

**FACTORS INFLUENCING SUSTAINABILITY OF MERRY-GO
ROUND PROJECTS BY WOMEN IN BOMET CENTRAL
DIVISION, BOMET CENTRAL CONSTITUENCY, KENYA**

BY

KOSILEY CAROLINE CHEPNGENO

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DECLARATION

This research project report is my original work and has never been presented for a degree or any award in any University

Signature: Date:

Name: Kosiley Caroline Chepngeno

L50/71573/2014

Declaration by the supervisor

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

Signature:

Date:

Prof. Harriet Kidombo

Dean, School of External Studies

University of Nairobi

DEDICATION

This research project report is dedicated to my son Derrick Newton Kiptoo and daughter Shean Rose Chepkemai who have taught me the true value of sacrifice.

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LIST OF ABBREVIATIONS AND ACRONYMS

AMFI	Association for Microfinance Institutions
CBK	Central Bank of Kenya
CBO	Community Based Organization
CGAP	Consultative Group to Assist the Poor
CWES	Constituency Women Enterprise Scheme
DGSDO	District Gender and Social Development Officer
DTM	Deposit taking Microfinance
DWEDFC	Divisional Women Enterprise Development Fund Committee
FIDA	Federation of Women Lawyers, Kenya
IFAD	International Fund for Agricultural Development
JOYWO	Joyful Women Organization
Kshs.	Kenya Shillings
KWFT	Kenya Women's Finance Trust
MCIs	Micro Credit Institutions
MFI s	Micro Finance Institutions
MGRs	Merry Go Rounds
NGOs	Non-Governmental Organizations
ROSCAS	Rotating Savings and Credit Associations
SACCOs	Savings and Credit co-operative Organizations
SEWA	Self-Employed Woman's Association
UNDP	United Nations Development Programmes
WEDF	Women Enterprise and Development Fund
WDR	World Development Report
CMG	Critical Mass growth
ICT	Information Communication Technology

OECD	Organization for Economic Corporation and Development.
WIPO	World Intellectual Property Organization

ABSTRACT

Women in the world account the highest economic growth through the economic activities they engage in. Even though women entrepreneurs in Kenya have been known to engage in small scale retail enterprise, there has been a need to grow their businesses beyond the current level. However, hindering factors such as lower academic standards, higher interest rates, demographic factors and socio-cultural constraints have contributed to non-sustainability of their projects. The study investigated the challenges of sustainability of women owned Merry-Go-Round projects in Bomet Central Division, Bomet Central constituency. The study was guided by the overall objective of identifying reasons why women owned merry go round projects in Bomet Central division are not sustainable. The study reviewed related literature and identified gaps in the literature. Use of questionnaires to collect primary data was preferred in this study. The study adopted a descriptive survey research design. (Orodho, 2004) notes that descriptive survey research is intended to produce statistical information about the aspects of the population that interests policy makers without manipulating any variables. The survey emphasizes the frequency or number of answers to the same question by different people. (Bless and Achola, 1990) and (Mutai, 2001) indicate that the descriptive study gives an accurate account of a particular phenomenon, situation, community or person. It targeted randomly selected women group members in Bomet Central Constituency. A total of 2000 women were targeted which is the total number of women identified to be members of merry go rounds. The desired sample size comprised of 200 respondents. According to (Mugenda and Mugenda, 1999), a representative sample should be at least 10% of the total population. The study adopted simple random sampling procedure. According to (Orodho, 2009), simple random procedure provides equal opportunity of selection for each element of the population. Statistical Package for Social Science (SPSS) was used to code and enter data for analysis. The study adopted both the qualitative and quantitative analysis in order to achieve the objectives of the study. The study also employed descriptive methods such as percentages and frequencies for easier understanding and interpretation. Based on the findings, discussions and conclusions were made. The data provided recommendations and suggestions for further research.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Female run merry-go round projects are steadily growing all over the world, contributing to household incomes and growth of national economies. However, women face financial, socio cultural, managerial and demographic constraints which have limited their ability to grow and sustain their projects. Women are often unaware of opportunities, have limited training and also have limited access to financial support.

(United Nation's report, 1990). Kanter (1984) on the other hand observes that women are less likely to take advantage of wide spread opportunities because they have other roles to do with the family system. The family system is embedded within the socio-cultural practices that deprive women of inheriting land and other assets but also push women into entrepreneurship (Narayan, 1997).

Women at times do not take advantage of development opportunities because of their burden of multiple gender roles (Jourbert, 1996). Gender roles for women therefore suppress the entrepreneurial competencies so much that the performance of their small businesses is affected (Brydon and Chant, 1993). Women's gender roles fail to be separated from their business work. This therefore limits concentration and consequently their performance.

In the U.S for instance, women owned projects are growing at more than double the rate of other firms, contribute nearly \$3 trillion to the U.S economy and are responsible for over 23 million jobs. Globally, research shows that the different factors are driving this trend. In developing countries, belonging to a group comes largely due to necessity. In the absence of other viable alternatives to provide for or supplement household incomes, belonging to a merry go round becomes the only viable option. Further, female owned projects are characterized by low capital requirements, low barriers to entry and low income.(World Development Report,2012)

Due to socio-cultural constraints, women owned projects tend to be informal and home based. Operating from the home allows women to satisfy competing demands for time caused by

misappropriate share of housework and childcare responsibilities while working in a traditional sector requires less experience and lower start-up capital, the downside is that these sectors offer lower returns. A study on gender and economic choice in the 2012 World Development Report on Gender and Development found that all 19 countries studied, social norms are the most frequently reported constraint to physical mobility followed by public safety.

Women investment groups called Chamas or merry-go-rounds have been for a long period of time a sure path to financial freedom. Many of them have however fizzled out before making any substantial gains; several others grow to become financial institutions of power influence and wealth. These women groups have had several problems particularly related to their successes and sustainability. The externally funded groups are for example often short lived and usually fragment the local community. They lack adequate mechanisms to ensure accesses for everybody and are frequently affected by poor leadership and managerial skills, lack of technical and business skills, limited access to finance and capital, competing demands between market and household work for time due to family responsibilities, (Anderson, Siwan et al. 2002).

In the Kenya context, Merry-Go-Round refers to the internal mechanisms and process of generating and contributing resources, savings and contributions from and to members. While the specific mechanisms and amounts of resources generated and distributed vary widely among groups, the basic formula is the same everywhere: each member makes a fixed contribution at a fixed time and the controlled contributions are passed on to members in turn at fixed and known times. In most cases, the contributions are fixed financial contributions. Merry-Go-Rounds form the basis around which women's groups are.(National Council of Women of Kenya 2009) Women are disadvantaged by traditions that limit their capacity to earn income, their access to information and productive resources Johnson, Susan. (2004). In Kenya, the official records indicate that there are over 680 000 registered women groups across the country. This indicates among other things that there is a felt need on the part of women to get together and use Merry-Go-Rounds to improve their economic status and lives in general. The key reasons for belonging to informal groups extend beyond the key financial features of getting access to funds from ROSCAs and ASCAs to the fact that they enable people to obtain funds in emergencies and also provide social contact and network. The biggest challenges are members leaving the group

followed by those members not paying contributions. The implication of this is that there would be strong effects on cash flow within the group.

It should be noted that as women economic empowerment becomes increasingly of much concern, lack of information on factors affecting sustainability of women groups in Kenya is also becoming an increasing concern to the government and stakeholders. It is against this background of failure and lack of sustainability of most women-owned group projects coupled with lack of enough information about merry – go round managements in Kenya that the need to research in this field was considered important.

1.2 Statement of the problem

The economic empowerment of women is a prerequisite for sustainable development, pro-poor growth and the achievement of all the Millennium Development Goals (MDGs). Women run at least 70% of all the informal enterprises or small and medium enterprises worldwide (Kibera, 1997). However, these small and medium enterprises suffer from a considerable high failure rate that is largely attributed to lack of business management skills and planning but also gender roles (Ibrahim and Soufani, 2002). This has consequently affected the performance of small and medium enterprises. “Women perform 66 percent of the world’s work, and produce 50 percent of the food, yet earn only 10 percent of the income and own 1 percent of the property.

Whether the issue is improving education in the developing world, or fighting global climate change, or addressing nearly any other challenge we face, empowering women is a critical part of the equation” Former President Bill Clinton addressing the annual meeting of the Clinton Global Initiative (September 2009). Micro finance – including micro-credits – is often considered to be an instrument that promotes empowerment. Whilst it can stabilize livelihoods, broaden choices, provide start-up funds for productive investment, help poor people to smooth consumption flows and send children to school, it can also lead to indebtedness and increased exclusion unless programmes are well designed.

Closing the gender gap in agricultural inputs alone could lift 100-150 million people out of hunger. FAO (2011), Providing supplementary services – such as training, working through

groups rather than individuals, or alongside other investments in awareness-raising – has been shown to increase women’s direct control over resources (UND P, 2010).

1.3 Purpose of the study

The purpose of the study was to investigate the factors which influence sustainability of women owned merry – go round projects in Bomet Central Division, Bomet Central Constituency.

1.4 Objectives of the study

The study was guided by the following objectives:

1. To establish the influence of managerial skills on sustainability of merry – go round projects by women in Bomet Central Division.
2. To assess the influence of financial resources on sustainability of women's merry – go round projects in Bomet Central Division.
3. To explore the influence of socio-cultural factors on sustainability of merry – go round projects by women in Bomet Central Division.
4. To establish the influence of demographic factors on sustainability of merry-go round projects by women in Bomet Central Division.

1.5 Research questions

The study seeks to address the following questions:

- 1 How do managerial skills influence sustainability of women owned Merry –go round projects in Bomet Central Division?
2. How do financial resources affect sustainability of women owned merry-go round projects in Bomet Central Division?
- 3 To what extent do socio-cultural factors affect sustainability of women owned merry-go round projects in Bomet Central Division?
- 4 How do demographic factors influence sustainability of women owned Merry-Go-Round projects in Bomet Central Division?

1.6 Significance of the study

The findings of the study will provide valuable information on how sustainability of MGRs can be improved based on the findings and recommendations derived from the study. The findings will be useful to MFIs and Banks within Bomet Central Division as they will move to address the identified challenges that touch on them to come up with appropriate credit lending terms and strategies of improving the networks among their clients that will ensure improved performance of women enterprises while at the same time ensuring organizational growth, efficiency and improved profitability. The research may also be used in further research academic undertakings. Therefore the study shall contribute to the existing body of knowledge on the subject. The findings will also aid policy makers to formulate and implement policies that enhance sustainability of women owned projects within the Division. Women in Bomet Central Division will also benefit as the study will address the issues affecting sustainability of their projects.

1.7 Delimitations of the study

There are various issues that can be researched in relation to merry-go rounds. However, this research confined to the factors influencing sustainability of women's merry-go round projects in Bomet Central Division of Bomet County. Focus was on managerial skills, socio-cultural factors, financial resources and demographic factors.

1.8 Limitations of the study

While carrying out the research, several challenges were encountered. For instance the fact that majority of the respondents' educational level was low, created some negligence in filling in the questionnaire. Some gave no value to it and some did not return it completely it is assumed that the respondents will be literate enough to respond to the questionnaires.

1.9 Basic assumptions of the study

The study was conducted based on the basic assumptions that; the sample represented the population, the data collection instrument has validity and reliability, is measuring the desired output and the respondents will answer questions correctly and truthfully.

1.10 Definition of significant terms

Factor- something that helps, produces or influences a result. One of the things that cause something to happen.

Influence - a power affecting a person, thing or cause of events, especially one that operates without direct or apparent effort.

Sustainability-the ability to be sustained, supported, upheld, or confirmed.

Merry-go-round-awhirl or busy round, as of events or activities.

Project- an individual or collaborative enterprise that is carefully planned and designed to achieve a particular aim.

Managerial skills-The ability to make business decisions and lead subordinates within a company

Finances— the monetary resources, as of a government, company, organization, or individual;

Resource- a stock or supply of money, materials, staff, and other assets that can be drawn on by a person or organization in order to function effectively.

Socio-Cultural -something that involves the social and cultural aspects

Demography -Demography is the branch of social sciences concerned with the study of human populations, their structure and change (through births, deaths, and migration), and their relationship with the natural environment and with social and economic change.

1.11 Organization of the study

This project report is organized in five chapters with chapter one featuring the background of the study, statement of the problem, purpose of the study and objectives of the study. Included also in chapter one are the research questions, significance of the study and limitations of the study. Besides, delimitations of the study significant terms are also defined.

Chapter two captures the study literature review against the backdrop of the key study variables. It also highlights the theoretical framework and the conceptual framework of the study.

Chapter three describes the research methodology that was used in the study including the research design, target population, sample size and sampling procedure, data collection procedure data analysis technique and ethical considerations.

Chapter four presents data analysis, presentation and discussion. Chapter five presents the summary of research findings, discussion of the findings, conclusion and recommendations derived from the research findings and suggestions for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter contains literature review on the prism of the study variables. It also features the theory upon which the study is anchored as well as the conceptual framework of the study.

2.2 Sustainability of projects

The economic empowerment of women is a prerequisite for sustainable development, pro-poor growth and the achievement of all the Millennium Development Goals (MDGs). Gender equality and empowered women are catalysts for multiplying development efforts. Investments in gender equality yield the highest returns of all development investments (OECD, 2010). Women usually invest a higher proportion of their earnings in their families and communities than men. A study in Brazil showed that the likelihood of a child's survival increased by 20% when the mother controlled household income. Increasing the role of women in the economy is part of the solution to the financial and economic crises and critical for economic resilience and growth. However, at the same time, we need to be mindful that women are in some contexts bearing the costs of recovering from the crisis, with the loss of jobs, poor working conditions and increasing precariousness.

Economic empowerment is the capacity of women and men to participate in, contribute to and benefit from growth processes in ways which recognize the value of their contributions, respect their dignity and make it possible to negotiate a fairer distribution of the benefits of growth (Eyben et al., 2008). Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skills development and market information. Deep-rooted discriminatory practices and stereotypical attitudes prevent women in some parts of the world from accessing appropriate financial support to build their businesses. In some countries women are unable to obtain business loans without their husband's or father's co-signature. Many donors are supporting efforts to expand women's

entrepreneurship opportunities. Of DAC members' total aid to banking and business services in 2007-08, 34% targeted gender equality and women's empowerment (OECD, 2011).

In the Kenya context, Merry-Go-Round refers to the internal mechanisms and process of generating and contributing resources, saving, and contributions from and to members. While the specific mechanisms and amounts of resources generated and distributed vary widely among groups, the basic formula is the same everywhere: each member makes a fixed contribution at a fixed time and the controlled contributions are passed on to members in turn at fixed and known times. In most cases, the contributions are fixed financial contributions. Merry-Go-Rounds form the basis around which women's groups are. They concentrate small individual contributions and distribute them in larger and concentrated amounts to members, and thus, provide a meaningful savings-cum-credit facility to members. In a much wider sense, however, typical traditional women groups or chamas can be viewed as small social organizations based upon close interpersonal ties, face-to-face interactions among members who normally share a highly similar community life. As other studies have shown, membership in such groups would normally be drawn from a socially homogeneous social base with little social distance between members. In such cases, group dynamics and member's participation are said to be highly personalized; a characteristic which militates against the emergence of differentiated bureaucratic organizational structures and procedures. Small-sized membership and social homogeneity tend to encourage close interpersonal interactions, interactions which are often more important arenas of group dynamics, management and processes than formal structures and regulations.

In Kenya, women constitute approximately 52.2% percent of the population and form the backbone to rural development by providing up to 80 per cent of the labour force. They also contribute about 70 per cent of food production. However, women in Kenya access only 10 per cent of the resources and own just about 1 per cent of these resources (National Council of Women of Kenya 2009)

2.3 Merry – go round groups

Women's economic participation and empowerment are fundamental to strengthening women's rights and enabling women to have control over their lives and exert influence in society

(Swedish Ministry for Foreign Affairs, 2010). It is about creating just and equitable societies. Women often face discrimination and persistent gender inequalities, with some women experiencing multiple discrimination and exclusion because of factors such as ethnicity or caste. Orban(2001) conducted a study in France where 220 female entrepreneurs were interviewed and factors affecting their business performance were examined . The study indicated that in France, financial discrimination played a role. In a comparative study, Mc Clelland etal (2005) examined the motivations for initiating start- up businesses and expanding the businesses. In Canada, Singapore, South Africa, Australia, Newzealand and Ireland, the motivating factor was being unhappy with their previous jobs. In the case of USA it was argued that individual motivation and owner goals were related to performance in women owned projects where motivations of future expectations for success were related to survival and independence Hisrich and Brush, (1987).

There is already a growing trend where people from various backgrounds are or have been using “Merry-Go-Round” concept to generate wealth or capital for start-ups. According to Statistics from the Kenya Association of Investment groups (KAIG) (2013) more and more people are using the same concept to finance their businesses. Besides saving, chamas or groups provide the members with better opportunities to network, share business ideas and debate investment risks. One such example is “Focus Investment Self-Help group”, formed by 25 youth who could not qualify for a bank loan. They decided to use women’s “merry-go-round” (MGR) concept to help them save up for security needed by the banks. The group eventually raised sh. 1.5 million to buy land and later used the land as collateral to secure a large bank loan for their investment project.

Other examples include Norwich Union Properties Ltd (NUP) which grew out of a chama (group) of 33 individuals who came together to form Critical Mass Growth (CMG) in 1996. They met once a week to deliberate on different development ideas and summed up discussions with weekly contributions of Kshs 10 000. One year later, members realized that the contributions were sizeable. They then decided to transform the chama into a company. In 1997 they purchased Norwich Union House (NUP). Currently NUP owns three more properties worth Kshs 1.2 billion in Nairobi. Three other groups worth mentioning here are “Women of Hope

Group” in Kibera; “Manyatta Fresh Self-Help Group” in Kisumu and “Pundo Women Group” in Awasi. All of them have transformed women’s “merry-go-round” concept to establish viable businesses. Other studies conducted elsewhere have also shown that similar measures taken by governments or donors to improve marginalized women’s situation through micro credit as an intervention strategy have had devastating consequences. One example worth mentioning is the situation described by Bùlow (1996) concerning supportive programmes (credit schemes) offered to women groups in Chaga region in Tanzania. In her findings, the conditions and the manner in which the credit was given were too rigid, thus, turning the lives of many of the targeted groups upside down, and making their situation not only worse but with some irreversible damages.

2.4 Influence of managerial skills

According to World Development Report (2012) Gender gaps are still present in the critical skills needed to run a successful enterprise. While women are making major strides in terms of educational attainment at primary and secondary levels, they often lack the combination of education, vocational and technical skills and work experience needed to support the development of highly productive group projects.

In Bangladesh, 70 percent of the women reported being self-taught in skills needed to run a business when compared to 44 percent of male business owners. World Bank (2008) “Harnessing competitiveness for stronger inclusive growth: Bangladesh Second Investment Climate Assessment”. Information and Communications Technology (ICT) is increasingly providing new opportunities for people to access market information, communicate with customers and provide a new channel for buying and selling products. In particular, the global explosion in mobile technologies in many developing countries has led to increased and more affordable access to ICTs. However, the lower socioeconomic status of women has meant that they are less likely to afford or access ICTs, resulting in fewer benefits from using ICTs to support their group activities. Furthermore, access to public internet points, provided through business centers, libraries and internet cafes, are not always women-friendly in terms of hours of operation, or offering an environment where women would feel comfortable to use such

facilities. Confidence in using ICT is less widespread among women business owners; a reflection of their limited access. A study among female fishmongers and fish producers in Dakar, Senegal has shown that the use of mobile phones has introduced significant benefits – a reduction in travel time as suppliers and customers can be contacted without the need for travel, improved contact with clients resulting in increased client loyalty, and, most importantly, improved use of time. The study identified the need for more training in the use of ICTs as some women were unfamiliar with the use of text messages, and, therefore, did not use them. Also, low levels of functional literacy hindered ICT use.

Lack of trained manpower and management skills also constitute a major challenge to the survival of SMEs in Nigeria. According to West and Wood [20], "...90% of all these business failures result from lack of experience and competence." Rogers [13], also added that inefficiency in overall business management and poor record keeping is also a major feature of most SMEs; technical problems/competence and lack of essential and required expertise in production, procurement, maintenance, marketing and finances have always led to funds misapplication, wrong and costly decision making.

In Uganda, (Mattis, 2000) argues that the high percentage of women in the service sector is reflective of the educational system and the general environment that appears to provide little encouragement. Thus, women, especially those lacking managerial or business experience, tend to be concentrated in rural social business groupings that have little growth potential. Women's potential is clearly not being realized because of the serious barriers that continue to prevent their entry into the small and medium enterprises' sector. Many women do not have managerial and business start-up experience, and a high proportion of businesses started by women in the 1980's were low income, low equity, slow growing (Moore, 1999). These women groups had little access to venture capital, fewer employees and expanded at a slower rate.

The prominent and essential role-played by the merry go round projects in the domestic economy through its contribution to the domestic output and job creation cannot be under estimated. However, the high failure rate in this sector is largely attributed to the lack of management skills

and planning, which can potentially be improved by providing training and education in different business areas (Ibrahim and Soufani, 2002).

The findings of a study conducted by FIDA (2009) to assess the implementation mechanisms, women experiences, awareness levels, participation in governance, and effectiveness of the Women Enterprise & Development Fund (WEDF), revealed that 47.8% of 427 women interviewed in six different Constituencies in Kenya were not aware of the program and had no knowledge on where to obtain application forms or procedures to follow to acquire them. For those who managed to apply for the loans complained of long waiting period (three to four months). In their view, the system for disbursing small loans from Women Enterprise & Development Fund (WEDF) seems to be time consuming and too cumbersome. Worse still, the program also lacks its own staff and as a result lacks independent implementation structures. Besides, the participating MFIs (intermediaries) are located far away, mostly in Nairobi and other town centers and normally have the liberty to subject marginalized borrowers to their own lending requirements.

Marginalized borrowers on the other hand, tend to shun loans from micro credit institutions due to high interest rates and strict repayment conditions, which make such loans hard to service. Their interest rates range between 1.8% - 2.5% per month. This would translate to between 21.6% and 30% per year. Micro credit institutions (intermediaries) have repayment periods of weekly and monthly depending on the size of the loan and lending rules. Furthermore, since most loans offered by intermediaries do not have grace period.

2.5 Influence of finance

Lack of finance is a major constraint to the growth of female-owned projects.(Woolcock, 2002) observed that if the loan term is too short, the borrower fails to generate revenue to enable him/her make repayments while a longer loan term may make the client extravagant and the client may in the end fail to pay back. For successful results, the loan terms should match the cash patterns to help the client budget cash flows (Stiglitz and Weiss, 2007).

According to (Anderson, 2002), financial institutions initially focused on standard commercial loans to individuals and experienced a high volume of non-performing loans, but they later

improved performance by adjusting the terms of the loans, generally to short-term (4-6 months), and retaining a compulsory up-front savings of 20 percent as a security. Jacobson (2003), indicated that the long repayment period depend on the amount of the loans since the banks have to calculate a number of objective and subjective factors of the national economy when forming the terms of credit and lending procedures. MFIs do not insist on collateral, the groups guarantee loans act as the collateral for group borrowers.

The compulsory savings which is a pre- requisite for borrowing, act partly as security. However, collateral is put in writing such that on default by a member, the group members can sell the given security to recover the loan. Social collateral works through reputation effects on group members in which repayment of loans is seen by group members as necessary to maintain their social standing in the community, (Woolcock, 2002). Van (2005), concludes that agents will always form groups with agents of the same type and that agents' types can be distinguished according to the rate at which they are willing to trade increased joint liability commitments. For individual loans, security is a requirement and the MFI takes security like land titles, vehicle logbooks which are kept in custody. Security is also what the client offers as form of guarantee to acquire loans, and surrender in case of failure to pay. Lenders should consider security very important because it is an alternative payment in case the customer fails to pay. (Rajan 2002) indicated that securities apart from land and building keep on losing value as to globalization where new technology keeps on developing therefore, credit institutions shouldn't emphasize more on collateral.

According to (Chan and Thakor, 2000), security should be safe and easily marketable. The extent of the risk of primary sources of repayment failing will determine the extent to which security should be relied upon. (Atieno, 2009), shows that loan security is one of the important aspects of credit to the small and medium enterprises. Most lending to small groups is security based, without any regard for potential cash flow. However, organizations lending to group projects have devised alternative forms of collateral. These include group credit guarantee where institutions lend to individuals using groups as guarantors and personal guarantors where individuals are given loans.

Based on a guarantor's pledge. (Atieno, 2009) further indicated that loan guarantee schemes are increasingly being implemented as a means of encouraging financial institutions to increase their lending to the risky sectors and those without the traditional formal security. Micro credit is most often extended without traditional collateral (Wenner, 2006). He argues that if physical collateral were a requirement for borrowing, most MFIs clientele would be unable to participate due to their extreme poverty levels. Since borrowers do not have physical collateral, MFIs focus on using social collateral via group lending. Group lending encompasses a variety of methodologies (Woolcock, 2002), but all are based on the principal of joint liability. In essence the group takes over the underwriting, monitoring, and enforcement of loan contracts from the lending institution.

(Goldmark, 2001) indicated that under joint liability each group member is made responsible for the loan of other group members. If one defaults, the other group members are required to cover the loan from their own resources, and if they do not, they lose access to future loans. It is thus in each member's interest to ensure that the other members pay. (Woolcock, 2002), shows that social collateral also works through reputation effects on group members as necessary to maintain their social standing in the community. Cost of funds plus margin; financial institutions consider their individuals expenses and the average cost of funds plus a profit margin. Firms can also charge interest basing on what their competitors are charging.

The MFIs maintained a wider interest rate spread than that prevailing in the banking sector, (Nissanke and Aryeetey, 2004). Noted that one of the serious limitations of the traditional MFIs is their high interest rates. (Lehmann et al, 2004) while carrying out a comparative study about microfinance effect on performance of businesses between East and West Germany found out that the unfavorable MFIs loan terms of lending yield a lending gap given by higher loan prices. The MFIs sustainability comes from poor paying high interest rates- not out of income, but out of capital that erodes fast in proportion to the interest rate. The borrowers would go bankrupt over a period once the capital runs out, (Srinivasan, 2009).

(Cohen 2002), show that the higher interest rates induce firms to undertake projects with lower probability of success but higher pay offs when they succeed. They further indicated that since

the financial institution is not able to control all actions of borrowers due to imperfect and costly information, it will formulate terms of the loan contract to induce borrowers to take actions in the interest of the financial institution and to attract low risk borrowers.

(Besley 2002) indicated that an increase in interest rates negatively affects the borrowers by reducing their incentive to take actions conducive to loan repayment. (Aryeetey and Udry 2005), assert that in group lending, the financial intermediary reduces the recurrent transaction costs by replacing multiple small loans to individuals by a large loan to a group. This enables financial intermediaries to bank with the poor loan applicants who would not receive any loans under individual loan contract due to excessive unit transaction costs. (Rajan, 2002) indicated that Micro finance institutions (MFIs) have an element of business and therefore they can charge an interest on their money. Interest rates can either be charged on a declining balance method or a flat rate. In a declining balance method, the interest is charged on a flat balance rather than a declining balance. In such a case the client pays interest rate on the initial loan amount disbursed rather than the current outstanding balance.

The interest rate has an effect on the use, repayment of the loan and the overall performance of the women groups. When the interest rate charged is high, there is a tendency for the borrowers to keep part of the borrowed money to pay the interest or to use the business capital to pay the interest (Anderson, 2002). In Latin America and the Caribbean, women entrepreneurs are often required to provide significantly more collateral than men. As a result, many females rely on their own savings, loans from family and friends, or micro loans to finance their business needs. However, the small size and short-term nature of micro-loans do not allow women borrowers to make long-term investments in their group projects.

In the Middle East and South Asia women are 24 percent and 37 percent, respectively, less likely to own a mobile phone. Closing this gender gap would bring about a range of socio-economic advantages for women. In Lao PDR, only 38 percent of female-owned firms surveyed for the Investment Climate Assessment (2011) reported using emails to communicate with clients compared to 62 percent of male owned firms. Similarly, although 45 percent of firms have their own web site, this figure breaks down to 53 percent for male-owned firms and 29 percent for

female-owned firms. World Development Report (2012). In Pakistan, most micro-finance institutions require women to obtain permission from their husbands or family in order to apply for a loan and male guarantors are often required to accompany the borrower.

Lack of access to credit has been ranked as the top challenge by women in the informal groups as loan interest rates soar beyond reach (Sanya, 2013). He states that limited access to credit ranks above red tape, current economic conditions, domination of large corporate and lack of market information and managerial skills at 86% relevance to entrepreneurs. Due to this, and coupled with the other challenges so far established in this study, the ‘mortality’ rate of small scale women owned group projects are on the increase.

A study of Sub-Saharan African firms shows no evidence of gender gaps in external financing for firms in the formal sector, but rather low financial market participation of women due to their focus on overcoming other non-financial barriers to entrepreneurship. Women have less access to basic banking services such as checking and saving accounts. In Tunisia, for example, 76 percent of women business-owners sought bank credit, but only 47 percent received it. Farmers clubs in Malawi are one of the main sources of credit and extension services for small farmers, but they disqualify married women from full membership and stigmatize single women or women in polygamous marriages, undermining their capacity to benefit from the services the club could offer.

In Ghana, similar observations were made by Association of Ghana Industries, AGI Report (2013) where difficulties in accessing credit re-emerged as the topmost obstacle restricting growth of small scale businesses, noting that the worst hit were small scale businesses owned by women. The report specifically said access to credit; poor power supply and high cost of raw materials were ranked first, second and third, as the topmost three challenges limiting the growth of small scale businesses in the country. It showed that efforts needed to be geared towards eliminating the challenges already established. On sector by sector challenges, AGI (2013) stated that still access to credit, high cost of raw materials and cost of credit maintained first, second and third positions as the top most challenges restricting growth in the SME sector, where women-owned small enterprises fell under. In Ghana and South Africa, women owned small

scale enterprises represent a vast portion of businesses. They represent about 87% of Ghanaian businesses and contribute about 70% to Ghana's GDP and over 80% to employment. Women owned small scale businesses also account for about 86% of the formal business entities in South Africa, contributing between 52% and 57% of GDP and providing about 61% of employment (CSS, 1998; Ntsika, 1999; Gumede, 2000; Berry, 2002).

In Kenya, it is estimated that there are 7.5 million SMEs, with women ownership accounting for over 62% of the total. The sector's contribution to the gross domestic product has increased in the recent past from 13.8 per cent in 1993 to about 40 per cent in 2008 (Mbogo, 2013). He also asserts that the sector provides approximately 80 per cent of employment and contributes over 92 per cent of the new jobs created annually according to the Kenya National Bureau of Statistics and that SMEs in Kenya are expanding to meet the growing East Africa Community market.

Women-owned small group projects have been noted to be one of the major areas of concern to many policymakers in an attempt to accelerate the rate of growth in low-income countries. These groups have been recognized as the engines through which the growth objectives of developing countries can be achieved. They are potential sources of employment and income in many developing countries (Advani, 1997). Women-owned small scale enterprises seem to have advantages over their competitors in that they are able to adapt more easily to market conditions. They are able to withstand adverse economic conditions because of their flexible and persistence nature (Kayanula & Quartey, 2000). Women-owned small scale enterprises are more labor intensive and therefore have lower capital costs associated with job creation (Anheier & Seibel, 1987; Liedholm & Mead, 1987; Schmitz, 1995). They perform useful roles in ensuring income stability, growth and employment. Since women-owned small scale enterprises are labor intensive, they are more likely to succeed in smaller urban centers and rural areas, where they can contribute to a more even distribution of economic activity in a region and can help to slow the flow of migration to large cities. Due to their regional dispersion and their labor intensity, it is argued, small-scale production units can promote a more equitable distribution of income than large firms. They also improve the efficiency of domestic markets and make productive use of scarce resources, thus facilitating long-term economic and business growth (Kayanula & Quartey, 2000).

In Ethiopia Women identified a lack of access to financing as their main impediment to growth. To enable banks to reduce collateral requirements whilst enabling women to grow their businesses beyond the bounds of micro finance, USAID /Ethiopia obligated a USD 4.28 million loan portfolio guarantee for projects owned and managed by women. The guarantee is with a commercial bank and small- and medium-sized enterprises are beneficiaries under the guarantee. By 31 March 2010, three loans had been disbursed under this facility, totaling USD 373 134 and further applications were in the pipeline.

In Kenya the USAID guarantee covers areas such as agriculture production and processing, tourism and manufacturing. This USD 12.9 million facility stimulates lending in the SME sectors by providing additional collateral/risk mitigation to encourage expansion and the extension of financial services to under served clientele. There is a strong emphasis on extending credit to women-owned and/or operated businesses under the facility. Kenya Commercial Bank Group has extended 479 loans to business owned by women, totaling USD 3 686 million. Of the 179 loans Fina Bank (Kenya) has extended, 41 of them were made to businesses owned by women.

The nurturing and development of women –owned projects therefore represents an essential element in the growth strategy of most economies and holds particular significance in the case of Kenya. As such, facilitation and provision of tools that would spark their growth, such as provision of credit and lowering of credit cost, is essential for the ripple effect’ economic growth to be felt. Women owned group projects not only contribute significantly to improved living standards, employment generation and poverty reduction in Kenya, but they also bring about substantial domestic or local capital formation and achieve high levels of productivity and capability. World Development Report (2012): Gender Equality and Development and World Bank.

In Kenya, although women constitute 50.5 percent of the total population (WEF 2009), majority of them have been excluded from the formal financial services, hence cannot engage in a meaningful entrepreneur or small-scale business. Stevenson and St-Onge (2005a) noted that the total number of women loan clients in micro finance institutions in Kenya is about 30 percent. Data in 2003 from the Association of Microfinance Institutions (AMFI) showed that just over 10

percent of the estimated 1.3 million women MSEs in the country had access to formal loans from microfinance institutions. Even for those women who are able to participate in formal microfinance programmes, the short-term nature of the loans, the low loan ceilings (of up to Kshs.500,000), and the high interest rates are liabilities for a growth and innovative firm.

2.6 Influence of socio-cultural factors

In all countries, expectations about attributes and behaviours appropriate to women or men are shaped by culture, tradition and history. The general pattern is that women have less personal autonomy, fewer resources at their disposal, and limited influence over the decision-making processes that shape their societies and their own lives. Cultures can constraint the opportunities women pursue. Women can face additional barriers related to custom, have less time available due to the prevailing gender division of labor, or have lower intra-household bargaining position and consequently less control over their earnings. For the women entrepreneurs who are looking to achieve scale and further develop their enterprises, such constraints may reduce the incentive to grow businesses and thus their ability to access financial services. (Njeru & Njoka, 1999).

Globally there have been many innovative initiatives to secure women's property rights and land tenure, including rights to inherit. Land is not only a productive asset, it is also important as collateral for securing finance and credit. Lack of security in land tenure reduces incentives to invest in improving the land, resulting in lower productivity. Women are disadvantaged in many statutory and customary land tenure systems. They often have weak property and contractual rights to land, water and other natural resources. Even where legislation is in place, lack of legal knowledge and weak implementation often limits the ability of women to exercise their rights (Quisumbing and Pandolfelli, 2009).

According to (Mutuku, 2006), property or other assets that a borrower offers a lender to secure a loan. If the borrower stops making the promised loan payments, the lender can seize the collateral to recoup its losses. Because collateral offers some security to the lender in case the borrower fails to pay back the loan, loans that are secured by collateral typically have lower interest rates than unsecured loans. In some studies collateral seems to play a disciplinary role in

the behavior of the borrower solving the moral hazard problem (Clever, 2005; CSS, 1998; Dovi, 2006)). However, other empirical studies suggest a signaling value of collateral solving the adverse selection problem (e.g. Jalbert, 2007; Kiraguri, 2006). In addition, women's access to land, which they can use as collateral for expensive loans, has been limited by traditional institutions such as the chieftaincy and the belief that men are superior and hence only they can claim land and not women. The ever-increasing centrality of the market to the government's land reform program is set to reproduce these patterns, as poor women lack the necessary resources to set up as independent business entrepreneurs (Ukpore, 2009). Access to finance is a key issue for women. Accessing credit, particularly for starting an enterprise, is one of the major constraints faced by women entrepreneurs. Women often have fewer opportunities than men to gain access to credit for various reasons, including lack of collateral, an unwillingness to accept household assets as collateral and negative perceptions of female entrepreneurs by loan officers. In South Asia, women are almost invisible to formal financial institutions – they receive less than 10 per cent of commercial credits (MahbubulHaq human Development Center, 2000).

When women do have access to credit it is often in small amounts, whether this suits their needs or not. Differential access to credit may of course be a reflection of differences in the choice of sector, educational level or the amount of loan requested. However, as sector choice and educational levels tend to be limited or influenced by gender, one could say that any differential access based on this motive is indirectly caused by gender perceptions. In addition to this, women entrepreneurs in developing countries continue to suffer from poor overall assets, poor enforcement of financial rights and the existence of unequal inheritance rights and consequently poor access to community and social resources. Gender-based obstacles – conventional thinking, cultural and social values, and lack of collateral – all aggravate the difficulties faced by women. High transaction costs, the rigidity of collateral requirements and heavy paperwork are further impediments to women entrepreneurs. (Karani, 2012).

According to Coles and Mitchell (2011) in their discussion on women projects in India, family support, or the lack of it, is of crucial importance in the decision making process for the women entrepreneur and, depending on the response from the family, the woman entrepreneur can either be highly motivated in her new venture or completely de motivated. Since orthodox society has

demarcated the boundaries of economic activity for men and women, the entry of women in the sphere of entrepreneurship may be discouraged. The family may be neither appreciative of this independent decision, nor show any trust in the potential entrepreneur's ability to start an enterprise. This discouragement from the home, coupled with opposition from society at large creates emotional and physical barriers.

(Ajare 2004) categorically states that —there is lack of family support to women entrepreneurs and access to peer support. —This is confirmed by (Gupta 1996) who, through a Bombay based pilot study found that one out of every five business woman faced active resistance from family members in the initial stages. A comparative study of male and female entrepreneurs in Uttar Pradesh, India came up with the extreme finding that 95% of the female entrepreneurs faced —family problems|| in the startup phase, as compared to only 16% males. The Agriculture Support Programme of the Ministry of Agriculture in Zambia reached out to women, changing gender relations at the household level and strengthening women's economic empowerment. Its overall goal was to contribute to poverty reduction by improving livelihoods of small-scale farmer households through: improved food and nutrition security; and, increased income through the sale of agricultural related products and services.

The project resulted in women improving their farming and entrepreneurial skills. Women also gained increased control over household income. This in turn led to improved relationships between women and men. Women's self-esteem and confidence increased and they became more involved in decision making both at home and in the community. The success of the programme lay in its "household approach." By insisting that the husband and wife, as well as the children, participate in the Programme's activities the households become more efficient. In households where the husband and wife work side by side on the farm there is tangible developmental progress and a common vision for the household. Households with more equitable relationships made more economic progress than others Sida (2010).

The greatest barrier facing women groups in Kenya is access to finance is an issue because of requirements of collateral. In Kenya only 1% of women own property and that makes it very difficult for women to provide collateral for banks. Most women who venture into businesses in

the rural areas and need financing lack the needed collateral to enable them secure bank loans. Responsibility of women for dependents has limited opportunities to make savings or undertake business expansion and diversification. (Amu, 2004) The financial aspects of setting up a business are without doubt the biggest obstacles to women. Women groups often lack information about how to get a loan, lack the necessary collateral to obtain one and /or face discriminatory laws or practices related to finance and credit Common wealth secretariat (2002). Finding the finance to get a new business going, or to grow an existing one is a difficult challenge.

(Makokha, 2006) adds that women entrepreneurs have financial social demands that compete with business capital, leading to a diversion of capital away from business needs. Kinyanjui (2006) records that some entrepreneurs felt that it was difficult to obtain loans as they had to show credit records and they did not fully understand the requirements getting and paying loans. Loans from Kenyan micro finance institutions tend to be limited in amount, have no grace period, are short term in design and carry very high interest rates. Consequently, 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 (Women Entrepreneurs in Kenya, 2008).

Besides the policy environment, women have also been constrained by existing socio-cultural norms through which they are perceived as inferior or second class citizens in most countries of the world. Although the positions of African women in traditional societies remain undocumented, there has been a tendency to use culture and tradition to undermine that position. This has had a negative impact in promoting sustainable development (Namusonge, 2006). Culture has been used to justify the subordinate position of women in the household, a factor which excludes women from property ownership. Culture has also been used to justify the existing unequal division of labor where some of the cultural norms concerning age of marriage and marriage rights have also limited women's participation in formal schooling (Coles & Mitchell, 2011). Yet, African countries claim that African culture is dynamic and change-

oriented. When it comes to issues of gender inequity, African culture seems to be protecting the culture of oppression

For culture to play that dynamic role, women themselves have to create an alternative culture that challenges the one endorsed by African countries. This is the context in which women's initiatives have to be analyzed. Poverty is a leading factor and an enabling environment for HIV/AIDS. Conversely, HIV/AIDS can as well aggravate poverty particularly among women. Due to limited access to productive resources especially land and credit by women in agriculture, women could hardly cope with the impact of HIV/AIDS. Women in rural areas running small scale businesses are disadvantaged with lack of information on HIV/AIDS prevention, care and support strategies (Jamali, 2009).

The perceptions of the traditional roles of women in Kenya such as in firewood collection, peasant farming, child bearing and raising are slowly being overtaken by new lifestyles, such as formal and informal education which introduces them to alternative income generating activities. In the rural informal sector, women have dominated in some income generating activities such as tailoring and selling of agricultural products. (Jamali, 2009).

Forces that have made women living in the rural areas to embark in merry go rounds are varied. Some join as a result of job losses in the formal sector or as a result of lack of employment in the formal sector. Others are forced to engage in rural group projects due to death of the breadwinners in the family e.g. spouses or close relatives. Others are drawn by the successes of those already operating in sector while family influence also brings some to the informal sector industry. Due to increased population, the sizes of agricultural farms are becoming small and unproductive. As a coping strategy it has become extremely necessary for women to work in the informal sector to supplement most family's limited sources of income. Women especially those living in the rural communities and the urban poor in Kenya still face daunting challenges (Kiraguri, 2012). It has been noted that women enterprises are smaller, less likely to grow, less profitable and begin less capital investment than those owned by men. Despite the absolute increase in number of women in self-employment in recent years, there still exist significant

differences in the level of new firm creation across gender and the number of women involved in starting business is significantly and systematically lower than that of men (Karani, 2012).

In Kenya, women are not yet exploiting existing opportunities to contribute towards economic development due to socio-cultural constraints. Another reason for this might be the education gap of women that also arises as a result of socio-cultural constraints. This forces women not to contribute a lot to the poverty reduction of the town, region and the country as a whole (Kiraguri, 2012). A number of initiatives have been taken by Government, donors and Non-Governmental organizations both local and international to increase the start-up rates and performance of women owned projects in Kenya. Nevertheless, women in the sector are still found predominantly in low-performance rates, earning lower revenues than their male counterparts (Karani, 2012).

Lack of support from the family or husband can and does stop women from going out of the house to generate an income. If economic necessities are overriding concerns a woman's income may be tolerated, but it could still lead to tension between husband and wife. (Sanya, 2013). Conversely a research study revealed that the reason why 50% of the respondents (irrespective of economic status) chose to become merry go round members was because their husband /family supported them in this decision. A study conducted by Voulgaris (2003) revealed that of the women surveyed, 70% said that their family members were a major source of inspiration.

Family structure in the context of the particular role played by women exposes critical familial and societal variables that may explain the different forces that are exerted on women and men to form independent organizations. Women in transition economies have suffered from traditional perceptions about women's role in society, and these attitudes persist. In the early 1900s, work became differentiated from housework with women excluded from the ranks of productive enterprise and confined to supportive domestic roles for the male head-of-household. And still today, among students and professionals alike, when given a forced choice of advancing their own careers or following their husbands (or would-be husbands), women will usually subjugate

their own careers to that of their spouse, rather than the other way around, despite the fact that on self-report questionnaires women in professional schools or in early stages of their careers will expound on their independence and the importance of their career.

Various psycho-social and socio-cultural factors act as barriers to women's entry into entrepreneurship. It is then natural that women are in a more disadvantaged position than men when they take to merry go rounds for they have only a limited idea of business opportunities, no exposure to industry or business, and are unaware of sources of support and assistance. This apart, they often start out with low self-esteem, low confidence and less support from the family. It is against this backdrop that women entrepreneurs make an entry in the business world, survive, operate or exit.

2.7 Demographic factors

Cross-country study by (Psacharopoulos and Tzannatos, 1992) find that education has a positive effect on female labour force participation, (Maglad, 1998), on her part showed that education has a positive impact on female labour market participation.. On the contrary, (Smith and Ward 1985) found that in the United States, in 1900, the relationship between education and female participation was negative. (Kottis, 1990) found a similar result in Greece in 1971 and 1981. Most of these studies attributed this relationship to the fact that, low educational attainment of women as against men reduces their human capital endowment and therefore find it difficult to compete in the labour market. Some researchers suggested that the effect of education on female labour force participation depends on the level of development of a country.(Franz, 1985) estimated female labour force participation function on education and fertility in the former West Germany using the Tobit econometric technique and found that while the participation of young single women decreased substantially, married women had a higher participation rate in the 1980s than the years preceding (Lehrer and Nerlove 1986) reviewed literature on fertility and female labour force behaviour in the United States.

(Carter and Rosa, 2000), studied 600 firms in the United Kingdom, and argued that the shortfall in the initial capitalization many women face could set them at a disadvantage in terms of

business capacity for growth. In increasingly severe economic context, entrepreneurship is accepted and growing among women and in many countries, significant social cultural changes have been occurring to accommodate women's need to work. However, the transformation of a group project into a profitable business, and from a housewife and mother ensuring family survival to a business manager, is a difficult step for many. This is because of women's self-perception since socialization about their association with household responsibilities thus limiting their aspirations, (Pamella, 2006).

Traditional attitude regarding the capacity of women to handle their own business are reinforced by educational systems and the media, which often feed gender stereotypes. Women face also constraints in accessing formal credit as they do lack collateral in many cases and do not have sufficient knowledge of credit sources and opportunities. Women always tend to work for fewer hours in their group projects as compared to the men. The research findings indicated that additional gender related constraints faced by women, make their enterprises even more precarious and deteriorating, (Pamella, 2006). Women's access to loans has not been linked to profitability, therefore there is stereotypically female activities with available evidence suggesting that the lines with poverty alleviation is rather enormous to provide the kind of training needed to pre-entrepreneurial women substance entrepreneurs, (Woolcock, 2007).

(Hisrich and Brush 2004), in their study about the performance of the women enterprises, found out that the majority of the women group projects were moderately successful with revenue increases of approximately 7 percent per year. Further, findings indicated that 60 – 70 percent of the women owned businesses failed within five years. In addition 30 – 40 percent of women owned businesses were likely to fail or quit. They further indicated that most of the women had created their own business in traditionally female industries such as zero grazing, poultry keeping retail trade and food selling. (Kalleberg and Leicht, 2002), indicated that women led businesses were more likely to go out of business, had lower sales volumes and lower incomes as a result of positioning in less profitable industries. They further indicated that women business owners had small annual sales and employment growth. Women enterprises have certain

characteristics like age, education and management ability, which affect their skills, knowledge and attitude (Van, 2005). Better strategies like technology adoption, Quality improvement, product innovation and market expansion can lead to improvement in the performance of the women enterprises (Nafziger 2001; Audretch and Keilbach 2004 and Van 2005). Mutalima, 2006) found out that the poor women served by micro finance institutions inadvertently find themselves in the market place because of the immediate needs to provide a livelihood for their family.

Usually they position themselves in an already vibrant informal sector with scanty preparation for their work. The business performance is therefore often dismal. (Parker, 1996) indicated that the entrepreneurs who had the necessary training and business know-how actually grew their businesses. On the other hand, she noted that women run businesses in Zambia showed the shortest life cycle, averaging exactly four years. This was attributed to the education and experience levels of the women entrepreneurs.

(Musonda, 2006), lamented that access to credit may not necessarily produce exponential growth due to the fact that some women lack the necessary skills to grow their businesses. His study further indicated that their businesses get de-capitalized and hence start having difficulties paying the last loan installments. The review focused on the influence of fertility and female employment on three key variables: the value of female time, husband's income, and relative economic status. They concluded that factors that might mediate the fertility-labour supply nexus include childcare arrangements, husband's income, wife's education, and the convenience of employment

In South Korea, (Chun and Oh, 2002) estimated the effect of fertility on the labour force participation of married women. Since Korean households like other Asian households, prefer sons to daughters, there is exogenous variation in the number of children among households, depending on their first child's sex. Using this exogenous variation as an instrumental variable for fertility, it is found that having children reduces the labour force participation of married

Korean women by 27.5%. Though the son preference theory has been used to explain differences in fertility across and within countries, this is not the focus of our study.

Though culturally, some ethnic groups in Ghana prefer sons to daughters, the preference is gradually waning overtime with the emphasis on having an ideal family size. Studies by (Bigsten and Horton, 1997) and Appleton et al. (1990) on sub-Saharan Africa. Using the Uganda Demographic and Health Survey 2006, (Bbaale, 2008) corroborates the findings from elsewhere that female education, especially at the secondary and post-secondary levels reduces fertility and increases their likelihood of being engaged in the labour market. (Yakubu, 2010) using logistic regression, modeled the factors influencing female labour force participation in South Africa based on the 2008 Quarterly Labour Force Survey of Statistics South Africa. The paper reiterated the importance of female education in enhancing female labour force participation and concluded that the increased participation notwithstanding; women are still under-represented in the labour force.

(Mwabu and Evenson 1997) on Kenya, show that education is the most important determinant of labour market participation. A study by (Fosu et al. 1999) on the cost of living and labour force participation of married women in urban South African labour markets concluded that, cost of living is non-extraneous within the labour force participation model and that it exerts a positive impact on the latter. Moreover, the apparent willingness of married women to participate in the labour force stems from a desire to provide their families with a higher standard of living.

In Kenya, education and fertility were found to be significant determinants of the level of female labour force participation (World Development Report 2012: Gender Equality and Development. Ibid) Kenyan women give more emphasis to family ties and relationships. Married women have to make a fine balance between business and home. More over the business success is depends on the support the family members extended to women in the business process and management. The interest of the family members is a determinant factor in the realization of women folk business aspirations (Stevenson and Jarillo, 2003). Another argument is that women entrepreneurs have low-level management skills. They have to depend on office staffs and intermediaries, to get things done, especially, the marketing and sales side of business. Here

there is more probability for business fallacies like the intermediaries take major part of the surplus or profit. Marketing means mobility and confidence in dealing with the external world, both of which women have been discouraged from developing by social conditioning. Even when they are otherwise in control of an enterprise, they often depend on males of the family in this area.

2.8 Theoretical framework

This study adopts the theoretical lens of social capital as postulated by Norman T. Uphoff. Social capital is subject to a variety of interpretations, which often confuse the application of the concept. Often, the concept refers to the links between people and how individuals take advantage of these links to access certain desirable resources.

Social capital is most often understood as the source through which individuals can take advantage of social relations, networks or other structures to obtain certain benefits (Portes, 1998). The conceptualization of social capital dates back to Marx and Durkheim, but in the 1970's Pierre Bourdieu provided one of the most theoretical and instrumental contemporary interpretations of the concept. Economist Glenn Loury's work on the effect of social connections on access to employment inspired sociologist James S. Coleman to investigate the role of social capital on human capital. In the 1990's Robert Putman advocated for social capital as a means for collective action for mutual benefit, through trust and norms of reciprocity. Putman is also known for his distinction between 'bonding' and 'bridging' social capital, which refers, firstly, to the social connections between a homogeneous group of people and, secondly to the relations beyond and between differing groups. (Karlan, 2006)

Social capital has also gained steady ground within development literature. Michael Woolcock was the first to provide a unified conceptual framework for the concept of social capital in an economic development perspective (Piazza-Georgi, 2002; Woolcock, 1998). It has however, received much criticism mainly due to the variety of interpretations and thus confusion regarding its applicability (Lakwo, 2006). In a development context it is attacked for being used as a means to avoid inequality issues as power relations are accounted for without looking at the negative consequences of social life. Others disagree with the assumption that actors are social

entrepreneurs and actively invest in relationships of trust. Yet others view social capital as embedded social resources, dynamic and negotiated but not easily stored and thus both constrain and enable individual action, as well as reproduce structural inequalities (Clever, 2005).

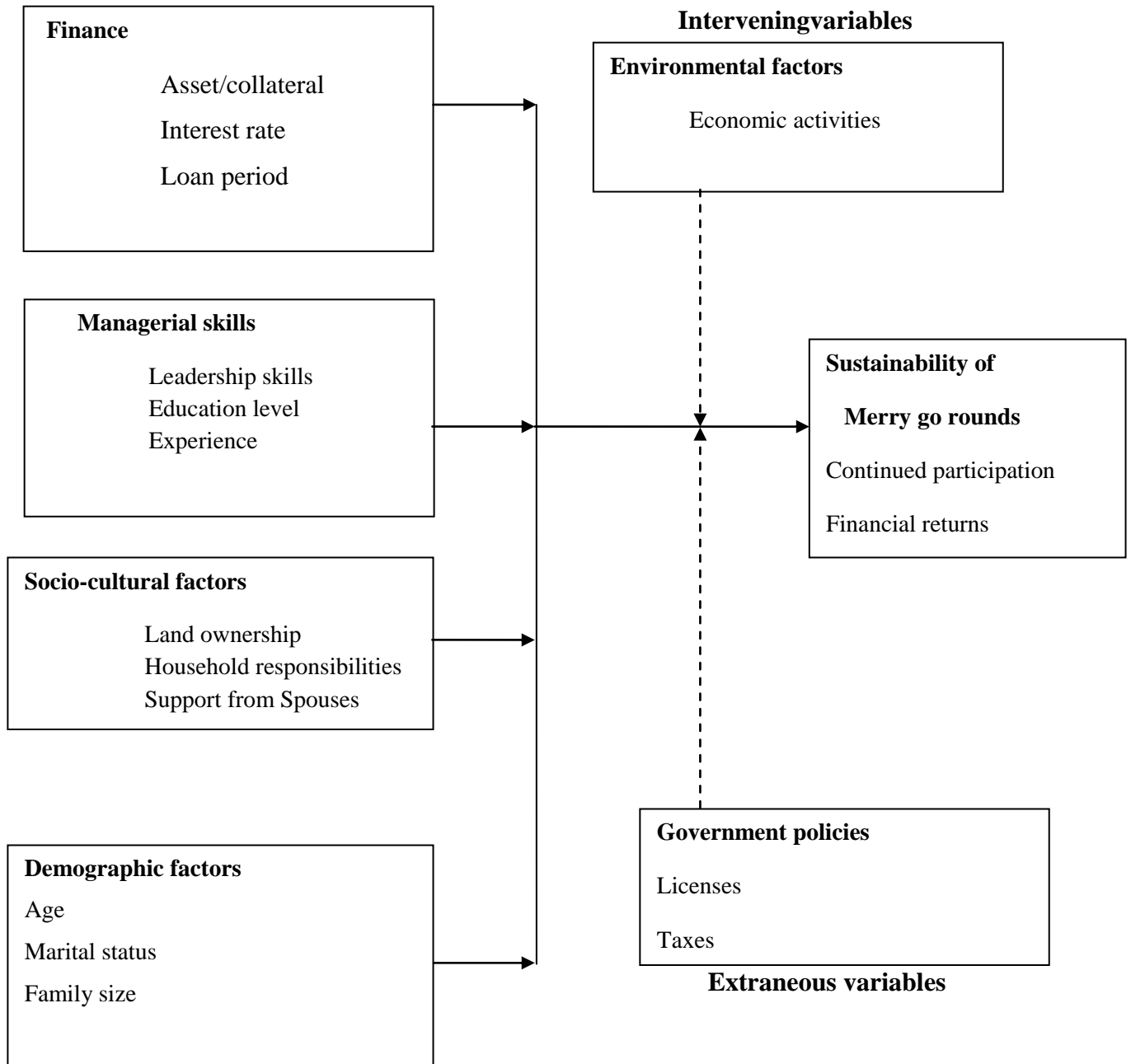
This study is inspired by the approach developed by social scientist Norman T. Uphoff (1941). Uphoff is a professor at the Cornell University, New York with a main research focus on the field of rural and agricultural development (cornell.edu, 2012). He bases his work on social capital on practical development projects (Krishna & Uphoff, 1999 and Uphoff & Wijayaranta, 2000), and his conceptualization of social capital is commonly employed in contemporary research and practice within fields as diverse as mental health and rural development (Islam, 2006; Pronyk, 2008)

2.9 Conceptual framework

This study opined that there are four major factors that influence sustainability of women-owned merry go round projects in Bomet central Constituency. These are the interest rates, collateral, culture and education levels of these businesswomen. These constitute sub-themes of the independent variable whose characteristics will be studied and will form the core objectives of the study. On the other hand, the dependent variable will be the sustainability of the women groups. However, while it is expected that the relationship between the dependent and independent variable is direct as described above, that is not the case in all situations. There are usually other factors that come in-between the two variables, known as the moderating or intervening variables. These variables can be studied independently if need arises. These are government policies on lending, policies of the lending institution, regional politics and other regional or global economic factors that generally affect trade, whether small scale or large scale. The diagram below shows this:

Figure 2.1 Conceptual Framework

Independent variables



2.10 Gaps in literature review

The contribution of women to the economy is significant. The World Intellectual Property Organization (WIPO) speaks strongly about the positive role women play in creating wealth and employment. It says that during the years of economic crisis and recession, one robust sector that provides economic growth, increase productivity and employment is that of small and micro enterprises. The micro and small enterprises are mainly run by women. The Organization for Economic Cooperation and Development (OECD, 2004) notes that women entrepreneurs have untapped source of economic growth, create new jobs for themselves and others, provide society with different solutions to management, organizations and business problems and exploit entrepreneurial opportunities. Despite encouraging remarks about capacities of women enterprises to boost local economy, USAID, (2001) briefs indicate that women owned and operated micro enterprises grow less rapidly and are likely to close sooner than male counterparts. Women owned projects in Bomet Central Division go through similar experiences. No research has investigated factors influencing sustainability of Merry Go Round Projects owned by women in Bomet Central Division .This study therefore investigates factors influencing sustainability of Merry Go Round Projects owned by women in Bomet Central Division.

2.11 Summary of literature review

From the literature reviewed, it is evident that projects owned by women in minority countries initially faced major challenges in starting off group projects but were later successful in their business ventures. However, sustainability of their projects still remains a challenge even in this era where they play a core role in the running of the economy. On the other hand, their counterparts in majority countries such as Kenya face more pronounced challenges that range from lower education levels and empowerment to cultural barriers that hinder the operation of their projects. The high interest rates coupled with high penalties after defaulting the monthly credit repayments further limit their projects sustainability. Further, the value of the collateral

provided by these women is low hence limiting the amount of credit they can access from the financial institutions.

These factors have generally led to non-sustainability of women owned merry-go-round projects in developing countries. Consequently, the income levels have either decreased or stagnated for a long time hence frustrating the businesswomen further. Given the hard economic and operating environment, coupled with the banking industry policies, the study empirically established that growth of these enterprises is even further stifled in that the owners have to constantly use the business income for other activities that are not income-generating in nature such as sustenance of the family through payment of school fees among others. This generally has affected women merry-go-round projects in most developing countries.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology to be used in the study. It describes procedures used to collect, analyze and present data. These are Research Design, Target Population, Sampling Design, Data Collection Procedures, Data Analysis, and Techniques of data collection, Operationalization of variables and Ethical Considerations

3.2 Research Design

The study sought to identify the factors influencing sustainability of projects owned by women in Bomet Central Division, Bomet Central Constituency. It employed a descriptive survey design. (Orodho, 2004) notes that descriptive survey research is intended to produce statistical information about the aspects of the population that interests policy makers without manipulating any variables. The survey emphasizes the frequency or number of answers to the same question by different people. (Bless and Achola, 1990) and (Mutai, 2001) indicate that the descriptive study gives an accurate account of a particular phenomenon, situation, community or person. According to (Polit and Hanger, 1995), the purpose of descriptive survey is to observe, describe and document aspects of a situation as it naturally occurs. (Cohen and Manion, 1985) state that the survey design is appropriate because it allows the use of research instruments like interview schedules and questionnaires. This design will help the researcher in establishing the factors influencing sustainability of women merry-go-round projects in Bomet Central Division.

3.3 Target Population

The study was carried out in Bomet Central Division of Bomet County. The target population consisted of the registered women group members and officials. The senior management comprises the group officials. Records at the DDO's Office indicate that there are 200 registered women groups in Bomet Central Division; each group has a minimum of 10 members, making a total of 2000 women.

3.4. Sample Size

According to (Mugenda and Mugenda, 1999), a representative sample should be at least 10% of the total population that is; in this case, 20 registered groups. In order to enhance reliability of responses given the small number of members, the researcher sampled atleast 10 individual members from each group.

3.5 Sample Selection

The study adopted simple random sampling procedure. According to (Orodho, 2009), simple random procedure provides equal opportunity of selection for each element of the population. Lottery technique was used to determine the respondents.

3.6 Data Collection Instruments

A questionnaire was employed as the principal data collection instrument for women in randomly selected merry-go round groups. Questionnaire which is a tool with a list of questions in which respondents are required to respond to (Mugenda Mugenda 1999), are more objective than interviews because they gather responses in a standardized way while ensuring confidentiality. The questionnaire was categorized into two sections; Section A comprised of bio data and general information on the group ,section B consisted of questions on factors influencing sustainability of women owned merry-go round group projects. Closed-ended questions were used, presented on the likert scale which allow participants to respond with degree of agreement or disagreement It contained both structured and semi-structured questions. The questionnaires were developed based on the objectives of the study.

3.7 Data Collection Procedure

A research proposal was prepared and defended. Once the proposal was accepted, two copies of the correct proposal were sent to the National Council of Science and Technology in order to get research permit for data collection from the respondents.

3.8 Techniques of Data Collection

Data analysis refers to the process which the researcher interprets data collected systematically in order to make sense out of it, (Mugenda and Mugenda, 2003) .Raw data was collected using questionnaires, Data was descriptive and was translated from qualitative to quantitative. All the

questionnaires were then examined to check their completeness and consistency. A serial number was then given and the number identified for each respondent. Data was tabulated based on the open ended questions in the questionnaire; it was edited, organized and analyzed using the SPSS statistical package.

3.9 Pilot Testing of the instrument

Pre-testing of the instruments was done to ensure effectiveness, validity, practicability and to make the ambiguities of the items straight. (Mugenda and Mugenda, 2003) Pre-testing ensures that items in the instrument are stated clearly and have the same meaning to all respondents and also to assess the time taken to administer the instrument. Sensitive or annoying items will also be identified. The pre testing will also inform the researcher whether the instrument will capture all the objectives of the study (Orodho, 2009). Split -half technique was used for the study by randomly dividing the group into two and administering the instrument to the same respondent's half without prior notification. Data collected was then compared and analyzed. The respondents sampled for piloting were not involved in the actual survey. The pilot study gave an insight of the nature of expected results when the study was completed. Validity of the instrument was known after studying the responses to the questions. Gaps in the instrument in relation to the research objectives were identified and addressed prior to the research.

3.10 Instrument Validity

Validity is the research degree to which a test actually measures the variables it claims to measure, (Kathur&Pacs, 1998). Peer review was used to enhance the face validity of the instruments. Content expert advice was sought so as to advice on whether the instrument developed will give accurate data that can reflect true happenings in the groups. The items in the questionnaire, those found not to give the desired information, were either discarded or altered in wording. In order to establish content validity for quantitative data, results from the ratings were computed using the following formula;

No. of items rated as relevant per objective x100

Total no. of items in the questionnaire

The end product will give the content validity of the research instrument. If CVI is more than 50% then the instrument is valid and if the instrument has less than 50% the instrument is not valid.

3.11 Instrument Reliability

Reliability of the instrument will be established by measuring the extent to which consistency of responses is given by the instrument. (Mugenda and Mugenda, 2003) says that an instrument is reliable when it can measure a variable accurately and consistently and obtain the same conditions over time. To ensure reliability, standardized questions were constructed and first pre-tested on subjects other than those sampled. The split-half technique was used to determine reliability of the instrument. The same questionnaire was administered to the sample which was randomly divided into two halves. A comparison was then done and where there was no consistency in response, amendments of the tool were made to enhance clarity. Pearson's moment correlation co-efficient was then used to compute the correlation of co-efficient. A significance level of 0.05 and above was considered.

method was used whereby the same questionnaire was administered to the same subjects in a span of three weeks from the first one. A comparison was then done and where there was no consistency in response, appropriate amendments of the tool were made to enhance clarity. Pearson moment correlation co-efficient was then used to compute the correlation of co-efficient. A significance level of 0.05 and above is acceptable.

3.12 Operationalization of Variables

This is a method of indicating how each variable is going to be measured. It is the construction of actual, concrete measurement techniques, the creation of operations that will result in the desired measurements or choice of specific research procedures that will result in representing the concepts of interest. (Babbie and Mouton, 2001)

Focus was on the questionnaire to be used in the research design. Nominal measures will be used based on variables like gender. Ordinal measures will also be used.

Table 3.1 Operational definition of variables

Objectives	Variables	Indicators	Measures	Scale
1. Factors influencing sustainability of women merry go-rounds in Bomet Central division.		<ul style="list-style-type: none"> • Sustainability of merry-go-rounds 	<ul style="list-style-type: none"> • Sustained projects 	Ordinal
2. To investigate the influence of managerial skills on sustainability women merry go-rounds in Bomet Central division.	Managerial skills	<ul style="list-style-type: none"> • Experience • Educational level • Leadership 	<ul style="list-style-type: none"> • Experience of the group members • Education level of the group members • Leadership skills of the group members 	Ordinal
3. To assess the influence of finance on women's merry go-rounds in Bomet Central division.	Finance	<ul style="list-style-type: none"> • Interest rate • Collateral • Loan period 	<ul style="list-style-type: none"> • Rate of interest on loan • If collateral is required • Loan repayment period 	Ordinal
4. Explore the influence of socio-cultural factors on women's merry go-rounds in Bomet Central division.	Socio-cultural factors	<ul style="list-style-type: none"> • Ownership of land • Support from spouses • Household responsibilities 	<ul style="list-style-type: none"> • If women are allowed to own land • If spouses support their wives • If husbands/male family members share responsibility 	Ordinal
5. Explore the influence of demographic factors on women's merry go-rounds in Bomet Central division.	Demographic factors	<ul style="list-style-type: none"> • Marital status • Education level • Family size • Age 	<ul style="list-style-type: none"> • Women marital status • Women education level • Age of women 	Ordinal

3.13 Method of Data Analysis

First checking for completeness of the questionnaires was done, then systematically organized in a manner that facilitated analysis. According to the research questions and objectives. (Gay, 1992) avers that the most common method of reporting descriptive survey research is by

developing frequency distributions, calculating percentages and tabulating them in form of graphs, tables and pie charts. Hence, descriptive statistics was used to present the results as this meaningfully describes a distribution of scores or measurements using a few indices or statistics. Each statistic used depended on the variables in the study and the scale of measurement to be used e.g. ratio, interval, ordinal or nominal. Measures of central tendency were used to give expected summary statistics of the variables being studied. Frequencies and percentages were used to show the distribution of scores in a sample for a specific variable.

3.14 Ethical Considerations

An important aspect of research is the respect and consideration we show to the people who participated in the study with us. These people are our colleagues and our subjects.

First the researcher identified himself /herself to the respondents on the study and why he /she wanted to carry out the study. To ensure confidentiality names of the respondents were not forced to fill questionnaires.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

The presentation in this chapter is guided by the questionnaire in the appendix section. The data collected has been analyzed by use of frequencies and percentages. This analysis shows the questionnaire return rate and the demographic characteristics of the respondents. It also shows the influence of managerial skills, finances, socio-cultural and demographic factors on sustainability of merry go-round projects by women in Bomet central Division.

4.2 Questionnaire Return Rate

A total of 200 questionnaires were issued to the randomly selected women groups, only 190 questionnaires were returned and analyzed. 6 questionnaires were not returned and 4 were incomplete. Response rate refers to the number of subjects that respond to a research instrument. A response rate of 50% is adequate for analysis and reporting, a response rate of 60 percent is good and 70 percent is very good. (Mugenda and Mugenda, 2003). This study therefore returned an excellent response rate of 95%.

4.3 Demographic characteristics of the respondents

The demographic characteristic of the respondents such as gender, age and level of education was sought to ascertain factors influencing sustainability of merry go round projects by women in Bomet central division

4.3.1 Group members' demographic characteristics by gender

Gender was considered to find out whether both men and women were involved in the group projects. The findings were as indicated in the table below

Table 4.1 Group members' characteristics by gender

Respondent	Category	Frequency	percentage
	Male	15	8
	Female	175	92
	TOTAL	190	100

N – 190

15 (8%) percent of the group members under study were male and 175 (92%) percent were females. This implies that both sexes were represented although male participants in the groups were very few, which implies that women have felt the need of belonging to small social organizations based upon close interpersonal ties to have control over their lives and exert influence in society.

4.3.2 Group members' demographic characteristics by age

Age was considered to find the dominant age group of women operating merry go round group projects all the age group were represented in merry go-rounds and most of them were below 50 years in addition, they were mature enough to give reliable information.

Table 4.2 Group members' demographic characteristics by age

Respondent	Category	Frequency	Percentage
Age	18-25	67	35
	25-35	65	34
	35-50	29	15
	50 and above	28	16
	TOTAL	190	100

N= 190

Majority of the respondents 67(35%) were in the age bracket of 18-25 years showing that they are energetic and feel the need for economic empowerment

4.3.3 Demographic characteristic by marital status

The find as to whether women belonging to merry go round projects were married were indicated in the table below;

Table 4.3 Group members' demographic characteristics by marital status

Respondent	Category	Frequency	Percentage
	Married	97	51
	Single	60	32
	Divorced	23	12
	Widower	10	5
	Widow	0	0
	TOTAL	190	100

N =190

The table indicate that 51% of the women were married, 32% were single, 12% were divorced and 5% were widowers.

4.3.4 Group members' demographic characteristics by level of education

Education background was considered to find out the level of education for the members involved in merry go-round projects and their ability to run the projects effectively given the level of skills acquire while at school. The findings were as indicated in the table below

Table 4.4 Group members' demographic characteristics by level of education

Respondent	Category	Frequency	Percentage
Level of education	Primary	20	11
	‘O’ level	40	21
	‘A’ level	20	11
	College	106	55
	None	4	2
	TOTAL	190	100

N = 190

106 (55.7%) of the respondents had attained university/college education 40 (21%) had ‘O’ level yet another 20(11%) had attained ‘A’ level and 20 (11%) primary education. Those who never went to school at all were 4(2%).

The 4 respondents who never attended school may have the experience but lack the skills required to run the group projects and are therefore only relied on for guidance.

4.4 Group characteristics

This sort to find out the number of members per group, length of stay in the group, reasons for starting the group project, type of projects, means of financing group projects management and the frequency of holding group meetings.

4.4.1 Number of members per group

Group membership varies from group to group small numbers are preferred for easy management and follow-ups in terms of rotational contribution and collection of funds from the members.

Table 4.5 Number of members per group

Respondent	Category	Frequency	Percentage
	10-12	86	45
	13-15	74	39
	16-20	20	11
	21 and above	10	5
N = 190		190	100

Most of the groups had members between 10-12 i.e. 86 respondents (45%) which implies that the smaller the number of the group members the easier the management and control of the group. Groups with members between 13-15 were 74 (39%) another 20 groups (11%) had members between 16-20 and yet another 10 groups (5%) had 21 members and above.

4.4.2. Duration / Number of years in the group

Sustainability is very crucial to any enterprise since the members can enjoy economies of sales in the long run in form reduce cost of production .Group members' length of stay in the group was important to ascertain whether it influences project sustainability since the biggest challenge in the groups are members leaving the groups after a short while. The implication of this is that there would be strong effect on cash flow within the group.

Table 4.6 Duration/Number of years in the group

Respondent	Category	Frequency	Percentage
	Less than 2years	130	68
	2-5 years	36	19
	6-8 years	20	11
	9 years and above	4	2
	TOTAL	190	100

N = 190

Table 4.6 shows that 130 members (68%) have been in the group for less than 2 years which implies that the majority of women have just felt the need to belong to a group or are numbers who move from one group to another without realizing any gains in the groups they have belonged to only 4 members (2%) have been in the group for over 9 years. Thus representing a very small number of members belonging to groups that have survived / that have been sustainable. Members who have been in their groups between 2-5 years and 6-8 years are 36 (19%) and 20 (11%) respectively.

4.4.3. Reasons for starting the group project

There is a felt need on the part of women to get together and use merry-go-rounds to improve their economic status and lives in general. The key reasons for belonging to such informal groups extend beyond the key financial feature of getting access to the fact that they enable people to obtain funds in emergencies and also provide social contact and network.

Table 4.7 Reasons for starting the group project

Item	Frequency	Percentage
a. Pooling resources together	25	13
b. Means of accessing cheap loans	154	81
c. To encourage interpersonal interaction	11	6
TOTAL	190	100

N = 190

Table 4.7 shows that group members were drawn to join the groups for various reasons. The highest number 154 (81%) said that they started the group project as a means of accessing cheap loans which implies that most banks have too high interest rates which cannot be met by the individual members thus preference for the group project loans. 25 respondents (13%) said they started the project as a way of pooling resources together, another 11 (6%) used the group project as a means of encouraging interpersonal interaction.

4.4.4. Type of group project

The type of group projects determines the degree of risk to both the lending institution and the borrower of the loan. Thus it affects the repayment and the loan size to be extended. Merry-go-round projects vary from one group to another mechanism and processes of generating and contributing resources savings and financial contribution from and to members vary widely among groups. The basic formula however, is the same everywhere; each member makes a fixed contribution at a fixed and now time

Table 4.8 Types of group project

Item	Frequency	Percentage
Poultry keeping	101	53
Dairy goat rearing	41	21
Maize millers	3	2
Bead work	10	5
Yoghurt making	7	4
Honey making	6	3
Other	22	12
TOTAL	190	100

N = 190

Table 4.8 shows that most groups under take poultry keeping (53%) an implication that most women have not ventured into real business ventures, poultry keeping is the cheapest and easiest venture to operate as it requires no much skills and attention / time as most women have very little time to spend outside their homes. Others in dairy goat keeping are (22%) maize millers stand at 2% bead work 5%, yoghurt making 4% honey making 3% other projects at 12%. Maize millers (2%) are a labour intensive venture therefore most women shy away.

4.4.5. Financing the group project

Source of finance for the group projects was important to ascertain whether financial contribution influences sustainability of the group projects since access to finance is often cited as a main constraint to the growth of female enterprises because women have for a long time remained marginalized and have been excluded from the formal financial services hence cannot engage in meaningful entrepreneur or small scale business.

Table 4.9 Means of financing the group project

Item	Frequency	Percentage
a. Loans from banks	78	42
b. Women Enterprise Fund	48	25
c. Group members contribution	48	25
d. Donors	16	8
TOTAL	190	100

N = 190

The respondents as represented in table 4.9 shows that most members finance the group project through loans from banks 78 (42%), which oftenly comes with high interest rate which may have contributed to difficulty in sustaining the group projects. 48 (25%) finance their projects through the women finance trust, yet another 48 (25%) finance them through the members contribution while 16 (8%) rely on donors.

4.4.6. How the group projects are run

Group project management was studied to find out whether the groups are run by appointed officials, pioneers, nominated member or elected officials. High failure rate in women owned projects is largely attributed to the lack of management skills and planning combined with technical problems and lack of essential expertise in maintenance and decision making.

Table 4.10 How the group projects are run

Item	Frequency	Percentage
a. Appointed officials	88	46
b. Pioneers	46	24
c. Nominated member	39	21
d. Elected officials	17	9
TOTAL	190	100

N = 190

Table 4.10 shows that most groups are run by appointed officials 88 (46%) very few groups 17 (8.9%) carry out elections to select their group officials. This shows that the majority of groups simply agree on who to appoint to run the group project, 46 (24%) of the groups used pioneers to run their projects while 39 (21%) nominate the group leaders.

4.4.7 Consideration of education level when choosing members to manage the project

Educational attainment at primary secondary college/ university was studied to find out its influence on sustainability of group projects. Women are said to often lack the combination of education, vocational and technical skills and work experience needed to support the development of highly productive projects.

Table 4.11 Consideration of education level when choosing members to manage the project

	Response	Frequency	Percentage
Education level	Yes	140	74
Considered	No	50	26
	TOTAL	190	100

N= 190

From table 4.11 it is evident that most groups 74% consider education level of the individual before appointing one to manage the group projects. 26% did not consider education level when choosing their officials.

4.4.8. Frequency of holding group meetings

Group meetings are held in different times depending on the group project. This was studied to find out whether frequency of holding group meetings affect sustainability of the women owned group projects.

Table 4.12Frequency of holding group meetings

Item	Frequency	Percentage
a. Weekly	106	56
b. After 2 weeks	17	9
c. Monthly	24	13
d. After 4 months	17	9
e. Annually	18	9
f. Only when crucial matters arise	8	4
TOTAL	190	100

N = 190

From Table 4.12 most groups 106 (56%) hold their group meeting weekly to assess their operation, 8 (4%) of the groups only meet when there are crucial matters to discuss other groups 17 (8.9%) meet after 2 weeks, 24 (13%) meet monthly, and yet another 17 (9%) meet four months.

4.5 Influence of managerial skills on sustainability of women owned project in Bomet Central Division

This objective looks at the combination of education attainment, vocational and technical skills and work experience needed to support the development of highly productive business. The study sought to analyze the following factors, experience education level, leadership skills and management skills.

Table 4.13 gives the group members' opinions on influence of managerial skills on sustainability of women owned Merry go round project in Bomet Central Division.

Table 4.13 Managerial skills and sustainability of projects

Item	Response	Frequency	Percentage
Managerial skills Experience skills Education level	Strongly Agree	124	65.2
	Agree	20	11
	Disagree	46	24
	Strongly disagree		
	TOTAL	190	100

N = 190

4.5.1 Experience and management

High failure rate in projects owned by women have largely been attributed to lack of experience awareness management skills competency and planning. This study intends to find out the influence of experience on sustainability on women owned projects.

Table 4.14Members' response on experience and management

Item	Response	Frequency	Percentage
Experience lack of it influence sustainability of group projects.	Strongly Agree	60	32
	Agree	78	41
	Disagree	48	25
	Strongly Disagree	0	1
	Neutral	3	2
	TOTAL	190	100

N = 190

Table 4.14 shows that most members 78 (41%) agree that one's experience influences running of the group project, 60 (32%) strongly agree that experience influences the group as this relates to their awareness, levels, participation in governance record keeping, expertise in production, procurement maintenance, marketing etc. only 1(0.5%) strongly disagreed with the opinion, while 3 (2%) remained neutral.

4.5.2 Education level and management on sustainability of group projects

Education for sustainable development seeks to empower people of all ages to assume responsibility for creating, maintaining and enjoying sustainable future .Female education especially at secondary levels increases their likely hood of being engaged in the labour market .Education exert a positive impact on women moreover their willingness to participate in the labour force stems from a desire to provide their families with a higher standard of living.

Table 4.15 Members' opinion on influence of management in sustainability of group projects

Item	Response	Frequency	Percentage
Does education level influence management of the group?	Strongly Agree	105	55
	Agree	30	16
	Disagree	45	24
	Strongly disagree	6	3
	Neutral	4	2
	TOTAL	190	100

N = 190

Table 4.15 indicates that 105 (55%) of the respondents strongly agree that education level influences running / operation of the group projects. This means that educated member of the group will always provide the group with the expertise, knowledge and essential information on how to operate the project 30 (16%) simply agreed 45 (24%) respondents disagreed while 6 (3%) and 4 (2%) strongly disagreed and were neutral respectively.

4.5.3 Leadership skills and management on sustainability of group projects

Sustainability of projects required a management team who are aware of the goals of sustainable society and has the knowledge skills and values to contribute to these goals public awareness, education and training are critical aspects towards sustainable group projects the study reveals that leadership skills influences sustainability of women on merry go- round projects.

Table 4.16 Members opinion on leadership skills

Item	Opinion	Frequency	Percentage
Do leadership skills influence sustainability of merry go-projects	Strongly Agree	120	63
	Agree	45	24
	Disagree	25	13
	Strongly disagree	0	0
	TOTAL	190	100

N = 190

From Table 4.16 120(63%) respondents strongly agree that leadership skills influence sustainability of the group project 45 (24%) agree, 25 (13) disagree whereas none strongly disagree. This implies that in order to transform the society or groups towards sustainable group projects group leadership should be a team that incorporate experience technical and human skills in running their projects.

4.6 Influence of finance on sustainability of merry-go-round project by women in Bomet Central Division

In this objective, the study sought for opinion from the group members on finances and how it influences their group projects. These are factors like interest rate, grace – period and collateral.

Table 4.17 gives the members' opinion on the influence of finance on sustainability of group projects.

Table 4.17 Members opinion on influence of finance on sustainability of group projects

Item	Response	Frequency	Percentage
Do financial resource influence sustainability of merry go-round projects	Strongly Agree	80	42
	Agree	93	49
	Disagree	17	9
	Strongly disagree	-	-
	Neutral	-	-
	TOTAL	190	100

N = 190

Group members' opinions have indicated that 93 (49%) agreed that financial resource influence sustainability of the group project this means that most group projects rely on finances in their day to day operation which may hinder sustainability. 80 groups (42%) strongly agreed that finances influence group sustainability, whereas 17 (9) disagreed.

4.6.1 Members' opinion on the influence of interest rates charged on group project sustainability

Interest rate has an effect on the use repayment of the loan and overall performance of the business. When the interest rate charged is high there is a tendency for the borrowers to keep part of the borrowed money to pay the interest. High interest rate affects the borrowers by reducing their incentives to take actions conducive to loan repayment. This was studied to find out Members' opinion on the influence of interest rates charged on group project sustainability.

Table 4.18 Influence of interest rate on group projects

Item	Response	Frequency	Percentage
Does the interest rate charged influence sustainability of group project	Strongly Agree	79	42
	Agree	18	9
	Disagree	93	49
	Strongly disagree	-	-
	Neutral	-	-
	TOTAL	190	100

N=190

Table 4.18 indicate that 42 % of women strongly agree that interest rate affect their projects 49% disagree this means that women may not be aware of how much they finally pay as interest on the total cost of the loan,49% simply disagree.

4.6.2 Influence of Collateral on group projects

Without adequate access and control over family resources women are left alone to cope with immense family responsibilities .Unequal access to land and property means that women are unable to secured loans for their businesses therefore their businesses fail to grow this was sought to find out how collateral affects growth of women owned projects

Table 4.19Members opinion on collateral

Item	Response	Frequency	Percentage
Requirement for collateral to acquire loan from the group affects sustainability of merry go-round projects.	Strongly Agree	95	50
	Agree	77	41
	Disagree	18	9
	Strongly disagree		
	Neutral		
	TOTAL	190	100

N = 190

From Table 4.19 it is clear that women feel requirement for collateral to acquire loan for the group affects sustainability 95(50%) strongly agree ,77(41%) agree ,18(9%) disagree.

4.6.3 Influence of Loan period on group projects

If the loan term is too short, the borrower fails to generate revenue to enable him/her make repayments while a longer loan term may make the client extravagant and the client may in the end fail to pay back. For successful results, the loan terms should match the cash patterns to help the client budget cash flows. The study sought to find out the influence of loan period on sustainability of projects by women.

Table 4.20Members opinion on loan period on sustainability of group projects

Item	Response	Frequency	Percentage
Loan period affects repayment of loans for the group project	Strongly Agree	92	48
	Agree	32	17
	Disagree	47	25
	Strongly disagree	18	10
	Neutral		
	TOTAL	190	100

N = 190

From the table above the loan period affects sustainability of the group projects 48.42% strongly agree, 17% agree, 25% disagree while 10% strongly disagree

4.7. Influence of socio-cultural factors on sustainability of merry-go-round projects by women in Bomet Central Division

This objective sought for opinions from group members on the influence of socio-cultural factors on sustainability of their groups. Socio=cultural factors include the expectations about attributes and behaviours appropriate to women and men, gender articles and division of labour and barriers related to custom.

Table 4.21 Influence of socio-cultural factors on sustainability of merry-go-round projects by women in Bomet central Division

Item	Response	Frequency	Percentage
	Strongly Agree	62	33
	Agree	78	41
		33	17
	Strongly disagree	0	0
	Neutral	17	9
	TOTAL	190	100

N =190

As from the table above socio-cultural factors affect sustainability of women owned projects, the findings show that 33% strongly agree,41% agree,17% disagree and 9% are neutral

4.7.1 Authority to use assets as collateral

Ownership of land and property empowers women and income and security. Without resources such as land women have little say in household decision making and no recourse to the assets during crises. This was considered to find out the influence of authority from husbands or males on authority to use assets as collateral.

Table 4.22 Authority to use assets as collateral

Item	Response	Frequency	Percentage
Women are allowed to use title deed or other assets as collateral	Strongly Agree	18	10
	Agree	32	17
	Disagree	107	56
	Strongly disagree	33	17
	Neutral	0	0
	TOTAL	190	100

N = 190

56% of women are not allowed to use family assets as collateral ,17% are allowed to use assets as collateral,17% are not allowed to use family assets and only 10% strongly agree that they are allowed.

4.7.2 Authority to apply for a loan for the group projects

The status of women in a patriarchal social structure makes women dependent on males in their lives –husbands or fathers and family resistance is a major disincentive to business startup .Other close male family members often make decisions for women hence going against the independent spirit of entrepreneurship. Marital status was sought to investigate if it affects women owned group projects.

Table 4.23 Authority to apply for a loan for group projects

Item	Response	Frequency	Percentage
Husbands / male family members allow their women to apply for loans for the group projects.	Strongly Agree	17	9
	Agree	48	25
	Disagree	46	24
	Strongly disagree	62	33
	Neutral	17	9
	TOTAL	190	100

N = 190

As shown from the table above, 33% of women are not allowed to apply for loan for their projects, and only 9% access loan for the projects with permission from their husbands, 24% agree and 24% disagree that husbands / male family members allow them n to apply for loans for the group projects.

4.7.3 Support from spouses

This was studied to find out the extend in which spouse or male family members supported women in merry go round projects the findings were as illustrated below.

Table 4.24 Support from spouses/male family members

Item	Response	Frequency	Percentage
Women who belong to merry-go-rounds get support from their spouses.	Strongly Agree	47	25
	Agree	17	9
	Disagree	77	40
	Strongly disagree	17	9
	Don't know	32	17
	TOTAL	190	100

N = 190

The table above indicate that most women did not get support from their spouses (40%), 9% strongly disagree, another 9% agree, 25 % strongly agree. Those who strongly agree that they get support from their spouses are members who may have joined the group after formal sector job loss.

4.7.4 Decision on how to use loan from the group

Decision on how to use loan from the group was studied to find out whether decision making on how to use money borrowed from the group was done by women or their spouses/male family members. The findings as indicated in Table 4.25 to shows that 39% of women do not decide on how to use the borrowed funds only 11% had the freedom to decide on money use. 25% disagreed, 25% agreed.

Table 4.25 Decision on how to use loan from the group

Item	Response	Frequency	Percentage
Husbands allow women to decide on how to use loan from the group projects.	Strongly Agree	20	11
	Agree	47	25
	Disagree	48	25
	Strongly disagree	75	39
	Don't know	0	0
	TOTAL	190	100

N = 190

4.8 Influence of Demographic factors on sustainability of merry-go-round projects by women in Bomet Central Division

Objective sought to investigate how one's family size, marital status, age and education level influences one's participation in the group and the general sustainability of group project. Opinions from group members were sought in the study. Table 4.26 show that 47% of women felt that demographic factors influenced sustainability of their group projects, 26% strongly

agreed, 26% of women disagreed, 5% strongly disagreed. The implication here is that demographic factors influence women factors on merry go round projects.

Table 4.26 Members' opinion on influence of demographic factors on sustainability of group projects

questionnaires	Response	Frequency	Percentage
Demographic factors influence sustainability of group projects	Strongly Agree	49	26
	Agree	88	46
	Disagree	49	26
	Strongly disagree		
	Neutral	0	0
	TOTAL	190	100

N = 190

4.8.1 Impact of marital status on participation in the group project

The status of women in a patriarchal social structure makes women dependent on males in their lives –husbands or fathers and family resistance is a major disincentive to business startup .Other close male family members often make decisions for women hence going against the independent spirit of entrepreneurship. Marital status was sought to investigate if it affects women owned group projects.

Table 4.27 Impact of marital status on participation in the group project

Item	Response	Frequency	Percentage
Participation in the group is affected by one's marital status.	Strongly Agree	32	17
	Agree	93	49
	Disagree	17	9
	Strongly disagree	32	17
	Don't know	16	8
	TOTAL	190	100

N = 190

4.8.2 Impact of education level in contribution in the group

Education level was sought to find out its influence on sustainability of group projects the findings were as indicated below

Table 4.28 Impact of education level in contribution in the group

Item	Response	Frequency	Percentage
Members Education level affects sustainability contribution of the group project.	Strongly Agree	48	25
	Agree	32	17
	Disagree	93	49
	Strongly disagree	17	9
	Neutral	0	-
	TOTAL	190	100

N =190

The findings indicate that 25% strongly agree and 17% agree that education level influences sustainability. The majority 49 % disagree implying that education level may not actually have a big impact on projects sustainability. Those who strongly disagree were 9%.

4.8.3 Influence of family size on participation in group activities

Women tend not to be driven by profit but rather by need to provide for their families. They see business as means of setting them free from ‘begging’ from their spouses money for the basic necessities of their families-food, clothing and health. What they earn is totally spent for the benefit for the entire family.

Table 4.29 Members’ opinion on influence of family size

Item	Response	Frequency	Percentage
Family size, large or small affects participation in group activities.	Strongly Agree	33	17
	Agree	108	57
	Disagree	17	9
	Strongly disagree	32	17
	Don’t know	0	-
	TOTAL	190	100

N = 190

Table 4.29 indicates that 17% strongly agree, 57% agree, 9% disagree and 17% strongly disagree that family size large or small influences sustainability of projects.

4.8.4 Influence of age

Age was considered to find out the influence of age in active participation in group activities from the findings, 57% agreed that age affects women participation in groups, 17% strongly disagree, where 9% disagree.

Table 4.30 Influence of age on sustainability of projects

Item	Response	Frequency	Percentage
Age influences one's active participation in the group.	Strongly Agree	33	17
	Agree	108	57
	Disagree	17	9
	Strongly disagree	32	17
	Don't know	0	-
	TOTAL	190	100

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS AND RECOMMENDATIONS.

5.1. Introduction

This chapter presents the summary of research findings, discussion of the findings, conclusions and recommendations according to the study objectives. The study was carried out to establish the factors influencing sustainability of women owned merry-go round projects derived from the research findings and suggestions for further research.

5.2. Summary of the findings

This study examined the factors influencing sustainability of merry-go-round projects by women in Bomet Central Division, Bomet County, Kenya. The study sought to find out whether managerial skills influence sustainability of merry-go-round projects by women in Bomet Central Division. This study indicated that 124 (%), 60 (%) 105 (%) and 120 (%) of members strongly agreed that managerial skills influence sustainability of merry-go-round projects. Further, a small number / percentage of group members 1 (%), 6 () 10 (%) strongly disagreed that management skills do not influence sustainability of merry-go-round projects. 3 (%), 4 (%) had a neutral opinion on managerial skills.

On whether financial resources influence sustainability of women merry-go-round projects in Bomet Central Division, the findings revealed that 80 (%) of the respondents strongly agree that merry-go-round projects, 79(%) strongly agree that interest rates charged influence sustainability of the group projects, while 95 (%) strongly agree that requirement for a collateral to acquire a loan from the group affects the group sustainability. Moreover, 47 (%) strongly agree that grace period, short or long, affects repayment of loans for the 93(%) agree that financial resources influences merry-go-round, 17(%) disagree moreover, 18(%) agree that interest rate changed influences merry-go rounds, 93(%), disagree that interest rate influences the merry-go-rounds. 77(%) agree that requirement for collateral affects merry-go-rounds, 18 (%) disagree that collateral does not influence the merry-go-rounds. This implies that, many women, are not

economically empowered and therefore only rely on financial institutions for loans to sustain the group projects which may not be sustainable as high interest rates and demand for collateral make them shy away from getting finances from MFIS or banks to finance their group projects.

Do socio-cultural factors affect sustainability of women owned merry-go-round projects in Bomet Central Division? The findings revealed that 33 (%) strongly agreed that socio-cultural factors influence sustainability of merry-go-round projects, 78(%) agreed, 62(%) disagreed and yet 17(%) were neutral. This implies that women may not have identified and maximized the opportunities at their disposal towards economic empowerment. 107 (%) disagreed and 33(%) strongly disagreed that women are allowed for use the title deeds and other assets as collateral wherever applying for loans or the group projects, 46 (%) disagree that husbands or male members of the family allow women to apply for loan for the group projects, 17(%) strongly disagreed. 77(%) strongly disagree that they get support from their spouses or male members of the family. This therefore implies that lack of support prevent women's' entry in to the projects, others even dropping from the groups due to demotivation.

On the influence of demographic factors on sustainability of women owned merry-go-round projects in Bomet Central Division, the study showed that 93(%) of the respondents agree that one's marital status influences how one participates in the group projects, 32 (%) strongly agree that marital status influences merry-go-round projects participation, 17(%) and 32 (%) agreed and strongly disagreed. 63 (%) strongly agreed family size influenced one's participation in the group project thus seriously affecting sustainability of the group projects. 93 (%) disagreed, thus implying that the family size may not strongly influence one's participation and generally sustainability of the group projects, 17(%) and another 17(%) agree and strongly disagree respectively that the family size influences one's participation and the sustainability of merry-go-rounds.

Influence of age on the merry-go-round project was found out to be 33 (%) strongly agreeing that age influences participation in merry-go-round 108(%) the highest percentage disagree that age influences ones participation. This therefore implies that women, regardless of age feel they should belong to a group for their own economic empowerment as belonging to a group opens

doors for ones economic empowerment 17(%) and 32(%) agree and strongly disagree respectively that age influences sustainability of merry-go-round projects.

5.3 Discussion of Findings

From the findings it was evident that trained women entrepreneurs had better chances of accessing business credit from MFIs, the reasons that were stated for this is that trained women were better able to keep financial records concerning their businesses develop business plans and project proposal than untrained women. These findings concur with the findings of Kimuyu (1999a) in his research on Enterprise Structure and performance in Kenya. He finds that there is a possible positive correlation between an entrepreneur's education level and ability to pursue profitable entrepreneurship, understand and familiarize with the workings of credit/loan arrangements and finally successfully manage loans. In emphasizing this point, International Labour Organization (2006) states that lower education levels puts women entrepreneurs in Kenya at a disadvantage compared to men. While gender gap in primary education in Kenya has decreased in recent years, the gap remains high at secondary and tertiary education levels. Lower education does not emphasize entrepreneurship skills. It decreases the chances that women will have the knowledge needed to excel in business, and thereby contribute to the country's overall economic growth.

Findings indicate that income levels affect the level of credit that can be advanced to women entrepreneurs. This can be attributed to the measurement of ability to pay using level of income by credit raters, MFIs and other issuers of credit. The findings of Namusonge (2006) address the effect of low income on access to credit by women owned enterprises in Kenya. It states that access to credit has eventually become a detrimental factor to advancing their small scale business enterprises as most businesses owned by the rural poor women are poorly managed, have low income and are mostly deemed not credit worthy by financial institutions. It continues to note that these women who own small business enterprises also are most reluctant to take credit as it is an expensive option to improving their business. They fear taking the risk associated with credits.

Findings indicated that higher interest rates were a deterrent to borrowing by women entrepreneurs. These findings suggested that women groups in Bomet central constituency are

sensitive to interest rates while sourcing for business credit. A similar study in Ghana by Amanoo (2003) proposes that the debate on whether high interest rate affects demand for credit is inconclusive. He advocates that high interest rates negatively affect the demand for credit because only limited borrowers with high risk projects may have their demand satisfied. He argues that high interest rates encourage adverse selection of loan seekers. Those who take high risk and get their loans approved are those with high default rates. In his opinion, though, these high risk enterprises may not include SMEs because they cannot afford risky and high cost investment. He acknowledges that borrowing costs strongly affect the willingness of SMEs entrepreneurs to seek loans from formal lender. Therefore it was concluded that high interest rates constrain the demand for credit.

Culture and demographic factors has an effect on access to credit by small scale women owned enterprises. Lack of property ownership rights, lack of women participation in entrepreneurship as a result of culture, lack of support from male family members in business operation and lack of time to engage in income generation were identified as cultural deterrents of women participation in entrepreneurship and access to credit. Ukpore (2009) holds a similar opinion. He postulates that culture can constrain the opportunities women pursue. Women can face additional barriers related to custom, have less time available due to the prevailing gender division of labor, or have lower intra-house hold bargaining position and consequently less control over their earnings. For the women entrepreneurs who were looking to achieve scale and further develop their enterprises, such constraints reduced the incentive to grow businesses and thus their ability to access financial services.

5.4 Conclusion

Based on the findings of the study, several conclusions were drawn. A total of 200 respondent were randomly selected. However, not all the respondents returned the questionnaires.

Majority of the respondents agreed that managerial skills influence sustainability of merry-go-round projects, while women are making major strides in terms of educational attainment at secondary and college levels they often lack the combination of education, vocational and technical skills and work experience needed to support the development of highly sustainable productive businesses. The study identified the need for more training in technical skills. They

also lack the competence for sustainability of projects which require a combination of management, business experience and education.

Finances and accessibility to financial services for women owned projects is a main constraint to the growth and sustainability of women – owned projects. The small size and short-term loans demanding collateral mainly assets do not allow women borrowers to make long-term investments in their projects. Women lacking access to credits and high interest rates on loans which sore as beyond reach have adversely affected sustainability of their merry-go-round projects. This therefore means that lack of credit facilities inhibit marginalized women from participating fully as entrepreneurs.

Socio-cultural factors constraint the opportunities women pursue. They face barriers related to customs gender division of labour and law intra-household bargaining power which immensely reduces their incentive to grow their businesses, land is not only a productive asset but also important collateral in securing finance and credit. Women however have been found to have weak property and contractual rights to land and other resources, thus limiting women, ability to exercise their business rights. Women have for a very long time been limited by traditions which belief that men are superior and hence only them and not women can claim land. The spouses do not appreciate women independent decision to venture into business, they have therefore started businesses with low self-esteem, low confidence and less support from the family.

Demographic factors, like family size, marital status, age and education level among women have been revealed to influence their participation and thus sustainability of their projects. Willingness of married women to participate in merry-go-round projects stems from a desire to provide their families with higher standard of living; married women also have to make a fine balance between business and family responsibilities. Their business success is dependent on the support the family members (spouses) give to them.

5.5 Recommendations

Based on the findings and conclusion of the study, the following recommendations are made.

1. Project management training should be provided to women groups as a strategy to develop human resources and build capacity required in operation of women group project. In advocating the necessity to train women in management skills, Waita (2012) states that the associated benefits of higher management skills in terms of higher productivity are generally the same for women as for men. Women's measures of human capital are very similar to men working in the same type of activities. For example, the human capital of women in the formal sector is much more like that of their male colleagues in the formal sector than it is like that of women in the informal sector. However, women overall have less education and training. Improving women's access to training programs and networking opportunities will help expand their opportunities. Women owned projects can be sustained and improved by providing training and education in different business areas, management skills and planning to women training on essential and required expertise in production, procurement marketing and maintenance.
2. Extension of credit to women operated businesses by relying on ability to pay and not on collateral. This should take the form of special credit schemes advocated by the government for small scale jua kali enterprises (Republic of Kenya, 1992, 1997b, 2007) so as to boost women participation and provide access to sustainable financial services.
3. Cultural barriers have been identified to have an effect on access to credit. Some of the recommendations to overcome this include, first, applying constitutional provisions of nondiscrimination in areas of marriage, property, and inheritance. Second, is giving women equal say over the administration and transfer of marital property. Third, is limiting or removing head-of-household laws that allow husbands to deny permission to their wives to engage in a trade or profession, or to choose the marital home. Fourth, is removing provisions requiring a husband's signature to enter into contracts or open a bank account.

4. Women's initiatives and their dynamic roles towards poverty eradication should be analyzed. The women groups should involve beneficiaries when assessing the community needs. This is one aspect of good management because it ensures production of goods and services that are highly demanded by the community which in turn implies a ready market and higher profit. They should also prepare strategic plans and project proposals in accordance with the national plan and the Kenya Vision 2030.

5.5.1 Recommendation for policy issues/ formulation

The government plays a key role in the economic development, poverty reduction and economic empowerment of women, pro-poor growth and the achievement of all millennium development goals from the findings of the study therefore; the following recommendations were suggested;

1. Monitoring and evaluation are key to any project, to achieve their goals and objectives since merry-go-rounds are projects toward economic empowerment of women regular monitoring and evaluation of these projects by officials from the county genders and social services office should be done to ensure sustainability poverty reduction, pro-poor growth and the achievement of all the millennium development goals.
2. Devolved governments should give incentives to women who have been in merry-go-round group for long period and sensitize them on possible sources of funds such as embassies and international donor agencies.
3. The county government to organize regular trainings and workshops for women in merry-go-rounds on effective participation in their group projects; monitor, guide and train them on how to handles their finances and on business entrepreneurship.
4. Micro finance institution and Banks should give loans with a low interest rate to women in groups against their long serving membership in those registered groups.
5. The ministry of gender and social services should come up with incentives for spouses who allow their wives to actively participate in group projects that boost economic development of women.

5.6 Suggestions for further research

Further research is suggested to be on the following;

1. How politics and politicians influence sustainability of women owned merry-go-round projects in Bomet Central Division, Bomet County
2. The impact of projects owned by women on the economy of Bomet County
3. The relationship between the county gender and social services office and the women - owned projects in Bomet County.

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APPENDICES

APPENDIX I: LETTER OF TRANSMITTAL NDARAWETTA GIRLS' SECONDARY SCHOOL

P.O.BOX 76-20400,

BOMET.

30TH JUNE 2014

THE COUNTY DIRECTOR,
GENDER AND SOCIAL SERVICES,
BOMET CENTRAL DIVISION,
P.O.BOX
BOMET

Dear Sir/Madam

REF: REQUEST FOR RESEARCH DATA COLLECTION

I am a masters student in project planning and management of Bomet Extra Mural Centre University of Nairobi .I am required to submit a research project as part of my assessment. Consequently I have written a research proposal entitled “Factors Influencing Sustainability Of Women Owned Merry Go Round Projects In Bomet Central Division , Bomet County ,Kenya”.

Based on the proposal, I have designed a questionnaire to help me collect data .registered women groups in Your District make my area of study. I therefore seek your permission to collect the relevant data from these groups. The information obtain will purely be used for academic purposes. Finding of the study shall upon request be available to you.

Your assistance therefore, and co-operation will be highly appreciated.

Thank you.

Caroline C. Kosiley

APPENDIX II

MORGAN'S TABLE FOR DETERMINING SAMPLE SIZE FROM A GIVEN POPULATION

POPULATION SIZE	SAMPLE SIZE	POPULATION SIZE	SAMPLE SIZE
10	10	300	169
20	19	400	196
30	28	1500	306
40	35	2000	322
50	44	3000	341
60	52	4000	351
70	59	5000	357
80	66	6000	361
90	73	7000	364
100	80	10000	370
150	108	20000	377
200	132	50000	381
250	162	100000	384

Source :R.V. Krejcie and D Morgan (1990)

APPENDIX III: MERRY-GO-ROUND GROUPS SELECTED

No.	Name of the group	Number of members	Year started
1.	Wadis women group	15	January 2013
2.	Pentagon star	15	January 2013
3.	Transnational women group	20	December 2005
4.	Almasi group	12	July 2013
5.	Juhudi	15	April 2014
6.	Maendeleo women group	12	June 2014
7.	Tausi self help group	10	January 2013
8.	Matumaini self help group	14	June 2013
9.	Bidii shly	15	2012
10.	Bomet young investors	10	June 2014
11.	Chepkosa women group	12	April 2013
12	Korokwony Women group	25	2001
13	Kaplewa Multi-purpose	15	June 2009
14	Kipteigei Women Group	13	May 2003
15	Lelaitich Overcome Hunger	11	January 2008
16	Mwangaza Wpmen Group	16	November 2009
17	Sisich Women Group	18	2009
18	Sanchik Young Investors	11	May 2010
19	Tobentai Women Group	12	March 2004
20	Judea Women Group	10	March 2007

APPENDIX IV: MERRY-GO-ROUND GROUP MEMBERS' QUESTIONNAIRE

Dear respondent,

I am a Master of Arts student in Project Planning and Management at the University of Nairobi, currently doing a research on “Factors Influencing Sustainability of Merry-Go-Rounds projects by women in Bomet Central Division”.

You have been identified as a potential respondent in this research. The information you provide is expected to enhance performance of Women in Merry-Go-Round projects and also aid micro-finance institutions in the provision of funds. The information you give will be treated as confidential. Kindly provide the information that is well with you.

Your support and cooperation is very important and will be highly appreciated.

Thank you.

Kosiley C. Caroline

SECTION A:

1. Biodata of the respondent

Please answer the questions by putting a tick (✓) in the appropriate spaces

a. Name (not a must).....

b. Gender Male ☐ Female ☐

c. Age (i)18-25 []

(ii) 25-35 []

(iii) 35-50 []

(iv) 50 and above []

d. Marital status

(i) Married []

(ii) Single []

(iii) Divorced []

(iv) Widower []

(v) Widow []

e. Level of Education

(i) Primary []

(ii) "O" Level []

(iii) A" Level []

(iv) University /College []

(v) None []

2. Group Characteristics

i. Name of group.....

ii. Location

iii. What is the total number of members in your group?

a. 10 – 12 []

b. 13 – 15 []

c. 16 – 20 []

d. 21 and above []

iv. For how long have you been in the group?

a) Less than 2 years []

b) 2-5 years []

c) 6-8years []

d) 9 years and above []

v. What motivated you and the members to start the group project?

a) pooling resources together []

b) Means of accessing cheap loans []

c) To encourage interpersonal interaction []

vii. What type of project is your group involved in?

- a) Poultry keeping []
- b) Dairy goat rearing []
- c) Maize millers []
- d) Bead work []
- e) Yoghurt making []
- f) Honey making []
- g) other (please specify) []

viii. How do you finance your group project?

- a) Loans from banks []
- b) Women Enterprise Fund []
- c) Group members' contributions []
- d) Donors []

ix. Who runs your group project?

- a) Appointed officials []
- b) Pioneers []
- c) Nominated members []
- d) Elected officials. []

x. Do you consider education level as a factor when choosing members to manage the project?

- a) Yes []
- b) No []

xi. How often do you hold group meetings?

- a) Weekly []
- b) After 2 weeks []
- c) Monthly []

- d) Quarterly []
- e) Annually []
- f) Only when crucial matters arise []

SECTION B: Factors influencing sustainability of Women owned Merry-Go-Round projects

Please consider the given statement and indicate your opinion by ticking (✓) in the appropriate column.

KEY: SA – Strongly Agree A – Agree D – Disagree
 SD – Strongly Disagree DK – Don't Know

(a) Managerial skills influence sustainability of Merry-Go-Rounds

S/N	STATEMENT	OPINION				
		SA	A	D	SD	DK
1	Managerial skills influence sustainability of merry-go-round projects					
2	Experience or lack of it affects performance of the group projects					
3	Education level affects participation and sustainability of the projects					
4	Leadership of the group influences operation and sustainability of the merry-go-round projects					

(b) Influence of Finances on Merry-go rounds

S/N	STATEMENT	OPINION				
		SA	A	D	SD	DK
1.	Financial resources influence running of Merry-Go-Round project					
2.	Interest rate influence sustainability of the merry-go-round					
3.	Interest rate should be considered before applying for a loan for the project					
4	Acquisition for a loan from the group requires a collateral					
5	Short grace period affects repayment of loans for the project.					

(c) Influence of culture on Merry-Go-Rounds

S/N	STATEMENT	OPINION				
		SA	A	D	SD	DK
1	Cultural aspects like ownership of land and polygamy influence merry-go rounds					
2	You are allowed to own land or other assets to use as collateral for the group project					
3	Women who belong to merry-go-round get support from their husbands					
4	Husbands allow their wives to apply for loan for the Merry-Go-Rounds?					
5	Husbands share household responsibilities with their wives to enable them participate in the merry-go round.					
6	Husbands allow their wives to apply for credit within the group?					

(d) Influence of Demographic factors on sustainability of merry-go rounds

S/N	STATEMENT	OPINION				
		SA	A	D	SD	DK
1	Demographic factors influence sustainability of merry-go-rounds					
2	Participation in the group is affected by ones' marital status					
3	Education level influences one's contribution in the group					
4	Family size, large or small affects participation in the group					
5	Age affects women participation in merry-go-round					

3. Apart from the ones stated above, which other challenges have you been facing in your group.....

4. Based on your experience and the best of your knowledge, which additional factors affect women owned merry-go-round projects in Bomet Central Division?

5. In your own opinion, what can be done to improve sustainability of women owned merry-go round projects?

