?

| Type of training | Year's attended | Institution | Sponsor |
|------------------|-----------------|-------------|---------|
|                  |                 |             |         |
|                  |                 |             |         |
|                  |                 |             |         |

c) If NO, why?.....

18. What Banking mode have you adopted in settling of personal and business transactions?

Bank Accounts ( ) Mobile Phone Accounts ( ) Others (Please Specify).....

.....

19. Have you insured your business? YES ( ) NO ( )

If YES, which type of insurance?

If NO, why?.....what mitigation measures are in place in case of a misfortune.....?



**Section D: Technical and Credit Support offered to Persons with Disability engaged in SMEs**

20. Which of the following support services have you received?

a) Business credit

| Year | Amount | Progress in Repayment | Comments |
|------|--------|-----------------------|----------|
|      |        |                       |          |
|      |        |                       |          |
|      |        |                       |          |

b) Business incubation

.....

21. Have you had any access to business information?

| Source of information                                  | YES | NO |
|--|-----|----|
| Visit by Government                                    |     |    |
| You visiting to Government or NGO                      |     |    |
| Newspapers   |     |    |
| Radio/TV   |     |    |
| Social media (face book, twitter, whatsapp and others) |     |    |
| Shows and other business exhibitions/symposia          |     |    |
| Exchange visits to benchmark from other regions        |     |    |

22. What are you planning for the improvement of your enterprise?

23. Any other comments?

.....

**Thank you for participating in this study**

### APPENDIX III: KEY INFORMANT INTERVIEW GUIDE

I am Master degree student at the University of Nairobi specializing Rural Sociology and Community Development. My research project is on the “*Factors influencing participation of Persons with Disability in SMEs in Bungoma County*”. As one of the Key Informants with persons with disability you have been identified as a potential respondent in this research. This information will be treated as confidential. Kindly provide the information that is well known to you. Your support and cooperation will be very important and will be highly appreciated.

Name of interviewee.....Title/Occupation.....

Date of interview.....Place of Interview.....

Contact .....

1. Kindly comment on the following:-

Which policies and regulations influence operations of SMEs operated by Persons with Disabilities?

- a) The Persons with Disability Act of 2003?
- b) The National Disability Policy?
- c) The UN Convention on the Disabled?
- d) The Affirmative Action in the New Constitution that was promulgated in 2010

2. What are the profiles/ characteristics of Persons with Disability operating SMEs in this County?

.....  
.....  
.....

3. What type of SMEs do Persons with Disabilities operate in this town?

.....  
.....  
.....

4. What support do Persons with Disability get from:-

- a) Central Government.....
- b) County Government.....
- c) Other (specify).....

5. How would you rate the performance of SMEs operated by Persons with Disability in this town?

.....  
.....  
.....

6. How do Persons with Disability access business information?

.....  
.....

7. What challenges do Persons with Disability face when running their SMEs?

.....  
.....

8. How can these challenges be addressed?

.....  
.....

9. Any comments

.....

**Thank you for participating in this survey**