

**FACTORS INFLUENCING THE GROWTH OF  
ENTREPRENEURIAL VENTURES AMONG WOMEN IN  
MBOONI CONSTITUENCY IN MAKUENI COUNTY**

**BY**

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**A Research Report submitted In Partial Fulfillment of the  
Requirements For The Award Of The Degree Of Master Of Arts In  
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## DECLARATION

This research project report is my original work and has not been presented for an academic award in any other university.

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L50/66489/2013

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This research project report has been submitted for examination with my approval as the University Supervisor.

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## **DEDICATION**

This study is dedicated to my mother, Martha Isaac, who always encouraged me to work very hard in my studies despite having never attended school herself. My late brother, Josphat Matheka, who offered me stiff competition in studies, My dear husband, Peter Mwikya, who gave me moral, spiritual and financial support to see my dream come true. Not forgetting my beloved daughters Gertrude Mbinya, Grace Koki, Rehema Ndunge and son Shadrack Mutinda, and grandson Elvis Mutuku. Your moral support and prayers were not in vain. May God bless you all, you are my pillars of hope.

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## **ABBREVIATIONS AND ACRONYMS**

BDS	Business Development Services
C-WES	Constituency Women Enterprise Scheme
DMSED	Department of Micro and Small Enterprise Development
GDP	Gross Domestic Product
GOK	Government of Kenya
GOWE	Growth Oriented Women Entrepreneurs
ICT	Information Communication Technology
ILO	International Labour Organization
IMF	International Monetary Fund
IS	Informal Sector
KLGRP	Kenya Local Government Reform Program
K-REP	Kenya Rural Enterprises Program
MDGs	Millennium Development Goals
MFI	Microfinance Institutions
MOLHRD	Ministry Of Labour and Human Resources
MSEs	Micro and Small Enterprises
NGO	Non-Governmental Organization
PRSP	Poverty Reduction Strategy Papers
SSEs	Small Scale Enterprises
SBA	Small Business Administration
WEDF	Women Enterprise Development Fund

## ABSTRACT

The purpose of the study was to determine the factors influencing the growth of women entrepreneurial ventures in Kisau Division of Mbooni Sub-County. The study conducted in the month of April, 2014 was guided by five objectives namely: the extent to which financial availability, gender roles, property ownership rights, the level of education, government policy and regulations influence the growth of women entrepreneurial ventures. The population consisted of all the 100 women operating small businesses in Kisau Division. From the population of 100 people, a sample of 80 women was drawn from the population to constitute the sample size. Simple random sampling was used to select the women to participate in the study. All business women operating small businesses on JuaKali shades and fixed premises were targeted. A research authorization permit was obtained from the National Commission for Science, Technology, and Innovation in order to be able to collect data. Qualitative and Quantitative approaches were applied in collecting data. Questionnaires and Interview guides were used as data collection tool and were administered by research assistants to consented participants. Data collected through the questionnaires and interviews was analyzed through descriptive and inferential statistics to enable the researcher to infer the sample results to the whole population. Data was analyzed using SPSS (Statistical Package for Social Scientists) software and presented using frequency tables, mean and standard deviation values followed by explanations of the study results per table. Tests on data revealed that there was a significant strong relationship between availability of finance, gender roles, property ownership rights, the level of education, government policy and regulations, and growth of women entrepreneurial ventures. The results led to rejection of the null hypotheses that there is no significant relationship between the independent and dependent variables in the study. Based on the research findings the researcher recommended that: The Central and County Governments to come up with modalities of helping women entrepreneur's financially to be on equal footing with their male counterparts for the benefit of the Country's economic well-being, the study also recommended that men need to be educated on the need to help their women counterparts in realizing their potential in as far as work-related activities are concerned. This is both in the work place and at home. Some equality in sharing household roles should be encouraged to educate men against devaluing their wives abilities in the performance of their businesses, the study also recommended that women should be made aware of their constitutional right to own property. This will encourage them to acquire property including land from their parents through inheritance reduce inequality in access of family resources, enactment of stringent laws and methods of dealing with those who still adhere to the outdated cultures impacting negatively on the upbringing of girls such as early and forced marriage, FGM which limit young women's engagement in both education and economic activities and the study recommends the Government should come up with fair policies on taxation and licensing of businesses to encourage women entrepreneur's operating in micro-enterprises to grow and expand their business activities.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background to the study**

Entrepreneurship has been considered as the propensity of mind to take calculated risk with confidence to achieve predetermined business objectives. The entrepreneur was defined as one who perceives a need and then brings together manpower capital and materials required to meet that need, (Cunningham and Lischeron 1991). Entrepreneurship consists in doing things that are not generally done in the ordinary course of business routine; it was essentially a phenomenon that comes under the wider aspect of leadership. Schumpeter, and Clemence, (1951). In entrepreneurship, there is agreement that we are talking about a kind of behavior that includes: (1) initiative taking, (2) the organizing or reorganizing of social economic mechanisms to turn resources and situations to practical account, and (3) the acceptance of risk of failure. (Shapero, 1975). Entrepreneur is an employer, master, merchant but explicitly considered as a capitalist, Teneja and Gupta (2006). In many countries, the term entrepreneur was often associated with a person who starts his own new business. Business here encompasses manufacturing, transport, trade and all other self-employed vocation in the service sector, (Ronstadt 1984).

According to this study, women entrepreneurs are those women who think of a business enterprise initiate it, organize and combine the factors of production, operate the enterprise and undertake risks, and handle economic uncertainty involved in running a business enterprise (Khanka 2002). Syed (2010), in his study on the Malaysian women states that Women entrepreneurs have become important players in the entrepreneurial landscape. Although the number is still small as compared to businesses owned by men, this is encouraging as it shows that women no longer adhere to the stereotype that only men can be wage earners in the family. Besides numerous obligations assigned to women including reproductive chores, such as childcare and doing house work, women can find success through their own businesses. Though there have been limitations, obstacles and roadblocks faced by these women in the past, society have begun to accept that women entrepreneurs do contribute greatly to a country's economy (Ndubisi and Kahraman, 2006; Tan, 1990). As such, it is no longer unexpected to see women heading their own companies and being successful at the same time. The general mindset has changed so

much that women who juggle family with careers are looked upon as capable and competent to handle business independently. Moreover, it is no longer strange to have business dealings with a female. In Malaysia, women have played a very important role in the economic development and stabilize the economy in periods of recession (Ndubisi and Kahraman, 2006; Tan, 1990). The Malaysian government has continuously created and developed quality, resilient, and successful entrepreneurs by cultivating an enterprising culture among Malaysian women, Alam (2011).

In Kenya the economic survey of 2005, indicates that, in 2003 and 2004 men accounted for 70per cent of wage employment and women for only 30per cent. However, statistics show that there is some growth in women participation in the MSEs Sector. The number of women employed in the sector rose to about 47.4per cent, with over 60per cent being employed in the micro-enterprises sub-sector (1999, MSE Survey Kenya) Stevenson and St-Onge (2005), reports that, because of government downsizing and the retrenchment of many large private sector and foreign-owned firms, formal sector employment has been decreasing. Lack of employment alternatives has thrust a growing number of people into self-employment activities to ensure a livelihood. Throughout the 1990s the growth rate of the informal economy considerably outpaced that of the formal sector, (ILO 2008).

From 1999-2002, the MSE sector was responsible for generating 675,000 jobs annually. Struggling to thrust the country into a state of economic recovery, the government stated its commitment to “integrating the MSE sector into the national economic grid”, causing the government to take a serious look at the potential of the informal and micro and small enterprise (MSE) sectors for driving employment and economic growth Stevenson & St-Onge, (2005). The Women’s economic forum in 2005 noted that there was need to create full decent productive employment opportunities for women and access to finances as well as continue to provide social protection and more importantly to promote and value women as “good with money”Bradshaw, (2005).

As with many developing countries, there is limited research and scholarly studies about the SME sector in Kenya. The 1999 National Baseline Survey conducted by Central Bureau of Statistics (2007) provides the most recent comprehensive picture of SMEs in Kenya. Mead (1998) observes that the health of the economy as a whole has a strong relationship with the health and nature of micro and small enterprise sector. When the

state of the macro economy is less favorable, by contrast, the opportunities for profitable employment expansion in SMEs are limited.

Loans from Kenyan micro-finance institutions (MFIs) tend to be limited in amount, have no grace period and short in design and carry very high interest rates. Most women entrepreneurs are likely to have multiple short term loans to cater for both businesses and social needs. Studies have shown that loans to MSE entrepreneurs only satisfy a fraction of their financial needs. According to Gray 1996, women face a lot of biasness in the banks. The officials in the banks prefer to talk to their husbands; this is because the women have no collateral to acquire the loans with. Women's experience in negotiating with banks, and their lack of financial confidence to argue for what they are entitled to, are some of the challenges faced by women entrepreneurs in obtaining loans. The Government of Kenya through women enterprise fund (WEF) has put plans in place to enable women access funds to start and also expand their businesses. These funds were designated to address the perennial challenges women face in their desire to venture in enterprise development. The fund has so far been able to support over 10600 women entrepreneurs (Ministry of gender and social services 2004). Lack of access to credit is almost universally identified as a key problem for MSEs. In some cases, even where credit is available, the entrepreneur may lack freedom of choice because the lending conditions may cause the purchase of heavy immovable equipment that can serve as collateral in the loans. Lack of access to long term credit for small enterprises, forces them to rely on high-cost short term finance. Other financial challenges that face MSEs include high bank charges and fees. As witnessed in 2008 in Kenya where numerous money lenders in the name of pyramid schemes gave false hope of soft borrowing to the "little investors". The rationale behind turning to these schemes among a good number of entrepreneurs is mainly to seek cheaper source of finance while making profit. Financial constraint remains a major challenge facing MSEs in Kenya (Voice of Women entrepreneurs 2008).

The world has recognized the vital importance of education as a main aspect of human security and as a means to empower women. According to the UNDP Human Development Report, women in Africa represent 52per cent of the total population, contribute approximately 75per cent of agricultural work each, 10per cent of African income and own just 1per cent of the economic assets. Despite a lot of effort by

government, NGOs and multilateral development agencies, the majority of the women in the developing world are still relegated to micro-enterprises and informal tasks. Reports state that these women working in the informal economies are likely to have less access to basic health care services, education, financial capital and land ownership. There is need to empower individuals to have the potential of being entrepreneurs. To do this entail fostering empowerment amongst individuals especially for sectors of population such as women and previously disadvantaged groups who could be perceived as lacking entrepreneurial traditions. Education has also been found to be linked to higher levels of entrepreneurship (Negash2006).

Women constitute around half of the total world population. In traditional societies, they were confined to performing household activities. In modern society, they have come out to participate in all sorts of activities. The global evidence buttresses each woman has been performing exceedingly well in different sphere of activities; like academics, politics, administration, and even social work, Khanka, (1990). Today they have started to plug in to industry and also running their enterprises successfully. Women are the backbone of economic development in many developing countries as reported by the Global entrepreneurship monitor (GEM) that women entrepreneurs create jobs, wealth and innovation across 37 countries surveyed. In many of those countries, the rate of growth of women creating new businesses was greater than the rate of growth of men entrepreneurs. Women's freedom to lead and make strategic business decisions was greatly hampered by among other things culture, financial status and lack of education. Two out of three illiterate people in the World today are women, Reeves and Baden (2000).

Culture in this study refers to a set of customs, beliefs and social attitudes that characterize a particular group of people and every society has its own characteristics. Anthropologist Edward Taylor defined culture "as that complex whole which includes knowledge, belief, art, morals, law, customs and other capabilities acquired by man". Conceptual arguments for the link between culture and entrepreneurship have existed for decades (Schumpeter, 1947, Weber, 1948, McClelland, 1961). However the results of empirical research have been mixed. Some studies suggest entrepreneurs share a common set of values regardless of culture (McGrath, MacMillan & Scheinberg, 1992), while other studies support the notion that culture will affect entrepreneurship (Busenitz & Lau, 1996;

Shane, 1994). Most Kenyan cultures look down upon women, and they emphasize that their main role is to take care of their husbands and children. Women who deviate from these expected norms are considered to be deviants. Many societies view on women are largely negative and many are pessimistic about their capabilities and think that they are doomed to fail in a male dominated environment. It is a common trend in Kenya to find that most successful women are either single or are divorced (khanka 2002).

The importance of the MSEs in social and economic development has long been recognized by the ILO and hence the need to support their viability, expansion and growth. Entrepreneurial activities promote the continuity and the success of the family firm by contributing to growth in employment and wealth. Entrepreneurship lies at the heart of job creation black economic empowerment and bringing the second economy into the mainstream economy (ILO 2008). Ebert and Griffin (2003) acknowledges that SMEs face unique challenges which affect their growth and profitability and hence diminish their ability to contribute effectively to sustainable development: Lack of managerial training and experience, inadequate education and skills, lack of credit national policy and regulatory environment, technological change, poor infrastructure and scanty markets information. The factors contributing to success of entrepreneurs in small business are varied. According to Yusuf (1995) the most critical factors contributing to business success consist of good management skills, access to financing, personal qualities, and satisfactory government support. Huck and McEwen (1991) studied Jamaican business owners and reported that business owners in Jamaica considered that the marketing factor was the most critical ingredient for the success of a business. Family's emotional or instrumental support are one of the crucial success factors for women entrepreneurs .Furthermore, owning business by female without interference by family would have greater success in their business. Moreover, the women careers depend on the decision of their spouses rather than the other way around (Fernandez, 1981).

A study of Nigerian women business owners by Ehigie and Umoren (2003), found that a high self-concept regarding their role in business and commitment to business can help women to become more successful entrepreneurs. This study also reveals that entrepreneurial success depends on psychological factors such as self-concept, managerial competence, and work-stress and business commitment. Interestingly, Rogers

(1980) and Ross and Lyle (1978) found that women can be successful in any venture if they have a positive frame of mind. It was against this background that the researcher seeks to establish the factors influencing growth of women entrepreneurship ventures in the rural areas of Kenya with special focus on Mbooni Constituency.

## **1.2 Statement of the problem**

According to the Global Entrepreneurship Monitor (GEM) report, women entrepreneurs create jobs, wealth and innovation across 37 countries, the rate of growth of women creating new business was greater than the rate of growth for men entrepreneurs. Women-owned businesses are making a significant contribution to the Kenyan economy (GOK, 2005). Despite their potential for growth and contribution to the economy of the nation, women owned enterprises in Kenya are less likely to grow, are smaller and are twice as likely to be operating from home as male-owned businesses, (Gakure 2003, Voice of Women Entrepreneurs 2008).

Studies have revealed that in most developing countries, gender inequality is a major obstacle to meeting the MDGs target one of which is elimination of poverty. According to UNDP (2009), achieving the goals will be impossible without closing the gap between men and women in terms of capacities, access to resources and opportunities; and vulnerability to violence and conflicts. Whereas research on women entrepreneurs is extensive in developed countries; especially in the United States and Europe; there are comparatively few studies of performance of women owned enterprises in developing countries. It is acknowledged that women are becoming a very important economic group and therefore more efforts are needed to nurture them in taking up entrepreneurship. Notwithstanding the increasing importance and numbers of women entrepreneurs, few studies have focused on or included women in their research sample (Baker & Aldrich, 1997) and data segregation on their performance are rather scarce and difficult to obtain. This is due to the lack of awareness in both government and among business associations of the importance of women's businesses especially in Asian countries [United Nations Development Fund for Women, 1996).

Available statistics reveal that the MSE sector, which is growing rapidly, has the potential to provide employment to majority of Kenyans including women entrepreneurs sector. In the US, it is estimated that some 70 per cent of all new products and 80 per cent

of all new jobs each year result from the small business/entrepreneurial sector (Hisrich&Grachev 1999). Considerable progress has been made by women in business, but research has yet to catch up with the development of women entrepreneurship. For example Carter in a review of research in this area, considers that the female entrepreneurs have been seriously neglected. UK research into women entrepreneurs is still limited. Women are increasingly becoming heads of households as a result of changing social economic environment. The livelihood of these women is solely dependent on petty trading,(De Martino and Barbato 2003). Studies show that Women entrepreneurs face a lot of challenges in their operations, Wanjohi and Mugure (2008) there is need to identify the factors that influence the growth of their businesses and the challenges they face. It is on this notion that the researcher in this study sought to find out the factors influencing the growth of women-owned entrepreneurial ventures to discover and recommend strategic intervention measures in an endeavor to help them to grow to be able to sustain higher standards of living, offer greater employment and promote GDP growth in the Country.

### **1.3 Purpose of the study**

The purpose of this study was to establish factors influencing the growth of entrepreneurial ventures among women. The study was based in of Kisau Division in Makeni County.

### **1.4 Objectives of the study**

The objectives of the study were:

- i.To establish the extent to which the availability of funds influences the growth of women owned businesses.
- ii.To determine the extent to which gender roles influences the growth of women entrepreneurial ventures.
- iii.To determine the influence of traditional property ownership rights on the growth of women entrepreneurial ventures.
- iv.To establish the extent to which the level of education influences the growth of women entrepreneurial ventures.

- v. To establish the influence of government policies on the growth of women entrepreneurial ventures.

### **1.5 Research questions**

To achieve the set objectives the study sought to answer the following questions:

- i. To what extent does availability of funds affect the growth of women entrepreneurial ventures?
- ii. How do the gender roles influence the growth of women entrepreneurial ventures?
- iii. To what extent do the traditional property ownership rights affect the growth entrepreneurial ventures among women?
- iv. To what extent does the level of education and training influence the growth of women entrepreneurial ventures?
- v. What policy and regulatory environment influence the growth of women entrepreneurial ventures?

### **1.6 Research Hypothesis /H<sub>0</sub>**

This study was guided by the following hypotheses:

**H<sub>1</sub>**: There was no significant relationship between availability of finance and growth of women entrepreneurial ventures.

**H<sub>2</sub>** There was no significant relationship between gender roles and growth of women entrepreneurial ventures

**H<sub>3</sub>** There was no significant relationship between traditional property ownership rights and the growth of women entrepreneurial ventures

**H<sub>4</sub>** There was no significant relationship between policy regulatory environment and growth of women entrepreneurial ventures.

**H<sub>5</sub>** There was no significant relationship between education levels and training and the growth of women entrepreneurial ventures.

### **1.7 Significance of the study**

The study findings should be important in several different ways depending on the interests of various stakeholders. The findings should be useful to the government to come up with intervention mechanisms to alleviate the status of women in business. Other interested parties like donor agencies and NGOs can utilize the information in their effort to raise the standards of living of women in the society and in community development. The findings may be useful to policy makers at national and county level to deal with inequality in access to resources among men and women, boys and girls. The findings are useful to the ministry of education in their curriculum formulation and implementation to ensure gender-sensitive curriculum which ensures equality in the access to education and training. Again the tertiary institutions may find the findings useful to ensure impartation of entrepreneurial skills in Colleges and Universities for future entrepreneurial development.

The study provided data that is useful in contributing to the existing additional literature, which may be important for future reference in further studies on the factors influencing growth of women enterprises. The study results are also useful to other researchers since they can use the findings of this study to make study comparisons as well as reference materials. Similar studies endeavoring to find out other factors affecting the performance of women entrepreneurship businesses are recommended in other Divisions of Mbooni East Sub-County and the county as a whole.

### **1.8 Limitations of the Study**

One of the main limitations of the study was lack of adequate data on women entrepreneurs in Kenya. The researchers overcame this limitation by making maximum use of the available data and then undertaking primary research. The researcher faced language barrier where the questions needed to be interpreted to the respondents mostly those with low level of education hence need to utilize more time and labour. Time factor was also a limitation to the study due to the short time period set out for the study. The researcher recruited research assistants to assist in data collection exercise in order to overcome this challenge. This enabled the researcher to cover all the sampled women entrepreneurs in Kisumu Division. Financial constraint was a limitation which was

overcome by using a moderate number of research assistants to collect the data within a given time frame to save on extra costs.

### **1.9 Delimitations of the study**

The research focused on a sample representative of the women operating businesses in Mbooni constituency. Mbooni constituency in Makeni County consists of Mbooni west and Mbooni East Sub-Counties. It focused on women entrepreneurs in Kisau Division of Mbooni East Sub-County. The study covered only the factors influencing growth of entrepreneurial activities among women which include: availability of finance/capital, gender roles, traditional property ownership rights, levels of education and training and government policy framework and regulations.

### **1.10 Basic Assumptions of the study**

For the purpose of this study, the following assumptions were made that: women entrepreneurs understood the role their businesses play in the stimulation of economic growth in the county and the country as a whole; they also understood the importance of acquiring the necessary entrepreneurial skills for their business growth. The other assumption was that the respondents were cooperative and provided reliable information for this study.

### **1.11 Definition of significant terms**

**Entrepreneur:** According to this study the entrepreneur is a person who incubates new ideas, starts enterprises based on those ideas and provides added value to the society based on their independent initiative. It is also one who accepts the risks and opportunities of creating, operating and growing a new business.

**Entrepreneurship:** This study defines it as a pursuit of opportunity beyond the resources you currently control.

**Gender:** According to this study, gender is culture's social construction of differences between sexes. These include the different traits, roles, behaviors, attitudes, and aptitudes males and females are expected to display.

**Micro Enterprises:** these involves solely a self-employed person or at the most employing merely 0- 9persons quite frequently members of the family.

**Informal Sector:** IS here refers to small scale enterprises and Jua kali sector. The sector consists of small units of enterprises with 0-50 employees. They are largely owned by independent, self-employed entrepreneurs in manufacturing ,services and distribution of goods, the business is informal in the sense that most of them are unregistered and unrecorded in official statistics not pay taxes and operate from temporary premises.

**Entrepreneurial venture:** A commercial undertaking that risks a loss but promises a profit.

### **1.12 Organization of the study**

The study was organized into five chapters. Chapter one consisted of the background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, limitation of the study, delimitation of the study, research Hypothesis, basic assumptions of the study, definition of significant terms and organization of the study.

Chapter two was the previous reviewed literature according to the objectives of the study. This chapter consisted of the introduction, the influence of education and training levels, gender roles, financial availability, property ownership rights and government policies and regulations on the growth of women entrepreneurial ventures, a theoretical framework and a conceptual framework, summary of Literature review and Research gap.

In chapter three, the researcher represented the research design, target population, sampling procedure and sample size, research instruments, validity and reliability of the research, data collection procedures, data analysis, operational definition of variables and ethical issues.

Chapter four consisted of data analysis, presentation and interpretation according to the objectives after revealing participants questionnaire response rate.

Finally chapter five comprised of summary of the findings, conclusions and recommendations of the study and suggestions for further studies.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews literature on factors influencing growth of entrepreneurial ventures among women in a rural setting of Kenya. The following factors were discussed; availability of funds, gender roles, property ownership rights, levels of education, Government policy framework and regulations that influence the growth of women entrepreneurial ventures in Kenya.

Theoretical and conceptual framework supporting the study summary of literature review and research gaps was incorporated at the end of the chapter.

#### 2.2 The concept of entrepreneurship

To some economists, the entrepreneur is one who is willing to bear the risk of a new venture if there is a significant chance for profit. Schumpeter viewed entrepreneurship as a force of “creative destruction.” He stated that the entrepreneur carries out “new combinations,” thereby helping render old industries obsolete. Established ways of doing business are destroyed by the creation of new and better ways to do them (Schumpeter 1950). Business expert Peter Drucker (2005) took this idea further, describing the entrepreneur as someone who actually searches for change, responds to it, and exploits change as an opportunity. Entrepreneurs are responsible for the commercial introduction of many new products and services and for opening new markets. Entrepreneurship is a dynamic process of Vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. Essential ingredients include the willingness to take calculated risks-in terms of time, equity, or career; the ability to formulate an effective venture team; the creative skill to marshal needed resources; the fundamental skill of building a solid business plan; and, finally, the Vision to recognize opportunity where others see chaos, contradiction, and confusion.(Ronstadt, 1985).An entrepreneur accepts the risks and opportunities of creating, operating and growing a new business, Ebert and Griffin, (2003).Entrepreneurs is simply those who understand that there is little difference between obstacle and opportunity and is able to turn both to their advantage. Drucker (2000).Almost all economists today agree that entrepreneurship is a necessary ingredient for stimulating

economic growth and employment opportunities in all societies. In the developing world, successful small businesses are the primary engines of job creation, income growth, and poverty reduction. Therefore, government support for entrepreneurship is a crucial strategy for economic development. Business and Industry Advisory Committee to the Organization for Economic Cooperation and Development (OECD) said in 2003, “Policies to foster entrepreneurship are essential to job creation and economic growth.” Government officials can provide incentives that encourage entrepreneurs to risk attempting new ventures, for example laws to enforce property rights and to encourage a competitive market system. In the last decade or so, many governments have paid increasing attention to entrepreneurship and have implemented policies aimed at fostering it in their Countries, (OECD 2003).

The culture of a community also may influence how much entrepreneurship there is within it. Different levels of entrepreneurship may stem from cultural differences that make entrepreneurship more or less rewarding personally. A community that accords the highest status to those at the top of hierarchical organizations or those with professional expertise may discourage entrepreneurship. A culture or policy that accords high status to the “self-made” individual is more likely to encourage entrepreneurship. Research indicates that most successful entrepreneurs share certain personal attributes, including: creativity, dedication, determination, flexibility, leadership, passion, self-confidence, and “smarts.” Entrepreneurs create new businesses, generating jobs for themselves and those they employ. In many cases, entrepreneurial activity increases competition and, with technological or operational changes, it can increase productivity as well, US Department of state, (2006). Small firms also are more likely than large companies to produce specialty goods and services for needs they didn’t ever know they had. In the US it is estimated that some 70 per cent of all new products and 80 per cent per cent of all new jobs each year result from the small business/ entrepreneurial sector (Hisrich&Grachev,1999).Bateman Snell (2009) acknowledges that Small businesses play a critical role in the U.S Economy; they create jobs and promote innovation. Innovations improve the quality of life by multiplying consumers’ choices. They enrich people’s lives in numerous ways making life easier, improving communications, providing new forms of entertainment, and improving health care (U.S Department of State (2006).The SME sector is a vital one in the UK economy. In 1999, the Department for Trade and Industry

(DTI) estimated that there are 3.7 SME businesses in the UK. Sole traders account for the majority of the businesses in the UK (63per cent) but a smaller proportion of the number of employees (23per cent ) and an even smaller proportion of turnover (9per cent ). Taking account of all businesses in the UK, SME's account for some 55per cent of employment and 45per cent of turnover.(U.S Small Business Administration, 2006).

According to the study carried out by Stevenson and St-Onge (2005), there are three profiles of women entrepreneurs operating MSEs in Kenya, namely, those in Juakali micro-enterprises; 'very small 'micro-enterprises and 'small-scale 'enterprises. These are differentiated by their demographic profiles; extend of previous business experience, needs, access of resources and growth orientation. The Juakali micro-enterprises are identified as owners of unregistered (informal) businesses who have little formal education (usually less than secondary school level) and lack entrepreneurial and business knowledge. They also have little access to credit, with limited awareness of markets and market opportunities. They are constrained by their household responsibilities and marital status (for example having to obtain permission from their husbands to travel out of town for training of trade fairs. The very small micro-enterprises are identified as those registered, operating from legitimate business premises and employing over 10 workers and having at least, secondary level of education with some previous experience as employees. Occasionally, women entrepreneurs in this category have supportive husbands, who may be directly or indirectly involved in the enterprise. This segment is constrained by lack of access to finance for various reasons, including having no land/ property title deeds to be used as collateral for large loans. These businesses have potential for growth as well as entry into international markets and some are already in the export trade, Stevenson and St-Onge (2005).

According to the 2006 Global Entrepreneurship Monitor (GEM) project, "Regardless of the level of development and firm size, entrepreneurial behavior remains a crucial engine of innovation and growth for the economy and for individual companies since, by definition, it implies attention and willingness to take advantage of unexploited opportunities. Chaudhry and Crick (2008) in their study of leading practices of Asian entrepreneurs in the United Kingdom found that entrepreneurs took advantage of niche market opportunities and with hard work and talent were able to take their businesses into

the mainstream market and professionalize their businesses. A research by Fielden and Dave (2004) suggest that socially constructed barriers were responsible for inhibiting women's progressions. Besides social support, strong ties in the business world do help women in achieving success in their businesses. A study by McClelland et al. (2005) showed that the female entrepreneurs in Canada, Singapore and Ireland utilized networking as a means of business development.

The framework described in Stevenson and St-Onge (2003) outlined a practical integrated approach for supporting the startup and growth of women owned enterprises in an underdeveloped region of the Canadian economy during the 1990s. The validity of this framework was reinforced in a 10-country study of entrepreneurship policy undertaken in 2000-01 (Stevenson & Lundstron 2002). Depending on the range and extent of policy and program measures in support of women entrepreneurs as a target group, Stevenson and Lundron (2002) were able to categorize the ten countries into high, medium and low support countries. One of the major observations from this analysis was that countries in the "high level support" category (Canada and the United States) were also the ones with the highest percentage of women entrepreneurs in the MSE sector. Women participation in income-generating projects, self-employment, work and role has received considerable attention (Keino&Ngau 2001; McCormick 1993). These studies reveal that women-owned enterprises perform more poorly than male-owned Enterprises. They are also smaller in size and are located in poorer areas of the city. Explanations provided for this phenomenon range from lack of credit, business skills, and low levels of education and lack of entrepreneurship. These explanations are premised on the notion that femininity was equivalent to backwardness.

### **2.2.1 Worldwide view of Women Entrepreneurs**

Buttner and Moore, (1999), Lee (1997), Sarri and Trihopoulou (2005) acknowledge that entrepreneurial activity conducted by women has indeed seen a sharp increase over the years. Findings reveal that in the past, women rarely ventured into business not because of lack of interest but because of lack of opportunities. Great majority of women went into self-employment because they felt that they are not given enough opportunities in their workplace.

The SBA notes that for the past ten years, the number of women starting new ventures is three times as large as the number of men. There are several good reasons for this trend. Some women find that owning a business is the only way to combine a decent wage with time for their children by having the flexibility to control their schedules. Others see themselves as unlikely corporate managers, and recognizing the gender problem that exists for achieving success, they choose the entrepreneurial route still others see entrepreneurship as a way of controlling their lives, pursuing interests that would be impossible in corporate jobs (Holt, 1994)

A study done in the United Kingdom concluded that the gap between male and female entrepreneurs in the region was closing. This could be due to the fact that now wide opportunities are being created all over the world for women entrepreneurs to open up businesses. This is backed up by other studies which state that women are estimated to be starting new enterprises at nearly twice the rate of men, and women own approximately 33 per cent of firms with fewer than 500 employees (Matthews and Moser, 1996).studies on the factors affecting performance of women entrepreneurs' businesses are limited in scope, as any existing research most often focuses on individual characteristics and motives as performance predictors. So far, the majority of related studies have been conducted in Western countries like USA, Canada, United Kingdom, and Europe (Brush and Hisrich, 1997), suggest that the present knowledge about this phenomenon is still insufficient. It is of critical importance to note that the problems and the challenges faced particularly by women entrepreneurs today need to be taken into consideration. Besides, their successes need to be recognized for them to grow their businesses and to effectively access their business opportunities.

The Ministry of Women and Family Development (2003) in Malaysia reported that Malaysian women entrepreneurs are under-represented in the business world with evidence of some undesirable development where micro-enterprises which were scaled up to bigger enterprises were subsequently managed and taken over by the husbands or other family members (Jariah&Laily, 1997). Besides that, the number of Malaysian women who make it to the international market is still small (Rafidah, 2005). From the research perspective, a relatively small number of studies have investigated the factors influencing entrepreneurial performance exclusively among women (Brush &Hisrich, 1991). The studies noted that given a conducive environment and adequate support,

Malaysian women entrepreneurs can realize their full potential and maximize their contribution to the country's economic development (Alam, 2013). According to Taib (1999,) the "opportunities readily available to Malaysia women today were not there more than 24 years ago," As a result, more Malaysia women are engaged in small and medium enterprises which have a favorable impact on regional development of a nation. Despite the rise in women entrepreneurs in Malaysia specifically in SMEs, Most of the researches on entrepreneurs are mainly focused on the men entrepreneurs than women entrepreneurs. Studies involving women entrepreneurs most of them relate to either on the reasons that women choose to become entrepreneurs (Buttner and Moore, 1999; Lee, 1997; Sarri&Trihopoulou, 2005) or on the barriers that these women face while attempting to start up a business (Brindley, 2005; Menzies et al., 2004). Furthermore, most of these researches are done widely in the developed country like USA, UK under the individualistic culture orientation.

There are few studies involving women entrepreneurs such as factors that make women leave the corporate world to become entrepreneurs (Nguyen,2005), limitations and boundaries faced by women entrepreneurs when they decided to start up their own businesses (Brown, 1997; Chandralekha et al, 1995; Gundry et al., 2002) and pattern of ICT usage among women entrepreneurs (Ndubisi and Kahraman, 2006). According to Nguyen (2005) most women start their own business to provide additional flexibility and life balance in managing their traditional responsibilities as wife and primary caretaker of children. Through continuous struggles and battles, there have been many stories of the success of most women entrepreneurs who make it big in the business world. Internal motivation was another important factor that can contribute to success in business

### **2.2.2 Kenyan Context**

Women-owned businesses are making a significant contribution to the Kenyan economy. Their businesses account for about one-half (48 percent) of all micro-, small-, and medium-sized enterprises (MSMEs), which contribute around 20 percent to Kenya's GDP. Of the 462,000 jobs created annually since 2000 in Kenya, 445,000 jobs have come from the informal sector, where 85 percent of women's businesses are found, (Gakure2003, Voice of Women Entrepreneurs 2008).Despite the obstacles, business women in Kenya are ambitious and looking to grow their businesses. While some of the

women own enterprises are small and employ fewer than ten people, others manage large, established companies with thousands of employees. They express an overwhelming interest in expanding their business, both within the country as well as to overseas market. Their success indicates what greater support to women in business could do for those women who have fewer resources and support and are confined to the informal sector (Voice of Women Entrepreneurs 2008). It is generally recognized that SMEs (Small and Medium Enterprises) face unique challenges, which affect their growth and profitability and hence, diminish their ability to contribute effectively to sustainable development ,Lack of Managerial Training and Experience, Inadequate Education and Skills ,Lack of Credit, National Policy and Regulatory Environment, Technological Change, Poor Infrastructure and Scanty Markets information, Wanjohi and Mugure, (2008).

McCormick (2001) noted significant differences in the performance of women's enterprises vis-à-vis those of Kenyan men. Their enterprises are smaller, less likely to grow, less profitable, and begin with less capital investment than those owned by men. Not only is there a great deal of gender segregation by sector (with women dominating in food processing, beer brewing, hairdressing, dressmaking, and retail of second-hand clothing, while men dominate in metalwork, carpentry, vehicle repair, shoe making, construction and transport), but women and men operate from different locations. Men are twice as likely as women to locate in trading centers, commercial districts or roadside locations; women are almost twice as likely to be operating from the home. Women are three times as likely as men to belong to some type of business association, although there are indications that women's networks have less power to assist their businesses. (Stevenson & St-Onge 2005).

McCormick (2001) isolated three factors that account for these differences in enterprise performance. The first factor has to do with the level of education. On average, women entrepreneurs are less educated than their male counterparts and twice as likely as men to be illiterate. The major reasons for this 7 per cent difference are institutional in nature. Marriage institutions discourage investment in women's education and the Division of labour assigns a greater share of household responsibility to girls. Because they have lower educational attainment, they are also less likely to benefit from management and technical training programs. The second factor has to do with the opportunity to

accumulate .Male-headed firms grow an average of 11 per year, compared to an average annual growth rate of for women-headed firms savings (McCormick, 2001, based on 1995 and 1998 data). Because women have lower levels of education and are segregated into lower paying jobs, they have lower savings with which to start a business. Thirdly, women spend less time in their businesses than men because they are expected to carry out their domestic responsibilities, including housework, food preparation and childcare. This also explains why women are more likely to operate their business from the home. McCormick concludes that gendered patterns of business operations are supported by five institutions – the incorporation of the wife into the husband’s family, the Division of labour within the household, the Division of asset ownership (the tradition that vests ownership of land in males remains strong, even though women can purchase and inherit land), the sharing of household expenditures, and the allocation of educational opportunities. As the data confirms, the larger the group of enterprises, the fewer women entrepreneurs one will find. Seventy-five percent of women-owned MSMEs are in the trade and service sectors, and they are particularly well represented in technology and catering services. Yet women are expanding to non-traditional sectors as well. While balancing work and family affairs (Voice of Women Entrepreneurs 2008). Available research indicates that women can perform in business if they are helped to overcome the barriers restricting their growth hence the importance of this study.

### **2.3 Influence of financial availability on the growth of women owned entrepreneurial ventures**

Financial availability and accessibility was cited in many studies as being one of the major barriers and constraints to growth. In a study of NGOs and women small-scale entrepreneurs in the garment manufacturing sector of the textile industry in Nyeri and Nairobi by Macharia and Wanjiru (1998), the factors that inhibit credit availability to women include: lack of start-up (seed) capital; lack of awareness of existing credit schemes; high interest rates; lengthy and vigorous procedures for loan applications; and, lack of collateral security for finance These factors have become a major barrier to the growth potential of businesses owned by women. Like most small and micro entrepreneurs; women experience great difficulties obtaining access to institutional credit because lenders erroneously perceive them to be risky borrowers, and because the

administrative costs of making small loans are high. Women are at a particular disadvantage because, they do not generally have title to land, an asset commonly used as collateral. In some developing countries, moreover, women do not have the right to act in their own legal capacity. They depend on their husbands or other male relatives for approval to acquire or transfer property and apply for credit. Given these circumstances, women rely heavily on informal sources of credit such as relatives, friends and money lenders. The advantages to women of these sources of credit are that they do not require collateral and provide flexible terms and conditions. The disadvantages, however, include the high rates of interest informal money lenders charge (Lycette 1984). Lack of access to institutional credit was a key constraint to enhancing women's economic productivity. In retail or small manufacturing and craft enterprises, it may prevent women from buying stock and raw materials in bulk and at lower cost which hinders long-term planning and reduces efficiency.

In Kenya, microfinance institutions have strived to eliminate poverty by funding entrepreneurial activities. According to Baseline Survey of 1999 the bulk of MSEs credit (69.1percent) came from informal savings and credit associations, otherwise known as Rotating Savings and Credit Associations (ROSCAS). Although more than a quarter of households in Kenya are women-headed, only five of the women own land in their own name (Feldman, 1984). Accessibility to initial capital, even when available, was also a major hurdle for women entrepreneurs. Microfinance institutions (MFIs) and commercial banks choose where they locate, thus excluding entrepreneurs in remote regions, leading to regional disparities. Credit conditions when forming a group, paying membership fees, group registration fees and joining saving plans, result in delays in accessing initial capital, thereby worsening the women's household financial burden Stevenson and St-Onge, 2005; Alila et al., 2002). Where accessible, the cost of credit was found to be expensive for most MSEs this coupled with a short repayment period becomes a major constraint, resulting in forcing the entrepreneur to work almost round the clock to service the loans. The exorbitantly high cost of initial capital tends to make the enterprise almost uneconomical to operate as a business. Studies reveal that, though commercial banks and Development Finance Institutions (DFIs) have vast financial resources, their impact was yet to be felt among the MSEs, and particularly by women entrepreneurs, most of whom have no collateral. Consequently, most banks have created special facilities to support

MSEs as a result of Government encouragement and their own need to expand. However, many entrepreneurs and, in particular women, tend to steer clear because of lack of information, and conditions such as high transaction costs and interest rates averaging above 35per annum.. It was acknowledged that most women entrepreneurs, do not access credit from formal sources, especially commercial banks and DFIs (Women Entrepreneurs 2008). Many women are "income poor", yet have to provide for their families. Competing financial needs between family and business becomes one of the major constraints to enterprise growth. With many women being poor, the little income earned from the business is sometimes used for what appears to be urgent family requirements, irrespective of why it is set aside. This result in a reduction of the capital invested and hence curtails further growth (Alila et al., 2002).

The Makueni County Integrated Development Plan, (2013) gives an outline on how to overcome some of these financial challenges in order to achieve the MDG Goal of Poverty Alleviation .The Women Enterprise Development Fund (WEDF) has been implemented at the county level through the Constituency Women Enterprise Schemes (C-WES). Women have been able to access capital to engage in income generating activities. Over 268 women groups in the county have benefitted from the funds. The constitution 2010 has guaranteed women at least 30 representations in all elected and public offices in the county. The women have also been represented in various forums and decision making through their respective organizations like the Maendeleo yaWanawake. Women and youth were encouraged to take up economic activities by utilizing the Women and Youth Enterprise Development Funds. Moreover investor friendly credit schemes that ensure that the target group benefit from available credit was encouraged to open up branches at the County,The Makueni County Integrated Development Plan, (2013). In order to ensure adequate participation of both men and women there is need to establish credit facilities that are group based like group lending in order to acquire development loans. The recent introduction of the Equity bank and Kenya Women Finance Trust Fund in the County has provided the much needed move towards this direction. The K-REP has also opened more rural banks (Front office Savings Associations) in the County with women owning majority of the shares. The Women Enterprise Fund which is basically a revolving fund aimed at availing capital for investment to women who are willing to do business is seen to allow women to engage

actively in development initiatives in the County. This calls for development of a policy that facilitates equal access to and control of resources for development especially land (Makueni County Integrated Development Plan, 2013). The donor community is starting to address this issue. The recently established Africa Development Bank Growth-Oriented Women Entrepreneurs (GOWE) guarantee funds program will allow women to access financing from four banks, and offer technical assistance through its IFC managed technical assistance facility. The GOWE program provides an opportunity to address issues of business and financial management and provide women with the needed skills through its technical assistance component, (Voice of Women entrepreneurs, and 2008). Perception of women as ‘good with money,’ including being better at paying back loans, has led them to be targeted in microfinance programmes. Recognition of women as more efficient distributors of goods and services within the household has led to them being targeted with resources aimed at alleviating poverty, such as cash transfer programmes, (Voice of Women entrepreneurs in Kenya 2008)

#### **2.4 Influence of Gender roles on the growth of women owned entrepreneurial ventures**

Gender is defined as culture's social construction of differences between sexes. These include the different traits, roles, behaviors, attitudes, and aptitudes males and females are expected to display. Gender displays reinforce claims of membership in a sex, Porter and Sweetman (2005). At the beginning of the 20th century, men and women were generally viewed as occupying sharply different roles in society: a woman's place was in the home as wife and mother; the man's place was in the public sphere. Men had legal powers over the lives of their wives and children. By the 21st century only a small minority of people still holds to the view that women should be subordinated to men. While all sorts of gender inequalities continue to exist, and some of these seem resistant to change, they exist in a completely different context of cultural norms, political and social rights, and institutionalized rules. Male domination has not disappeared, but it was on the defensive and its foundations are crumbling. Reeves and Baden (2000)

The culture of a community is the distinctive patterns of ideas, beliefs, and norms which characterize the way of life and relations of a society or group within a society. Culturally

determined gender ideologies define rights and responsibilities and what was ‘appropriate’ behavior for women and men. They also influence access to and control over resources, and participation in decision-making. These gender ideologies often reinforce male power and the idea of women’s inferiority. The defense of ‘culture’ and ‘tradition’ was often used by men to justify practices that constrain women’s life chances and outcomes. Interventions to challenge power imbalances proposed by local women’s organizations or NGOs are often denied legitimacy, or where an international agency was involved, denounced as ‘western’ interference or ‘cultural imperialism’. Many within the international development community also remain resistant to goals of gender equity because they perceive these as interfering with the most intimate domain in society. Some women have themselves defended ideas of ‘culture’ and ‘tradition’ in order to hold on to what little power they have, or as a form of resistance. For example, before the revolution in Iran, women took up the veil to show resistance to the processes of westernization that the country was experiencing). Nevertheless, there are real issues of concern for local women’s groups when externally initiated interventions are tainted by colonial attitudes. In the past, women were often seen as ‘victims’ that needed protection, Bradshaw (2013).

Traditionally, and women were expected to be responsible for the family and the management of the family home. They were challenged by the need to balance triple roles: home, community and work. Studies reveal that there is a general lack of an entrepreneurial culture in Kenya and, more particularly, for potential and operating women owner/managers of MSEs, Women Entrepreneurs in Kenya (2008). Njeru&Njoka, (1998) pointed out that due to patriarchal social authority structures, women received substantial family support in the start-up stages of their businesses, but later on such support was limited, restricted or withdrawn for fear of husbands losing dominance over their wives. In Kenya, there are many socio-cultural factors impacting negatively on the upbringing of girls. Many ethnic cultures socially condition girls to acquire the need for affiliation, rather than achievement. Early and forced marriage remains a key issue and an important factor limiting young women’s engagement in both education and economic activities (UNFPA 2012).

The gender Divisions of labour and gender stereotypes in a particular context tend to prescribe the type of business those women and men are able to engage in. The inequalities in the gender Division of labour, however, have an impact far beyond simply

the specific problem of free time available to men and women within families. It also deeply affects inequalities in the labour market and employment. The greater domestic burdens that, on average, married women have compared to married men act as a significant constraint on the kinds of jobs they can seek in the labour market,(Gornick and Verso, 2009).It also affects the attitudes of all employers towards prospective women employees, It also affects the attitudes of all employers towards prospective women employees.

Gakure (2003) summarizes a series of studies highlighting the stigmatization of women entrepreneurs in Kenyan society. Even successful women entrepreneurs are viewed negatively because society does not expect women to succeed on their own without male assistance. Challenging these stereotypes is an important starting point for creating a more favorable environment for women entrepreneurs in Kenya. Strategies to promote entrepreneurship among and in favor of women should be done within the context of fostering a stronger entrepreneurial culture in the country as a whole. Unfortunately, widespread cultural and economic practices work to prevent empowerment. To fully assess the opportunities and obstacles that exist, the intersection of political, social/cultural and environmental conditions must be analyzed alongside traditional economic indicators.

Factors impacting women's economic empowerment include among others, lack of adequate access to education, training and technology, lack of access to credit/finance, safe work conditions, cultural practices, tradition, religious interpretations of women's status, women's lack of knowledge about rights and laws (economic, social, political, religious),Lack of adequate representation in decision-making positions and governance structures. The real tragedy was that women are often better economic stewards of capital than men since research has shown that women are more likely to reinvest profits back into human capital than are men,(Gerson, 2009).When women have economic power - defined as control of income and capital, they gain more equality and control over their own lives, while contributing directly to their children's development and thereby indirectly to their nation's income growth (Negash2006).The roles performed by men and women reflect existing gender relations, which are shaped by the interplay of cultural practices and social norms, economic incentives, political institutions and legal provisions. Gender bias may reduce economic growth rates.

This link has been well established in the literature by Drèze and Sen (1989), Pritchett and Summers (1996), and Klasen (2002).

Religion plays a role in determining women's status as well, both directly through its interpretation and preaching, and indirectly through its influence in law and governance. Access to employment, birth control, and education, public discourse on women's roles and control of women's fertility are often linked to the interpretation of family law and religion. Political institutions and the law, particularly those governing land rights, also have shaped women's and men's economic roles, as examples from Latin America show. Cultural factors limit women's rights and engagement in the workplace. Religion still has a key role to play in determining gender norms in many cultures and fundamentalist views across the spectrum of religions threaten or deny women's rights, including rights related to sex and sexualities, and to mobility and employment Bradshaw, (2013).

Economic fundamentalism, policies and practices that privilege profits over people, also deny women their rights as workers and to work. While political cultures important for bringing change, women continue to have a limited voice at the local and national levels, and women are not able to fully participate in formal systems of power (UNFPA 2012), as in many other countries, women entrepreneurs in Kenya face the challenge of managing their work with family and household affairs. On average, Kenyan women work 12.9 hours per day, which is 4.7 hours more than men work. Women entrepreneurs are both mothers and business women. Time spent on family duties leaves women with less time to run their business, take advantage of training opportunities, or network. While for some women starting a business has taken a toll on her personal life, for many others, running a business offers a good way to manage work and family responsibilities. Being their own boss gives women the flexibility to adjust their schedule and find time for unpredictable events in their children's lives, such as visits to the doctor. This is a significant benefit, since few employers in Kenya provide childcare, and women have to rely on stay-at home nannies: Kenyan women tend to perceive their business as a family affair. Even when women exercise control over the business day-to-day Operations, the husband and other family members tend to be part of the company ownership structure (Voice of Women Entrepreneurs 2008) Studies indicate that in rural areas labour force participation by women is much higher than men (about 70 per cent), but most of their activities are unpaid. The result is that fewer women than men in MSEs work for pay and

some of them work as co-owners without pay. Current estimates indicate that women especially those in rural areas, are particularly disadvantaged, with their labor often undervalued and underutilized (Human Development Report, 2001).

Even where constitutional or national legal provisions uphold gender equality principles, religious or other customary laws that privilege men may take precedence in practice. However, the law, when reformed with women's input, can be a potent tool for challenging discrimination, if combined with other strategies, including capacity-building to overcome barriers to claiming rights. The Convention on the Elimination of all forms of Discrimination against Women (CEDAW) in 1979 brought into international focus the rights of women as human rights, including the right to be free from discrimination. Women activists regard this convention as a key tool to support their struggle against discrimination in all spheres, pushing governments towards attaining these internationally recognized minimum standards, (Birdsall, and Sabot, 1991). Not all women are poor and not all poor people are women, but all women suffer from discrimination" (Kabeer, 1996) The Kenyan government is committed to addressing gender inequalities as indicated in the sessional Paper No.2 of 2005. The session paper recognized that the social-cultural attitude held by women and men together with their socializer were of particular significance in determining their unequal status. While it also recognized how development initiatives impact differently on them, the challenge the country faces today is how to create an enabling environment, and to take the steps needed to eliminate this inequality. Such steps should recognize the roles and responsibilities of women and men in the development of the country. "Gender Equity among entrepreneurs was undermined by the special constraint faced by women, including loopholes in the implementation of equitable laws, particularly in employment and inheritance, as well as discriminatory and often negative attitudes and social practices that limit equal participation of men and women in all entrepreneurial activities Sessional Paper No.2 of (2005). Women entrepreneurs are the least prepared to engage in contractual processes key to doing business in Kenya. Contracts involve long legal processes such as leasing, drawing up business contracts, legal representation and other aspects which place the woman entrepreneur in a disadvantaged position. Most MSEs find these processes lengthy and time consuming, thus they cannot grow or expand their enterprises (K'Obonyo, et al., 1999).

An observation made at the County level was that one of the gender concerns was the issue of the girl child. There is a tendency for the local community to give preferential treatment to their male children. The culture discriminates against a girl child whereby in most cases girls must perform household chores during late hours of the night while the boys are accorded all the time to study. Early marriages in the county have led to lower completion rates compared to the boys. This is a great disadvantage to the girl child and all efforts should be made to reverse the trend (Makueni County Integrated Development Plan, 2013).

In the majority of cultures, unequal gender and generational relations exist within households with the male 'head' having a high level of control. A woman going out to work was often read by others as meaning the man was unable to provide for his family, making men reluctant and thus limiting women's engagement in paid work through violence or the threat of violence. When women do engage in paid work, it can improve their voice in the home and ability to influence household decision-making. World Bank research has highlighted how the poor are less likely to engage in higher risk return activities and the result is that the return on their assets is 25-50 per cent lower than for wealthier households (Holzmann and Jorgensen 2000). Time limitations resulting from women's economic and home production roles significantly affect their ability to respond to production incentives and perhaps also to participate in conservation projects. Women are responsible for economic production and have primary responsibility for household production such as childcare and cooking. These are time-consuming and burdensome tasks that permit little flexibility or rescheduling. An extensive literature documents that poor women generally have little or no surplus time to devote to additional activities unless substitutions can be made for other responsibilities. The development literature has documented at length how the failure to integrate women into development projects can contribute to their lack of success. In an evaluation of 102 A.I.D. projects, Carloni (1987) demonstrated that those with women's participation were more successful than those without. In terms of productivity, for example, if the access of women farmers to productive inputs and human capital were on a par with men's access, total agricultural output could increase by an estimated 6 to 20 percent. This research highlighted that societies that discriminate by gender tend to experience less rapid economic growth and poverty reduction than societies that treat males and females more equally, and that social

gender disparities produce economically inefficient outcomes. It was shown that if African countries had closed the gender gap in schooling between 1960 and 1992 as quickly as East Asia did, this would have produced close to a doubling of per capita income growth in the region (WBGDG 2003). The primary pathways through which gender systems affect growth are by influencing the productivity of labour and the allocate efficiency of the economy. To alleviate this burden and free women to enter paid work, daughters may be taken out of school to cover the domestic work, with related negative impacts on their education and ability to seek remunerated work in the future,(World Bank 2002, Bradshaw, Castellino and Diop, (2013).

Gender inequality in the extent to which women occupy positions which confer significant power is more difficult to assess than inequality in pay or in occupational distributions. One indicator is presence of women on boards of directors and top managerial positions in large corporations. Women were virtually under-represented at the top of managerial hierarchies due to the historical legacy of the virtual absence of women from lower levels of the management structure 25 years ago, since women need to be in the pipeline of promotions to make it to the top by the end of their careers. How much of the rest of the under-representation was the result of gender-specific barriers and discrimination faced by women – especially the strong barriers referred to as the “glass ceiling” – and how much of it reflects the ways in which women themselves may choose not to compete in those hierarchies because of their personal priorities is an extremely difficult empirical question. It is particularly difficult because, of course, the choices women make may themselves be conditioned by the experience of barriers: the barriers make managerial careers for women more difficult, and by virtue of this they may decide to opt-out. (Kathleen Gerson, 2009). Besides numerous obligations assigned to women including reproductive chores, such as childcare and doing house work, women can find success through their own businesses. Reeves and Baden (2003) According to Saito et al. (1994), women in Kenya are "time poor" due to their dual roles in the household economy and the labour market, as mothers, housekeepers, wives and owners/managers. In addition, such dual roles do not give women adequate time to plan and manage their businesses well, thus leading to dismal performance or even closure of women owner/managed MSEs. Voice of women e entrepreneurs (2008).

## **2.5 Influence of property ownership rights on the growth of women owned entrepreneurial ventures**

Many women in Africa face constraints related to access to land and property. In many communities, socio-economic factors such as customs, laws and lack of collateral prevent women from owning and/or inheriting land and other property yet for women in the subsistence economy, land means a place both to live and to work,(AACC, 2002).Throughout Kenya's history, women have been subjugated to consistent rights abuses while shouldering an overwhelming amount of responsibilities, Lopez and Zahidi (2005).In terms of resource ownership, women have poor command over land, information and financial resources. Having access to property rights and land is essential for women entrepreneurs because property is used as collateral for business credit. Yet even though women are a major force in agriculture and provide 70 per cent of labour in the sector, they only hold about one per cent of registered land titles, with around 5-6 per cent of registered titles held in joint names. This lack of land and property is a significant barrier for Kenyan business women, (GoK Economic Survey, 2005).

Human Development Report, 2001 indicated that the lingering legal and cultural discrimination, which impedes women's access to property ownership (especially land) and employment opportunities, has contributed immensely to their low status and lack of empowerment. These findings indicate that there is need for integrating gender issues into strategies to improve entrepreneurship among women in Kenya. Gender inequalities often manifest themselves in the form of differential access to resources and opportunities. A number of World Bank studies have shown that gender equality leads to faster economic growth and that inequality, especially in education, leads to lowering of the economic growth rate (Klassen, 1999). The gender disparity in employment and income earning opportunities in Kenya has been attributed to a number of factors, including occupational segregation in the labour market, social attitudes towards women, inadequate capacities in terms of knowledge and skills, and lack of gender sensitive policies and programs. Women represent half the world's population, and gender inequality exists in every nation on the planet. To discriminate and prevent half of humanity from reaching its full potential is economic folly. Denying women and girls equality and fairness not only hurts them, but also hinders the rest of society (Negash,

2006). 'The Women's Economic Forum (2005), recognizes that, the promotion of women's economic rights which entails promoting a range of women's rights their sexual and reproductive rights and rights to education, to mobility, to voice, to ownership and live free from violence as ' Key for economic growth, Castelimo and Diop,(2013).

Gender Empowerment Measure (GEM) index; show that women's participation in politics remains very low as evidenced by low representation of women as a whole in various positions in politics and the economy. For successful women's entrepreneurship in Kenya, women's participation in politics, decision making positions, economics and social administration must be improved so that factors inhibiting their participation in MSEs can be clearly isolated and addressed (Human Development Report, 2001).It has been observed, that women were severely underrepresented in managerial and executive positions in organizations (Hewlett and Luce, 2005). There were many possible explanations for the underrepresentation of female managers and executives, including access, discrimination against women the "glass ceiling", work-family conflict, women themselves choosing not to pursue leadership positions, and fewer opportunities for women engaging in leadership development that promoted their ascendance into leadership roles (Hewlett and Luce, 2005).

Women's differential access to power and control of resources is central to this discrimination in all institutional spheres, i.e. the household, community, market, and state. Within the household, women and girls can face discrimination in the sharing out of household resources including food, sometimes leading to higher malnutrition and mortality indicators for women. In the labour market, unequal pay, occupational exclusion or segregation into low skill and low paid work limit women's earnings in comparison to those of men of similar education levels. Women's lack of representation and voice in decision making bodies in the community and the state perpetuates discrimination, in terms of access to public services, such as schooling and health care or discriminatory laws. The law is assumed to be gender-neutral when in fact it may perpetuate gender discrimination, being a product of a culture with oppressive gender ideologies, Bidsall and Sabot(1991).The assumption that women's empowerment automatically resulted to engagement in paid employment had been widely contested (John, 2004).Development agencies from around the world rather naively applauded the supposition that income-generating activities challenged the existing household norms

and decision-making structures. John (2004) observed how evidence of enormous work burden stoically born by women was not interpreted as exploitation, but as efficiency by Indian government agencies. There was little emphasis that had been put to understanding the conditions and the structures in which women's employment and their participation in the job market took place, (Sabin and Annemarie, 2009).

Women in Kenya have statutory citizenship rights, however, 'most men are inclined to believe marriage gives them unrestricted right of access to and control of their wives assets NCWID (1993). When women's reproductive and productive roles are undervalued and men's assumption of control undermines women's and their own potential productivity, the result is poverty and divisive conflict (Enterprise in Africa pg. 98). In principle, women are not denied property rights in Kenya. Married women are granted property rights through formal statute law, and the 1882 Married Women's Property Act. The Law of Succession Act gives women inheritance rights Moreover, customary law and exceptions to the Succession Law Act mean that, in practice, women are denied their property rights (Voice of Women Entrepreneurs 2008).

The Constitution of Kenya advocates for inheritance rights to siblings and a sharing of investments on divorce. The Constitution of Kenya, 2010 in Article 27 recognizes that measures should be put in place to encourage affirmative action programmes and policies to address past inequalities. Economic and social rights to all are also recognized in Article 43. These include the right to health care services, adequate housing, and sanitation, adequate food of acceptable quality, clean and safe water and appropriate social security to vulnerable groups in the society, Constitution of Kenya, (2010).

Statistics show that about 80% of the County activities are managed and carried out by women. Unfortunately the reason why rural based development activities have remained low was due to the position that women hold in the family set up and in the community. Although women provide labour and manage development activities, they do not have control of the productive assets such as land and capital. They are, therefore, constrained by lack of authority to control and make decision on the utilization of assets. In many cases property (land) is registered in the name of males, either husband or the first born son. This tradition locks out women from access to credit facilities due to lack of collateral. This has also tended to propagate poverty in the County especially among the female headed households. Though women have not been participating in development

committees, the same is changing with the adoption of the constitution 2010. (Makueni County Integrated Development Plan, 2013). The government has also recently given directive regarding women employment where they are to get at least 3per cent of the total vacancies in the public service and committees in the County as enshrined in the new constitution. These directives are all aimed at ensuring that women are actively involved in development matters in the County, (Makueni County Integrated Development Plan, 2013).

Women in Kenya are vulnerable to male aggression and violence, neither do they have land rights or rights of inheritance; they also don't have their own financial independence and yet it is women who bear the burden of care giving, food production, and even the fetching of water. Involvement in successful income-generating activities should translate into greater control and empowerment of women in Kenya. Women are the core of the society and of the economy. If we raise the status of women, we stand a very real chance of improving everything, her life, family and the whole community will be empowered (Women entrepreneurs, 2008).

## **2.6 The influence of education levels and training on the growth of women entrepreneurial ventures**

In the 21st century, women enjoy more freedom and power than ever before. However, they are still disadvantaged when compared to men in virtually all aspects of life. Women are deprived of equal access to education, health care, capital, and decision making powers in the political, social, and business sectors. Whereas men are credited with performing three quarters of all economic activities in developing countries, women actually perform 53 percent of the work, according to the United Nations. The 1995 UN Human Development Report, states that "an estimated \$16 trillion in global output was currently 'invisible,' of which \$11 trillion was estimated to be produced by women (Negash 2006). In Southeast Asian countries studies indicate that women are still underrepresented in the government and civil services, and face a persistent gap in education and job opportunities. However, there was wide consensus that investment in the economic empowerment of women can and will help reverse these trends. Concerted actions to educate women, give them equal access to credit, and generally empower them, are critical components. Until societies, governments and non-governmental

organizations around the world come together and make a concentrated effort to empower and grant equality to women, the world was stuck in the past, and human well-being will never truly realize its full, vigorous potential ( Negash 2006) .

Education is a basic human right and a special tool for achieving the goals of equality development and peace (UN 1995 cited Muia and Otiende, 2004). Education is crucial in changing the status of women and improving their empowerment. Two-thirds of the world's illiterate people are women. In Africa, the high illiteracy rates for women have meant that they are in the lowest paying jobs mostly manual occupations, (Negash 2006).Traditionally, access to education was limited and women's educational pursuits were often not encouraged. Instead, early in life women were expected to take on the responsibilities of caring and supporting their family for example, taking care of their parents or assisting in earning money to pay for their brother's school fees. These responsibilities were quite heavy and often denied women important experience and access to strategic information. Women often did not complete higher levels of education because they had children at a young age and needed to earn income to support their children (GoK, 2010).

Education continues to be a key determinant in people's lives chances including girls and women. Minniti (2007), has observed that quality educational levels empower individuals with sound knowledge to perceive opportunities in their environment.(Schultz,1980), acknowledged that educational level enables an entrepreneur to deal with equilibrium in the environment, therefore succeeding in his/ her business planned development without the influence of nature. Inadequate educational level constraints individuals from dealing with the complex obstacles faced in life, optimally for wealth creation. Investment in human capital, health and education of women and girls, was presented as a key way forward, as witnessed by MDGs. The logic is that, educated healthy women are more able to engage in productive activities, find formal sector employment, earn higher incomes and enjoy greater returns to schooling than are uneducated ,(WEGDG 2003).

In Kenya (UNIDO Document, 2003), women entrepreneurs in rural areas suffer from a lack of training and advisory services that would allow them to upgrade their managerial and technical skills and solve immediate production problems, thus improving productivity and increasing profitability. There was a need for entrepreneurial training to socially condition the women, and particularly in rural areas, to develop a desire for

achievement. This can be achieved by way of profiling and/or imitating successful women entrepreneurs. Entrepreneurial training is required for processing, manufacturing, livestock and fisheries activities. But such kind of training facility is available in urban areas only. Lack of necessary training and lack of experience seriously affects the efficiency of the rural women entrepreneurs. Lack of training facilities adversely affects the opening of new line of business. Like technical knowledge, the opportunities for entrepreneurial training have increased considerably. But such opportunities are mostly extended to urban areas.

Inequality of access to secondary and higher education persists as does the limited engagement of girls in the study of science, limiting the future lives and employment options of adolescent girls (UNFPA 2012). Studies indicate that, the countries of the Middle East and North Africa region have invested impressively in women's education in recent years, increasing their productive potential and earning capacity, it is clear from the low ranks of these countries on labour force participation, among the lowest in the world that the region was not benefiting from the potential returns on this investment. Despite having ratified the Beijing Convention for the Elimination of All Forms of Discrimination against Women, most of these nations lack a coherent strategy for empowering women hence improving the future of women in the economy Bradshaw and Diop (2013). A study by Richardson, Hogarth and Finnegan (2004) on women entrepreneurs in Africa reveals that many women entrepreneurs in Africa feel they lack abilities, skills and expertise in certain business matters. They lack exposure in the world of business and their business networks are poorly developed. The women hardly acquire the essential abilities and experiences due to their triple role- work, household and community responsibilities. One of the major problems of women entrepreneurs was lack of business knowledge about accounting and keeping records which consequently affect their operations (Hossain&Rahman, 1999)

As observed in the world economic forum 2005, "countries that do not capitalize on the full potential of one-half of their societies are misallocating their human resources and undermining their competitive potential. Unlike in developed countries, women in the developing world still suffer from serious differences in literacy rates and school enrolment. In 2001, South Asian women had a relative literacy rate of only 67per cent of

the male literate population. Developing countries lag behind those which are industrialized in access to primary education (Bradshaw, 2013). Considerable evidence has been accumulated supporting the impact of training and developmental experiences in enhancing women participation in development (Richard and Avolio 2005). Evidence for past educational experiences being related to future managerial success was provided by (Bray, Campbell, and Grant (1974), Howard (1986). Spivak (1999) argued that if micro-credits were remitted to women without structural investments such as education and health systems for the poor, the exploitation of women will only increase. (Njeru and Njoka, 1998; Mutuku et al., 2006) acknowledged that there was a need for entrepreneurial training to socially condition the youth, and particularly girls, to develop a desire for achievement. This can be achieved by way of profiling and/or imitating successful women entrepreneurs. Other constraints and barriers to women entrepreneurs include a poor social background, inadequate and inappropriate training and preparation for entry into MSEs, and socio-economic discrimination. Education and training of women was recognized as a Human Right in the Beijing Platform of Action. The Platform for Action went further to call for measures aimed at eradicating illiteracy among women and at improving women's access to vocational training.

The reality in most African countries was that female literacy rates are lower than those of males. In most of Sub-Saharan Africa, girls' school enrollment rates are only a third of that of their male counterparts and, in many cases, drop-out rates are much higher among girls than among boys, AACC (2002) Many SMEs owners or managers lack managerial training and experience. They develop their own approach to management, through a process of trial and error. As a result, their management style is likely to be more intuitive than analytical, more concerned with day-to-day operations than long-term issues, and more opportunistic than strategic in its concept. It is further acknowledged that, majority of those who run SMEs are ordinary lot whose educational background was lacking. Hence they may not be well equipped to carry out managerial routines for their enterprises, Hill (1987).

Education and skills are needed to run micro and small enterprises. Research shows that majority of the lot carrying out micro and small enterprises in Kenya are not quite well equipped in terms of education and skills. Study suggests that those with more education

and training are more likely to be successful in the SME sector. As such, for small businesses to do well in Kenya, people need to be well informed in terms of skills and management. SMEs in ICT appear to be doing well with the sprouting of many commercial colleges offering various computer applications. Further, studies show that most of those running SMEs in this sector have at least attained college level education (Wanjohi and Mugure, 2008).

Education equips women with the knowledge and skills they need to more effectively manage and succeed in their businesses. Research shows that the level of formal entrepreneurial activity among women increases as their education rises, and there was a major jump in business ownership among those who go beyond secondary education. Research also shows a strong correlation between a woman's belief in having the knowledge, skills, and experience to start a formal business, and her likelihood of starting it. Women entrepreneurs confirm this finding. Lower education levels put Kenyan women entrepreneurs at a disadvantage compared to men. While the gender gap in primary education in Kenya has decreased in recent years, the gap remains high at secondary and tertiary education levels. Women are much less likely to enroll in public universities, national polytechnics, and technical institutes, accounting for only about 39 percent of those enrolled in tertiary education. Lower education and a curriculum that does not emphasize entrepreneurship skills decrease the chances that women will have the knowledge needed to excel in business, and thereby contribute to the country's overall economic growth (Voice of Women Entrepreneurs 2008). Almaz Negash (2006), on Women Economic Empowerment acknowledges that, female economic power will enhance the "wealth and well-being of nations." Women who control their own income tend to have fewer children, and fertility rates have shown to be inversely related to national income growth. Women are also more able and generally more willing than male counterparts to send daughters as well as sons to school, even when they earn less than men. In turn, a woman's level of education affects her decision-making process when it comes to questions about contraception, age of marriage, fertility, child mortality, modern sector employment and earnings. Even when women do manage to obtain financing for their businesses, lack of skills and training in handling finances can be an obstacle).By empowering women financially, we strengthen women's voices and bargaining power within the home, the wider community and nation at large. If you

empower a woman, you have empowered a family and a whole nation, Voice of Women Entrepreneurs (2008).

## **2.7 Government policy framework and regulations**

An enduring claim in the field of entrepreneurship was that entrepreneurial activity promotes economic growth and development. Entrepreneurial activity leads to economic growth and helps to reduce poverty, create a middle class, and foster stability. This realization, in turn, has generated a significant amount of interest in how government policies may be instrumental in fostering entrepreneurial activity, and whether their effects may be consistent across countries. It was in the interest of all the governments to implement policies to foster entrepreneurship and reap the benefits of its activity, Garrett Thomas says, that passive policies promote entrepreneurship most broadly. “It is this entrepreneurial-friendly environment that will allow any individual or business regardless of size, location or mission to expand and to thrive,” he says. Among the most successful strategies for encouraging entrepreneurship and small business are changes in tax policy, regulatory policy, access to capital, and the legal protection of property rights. The legal framework and Government policies, as articulated in various documents culminating in the most recent Sessional Paper No. 2 of 2005, have set the stage for a conducive environment for entrepreneurship development. This Sessional Paper in particular outlines the way forward regarding government policy in specific areas including, legal regulatory environment, land laws, markets and marketing, financial services, skills and technology, business management and gender equity. If provided with a favorable environment, possible economic opportunities for women entrepreneurs would emerge. In spite of many efforts in Kenya to empower women entrepreneurs through capacity building and to avail them of needed resources, there still exists a gap between the supply side of opportunities and the demand side. Most women entrepreneurs appear not to have taken full advantage of these opportunities. This study aims at shedding more light on the constraints inhibiting the woman entrepreneur. (Women entrepreneurs in Kenya, 2008).

The Ministry of Gender, Culture, Sports and Social Services has been the lead Ministry in addressing the social and welfare issues that affect women. In recognition of the importance of mainstreaming gender issues in Government activities, it is a requirement

that gender desks be established in every government ministry (Women Entrepreneurs in Kenya 2008). Although, currently, there is no actual data on women's involvement in MSEs, and most Jua Kali enterprises have registered a large number of women as participants in MSE associations. Most of the registered groups that work with the Ministry of Labour and Human Resources (MOLHRD) showed that more women than men were registered; they also participated very actively within their associations. There were concerns, however, that the men's agenda would take priority (Sessional Paper No. 1 of 1986).

According to Kenya's blue print and strategy for development known as Vision 2030 that aims towards making Kenya a newly-industrializing middle-income country capable of providing a high quality of life for all its citizens by the year 2030; Kenya's competitive advantage lies in agro-industrial exports. For superior performance of the manufacturing sector, one strategy includes strengthening SMEs to become the key industries of tomorrow. This, according to Kenya's Vision 2030, can be accomplished by improving their (SME) productivity and innovation. Vision 2030 therefore recommends a need to boost science, technology and innovation in the sector by increasing investment in research and development. Vision 2030 sees one key strategy to development of SMEs as being the development of SME Parks in Kenya (Kenya's vision 2030). In 1992; the government published the MSE policy report, Sessional Paper No. 2 Small Enterprises and JuaKali Development in Kenya. The report was reviewed in 2002, leading to a new policy framework that provides a balanced focus to SME development in line with the national goals of fostering growth, employment creation, income generation, poverty reduction and industrialization. There is no doubt that small and medium-sized firms are the drivers of the Kenyan economy. They employ about 7.5 million Kenyans or 80% of the country's total employment outside the small-scale agriculture. But little has been understood about their operations, ownership, source of capital and the key challenges that they face as they propel growth of the Kenyan economy. This could be the reason why they should be supported to graduate from their current state.

Policy makers could benefit from understanding that government initiatives will affect business formations only if these policies are perceived in a way that influences intentions (Krueger et al, 2000). Government initiatives, which focus on a do it alone

basis, tend to stimulate an entitlement mentality to emerge. The Kenyan government has been in the forefront in promoting and encouraging entrepreneurial culture through various legislation and support mechanism (Sessional paper No.2 of 1992 on small enterprise and Juakali development in Kenya). It has been found out that most dynamic societies are those that have the most entrepreneurs plus the economic and legal structure to encourage and motivate entrepreneurs. Research findings reveal that, there was a general lack of entrepreneurial culture in Kenya and more particularly among potential and operating women managers or owners of MSEs, (women entrepreneurs in Kenya, 2008).The unequal situation of women versus men in the MSE sector was highlighted in the 1992 sessional paper. The paper acknowledged that gender equity among entrepreneurs was undermined by the special constraint faced by women; including loopholes in the implementation of equitable laws; particularly in employment and inheritance; as well as discriminating and often negative attitudes and social practices that limit equal participation of men and women in all entrepreneurial activities, (Kinyanjui 2006).

## **2.8 Theoretical framework**

The theoretical evidence sheds light on women entrepreneurship and factors influencing growth. The field of entrepreneurship has generated several theories that focus on various ideological variables. (Ndubisi and Kahraman, 2006; Tan, 1990) emphasized the role played by some psychological needs from either achievement or creativity. Micro-level theories of entrepreneurship look for systematic psychological differences between individuals to explain why some are more likely to engage in entrepreneurship than others, (Eckhardt& Shane, 2003.)

### **2.8.1 Psychological Entrepreneurship Theories**

The psychological entrepreneurship theory which is based on five psychological factors help to explain why some people including women entrepreneurs would choose to become entrepreneurs as opposed to others. These traits include- motives, incentives, need for achievement and locus of control. One approach to fostering entrepreneurship was to strengthen the entrepreneurial traits of individuals. One of the most important

theoretical foundations for the so called traits approach was the studies of the Harvard psychologist (McClelland 1965).

McClelland's research has inspired a flurry of studies in the same vein up to the present. Although his thesis has not remained uncontested and recent studies put more emphasis on cultural variables and their influence on entrepreneurship, McClelland remains the main point of reference for the traits approach. For instance, Müller & Thomas (2001) argue in their study on culture and entrepreneurial potential that some cultures are more conducive to entrepreneurial traits than others, they do not challenge the assumption that entrepreneurial traits as are the same across cultures. Entrepreneurial decisions and venture development during its early stages are highly related to an individual's characteristics (Moore, 1990).

Based on previous studies, there are several factors that motivate women to become an entrepreneur. For example, according to Robinson (2001) push and pull are two main factors motivating people to become an entrepreneur. Naser et al. (2009) referred push factor associated sthem push factor may result from low income, job dissatisfaction, strict working hours or even lack of job opportunities and it was experienced in developing countries(Dhaliwal, 1998). An empirical study on push/pull factors by Orhan and Scott (2001) reported that women entrepreneurs in developed countries were motivated by the need for achievement. On the other hand, women in developing countries were motivated by a combination of push and pull factors (Birdsall and Sabot, 1991).It was further noted by McClelland et al (2005) that women are increasingly becoming more motivated by the social contribution that their businesses can make to society. Desire for self-fulfillment was an important motivator to start up a business. Nearchou-Ellinaset.et al (2004) stated that the desire for women to have control and make decisions was one of the major factors for women to start up their own business

### **2.8.2 Biological Theory of Entrepreneurship**

According to Eagly (1995) several of the academic theories of gender differences offer explanations based on deeply seated cultural or even biological differences between men and women. The practitioner literatures are also particularly likely to emphasize gender differences, construing them as core aspects of what it means to be a man or a woman in

the entrepreneurial process. Risk has long been a central concept in the entrepreneurship literature suggested by Adam Smith and J.S. Mill (Schumpeter, 1999). Entrepreneurial activities are frequently assumed to involve risk-taking, especially relative to managerial activities within established corporations. Psychologists have documented moderate and consistent levels of differences between men and women in risk-taking behaviors.

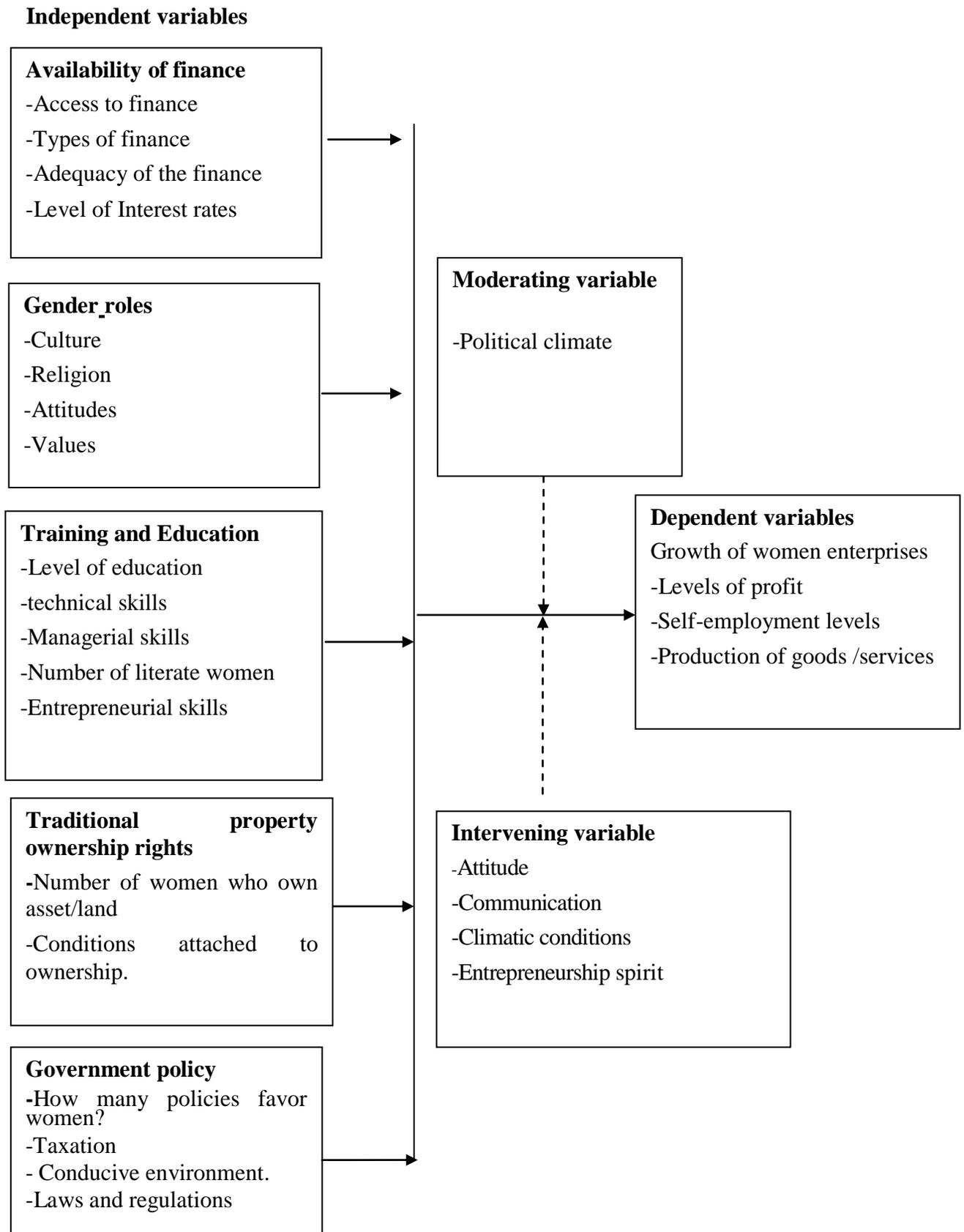
Research results showed that “males took more risks even when it was clear that it was a bad idea to take a risk,” and that females “seemed to be disinclined to take risks even in fairly risky situations or when it was a good idea,” leading to the speculation that “men and boys would tend to encounter failure or other negative consequences more often than women and girls” and that “women and girls would tend to experience success less often than they should” (Byrnes et al., 1999, p.378 ).

Psychologists’ view explains why women are risk averse and are skeptical into venturing in unfamiliar territories as regards business operations. Risk taking is one of the entrepreneurial competencies that can propel a business to growth and innovation that ultimately may make a business enterprise to be successful. Risk averseness may contribute immensely to business failure and collapse. This might explain why women enterprises fail within five years of their establishment/start up. Powell and Ansic (1997) studied business decision-making and their research suggested that women prefer lower risks than men, especially in financial contexts. Their own experimental study of business students showed that women preferred less financial risk than men across a variety of framing scenarios. These views are consistent with those of Sexton and Bowman-Upton (1990), whose study suggested a lower preference for financial risks among female than among male entrepreneurs. It is also consistent with a perspective that views financial leverage as risky, women are also less likely to apply for a loan and are more likely to use personal assets to finance the enterprise or as collateral (Van Auken, 1999; Sexton and Bowman-Upton, 1990). This situation is similar to the Kenyan situation where women are more comfortable with the merry-go-round funding and micro-financing as opposed to borrowing from commercial banks as this is perceived to be less risky. Studies reveal that women entrepreneurs perceive or evaluate risk differently than men, suggesting that women may be less likely to voluntarily undertake very high-risk business activities, (Scollard, 1989, 1995). It has also been suggested that women may be less willing to undertake activities-such as raising external financing-that put them at risk of losing

control of their business to outside stakeholders (Stolze, 1989, 1995). Scollard suggests that small elite groups of women entrepreneurs approach risk-taking in a manner similar to men, but that on average, women entrepreneurs are much less willing to undertake substantial business risks. She suggests that men build businesses of all sizes, but most women build only very small businesses, with a few building large firms; (Bula 2012).

## **2.9 Conceptual framework**

The conceptual framework for this study was based on several prior studies (Harris & Gibson, 2006). It comprises of independent and dependent variables. The independent variables for the study are: availability of funds, level of education and training, Gender roles, Traditional property ownership rights, and Government Policies and Regulations that influence the dependent variable, growth of women entrepreneur ventures as shown. The study problem was conceptualized as the interrelationships of study variables in Figure 1.



**Figure 1: Conceptual Framework**

## **2.10 Summary and research gap**

From the background literature review, it is clear that a range of research has been already undertaken on women entrepreneurs in a number of African countries. Many people have observed that self-employed women are contributing in significant ways to economic growth and competitiveness in countries around the world. Women form majority of the population in most countries; yet they are not equitably represented in economic activities; either as employees or owner managers of businesses. Whereas research on women entrepreneurs is extensive in developed countries; especially in the United States and Europe; there are comparatively few studies of performance of women owned entrepreneurs in developing countries. It is acknowledged that women are becoming a very important economic group and therefore more efforts are needed to nurture them in taking up entrepreneurship

Research shows that Involvement of women in successful income-generating activities will translate into greater control and empowerment of women in Kenya. Women are the core of the society and of the economy. If we raise the status of women, we stand a very real chance of improving everything, her life, family and the whole community will be empowered.

Women participation in income-generating projects, self-employment, work and role has received considerable attention but studies reveal that women-owned enterprises perform more poorly than male-owned Enterprises. They are also smaller in size and are located in poorer areas in towns or operate from home. This is mostly due to a range of factors including lack of credit, business skills, and low levels of education and lack of entrepreneurship. Most women have relatively less education than men, because some women drop out of school to start taking care of their children or husbands.

From the preliminary survey of literature review it reveals that very limited studies have been done on women- owned enterprises. Hence this study seeks to find out if these independent variables (availability of finance, gender roles, level of education and training, traditional property rights, and government policy and regulations) influence the dependent variable, growth of women entrepreneurial ventures.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter presents the procedures which were used in the study. The chapter focuses on research design, location of the study target population, sample strategy, sample size, research instruments and data collection techniques and data analysis and ethical consideration pertaining to the research.

#### **3.2 Research design**

The research adopted descriptive survey design. Descriptive survey was used in preliminary and exploratory studies to gather data at a particular point in time. With intentions of describing the nature of the existing conditions or identifying standards against which existing conditions can be composed of or determining the conditions and the relationship that exists between specific variables.

According to Kombo and Tromp (2006) a design was used to structure the research to show how the various parts of the research project collaborate to address the central research questions. The descriptive survey design was chosen because the study involved asking questions to a large number of respondents in order to get their opinions as per the factors influencing the growth of entrepreneur ventures among women. This design was used because it provided the researcher with an opportunity to probe the respondents for more information and it was also relatively cheap to use. Both quantitative and qualitative data was collected in this study. Whereas quantitative data is purely numerical, the qualitative data is narrated quotations from the questionnaires and the verbatim explanations from the interviews.

Quantitative data was analyzed statistically (Leary, 2004). The data were collected using Likert type questionnaire items using a scale (1-5). The values in the Likert type questionnaire items are as follows: 1- strongly disagrees, 2- disagree, 3-fairly agree, 4- agree and 5- strongly agree. Fairly agree was used to provide an alternative answer from any of the statements provided in case the respondents were not willing to select from the multiple choice given.

Qualitative data was collected using the open ended questions items in the questionnaires and the interview guide that respondents commented on the relationship of the dependent and the independent variable.

### 3.3 Target population

The study will target all the women operating businesses in Kisau Division of Mbooni East District in Makueni County.

The County is currently divided into six constituencies Mbooni; Kilome Constituency; Kaiti; Makueni; Kibwezi West and East; nine sub-counties and twenty five Divisions.

**Table 3.1: Mbooni East and Mbooni West Sub Counties**

<b>Mbooni constituency</b>	<b>Division</b>	<b>Area (Km<sup>2</sup>.)</b>	<b>No of Location</b>	<b>No. of Sub location</b>
Mbooni west	Mbooni	141.6	4	11
	Tulimani	126	4	6
Mbooni East	Kisau	310.2	3	12
	Kalawa	330	4	14
	Kako Location	52.6	1	1

There are 1332 retail traders and 243 wholesale businesses spread all over the county centers dealing in a range of products,(Makueni County Integrated Development Plan, 2013). According to the 2013, records at the local authority trade offices there were 100 women operating small businesses in the Mbooni east area. All business women operating small businesses on JuaKali shades and fixed premises were targeted.

### 3.4 Sample and Sampling Procedure

Sampling is a means of selecting a give number of subjects from a defined population. As representative statement made about the sample should also be true of the target population (Orotho 2005).The researcher used Krejeie and Morgan table of 1970 to

determine the sample size (appendix IV attached). Simple random sampling was used to select the women to participate the study (Mugenda and Mugenda 2003), recommends 30per cent of a small target population to be representative sample size for a study. The business women in Kisau Division were found to be 100 in number and therefore 80 Women were picked for the study.

### **3.5 Research instruments**

The research instruments in this research were questionnaires and the interview guide. Kombo and Tromp (2006) noted that questionnaires gather data of a large sample, save time, confidentiality was upheld and there was no opportunity for interview bias. Ogula (1995) observed that the instrument recommended for data collection in description research studies include the use of questionnaire and interview schedule.

The questionnaire for the women was structured with closed ended items and open ended questions. A questionnaire with closed ended items was used in order to ascertain collection of numerical data and consistency of data elicitation from the selected women. Most of the questionnaire items were of the 5-point likert rating scale of the range of (1-5 where 1-strongly agree, 2-agree, 3-undesided, 4-disagree, 5-strongly disagree). According to Kasomo (2006), data was analyzed using descriptive statistics.

The researcher used interviews to complement the questionnaires and obtain in-depth voluntary information on the opinion of the respondents. The researcher used this method for the purposes of those who were illiterate. The questions were translated to enable the respondents to understand and respond to the questions.

### **3.6 Instruments validity**

The validity of a questionnaire concerns what the questionnaire measures and how well it does so. It tells the researcher what can be inferred from the scores. Face validity determines the suitability of a given instrument as a source of data on the subject under investigation, using the “face-value” judgment. Face validity was assessed through a pilot test which was conducted prior to the study. The study supervisor reviewed the items to ascertain their face validity. Content validity refers to the extent to which the questions in the survey instrument are representative of the concepts they are intended to

reflect (Aday, 1996). Expert opinions help to establish content validity (Wilkinson 1991). Content validity was determined by the experts in the University of Nairobi who looked at the measuring technique and coverage of the specific areas (objective of the study). The lecturers of the University of Nairobi ascertained the validity of the research instruments. The corrections on the identified questions were incorporated in the instrument hence fine-tuning the items to increase validity.

### **3.7 Instruments Reliability**

Reliability of an instrument is the degree to which a research instrument yields consistent results or data after repeated trials (Kothari 2009). Reliability refers to consistency of measurement, the more reliable an instrument is the more consistent the measure. The researcher used the split half method to determine the reliability of the instrument. In split-up reliability, the researcher randomly divides all items of the questionnaires that purport to measure the same constructs in two sets. The entire instrument was administered to the same sample of respondents by using the Krejcie and Morgan Table to get the appropriate sample. Then the researcher calculated the total score for each randomly divided half. The two sets of values were correlated using Pearson's Product Moment Correlation Coefficient and Spearman's Rank correlation coefficient to calculate coefficient of relationship.

A correlation of 0.75 was obtained which is sufficient for those questionnaires to have high pretest reliability (Kasomo 2006).

#### **Formula for Pearson correlation coefficient**

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

### **3.8 Data collection procedures**

The research first obtained an introductory letter from the Extra-mural Centre Machakos branch- Nairobi University. A research authorization permit was then obtained from the National Council for Sciences and Technology in order to be allowed to collect data. A copy of the permit was submitted to the District Commissioner and District Education Officer Mbooni East district office in order to be authorized to carry out the research.

Data collection took one and half month's period from April to mid-May 2014. The questionnaire was personally administered by the researcher to the selected women who filled in the data. The researcher collected the filled in questionnaires before leaving each of the selected participant. The interview guide was administered to those not able to read the questionnaire. The researcher got in touch with municipal council clerk office to obtain the sample frame as the content to be used to select the respondents.

### **3.9 Data analysis**

Data was analyzed using descriptive statistics utilizing the frequency distributions and averages. Statistical tally systems were used to generate frequency counts on the respondents, so as to prepare frequency distributions. Frequency distribution tables, give a record on the number of times a response occurs. Each table was followed by a brief explanation, inferences and the interpretations of the findings from the earlier related reviewed literature with the aim of bridging the research gaps through seeking for the solutions of the study problem.

These tools were used to investigate significant inferences that the researcher drew conclusions concerning the validity of the used parameters and variables

Quantitative analysis was done in this study. This required the use of computer spread sheet and hence the Statistical Package for Social Sciences (SPSS) was used. Quantitative analysis consists of measuring numerical values from which descriptions such as frequency counts, mean, percentages, standard deviations and Pearson correlation Coefficient was used.

**Table 3.2: Operational Definitions of Variables**

Objectives	Variables	Indicators	Level of Scale	Tool of analysis
To establish the extent in which the availability of funds influence the growth of women owned businesses.	Availability of finance (Independent variable)	<ul style="list-style-type: none"> <li>• Access to finance</li> <li>• Type of finance</li> <li>• Adequacy of the finance</li> <li>• Interest rates</li> <li>• Conditions attached to the finance</li> </ul>	Nominal Ordinal	Measure of central tendency and coefficient correlation
To determine the extent in which gender roles influences the growth of women entrepreneurial ventures.	Gender roles (independent variable)	<ul style="list-style-type: none"> <li>• Culture</li> <li>• Religion</li> <li>• Attitude</li> <li>• Values</li> </ul>	Nominal Ordinal	Measure of central tendency and coefficient correlation
To determine the impact of traditional property ownership rights on the growth of women entrepreneurial ventures.	Traditional property ownership rights (independent variable)	<ul style="list-style-type: none"> <li>• Number of women who own assets/land</li> <li>• Condition attached to ownership</li> </ul>	Nominal Ordinal	Measure of central tendency and coefficient correlation
To establish the extent to which the level of education influences the growth of women entrepreneurial ventures.	Level of education (independent variable)	<ul style="list-style-type: none"> <li>• Technical skills</li> <li>• Managerial skills</li> <li>• Number of literate women.</li> <li>• Entrepreneurial skills</li> </ul>	Nominal Ordinal	Measure of central tendency and coefficient correlation
To establish the impact of the government policies on the growth of women entrepreneurial ventures.	Government policy (independent variable)	<ul style="list-style-type: none"> <li>• How many policies favor women</li> <li>• Taxation</li> <li>• Conducive environment</li> <li>• Laws and regulations</li> </ul>	Nominal Ordinal	Measure of central tendency and coefficient correlation

### **3.10 Ethical Issues**

Participants were given the assurance that their identity was anonymous in order to uphold privacy. They were therefore instructed not to write their names in the questionnaires. The researcher also explained to the respondents that the research was purely for academic purposes.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS, DISCUSSIONS AND INTERPRETATION

#### 4.1 Introduction

The chapter focuses on the questionnaire return rate, demographic information of the respondents, data presentation, discussion and interpretation of findings. The presentation was done based on research questions.

The subheadings of the chapter were arranged according to research questions, the influence of financial availability on the growth of women owned entrepreneurial ventures, the influence of gender roles on the growth of women owned entrepreneurial ventures, the influence of traditional property ownership rights on the growth of women owned entrepreneurial ventures, the influence of training on the growth of women owned entrepreneurial ventures and the influence of government policies, framework and regulations on the growth of women owned entrepreneurial ventures.

#### 4.2 Questionnaire return rate

Questionnaire return rate is the proportion of the questionnaires returned after they have been administered to the respondents. Out of the 80 questionnaire given to the respondents 73 were returned making the questionnaire return rate 91.25% as shown in Table 4.1

**Table 4.1: Questionnaire Response Rate**

<b>Response Rate</b>	<b>Frequency</b>	<b>Percent</b>
Issued	80	100.0
Returned	73	91.25
Not returned	7	8.75

#### 4.3 Demographic characteristics of respondents

This section deals with the demographic information of the respondents such as marital status, level of education and business experience.

#### 4.4 Level of education

The study sought to establish the level of education of the respondents. It aimed to establish whether respondents across all the levels of education participated in the study. The results are as presented in the Table 4.2.

**Table 4.2: Education Level of the respondents**

<b>Level of Education</b>	<b>Frequency</b>	<b>Percent</b>
Primary	18	24.7
Secondary	25	34.2
Tertiary	30	41.1
<b>Total</b>	<b>73</b>	<b>100.0</b>

Table 4.2 shows that 24.7% of the respondents had primary level of education while 34.2% had already acquired secondary level of education and 41.1% of the respondents had tertiary level of education. The results indicate that majority of women entrepreneurs in Mbooni constituency have acquired at least secondary and tertiary level of education (75.3%). It shows that the level of education had an influence on the establishment of women entrepreneurial businesses. This conforms to earlier studies which showed that most of those running SMEs in this sector have at least attained college level of education (Wanjohi and Mugure, 2008).

#### 4.5 Marital status of the respondents

The respondents were asked to indicate their marital status with the aim of establishing whether marital status affects women participation in entrepreneurial ventures. The results are as indicated in the Table 4.3.

**Table 4.3: Distribution of the respondents by marital status**

<b>MARITAL STATUS</b>	<b>Frequency</b>	<b>Percent</b>
Single	21	28.8
Married	51	69.9
No response	1	1.4
<b>Total</b>	<b>73</b>	<b>100.0</b>

As from Table 4.3, majority of women operating businesses in Mbooni constituency are married. They constitute 69.9% of the respondents. They are followed by those that are single (28.8%). This implies that husbands play a major role in establishing businesses for their wives as shown by the majority of the married women participating more in business.

#### 4.6 Business experience of the respondents

The study also sought to establish the working experience of the respondents. This aimed at establishing whether the number of years in business influences women participation in entrepreneurial ventures. The results are as indicated in Table 4.4

**Table 4.4: Distribution of the respondents by number of years in business**

<b>NUMBER OF YEARS IN BUSINESS</b>	<b>Frequency</b>	<b>Percent</b>
Less than 3 years	21	28.8
Between 3-5years	13	17.8
Over 5 years	37	50.7
Missing system	2	2.7
<b>Total</b>	<b>73</b>	<b>100.0</b>

On the number of years in business, Table 4.4 indicates that majority of respondents have been in business for over 5years (50.7%) and therefore they were able to give report of their business performance based on experience.

**Table 4.5: Distribution of the respondents by duration in the previous business**

<b>Duration In The Previous Business</b>	<b>Frequency</b>	<b>Percent</b>
Less than 3 year	7	9.6
Between 3 to 5 years	5	6.8
Over 5 years	14	19.2
No previous business experience	47	64.4
<b>Total</b>	<b>73</b>	<b>100.0</b>

Table 4.5 shows that 19.2% of the respondents have had over 5 years business experience, the results further reveal that 6.8% have been operating business for 3 to 5 years and 9.6% have been in business for less than 3 years. The findings give the implications that the majority of women entrepreneurs interviewed, (64.4%) had no previous business experience hence previous business experience had no great influence on business growth among the women entrepreneurs interviewed.

#### **4.7 Factors influencing the growth of women entrepreneurial Ventures**

This study sought to establish the factors influencing the growth of women entrepreneurial ventures in Mbooni constituency. The results are as shown in subsequent sections:

##### **4.7.1 The influence of financial availability on the growth of women entrepreneurial Ventures**

One of the objectives of the study was to establish the influence of availability of finance on the growth of women entrepreneurial ventures. The study sought to identify the major source of funds for the women entrepreneurs. They were asked to indicate the source of initial capital for their businesses, whether it was from personal savings, bank loans or from friends and relatives. The results are as in the Table 4.6.

**Table 4.6: Distributions of the respondents by source of initial capital**

<b>Source of initial capital</b>	<b>Frequency</b>	<b>Percent</b>
Personal savings	51	69.9
Bank loans	2	2.7
Friends and relatives	16	21.9
No response	4	5.5
<b>Total</b>	<b>73</b>	<b>100.0</b>

Table 4.6 shows 69.9% indicated that they used personal savings to finance their businesses, 2.7% indicated that they borrowed and 21.9% indicated that they were financed by friends and relatives. This shows that majority of women entrepreneurs use personal savings to finance their operations. This concurs with earlier studies which indicated that majority of women operating SMEs in Garissa town do not participate in borrowing loans. Previous studies had indicated that the Kenyan Government admitted the fact that women entrepreneurs have not been on equal footing when it comes to their access to opportunities and assets, (Chellangat,2012).The results also correspond to earlier literature review by Macharia and Wanjiru (1998), which found out that women rely heavily on informal sources of credit such as relatives, friends and money lenders.

In a bid to establish whether availability of finance influences the growth of women entrepreneurial ventures, they were asked to give opinion using the likert scale of 1-Strongly Agree, 2-Agree, 3-Fairly Agree, 4-Disagree and 5-Strongly Disagree. The results are as shown in Table 4.7.

**Table 4.7: Frequency**

	<b>Strongly Disagree (%)</b>	<b>Disagree (%)</b>	<b>Fairly Agree (%)</b>	<b>Agree (%)</b>	<b>Strongly Agree (%)</b>
Women do not easily access loans due to biasness in banks.	2.7	38.4	20.5	19.2	17.8
Commercial bank financiers do not trust women with bank loans because women have no right to own lands and get a title deed (low ownership collateral).	4.1	32.9	12.3	21.9	27.4
If women acquire bank loans, they can easily expand their businesses	0.0	0.0	4.1	31.5	64.4
Lending conditions and high interest rates charged by banks act as barriers to growth of businesses owned by women	0.0	4.1	4.1	24.7	65.8
Single women access bank loans more easily than married women	17.8	35.6	17.8	13.7	13.7

Table 4.7 reveals that majority of the respondents agreed on the fact that if women acquired bank loans, they can easily expand their businesses 95.9% and also that lending conditions and high interest rates charged by banks acted as barrier to growth of businesses owned by women 90.5%. Research findings in the literature review had noted that there was need to create full decent productive employment opportunities for women and access to finances as well as continue to provide social protection (Women's economic forum 2005), the findings also concurs with research findings which indicated that loans from Kenyan micro-finance institutions (MFIs) tend to be limited in amount,

had no grace period and short in design and carry very high interest rates,(ILO, 2008). 49.3% agreed that commercial banks financiers do not trust women with bank loans because women have no right to own land and get a title deed and 57.5% agreed that women do not easily access loans due to biasness in banks. This is in agreement with Gray (1996), whose findings stated that women face a lot of biasness in the banks since the officials in the banks prefer to talk to their husbands and this is mostly because the women have no collateral to acquire the loans with.47.6% of the respondents agreed that single women access bank loans more easily than married women. Table 4.8 shows the mean and standard deviation of the influence of availability of loans to women entrepreneurs in Mbooni Constituency.

**Table 4.8: Availability of finance**

<b>Statements</b>	<b>Mean</b>	<b>Std. Deviation</b>
Women do not easily access loans due to biasness in banks	2.89	1.193
Commercial banks financiers do not trust women with bank loans	2.64	1.314
If women acquire bank loans they can easily expand their business	1.40	0.571
Lending condition and high interest rates	1.46	0.768
Single women access bank loans more easily	3.31	1.307

From Table 4.8, Most of the calculated mean scores were ranging in between the scale-values of 1–3, but inclined closer to scale I and 2 which denoted (strongly agree and

agree). Therefore these study findings showed that respondents were in agreement that there are financial factors that influence the growth of women entrepreneurial ventures. To some extent, the findings of this study had concurred with the literature review gaps that had been identified. In the previous studies it had been noted that most women entrepreneurs were not able to access funds for initiating a business or expansion. Literature review findings had indicated that the factors that inhibit credit availability to women included, lack of start-up capital; lack of awareness of existing credit schemes; high interest rates; lengthy and vigorous procedures for loan applications; and, lack of collateral security for finance. These factors were said to be a major barrier to the growth potential of businesses owned by women, Macharia and Wanjiru (1998).

#### **4.7.2 The extent to which gender roles influence the growth of women entrepreneurial ventures:**

The other objective was to establish the extent to which gender roles influence the growth of businesses owned by women. A test was carried out to determine the extent to which gender roles influences growth of women entrepreneurial venture. The results were as shown in Table 4-9 which showed that 98.6% of women believed that they should be engaged in an income generative activity to supplement family income.

**Table 4.9: Assertion of women productiveness**

<b>ASSERTION OF WOMEN PRODUCTIVENESS</b>	<b>Frequency</b>	<b>Percent</b>
No	72	98.6
No Response	1	1.4
<b>Total</b>	<b>73</b>	<b>100.0</b>

The respondents were also asked to state what should be done to ensure those who start their businesses are supported for sustained growth of their enterprises. Women entrepreneurs were of the view that funds for their businesses should be made more easily

accessible and that employment of house assistants would reduce time spent at home doing household chores. They also indicated that they needed moral support from their husbands as they pursued their business activities. This was reiterated in the literature review findings by Huck and McEwen (1991), in a study of Jamaican business owners where it was reported that Family's emotional or instrumental support are one of the crucial success factors for women entrepreneurs.

**Table 4.10: Distribution of gender roles affecting women entrepreneurs**

<b>Statements</b>	<b>Mean</b>	<b>Std. Deviation</b>
Cultural beliefs affect growth of women enterprises	2.47	1.278
Family life influence the growth of women enterprises	2.23	1.310
Empowering women in business is a waste of time	4.70	1.458
Religious beliefs hinder women from engaging in business	4.15	1.078
Society's negative attitude affect the participation of women in business	2.03	1.084
Family support positively influences women in their businesses	1.24	0.520

As per Table 4.10 the mean value calculated for most of the responses was less than 2.55 showing that gender roles like cultural beliefs and practices in the community, family life in marriage or caring for children, family support and society's negative attitude have influence on the growth of women entrepreneurial ventures. These corresponds to earlier

studies which indicated that most Kenyan cultures look down upon women, and they emphasize that their main role was to take care of their husbands and children. Women who deviate from these expected norms are considered to be deviants. Many societies view on women are largely negative and many are pessimistic about their capabilities and think that they are doomed to fail in a male dominated environment. It is a common trend in Kenya to find that most successful women are either single or are divorced, Kankha (1999).

**Table 4.11: Frequency**

	<b>Strongly Disagree (%)</b>	<b>Disagree (%)</b>	<b>Fairly Agree (%)</b>	<b>Agree (%)</b>	<b>Strongly Agree (%)</b>
Cultural beliefs and practices in your community affect the growth of women enterprises?	4.1	26.0	11.0	28.8	28.8
Family life in marriage or caring for children, greatly influence the growth of women owned enterprises	1.4	27.4	4.1	21.9	41.1
The idea of empowering women to be able to engage in business was just a waste of time because it contradicts our culture	69.9	13.7	2.7	5.5	1.4
Religious beliefs are usually a hindrance to women engagement in business	47.9	28.8	12.3	4.1	4.1
Negative attitude by the society towards working women affects their participation in business	1.7	13.7	6.8	37.0	35.6
Family support has a positive influence on growth of women enterprises	0.0	0.0	4.1	15.1	78.1

Table 4.11 shows that majority of women entrepreneurs disagreed to the idea of empowering women to be a waste of time (83.6%). They also disagreed that religious belief has an influence on women engagement in business (76.7%). (57.6%) of the

respondents agreed that cultural beliefs and practices in the community affect the growth of women enterprises, family life in marriage and caring for children greatly influences the growth of women enterprises (63%), and family support has a positive influence on the growth of women enterprises (95.8%). Women entrepreneurs interviewed strongly agreed that women should participate in supplementing the income of the family by engaging in business activities but some cultural beliefs and family responsibilities hinder the growth of their businesses. Literature review findings had revealed that, there are many socio-cultural factors impacting negatively on the upbringing of girls In Kenya and that many ethnic cultures socially condition girls to acquire the need for affiliation, rather than achievement. Early and forced marriage remains a key issue and an important factor limiting young women’s engagement in both education and economic activities (UNFPA 2012).

#### **4.7.3 The influence of traditional property ownership rights on the growth of women entrepreneurial Ventures.**

The other objective was to establish the extent to which traditional property ownership rights influence the growth of women entrepreneurial ventures. A test was carried out to determine the extent to which property rights influence the growth of women entrepreneurial ventures. The results are as shown in Table 4.12.

**Table 4.12: Influence of traditional property rights on growth of women enterprises**

<b>Women have no right to ownership of property</b>	<b>Frequency</b>	<b>Percent</b>
Yes	44	60.3
No	29	39.7
<b>Total</b>	<b>73</b>	<b>100.0</b>

Table 4-12 shows that majority of women interviewed believed that African women who are married have no right of ownership of property(60.3%), while 39.7% agreed that married women had a right to ownership of property. The respondents were of the opinion that women should be educated on their rights to own property in the family. This will go a long way in assisting women entrepreneurs as they venture in business. In the reviewed literature by Mehra, (1993), lack of access to land was identified as a key institutional factor that undermines women's economic productivity and ability to use resources sustainably. Throughout the developing world, few women own or have title to land although, in many places, they have the right to use land. Also the Constitution of Kenya in trying to fill the study gap identified by this study now advocates for inheritance rights to siblings and a sharing of family investments on divorce. Article 27 recognizes that measures should be put in place to encourage affirmative action programmes and policies to address past inequalities, Constitution of Kenya (2010). These study findings mimics' earlier research by Fielden and Dave (2004) which suggest that socially constructed barriers were responsible for inhibiting women's progressions . This is in conformity with a study by Syed (2010) in his study on the Malaysian women he stated that Women entrepreneurs have become important players in the entrepreneurial landscape and although the number is still small as compared to businesses owned by men, this is encouraging as it shows that women no longer adhere to the stereotype that only men can be wage earners in the family.

The respondents were also asked to suggest what should be done to ensure that women have their right of ownership of property. The suggestions were varied and included women empowerment, education of both men and women on women rights to inherit property in the family, change of discriminative laws to favor both men and women and also adherence to the constitution hence giving women their constitutional rights like right of property ownership. The results are as outlined in Table 4.13.

**Table 4.13: Frequency**

	<b>Strongly Disagree (%)</b>	<b>Disagree (%)</b>	<b>Fairly Agree (%)</b>	<b>Agree (%)</b>	<b>Strongly Agree (%)</b>
Because the current Kenyan constitution allows women to inherit land in equal measures with men. Women can now access more land	6.8	32.9	13.7	42.5	4.1
Customary laws hinder women from owning land or any kind of asset	1.4	9.6	13.7	30.1	45.2
The percentage of women owning/ operating their businesses was limited by the extend of land/ property ownership	2.7	21.9	13.7	27.4	34.2
Girls and women in general do not access land easily hence very few engage or run their own businesses	1.4	17.8	4.1	26.0	45.2

Table 4.13 shows that minority of women entrepreneurs agreed that women can access more land as allowed by Kenyan constitution (46.6%), that customary laws hinder women from owning land or any other kind of asset (75. 3%), the percentage of women owning enterprises was limited by the extent of land and property ownership (61.6%) and

that few women access land easily hence very few engage or run businesses (71.2%). These results are similar to reviewed literature research findings which reveal that in terms of resource ownership, women have poor command over land, information and financial resources. Having access to property rights and lands is essential for women entrepreneurs because property is used as collateral for business credit. Yet even though women are a major force in agriculture and provide 70 per cent of labour in the sector, they only hold about one per cent of registered land titles, with around 5-6 per cent of registered titles held in joint names. This lack of land and property is a significant barrier for Kenyan business women (GoK Economic Survey, 2005).

**Table 4.14: Distribution by mean, of factors on property ownership rights**

Statements	Mean	Std. Deviation
Women can access more land	2.96	1.098
Customary laws hinder women from owning land	1.92	1.051
Women owning land is limited by extent of land ownership	2.32	1.235
Few women run business since few access land	1.99	1.194

The mean value of the responses is less than 3.0 as indicated in Table 4-14, implying that all the given options on property ownership rights have influence on the growth of women entrepreneurial ventures. Hence lack of property ownership rights has an influence on the growth of women enterprises. This is in correspondence to literature review findings from a Human Development Report, (2001) had concluded that the lingering legal and cultural discrimination, which impedes women's access to property

ownership (especially land) and employment opportunities, has contributed immensely to their low status and lack of empowerment

#### 4.7.4 The extent to which level of education and training influences growth of women entrepreneurial ventures

**Table 4.15: Influence of level of training on growth of women entrepreneurial ventures**

<b>PRIOR TRAINING</b>	<b>Frequency</b>	<b>Percent</b>
Yes	43	58.9
No	27	37.0
<b>Total</b>	<b>73</b>	<b>100.0</b>

The other objective was to establish the extent to which the level of education and training influences growth of women entrepreneurial ventures. A test was carried out to determine the level of prior training by the women entrepreneurs. The results were as reported in Table 4.15, which showed that 37.0% of women in business did not have prior training while 58.9% had prior training. The results reveal that the level of prior training by the women entrepreneurs had an influence on the growth of their businesses. These results correspond to previous literature review findings which found out that there was evidence for past educational experiences being related to future managerial success as provided by (Bray, Campbell, and Grant (1974), Howard (1986).It was also argued that if micro-credits were remitted to women without structural investments such as education and health systems for the poor, the exploitation of women will only increase(Spivak 1999). Literature review findings show that majority of the lot carrying out micro and small enterprises in Kenya are not quite well equipped in terms of education and skills. Studies suggest that those with more education and training are more likely to be successful in the SME sector, and for small businesses to do well in Kenya, people need to be well informed in terms of skills and management,(ILO 2008).

Reviewed literature gave evidence to suggest that the education, employment and ownership rights of women have a powerful influence on their ability to control their environment and contribute to economic development, Lopez and Zahidi (2005).

**Table 4.16: Influence of level of training on growth of women enterprises**

<b>Business Skill</b>	<b>Frequency</b>	<b>Percent</b>
Writing a business plan	5	6.8
Proposal Writing	3	4.1
Bookkeeping	11	15.1
Marketing	35	47.9
Public relations	26	35.6
Purchases and procurement	18	24.7
<b>Total</b>	<b>98</b>	

**Table 4.17: The Influence of technical and managerial skills on women enterprises**

<b>Importance of technical and managerial skills</b>	<b>Frequency</b>	<b>Percent</b>
True	70	95.9
False	2	2.7
No response	1	1.4
<b>Total</b>	<b>73</b>	<b>100.0</b>

As shown in Table 4-17, majority of the respondents (95.9%) admitted that technical and managerial skills are very necessary for business growth. These findings conclude that it is therefore important for women entrepreneurs to acquire both technical and managerial skills as they plug into business. The results show that a great number of the women entrepreneurs had at least some level of business skills (98%). Literature review findings had revealed that SMEs face unique challenges which affect their growth and profitability and hence diminish their ability to contribute effectively to sustainable development like lack of managerial training and experience, inadequate education and skills, lack of credit national policy and regulatory environment, technological change, poor infrastructure and scanty markets information that ,Wanjohi and Mugure(2008).

The results of the influence of the level of education and training are as shown in Table 4.18.

**Table 4.18: Frequency**

	<b>Strongly Disagree (%)</b>	<b>Disagree (%)</b>	<b>Fairly Agree (%)</b>	<b>Agree (%)</b>	<b>Strongly Agree (%)</b>
The level of education or prior training influence the growth of women businesses	0.0	6.8	5.5	31.5	54.8
Previous business experience and level of training has restricted my business rate of growth	1.4	31.5	6.8	31.5	26.0
Business courses are an important factor for the growth of women owned businesses	0.0	2.7	8.2	45.2	43.8
Women entrepreneurs perform better in their businesses when they have acquired entrepreneurial skills	0.0	4.1	6.8	30.1	57.5
Illiteracy negatively affects the growth of women enterprises	0.0	6.8	1.4	8.2	83.6

**Table 4.19: Education level and Training.**

<b>Statements</b>	<b>Mean</b>	<b>Std. Deviation</b>
Level of prior training influence growth of women businesses	1.64	0.877
Previous business experience enable business to grow faster	2.49	1.241
Business course important for business growth	1.70	0.739
Entrepreneurial skills important	1.57	0.802
Illiteracy negatively affects business growth	1.32	0.814

The results are as shown in Table 4.19. The interpretation of the results was that higher education level was enhancing the growth of women entrepreneurial ventures, while low levels of education acted as hindrance to growth. Since a 5-point likert scale whose rating ranges from 1-2-3-4-5 was used, a theoretical mean value of 3.0 was determined using the formula  $(1+2+3+4+5)/5=3.0$  to provide a measurement point of reference for judging the study results after calculating the mean value of the responses in a 5-point likert rater scale. Therefore a mean equal to or higher than 3.0 indicated to disagree, while a mean less than 3.0 but between 2.5 and 2.99 indicated neutral or undecided. Any of the mean values that were less than 2.5 was used to indicate that the women entrepreneur's responses were in agreement with the given options that educational levels had an influence on the growth of women entrepreneurial ventures. The interpretation was that higher education level was enhancing the growth of women entrepreneurial ventures. In

the reviewed literature (King and McGrath 2002),had noted that education and skills are needed to run micro and small enterprises

#### **4.7.5 Extent to which government policies, framework and regulations influences growth of women entrepreneurial ventures**

The other objective was to determine the extent to which government policies, framework and regulations influences growth of women entrepreneurial ventures. A test was carried out to determine the extent to which government policies, framework and regulations influences growth of women entrepreneurial ventures. The results were as reported in the Table 4.20.

**Table 4.20: Influence of Government policies, and regulations on women enterprises**

<b>PROMOTION BY KENYAN LAW</b>	<b>Frequency</b>	<b>Percent</b>
Yes	53	72.6
No	20	27.4
<b>Total</b>	<b>73</b>	<b>100.0</b>

The respondents felt that Kenyan laws did encourage them to perform better in their businesses (72.6%).The feedback from the women entrepreneurs was that if the Government improved on infrastructure and security issues,their businesses would thrive. Literature review indicate that, while investment in infrastructure such as water, sanitation and electricity is important to ease the time burden associated with these tasks, it does not change how unpaid work and the care economy is conceptualized and valued, Bradshaw (2013).Research findings had highlighted poor infrastructures were to have continued to pose a major challenge to small enterprises in Kenya, (Muteti, 2005).

**Table 4.21: Frequency**

	<b>Strongly Disagree (%)</b>	<b>Disagree (%)</b>	<b>Fairly Agree (%)</b>	<b>Agree (%)</b>	<b>Strongly Agree (%)</b>
Government laws concerning the collection of market taxes and license fee be an hindrance on the growth of women enterprises	0.0	11.0	1.4	26.0	61.6
Lack of proper legal regulations hinders the growth of women enterprises	0.0	1.4	11	38.4	46.6
Women face many barriers and constraint as entrepreneurs.	2.7	5.5	5.5	41.1	43.8
Given a conducive environment, women can perform better in businesses which will promote the growth of their businesses.	0.0	0.0	0.0	5.5	94.5

Table 4-21 shows that the majority of the respondents agreed that government laws concerning the collection of market taxes and license fee can be an hindrance to the growth of women enterprises (87.6%), lack of proper legal regulations hinders the growth of women enterprises (85.5%), women face many barriers and constraints as entrepreneurs (84.9%), given a conducive environment women can perform better in business which can promote the growth of businesses,(94.5%).This is similar to literature review findings which had stated that passive policies promote entrepreneurship most broadly and it is this entrepreneurial-friendly environment that will allow any individual or business regardless of size, location or mission to expand and to thrive,(Garrett Thomas, 2005).

Respondents felt that Kenyan laws did encourage them to perform better in their businesses. They also suggested that the government should improve on infrastructure to enhance mobility of traders, improve security for businesses. Other suggestions included license fee charged by the government should be reduced especially for the women in SME's and accessibility to finances should be made easier. This would thus create a conducive environment for growth of women enterprises. Research findings indicate that if provided with a favorable environment, possible economic opportunities for women entrepreneurs would emerge.The business environment (though not all that conducive due to heavy cost of investment and production, partly because of heavy taxation and energy issues) has enabled a number of macro and micro enterprises to rise,Wanjohi and Mugure (2008).

Table 4.22.shows the mean and standard deviation of the different options as pertains to influence of government policy on the growth of entrepreneurial businesses owned by women.

**Table 4.22: Influence of government policy on the growth of women enterprises**

<b>Statements</b>	<b>Mean</b>	<b>Std. Deviation</b>
Collection of market taxes and license fee hinder growth of women businesses	1.62	0.967
Lack of proper legal regulations hinder growth of women businesses	1.66	0.736
Women face many barriers and constraints as entrepreneurs	1.81	0.973
Women perform better given conducive environment	1.05	0.229

The mean values calculated were less than the theoretical mean value of 3.0 and even less than 2.5 as indicated in Table 4-22, it was interpreted as to denote the fact that most of the sampled women entrepreneurs agreed that government policy and regulation have an influence on the growth of women entrepreneurial ventures. Literature review findings had highlighted on the need for the government to come up with proper regulatory policies that are small enterprises friendly since many of what we have in Kenya, frustrates every effort of a junior entrepreneur. The policies we have seemed to care for the well-established businesses. Since majority of small enterprises lack finance, government should establish friendly small loaning system. This would include low interests rates to ensure the continuity of these businesses, Wanjohi and Mugure (2008). significant barrier for Kenyan businesswomen (GOK, Economic Survey, 2005).

#### 4.8 Correlation Analysis

Before running a regression, the researcher compared the correlation matrix whose results are shown below. The thought was to check whether there was a problem of Multi-Collinearity within the variables. It also indicated the association between variables.

**H1: There is no significant relationship between availability of finance and growth of women enterprenurial Ventures**

**Table 4.23: Correlation**

		Women do not easily access loans due to biasness in banks	Commercial banks financiers do not trust women with bank loans	If women acquire bank loans they can easily expand their business	Lending condition and high interest rates	Single women access bank loans more easily
Women do not easily access loans due to biasness in banks	Pearson Correlation	1				
Commercial banks financiers do not trust women with bank loans	Pearson Correlation	.549**	1			
If women acquire bank loans they can easily expand their business	Pearson Correlation	.168	.359**	1		
Lending condition and high interest rates	Pearson Correlation	.456**	.362**	.198	1	
Single women access bank loans more easily	Pearson Correlation	.176	.369**	.216	.195	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

These coefficients imply that there exists a positive association of Commercial banks financiers do not trust women with bank loans (55.0%), If women acquire bank loans they can easily expand their business (17.0%), Lending condition and high interest rates (46.0%), Single women access bank loans more easily (18.0%) to growth of women entrepreneurial ventures. This positive association suggests that when one increases, growth of women entrepreneurial ventures increases hence rejecting the null hypothesis that there is no relationship between availability of finance and growth of women entrepreneurial ventures and accepting that availability of finance has an influence on the growth of women entrepreneurial ventures.

**H2: There is no significant relationship between gender roles and growth of women Entrepreneurial ventures**

**Table 4.24: Correlation**

		Cultural beliefs affect growth of women enterprises	Family life influence the growth of women enterprises	Empowering women in business is a waste of time	Religious beliefs hinder women in engaging in business	Society's negative attitude affect the participation of women in business	Family support positively influences women in their businesses
Cultural beliefs affect growth of women enterprises	Pearson Correlation	1					
Family life influence the growth of women enterprises	Pearson Correlation	.507**	1				
Empowering women in business is a waste of time	Pearson Correlation	-.052	-.089	1			
Religious beliefs hinder women in engaging in business	Pearson Correlation	.516**	.558**	.044	1		
Society's negative attitude affect the participation of women in business	sPearson Correlation	.477**	.190	-.143	.208	1	
Family support positively influences women in their businesses	Pearson Correlation	.315**	.319**	-.093	.188	.406**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The Pearson's correlation co-efficient of growth of women entrepreneurial ventures and Family life influence the growth of women enterprises is 0.51, Religious beliefs

hinder women in engaging in business (0.52), Society's negative attitude affect the participation of women in business (0.48) and Family support positively influences women in their businesses (0.32). These coefficients imply that there exists a positive association of Family life influence the growth of women enterprises (51.0%), Religious beliefs hinder women in engaging in business (52.0%), and Society's negative attitude affect the participation of women in business (48.0%), Family support positively influences women in their businesses (32.0) to growth of women entrepreneurial ventures. This positive association suggests that when one increases, growth of women entrepreneurial ventures increases. The results imply that there exists a relationship between gender roles and growth of women enterprises hence rejecting the null hypothesis and accepting the proposition that gender roles have an influence on the growth of women entrepreneurial ventures.

The Pearson's correlation co-efficient of growth of women entrepreneurial ventures and Empowering women in business is a waste of time is 0.05. These coefficients imply that there exists a negative association of Empowering women in business is a waste of time (5.0%) to growth of women entrepreneurial ventures. This negative association suggests that when one increases, growth of wome entrepreneurial ventures decreases and vice versa.

**H3: There is no significant relationship between traditional property ownership rights and The growth of women entrepreneurial ventures**

**Table 4.25: Correlation**

		Women can access more land	Customary laws hinder women from owning land	Women owning land is limited by extend of land ownership	Few women run business since few access land
Women can access more land	Pearson Correlation	1			
Customary laws hinder women from owning land	Pearson Correlation	-.328**	1		
Women owning land is limited by extend of land ownership	Pearson Correlation	-.359**	.534**	1	
Few women run business since few access land	Pearson Correlation	-.379**	.512**	.774**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The Pearson’s correlation co-efficient of growth of women entrepreneurial ventures and Customary laws hinder women from owning land is 33%, Women owning land is limited by extend of land ownership 36%, and Few women run business since few access land 38%. These coefficients imply that there exists a negative association of Customary laws hinder women from owning land 33.0%, Women owning land is limited by extend of land ownership 36.0%, Few women run business since few access land (38.0%) to growth of women entrepreneurial ventures. This negative association suggests that when one increases, growth of women entrepreneurial ventures decreases and vice versa.

The study results imply that there exists a relationship between traditional property ownership rights and growth of women entrepreneurial ventures hence rejecting the null hypothesis and accepting the proposition that traditional property ownership rights have an influence on the growth of women entrepreneurial ventures.

**H4: There is no significant relationship between the level of education and growth of women entrepreneurial ventures.**

**Table 4.26: Correlation**

		Level of prior training influence growth of women businesses	Previous business experience enable business to grow faster	Business course important for business growth	Entrepreneurial skills important	Illiteracy negatively affects business growth
Level of prior training influence growth of women businesses	Pearson Correlation	1				
Previous business experience enable business to grow faster	Pearson Correlation	-.020	1			
Business course important for business growth	Pearson Correlation	.476**	.067	1		
Entrepreneurial skills important	Pearson Correlation	.363**	-.158	.626**	1	
Illiteracy negatively affects business growth	Pearson Correlation	.339**	.093	.045	.041	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The Pearson's correlation co-efficient of growth of women entrepreneurial ventures and Business course important for business growth is 0.48, Entrepreneurial skills important (0.36), and Illiteracy negatively affects business growth (0.34). These coefficients imply that there exists a positive association of Business course important for business growth (48.0%), Entrepreneurial skills important (36.0%); Illiteracy negatively affects business growth (34.0%) to growth of women entrepreneurial ventures. This positive association suggests that when one increases, growth of women entrepreneurial ventures increases.

The Pearson's correlation co-efficient of growth of women entrepreneurial ventures and Previous business experience enable business to grow faster is 0.02. These coefficients imply that there exists a negative association of previous business experience enables business to grow faster (2.0%) as compared to growth of women

entrepreneurial ventures. This negative association suggests that when one increases, growth of women entrepreneurial ventures decreases and vice versa. The study results imply that there exists a relationship between education levels and growth of women enterprises hence rejecting the null hypothesis and accepting the proposal that educational levels have an influence on growth of women entrepreneurial ventures. This is in conformity with literature review findings which showed that the level of formal entrepreneurial activity among women increases as their education level rises, and there was a major jump in business ownership among those who go beyond secondary education. Studies by Namusonge (2006) revealed that entrepreneurial education and training play a key role in stimulating entrepreneurship and self-employment.

On the influence of education, the null hypothesis was tested to see whether there were correlation significance between education levels and growth of entrepreneurial ventures in Mbooni constituency. The results show that there was positive Pearson correlation at between 0.3 and 1. This is in line with other research findings which shows a strong correlation between a woman's belief in having the knowledge, skills, and experience to start a formal business, and her likelihood of starting it. Women entrepreneurs confirm this finding. Lower education levels put Kenyan women entrepreneurs at a disadvantage compared to men. Lower education and a curriculum that does not emphasize entrepreneurship skills decrease the chances that women will have the knowledge needed to excel in business, and thereby contribute to the country's overall economic growth, (Voice of Women Entrepreneurs 2008).

**H5: There is no significant relationship between government policy, framework, and regulations and the growth of women entrepreneurial ventures.**

**Table 4.27: Correlation**

		Collection of market taxes and license fee hinder growth of women businesses	Lack of proper legal regulations hinder growth of women businesses	Women face many barriers and constraints as entrepreneurs	Women perform better given conducive environment
Collection of market taxes and License fee hinder growth of women businesses	Pearson Correlation	1			
Lack of proper legal regulations hinder growth of women businesses	Pearson Correlation	.495**	1		
Women face many barriers and constraints as entrepreneurs	Pearson Correlation	.175	.227	1	
Women perform better given conducive environment	Pearson Correlation	-.092	-.054	-.030	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The Pearson’s correlation co-efficient of growth of women entrepreneurial ventures and Lack of proper legal regulations hinder growth of women businesses is 0.50 and Women face many barriers and constraints as entrepreneurs (0.18). These coefficients imply that there exists a positive association of Lack of proper legal regulations hinder growth of women businesses (50.0%) and Women face many barriers and constraints as entrepreneurs (18.0%) to growth of women entrepreneurial ventures. This positive association suggests that when one increases, growth of women entrepreneurial ventures increases.

The Pearson’s correlation co-efficient of growth of women entrepreneurial ventures and women perform better given conducive environment is 0.09. These coefficients imply that there exists a negative association of Women perform better given conducive environment (9.0%) to growth of women entrepreneurial ventures. This

negative association suggests that when one increases, growth of women entrepreneurial ventures decreases and vice versa hence the conclusion that there exists a relationship between government policy and regulations and the growth of women enterprises hence rejecting the null hypothesis that there exists no relationship between government policy and regulations and the growth of women entrepreneurial ventures.

The interpretation of these results is that lack of capital, low levels of education among the women entrepreneurs, lack of property ownership rights, influence of gender roles, and Government policies and regulations are some of factors influencing growth of women entrepreneurs businesses in Mbooni Constituency.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter summarizes the findings of the study and presents conclusions, recommendations and suggestions for further research.

#### **5.2 Summary of findings**

Women entrepreneurial ventures act as tools of economic empowerment. This study therefore was set to establish the factors influencing the growth of women entrepreneurial ventures in Mbooni Constituency. The objectives of the study focused on the influence of financial availability, gender roles, traditional property ownership rights, level of education and training, and government policy framework and regulations on the growth of women entrepreneurial ventures.

The study adopted a descriptive survey design and the data was collected by use of questionnaires and interview guide. The target population consisted of 100 women entrepreneurs who operate small businesses in Kisumu Division of Mbooni constituency. The sample size comprised of 80 respondents. Through data analysis, the study established that 69.9% of women owning business in Kisumu Division are married women while 30.1% are single or divorced. On experience in the current business, the study established that majority of the women entrepreneurs had over five years' experience in business, (50.7%) and therefore they were able to give report of their businesses based on the experience they had in their businesses.

On financial availability, 69.9% of women entrepreneurs indicated that they used personal savings to finance their businesses where else 2.7% indicated that they borrowed, and 21.9% indicated that they were financed by friends and relatives. This shows that majority of women entrepreneurs use personal savings to finance their operations.

On the question of the assertion that women can only be productive at home doing house chores and child care, the study revealed that 98.6% of women believed that

they should be working to supplement family income. The respondents were asked to state what should be done to ensure that those who start their businesses are supported for continued growth of their enterprises. Most of them stated that finances should be made easily accessible. Most of the women entrepreneurs stated that employment of a house assistant to help in the household chores or even where possible the husbands should be willing to give a helping hand. This would ensure that they spent quality time in their businesses; they also needed moral and emotional support from their husbands. Women entrepreneurs interviewed strongly agreed that women should participate in supplementing the income of the family by engaging in business activities but some cultural beliefs and family responsibilities act as hindrance to the growth of their businesses.

On education levels 41.1% of the respondents had acquired tertiary level of education. As revealed in the literature review, research shows that the level of formal entrepreneurial activity among women increases as their education level rises, and there was a major jump in business ownership among those who go beyond secondary education. Further, studies show that most of those running SMEs in this sector have at least attained college level of education (Wanjohi and Mugure, 2008).

As far as the acquisition of skills is concerned, majority of the respondents admitted that technical and managerial skills are very necessary for business growth. In Kenya the (UNIDO Document, 2003), reports that women entrepreneurs in rural areas suffer from a lack of training and advisory services that would allow them to upgrade their managerial and technical skills and solve immediate production problems, thus improving productivity and increasing profitability. There was a need for entrepreneurial training to socially condition the women, and particularly in rural areas, to develop a desire for achievement. This can be achieved by way of profiling and/or imitating successful women entrepreneurs. Lack of necessary training and lack of experience seriously affects the efficiency of the rural women entrepreneurs. Lack of training facilities adversely affects the opening of new line of business (Women entrepreneurs 2008).

On property ownership, 39.7% of women believed that women who are married have no right of ownership of property, while 69% believed that women who are married have right to property ownership. Suggestions as to what should be done to ensure that women have their right of ownership of property included, women

empowerment, education of men on women rights to own land, removal of discriminative laws to favor both men and women and also adherence to the constitution as pertains to property ownership rights hence giving women their constitutional rights.

The mean values calculated for the options given concerning government policy and regulations were less than the theoretical mean value of 3.0 and even less than 2.5. It was an indication that most of the sampled women entrepreneurs agreed that government policy and regulation have an influence on the growth of women entrepreneurial ventures.

The study recommended that, The Central and County Governments should come up with modalities of helping women entrepreneur's financially to be on equal footing with their male counterparts for the benefit of the Country's economic well-being and that men need to be educated on the need to help their women counterparts in realizing their potential in as far as work-related activities are concerned. This is both in the work place and at home. Some equality in sharing household roles should be encouraged. Other recommendations were that women should be made aware of their constitutional right to own property. This will encourage them to acquire property including land from their parents through inheritance reduce inequality in access of family resources, stringent laws and methods of dealing with those who still adhere to the outdated cultures impacting negatively on the upbringing of girls such as early and forced marriage, FGM, should be enacted. Also the Government should come up with fair policies on taxation and licensing of businesses to encourage women entrepreneur's operating in micro-enterprises to grow and expand their business activities.

### **5.3 Conclusions of the study**

From the study findings it was concluded that women entrepreneur's face enormous challenges which include difficulties in financial accessibility, influence of gender roles, lack of property ownership rights, low education levels, and Government policies and regulatory framework.

Literature review results had highlighted the factors impacting on women's economic empowerment to include among others, lack of adequate access to education, training and technology, lack of access to credit, cultural practices, tradition, religious interpretations of women's status, women's lack of knowledge about rights and laws, Lack of adequate representation in decision-making positions and governance structures.

According to the findings of this study, lack of finance was identified as one of the hurdles in the growth of women enterprises. The main reason given by these women is lack of collateral security for the loan and the high interest rates charged by banks. Most of them are forced to cooperate with other women in small groups to mobilize savings and pool these resources for lending to individual group .

The study findings revealed that the levels of women's education had influence on the women's participation in entrepreneurial activities, for small businesses to do well in Kenya, people need to be well informed in terms of skills and management

The study respondents were in agreement that gender roles had an influence on the growth of women enterprises. It had been indicated, that there are many socio-cultural factors impacting negatively on the upbringing of girls in Kenya. This study concluded that more effort need to be taken in the Kenyan education system to ensure that both girls and boys are on equal footing in access to resources and also ensure balanced participation in economic activities.

Lack of property ownership rights has an influence on the growth of women enterprises. The study found out that women entrepreneurs ability to acquire finance for their businesses was limited by lack of property of their own to pledge as security for loan.

Lack of proper legal framework was found to be a hindrance to growth of businesses owned by women. Favourable Government policies would therefore promote the growth of women entrepreneurial ventures.

## **5.5 Recommendations of the study**

Based on the research findings the researcher recommended the following:

1. The Central and County Governments to come up with modalities of helping women entrepreneur's financially to be on equal footing with their male counterparts for the benefit of the Country's economic well-being.
2. The study also recommended that men need to be educated on the need to help their women counterparts in realizing their potential in as far as work-related activities are concerned. This is both in the work place and at home. Some equality in sharing household roles should be encouraged men should be educated against devaluing their wives abilities in the performance of their businesses.
3. The study also recommended that women should be made aware of their constitutional right to own property. This will encourage them to acquire property including land from their parents through inheritance reduce inequality in access of family resources.
4. Enactment of stringent laws and methods of dealing with those who still adhere to the outdated cultures impacting negatively on the upbringing of girls such as early and forced marriage, FGM which limit young women's engagement in both education and economic activities.
5. The study recommends that the Government should come up with fair policies on taxation and licensing of businesses to encourage women entrepreneur's operating in micro-enterprises to grow and expand their business activities.

#### **5.4 Suggestions for further studies**

The researcher suggested further studies on the factors influencing the growth of women entrepreneurial businesses in the other Sub-counties of Makueni and the whole Country. This would help in unraveling ways of assisting women entrepreneurs to promote equality among both men and women in the access of the Country's economic resources and enhance economic productivity.

Further studies should be done to find out other factors which influence the performance of women in business activities.

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## APPENDECIES

### APPENDIX I: Transmittal letter

Ruth W. Mutuku  
P.O Box 53-90127  
Mbumbuni

The Respondents  
All Women Entrepreneurs  
Mbooni Constituency Makueni County  
Kenya

Dear Sir/Madam,

**REF: RESEARCH ON FACTORS INFLUENCING THE GROWTH OF  
ENTREPRENEURIAL VENTURES AMONG WOMEN IN MBOONI  
CONSTITUENCY IN MAKUENI COUNTY**

I am a Masters student undertaking Project Planning and management course. I am carrying out a research study on factors influencing the growth of entrepreneurial ventures among women in Mbooni constituency in Makueni County and you have been selected as one of the respondents and I therefore request you to fill in the questionnaire to the best of your knowledge and ability. The information you give is needed purely for academic research purposes and will therefore be treated with strict confidence.

---

Ruth W. Mutuku

Date

University of Nairobi

**APPENDIX II: Questionnaire**  
**Questionnaire for women Entrepreneurs**

Research on factors influencing growth of women entrepreneurial ventures in Mbooni-East sub-county.

This Questionnaire is to be used by the Researcher when interviewing the respondents. The following questions will be asked and responses written as accurately as possible in the spaces provided after each question.

**Part 1: Personal Details**

1. Name of the enterprise

.....  
.....

2. Location of the business

.....  
.....

3. Marital status:

Single ( ) Married ( ) Separated ( ) Widowed ( )

4. (a) How long have you been in your current enterprise (in years):

i) Less than 3 years ( ) ii) 3 - 5 years ( ) iii) Over 5 years ( )

(b) Any other business experience prior to the current one?

Yes ( ) No ( )

(c) Duration in the previous enterprise (in years):

i) Less than 3 years ( ) ii) 3 - 5 years ( ) iii) Over 5 years ( )

5. Highest level of education attained

i) Primary ( ) ii) Secondary ( ) iii) Tertiary ( ) Any other? Specify\_\_\_\_\_

## Part 2: Financial Availability

1. State the source of the initial capital

Personal savings ( ) Bank loans ( ) Friends & Relative ( )

2. To what extent do you agree or disagree with the statements given below concerning financial availability to women entrepreneurs: Tick appropriately. Strongly agree(SA), agree(A), fairly agree(FA), disagree(D) and strongly disagree(SD)

Statement	SA	A	FA	D	SD
	5	4	3	2	1
Women do not easily access loans due to biasness in banks.					
Commercial bank financiers do not trust women with bank loans because women have no right to own lands and get a title deed (low ownership collateral).					
If women acquire bank loans, they can easily expand their businesses					
Lending conditions and high interest rates charged by banks act as barriers to growth of businesses owned by women					
Single women access bank loans more easily than married women					

**Part 3: Gender Roles**

3. (a) Do you believe the assertion that women can only be productive at home doing house chores and child care?

Yes ( )                      No ( )

(b) If no what do you think should be done to ensure those who start their own businesses are supported to ensure growth of their enterprise

.....  
 .....

(c) If yes, explain.

.....  
 .....

4. To what extent do you agree or disagree with the statements given below as concerns gender roles: Tick appropriately. Strongly agree(SA), agree(A), fairly agree(FA), disagree(D) and strongly disagree(SD)

Statement	SA	A	FA	D	SD
	5	4	3	2	1
Cultural beliefs and practices in your community affect the growth of women enterprises?					
Family life in marriage or caring for children, greatly influence the growth of women owned enterprises					
The idea of empowering women to be able to engage in businesses is just a waste of time because it contradicts our culture					
Religious beliefs are usually a hindrance to women engagement in businesses					
Negative attitude by the society towards working women affects their participation in businesses					
Family support has a positive influence on the growth of women enterprises					

**Part 4: Property Ownership Rights**

5. (a) In African married life, women have no right to ownership of property and they are treated as property of their husbands together with their assets.

Yes ( )                      No ( )

(b) If no to 10(a) above, suggest what should be done to ensure women have their right of ownership of property

.....  
 .....

6. To what extent do you agree or disagree with the statements given below as pertains to property ownership rights: Tick appropriately. Strongly agree (SA), agree(A), fairly agree(FA), disagree(D) and strongly disagree(SD)

Statement	SA	A	FA	D	SD
	5	4	3	2	1
Because Kenyan constitution allows women to inherit land in equal measures with men. Women can now access more land					
Customary laws hinder women from owning land or any other kind of asset					
The percentage of women owning/ operating their businesses is limited by the extent of land/ property ownership					
Girls and women in general do not access land easily hence very few engage or run their own businesses					





### **APPENDIX III: Interview Guide**

1. What was the name of your business?
2. Are you married? Yes /No
3. How many children do you have?
4. What was the reason that led you to start a business?
5. Is the business a joint venture? Yes /No
6. Do you have a loan? Yes/No, If yes from where?
7. If from bank did you face any challenge in acquiring it?
8. What major problems did you encounter when starting your business?
9. What was your level of education?
10. What skills do you have?
11. Do you get any support from your family?
12. What are the reactions of the community towards your business?
13. What legal constraints do you experience in your business?
14. Have you recognized any effort that the government of Kenya doing to support your business.
15. What future plans do you have for growing your business?
16. What difficulties do you face in the operation of your business?

**APPENDIX IV: Table for determining sample size from a given population**

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368

N was population size

S was sample size Source: R.V. and Morgan D. (1970).

## APPENDIX V: Authority to undertake research



**MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY**  
State Department of Education

Telephone:  
E-mail: [deomboonieast@education.go.ke](mailto:deomboonieast@education.go.ke)  
When replying please quote

SUB COUNTY EDUCATION OFFICE,  
MBOONI EAST,  
P O BOX 21,  
**MBUMBUNI.**  
9 April, 2014

Ref: DEO/ME/13/VOL.II/50

**TO WHOM IT MAY CONCERN.**

**RE: AUTHORITY TO UNDERTAKE A RESEARCH.**  
**RUTH W. MUTUKU – REG. NO. L50/66489/2013**

The person under reference is a student at The University of Nairobi, Machakos Centre, pursuing a Course leading to the award of degree of Masters of ARTS in project planning and management. She has by authority of this note been permitted to undertake a research project on a topical issue in management. Her research topic is: *“factors influencing entrepreneurial ventures among women in Mbooni Constituency in Makueni County.*

Kindly accord her necessary cooperation.

**Alex Nyakweba.**  
For: Sub County Director of Education.  
**MBOONI EAST.**

ISO 9001:2008 CERTIFIED



## APPENDIX VI: NCSTI Research authorization



### NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471,  
2241349, 310571, 2219420  
Fax: +254-20-318245, 318249  
Email: secretary@nacosti.go.ke  
Website: www.nacosti.go.ke  
When replying please quote

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

Ref: No.

Date:

10<sup>th</sup> April, 2014

NACOSTI/P/14/7339/808

Ruth Wanza Mutuku  
University of Nairobi  
P.O.Box 30197-00100  
NAIROBI.

#### RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *“Factors influencing the growth of entrepreneurial ventures among women in Mbooni Constituency in Makueni County,”* I am pleased to inform you that you have been authorized to undertake research in **Makueni County** for a period ending **31<sup>st</sup> December, 2014.**

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

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

  
SAID HUSSEIN  
FOR: SECRETARY/CEO

Copy to:

The County Commissioner  
The County Director of Education  
Makueni County.

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

## APPENDIX VII: Research authorization



OFFICE OF THE PRESIDENT  
REPUBLIC OF KENYA

DISTRICT COMMISSIONER  
MBOONI EAST

Telegrams "DISTRICTER" MBOONI EAST  
Telephone:  
Fax:020-2354345

DISTRICT COMMISSIONER  
Mbooni East District  
P.O. Box 1- 90127  
MBUMBUNI

While replying quote  
Our Ref: MBNEST/EDU.12/1 VOL.1/120

Date: 11/04/2014

TO WOM IT MAY CONCERN

### RESEARCH AUTHORIZATION: RUTH W. MUTUKU

The above named is a student at the University of Nairobi, Machakos centre pursuing masters of Arts in project planning and management. She has been authorized to carry out research on "*Factors influencing entrepreneurial ventures among women in Mbooni Constituency in Makueni County*".

Any assistance accorded to her will be highly appreciated.

MARTIN M. NJERU  
FOR: DEPUTY COUNTY COMMISSIONER  
MBOONI EAST DISTRICT

## APPENDIX VIII: Research permit

**THIS IS TO CERTIFY THAT:**

**MS. RUTH WANZA MUTUKU**  
of **UNIVERSITY OF NAIROBI, 0-90127**  
**MBUMBUNI**, has been permitted to  
**conduct research in Makueni County**  
on the topic: **FACTORS INFLUENCING**  
**THE GROWTH OF ENTREPRENEURIAL**  
**VENTURES AMONG WOMEN IN MBOONI**  
**CONSTITUENCY IN MAKUENI COUNTY**  
for the period ending:  
**31st December, 2014**

  
**Applicant's Signature**

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

**Permit No. : NACOSTI/P/14/7339/808**  
**Date Of Issue : 8th April, 2014**  
**Fee Received :ksh 1,000.00**

**CONDITIONS**

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

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

**RESEARCH CLEARANCE PERMIT**

**Serial No. A 1389**

**CONDITIONS: see back page**

**APPENDIX IX: Location of Makueni County in Kenya**

