

**// PARTICIPATION OF WOMEN IN SMALL SCALE ENTERPRISES IN
NAIROBI: A STUDY OF WAKULIMA, BURMA AND KARIOKOR
MARKET AREAS.//**

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**A THESIS SUBMITTED IN PART FOR THE DEGREE OF MASTERS
OF ARTS (PLANNING) IN THE UNIVERSITY OF NAIROBI.**

Declaration

This is my original work and has not been presented for a degree in any other University.

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This thesis has been submitted for examination with my approval as a University Supervisor.

Signed *P. M. NGAU*

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June, 1992.

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Dedication

To my Family, *Evans* and *Gunta*.

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ABSTRACT

This study of Women in Small Scale enterprise in Nairobi, Kenya, explores the potential of women entrepreneurs and their contribution to economic development. It is set within the context of an on-going informal sector debate, which originated in the 1970s, concerning unemployment and rural to urban migration. The study focuses on the social economic implications, types of business they operate and the constraints faced by women entrepreneurs in Nairobi.

The research identifies two forms of small scale enterprise run by women in Nairobi. Those run by women entrepreneurs who have settled in Nairobi (fixed mode),

and those run by women who make regular visits to Nairobi for the purpose of conducting business (non fixed mode).

The study was carried out in three site areas namely Burma, Kariokor and Wakulima Markets. The sampling was based on female owned enterprises in Nairobi. Both social and business profiles were examined.

Major research findings of the study are that marital status, education and training are important factors determining the type of business to operate. Further training and education are important factors

in the acquisition of managerial skills. Women's participation in business (i.e. amount of income earned) is determined by a number of factors such as education, marital status, sales, number of children and record keeping. However, women are heavily concentrated in service and trading activities which are paradoxically less likely to be profitable due to several limitations they face.

The main recommendations of the study provide a gender specific policy and an enabling environment in order to promote and strengthen women activities in urban areas.

CHAPTER ONE.

1.1 INTRODUCTION.

Women's contribution to development has been a neglected area in the developing world. Although they contribute largely in agriculture, commerce and lately in manufacturing, their contribution to the economy goes unrecognized. (Harper, 1985). Research in women's income generating activities in developing countries like Kenya has not focused attention on women as entrepreneurs. It has not traced the direct and indirect employment effects of their activities. (Bay and Halfkin, 1976). Thus the need to address this area now.

Women's contribution to development has led to changes in the demographic characteristics in urban areas. These changes indicate sex ratios declining with more and more women in urban areas taking up responsibilities in small scale enterprises (SSE) sector.

Economic changes in society have adversely altered 'gender division' of labour both in rural and urban areas. As a result of these economic changes it has led to many changes in the family structure. For instance it has led to the emergence of the single parent, nuclear family, the break down of the family traditions and the extended family. Cumulatively these changes in the family structure have led to changes in

the role of women in urban areas. Presently in urban areas, the women is not restricted by the traditional cultures, and is able to invoke herself in money earning activities, as well as maintaining her domestic role.

1.2 Problem Statement.

This study is an attempt to bring into focus women's participation in small scale enterprises. This study attempts to find out activities in which women participate with a view of examining the type of businesses they operate. It also examines demographic characteristics and related social economic implications of women involved in urban based small scale enterprises. In addition, the problems women face while carrying out these activities are brought to light.

Increasing female migration to urban areas, in search of employment or for commercial business has caused considerable female unemployment. This unemployment of the female group is worsened because it is coupled with limited employment opportunities and low rates of female participation in the wage sector. Thus women tend to concentrate themselves in the informal sector to supplement their husbands' income. In 1972, the International Labour Organization (ILO) pointed out that the questions of women's

engagement in small scale enterprises can be understood from the perspective of their low levels of education and the complexity of the inability of the wage sector to absorb the surplus labour force.

Although women contribute largely in agriculture, commerce and manufacturing, their contribution to the economy goes unrecognized (Harper, 1985). Food Agriculture Organization (FAO) estimate that women account for over half the food produced in the developing world, for home use and increasingly for market (Instraw News, 1989). Women's contribution goes unrecognized and often under - estimated in official statistics largely because their work tends to be confined to sectors that escape enumeration such as employment in the informal sector, domestic work and agricultural work. The extent of under - enumeration is more difficult to estimate due to the dearth of data along the lines of women's small scale enterprises. More over the small scale enterprises have historically been the most un - enumerated not only for women but for men too. When women's work is not officially accounted for, the data from such accounts for development planning constitutes a bias against women's participation in any activity they engage in. At the National level, without such data it becomes difficult to convince development planners to include women entrepreneurs in the design of projects

and programmes.

The official policy provides equal opportunities between men and women who both contribute to the national economy. However, in practice women's work is still unrecognized. This has been brought about, amongst others, by the fact that planners have not been sufficiently sensitized to the importance of gender considerations to development. Other factors which contributes to this are the paucity of women at policy level and the lack of desegregated data on women's real participation and contribution to the economy. Most data systems do not measure the significance of or give value to, unpaid domestic work. 'Very little is known about percentage of representation, areas of operations, success and growth of women in small scale enterprises. In addition, whatever data is available it is not used in planning and women are frequently left out either from the point of view of integration or from gender specific concerns'. (Republic of Kenya, 1989).

The study therefore aims at promoting and sensitizing the importance of gender considerations in development. Failure to recognize this brings about a bias against women's work, their position and status while giving an incorrect reflection of their total national contribution. Therefore it is felt that attention to women's small scale firms should provide

an opportunity to accelerate general levels of economic and social activity at the same time sensitize the importance of gender in planning. This study therefore is aimed at examining the activities women participate in and highlights the related problems of women operating small scale enterprises in Nairobi.

The study is based on three case studies; Wakulima, Kariokor and Burma Markets. These are areas characterized by women carrying out small scale enterprise business. These areas are also characterized by low income type of enterprise activities.

The study focuses on two forms of women enterprises in urban areas; those run by women residing in Nairobi (fixed mode) and those operated by women entrepreneurs who come and go forth between rural and urban areas (non - fixed). The point here is to examine if there are any unique characteristics between the two and whether one develops into the other or even linked in some way.

1.3 Objectives of the Study

1.3.1 Broad Objective

The study attempts to examine the participation of women in the small scale enterprises in Nairobi.

1.3.2 Specific Objectives

1. To identify the type of businesses women operate in the identified three site areas. Under this objective pertinent key questions will be asked such as how do they begin their business? What type of business do they carry out? How do they operate their business - either on individual or family basis.

2. To examine the socio-economic implications arising from women who own and operate small scale business. Both business and personal profiles will be examined. Where do they invest their profits - in the family or in the business? What are the effects of the dual role of mother and worker?. Other things that the author will investigate are the marital status, age, education, residence, number of children.

3. To identify constraints that women Traders face and to propose policy recommendations thereby coming up with a strategy for incorporating women's businesses in urban planning and development programmes

1.4 Hypothesis

The following hypothesis will be tested;

1. Women do not concentrate in a few sub sectors of the small scale enterprises.
2. Marital status, level of education, age of business operator, business experience (record keeping, business training) do not determine the participation of women in business, in this case participation by women in business will be measured in terms of amount of income earned per month.

1.5 Justification

With the increasing unemployment rates the government of Kenya has emphasized on the creation of employment in both the formal and informal sectors. Both the Sessional paper no 1 of 1986, and the 6th National Development plan (1989/93), encourage the growth of small enterprises, because they play a vital role in the creation of employment. The 6th National Development plan (1989/93), under the theme 'participation for progress' puts equally great emphasis on the need to take specific measures to ensure that the role attributed to small scale enterprise shall indeed be realised.

The strategy report on small enterprise Development endeavour to provide guidelines to both the government and the private sector in Kenya (Republic of Kenya, 1989). The report attempts to establish how small enterprises can be encouraged to grow and fulfil the expectations of the Sessional paper No. 1 (1986) and the 6th National Development plan. The strategy report focuses primarily on enhancing the role of the government by adopting a less costly facility approach and secondly by encouraging the private small enterprise sector to be more self reliant and actively involved with it's own promotion. Drawing from cumulative experience the government and Non - governmental organizations have created policies, programmes and incentives all in the name of promoting small Enterprise development.

Unfortunately women's contribution in micro - enterprises is still constrained by various policy and practise in enterprises, legal constraints, the role attributed to women as a result of socio - cultural factors and the negative attitude of banks and finance institutions towards women. If the small enterprise Development is expected to become dynamic, women must be more involved in the sector and must be enabled to make a significant contribution. This goal may be achieved through balanced measures of main streaming and emphasising on gender specific approaches.

There is need to increase aggregate data about this sector so as to enable planners to incorporate these activities within program designs. The study intends to collect data that would enhance further research in gender specific needs and opportunities and devising ways of promoting women in small scale enterprises.

The study will particularly contribute by creating awareness among policy makers, planners and administrators about the importance of women entrepreneurship and approaches in achieving integration and specific promotion measures and constraints hindering women participation in small scale enterprises.

1.6 Scope

The study will limit itself to Nairobi city specifically at three site areas, namely Burma, Kariokor and Wakulima Markets. These sites are common areas, for income generating activities and are situated in areas that constitute a large population. The surrounding residential areas are Shauri Moyo and Kariokor which are low income areas of Eastlands. The three sites were selected because each site has different composition of goods, for instance Kariokor is famous for it's handcraft production by women alongside the road; Burma Market deals with commodity trading, dress making and catering while Wakulima is

common for food stuff selling. The three sites were chosen based on the rationale of accommodating low and middle income entrepreneurs as opposed to the high income type of women entrepreneurs in rich neighbourhoods and within the city centre. However, the category selected of low and middle income type of women enterprises forms the majority of women entrepreneurs. Further, these are the ones often given little support and work in harsh conditions.

The study focuses on women small scale traders who engage in income generating activities in an attempt to raise their standard of living. These activities are diverse in nature and difficult to research on. On the whole, small scale businesses are on the increase and their contribution to the economy is important hence the need to plan for them well. The study will enable the researcher to identify the needs, opportunities and the related socio - economic implications of women entrepreneurs.

1.7 Operational Definitions

The following section gives a precise definition of words used in the study. Although they have different meanings and definitions in other texts, the definitions taken, are according to this study.

Fixed Mode Activities

Refers to activities set by women who have settled in the city for work. Such women have migrated to towns to look for a job and settle there more or less permanently without returning to their villages.

Non - Fixed Mode Activities

These refers to activities operated by women who establish regular visits to towns for purpose of commerce. These migrants are semi - migrants because they do not permanently carry out their trading activities in one place but in both urban and rural areas. The participants of these activities may have two homes one in the urban area and another in the rural area. These traders straddle both the rural and urban worlds and manage to survive both environments.

Social Networks

Women entrepreneurs form organizations in order to effectively manage their business. These organizations could be based on occupation, clan, origin / home background. In these organizations women traders form channels of interactions between rural and urban areas on the basis of gender. As women traders migrate to towns, they tend to organize themselves collectively to help each other achieve and operate business effectively.

Small Scale enterprises

For purposes of this study the strategy report's (Republic of Kenya, 1989) definition is adopted on small scale enterprises.' A small scale enterprise will generally be referred to in the broadest sense of the term as an enterprise consisting of 0 the 50 employees. The small scale sector is composed of a range of enterprises having a few employees, cottage industries, sole proprietors and small scale enterprises in the formal business sector having some 10 or more employees. These small enterprises may be engaged in trade, commerce, distribution, transport, construction, agro - industries, manufacturing and maintenance or repair'. In a nutshell the study addresses it self to those small scale enterprises consisting of 0 to 50 employees, composed of self employed women or sole proprietors involved in commercial activities.

Entrepreneurs

The key actor in the small scale enterprise sector is the entrepreneur who can be defined as a person who is able to look at the environment, identify opportunities to improve the environment, gather resource and implement action to maximize resources. Those characteristics are usually associated with possession of entrepreneurial talent: are high motivated, risk taker, innovator, results

solver, independent and successful.

Ciondo

It means a basket.

1.8 LITERATURE REVIEW

1.8.1 Definition of Small Scale Enterprises

A lot has been written on small scale enterprises particularly on the 'informal sector'. On one end of the argument, researchers such as Child (1973), have maintained that small scale enterprises and the informal sector are one and the same thing, thus have used the terms interchangeably. While on the other hand, researchers such as Harper (1985) attempts to draw a distinction line between the informal sector and the small scale enterprises. The two are not always the same, although small scale enterprises can both be formal and informal business activities.

As a result of the lack of a clear meaning of the concept the informal sector and the small scale enterprises, technical assistance to these activities also run into a lot of problems. The imprecise definition of these activities is obviously a major problem to policy making. Given these conceptual difficulties the study attempts to distinguish between informal sector and the small scale enterprises. The ILO (1972) Mission to Kenya defines the sector as characterized by: a). ease of entry,

- b). reliance on indigenous resources,
- c). family ownership,
- d). small scale operation,
- e). labour intensive,

It is important to be clear at the outset, what is meant by 'small', the point at which an enterprise is deemed to be small and the way it's size is measured, number of employees are subject to debate. Harper (1985) defines small scale enterprises by using both the qualitative and quantitative approach. The qualitative rely upon a more subjective judgement. Usually relating to management styles and methods of operation. While the quantitative approach rely upon measures such as numbers of employees, assets employed and the turnovers. It involves the actual calculations of inputs and outputs into a business.

Definitions of small scale enterprises vary from country to country. 'In Ghana, employment seems to be the most important criterion used in defining the sizes of the small enterprises. Small scale enterprises refer to those that employ between 1 to 29 persons and medium sized enterprises employ between 30 to 200 persons'(The Courier, 1984:4). While in Tanzania only enterprises which are 'within the reach of the people are said to be small'(Harper, 1985). These definitions tend to confine themselves to characteristics that these activities have.

This study will adopt the definition on small scale from the Government report (Republic of Kenya, 1989). 'A small enterprise will be generally be referred to in the broadest sense of the term as an enterprise consisting of 0 to 50 employees. The small scale enterprise sector is comprised of a range of enterprises including: self employed artisans, jua kali enterprises, having a few employees, cottage industries, sole proprietors and small enterprises in the formal business sector having some 10 or more employees. These small enterprises may be engaged in trade, commerce, distribution, transport, construction, agro - business, manufacturing and maintenance or repair.'

The first time the informal sector was addressed to was during the International labour Organization Mission to Kenya in 1972 on employment, income and equality. The ILO Mission to Kenya (1972) used the term 'informal sector' to refer to activities that escape official enumeration in the economy. The report characterized the activities as previously mentioned. The ILO (1972) did not commit it self to define the sector but presented the characteristics that it holds and their lack of recognition.

Child (1973), tries to give a definition of the sector. He suggests that there is need to define the sector and he defines it as the residual of all

private enterprise after excluding the large industrial and commercial enterprises whose pay and conditions of work are protected.

Hart (1973) is one of the earliest users of the term informal sector. His definition divides the activities into legitimate and illegitimate activities. Under the legitimate opportunity he listed self employed artisans, shoe maker, tertiary enterprise such as housing, transport and provision of utilities. Under the illegitimate income opportunities he includes petty thefts, prostitution, drug pushing, smuggling and bribing. His definition gives a broader picture of the diverse activities. A most commonly used definition is that of the central bureau of statistics, in Kenya. It refers to these activities such as 'semi - organized, unregulated activities largely under taken by self employed people in the open markets, in market stalls, in undeveloped plots or on street pavements within the urban areas. They may or may not have licences from the local authorities for carrying out such activities such as tailoring, carpentry, blacksmith, grocery, kiosks, meat and maize roasting, sale of apparel and shoe open air restaurants, repair of shoes, car repair and shining' (CBS,1984). This presents the term small scale enterprise either as formal and informal.

1.8.2 Women's participation in Market Trade

The small scale enterprise in general seems to be quite a larger employer of women especially in trade and service business while most men are absorbed in manufacturing industries (Harper, 1985).

Local trade by women is not a recent phenomenon but an ancient African pattern. Market trade was the major traditional occupation in which women could function effectively, despite the confines of the home.

Little has been written and researched on women's participation in developing countries. From the 15th century, Europeans and African women traded along the coast of West Africa (Bay and Halfkin, 1976). In Kenya the Luo women of Kowe are famous for their trade in Western Kenya. The women of Kowe began to trade in increasing numbers after 1933 particularly as they explored the market potential of mines in Siaya (Bay and Halfkin, 1976). Bay and Halfkin emphasized the need for further research to fill the gap in our knowledge of the status and socio - economic role of women in West Africa before the Europeans' arrival. Little has been written and researched on women's participation in developing countries. They also called for much detailed research to identify and quantify the results of women's economic contribution.

Boserup's (1970) influential book on women's role in economic development was a radical departure from

the assessment of economic indicators based on Gross National Product. She argued that GNP does not incorporate non market indicators which include wage, family and other un enumerated contributions to the economy. This in it self shows a bias against women's activities in National Planning. Boserup (1970) goes further to indicate that women's participation in market trade depends on their cultural beliefs.

'To most Hindus, Arabs the idea of female participation in trade is an abomination. Hindus and Arabs are absent from the sellers in the market, they are a minority even among the customers, since men do the shopping of both food and women's clothing' (Boserup,1970).

Among Africans, particularly south East Africa, a very large share of market trading, selling as well as buying is left entirely to women. Women account for a half or more of the labour force in trade, in many Africans countries and for less than 1 percent in most Arab countries (Boserup,1970). In a study in Ghana, Ester Boserup, found out that 70 percent of adult women are engaged in trading activities. It goes without saying that when such a large majority of adult urban women are active traders, the average turnover in the agricultural sector is small indeed. Boserup found out that 78 percent of the women interviewed in the Ghana study, 70 percent went to the

market at least 5 times per week, 40 percent spent 6 to 8 hours in the market and the rest spent more than 8 hours in the market. Therefore women had little time spent on agriculture.

Rogers, (1989) both stressed the need that development planners must begin to recognize women's dual role and stop using mythical stereotypes as a base for their development plans. The first step is to recognize the actual economic contributions of women. Even this is difficult because statistics the building block of developers use the same mythical assumption:

- 1). work is performed for money
- 2). work is located in the modern sector.

Bay and Halfkin (1976), also indicates that the situation of women living and carrying out business in the cities has been a gravely neglected area of social research and policy. This neglect is due to the special situation of women. This study attempts to create awareness among planners and policy makers and to identify gender concerns necessary for development.

Mwatha's (1988) paper on women entrepreneurs brings out the constraints women face as understood in the historical point of view. The factors which hinder women entrepreneurs from engaging in the formal sector is due to the fact that majority lack formal education and recognition to acquire land which in turn denies collateral in form of title deeds which

makes it impossible to get credit to expand their business.

Odhiambo (1989) carried out a study in Nairobi on women traders. Women entrepreneurs are often harassed because of the nature of their vending activities and health required for their catering services. Odhiambo found that female vegetable vendees mainly comprise of single household heads either because they never got married at all or because they are divorced, widowed or separated from their husbands. These women entrepreneurs were characterised with little or no education and formal training. For the married hawkers, they comprised of those whose husbands have little or no education and are therefore unemployed or earn very low incomes. Odhiambo's study did not address the reasons for which women's work escapes official statistics and ways to overcome this factor.

McCormick's (1988) study on small enterprise in Nairobi is an important contribution to small enterprises. She found that there are important differences between men's and women's firms. The findings open up new avenues of future research. Her finding point in the direction of studies dealing with economies risks, rural - urban linkages and social class, but they also underline the need for branch - specific and longitudinal studies to fill in the gaps necessary left out by broad based survey such as her

research.

Adagala and Bifani (1985) in their study of women traders in the peri - urban areas of Nairobi found out that lack of education limits women's full participation in the socio - economic structure thus giving them a marginal position within the structure. Added to their role which restricts even more the range of working opportunities available to them in the systems. For those women who engage in market or petty trade they have been found to be illiterate. This failure to educate and train girls and women equally with men limits women's role and makes them inadequately trained for those employment opportunities that may be available.

Boserup (1970) in her studies found out that women who engage in market trading have also been found to be poor heads of households with many children or married to the lower income brackets. These men are unable to feed their families without the help of their wives.

The growing body of literature on women's role in developing countries reveal that there are complex reasons for the extension of women from the benefits of development programmes (Rogers 1980, Dauber and Cain 1981). Nevertheless, two reasons appear to be significant in explaining the neglect of women's small scale enterprise activities. First, official

employment and occupation in statistics misrepresent women's economic position (Rogers 1989, Bay and Halfkin, 1976). Thousand of African women invest money, employ workers, operate machinery and assume the risk for the production of processed foods and are entrepreneurs in the strictest sense of the definition. Yet official statistics in many countries categorize them as 'home makers' (Monson and Kalb,1985). As home makers women are not credited with earning money and their own incomes through manufacturing and sale of goods is not considered as part of the monetary economy (Monson and Kalb, 1985).

Second, research in women's income generating activities in developing countries has not focused attention on women as entrepreneurs. It has not traced the direct and indirect employment effects of their activities. Bay and Halfkin (1976), have called for much more detailed research to identify and to quantify the results of women's economic activities. The results of statistical misrepresentation and research neglect, in the short run, is that women are excluded from access to credit, training and other assistance programmes. This exclusion of women deprives them of the means to generate an independent income. Ultimately women are marginalized economically and pushed further into an artificial domestic ghetto. Where they are credited only with their home-making

role, despite their contribution to the economy.

1.9 Conceptual Framework

From the literature review it was noted that various factors exist as constraints that women entrepreneurs face while participating in business. These included education and training, financial, legal constraints, socio-cultural and a lack of a sound policy for women in the small enterprise sector. Women are forced to participate in business despite the above constraints so that they can support their families. These constraints should be addressed whenever one is planning in development.

The study set to identify factors that influence women's participation in business. These factors include among others education levels of women, economic situation of the country and a large family size among others. Generally, women participate in SSE sector in order to obtain their main source of income. Usually the married entrepreneurs have to supplement with their husband's income in order to support the needs of the family. The cost of living in an urban area is very high indeed, and the lack of employment opportunities has led to a large proportion of unemployed people in urban centres. This is worsened by the increasing nature of unemployed people due to migratory processes. Thus, women will participate in

any business which is economically viable due to the dire need for money in urban centres. Therefore, economic pressures are bound to determine the participation of women in any business type.

Education and training are equally important in determining the acquisition of managerial skills relevant to the business. From the literature review, it was expressed that women's education lag behind that of men due to the historical imbalances. This discrepancy can be seen from the lack of business record kept and business training by female entrepreneurs. In addition, lack of knowledge has caused fewer women asking for loans. Most women do not know the proper channels to follow in loan acquisition. Therefore, they can not acquire loans to expand their businesses.

The large dependency and absence of a male family head will make women venture into business. A new picture is being revealed in urban centres, the high migration rates. This has led to the increase in sex ratios in urban centres. Female entrepreneur's are increasingly migrating to urban areas to participate in small enterprises as these are easier to enter than in the formal sector. Most of these women remain single but maintain a large family size. Further, women entrepreneurs with a larger family size usually spend more than those with a smaller family size.

Therefore, they have little economic returns to save.

Despite female participation in business, they encounter a number of problems that limit their participation in business. The official policy and the Kenyan Laws provide equal opportunities for both male and female. Yet in reality women are still disadvantaged due to their operations. Lack of education and training are the greatest constraints for women entrepreneurs. Women are unable to write, read or even manage their business effectively with the absence of record keeping and business training. Sometimes the married entrepreneurs' husbands help in the management of their business and teach their wives good managerial skills.

Table 1.1

Factors and constraints influencing participation of women in business;

<u>Factors</u>	<u>Constraints</u>

Education---->	<----- Policy
Economic Pressures -->	<----- Legal
Physical -->	<----- Socio
	Cultural
Infrastructure --->	<--- Finance
Large Dependency --->	<--- Educ & Training
Institutions ----->	

From the socio-cultural view point, female entrepreneurs lack the time to operate their business. This is due to the multiple roles they hold in society. Entrepreneurs have to balance their time between child care, family welfare and other economic activities. It is possible to limit this constraint if other family members equally shared the responsibilities laid upon the women. This could take time but is necessary for their promotion of activities.

1.10 Methodology

Three site areas were selected within Nairobi city; namely Kariokor Market, Burma Market and Wakulima Market. The choice of these markets was based on the rationale that the research was investigating. First the research was interested in traders who came to Nairobi regularly, sold their goods and went back home. This was evidenced of traders at Wakulima market, who brought in their food stuffs every morning and returned home in the evening. Second, the research was interested in Traders who come to Nairobi and stayed for 3 to 4 days to sell their products and went back home for 1 to 2 days. This was evidenced of Kariokor Handcraft women group. Thirdly, the research was interested in traders who permanently stayed in Nairobi and carried out their business. Burma Market

was chosen in respect to the following two points; firstly the small size of employees and secondly the small capital outlay. This was done after a preliminary survey of the total 21 markets in Nairobi.

1.10.1 Data Collection

In this study both primary and secondary data are used. The primary data was collected from the field by the investigator and three trained assistants. Three methods were used to collect this data, namely:

a). Interviewing: This was done by the use of questionnaires (see appendix 1). Before going to the field the investigator trained the field assistants to ensure that correct recording of information was done.

b). Direct observation: This was the best method of collecting data as it reduced the chances of incorrect information being recorded. This method involved the researcher going to the establishments or places where women operated their businesses and recorded what was of interest and relevant to the study. For example the researcher had to record different types of businesses that women engaged in in order to categorize the types of businesses in the study area. This was quite important in developing the sample size although it was not included in the questionnaire. Despite the above method it was not possible to widely use this method as it was quite

involving and time consuming.

c). Open discussions : these are mainly informal discussions with the respondents. They often begin off with casual discussions on every day life experiences and proved to be informative. For example issues on the operation of the market were discussed with the market superintendent.

The study will depend largely on primary data. The type of information that will be collected will revolve around women entrepreneurs, basically the social and business profiles. According to the business profile the following key questions will be raised; . What type of activities do they get involved in? . Where are profits invested -in the family or business . Does the capital base expand ? . Number of employees in the first year, second year and third year ? In the social profile of women entrepreneurs the following was asked; . Household characteristics such as name; age; marital status; education levels; number of children; training experience if any; . Do they keep records of business sales ? . How do they cope with mother and worker role ? . What are the problems they face ? . Primary data will be collected from administered interviews in the form of discussions which will be conducted to the following;

a). Planning officers,

b). Officers at the ministry of culture and social service; department of women's bureau,

c). From administered questionnaires to women in Nairobi at Burma / Shauri Moyo; Wakulima and Kariokor Markets. Secondary data used in this study, was acquired from both published and unpublished records. The bulk of this data has been used in chapter one and two of this thesis. The major sources of this data are;

a). Kenya Development plans;

b). Nairobi City Commission and University libraries;

c). NGO and governmental publication on small scale enterprise especially on women.

1.10.2 Sampling Framework

The population under study included all women traders at Kariokor, Wakulima and Burma Markets. After a feasibility study was carried out, it was established that the number was too large to allow a thorough investigation of the total population. Thus a manageable sample which would be representative and objective of the population was chosen.

In order to get a sample that was not biased, the total population of traders in the study area was recorded (as 889) and from this percentages representing women traders was recorded. In each site area women were the majority and comprised of 70

percent. A total of 165 was chosen as the required sample size considering the time available. In each site, a large sample of more than 30 was allocated. The sample size for each market was calculated since percentages of women who owned stalls was known. For instance, by taking one site, the number of women traders in one market was divided by the total population of traders and multiplied by the required sample size /number of observation.

Table 1.2 Sample Size for the Study Area.

Markets	Pop. of traders	Sample size
1. Wakulima	520	90
2. Burma/ shauri	193	40
3. Kariokor	176	35
Total	889	165

In order to achieve a representative study, the research observed each market to be popular for different items that were sold. The researcher categorized these items into groups so as to distribute the questionnaire evenly among all traders.

a). for example at Wakulima market from the 90 administered questionnaires - only 36 were administered to women whole sales: - only 36 were administered to women retailers inside the market; - 18 were supposed to be administered to retailers outside the market, but at the time of the study the city askaris had removed these traders. Hence from the

165 sample size the researcher only administered 147 questionnaires in total.

b). In Shauri Moyo/ Burma - of the total 40 questionnaires that were administered, they were distributed according to several traders as follows; - 8 to dress making; - 8 to food catering; - 6 to fish 'kiosks'; - 8 to salon; - 10 to commodity selling.

c). In Kariokor, - from the 176 traders selling ciondo / baskets outside the kariokor market, only 35 questionnaires were administered, as follows - 18 to women traders selling ciondo with handles; - 17 to women selling ciondo without handles.

The sampling of cases was done randomly. The first respondent was chosen at random and the next respondent was selected after an interval of five persons. This is a systematic sampling technique. A reconnaissance survey of the area was undertaken by both researcher and three trained assistants. This was done in a bid to familiarise themselves with various operations in the study area. The interviewer with three trained assistants interviewed the selected respondent. The interviewer introduced herself, explaining the purpose of the study and invited the would be respondent to participate. If the respondent refused to participate, the next respondent was asked to participate. The questionnaires were precoded to enable the ease of analysis of data. The

questionnaires included information which would help obtain the following;

a). in the first section background data regarding the social economic characteristics of the households of women entrepreneurs.

b). the second section included questions relating to information on the business profile; profits gained; business experience.

c). The final section catered for questions regarding the constraints women traders face. The questionnaire was drawn up in english but administered in kiswahili but recorded in english. This was not a problem since both researcher and assistants can speak both language.

1.10.3 Data Analysis

Various statistical methods were used to analyze the hypothesis of this study. Both descriptive and analytic tools were applied such as mean, mode, median, chi square, anova test and multiple regression analysis.

a). The chi square test is a very general test that can be used whenever there is need to evaluate whether or not frequencies which have been empirically obtained differ significantly from those which would be expected under ascertain set of theoretical assumptions (Blalock, 1985).

In this study this method was used to find out if there is a significant relationship between business types. Blalock (1985) suggest that this method is suitable for a non - parametric test if the data is measured in a nominal scale. Thus it is an appropriate method to apply in the study.

Cross tables were drawn up indicating the different types of business types such as salon, food and flower, ciondo selling, dress making and catering (i.e. trade, service and manufacturing) gainst the factors that influence the participation of women in these business types. These factors included education, age, assistance, training and marital status. From this the author is able to identify factors that influence the participation of women entrepreneurs in business. Finally the expected frequencies can be calculated for each cell to obtain the χ^2 value using the formula below:

$$\chi^2 = \sum (f_o - f_e)^2$$

f_e

Where f_o ----- observed frequencies

f_e ----- expected frequencies

----- directs to sum all the cells

Source: Blalock, 1985.

The computed χ^2 was compared with the critical value at a specified degree of freedom (df) and significance levels. If the former is greater than the latter, the

null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. The opposite will be accepted if the former is less than the latter.

b). The second method which was used is the multiple Regression analysis. The multiple regression analysis is used to predict a single variable from any number of independent variables. This method measures the relationship between a dependent (response) variable (Y) and independent (explanatory) variables (X_q). The method measures the relationship between the independent and the dependent variable. This method is used for prediction since it is easier to combine a number of independent variable and analyzes them at the same time. Blalock (1985), gives an example to predict the rate of growth of cities knowing such factors as present size, percentages of the labour force in various types of occupation, or the size and distance to the nearest city.

In this study this method is used to find out if there is a significant difference between women's marital status, age, business experience (record keeping, business training), level of education and the participation of women in business which in this case is measured in terms of income earned per month. The equation is given below:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + E$$

Where Y = type of income generating activity

a = regression constant / intercept

b = Partial regression coefficients

E = error

X_1 = Marital status (1.single,

2.married, 3.divorced, 4.

separated, 5.single with child)

X_2 = Sales

X_3 = business experience (record
keeping training e.g. 1.yes 2.no)

X_4 = Level of education (0=No
education, 1 to 8 = Primary school,
over 8 years = secondary school).

Each b coefficient therefore represents the amount of change in income earned per month that can be associated with a unit change in one of the independent variable (X), holding constant the remaining independent variables.

c). T - test; this technique was introduced by W.S.Gossett, and it's a good technique that yields reasonably good results when the N is large and it assumes that the t distribution is normally distributed. The t test in this study is used to test if there is a significant difference between the two means in question.

Below the formula is expressed,

$$t = \frac{x - u}{s/\sqrt{n}}$$

The test is used in this study to test differences in the mean incomes between the married, single parent and single entrepreneurs.

1.11 Limitation of Study

This study was concerned about women participating in small scale enterprises. In most cases, these women were too busy with their customers to avail themselves for interviews. This meant that the researcher had to continue investigating elsewhere and came back later to fill the questionnaire. This slowed the pace of the research. Market researches tend to be very difficult to conduct because of the nature of activities going on. Buyers and sellers want to achieve maximum satisfaction hence a lot of time is wasted waiting for the seller to attend to her customers.

The original questions were drafted in English but asked in Kiswahili. There were cases however where the respondents could neither understand English or the national language, hence the questions had to be translated into the respondents mother - tongue. In the process of translation some questions lost their original meanings and therefore wrong answers were given. This forced the interviewers to explain further

and it wasted a lot of time which had been allocated for the research. Some of the respondents were rude, unless one spoke their mother tongue, they were not willing to take part in the research.

Most of the respondents wanted to be assured first of all before the interview was conducted about the positive benefits of the research for instance if loan will be guaranteed. This put the researcher into a difficult position because one had to lie that there was positive benefits yet knowingly that there was no immediate effects from the research. Some respondents totally refused to be interviewed saying that they have been interviewed many times but nothing has been done.

There was shortage of time, especially at Wakulima Market. It operates from 8.00 am -12.00 pm and that is not enough time to cover the average 11 questionnaires required for one day, for a period of two weeks.

This study had an objective to find out the factors that influence participation in business. In this case participation could be measured in terms of income gained per month by the women traders, the numbers of years an entrepreneur spends in business and profits earned per month by the operators among others. The researcher felt that income would give a better picture on the participation of women in

business and this would show the success of the business. Like studies which have been done in this field, it was difficult to get information on this subject - income. Women were not willing to disclose the amount of money they earned. They were often suspicious of the motive of the survey. A lot of time was spent to convince them of the purpose of the study. Note that some did not want to declare all their sources of income. The above problem was weakened by the fact that most of the women traders do not keep records of their daily sales and had to depend on memory to remember their income per month. Most of the time they relied on estimates. To solve this problem, questions on the profits made and the total sales from the business were asked, to enable the researcher to estimate the income earned by the entrepreneurs.

1.12 Outline of Thesis Chapters

This thesis is divided into five chapters. In the first chapter the problem under study is introduced. The problem can be summarized as the continual misrepresentation of women's work in the official statistics, which leads to a bias against their work and status. Further, the author outlines the objectives, hypothesis, scope and justification of the study. In addition, the operational definitions of

the concepts used in the study are given. This is followed by a precise but detailed literature review and a conceptual framework on which the study is based.

The section on methodology includes the choice of the study areas, sampling frame and followed by the statistical techniques. The study used a number of statistical techniques, such as the chi square technique; regression analysis, anova test, student t test and qualitative analysis. The strength and weaknesses of these techniques is clearly spelt out and the justification for their use is given. Lastly, the limitation of study are outlined.

In chapter two, a detailed description of the study area, it's growth and the commercial activities found in the study are presented. This is necessary as it will enlighten the reader on the background of the area, the emergence of the modern and traditional commercial structures and activities. Further, a description of the markets is given. Finally the section highlights planners neglect of the traditional and old structures and activities as opposed to the new and modern structures which are planned for.

Chapter three, interprets data on characteristics of business types and participation of women in small scale enterprises. First, a detailed and qualitative analysis of the social background of the entrepreneur

and the business characteristics is outlined. Second, this chapter analyzes and interprets the first objective show if there is a relationship between number of dependents, education levels of the operators, marital status, training, assistance provided and types of business the entrepreneurs participate in. A number of interesting findings are presented.

Chapter four discusses the factors influencing women's participation in SSEs. The findings of the second and third objectives are presented here. The second objective regresses sale per week made, number of children, record keeping, marital status, educational levels with income. In this case participation of women in business is measured in terms of income earned per month by the entrepreneurs. A discussion of the regression analysis is presented. A further analysis of the regression equation is performed with the student 't' test to determine if there is a significant difference in the mean income between the married, single and single parent entrepreneurs. The third objective examines benefits and problems faced by the entrepreneurs in urban areas. A qualitative analysis of the objective is outlined in terms of percentages and tables to determine the frequencies of the problems experienced.

Finally in chapter five, a brief but detailed

conclusion of the research findings and recommendations are made to participation of women in SSEs.

The study was a descriptive study that aimed at identifying the current status of women's participation in SSEs in the study area. The study was conducted in the study area. The study was conducted in the study area. The study was conducted in the study area.

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CHAPTER TWO

BACKGROUND OF THE STUDY:2.1 The study Area

The study area is located within the capital city of Kenya, Nairobi. The study sites were Wakulima Market along Haile Salasie Avenue, the Kariokor Market along Race course Road and Burma Market along Jogoo Road opposite the city stadium. A brief history of Nairobi is presented below. This serves to give a background to the city, it's origin, growth and business characteristics. See figure 2.1.

In more developed Nations the growth of towns and cities has been preceded by growth of industries. In the third world, however urbanization has proceeded far in advance of industrialization. Nairobi dates back to 1896 when it was established as a railway encampment. The history of Nairobi as a concentrated human settlement started with the construction of the Uganda Railway at Mombasa in 1896. In 1895, a depot, caravan trade was established at the present Ngara area, and when the Uganda Railway reached Nairobi the settlement became the railway headquarters.

The site of the present day Nairobi offered many advantages for a camp to the railway engineers. This settlement was named after Nairobi river, which meant a 'Place of cool waters'. When Nairobi was founded, it's intended function was nothing more than a railway

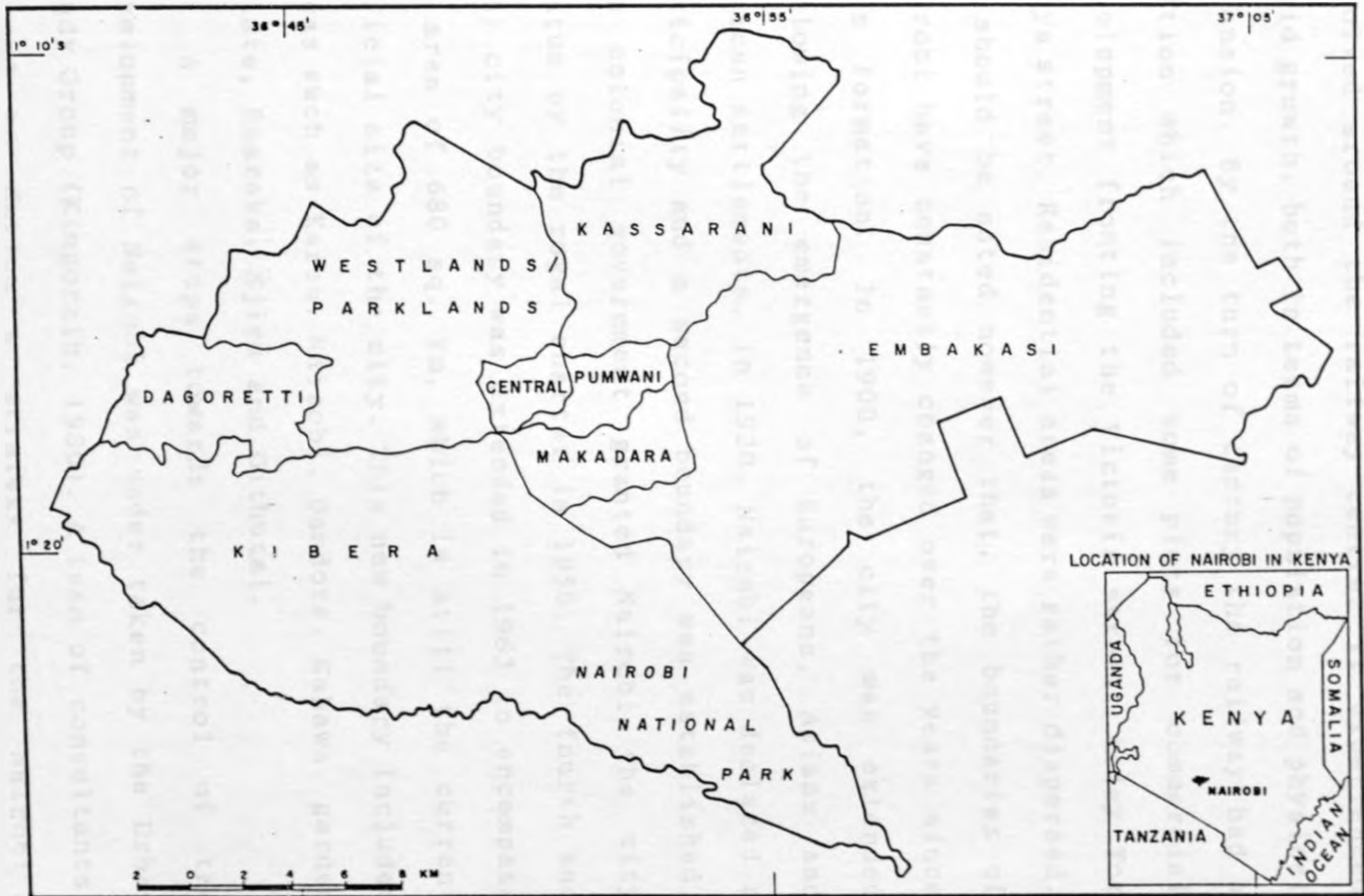


Fig. : NAIROBI — ADMINISTRATIVE UNITS

town, but immediately there after the trend of change was spectacular.

Initially, the growth and development of Nairobi revolved around the railway centre. It experienced rapid growth, both in terms of population and physical expansion. By the turn of century the railway had a section which included some plots for commercial development fronting the Victoria street, today Tom Mboya street. Residential areas were rather dispersed. It should be noted however that, the boundaries of Nairobi have constantly changed over the years since it's formation. In 1900, the city was extended following the emergence of Europeans, Asians and African settlements. In 1920, Nairobi was declared a Municipality and a second boundary was established. The colonial government granted Nairobi the city status by the royal charter in 1950. The fourth and last city boundary was extended in 1963 to encompass an area of 680 sq. km, which is still the current official size of the city. This new boundary included areas such as Karen, Nairobi, Dandora, Kahawa, garden Estate, Ruaraka, Njiru and Githurai.

A major steps towards the control of the development of Nairobi was under taken by the Urban Study Group (Kingoraih, 1980). A team of consultants, formed to device a strategy for the Nairobi's

metropolitan growth. The development strategy that emerged consisted of a series of, first, policies related to the major aspects of urban development (employment, housing, transportation) and secondly of a broad physical structure within which policies could be realized. This strategy was formulated on a comprehensive basis to ensure that the policies and the structure were compatible.

Immediately after the expansion of the boundary the population migrating to Nairobi increased from 8000 in 1901 to 11,976 by 1948. At the time of independence, the population had grown to 350,000 persons. From then on the number has rapidly increased at a rate of 7-9 percent per annum, reaching 835,000 people by 1979. The Nairobi Metropolitan Growth Strategy Report of 1973 projected a population figure for Nairobi between 3 and 4 million by the year 2000 (Kingoriah, 1980). The Nairobi city commission Development plan 1984/88 estimated that the population of Nairobi will grow at an annual rate of 5 percent up to the turn of the century. The current release of the report (1989) on the population census indicate that the population of Nairobi is 1.34 million with a growth rate of 4.86 per cent. Refer to figure 2.2 on population distribution in Nairobi.

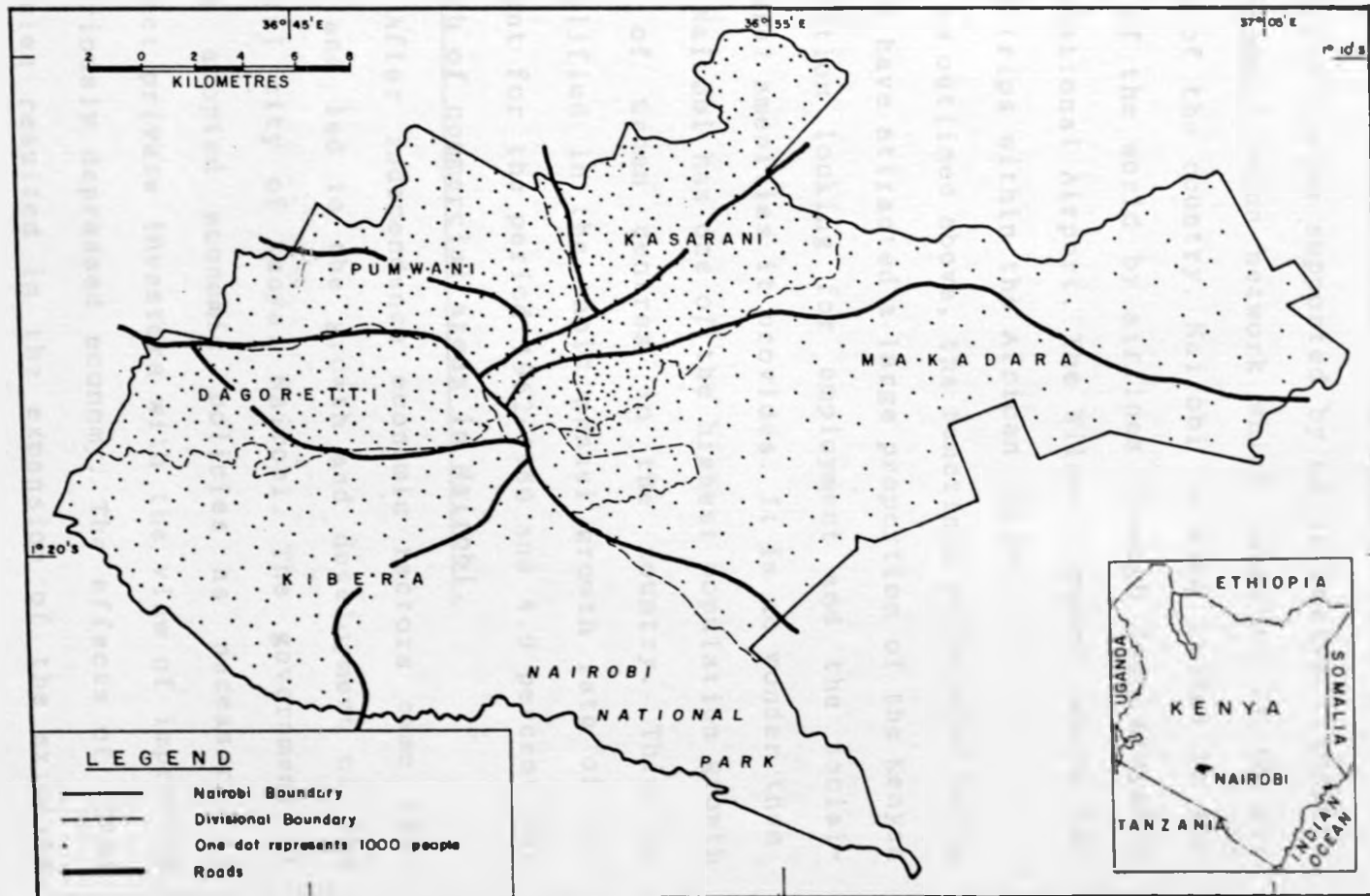


Fig. POPULATION DISTRIBUTION BY DIVISIONS — 1979 AND MAJOR ROADS

Functions of Nairobi:

At present, Nairobi, the capital city is a centre of economic, administrative, social and cultural functions. It is also the major industrial and financial centre supported by an extensive transport and communication network which connects it to all parts of the country. Nairobi is also linked to the rest of the world by airlines through Jomo Kenyatta International Airport. The Wilson Airport caters for local trips within the African region.

As outlined above, the functions of Nairobi being a city have attracted a large proportion of the Kenyan population looking for employment and the social-cultural amenities it provides. It is no wonder then, that Nairobi has one of the highest population growth rate of urban centres in the country. This is exemplified in the rapid annual growth rate of 5.7 percent for the period 1962-1960 and 4.9 percent for Growth of commercial areas in Nairobi.

After independence economic factors came into play and led to the growth and development of the capital city of Kenya, Nairobi. The government of Kenya adopted economic policies as necessary to attract private investors with the view of improving a seriously depressed economy. The effects of these policies resulted in the expansion of the existing

business and industrial enterprises which created a growing demand for office and industrial space. This led to the rapid fill up of previously undeveloped and unoccupied space.

Nairobi since then has tended to expand both physically and in terms of population explosion. Nairobi being the capital city of Kenya is a centre whereby a number of functions are performed. These functions range from administrative, socio-cultural, industrial, financial, legal and business among others. In order for the city to operate its functions efficiently, most of these functions have been transferred to smaller peri-urban areas to avoid congestions within the city centre. This is a process called decentralization of services. Therefore this has led to the emergence of other commercial centres that are within or are at the periphery of the city boundary such as Karen, Langata, Westlands, Yaya centre at Hurlingham, Adams Arcade. These sub-commercial centres have grown as a result of the continual influence Nairobi has on them. Most of the services are now performed or provided at these centres to ease congestions in the city centre. Refer to figure 2.3.

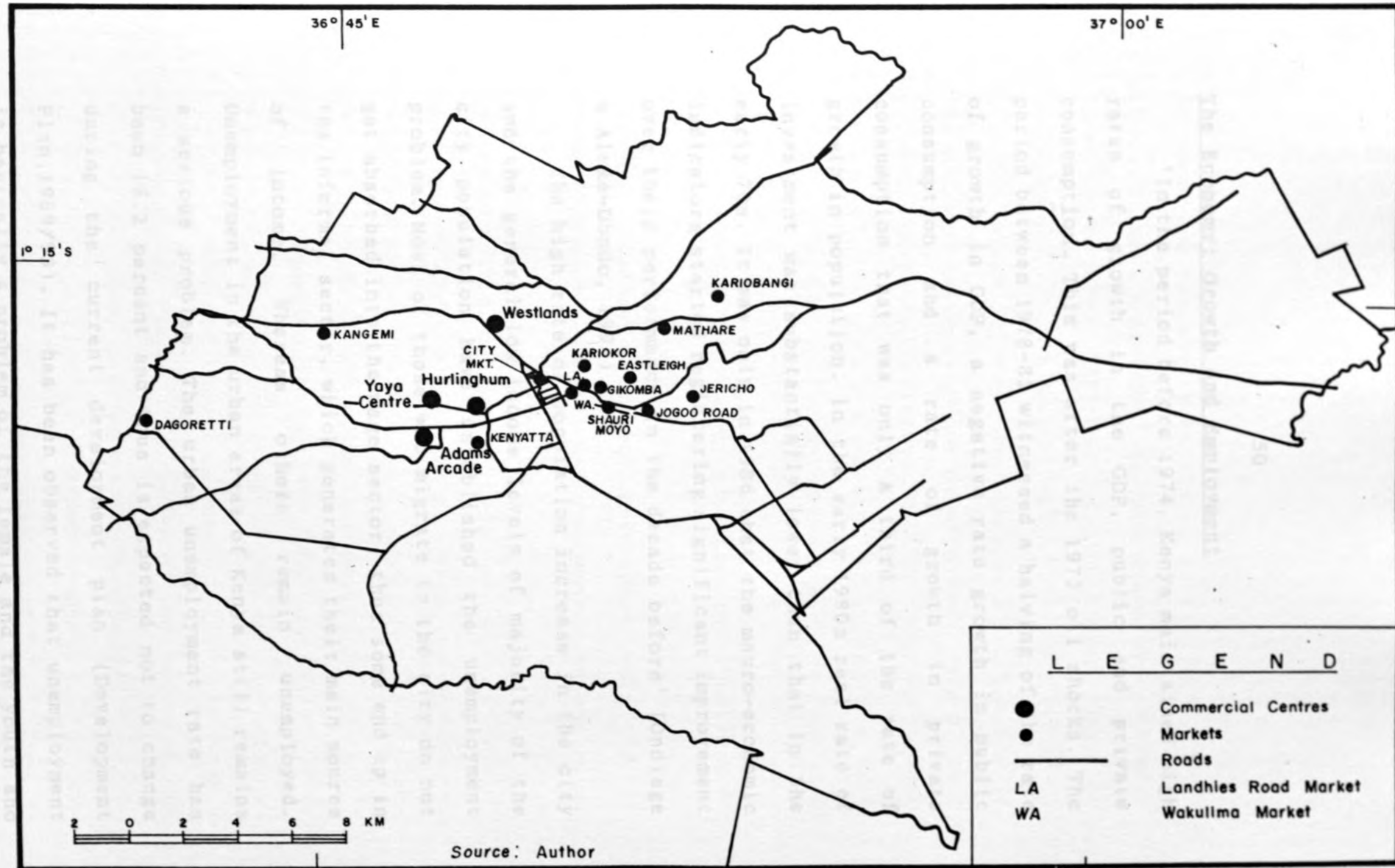


Fig. : SELECTED COMMERCIAL CENTRES IN NAIROBI

The Economy: Growth and Employment

'In the period before 1974, Kenya maintained high rates of growth in the GDP, public and private consumption. This was after the 1973 oil shocks. The period between 1978-85 witnessed a halving of the rate of growth in GDP, a negative rate growth in public consumption and a rate of growth in private consumption that was only a third of the rate of growth in population. In the early 1980s real rate of investment was substantially lower than that in the early 70s. It was only in 1986 that the macro-economic indicators started registering significant improvement over their performance in the decade before' (Ondiege & Aleke-Dondo, 1991).

The high rate of population increase in the city and the general low income levels of majority of the city population have established the unemployment problem. Most of those who migrate to the city do not get absorbed into the wage sector, thus some end up in the informal sector, which generates their main source of income. Whereas others remain unemployed. Unemployment in the urban areas of Kenya still remains a serious problem. The urban unemployment rate has been 16.2 percent and thus is expected not to change during the current development plan (Development Plan, 1989/93). It has been observed that unemployment is basically a problem of the female and the youth and

is worse for those with little or no education. When one takes a survey of Nairobi's employment levels 'for the period 1982-84, it indicates that the unemployment rate in Nairobi was in the range of 20-25 percent, which is above the government estimates of the average national urban unemployment rate of 16.5 percent' (Republic of Kenya, 1990). This was during the period that Kenya's economy experienced a high inflation rate of up to 22.3 percent and the prolonged drought in 1982-84.

Modern wage employment accounts for 15 percent of the labour force where 50 percent of these are in the service industry including government and only 15 percent in manufacturing. Informal sector accounts for 40 percent of the urban employment, a far higher percentage than is captured by official estimates (Ondiege & Aleke-Dondo, 1991). Wage employment in major towns for the dominant activities during the period 1978 to 1988 is given in Appendix 2, tables 2.1 and 2.2. According to the 1990 Economic Survey, wage employment growth rates were highest in Kisumu, Kericho, Mombasa and Eldoret reflecting rapid developing of these towns between 1984 and 1989. In particular, manufacturing activity expanded by 31.2, 22.6 and 20 percent in ELdoret, Mombasa and Kisumu respectively.

In 1988, person engaged in the modern sector were estimated to be 1.7 million in the whole country. Out of this, 1.31 million were engaged in the modern sector, both in urban and rural wage employment while .35 million were engaged in the informal sector and small scale enterprises (Economic Survey, 1989). The modern sector created 46,500 new jobs (5.7 percent) in 1988 slightly more than 44,000 new jobs in 1987, while the informal sector and small scale enterprises created a total of 34,100 new jobs compared with 31,00 in 1987, a 9.6 percent increase in new jobs created. Self employment contributed an additional 5,800 jobs.

Nairobi accounted for 26.8 percent of total modern sector employment in the country. Wage employment in Nairobi rose by 3.3 percent in 1988 compared to 1.0 and 2.9 percent recorded in 1987 and 1986 respectively. However, for the selected activities, Nairobi accounted for 51.5 percent of wage employment in the major towns. Overall, the informal sector and small scale enterprises (SSEs) recorded a significant growth rate of 12.6 percent in 1989, much higher than the 10.9 percent and 11.0% recorded in 1988 and 1987, respectively, creating a total of 43,719 new jobs and out paced the formal sector growth rate of 2.4 percent in 1989 (Economic Survey, 1990, p54).

The annual surveys of SSEs shows that this sector created employment at the rate of 10 percent per year since 1985. Of the 34,100 new jobs created in the sector in 1988, the rural areas' share was higher than that of urban areas. Table 2.3 in Appendix 2 shows the sectoral distribution of the number of persons engaged in the informal sector enterprises or SSEs sector. The wholesale and retail trade, Hotels and restaurants account for over 60 percent of the persons engaged in the SSEs sector although their share has been dropping from 67.7 percent in 1985 to 63.3 percent in 1989. This is followed by manufacturing subsector which accounts for about 17 to 19 percent with it's share increasing from 17.1 percent in 1986 to 19 percent in 1989. Construction sector has the least share. followed by Transport and communication (Ondiege & Aleke-Dondo, 1991).

Female Participation in the Informal Sector:

Women's labourforce in the Kenyan economy is and has always been based on the agricultural sector, 'the extent of their labour force participation is quickly expanding into the non agricultural sector' as observed by Atieno (1991). The trends in the proportion of women workers in each sector between 1970 to 1985 indicate that the percentage of women in the wage employment in the private and public sectors rose by 3.1 percent and 4 per cent respectively. See

table 2.4.

Table 2.4 Table Female employees by sector 1970-84.

YEAR	WAGE EMPLOYMENT	FORMAL	SELF	% OF ALL PERSONS ENGAGED IN THE SECTOR
	PRIVATE.	SECTOR . PUBLIC	EMPLOYMENT & UNPAID FAMILY LABOUR	
1970	14.2	14.5	17.1	14.5
1972	15.5	13.8	18.1	15.1
1974	16.3	19.8	26.8	19.0
1976	15.1	17.8	26.4	17.8
1978	16.6	18.5	26.7	18.9
1980	17.0	18.2	29.2	19.4
1982	18.0	19.2	32.1	21.0
1984	17.3	18.5	29.4	20.0

SOURCE:

Republic of Kenya. Annual Census of employment and earnings in the modern sector, 1970 - 84, Central Bureau of Statistics.

In contrast, the proportion of women who were self-employed or unpaid family workers for example, those in the informal sectors, rose from 17.7 percent to as high as 32.1 per cent in 1982. Thus although women

engaged in the labour force rose from 14.5 per cent to 20 per cent in the 15 year period, women were still disproportionately absorbed in the informal sector where income generation is uncertain, and not into the main stream of the modern sector.

Commercial Activities in Nairobi;

Commercial activities are not a new phenomena in the history of Nairobi. In his analysis of self help jobs, Hake (1977) states that 'hawking was present in Nairobi from the earliest days. The Africans, found employment as porters, cooks or helpers especially for the Whites and Asians'.

In the late 1950s after the emergency, there was a major population influx in Nairobi with the removal of the restrictions which had previously prohibited many Africans from staying in the city. Nairobi was flooded with job seekers which led to the urban unemployment problem. Traders from the neighbouring urban centres flocked to the city to sell their goods. These traders included hawkers commuting daily from Kiambu, Limuru and others who came on a long term basis. They engaged in such activities as open air marketing, street hawking and many others, all situated at strategic points in the city. Their aim is to supplement their insufficient wage earnings.

Nairobi is characterized by the existence of two commercial structures. On the one hand are the modern

shops both wholesale and retail, supermarkets and shopping malls with standards and activities similar to those of industrialized countries. These modern commercial structures are located in modern commercial areas which are fully planned. Refer to figure of Nairobi showing Commercial centres. On the other hand are Market places whose characteristics include subsistence trading, low levels of investments and are small in size. These market places are usually the old traditional commercial centres that attract a large proportion of the rural activities. Planners usually ignore them when planning, thus are not catered for in terms of location for markets sites,provisional of services. This study is concerned with the latter category of commercial structures.

The modern commercial structures are widely distributed over the central business district and also in the modern sub-commercial areas of the city. The related modern activities can be differentiated in terms of goods offered and the income group served. In this regard two categories of shopping districts can be identified. The first, designated as the upper income shopping areas including Moi avenue, Kenyatta avenue, University way, Haile Salaie avenue, Westlands, Adams Arcade, Hurligham, Langata and Yaya centre. These area houses a wide range of shops including Super markets, Automobile show rooms and

high quality and specialized shops.

The second shopping area extends towards Eastland in the area of the Gikomba market belt, Kariokor, 'Mulango Kubwa' which is characterized by the low income group. The goods offered are relatively cheap and specialization is said to be minimal.

Unlike the modern activities mentioned previously, these activities were never planned for. Thus, they are found on the streets; on the pavements fronting buildings; on the alleys as well as in various vehicular parks especially the terminus, or on the out side of designated city commission market areas. The occupation of these activities on the urban landuse was not intended for such and has resulted in conflicts of users mainly between the activities; the pedestrians; vehicular traffic and the city commission authorities.

Planners are biased in the planning of these traditional and old commercial centres for instance these centres lack infrastructural facilities, have no storage and parking facilities and most are open air markets that do not take into consideration the perishability of the traders commodities. There are no markets surveys carried out by the city commission to plan for their existence, location and future demand. In addition, Nairobi lacks the presence of designated areas to development into markets sites to serve the

projected population increase (Nairobi Urban Study Group, 1973). This explains the lack of priority given to these small scale activities.

Activities in the traditional commercial centres tend to concentrate or centralize themselves around nodes of high population densities and transportation networks. Such market centres spontaneously spring up as a result of a group of hawkers clustering in one area to sell their goods. These activities are numerous in the nature and vary in their utilization of space which makes it difficult for planners to consider these activities in their planning programmes. As Hill (1977) in his review article 'Markets in Africa', states that 'African markets are difficult to study since very few are documented and it's difficult to trouble informants at the moment of maximum anxiety, when they are concluding their transaction'.

Markets contribute highly to revenues of responsible local authorities and are important in the growth of the economy yet planners often do not plan for their location, growth and demand by the local population. In future, local authorities should seriously cater for the planning of these markets.

Linkages with Nairobi.

Nairobi will continue to influence the country at large, especially it's immediate catchment areas and

districts. Most of the peri - urban areas which lie outside the city boundaries, such as Githurai, Ahti River, Ongata Rongai, Ngong and Ruiru are today functionally part of Nairobi and consequently there is need to take into account these areas. Nairobi will continue to exert influence to it's hinterland because it has a well developed communication system and a focus of the major national and local routes, connecting Nairobi with other regions. The railway line is also of importance linking Nairobi with the coastal area and the western region.

In addition, Nairobi also attracts disproportionately large shares of traders from the neighbouring towns for example Kiambu, Limuru, Meru, Naivasha, Nyeri, Machakos and Kitui. These traders likely reason of choosing Nairobi as their trading site is due to the following;

a). Nairobi offers a large market area. It has a large population base of approximately 1.34 million people (Population Census, 1989).

b). Nairobi is well linked in terms of communication lines to the previously mentioned towns. The road networks are tarmacked facilitating faster flow of traffic. The availability of modes of transport at reasonable rates attracts traders to transport their goods to Nairobi. Therefore trade patterns are facilitated along transport networks and

distance is no longer an important factor any more.

c). Increased social interactions with the hinterlands and the city.

d). Surplus of food crops or other items in the hinterlands of Nairobi.

Nairobi has exerted greater influence on the neighbouring towns in different degrees. For example Kiambu is nearer to Nairobi, but seems to have declined in provision of services, employment etc. Nairobi seems to exert greater influence on kiambu thus it decline in importance. While Machakos seems to have grown in importance due to it's influence with Nairobi. This indicates that Nairobi has got different impact on different towns depending on different factors.

Infrastructure;

The provision of basic infrastructure is essential for the growth of the small scale sector, particularly in the small rural centres. Enterprises development is particularly sensitive to the availability of roads, electricity, water supply and commercial plots.

Nairobi City Commission markets are never catered for in terms of their need for basic infrastructural services. The usual problem starts from lack of the local authority to finance the provision of basic infrastructural is essential for the growth and

development of women enterprises. Majority of these markets have disproportionately high numbers of women than men operating businesses. Hence women are allocated the unplanned business areas lacking infrastructure.

2.2 Government Policies for the informal Sector Development

Evolution of government Policy;

The Kenyan Government Strategy for industrialization and commerce soon after independence was geared towards expansion of overall output. The strategy focused on large scale and modern enterprises. The implicit assumption of the strategy was that only large scale enterprises in the formal sector contributed to economic growth. The policy at that time only catered for the formal sector, the informal sector was left out. However, in 1967 the policy began to change.

In the 2nd development plan (1970-74) it is observed that the government had put emphasis on the development of small scale industries as a strategy for the alleviation of unemployment. They, however did not lay down any concrete measures and continued to pursue the 'Kenyanization' of commerce and industry in Kenya. In the plan, greater citizen participation in commerce was to be encouraged through more training in

entrepreneurship. The trade licensing Act was also strengthened so as to be more favourable to citizens.

The ILO Report on Kenya (1972).

The ILO study (1972) was established and mainly concerned itself on the need to increase productive employment in Kenya. The Report used the term 'informal sector' to describe the portion of the urban economy that escapes enumeration in official statistics.

The report set in motion world wide interests in the potential of the informal sector in promoting the growth of income and employment in the rapidly expanding cities of the less developed countries. The report desegregated the employment of Kenya's economy into the formal and informal sector.

The response of the Kenyan government to the ILO report, as contained in the 1973 Sessional Paper on Employment was by and large accommodating and since then support has been given to the illustrated in all the subsequent development plans

The 3rd development plan (1974-78).

In the plan, the government stressed the need for laying emphasis on the promotion of the informal sector enterprises. The development of the informal sector was to be achieved through the establishment of industrial estates and rural industrial development centres for the informal sector entrepreneurs.

The plan laid down proposals for implementation of the informal sector policy and the competitive strengths of the informal sector, which were severely limited through counter productive harassments of the sector's entrepreneurs, were to be ended. The policy strategies were to be take three forms;

1). to review central and local government regulations that were inimical to the small enterprises.

2). To direct assistance to informal sector enterprises all over the country.

3). to establish an organization that was well equipped to administer and provide extension services to informal sector entrepreneurs. The plan called a review of all industrial and commercial policies and regulations.

The 4th development plan (1979-83);

This plan stipulated a number of measures to 'Encourage and support small enterprise and rural industrial development in the country'(development plan 1979-83). The government established promotional strategies and removed handicaps hampering their development.

The following are some of the measures;

1). Massive expansion of the KIE services to at least one facility in each of the district.

2). A fund of Ksh. 30 million to assist the

informal enterprises,

3). Local authorities were to review the building and health regulation relating to the operation of the enterprises.

The 5th development plan (1983-88).

The plan envisaged the establishment of a full fledged small industry division in the Ministry of commerce and industry to monitor the implementation of small industry development program and to provide assistance to the industrial extension service. It also stated the shift of emphasis from large capital to small and cottage industries which were intended to increase the level of employment in the country. It was during this plan period that a number of measures for support to this sector were implemented for example 'Nyayo sheds' were constructed.

Sessional paper No1 of 1986 on Economic management for renewed growth.

This paper stresses that the sector has a 'vital role to play in the renewed growth of the country'. It stipulated a number of policy measures which are;

1). 'The setting up of a special task force to review all policies to promote the sector. The task force will in, particular, review current, local authority by-laws and other regulations governing informal sector activities, to create a healthy legal

and regulatory climate for the activities and eliminating necessary constraints, recommending appropriate scale licence fees and charges, and protecting street hawkers from over zealous policy'.

2). Technical and vocational training at the secondary level is to play a crucial role in developing artisans, managers and entrepreneurs for the informal sector in both rural and urban areas.

3). On the crucial issue of lack of credit for the informal sector, the sessional paper states;

a). Requiring for collateral will be for example through reorganizing land registration processes in urban areas.

b). Aid donors will be encouraged to provide commercial banks and other lending institutions with low interest loans, allowing them a wide interest margin to cover the greater risk and higher costs of lending to informal sector firms.

c). Co operative, Ngos and other strong local voluntary associations representing the sector's entrepreneurs will be encouraged to device their own credit program.

d). Government will promote schemes to provide graduates of youth polytechnic and other secondary schools with the tools of their trade and with small infusions of working capital to start up their enterprises.

4). Macro - economic policies together with direct assistance to industries in small scale businesses will be utilized in an effort to assist, in particular, the informal sector entrepreneurs in manufacturing transport, construction and housing, and those small firms with the potential to make a successful transition to large enterprises.

The 6th development plan (1989-93),

Both the sessional paper No1 (1986) and the 6th development plan (1989-93) emphasize the potential of the small scale enterprises in the creation of job opportunities to the unemployed. The 6th development plan under the theme 'participation for progress' puts great emphasis on the need to take specific measures to ensure that the role attributed to the SSE sector shall indeed be realized. The small enterprise development strategy papers (Republic of Kenya, 1989) examine three broad areas in which change will need to be in order to induce acceleration of small enterprise growth:

- a). the enabling environment,
- b). investment and finance
- c). non-financial promotional programs.

Sixteen years after the ILO(1972) employment mission to Kenya, which introduced the concept of the informal sector to the country, the official policy towards the informal sector remain sometimes vague and

ambiguous and at other times quite hostile. Even in official quarters, this hostility is sometimes acknowledged, for instance, in a paper presented by the Ministry of Labour on Rural Development and Women's Employment problems in Kenya, 1983. It stated that 'Local authorities' regulations regarding the informal sector activities was cited and observed as the necessary instituting harassment of this sector.

The Most recent policy instrument regarding Kenya's informal sector states that 'it is clear that the modern sector will be unable to raise enough capital to employ more than a fraction of Kenya's workers from now to the end of the century. The majority of future non-farm job opportunities will be in the informal sector (sessional paper No1, 1986). The government here, showed that it accepted the ILO conclusions that both the private and the public sectors had proved inadequate to provide earning opportunities for the existing urban population and that employment problem was seen to be increasing. Thus the need to increase and promote the informal sector which has the potential of creating job opportunities (Republic of Kenya, 1989).

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Gender issues

While in many respects the problems, challenges and opportunities in the SSE sector do not strongly differ between male and female entrepreneurs, women nevertheless face a number of special, 'major constraints such as absence of SED policy for women, limiting access to credit, legal constraints limiting women participation, inappropriate design of women entrepreneurs programmes and cultural barriers'(Republic of Kenya, 1989). These constraints call for urgent remedial action.

It is the aim of this section to address the constraints female entrepreneurs face. The official policy does provide equal opportunities for women in SED (small scale enterprise development), but practice shows that women are still nearly invisible. This has been brought about by the fact that planners have not been sufficiently sensitized to the importance of gender considerations in development. In addition, Kenyan laws do not discriminate between men and women although in reality women are still disadvantaged. For example, 'the Employment Act is greatly outdated and restricts most women from working at night. The local government by - laws often restricts women from running business in their homes or being hawkers'(Republic of Kenya, 1989).

Lack of education and training is one of the greatest constraints for business operators. This historical imbalance began with restrictive colonial practices and continued up to independence. After independence there have been increased promotional strategies to enrol female pupils into educational institutions, but this has been slow on the average.

From the socio-cultural point of view, female entrepreneurs lack time due to the multiple roles they play as females in society. This constitutes a major problem facing women's participation in SED. Women have the entire responsibilities of child care and family welfare, in addition to their economic activities. Most of these tasks are burdensome and time consuming therefore leaving them very little time to pay full attention to their business. These and other constraints are all deep rooted cultural factors which will take a long time to change. It is necessary, therefore to take these factors into consideration in planning and programme design.

Finally, just like male entrepreneurs, women face real financial constraints which handicap their ability to start and maintain business. Low levels of employment and the needs to look after the day to day demands of their children, therefore means that savings cannot be accumulated.

The five year National development plans have successfully featured the disadvantaged situation of women while simultaneously underlining their significant contribution to overall development. However, there is much to be done that would facilitate the elimination of these historical imbalances.

In summary, the policy on gender advocates the following; a). an enabling environment which tries to identify constraints and opportunities that women encounter, b). to strengthen and promote women activities in business, c). a tightly regulated economy which works to the disadvantage of the SSEs.

2.3 City Commission Markets in Nairobi

Markets are open or built up places where people congregate to sell or to buy goods either daily or periodically. The goods that are sold in the market vary widely often following the dictates of supply and demand although in some cases the range of the sold items in a given market may be administratively limited. There are for instance markets where only livestock is the items of sale and in others foodstuffs and or household goods and personal effects like clothing are sold. Still in others especially the less so rural and semi-rural markets a mixture of everything is sold ranging from livestock and

agricultural produce to manufacturing goods often imported from elsewhere.

In the urban areas the role of the markets has been diversified to include light industrial manufacturing of, for example 'Jiko' (stove), 'sufurias' (cooking pans), chairs, beds, tyre slippers. Repair work is also done in some markets on some sophisticated items like watches, radios and even television sets, with the exception of a few cases. The urban markets as defined above are built and managed by local authorities - 'empowered by section 145 of the local government Act Chapter 265' (City Planning Research Department, 1984). See figure 2.7.

Types of City Commission Markets

The City Commission has the following types of operations markets within Nairobi City.

(a) Open Air Markets

These have little or no provision of infrastructural services and are often demarcated with a fence for ease of management and fees collection.

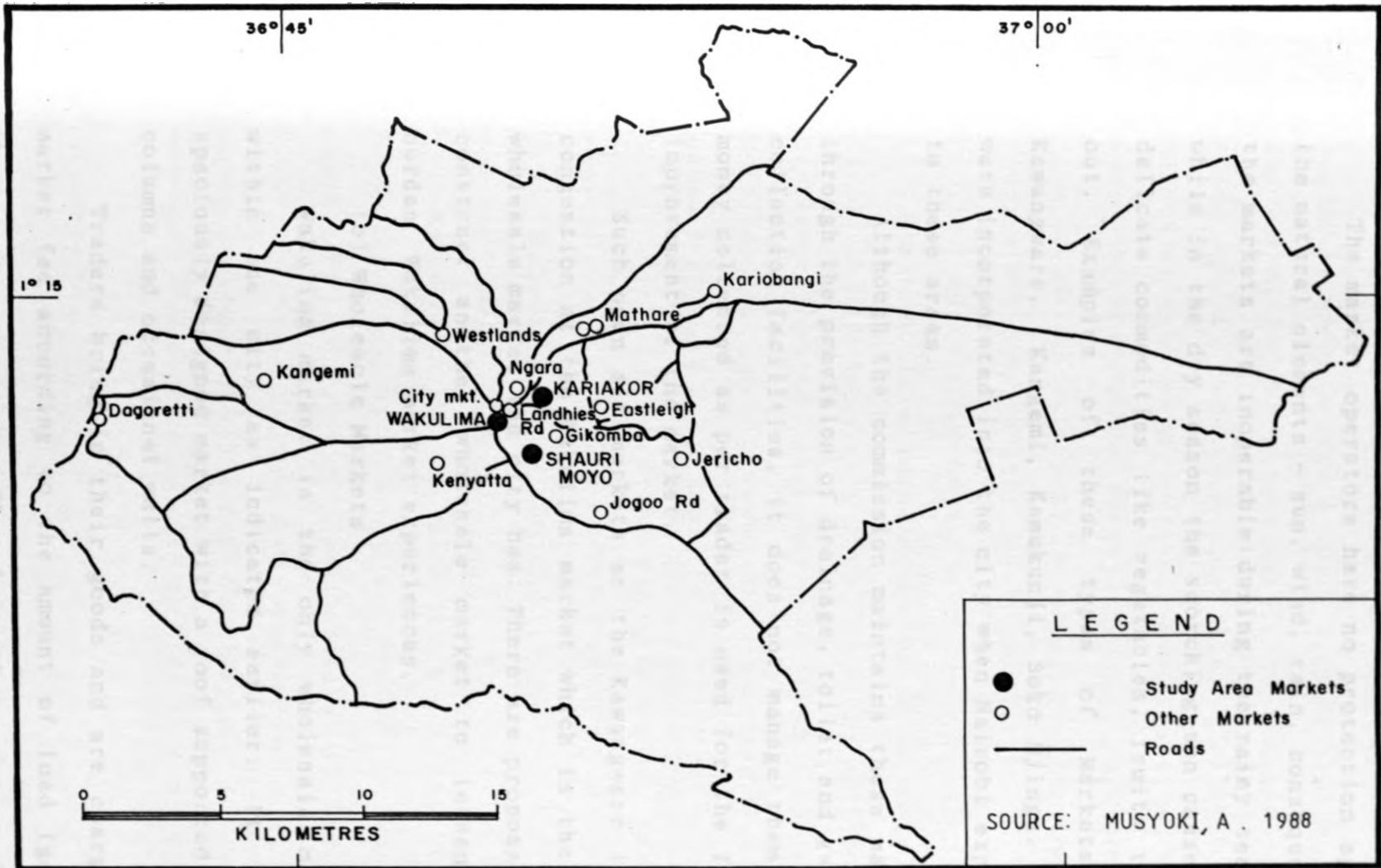


Fig. : MAJOR MARKET CENTRES IN NAIROBI

The market operators have no protection against the natural elements - sun, wind, rain, consequently, the markets are inoperable during the rainy seasons, while in the dry season the scorching sun causes the delicate commodities like vegetables, fruits to dry out. Examples of these types of Markets are Kawangware, Kangemi, Kamukunji, Soko Mjinga. Which were incorporated into the city when Nairobi expanded to these areas.

Although the commission maintains these markets through the provision of drainage, toilet and garbage collection facilities, it does not manage them. The money collected as per trader is used for the future improvement of the market.

Such open air markets as the Kawangware lessen congestion at the Wakulima market which is the only wholesale market the city has. There are proposals to construct another wholesale market to lessen the burden Wakulima market experiences.

(b) Wholesale Markets

Wakulima market is the only wholesale market within the city as indicated earlier. It is a spaciouly designed market with a roof supported with columns and occasional walls.

Traders bring in their goods and are charged a market fee according to the amount of load (goods) they want to trade. Therefore there is no fixed

amount the market charges, but it depends on the amount of goods a trader has. Traders come early to the market to get space within the market to sell their goods. There are no fixed stalls / space allocated to a person - first come first serve rule operates. In this case revenue to the city commission from the market will vary according to the number of traders who come to sell their goods.

(c) Built up Markets

Most of these markets are built up into small stalls usually measuring 2.4m. The older markets have different blocks designed with wide connecting corridors and ample space within the market itself for pedestrian movement. Examples of such markets are Shauri Moyo (Burma Market); Kenyatta Market; Kariokor Market; Gikomba Market; Landhies Market.

2.4 Markets in the Study Area

(a) Kariokor Market:

Kariokor Market is situated along Race Course Road. This is a convenient place for buying household foodstuffs in terms of availability of means of transport, ample parking space and cheaper prices for goods as compared to other city market. The market operates from 8.00 am to 6.00 pm and it is one of the

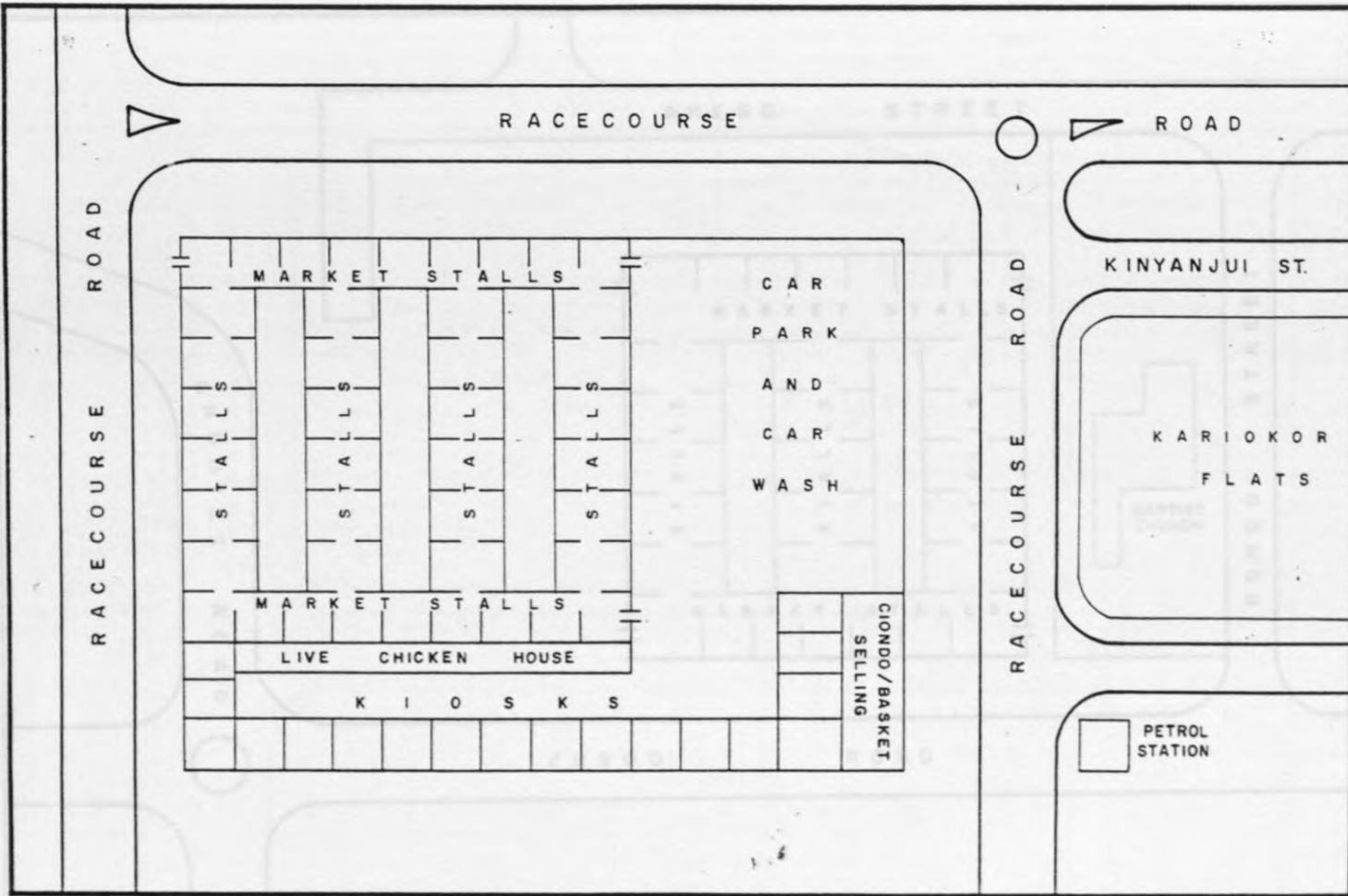


Fig.24 : SKETCH MAP OF KARIOKOR MARKET

SOURCE AUTHOR

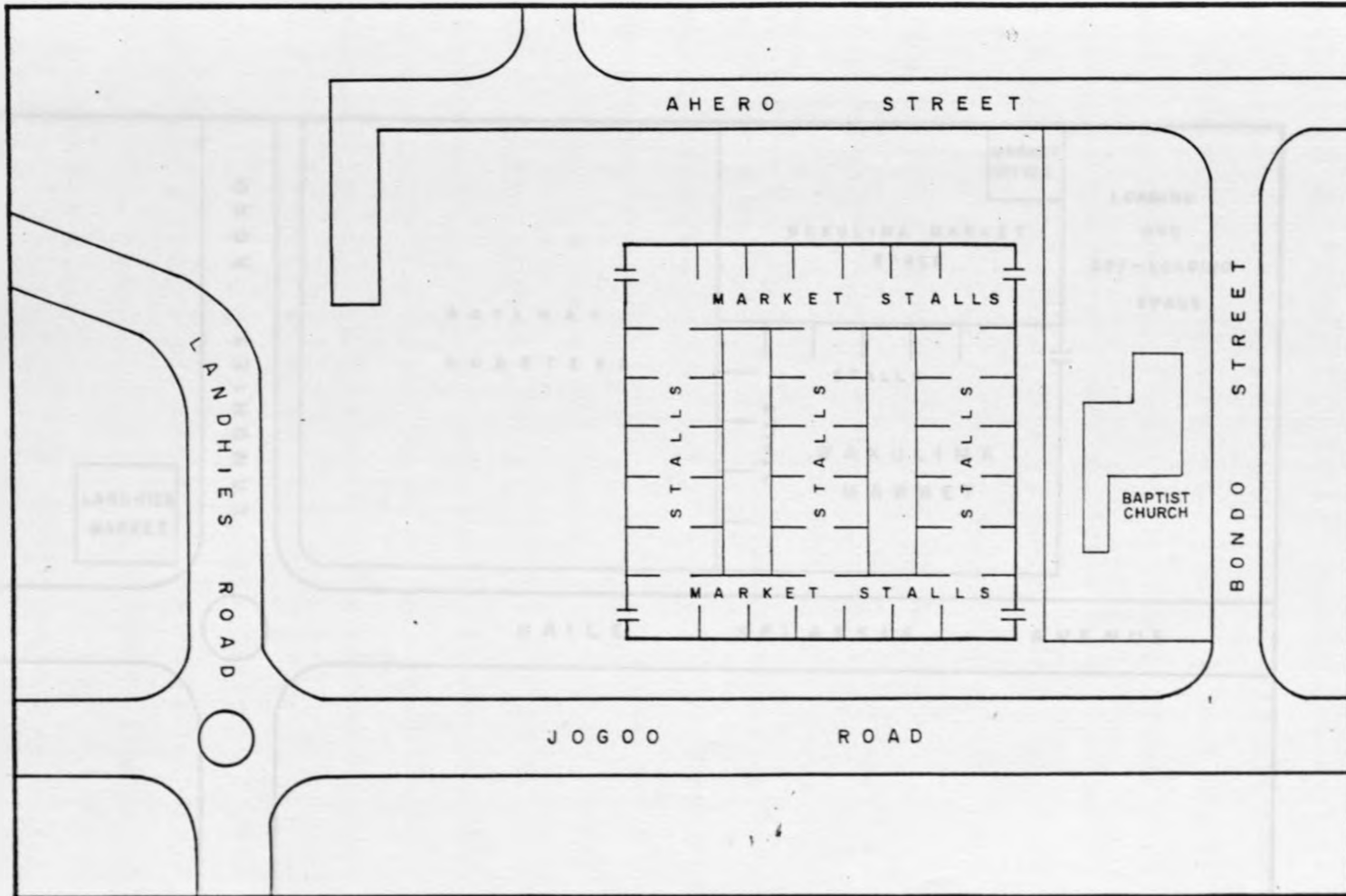


Fig.25 : SKETCH MAP OF BURMA /SHAURI MOYO MARKET SOURCE AUTHOR

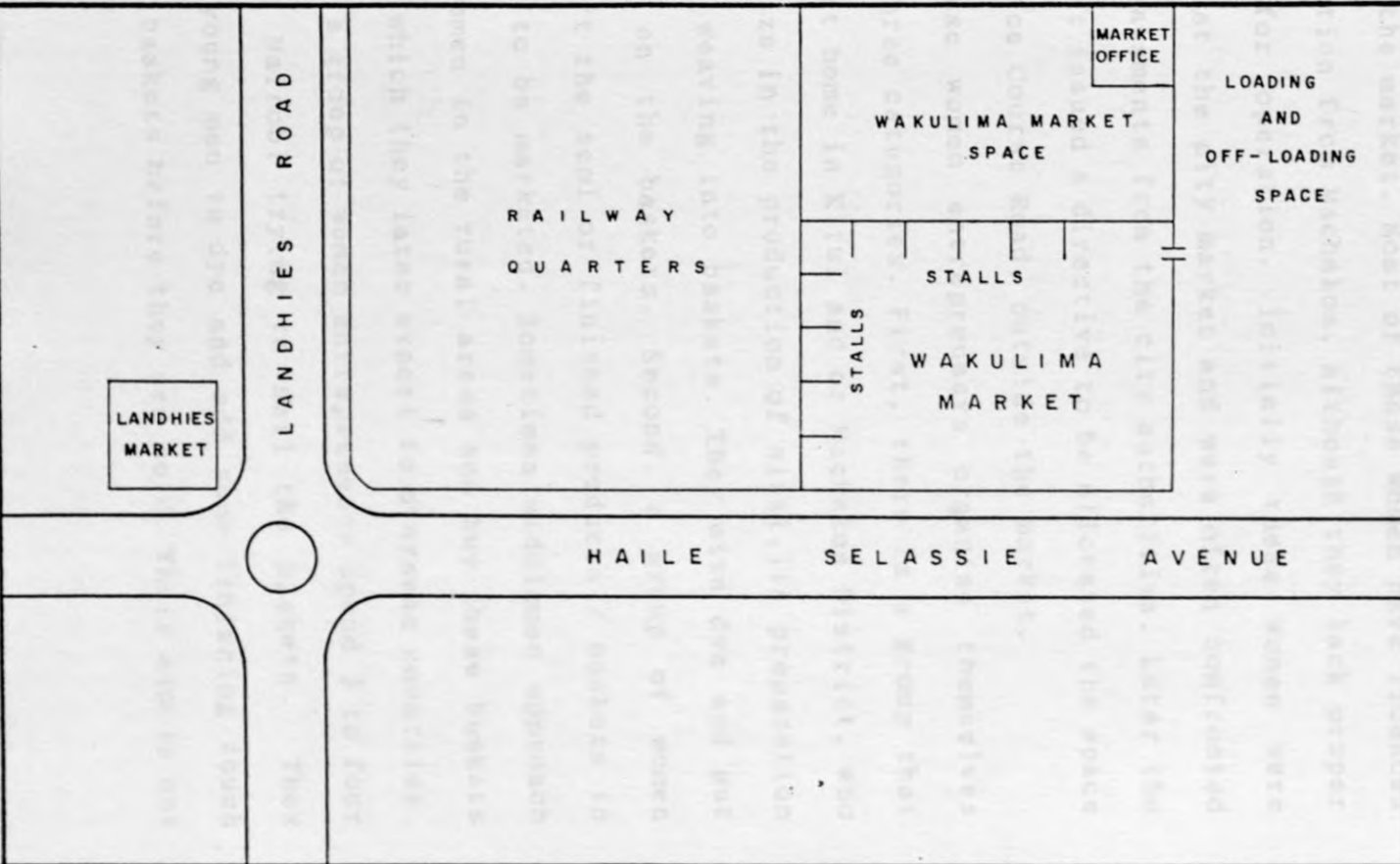


Fig.26 : SKETCH MAP OF WAKULIMA MARKET SOURCE AUTHOR

oldest markets dating back in the 1940s. It is the only institutionalized life chicken market located opposite Kariokor flats.

The study is interested in activities outside the Market which comprises of only Women entrepreneurs who specialize in 'Ciondo' / basket making and selling outside the market. Most of these women have licences of operation from Machakos, although they lack proper shades for operation. Initially these women were located at the city market and were often confronted with harassments from the city authorities. Later the President issued a directive to be allocated the space along Race Course Road, outside the market.

These women entrepreneurs organise themselves into three categories, First, there is a group that stays at home in Kitui and or Machakos District, who specialize in the production of sisal, its preparation and its weaving into baskets. They also dye and put handles on the baskets. Second, a group of women transport the semi or finished products / baskets to Nairobi to be marketed. Sometimes middlemen approach these women in the rural areas and buy these baskets cheaply which they later export to overseas countries.

Third, a group of women entrepreneurs spend 3 to four days in Nairobi trying to sell the baskets. They employ young men to dye and add some finishing touch to the baskets before they are sold. Their aim is not

to involve the middle-man's services. Later on in the week this category of traders travel home to Kitui and or Machakos Districts to attend to their families for only one to two days before they return to Nairobi.

(b) Burma Market

Burma / Shauri Moyo market is situated along Jogoo Road opposite the city stadium. At the market various activities are carried out which include items such as saloon, tailoring, furniture, commodity selling, meat and fish selling, food selling among others.

Burma starts operating as early as 8.00 am to 6.00 pm.

(c) Wakulima Market

Wakulima market has no stalls within the market but the traders display their produce on specified spaces on the cemented floor. There is no clear definition of space use in terms of type of produce.

The bulky foodstuffs like potatoes, maize, cassava, arrowroots, sweet potatoes, peas are located within one sheltered area. While vegetables like cabbages, carrots are sold in another area. In between the two, there is another larger shelter mainly for fruits and the less bulky vegetables like tomatoes, green pepper. The spaces between the shelters are used for loading and off-loading onto lorries, pickups and the occasional 'Mikoko-tenis' (Handcarts).

The Wakulima market is over crowded and is often

filthy and smelly because of poor and irregular garbage collection. During the rainy seasons, the uncovered areas become quagmires of mud and garbage forcing the operators to use gumboots.

Irregular parking along Haile Selasie avenue and the 'Mikokotenis' cause serious traffic build ups especially during the week days and especially so on Saturdays. The possibility of expanding the market towards the east or relocating the market and providing ample parking space are still being explored.

The market operates from 8.00 am to 12.00 pm although traders come as early as 5.00 am in the morning. The market experiences heaviest business on Saturdays as households go out to do their shopping.

This market faces a number of problems that hinder efficient market place trade. These include location of market circulation and accessibility, spatial accommodation of activities and storage. Location of market circulation and accessibility are the most acute in markets at the city centre i.e. city markets, Wakulima market and Landhies market (Musyoki, 1988). The location of these markets within the city centre means that traders get a large number of customers in their stalls or space of operation who are not attended to satisfactory. Vehicular movement is by lorries, pickups and handcarts. The movement of

vehicles is restricted due to congestion especially along Haile Selassie Avenue and City market. Around the Wakulima market area the wheel carts (handcarts) bring vehicular as well as human movement to a halt. In the case of Landhies Road market which is located on a road with fast moving vehicles, customers and traders face the risk of being knocked down. The spatial accommodation of activities within the markets is often disorganised and congestion occurs limiting the movement of people within the markets. It is a hideous task to shop in markets such as Wakulima where walking paths are not specified, lorries are loading and off-loading, human portage is also a big problem. Storage of commodities is another big problem particularly of the perishable commodities like flowers, and fruits. All these problems contribute to making market place trade less efficient. There is therefore a need to reorganize and plan the circulation, storage and spatial arrangement of commodities in the markets of Nairobi.

2.5 City Markets Activities

Observations were carried out in the major markets of the study areas in Nairobi and the following main activities were identified as listed below:

1. Cloth making
2. Kiosks and small shops - salons
3. Fish mongers
4. Food preparation/catering
5. Vegetables and fruits
6. Flowers
7. Maize, beans and other grains
8. Handcraft

CLOTH MAKING/TAILORING

Tailoring was observed at Burma / Shauri Moyo market which consisted of those who were involved in making and repair of cloths. The activities are labour intensive and require the use of a sewing machine. The tailors' activities take place within the stalls at the market. The people in this trade depend on customers from the immediate surrounding estates.

This market activity is linked with the established shops in Ngara and Biashara where most of the cloths, thread, buttons come from.

KIOSKS AND MINI SHOPS - SALONS

Selling general household provision are also associated with the market at Burma and Kariokor. Most of these commodities come from wholesale stores in the city and customers come from the immediate hinterland.

Women who engage in service activities like salons need a lot of initial capital to purchase the machines. A lot of salons are ('mushrooming') being established in all parts of the city as Kenyan women get enlighten to keep up with new hair styles.

FISH MONGERS

This was found at Burma market. The traders specialized in the sale of fish. Fish business at the market is considerably small scale since fish is highly perishable. The fish is sold fresh or dried.

The price of fish varies according to location. It is most expensive at the city market and cheaper in the Eastlands markets - Burma, Gikomba.

VEGETABLES AND FRUITS

There were significant at the Wakulima market whereby they were sold at retail or at wholesale prices. Fresh vegetables and fruits from producing areas - Kiambu, Limuru and other neighbouring agricultural areas - are brought daily to the market and sold on wholesale basis to traders or to other retail markets.

Most of the people engaged in this activity are women and these activities are described as small in scale and the quality of some products is low due to limitation of capital to invest in large operation.

MAIZE, BEANS, OTHER GRAINS

These were largely found at Burma and Wakulima markets. Grains form a major part of the diet of Nairobi residents and can be affordable even by the low income groups.

FRESH FLOWERS

This is a thriving activity especially at the city market, although also done at Wakulima market. This commodity is directly tied to the high income consumers and is restricted to the city centre markets.

HANDCRAFTS

In Kenya, women make a variety of handcrafts, the most famous being the Kikuyu ciondos, now also produced by Wakamba women, especially around Machakos area. These ciondos are to be found everywhere in Nairobi - places like Kariokor market, City market along Biashara street.

Ciondo selling is another thriving activity after flowers. The study's main concern are the women traders in ciondo at the Kariokor market. Majority of these traders come from Machakos.

CATERING

The most lucrative business in catering takes place mostly in restaurants, bars, kiosks and hotels. These are dominated by men. Most women caterers cooked food in the streets of Nairobi and sold it to the

low-income earners.

2.6 City Markets

There are 21 markets with a total of 614 stalls as shown below in Nairobi: Table 2.5

<u>Name of Market</u>	<u>No. of Stalls</u>
1. New Pumwani	44
2. Jogoo Road	450
*3. Shauri Moyo	274
4. Landhies Road	72
*5. Kariokor	206
6. Westlands	95
7. Kariobangi North	646
8. Githurai	295
9. Jericho	482
10. Kenyatta Market	608
11. Kahawa West	335
12. Dandora	384
13. Umoja	320
14. Kariabangi South	156
15. Eastleigh	301
16. Karen	87
17. Ngara	321
*18. Wakulima	
19. Kibera	672
20. Quarrying Road	273
21. City Market	117
	Total
	614

Source: City Commission Markets (Draft Report), 1984.
City Planning Department, Research Section.

* Study Area Markets.

The city markets are administratively managed through the Department of housing and social services. Within this department there is the market section which runs all the commission markets for and on the behalf of the Town clerks, under the direction of housing and social services.

The market section is head quartered at the Wakulima Market and is headed by a Market Superintendent assisted by two assistants market superintendents.

2.7 City Market Tenancies

The City Markets operate on two types of tenancy as follows: (a) Rental (b) Tenant Purchase

Rental markets are the most common types of commission markets - of the 21 markets indicated above 18 are run on rental basis. Examples of these are Kariokor, Burma, Landhies. Tenant purchase are usually operated by a higher social economic class than the rental markets, examples of tenant purchase markets are Kenyatta Market, Kahawa West among others.

Market stalls are located to individuals when stalls become vacant and are advertised in the media. From the applicants the market section selects a number of people for the specified number of stalls. Different markets usually charge a certain fee for the allocated stalls depending on the size or item being sold at the market. For instance the Kariokor market has yard stalls which are rented out of 250/- per month the curio stalls pay up to 500/- - 650/- and meat stalls pay up to 4500 - 5000/- because meat is high valued.

While at Burma market the stalls range from 350-500/- or even above 500/-. At Wakulima market the traders are charged a fee depending on the load they want to sell.

2.8 Development of Markets in Nairobi

In Nairobi the most critical problem facing the development of market place trade area is the absence of designated sites to serve the projected population increase. Many of the existing government markets are on the periphery of Dagorreti and will not be well placed when the agricultural areas are rezoned and developed for housing (Nairobi urban study group, 1973). From the above, it shows that market areas are not planned for in the overall development of the city. This could be explained by the fact that markets are not seen as a priority when planning the city of Nairobi. A site is declared a market place when hawkers (small scale traders) invade a place and start selling their goods. Until then, when local authorities notice their nuisance and later plans are carried out either to allocate these traders that piece of land or to relocate them elsewhere. This is what happened to the hawkers who invaded the city centre and were relocated at the hawkers City Park Market along Forest Road. The absence of designated areas for market sites has created scattered patches of traders along major route ways. An example of such

traders are along Langata road opposite the Wilson Airport in Nairobi West and are also common in estates. From the above, markets are important in the overall development processes of the commercial sector in urban centres, thus has to be given priority in planning programmes.

The growth of Nairobi has led to the congestion and lack of essential facilities (parking and storage facilities) at the city market sites. Thus markets face a number of problems that hinder efficient market place trade. Location of market circulation and accessibility are the most acute problems in markets at the city centre, - city market, landhies market and wakulima market. Wakulima market faces a number of these problems due to the growth and development of Nairobi as previously stated by Musyoki (1988). In order to minimize these problems a number of proposals and studies have been carried out to relocate Wakulima market. The following reasons are given as problems associated with the present location of the market in the city centre: (a) Handcarts and human traffic interrupt vehicular traffic along Haile Selassie avenue causing traffic jams and accidents. (b) There are no parking facilities for the buyers. This causes a lot of traffic jam, illegal parking during market hours and interferes with the flow of traffic into the city centre.

(c) Wakulima market is the only wholesale market in the city centre and tends to be congested during the markets hours. This is due to the fact that the market was built to handle a much smaller population. The market's capacity has reached a saturation point as it strives to serve Nairobi's increasing population base and its environs.

The proposals concerning the relocation of Wakulima gave an ideal site for the next 25 years, on a 62 acre land between Umoja and Kariobangi South Estates. The site is about 12 kilometres from the city centre the proposal on relocation of the market gave the following as reasons supporting relocation:

(a) If the Market is relocated at the periphery of the city centre, it would create ample space for location, parking facilities and the operation of market activities.

(b) At the periphery the buyers and sellers are able to have ample space for movement and purchasing goods without so much trouble. According to the Daily Nation, 1990, various people raised their suggestion against the relocation of the market, such as:

1. "it will mean taking services away from the people and the resultant higher transport costs, time wastage. These costs will in turn be passed on to the consumers" (Senior Commission Officials, 1990).

2. the relocation of the market will involve a lot of initial capital to build new market stall and related facilities.

3. the proposals on relocation did not take into consideration the perception of the market users and city residents. The feasibility studies assumed that they knew what the community needed.

A Nairobi architect "blames the city fathers for making hurried decisions. He adds that we don't need a bigger Wakulima market, but other smaller markets located at various places around the city to relieve Wakulima" (Daily Nation, 1990).

To conclude, market sites should be planned for and studies should be done to incorporate the users perception on the establishment of new markets.

CHAPTER THREE

CHARACTERISTICS OF BUSINESS TYPES AND PARTICIPATION OF WOMEN IN BUSINESS

3.1 Social Background of the Entrepreneurs

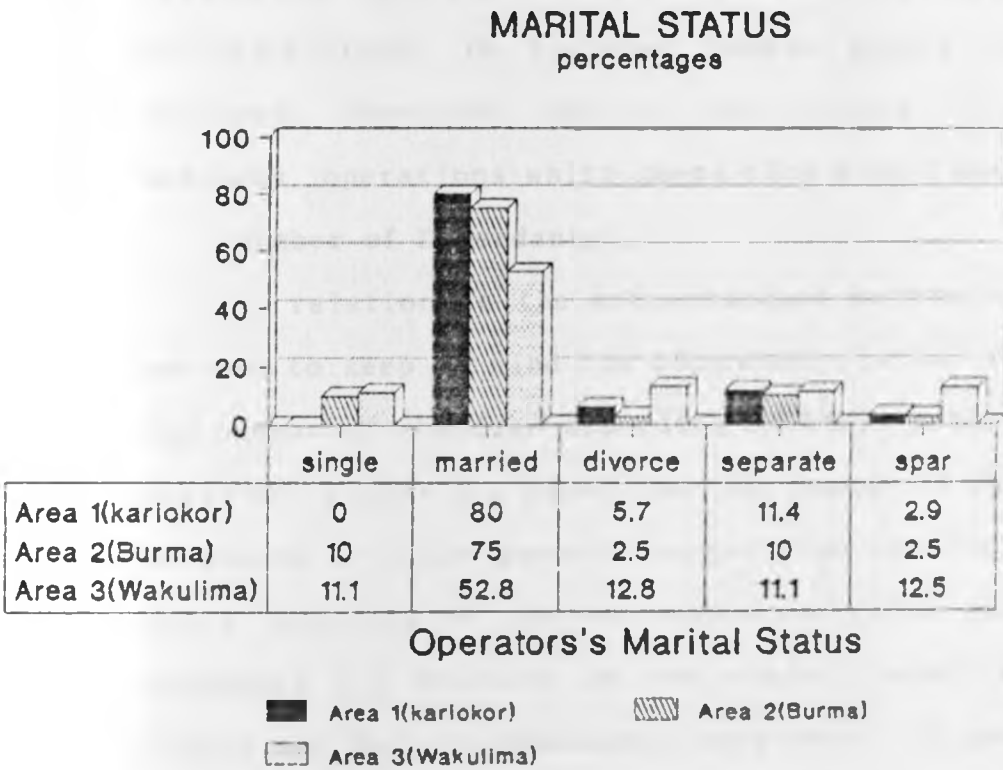
This chapter is divided into three sections. The first section discusses the social background of the entrepreneurs, the second presents the business characteristics and the third analyses the types of business and factors that influence women's participation in business.

Marital Status

In all the three areas of the study, majority of the entrepreneurs were married. Indeed Kariokor showed the highest percentage of married entrepreneurs 80 percent; followed by Burma 75 percent; Wakulima had only 52.8 percent while the overall study area had a total percentage of 65.3 percent.

From the data; it is shown clearly that Wakulima market has slightly more single entrepreneurs than Kariokor or Burma markets. This is surprising because one would expect Kariokor market to have more single entrepreneurs because the nature of their business keeps them away from their families for a long time. On the other hand most entrepreneurs at Wakulima market are from Kiambu, Limuru - (the surrounding

Fig. 3.1



field survey, 1991.

environs of Nairobi) and Nairobi has had a greater influence on them than the rural traders at Kariokor market who come from Machakos District.

It is also significant to point out that women participate in business mainly to generate a main source of income for the family or to supplement the husband's income. Further, women still maintain their marital role in the family as well as manage a small enterprise. This discredits the public view that women who participate in business remain single or are divorced, separated due to the nature of their business operations which keeps them away from home.

Number of Dependants

In relation to the entrepreneurs marital status one has to keep in mind the dependency ratio. That is the number of children depending on their parents for survival. Figure 3.2 shows that the number of children depending on their parents ranged from zero to 12 in total. Majority of the entrepreneurs (53.1 percent) supported 3-5 children in the overall study area. (Those who had no dependents were only 1.4 percent) While those who had more than 6 dependents constituted for 33.3 percent. The data reveals that majority of the entrepreneurs have a family size of 5-7 which is slightly large for an urban area. It is apparent to note that a large family size has more expenses than a small family size to make per month. This is even

worsened as the cost of living in Nairobi keep going up each day. Entrepreneurs who have younger children have to balance their attention between the children and the business. Those with older children are able to pay full attention to their business and probably make it profitable.

Education Levels

Figure 3.3 shows Kariokor market comprises of a higher percentage of 34.3 percent; of the entrepreneurs who had never been to school. This is related to the mean age of entrepreneurs at Kariokor which was 40.2, showing a relatively higher percentage of entrepreneurs who fall within the middle and older age group and still participate in business. This category of entrepreneurs had probably been to school. In addition to the above only 17.1 percent of the traders at Kariokor market had been to secondary school which is relatively low when you compare this with the other study areas - Burma and Wakulima constituting for 35.9 percent and 43.1 percent in the same category respectively.

The data clearly expressed that majority of the entrepreneurs in the three site areas had attained primary school education and none of the respondents had any post secondary education. One could argue out that the businesses women do not require a high education level, thus majority of women entrepreneurs

FIG. 32

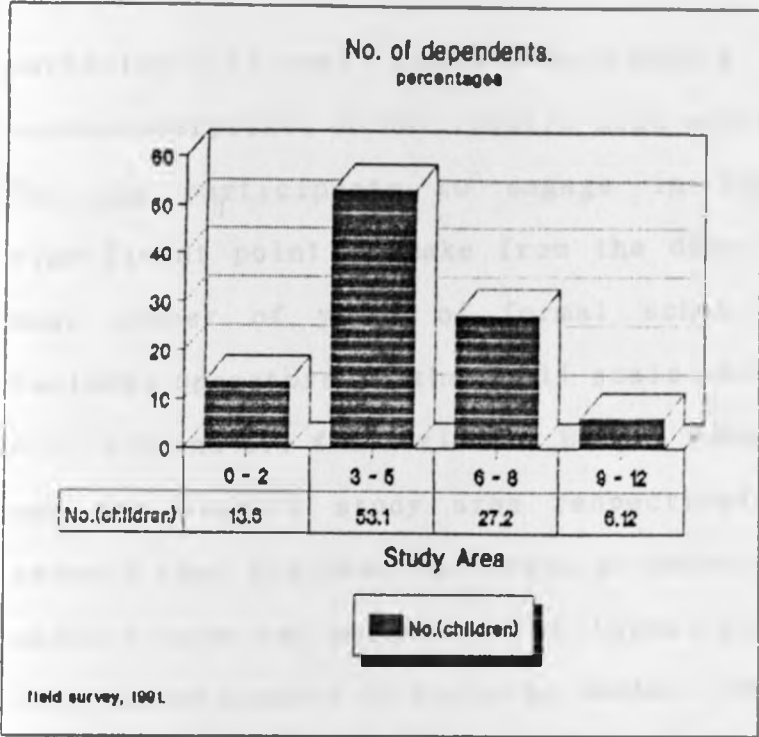
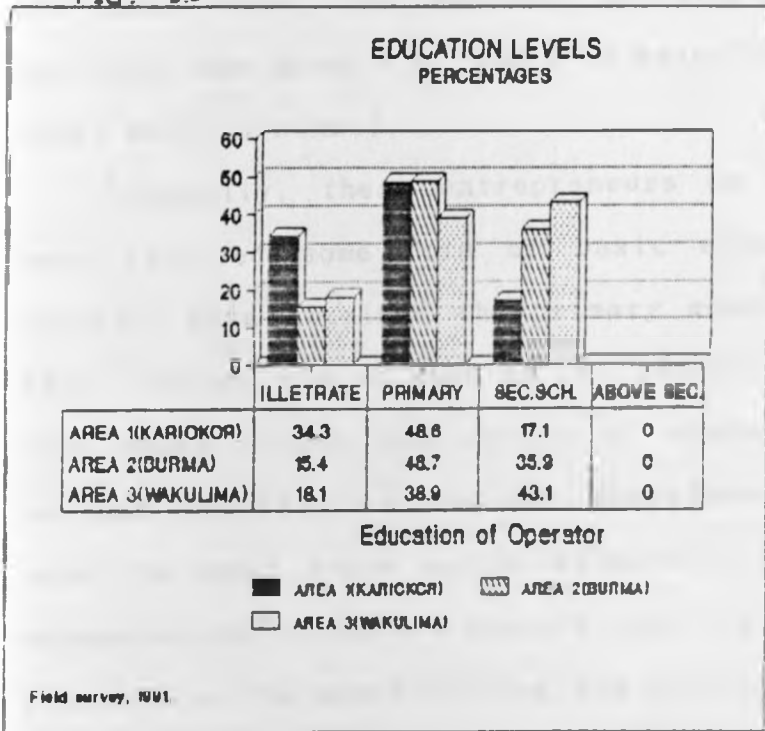


FIG. 33



participate in small scale entrepreneurs. These small scale enterprises do not require high education levels for any participants to engage in them. Another significant point to make from the data is that the mean number of years of formal schooling for the business operators in the small scale sector are 4.2, 6.5, 6.8 and 6.1 for Kariokor, Burma, Wakulima markets and the overall study area respectively. The data reveals that business operators at Burma and Wakulima markets have had more years of formal education than their counterparts in Kariokor market. The reason for this could be that there were more elderly business entrepreneurs interviewed at Kariokor than the other two site areas. This explains further a point previously made, that business operators who are in the older age group i.e. above 40 years have probably never been to school.

Generally, these entrepreneurs on the average have received some form of basic education since majority have attained the primary education level. This findings are related to the general public view that women attain low levels of education due to various constraints in society. Therefore they tend to join the small scale sector especially in the trade subsector which does not require high education levels relative to the manufacturing and service subsector.

Age, Previous and Secondary Occupation

Most of the entrepreneurs surveyed in the study are in the middle age group. According to this study, it categorized the middle age group between 26-45 years of age which was considered to be the most active (productive) age group. It considered the age group between 20-25 years of age as young since women tend to mature faster than men, even at an early age of 20, they have already joined in the small scale enterprise sector and are productive both at an individual and societal level.

Indeed the mean age of the entrepreneurs is 40.2; 38.4, 37.09 for Kariokor, Burma and Wakulima markets respectively. This brings the overall study area mean age to 38.2 years, which is slightly high when you compare this to the mean age of 34.9 for both male and female entrepreneurs found by the Njuguna and Wahome study in Nairobi, (1984). This indicates that women who enter SSEs are on average older than men.

According to the data above, it reveals that entrepreneurs enter business when they are mature and have probably acquired enough savings to start off a business enterprise. From the figure 3.4, another aspect that is significant is the percentages of the female entrepreneurs over 40 years of age who significantly still participate in small enterprises. A small percentage 9.5 percent of the entrepreneurs in

the study area start business when they are young. This could be due to the numerous constraints they face in trying to raise the initial capital to start off a business.

Since majority of the traders fall within the middle age group; it is fair to point out that most women traders participate in business after previously having worked elsewhere, and that Nairobi does offer a highly competitive environment that hinders the 'ease of entry' into business at an early age. However, the response to the question on "previous employment" does indicate the fact that majority of the entrepreneurs were indeed previously in farming activities which constituted for 49.1 percent for the overall study area. Farming as an activity previously engaged in constituted a higher percentage 80.6 percent at Kariokor market. This explains the entrepreneurs continual linkages with the rural areas. In this case Machakos and Kitui Districts, produce the sisal, which the entrepreneurs use to make ciondos (baskets). These traders sell the ciondos at Kariokor market, a business that is thriving at the site area.

While at Burma majority of the traders 55.6 percent were previously in business else where. This explains the point that these traders at Burma permanently reside in Nairobi and had businesses before venturing in their present business at Burma

market. A total of 17 percent were previously teachers at Wakulima market. This shows that they had worked elsewhere before going into business.

From figure 3.5 of previous employment it is evident to note that none of the entrepreneurs were previously unemployed. This is not surprising. After all most of the initial capital must come from personal savings. The obvious point therefore is that the small scale enterprise sector is not for those who are straight from school, dropouts. This point discredits the view of the sometimes public image of small scale enterprise sector as a place to absorb the unemployed, school leavers and at present university graduates.

A look at the responses from the question on 'secondary occupation' reveal an interesting pattern. Majority of the entrepreneurs 73.3 percent are still engaged in business enterprises elsewhere probably to supplement the ones they have at the study areas. It is only at Kariokor that showed only 6.9 percent engaged in business as a secondary occupation. One could explain this by the nature of their businesses. It requires a lot of time to be spent on the weaving, dying and adding a finishing touch to the baskets, thus very little time spent on businesses elsewhere. That is why majority of the entrepreneurs at Kariokor

FIG 35

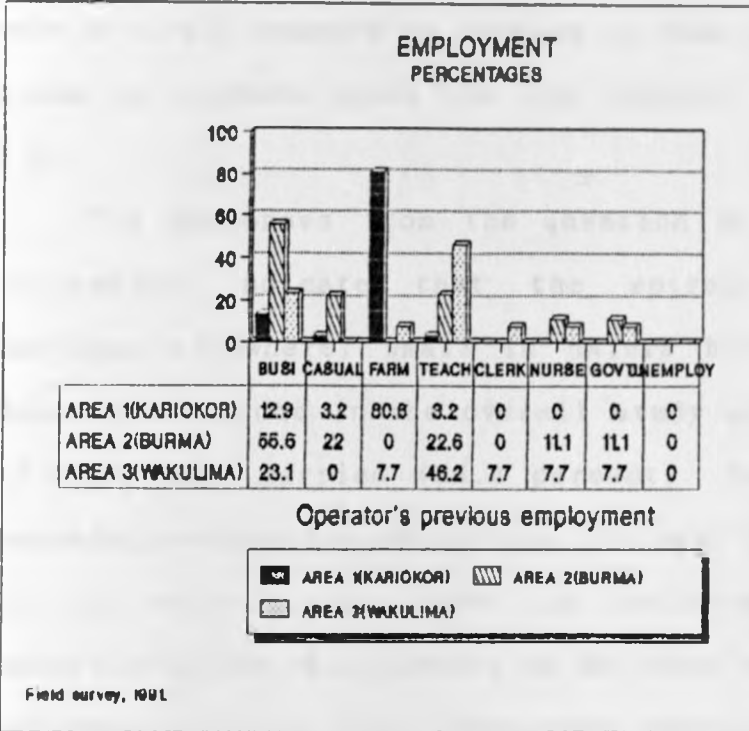
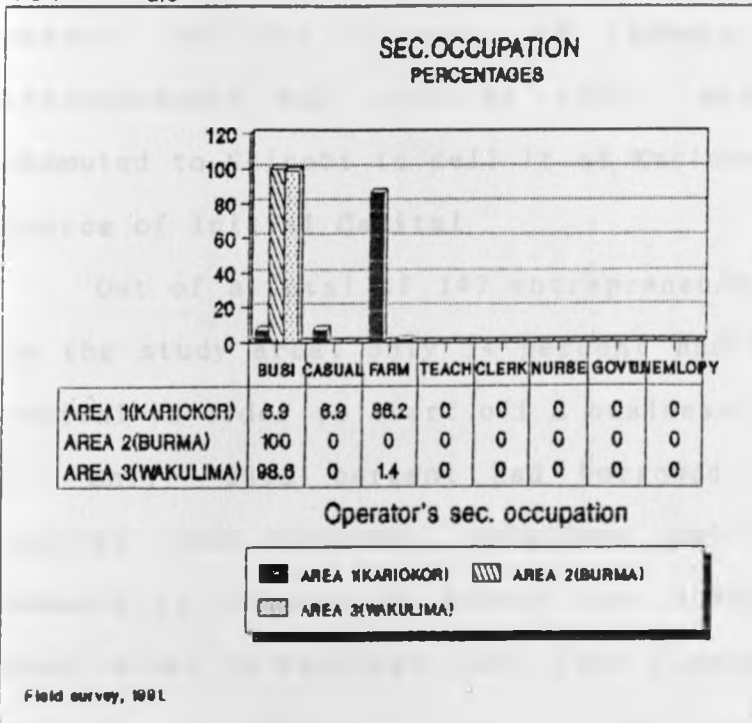


FIG 36



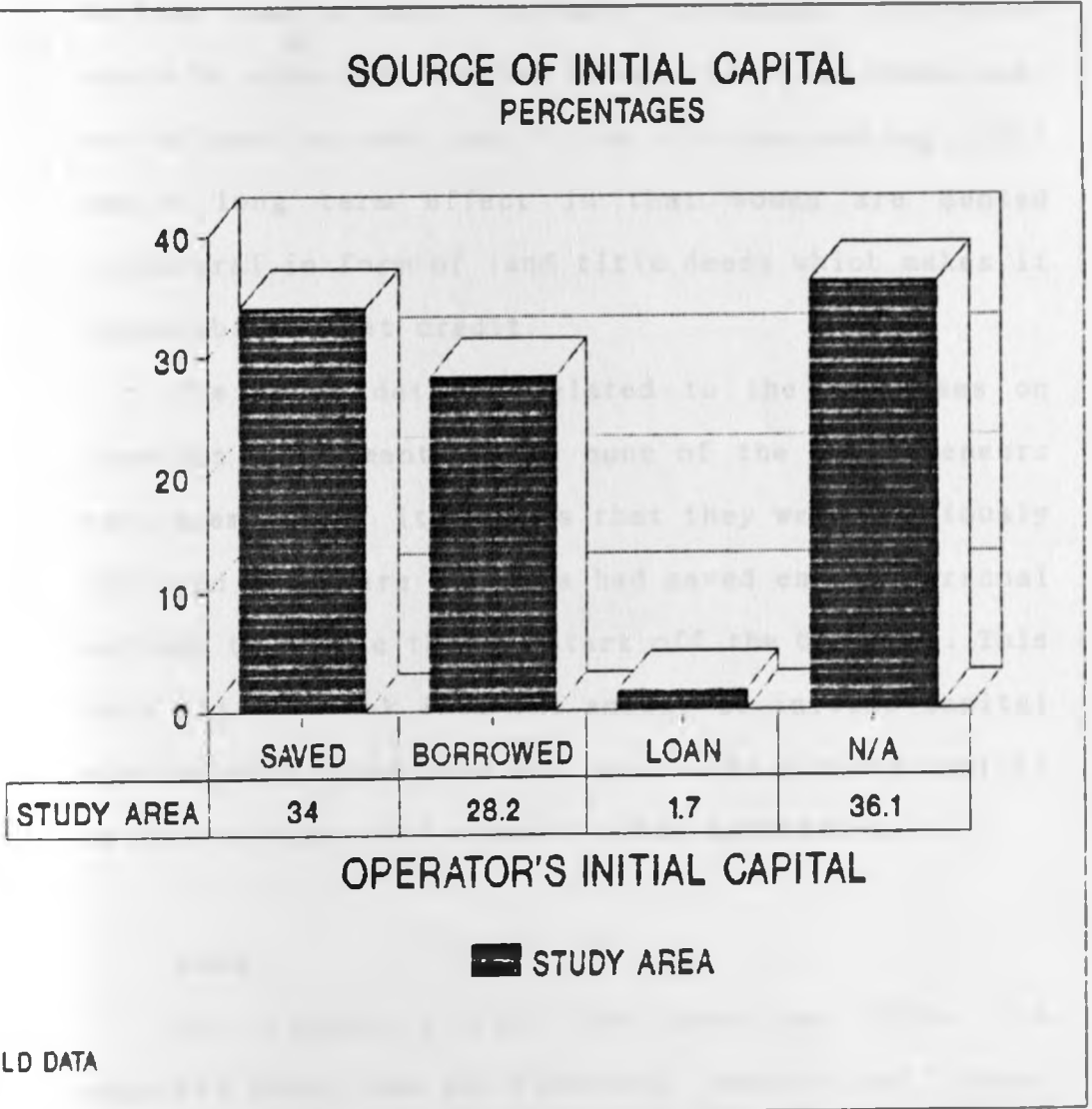
were actively engaged in farming at home in the rural areas to produce sisal for the baskets. See figure 3.6.

The responses from the question on 'secondary occupation indicate that the entrepreneurs had business elsewhere, small in nature but were also housewives, since in the overall study area majority of them were married (65.3 percent). Farming as a secondary occupation constitute for only 24.8 percent in the overall study area. As indicated above it constituted for 86.2 percent at Kariokor market. This expresses clearly that there were entrepreneurs who produced their own food and therefore commuted daily or regularly to Nairobi from Kiambu and Limuru to sell it at the only wholesale market in Nairobi, Wakulima market. In this category of farmers, are those entrepreneurs who produced sisal, weaved it and commuted to Nairobi to sell it at Kariokor market.

Source of Initial Capital

Out of a total of 147 entrepreneurs interviewed in the study area, only 34 percent had saved enough capital in order to start off a business. From figure 3.7 only 28.2 percent had borrowed the initial capital from husbands, relatives and friends. It reveals an interesting aspect that husbands support their wives in business. Less than 2 percent of the

Fig. 3.7



women traders took a loan to enter into business. This tallies well with the reality in that few women tend to take loan to invest in their businesses. This point could be explained further by the fact that women were not allowed to own land in the African setting. This has a long term effect in that women are denied collateral in form of land title deeds which makes it impossible to get credit.

The above data is related to the responses on previous employment. Since none of the entrepreneurs were unemployed, it follows that they were previously employed elsewhere and thus had saved enough personal savings to enable them to start off the business. This data did not look into the amount of initial capital started with hence does not reveal the minimum capital needed to start off a small scale enterprise.

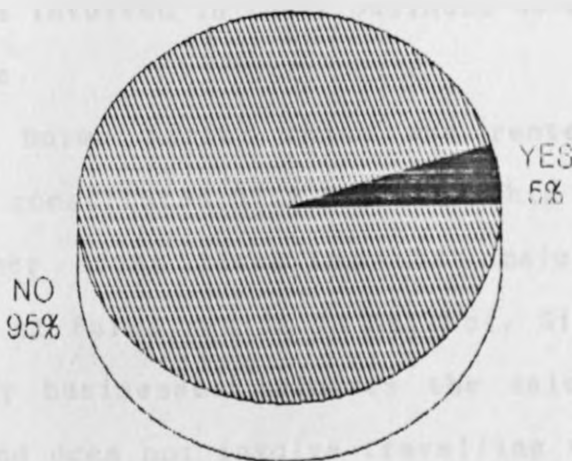
Loan

The responses from the question 'Have you acquired loan from any financial institution?' shows that 95 percent answered 'No' while those who answered 'Yes' constituted for only 5 percent. This is not surprising since even in practice very few women tend to take loans due to the number of inhibiting factors.

Further, a number of factors were given as reasons from the entrepreneurs for not taking loan. From the overall study area the foregoing is suggestive that more than a half of the entrepreneurs did not respond to the above question. The major reasons given as not taking any loan are first; women entrepreneurs lack the kind of information concerning procedures involved in loan acquisition. This category, constituted for 8.1 percent from the total area. Second, lack of security was given as a reason which prevents women from taking any loan.

Fig. 3.8

LOAN ACQUIRED



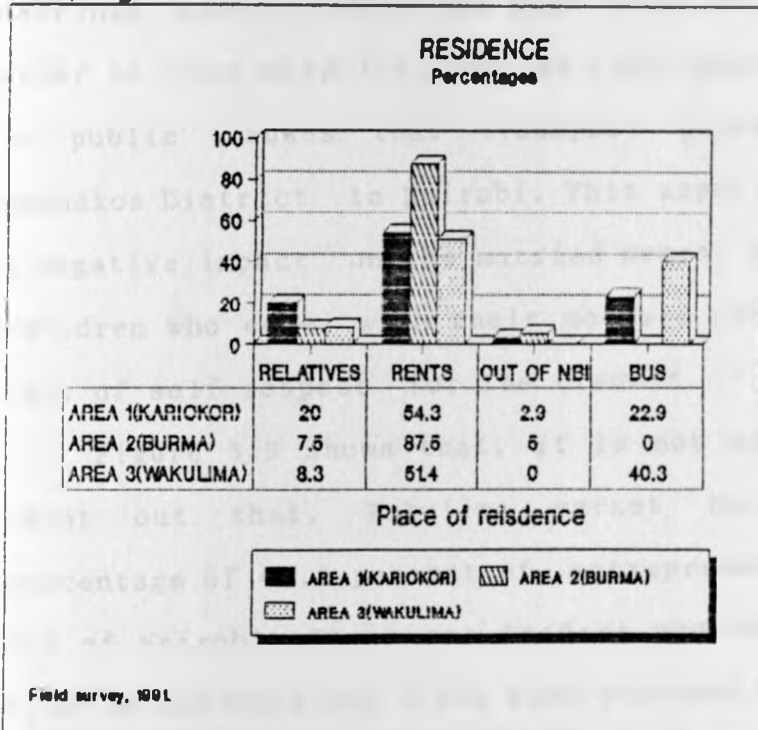
Residence

It is of great importance to take into consideration the residence of the business operators and how they manage to solve their housing problems in Nairobi. In the analysis of the place of residence of the business operators, one factor to keep in mind is that the author is interested in those traders who reside permanently in Nairobi and carry out their business in Nairobi, and those traders who commute daily and or regularly from their rural areas to Nairobi to conduct business.

Figure 3.9 shows, majority of the entrepreneurs rent houses in Nairobi. They do this so that they can conduct their business efficiently. It was also indicated informally that most of these traders rent houses in Eastleigh. This is a low income area and explains the fact that they need to minimize on total expenses involved in their business so as to reap some benefits.

At Burma market those who rented a house in Nairobi constituted 87.5 percent. This is higher than the other areas revealing that majority of those traders at Burma reside in Nairobi. Since the nature of their businesses involves the sale of household goods and does not involve travelling to the rural

FIG. 3.9



areas to purchase or produce goods.

An interesting aspect that is revealed by the data is that there is a small percentage of 22.9 percent of business operators at Kariokor market who sleep in the bus. This reveals traders who commute to Nairobi from Machakos District to sell ciondos. They have no permanent residence in Nairobi and their earnings cannot afford the high rents in Nairobi. In order to cope with this problem they spend the nights in public buses that transport passengers from Machakos District to Nairobi. This aspect could have a negative impact on the married women, on the small children who come with their mothers and eventually loss of self respect for the traders.

Figure 3.9 shows that, it is not surprising to point out that, Wakulima market has a higher percentage of 40.3 percent of entrepreneurs who stay out of Nairobi. These are traders who commute daily from the agricultural areas that surround Nairobi city to market their food products at the only wholesale market, the Wakulima market.

Here it can be observed that Nairobi has a greater influence on the surrounding town and districts and it does offer a large purchasing power. Therefore traders choose Nairobi as their marketing place in order to reap large profits.

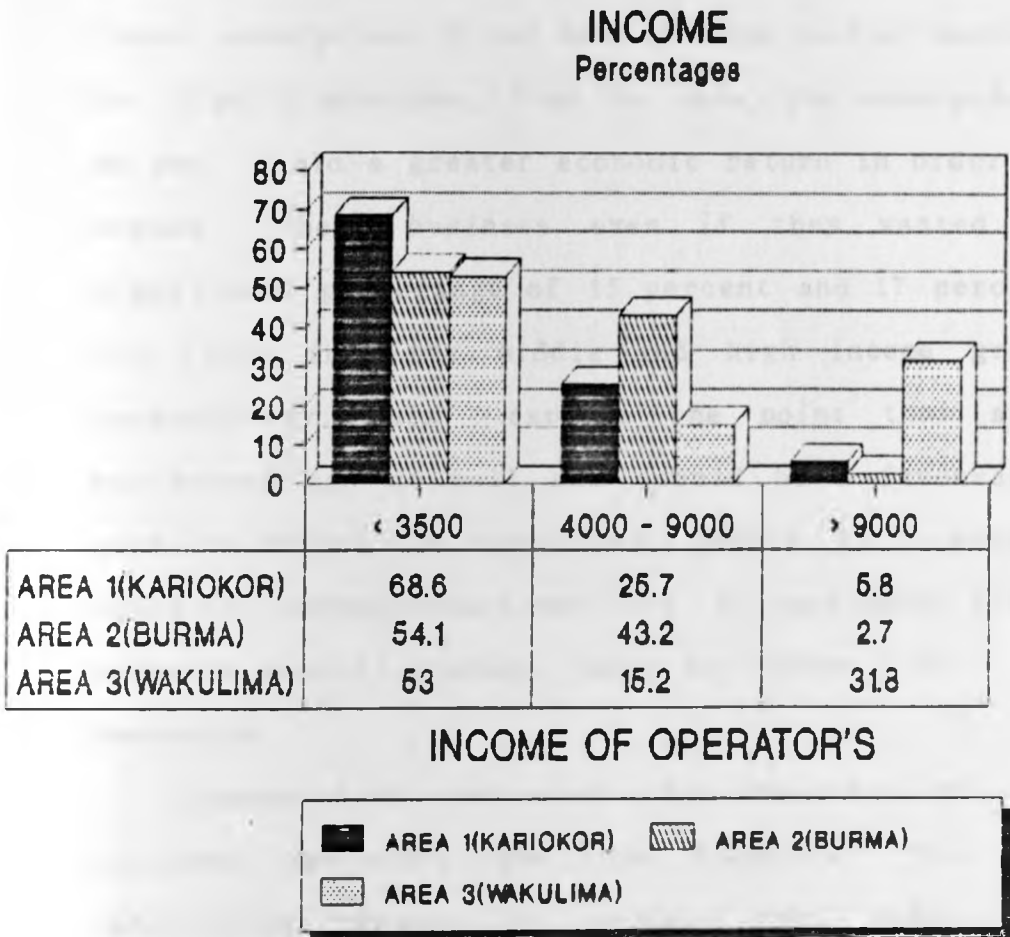
Income

Data on income is generally difficult to collect as business operators are not free to discuss their monthly earnings and are always suspicious on questions that concern their monthly income. This is because most of them evade tax collections and do not want to be caught. According to this study the income levels of the entrepreneurs are estimates of their gross income before any family or business expenses are deducted. From figure 3.10, the data reveals that majority of the entrepreneurs are in the low income group in the overall study area 57.2 percent. A total of 17 percent are in the high income group according to the categorization of the study.

Most of the entrepreneurs responded that they are faced with a number of problems that determine the net income. Some of these problems are: the high dependency ratio, the occasional low profits accrued from the business and the high cost of living.

It is also apparent to note that since majority of entrepreneurs earn below 3500/- per month (this varies during the high or low peak) seasons, it is probably due to their businesses being characterised

Fig. 3.10



Field survey, 1991.

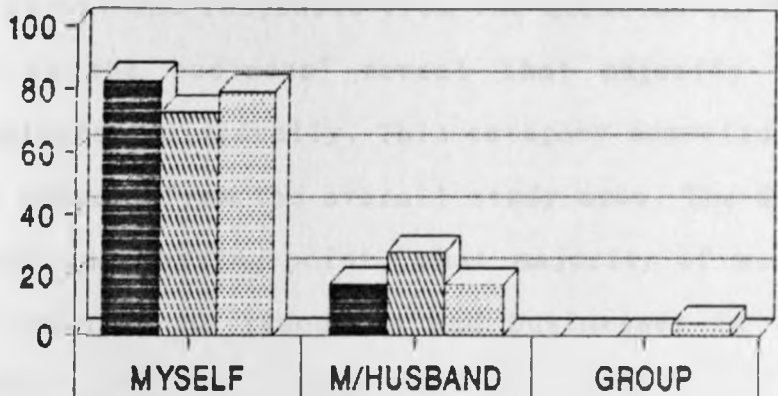
as small in nature. These enterprises are often confronted and harassed by the local authority askaris consequently loosing a lot of property. Studies such as those done by Njuguna and Wahome (1987), state that these enterprises do not need a large initial capital to start a business. From the data, the enterprises do not yield a greater economic return in order to expand their business even if they wanted. A significant percentage of 15 percent and 17 percent are found in the middle and high income group respectively. This explain the point that such businesses can do well and could be a favourable place to absorb the unemployed people. It is also a place for entrepreneurs who have to supplement their husbands monthly incomes. Refer to figure 3.10.

Ownership

Figure 3.11 indicates that majority of the business operators own the business. This is interesting because it reveals that women can independently participate in business and still make contributions to development. A significant percentage own the business with their husbands. This category constitutes about 19.7 percent in the overall study area. This indicates that husbands do get

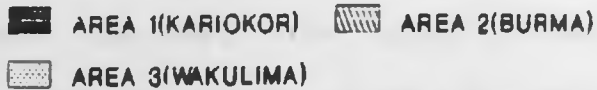
Fig. 3.11

TYPE OF OWNERSHIP Percentages



	MYSELF	M/HUSBAND	GROUP
AREA 1(KARIOKOR)	82.9	17.1	0
AREA 2(BURMA)	72.5	27.5	0
AREA 3(WAKULIMA)	79.2	16.7	4.2

Operator's ownership



Field data, 1991.

involved in their wives participation in business probably on issues of management of the business, the start of the business or even in acquiring loans.

Only a small percentage of 4.2 percent owned the business in a group. This could be explained by the fact that group businesses involve a lot of formalities, trust and cooperation such that entrepreneurs prefer going into business and managing it themselves. The responses from the question on 'How do you run the business' reveal that majority run their business individually. This category constitutes for 61.8 percent from the overall study area. The data reveals an interesting point, that majority of women own and control the resources and businesses in the study area.

Characteristics of the Enterprises

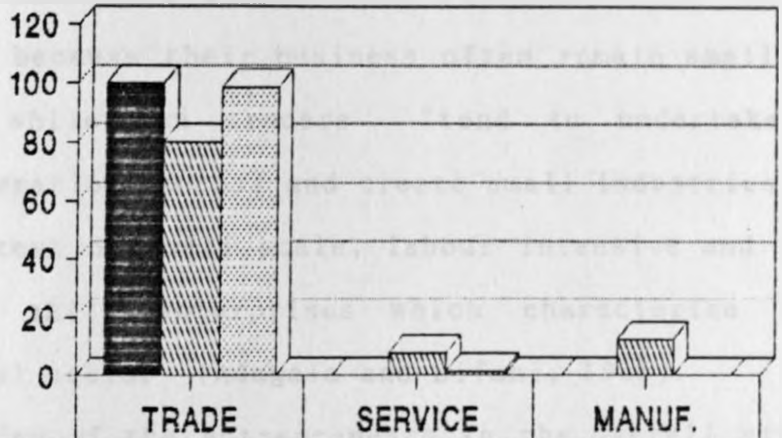
Composition and Distribution

From the study area a total of eight types of businesses were observed. The types of businesses ranged from trade in ciondo, trade in food, salon, tailoring, trade in both food and flowers, commodity selling and trade in wool products. For reasons of time and analytical manageability the author categorised these 8 types into three major areas that are widely accepted, namely trade; service and manufacturing sub-sectors.

The sub - sectorial composition of the types of business in the small scale enterprise sector in the surveyed area does not seem to reveal any unexpected pattern. Thus in all the three areas, Kariokor market, Burma market and Wakulima market, trade dominates. This is true because women tend to concentrate themselves in trade activities. These trade activities are characterised by using being small in nature and easy to enter relative to service and manufacturing subsectors. See figure 3.12. This conclusion from Adagala and Bifani's study (1985) is (cited in United Nations Survey Report) on the Status of Women entrepreneurs in the informal sector (1988) that "the nature of activities that are covered by manufacturing and service sub - sectors are traditionally male oriented, for example car and bicycle repairs, tinsmith and blacksmith". This indicates that the trade subsector is dominated by women. Since the study is concerned about women entrepreneurs it is highly constituted with entrepreneurs in the trade sub-sector.

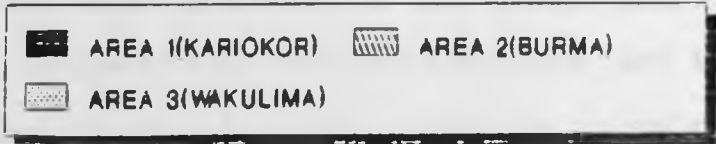
Fig. 3.12

TYPE OF BUSINESS



	TRADE	SERVICE	MANUF.
AREA 1(KARIOKOR)	100	0	0
AREA 2(BURMA)	80	7.5	12.5
AREA 3(WAKULIMA)	98.6	1.4	0

Ditribution of Business



Field survey, 1991.

This differentiation of male and female in terms of their area of operation in business is widely noticed. Adagala and Bifani (1985) further point out that, " this differentiation has the effect of intensifying marginalization of women in a sector that is already seriously marginalized'. Thus women entrepreneurs are always often referred to as 'Petty trades' because their business often remain small in nature while men traders "tend to undertake a transformation process and create small industries in the context of small scale, labour intensive and low profile skill enterprises which characterize the 'informal sector" (Adagala and Bifani, 1985).

A few of the entrepreneurs in the overall study responded that they were in the manufacturing subsector. This constituted of 3.4 percent. One of the findings of this study is that the type of small scale enterprise business existing in the urban area are very similar to small scale enterprises that have been identified and studied in rural areas. An example of such a study done on the rural informal sector in Kenya is that one by Njuguna and Wahome, (1987).

Record Keeping

The responses from the question of record keeping in the business reveals an interesting pattern. Traders at Wakulima market are slightly more conscious of keeping records of their daily sales than traders

at both Kariokor and Burma markets. This could be explained probably by the fact that traders at Wakulima deal in bulky goods at a wholesale basis which generate a large daily sale than those who deal a retail activities at Kariokor and Burma. Thus the need to keep an account of their sales.

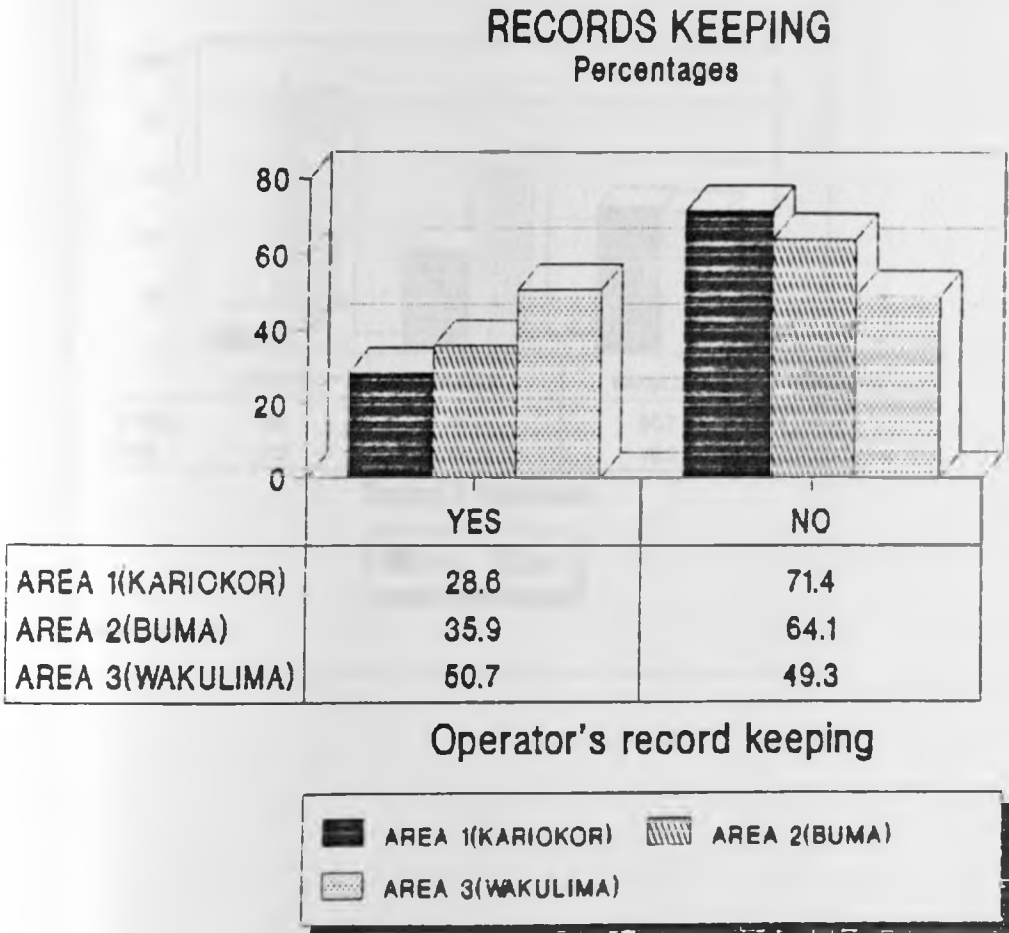
It is not surprising to point out that generally majority of the women entrepreneurs in the study area do not keep records. This constituted for 58.6 percent in the overall study area. One could argue out that few women keep records of their business sales because of their low education levels attained. Their low education levels does not make them aware of the need to keep records of the business sales, expenditures and losses thus most of them were not aware if they were making a profit or not. See figure 3.13.

Record keeping is related to the business training / skills obtained in respect to their business and was another aspect that was also taken into consideration.

The overall percentage of the study area indicate that majority of the operators have no training relating to be business they engage in. This category constitutes 88.1 percent who responded 'No' to the question. About half of the entrepreneurs 50.7 percent at Wakulima market had some basic training in relation to their business. Refer to figure 3.14.

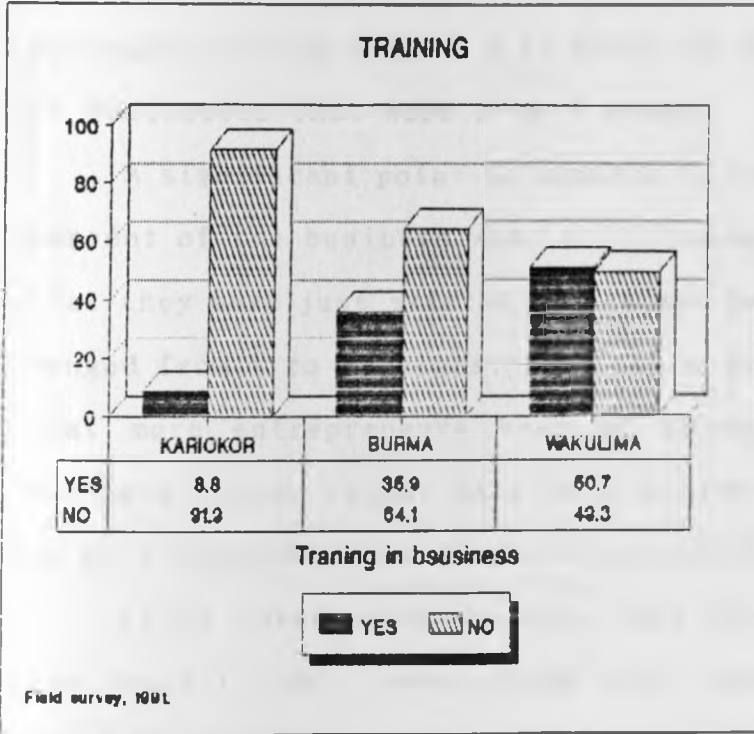
Generally, the data above, in both record keeping and training or skill acquisition shows that scarcity of skills was evident in the responses from women entrepreneurs. In a study done by Watchel (1974) on business women in Nakuru she found out that "a consequence of lower education is that women as a whole were less likely to be running profitable business, to keep adequate records or books, nor were they able to get profit as well from the consultation his assistants were offering". It is therefore possible to point out that in order to make profits from a business the operator should keep records and also acquire the related skills.

Fig. 3.13



Field survey, 1991.

FIG 3.14



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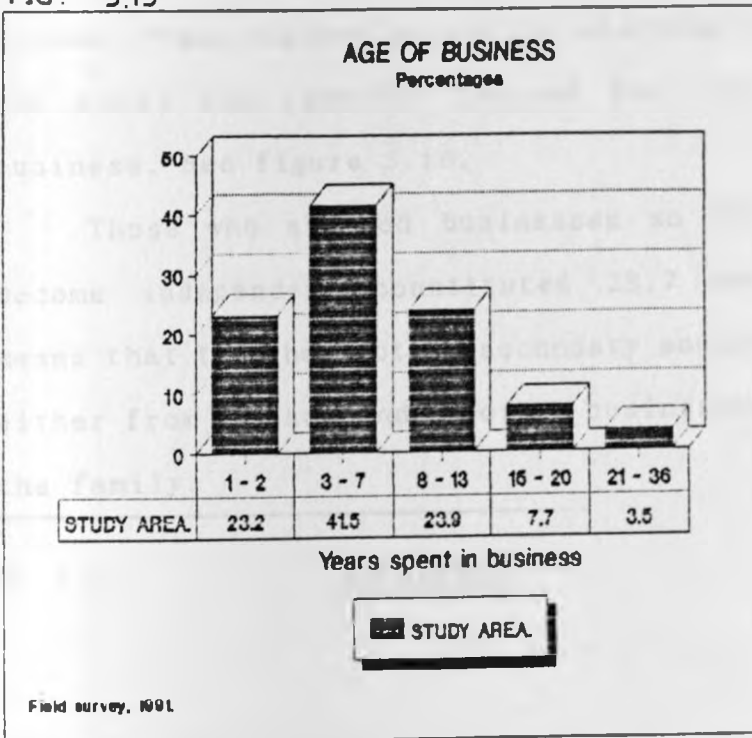
Years Spent in Business

Most of the operators have been in business for three to 7 years. This is the group that is considered to be delicate because generally businesses tend to collapse after 3 years or take off after three years. According to the figure 3.15 about 41.5 percent were in businesses that were 3 to 7 years.

A significant point to express is that about 23.3 percent of the business were still young in the sense that they were just started. These are businesses that ranged from 1 to 2 years. This could probably reveal that more entrepreneurs keep on entering into the business sector either as a main source of income or to be independent, as we shall see later on.

It is interesting to note that 35.1 percent of the overall study area shows that these businesses could be termed old. They fall within the age group of 8 years and above. It can generally be expressed that most of the businesses in the study are young, revealing that women are constantly joining the SSE sector.

FIG. 3.15



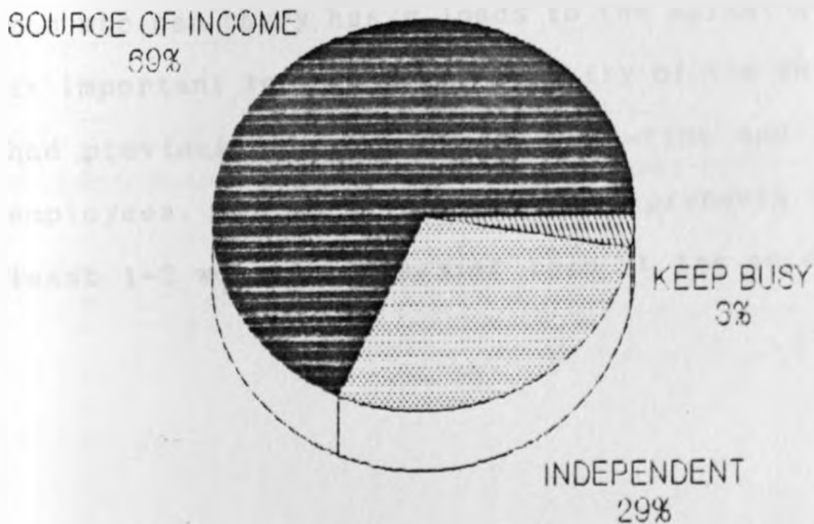
Reasons for Beginning Business

Turning to the reasons given for starting business they indicate that majority of the entrepreneurs 68.5 percent started business as a main source of income. Women who participate in business use their earnings to supplement their husbands income. These reasons stated for starting business are the usual and expected reasons for venturing into business. See figure 3.16.

Those who started businesses so that they can become independent constituted 28.7 percent. This means that they have other secondary sources of income either from the husband or other businesses to support the family.

Fig. 3.16

REASONS



Reasons for start of business

Labour Force

This section aims at presenting aspects of the overall labour dimensions within the enterprises. It is important to take note of the labour force dimensions, since they have the potential to create gainful and productive employment, particularly for those in the lower income groups.

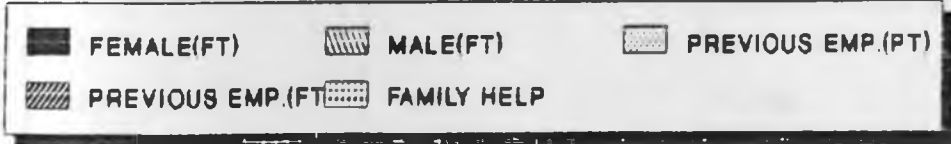
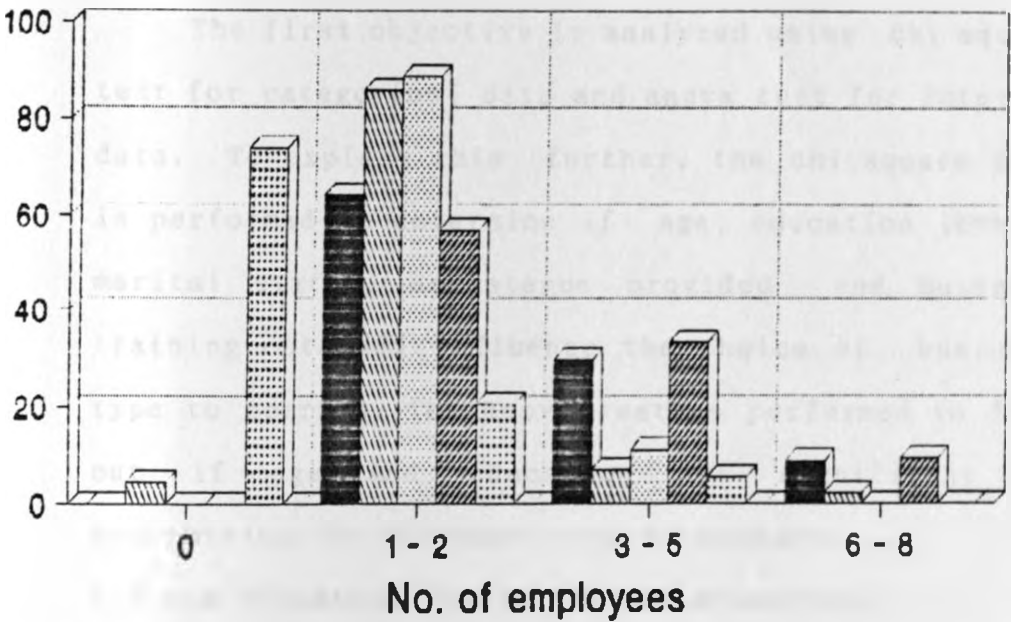
From figure 3.17 majority of the entrepreneurs (74 percent) do not have any family members who assist in the enterprises. This shows that most of the enterprises are one woman run.

About 26 percent have family members who assist at the enterprises. They employ between 1 to 5 family members to assist the entrepreneurs.

All the enterprises employ full time female employees. While 95 percent employ full time male employees to assist in heavy duties. For instance those entrepreneurs who trade at Wakulima market need men who can carry heavy loads to the market stalls. It is important to note that, majority of the enterprises had previously employed both part-time and full-time employees. All in all female entrepreneurs employ at least 1-2 workers to assist them at the enterprises.

Fig. 3.17

EMPLOYEES. Percentages



Field survey, 1991.

3.3 Contributing Factors that Influence the Participation of Women Entrepreneurs in Business Types

From the foregoing sections business types were categorized into three areas, namely trade; service and manufacturing sub-sectors. This section discusses the factors that determine women's participation in business types.

The first objective is analyzed using chi square test for categorical data and anova test for interval data. To explain this further, the chi square test is performed to determine if age, education levels, marital status, assistance provided and business training obtained influence the choice of business type to operate. The anova test is performed to find out if age and education are significant in determining the business type to operate.

Age and Education levels of the entrepreneur

Variable	F- Ratio	P. Prob.
Business type		
Education	4.3183	.0151**
Age	1.1805	.3101

Where ** means significant.

Table 3.3.1 indicates that education levels attained by the entrepreneurs influence the type of

business to participate in. Atieno, (1991) in her study found out that education levels varies significantly in the participation of women in different income generating activities. In her study of Dandora, she shows that education influence the type of income generating activity to join in.

From the analysis, education is an important factor in influencing the type of business to participate in. For example entrepreneurs in the service and manufacturing should be educated in order to be trained in the related business types. Further, education creates awareness on the importance of record keeping, management and acquisition of skills. Further activities such as tailoring, salon needs participants in the business to be trained before they can fully operate business efficiently. Thus the need for participants to be educated so that they can acquire skills related to the business type.

Age of business operator was not significant in determining the type of business to operate. From the analysis, entrepreneurs age ranged from 20 to 62 years thus indicating that age does not limit participation in business type. There are those and those who are young who still participate in business. Women will plunge in any enterprise irrespective of their age. Women participate in business type as a means of earning their main source of income. Most of these

women have to supplement their husbands income. The data shows that the mean age of women entrepreneurs in trade was 38 years, service 35 years, manufacturing 32 years and the overall mean age was 38 years. This reveals that the entrepreneurs in trade on the average are older than in service or manufacturing.

Table 3.3.2

Marital Status, Assistance and Training

Variable	<u>Marital Status</u>			<u>Assistance</u>			<u>Training</u>		
	Yes	No	Sign	Yes	No	Sign	Yes	No	Sign
Trade	40.1	29.3	.016**	37	27.6	.220	5.5	63.6	.038**
Service	2.7	.7		3.1	.8		1.4	2.1	
Manuf	22.4	4.8		14.2	17.3		4.9	22.4	

Where ** is significant.

From the analysis in the table above, it can be stated that marital status is an important factor determining the type of business to operate. The test is significant at .016, since this is less than 0.05 significant level. It can be stated that majority of the entrepreneurs are married (65 percent) and those who are not married are 34.7 percent. The reason of high percentage of married participants in business show that these entrepreneurs are in a position to balance their time between participating in business and also keep up with household chores. Majority of

married entrepreneurs were in trade followed by manufacturing and service sub sectors. This could be supported by the fact that the trade sub sector is liberal to a large extent such that married entrepreneurs can evenly balance their responsibilities in respect to their dual role.

The analysis indicated that there is no significant relationship between business type that are assisted and those that are not assisted at all. From the conclusion above, it can be stated that whether husbands assist their wives (i.e. the entrepreneurs) or not it does not seem to influence the choice of business to participate in. In most cases, assistance from husbands is probably small and insignificant such that their assistance is not a major determining factor influencing the choice of business to engage in. Female entrepreneurs will participate in any business type irrespective of whether husbands support them or not. Most of these entrepreneurs have to participate in the small scale sector because they are in a dire need of money to support their families and also to supplement their husbands earnings. Thus, provided they can make a living in any business type irrespective of being supported or not they will be attracted to it. Entrepreneurs will choose any business type that is economically viable.

It is interesting to note that majority of these entrepreneurs, were supported by their husbands in the respective business types. This category constituted of 54.3 percent, while those who were not supported at all constituted of 43.7 percent. This indicates that majority of the entrepreneurs were married and most had been assisted by their husbands. This explains the fact that entrepreneurs are increasingly venturing into the business world mainly as a mean of gainings a main source of income or to supplement their husbands income.

CHAPTER FOUR

4.1 FACTORS DETERMINING THE PARTICIPATION OF WOMEN IN SMALL SCALE ENTERPRISES.

This chapter examines the factors that determine the participation of women entrepreneurs in business. The analysis is done using the multiple regression analysis and the 't' test. In this case, participation of entrepreneurs in business is measured in terms of income earned per month by the entrepreneurs. The possible independent variables (explaining the participation of women in business) are; - education, age, business training, record keeping, total number of children, sales per week and marital status.

The independent variables were first correlated in order to determine those variables that were highly inter-correlated. The correlation matrix indicated that education and age; record and training were highly correlated. An initial regression equation was run including age and training, and they were not found significant. Therefore age and training were dropped. The final list of independent variables entered in the equation were education, record keeping, number of children, sales and marital status.

In the study it selected income to indicate quantitatively the dependent variable that expresses quantitatively the participation of women

entrepreneurs in business. On this basis it is important to distinguish between profits, income and sales. From the responses on the question of income, sales and profit, it is possible to define income as the gross profits a business operator earns per month. This is the total income earned before business expenses are deducted. Whereas net profit is what the entrepreneurs takes home after business expenses have been deducted. On the other hand sales is the business stock sold per month which is equal to the gross income earned per month. The above definition can be expressed below as: $\text{Gross income} = \text{sales} = \text{profit} + \text{expenses}$. Income was found to be highly skewed thus was logged. The result of the regression equation are logged.

From the above, two regression equation were run using first income with sales per week; number of children, record keeping, education and secondly income is run with sales per week, number of children, record keeping, education and marital status.

It is hypothesized that:

H^0 : The number of children, education level, record keeping, sales per week does not influence the income earned per month.

(H1) is that the number of children, education levels, record keeping, sales influence the income earned per month.

In order to test if there is a significant relationship between the number of children, education, record, sales and income, the analysis of variance test is performed.

ANOVA TEST

	DF	Sum of squares	Mean square	F-ratio	Significance
Regression	4	66.449	16.612	26.708	0.0000
Residual	106	65.931	.6219		

The overall equation, from the above table is significant at 0.05 level. The calculated F_0 value is 26.708 while the tabulated F_0 value is 2.45 at 4 and 106 degrees of freedom and at a significance level of 0.05. The calculated F_0 value (26.708) is greater than the tabulated F_0 value (2.45) therefore, the null hypothesis is rejected and the alternative is accepted. The conclusion arrived at is that the number of children, sales, education and record keeping determine the income earned per month (i.e. participation of women in business).

The overall equation from the multiple regression is as follows:

$$\text{Log Income} = 6.878 + .0793 \text{ Educ}^{**} + .000038 \text{ sales}^{**} + .0427 \text{ children} + .88174 \text{ record}^{**}.$$

Where : ** indicates variable significant at 0.05

level.

The coefficient of multiple determination (r^2) is 50 percent. This implies that 50 percent of the variables in income earned by the women entrepreneurs per month can be accounted for by the four independent variables. Their importance is denoted by the following STD coefficients:-

Education	- 28%	. Sales	- 31%
. Children	- 9%	. Record	- 39%

It should be noted that all the independent variables affect gross income positively. This is indicated by the sign of their partial correlation coefficient values in the equation. Interpreting these partial correlation coefficient, we observe that: every unit increase in education Logincome increases by 7 percent. While for every unit increase in sales per week, the entrepreneurs income goes up by 0.004 percent. Women entrepreneurs who keep records earn 39 percent more than those who do not keep records. While for every increase in the number of children an entrepreneur has, income goes up by 4 percent. This variable was however not significant in the equation.

The equation above explains that in order for entrepreneurs to increase their incomes, they have to keep a record of their daily sales in order to account for the losses and profits made per month, their education levels also influences the amount of income

earned per month, their education levels also influences the amount of income earned per month.

The number of dependents/children an entrepreneur has is supposed to influence the amount of income earned by a business operator but this is not the case in the above equation. This could probably be due to the responses which strictly referred to business profit per see (-not inclusive of family expenditure). To illustrate this further, for example if an entrepreneur's family size is large, this is likely to influence the income earned per month as a lot of it will be expenses on the family. The large dependency ratio is likely to 'eat up' the merge income earned by the operators.

It is also apparent to note that sales per week is the stock that entrepreneurs can successfully sell. The sales will include profits and expenses that the entrepreneur intends to spend. The sales an entrepreneur makes per day, for instance depends largely on the business atmosphere she creates with her customers, the arrangement of items at the purchasing site and the ability to lure customers using persuasive language. The entrepreneurs who lacks the ability to lure customers to their site of operation usually have lower economic returns. From the equation sales per week affects the amount of income earned per month by the entrepreneurs.

Education is very important in the creation of awareness and the know-how to practise managerial skills and record-keeping in business. From the survey, majority of the female entrepreneurs had some form of basic education (most of the entrepreneurs had reached the primary school education level), and this is necessary in order to create awareness and the need to acquire business skills. From the equation, it was found that education influences the amount of income earned per month. It is apparent to take note that some business types require a lot of years in formal schooling than others. An activity such as tailoring requires participants who can write, read and understand English and Kiswahili. Years of formal schooling is of fundamental importance because participants of this business type have to attend courses which enables them to acquire knowledge in clothing and textile. These skills are important and can be used to attract customers and therefore earning a substantial amount of income than participants /entrepreneurs without these skills. All in all education is supposed to make it easier to acquire these skills in the long run.

Studies done on the "status of women entrepreneurs by the United Nations Survey Report, (1988) indicate that a majority of the entrepreneurs do not keep records of their business sales". This

could probably be because they do not know, thus not aware of its importance or that they are not bothered at all. It is important to note, that the idea of keeping records depends on the awareness of the entrepreneur to keep business records. This awareness is brought about by an education process. Education as previously mentioned is also able to create awareness and the know-how to practise managerial skills. The survey indicated that proper record keeping of business sales and losses will eventually influence the amount of income earned per month. These entrepreneurs are able to identify periods of business growth and business losses and are in position to rectify the problem. As opposed to those entrepreneurs who depend on their memory to tell how much profit they made last month?, What to purchase for the business and how much? This is a cumbersome method and often leads to short falls in business operation.

The second regression equation is run with the following independent variables : sales made per week, education levels, record keeping, total number of children an entrepreneur have and the marital status of the entrepreneurs. This was carried out in order to determine if marital status has any significant relationship with income earned per month.

It is hypothesized that:

H_1 : Marital status, education, sales, record

keeping and number of children do not determine the participation of women in business (amount of income earned per month).

H_1 : Marital status, education, sales, record keeping and number of children determine the participation of women in business (-in this case the amount of income earned per month).

In order to test if there was a significant relationship between, the number of children, sales, education, record keeping, marital status and income earned per month by the entrepreneurs, the analysis of variance test is performed.

ANOVA TABLE

	Df	Sums of Squares	Mean squares	F-Ratio	Significance
Regression	6	66.82278	11.13713	F = 17.667	.000
Residual	104	65.55804	.63037		

The overall equation from the above table is again significant at 0.05 level. The computed F value of 17.667 is less than the tabulated F value of 2.17 at 6 and 104 degrees of freedom and at a significance level of 0.05. The null hypothesis is therefore rejected and the alternative is accepted. The conclusion arrived at is that the number of children

an operator has (children), the education level (Education) reached by an operator, the sales made per month (sales) and the marital status (spare, single, Mtus) of the operator jointly and significantly determine the income earned per month. A dummy variable was created from the marital status variable in order to quantify it. Thus three variables were created namely: single parent (spare); married (Mtus); and single entrepreneurs.

The equation thus derived is given below

$$\text{LogIncome} = 6.924 + .0808 \text{ Edu}^{**} - .100 \text{ spare} + .000038 \text{ sales}^{**} - .1850 \text{ single} + .0391 \text{ children} + .8885 \text{ record}^{**}$$

Where: ** mean significant at 0.05 level

The remaining variables are not significant. The R squared (r^2) is 50 percent. This implies that 50 percent of the variations in income can be accounted for by total number of children and entrepreneur has, sales, record, education and marital status.

(1) For married entrepreneurs the equation derived is given as

$$(i) \text{ LogIncome} = 6.924 + .0808 \text{ Edu}^{**} + .000038 \text{ sales}^{**} + .0391 \text{ children} + .8885 \text{ record}^{**}.$$

It can be interpreted that for every unit increase in education, income increases by 8 percent for every unit increase in sales, income goes up by .004 percent. For every unit increase in number of children income goes up by 3 percent. Lastly, women who keep

records earn 88 percent more income than women who do not keep records. (ii) For single parents who are

entrepreneurs the equation derived is as follows:

$$\text{LogIncome} = 6.924 + .0808 \text{ Edu}^{**} + .000038 \text{ Sales}^{**} + (1)\text{single} + .039 \text{ Children} + .8885 \text{ record}^{**} = 6.824 + .808 \text{ Educ}^{**} + .000038 \text{ Sales}^{**} + .039 \text{ Children} + .8885 \text{ Record}^{**}$$

Where (1) single means the intercept for single entrepreneurs.

The above independent variables (Educ, sale, record) are significant and have the same explanation powers as in the case of married entrepreneurs. The only difference in the equation is the intercept of the married and single parent entrepreneurs. The two intercepts show that there is a slight difference in the total income earned by the married and single parent entrepreneurs.

(iii) For the single/unmarried entrepreneurs the following equation is derived:

$$\text{LogIncome} = 6.924 + .0808 \text{ Edu}^{**} + .000038 \text{ Sales}^{**} + .0391 \text{ children} + .8885 \text{ Record}^{**} - .185 (1) \text{ single} = 6.739 + .0808 \text{ Educ}^{**} + .000038 \text{ Sales}^{**} + .0391 \text{ Children} + .8885 \text{ Record}^{**}$$

Where (1) single mean the intercept for single/unmarried entrepreneurs.

The above independent variables for married entrepreneurs are the same variables which are

significant for the single/unmarried entrepreneurs. The only difference in this equation of single entrepreneurs with the other previous equation is the difference in the intercept. From the above analysis, it is important to note that married entrepreneurs tend to do better in business, followed by the single parents who are entrepreneurs and then the single/unmarried entrepreneurs. This could be explained by the fact that married entrepreneurs hold great family responsibilities and commitments thus are more committed in attending to their business than the single parents or single entrepreneurs. This difference is slight and is interpreted from the different intercepts therefore important to take note of it.

To analyze further these results, the student 't' test is performed to find out if there is a significant difference in the mean incomes of the married, single and single parent entrepreneurs, since the intercepts indicate that there is a difference, the question that arises is, is this difference significant or not?

To test if there is a significant difference between the mean incomes of the single entrepreneurs and others (married, single parent entrepreneurs) a 't' test was performed. At a .05 significance level and at 28 degrees of freedom the tabulated (expected)

t value is 2.045, while the calculated t value is 1.32, thus since the t observed is less than the t expected the H_0 is accepted. The conclusion therefore arrived at is, there is no significant difference between the mean incomes of the single entrepreneurs and the others. It can therefore be noted that married entrepreneurs do not do better than the single entrepreneurs.

Another 't' test was performed between the single parent entrepreneurs and others (married and single entrepreneurs). The test indicated that at .05 significance level and at 102 degrees of freedom the t value observed (calculated) is .40. The expected (tabulated) t value is 1.980, thus the t observed is less than t expected, the H_0 is therefore accepted. The conclusion therefore arrived at is there is no significant difference between the mean incomes of the single parent entrepreneurs and others (married and single entrepreneurs).

Lastly a 't' test is performed between the married entrepreneurs and others (single and single parent entrepreneurs) to determine if there is a significance level of .05 and 135 degrees of freedom the t value expected (tabulated) is 1.960 while the t value observed (calculated) is .75. The t value observed is less than t value expected thus the H_0 is accepted. The conclusion therefore arrived at is that

there is no significant difference in the mean incomes of married entrepreneurs and others.

It can therefore be noted that although the regression equation showed a slight difference in the incomes of married entrepreneurs from the single parents and single entrepreneur, the 't' test analysis indicates that this difference is not significant at all. The conclusion therefore arrived at is that married entrepreneurs do not do better than the single or single parents entrepreneurs.

4.2 BENEFITS AND PROBLEMS FACING ENTREPRENEURS IN BUSINESS TYPES

Studies such as the one done by Adagala and Bifani (1985) have shown that participants of small scale enterprises in this case female entrepreneurs face a number of problems. These problems are not different from problems faced by their male counterparts in the small scale enterprise sector.

According to Adagala and Bifani (1985), 'women's working conditions are usually perilous in that many of them work in small temporary and makeshift location, on side walks and open air. In addition, these women traders are perennially subjected to official harassment since the temporary structures from which they operate (street trading and hawking) are officially defined as illegal. In short, women in

the informal sector work under the most trying condition without basic services....., most have no skills and training, and have no secure access to production resources.

From this survey, entrepreneurs face a number of problems. These problems frustrate women's efforts and prevent them from venturing into larger enterprises. This section will present the constraints entrepreneurs face while conducting their businesses in the urban areas.

Responses from the question on 'has participation in business affected you' shows that majority of the participants admitted that they have positively been affected by their engagement in business. Those who admitted that their participation in business has affected them positively constituted for 97.9 percent. This is not surprising. Most traders gave the reason of joining the small scale enterprise sector as a means of securing a source of income. Therefore, these traders have had their social and economic status improved as a result of their participation in business. The following factors were given as reasons for their positive improvement in their social and economic life:

- a) relationship with husband;
- b) relationship with husband's family;
- c) personal health;

- d) family status;
- e) improved economically.

These entrepreneurs are in a dire need for money in the urban areas. Therefore any small scale enterprises that they are capable of establishing, will probably solve some of the urgent needs.

From the survey, 72.3 percent of the entrepreneurs responded that their relationship with their husband had improved positively and that their personal health had improved also. This explains the remarkable difference participation in business has on the entrepreneurs as compared to people who are unemployed. The major problem experienced especially by the Kariokor handcraft traders was the marketing of the items they had made. See table 4.2.1 on the problems of entrepreneurs. Most of these entrepreneurs had often fallen prey to the middlemen who purchased their ciondos at very cheap prices in the rural areas (Machakos Kitui Districts). Later, these middlemen sold them expensively to tourists in the city centre or abroad. Marketing therefore becomes a problem if one does not have the external linkage with the outside world. The middlemen utilise their position to exploit most of these women entrepreneurs, by exporting these ciondos, hence getting the lion share from the ciondos.

Table 4.2.1 Problems faced by entrepreneurs

Marketing	30%
Low profits	29%
Low capital	29%
Lack of storage	2%
High transport costs	7%
Others	3%

After realizing their exploitation from the middlemen, the entrepreneurs decided to market their ciondos to Nairobi. Most of them travel to Nairobi to sell these baskets at Kariokor market so that they can ask for a higher price than they would have in the rural areas. These traders are often faced with a housing in Nairobi. The responses from the question on 'place of residence' reveal that majority of the entrepreneurs (61.9 percent) rent a house in Nairobi. From the data the entrepreneurs at Kariokor Market revealed an interesting aspect. A total of 22.9 percent slept in public buses that transports passengers from Machakos to Nairobi. These are trades from Machakos District. They commute to Nairobi to conduct business, most of them are accompanied with their younger children. They have to balance their attention between their children and the business. thus the business is not fully attended to. Indeed they are not capable of making contacts with the outside market linkages. Therefore they end up selling

their ciondos to middlemen. Sometimes they are lucky to attract tourists at their space of operation although they do not buy at a wholesale basis. The problem of marketing is worsened by the fact that women do not know the right channels to follow in order to export their ciondos to overseas countries. The main determining channels.

The second problems which were cited by 29 percent of the participants in business was lack of capital and low profits. Most of the business types carried out by the entrepreneurs were small, although most would have liked to expand them. The entrepreneurs were often faced with the problem of acquiring initial capital. Therefore, most of them borrowed capital from their husbands, relatives, in-laws and friends or were lucky enough to have some personal savings. The money acquired through these sources was barely enough to yield great economic returns.

In addition to the above; majority of the entrepreneurs did not take loans because of bureaucratic procedures involved in loan acquisition. Most of the entrepreneurs suggested that they could partially solve the problem of lack of capital by taking loan from a recognised institution. Although they indicated that the high interest rates associated with loans was another prohibiting factor.

The low profits accrued from the business could not enable them to repay back the loans in time. Thus most of them responded that they did not take loan because of the high interest rates, lack of information on acquisition of loan and some were not interested at all.

Loan acquisition from financial institution is difficult for the entrepreneurs. The laid down procedures to be followed in acquiring loans are often too complicated for the more often illiterate entrepreneurs to comprehend. Further, financial institutions are often suspicious on giving loan to enterprises that are small in case they fail to repay back the loan. Hence they feel the risks involved in the association with such small enterprises is great. It is therefore because of these and similar other reason that only a few women tend to acquire loans. Of the surveyed 147 entrepreneurs only 5 percent took loan from a financial institution or from a cooperative society.

Most of the entrepreneurs were assisted by their husbands either by providing financial aid, or bought equipment or provided labour. It is because of the bureaucratic bottlenecks involved in the acquisition of loan that it was easier to get support and assistance from their husbands and friends.

It has been previously mentioned that the enterprises the entrepreneurs engage in are small and often can not yield great economic returns due to the many problems they face. Therefore it is difficult for the enterprises to yield much profit and later on expand. Thus lack of capital leading to low profits was a major problem entrepreneurs face in their business operations.

Kariokor market is one of the city commission markets. This market provides essential services (sanitation, storage facilities, proper shades) to the stall owners. The Kariokor handcraft entrepreneurs market their goods outside the Kariokor market, along Race Course Road. Their baskets are often damaged by rain and the scorching sun such that they need repeated dying and an additional finishing touch. In the final analysis this increases their total production costs. From the survey, the Kariokor handcraft traders were allocated the site after they were evicted from the City Market. This explains the fact that they have not been provided with the essential services and have to use the services at the Kariokor market. Those who store their ciondos at the market have to pay a fee to the owners of the stall. These and other similar factors contribute to the merge incomes earned per month by the Kariokor handcraft entrepreneurs.

'Heavy taxes and licence fees' was also brought up as a constraint, ranking fourth after lack of marketing channels. This explains that majority of the enterprises were licensed to operate. Even the Kariokor handcraft enterprises without proper shades or legal allocated sites were actually licensed, which is not the case of the urban informal sector. Most of the entrepreneurs cited the high licence fees as preventing them from making enough profits. While at the Kariokor handcraft traders had to obtain licence from Machakos for allowing them to transport and thus trade the ciondos in Nairobi. Most of them complained that the licences and the total transport costs often left them with nothing to take home.

Another problem cited was the high transport costs of goods from the area of production to the marketing sites. This was a problem especially for traders at Wakulima market who had to commute daily from Kiambu, Limuru and traders at Kariokor who commuted to Nairobi from Machakos. This problem ranked fifth after heavy taxes and licences. Traders at Wakulima had to hire lorries to transport the foodstuffs which was quite expensive for them. Those who were lucky had acquired loans to purchase lorries to transport their goods.

CHAPTER FIVEPOLICY, PLANNING IMPLICATIONS, RECOMMENDATIONS AND CONCLUSIONS.5.1 Summary of Findings:

This study set out to demonstrate the participation of women in business in urban areas. It set to analysis three objectives. First, to find out the factors that influence the participation of women in business types; second, to analysis the factors that determine the amount of income earned per month. Lastly, the study was interested in establishing the constraints that are encountered by female entrepreneurs of small businesses.

From the data analysis, the study established that out of the following variables: Age, education, Marital status, assistance provided and training experience received by the entrepreneurs, only one variable had significant impact on the type of business to operate. The training of a business operator is determined to a large extent the choice of business types to participate in.

In addition, to the analysis, the presence or absence of a husband does not influence the type of enterprise to engage in. Women will join any business type which is economically viable so as to support their families. Husbands will advice their wives on the type of business to operate and they also help in

business activities.

The results from the regression equation show that the following variables were regressed;

1. Record
2. Marital status
3. Sales
4. Education
5. Number of children

with income. Of these five variables only three were significant namely: 1. Record keeping, 2. Education and 3. Sales

In summary, the education levels of the operator, the sales sold off per month and the keeping of business records does have an impact on the amount of income earned. Education is important in determine income earned in the final analysis. This can be illustrated by the fact that the years of formal schooling will have an impact on the choice of business type to engage in. For instance, some activities like tailoring, the participants have to attend courses which will enable them to acquire skills in tailoring. These skills are important and can be used to attract customers, thus earning additional income then participants without such skills.

Sales sold by an entrepreneur greatly depends on the ability of the entrepreneur to attract customers to her stand. An entrepreneur who is capable of luring customers is also capable of amassing higher economic returns in the long run.

The keeping of business records reflect good management qualities and eventually will have an impact on income earned. It is important to note that the idea of keeping records depends heavily on the entrepreneurs' educational background. Education, therefore is able to create awareness and thus provide a basis on which to acquire more skills.

The number of dependents an entrepreneur has is supposed to determine the amount of income she earns in reality. But according to this survey, this was not the case. This could be explained by the fact that from the entrepreneur's responses on income, they did not include family expenses but addressed business income perse.

Finally, the regression equation indicated that married entrepreneurs do slightly better (in terms of income earned) than the single or single parent entrepreneurs. This was illustrated by the slight difference in the intercepts (constants) of the married, single and single parent entrepreneurs.

In a further analysis performed on the marital status variable, it was found out from several t test performed between the married, single and single parent entrepreneurs and their mean incomes, it showed that the earlier indicated difference was not significant at all. Therefore, married operators do not do better in business the single or single parent

operators. In general, marital status did not have any impact on total income earned per month by the operators.

The procedure associated with loan acquisition were complicated for the female operators. Other inhibiting factors associated with loan acquisition were the high interest rates and lack of information about the procedures. In addition, the low profits were unable to repay back the loans in time thus very few women took loans from financial institutions.

According to the survey, the Kariokor Handcraft experienced lack of market outlets especially to overseas markets and the exploitation from the middle men. Other problems cited by the operators were lack of residential quarters (i.e. too expensive to rent a house in Nairobi); lack of facilities; high transport cost and high licence rates.

5.2 POLICY AND PLANNING IMPLICATIONS

The existing policy situation regarding female entrepreneurs in the SSE sector can be summarized below as follows;

a). to strengthen and promote female activities in the business sector,

b). to establish an enabling environment which is able to identify constraints and opportunities that women encounter.

c). to relax a tightly regulated economy which generally works to the disadvantage of SSEs. For instance larger enterprises have the influence and professional help to make regulations work in their favour, eg: the burden of tax falls unequally on SSEs because many of them do not keep records thus government officials often use arbitrary methods for tax assessment purpose. SSEs may be unlucky and assessed unduly with high taxes.

According to the survey, training had a great impact on the factors that affect entry into business types. Operators acquired managerial skills in order to perform effectively in their business. It has been noted that, training and education are highly correlated with successful entrepreneurship. Therefore the years of formal schooling are important in creating awareness and the need to acquire managerial skills.

One of the greatest constraints, comparatively speaking, facing women in SSE sector is lack of education and training. This historical imbalance began with restrictive colonial practices and continued up to independence. It is therefore important to establish an enabling environment which will provide an atmosphere conducive to favourable business operations.

Further, there is need to identify opportunities and

also encourage individual promotion. In the long run, trained operators will be capable of creating and widening opportunities in non traditional technical innovations eventually improving the performance of business.

Marital status influences entry into business. In reality the presence of a husband in business activities has to some extent an impact on the factors that influence the entry into business. For example, a husband will offer advice on good managerial skills, on the need for book/ record keeping among other things. The question that arises is that, how can we strengthen and promote these business activities ? Women have multiple roles to play in society such that any promotional strategies suggested should adopt a gender specific policy. Such a policy will incorporate major constraints and needs faced by the female operators.

The presence of a general weakness associated with the present regulated economy in relation to the SSEs should be relaxed. The study therefore holds the view that if the economy is unregulated the SSEs will be able to perform with minimal inhibiting factors.

The second objective analyzed the factors that affect performance (success) of business types. It may be pointed out that the years of formal schooling, sales sold per month and the business keeping of

records will eventually affect the performance (success) of a business. Women could probably improve and strengthen their business activities if they had obtained some basic education standards, kept business records and sold substantial volumes of their business stock/. Performance of a business will depend entirely on the entrepreneur's ability to attract customers and performance of good managerial skills.

According to the survey, marital status and the number of dependents did not determine the performance (success) of a business. When trying to integrate women in development, it is necessary to identify constraints and opportunities of married, single and single parent entrepreneurs. On this basis, planners are capable of isolating the needs of each category and be in a position to make proposals for each. Female entrepreneurs with large family sizes will be burdened to support their families. A large family size is generally more expensive than a small one. On the other hand, entrepreneurs with younger children have to balance their time between child care, family welfare and other economic activities. In order to strengthen and promote women activities - the diverse roles women hold in society should be recognized in planning considerations.

Finally, women encounter a number of problems. These problems range from social, cultural and

economic factors. A quotation from the Daily nation, 1990 stated that, 'an enabling environment must be enhanced through allocation. It noted further, that the main problems faced by small enterprises in this area are deficit policy framework, inadequate infrastructure, limited markets, technical obstacles and cumbersome laws and regulations'.

The third objective identified constraints that women face. From the analysis, majority cited lack of capital and low profits, marketing, high transport cost of produces, lack of storage and proper industrial shades as factors inhibiting full participation in business. The subsequent development plans and a strategy for small enterprise development (SED) which was launched in 1990, have constantly highlighted the need to solve these problems. The essence of this section was to ink the empirical findings of the study with the existing policy situation in Kenya.

5.3 RECOMMENDATIONS

The study found out that training, education and marital status were important factors in determine the type of enterprise to engage in. For instance, services like tailoring, salon require that participants go for courses to enable them to perform the services. In addition, education levels attained

by the participants in business is important in formulating a basis on which managerial skills can be easily acquired by the participants. It is also important to note that majority of the entrepreneurs were not trained in the relevant business type that they operated. They employed people trained in the respective business to carry out the services needed by the customers. For example, out of a total of 147 business owners interviewed, 88.1 percent had no business training at all. Of these, majority dominated the trade sub sector; 63.6 percent had no business training in the trade sub sector. Only 11.9 percent out of a total of 147 interviewed had been trained, indicating that very few women go for training.

It is therefore suggested that the government should set up institutions which will provide technical training to the entrepreneurs. Since majority of these entrepreneurs were in the age group 26-45 years (about 69.4 percent) and had some basic education (i.e. had attained primary school education - 43.8 percent), therefore it is important for them to go to these institutions to be trained. Bearing in mind, the fact that they have enough time to spare before venturing into business. Of those entrepreneurs already in business, the author recommends on - job training secessions to be provided to the employees and owners of the enterprises since they have little

time to leave their businesses unattended. This is necessary as they would have enough time to be trained on the job, other than join an institution to be trained. This is because most of them have multiple roles to play, thus have very little time available.

Education of the entrepreneurs was an important factor in the acquisition of managerial skills, from the survey. Majority of the operators had obtained primary school education (i.e. 43.8 percent) showing that they had at least obtained some form of basic education. Further, it is possible for an educated person to be aware of the importance of keeping records and good managerial skills than one who is not. About 34.9 percent of the women had attained secondary school education. This shows that few women pursue higher educational standards due to the perviously mentioned historical imbalances. As noted earlier in the text, one of the greatest constraints to women participation in business is lack of education and training. The study therefore advocates that the 8.4.4 education system is relevant to the development of education and technical skills to our future business participants. The 8.4.4 educational system is very practical if provided in environments that have required facilities to support the system. For instance, students are educated and at the same time acquire technical skills in needle works, woods

works, mechanics etc. Graduates of such a system are capable of establishing their own enterprises and pursue even greater opportunities within the field.

Married participants who were already in business and cannot go back to school are advised to attend adult education classes. This might be difficult to undertake since entrepreneurs are very busy with their enterprises and sometimes have no one to attend to their businesses. On the other hand, the Women's bureau, a governmental department could organize occasional seminars whereby women are trained and enlightened on issues pertaining to the business types.

From the survey, record keeping, sales sold per month and education levels of the entrepreneurs had an impact on the performance (success) of business types. About 43.8% of the 147 interviewed, had obtained primary school education which is an important factor in skills acquisition. It will also create awareness into the need for keeping records of the sales and losses made. It is therefore possible for the operators to identify problems faced in business and be in position to rectify them.

Out of a total of 145 respondents about 41.4 percent kept records. This is interesting to note. It indicates that few women keep records of their business activities due to lack of educational

qualifications. Yet, record keeping is necessary for business growth. It is therefore possible to eliminate problems when one keeps records of her business activities. This can be illustrated by the fact that operators who do not know how to read and write due to lack of education depend on memory to recall, eg. their monthly income. If women activities in business are to be promoted and strengthened, then there is need to increase female enrolment into educational facilities. This has been also a major objective of the subsequent development plans.

The study suggests the need for adult education programmes. These should be encouraged in both the rural and urban centres. More so these programmes should be encouraged in the urban sectors where the SSEs sector is experiencing rapid growth.

An entrepreneur's main objective is firstly, to attract customers to her stand and secondly to obtain substantial net income. The number of customers an operator is capable of attracting at her stall depends entirely on the ability of the operator to lure them to her stall. The amount of sales sold greatly depends on the skills an operator has. Those who have acquired these skills usually perform better than those without any skills at all.

Women hold multiple roles and these roles also act as constraints to their full participation in

business. For example, women have to balance their time between child care, family welfare and economic activities as opposed to their male counterparts who have the day to attend to their businesses.

Out of a total of 147 respondents, 65.3 percent were married. Marital status does not have any impact on the success of their business. The author suggests the need for a gender specific policy that should respect women's needs, opportunities and problems. The policy will establish an enabling environment that should eliminate problems that women face.

Marketing was cited as second problem after lack of capital and low profits. Out of a total 147 respondents 30 percent cited marketing as a problem. The study suggests an improvement in marketing channels by the government respective ministries. With such information, entrepreneurs are capable of carrying out their business operations effectively. In trying to create an enabling environment, local authorities should try to provide storage and industrial sheds even though they are expensive ventures to undertake.

The key problems to women participation in business are lack of capital and low profits, Marketing, high transport cost, lack of storage and proper industrial sheds. Most of the women cited lack of capital and low profits (29 percent) as major

problems preventing their full participation in business. A possible way of dealing with the problem of lack of capital (i.e. especially initial capital to start off a business) would be to identify agencies or institutions willing to offer credit to SSEs. However, the inhibiting factor to the acquisition of credit from financial institution is the association of a negative image towards SSEs. It is therefore necessary to carry out studies on the success rates and the risks involved in loan acquisition by SSEs especially those run by women. Low profits from entrepreneurs was cited as a major problem. Women will usually venture into a business if it is economically viable. The government with it's relevant institution such as the Women's bureau should organize seminars advising women to join into diverse types of businesses in urban areas.

5.4 CONCLUSION

It was the intention of the study to identify factors that affect entry into business types; performance of business and constraints that women face. From the above the study highlighted opportunities and constraints to women entrepreneur, future researchers and policy makers to enable their integration in development.

The study was carried out in three site areas namely Kariokor, Wakulima and Burma Markets. The sampling was based on female entrepreneurs in small enterprises in urban areas. The study was interested in traders who permanently traded in Nairobi and those who migrated regularly to Nairobi to conduct their business.

The key research findings are that women should be trained in respective business types in order to perform services effectively. In addition education is an important factor in the acquisition of managerial skills.

The following are major recommendations of the study; Firstly, it is important for entrepreneurs to be trained on job because they have little time to spare to go to training institutions. Secondly, education is important in the acquisition of skills, thus the need for technical institutions eg. Women's Bureau to hold seminars to help train women. Thirdly the government should provide a gender specific policy and an enabling environment in order to promote and strengthen women activities in urban areas.

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APPENDIX 1

UNIVERSITY OF NAIROBI
 DEPARTMENT OF URBAN AND REGIONAL PLANNING
 WOMEN'S SMALL SCALE ENTREPRENEUR'S QUESTIONNAIRE
 THIS QUESTIONNAIRE IS BEING USED FOR THE PURPOSE OF
 COLLECTING DATA FOR THESIS WRITING ONLY

PRELIMINARIES

1. Questionnaire No.....
2. Date.....
3. Area.....

4. Plot

No./ Name if applicable

3. ENTREPRENEUR'S SOCIAL PROFILE

5. Are you the owner of the business ?

1. Yes.....
2. No.....

5.(b). Please fill in the following information about the owner

5. Age	6. Education	7. Marital status	8. secondary occupation	9. Previous occupation

Codes: Marital status:

1. Single
2. Married
3. Divorced
4. Separated

10. If separated, state why ?

- a. Social problems with husband.....
- b. Husband did not approve of starting business.....
- c. Other (specify).....

11. What is the occupation of husband ?

- a. Business man.....
- b. Employed (government).....
- c. Employed (private).....
- d. Other (specify).....

12. Where is your residence in Nairobi ?

- a. Stays with relatives at.....
- b. Rents a house at.....
- c. Does not stay in Nairobi.....
- d. Other (specify).....
- 13. How long have you stayed in Nairobi.....
- 14.. How far is your residence from your work ?
..... Kms.
- 15.. What means of transport do you use to come to place of work ? a. Bus..... b. Matatu.....
c. Walk.....d. Bicycle.....
e. Other (specify).....
- 16. How many children do you have ?

Age	Number of children
0 --- 4 years	
5 --- 9 years	
10 ---- 14 years	
15 ---- 19 years	
Above 19 years	

17. How many of your children are away working ? ...
.....

B. BUSINESS PROFILE

- 18. State the type of your business you have.....
 - a. Trade in food.....
 - b. Trade in ciondo
 - c. Catering.....
 - d. Other (Specify).....

19. State when you started this business here
year.....

- 20. What is the nature of ownership of this business
 - a. Myself.....
 - b. Myself and husband.....
 - c. Group (partnership).....
 - d. Other (specify).....

21. Did your husband support you in the intiation of business? a. Yes.....b.....

- 21(b). If yes, state how.....
 - a. Assisted financially.....
 - b. Bought equipment.....
 - c. Labour.....
 - d. Other (specify).....

22. How do you run this business ?.....
1. Individually.....

- 2. Family.....
- 3. Group.....
- 4. Have an employee(s).....
- 5. Other (specify).....
- 23. How many employees did you have at the start of this business?.....
State the number Full time.....Part time.....
- 24. How many employees do you have now ?
Full Time Part Time

Full Time		Part Time	
Male	Female	Male	Female

- Total insert in above;
- 24.(b). How many of the employees are women ?
- 24.(c). How many members of the family usually assist in this business ?
- 25. Estimate your income per month from this business.....
- 25.(b). Estimate your sales per week?.....
- 25.(c). Estimate profits made per month / or weekly
- 26. What was your major reason's of starting this business ?

 - a. As main source of Income ?
 - b. To keep myself busy
 - c. To have an independent source of income.....
 - d. other (specify).....

- 27. Why did you choose this business ?.....

 - a. Interest.....
 - b. Could afford to start up business
 - c. Easy to get material
 - d. Other (specify).....

- 28. Who takes care of you children or housework, when you are away from home ? a. Maid

 - b. Relatives
 - c. Husband
 - d. Other (specify)

- 29. Do you think your participation in this business

has affected any aspects of your life ?.....

a. Yes 2. No

If yes, rank them beginning from the one which has affected most;

	Negative	Postive
Relationship with husband		
Relationship with husband's family		
Personal health		
other		
Economically		

30. Are you happy with your present

a. Yes

b. No

If no, why ?.....

a. Harassment by askaris.....

b. Low profits.

c. No proper shades

d. Other (specify)

31. Where did you get the intial capital to start off

a. Borrowed from friends / relatives / husband

.....

b. Bank loan

c. Saved capital

d. Other (specify)

32. Where are profits invested ?

a. On this business

b. Family

c. Other (specify)

33. What are some of the problems you face in carrying out this business ?.....

a. Frequent demolitions.

b. Lack of capital

c. Marketing problems

d. Lincensing

e. Lack of profits accrued

f. Other (specify)

C. Assistance

34. Have you acquired loan from any financial institutions / or other source ?

a. Yes..... b. No.....

If yes, give the details below

Financial institution/Others	Amount	Period of paying back

34.(b). If No, why have you been unable to obtain loan ?

a. Not interested / Do not need it

b. Lack of security / collateral

c. High interest rates

d. Lack of information

e. Other (specify)

D. Business experience

35. Have you attended any trainnig course regarding the business ?

a. Yes..... b. No.....

36. Do you keep records of your daily transactions

a. Yes..... b. No.....

37. State the problems you exerieence carrying out the business and if possible give solutions,

	Problem (Tick)	Solution
Lack of security		
Harassment		
Non - availability of raw material		
Lack good location		
High transport cost		
High rents/ or licence		
Poor storage facilities and amenities		

2.1
 TABLE 1.2: WAGE EMPLOYMENT BY MAJOR TOWNS AND SELECTED INDUSTRIES*, 1984 AND 1989 ('000)

TOWN	Manufacturing		Construction		Trade, Restaurants & Hotels		Transport and Communication		Finance, Insurance Real Estate and Business Services		Community, Social and personal Services		Total Six Industries	
	1984	1989**	1984	1989	1984	1989	1984	1989	1984	1989	1984	1989	1984	1989
Nairobi	60.6	67.3	27.3	33.0	40.3	44.9	22.2	26.5	34.7	41.0	110.6	131.8	295.7	344.5
Mombasa	19.5	23.9	3.7	5.5	12.4	15.9	20.4	23.7	7.1	8.6	29.2	35.7	92.3	113.2
Kisumu	3.6	4.2	0.7	2.3	1.9	2.6	1.3	1.5	0.8	2.0	11.2	15.9	19.4	26.5
Nakuru	5.6	5.9	0.8	2.2	2.9	3.5	1.1	1.1	0.9	1.1	8.2	8.6	19.5	22.4
Thika	9.1	10.0	0.4	0.3	1.0	1.5	0.2	0.2	0.5	0.6	2.5	3.4	12.1	15.2
Eldoret	6.7	8.8	0.4	1.4	1.3	2.2	0.6	0.8	1.1	1.6	4.7	3.1	14.8	17.9
Malindi	0.0	0.3	0.1	0.4	1.0	1.7	0.2	0.2	0.7	0.3	3.0	2.1	5.0	5.2
Kericho	2.4	2.4	0.0	0.8	0.4	0.8	0.1	0.2	0.2	0.2	3.2	4.4	6.3	8.9
Others	14.3	17.8	4.5	9.9	8.7	11.5	3.1	4.9	2.7	3.6	68.9	63.0	102.2	103.9
TOTAL	121.7	139.8	37.9	55.8	69.9	84.6	49.2	59.1	48.7	59.2	241.9	268.0	569.3	655.5

* Revised series

** All 1989 data is provisional

Source: Economic Survey 1990

TABLE 1.4 WAGE EMPLOYMENT PERCENTAGES IN MAIN URBAN AREAS (1978-1988)

YEAR	TOWN	TOTAL WAGE EMPLOYMENT	ANNUAL PERCENT GROWTH	Manufac- turing	Electr- icity & water	Constr- uction	wholesale, Retailing & Hotels
1978	NAIROBI	244431	-	19.9	1.4	13.0	12.1
	MOMBASA	86276	-	20.8	1.7	5.4	11.2
	KISUMU	15980	-	21.1	1.8	6.4	10.2
1979	NAIROBI	260822	6.7	19.8	1.4	13.5	12.5
	MOMBASA	92707	7.4	20.5	1.6	5.5	11.5
	KISUMU	15509	3.3	21.4	2.0	6.5	10.0
1980	NAIROBI	274209	5.1	19.5	1.8	11.3	12.2
	MOMBASA	94761	2.2	20.8	1.7	4.8	11.7
	KISUMU	17613	5.7	21.4	1.2	8.7	8.6
1981	NAIROBI	284523	3.8	19.2	1.4	11.5	11.7
	MOMBASA	94796	0.4	20.7	2.0	5.0	12.1
	KISUMU	16699	-5.2	23.6	1.6	6.7	7.5
1982	NAIROBI	291327	2.4	19.3	1.7	11.1	12.2
	MOMBASA	95026	0.2	20.3	1.8	5.2	13.1
	KISUMU	17454	4.5	22.4	2.4	7.0	9.6
1983	NAIROBI	309815	6.3	19.0	1.9	10.5	12.7
	MOMBASA	95695	0.7	20.1	1.8	5.4	13.0
	KISUMU	20857	19.5	16.4	4.0	5.8	8.7
1984	NAIROBI	315701	1.9	19.2	2.0	8.6	12.8
	MOMBASA	95932	1.3	20.1	1.9	3.8	12.8
	KISUMU	20660	-0.9	17.0	4.4	3.5	9.1
1985	NAIROBI	327215	0.04	18.7	2.2	8.4	12.9
	MOMBASA	101027	4.2	19.7	1.9	4.1	12.7
	KISUMU	21317	3.1	16.6	4.3	4.1	9.2
1986	NAIROBI	336820	0.03	18.8	2.3	8.5	12.6
	MOMBASA	107495	6.4	19.9	1.8	4.3	13.7
	KISUMU	24739	16.1	16.4	3.7	7.8	9.3
1987	NAIROBI	340310	1.03	18.65	1.65	8.55	12.8
	MOMBASA	109479	1.84	19.75	1.77	4.4	14.3
	KISUMU	26486	7.06	16.45	3.46	7.64	9.0
1988	NAIROBI	351666	3.33	18.1	1.69	9.25	12.32
	MOMBASA	111169	1.54	19.86	1.83	4.46	13.02
	KISUMU	30341	14.55	15.14	3.11	7.04	7.59

Transport & Communications	Finance Insurance & Real Estate	Community Social & Personal Services	NATIONAL & SHARE
7.8	9.3	32.7	55.0
25.4	5.1	28.9	19.8
13.7	5.2	41.0	3.6
7.9	9.7	32.6	55.5
25.4	5.3	29.7	19.7
13.8	5.5	40.5	3.5
7.7	9.7	34.6	55.1
25.6	7.4	26.5	19.1
7.0	4.0	48.8	3.5
7.1	9.7	36.5	55.5
27.0	4.9	26.4	19.5
7.9	4.4	45.5	3.2
6.8	10.2	36.1	55.7
25.4	5.5	27.2	18.7
7.6	4.9	45.1	3.3
7.1	10.2	34.6	55.5
21.1	5.9	30.0	17.1
6.6	3.8	51.5	3.7
7.0	11.0	34.9	56.0
21.2	7.4	30.0	17.2
6.4	4.2	54.2	3.7
7.1	11.3	35.0	55.7
20.7	7.3	30.8	17.2
8.6	5.3	52.8	3.6
7.1	11.3	34.7	54.3
20.7	6.9	29.8	17.3
5.9	7.6	48.15	4.0
7.07	11.3	35.6	53.8
20.47	6.89	29.5	17.31
5.48	9.9	44.8	4.18
6.9	11.54	35.76	54.59
20.33	7.20	30.58	17.25
5.02	6.56	51.3	4.71

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2.3

TABLE 1.6: Number of Persons Engaged in Informal Sector/SSEs
By Activity, 1985-1989

Activity	1985	1986	1987	1988	1989
Manufacturing	43572	49899	58424	66096	74241
Construction	36	37	38	40	49
Wholesale Retail Trade, Hotels	172230	185905	200714	219131	246799
Transport & Communications	4437	4746	5076	5540	6239
Community, Social & Personal Services	34232	40526	47907	55427	62425
TOTAL	254457	281113	312159	346234	389953

Source: Economic Survey, 1990