

**FACTORS INFLUENCING PERFORMANCE OF WOMEN
OWNED MICRO AND SMALL ENTERPRISES IN KIKUYU
SUB-COUNTY, KIAMBU COUNTY, KENYA**

**BY
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DECLARATION

This Research Project Report is my original work and has not been presented for an award of a degree in any other University.

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This Research Project Report is submitted for examination with my approval as the University supervisor.

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DEDICATION

This research study is dedicated to my parents; Mr. and Mrs. Maina for their emotional support in the pursuit of my studies. I also acknowledge my siblings; John, Grace and Mary who encouraged me throughout the undertaking of my Masters degree. The completion of my Masters degree could not have been possible without their love and commitment.

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ACRONYMNS AND ABBREVIATIONS

ILO	International Labor Organization
KREP	Kenya Rural Enterprise Program
KSHS.	Kenya Shillings
MFI	Micro Finance Institutions
MSEs	Micro and Small Enterprises
NGOs	Non-governmental Organizations
OECD	Organization for Economic Cooperation and Development
UNIDO	United Nations Industrial Development Organization
WED	Women Entrepreneurship Development

ABSTRACT

This research study sought to establish factors that influence performance of women owned MSEs in Kikuyu sub-county which is a fast growing business hub with many MSEs in both the product and services industries where the large population would benefit from such a study through business growth and better performance. The objectives of the research project were to establish whether key factors influencing performance of women owned MSEs in Kikuyu sub-county were: business skills; family responsibilities; communication skills and personal financial credibility. The study was informed by the theory of group dynamics by Kurt Lewin and the researcher employed the descriptive survey design because it aimed at observing and describing the women entrepreneurs' views without influencing them in any way. In this study, the target population was 307 women owned micro and small enterprises operating in Kikuyu sub-county and 5 county government officials, all who gave their views on factors influencing performance of women owned MSEs. The research design used was descriptive survey design where the target population was divided into various groups or strata. The sample population was picked using stratified random sampling from each of the four strata namely beauty salons, farm produce traders, general and tailoring shops. Primary data was collected through administering two sets of questionnaires to both the women entrepreneurs and county officials. The quantitative and qualitative data was analyzed using the Statistical Packages for Social Sciences and presented using percentages, frequencies and tables. This study established that poor business skills, unequal balance between domestic and business responsibilities, ineffective communication skills and poor personal financial credibility promoted discrimination based on gender hence affecting performance of women owned MSEs in Kikuyu sub-county. The research findings are expected to assist women entrepreneurs in Kikuyu sub-county become aware of these factors influencing their full business growth potential hence enable them put in place action points that would help promote self sustenance and economic development thus poverty reduction in Kikuyu sub-county. An in-depth study of factors that influence performance of women owned MSEs in other towns of Nairobi County should be carried out to find out whether they experience similar challenges as those faced in Kiambu County. The study recommends that Kiambu County government should develop policies that will ensure training on business management skills among all entrepreneurs. This could be done through holding of regular entrepreneurship training workshops so as to improve the performance and promote the growth of MSEs which would contribute to the growth of the economy.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Micro and small enterprises play a significant role in the development process of a nation as the main purpose of entrepreneurs is to generate income through profit making by producing and selling different goods and services. The term entrepreneur originated in the French economies around the 17th and 18th century and is defined as an individual who undertakes a significant project or activity to create economic value and high productivity. Micro and small enterprises, on the other hand, are defined as formally registered businesses with between one to ten employees and a turnover not exceeding Kenya shillings one million (Sessional Paper No.2, 2005). Even though the role of entrepreneurship and an entrepreneurial culture in economic and social development has often been underestimated, over the years however, it has become increasingly apparent that entrepreneurship indeed contributes to economic development (ILO, 2006). History shows that economic progress has been significantly advanced by pragmatic people who are entrepreneurial and innovative, able to exploit opportunities and willing to take risks (Hisrich, 1998). Indeed, the transforming of ideas into economic opportunities is the decisive issue of entrepreneurship. Entrepreneurship is therefore, increasingly being recognized as an important driver of a nation's economic growth, productivity, innovation and employment.

Scientific discourse about women entrepreneurship activities and women owned businesses is therefore just the development of 1980s because until this period, the significant numbers of enterprises were owned by men and it was not common to see women-owned businesses worldwide especially in developing countries like Kenya (ILO, 2006). However, even though we observe a number of women entrepreneurs in the business, recent studies show that most of them are found in micro and small enterprises (MSEs). Women run at least 70% of all the informal enterprises or micro and small enterprises worldwide (Kibera, 1997). Kenyan women entrepreneurs today are

increasingly recognized to play an important role to the unprecedented rate of growth of the MSEs and indirectly to the nation's economy. The number of women in Kenyan MSEs in 2004 was 48 percent of the total employment in MSEs. It is not surprising that the number of women entrepreneurs in Kenya has increased in the past decade due to the emphasis on industrialization, growing interests in privatization, self-employment and business oriented employment. All of these have been facilitated by the growth in various sectors such as banking and financing, food manufacturing, general trading, personal and public services, education, training and consultancy (Mutuku, 2006).

Kikuyu is a town situated in Kiambu County about twenty kilometers Northwest of Central Nairobi, the capital of Kenya. It is seen as a fast rising business hub hosting a vibrant urban population consisting mainly of the working class and the more dominant rural community. The main source of income for majority of Kikuyu sub-county community is livestock and crop farming supplemented by MSEs that enable the sale of their farm produce such as dairy products, cereals, green groceries and poultry products. The demand for these fresh farm products and provision of basic services such as tailoring and beauty salons is high especially from the working class population occupying the many rental apartments in the numerous Kikuyu sub-county estates such as Gardens, Gitaru and Muguku. In Kikuyu sub-county, women lacking mainly in the skills and education needed to access formal employment, have sought to make a living in the informal sector to support their families as most of their male spouses resort to drinking chang'aa in the Kikuyu sub-county beer dens. Majority of MSEs in Kikuyu sub-county are thus run by women and mainly range from sale of market farm produce and second hand clothes (mitumba), green groceries, tailoring shops, kiosks, beauty salons, 'vibanda' hotels and laundry services (Karanja, 2010).

However, these micro and small enterprises suffer from a considerable high rate of non-growth in terms of business expansion, increased sales volume and income generation that is largely attributed to not only lack of business management skills, planning, lack of capital and challenges in accessing credit from formal banking institutions but also gender roles which have consequently affected performance of MSEs (Ibrahim and

Soufani, 2002). This study thus sought to determine some of these factors influencing performance of women owned micro and small enterprises in Kikuyu sub-county. Factors such as the women entrepreneurs' level of business skills, family responsibilities, communication skills and personal financial credibility in relation to the success or downfall of women owned MSEs in Kikuyu sub-county were examined and recommendations made to enable thriving businesses. The women would therefore be able to enjoy economic development and in turn become self sustainable through better income and profit making especially since they are the breadwinners in most families.

1.2 Statement of the Problem

For Kenya to achieve Vision 2030 and the Millennium Development Goals especially Goal 1 (to eradicate extreme poverty and hunger) and Goal 3 (to promote equality and empower women), the role of MSEs is very significant (Murage, 2014). Women lacking mainly in the skills and education needed to access formal employment have sought to make a living in the entrepreneurship sector. These enterprises have provided alternative employment and income generating avenues for thousands of women, men and youth hence made them self reliant and confident where they have become more involved in decision making forums right in their communities. Women owned MSEs in Kikuyu sub-county contribute to the local and national development through payment of taxes and county revenue. Micro and small enterprises are also an important contributor to the employment sector of Kiambu County hence lead to economic growth and poverty reduction. However despite these significant roles played by MSEs, they face various challenges which affect their enterprises' performance and in turn stunt their growth (Muteru, 2013). They are confined in small-scale markets where competition is stiff with little sales volume and low profit margins. This makes them stagnate in the micro status and a number of them close up after a few months or years of being in operation thus loss of income for families dependent on these enterprises hence dependency and poverty increase. Very few manage to graduate to small, medium or large scale enterprises. It is for this reason that this study sought to determine factors influencing performance of women owned MSEs in Kikuyu sub-county to promote thriving entrepreneurships. The

purpose of this was also to attract the attention of Kikuyu county policy makers, NGOs and financial agencies to these constraints faced by women entrepreneurs so that suitable development policies could be put in place to alleviate poverty among households as most women are family breadwinners and would thus benefit from managing sustainable and profitable enterprises.

1.3 Purpose of the Study

The purpose of this study was to determine factors influencing performance of women owned MSEs in Kikuyu sub-county.

1.4 Objectives of the Study

This study was guided by the following objectives:

1. To determine how business skills influence performance of women owned MSEs.
2. To examine the influence of family responsibilities on performance of women owned MSEs.
3. To determine the extent to which communication skills influence performance of women owned MSEs.
4. To establish how personal financial credibility influence performance of women owned MSEs.

1.5 Research Questions

This study intended to answer the following research questions:

1. How do business skills influence performance of women owned MSEs in Kikuyu sub-county?
2. What is the influence of family responsibilities on performance of women owned MSEs in Kikuyu sub-county?
3. To what extent do communication skills influence performance of women owned MSEs in Kikuyu sub-county?
4. How does personal financial credibility influence performance of women owned MSEs in Kikuyu sub-county?

1.6 Significance of the Study

This study would be of great significance to Kikuyu sub-county women entrepreneurs because findings made on factors influencing their enterprises' performance such as their level of business skills, family responsibilities, communication skills and personal financial credibility in relation to the success or downfall of women owned MSEs in Kikuyu sub-county were to be looked into and solutions implemented as development policies. It was hoped that this would bring about thriving businesses where women were able to enjoy sustainable economic development and in turn become self reliant by having better income and profit making margins. Through strategic planning and implementation of this research project's findings and recommendations, the Kiambu County policy makers and donors could guide women entrepreneurs towards successful enterprises hence financial development of not only womenfolk in Kikuyu sub-county but also of the entire county society as a whole. Scholars would also find this research useful by contributing to the existing body of knowledge concerning women entrepreneurship, and their enterprises' growth and sustenance hence the study findings could assist future researchers in advancing their arguments in this research area.

1.7 Delimitations of the Study

This study was carried out in Kikuyu sub-county, a fast growing business hub with a large population where many women own enterprises such as beauty salons, general shops, tailoring shops and farm produce traders. The businesses are formally registered and housed in storey rental buildings or kiosks. These MSEs were thus easy to locate and the population had participants who were readily accessible for participation in the study. The research project findings were to be generalized to other areas with the key knowledge that conditions would be almost similar in other towns of Nairobi County because women MSEs were registered and operated in the same manner.

1.8 Limitations of the Study

A sample size had to be chosen using the stratified random sampling technique so as to fully represent the women owned MSEs in Kikuyu sub-county and factors influencing

their performance. Another limitation was the respondents' literacy level where those with literacy challenges were assisted in filling the questionnaires correctly.

1.9 Basic Assumptions of the Study

It was assumed that the researcher would get honest responses from all the respondents. The researcher also assumed that external factors would not arise as this would have affected data collection and subsequent completion of the project.

1.10 Definition of Technical Terms

Business skills: These are effective skills that range from record keeping, stock taking, financial accounts' management and debts' follow up that are expected to promote effective decision making, performance evaluation and business reporting of any women owned MSE.

Communication skills: These are soft skills that women entrepreneurs should develop to increase business growth and they include good listening, speaking, writing and reading skills.

Family responsibilities: Domestic obligations are household activities which are seen to influence performance of women owned MSEs in relation to time dedicated to the running of the enterprise. These obligations include but are not limited to cooking, farming, livestock feeding, taking care of the children and cleaning.

Personal financial credibility: This is seen as a woman entrepreneur's ability to easily convince and inspire financiers to offer her loans to invest in her business and her ability to manage these funds effectively. Existence of business savings, good credit history and well kept account books would place her favorably with the financial institutions thus making her financially credible.

Performance: These are the overall activities and operations performed by women entrepreneurs towards strengthening their enterprises and can be measured using variables such as profitability, expansion and period the business has been in operation.

Micro and Small Enterprises: These are small business ventures started with a small amount of capital in income generating that employ less than ten people with an annual turnover not exceeding Kshs. 500,000.

Women entrepreneurs: These are women in micro and small enterprises in Kikuyu sub-county running their own businesses rather than being employed in any firm or organization.

1.11 Organization of the Study

This study is organized in five chapters namely introduction, literature review, research methodology, data analysis and presentation of results with the final chapter being the summary of findings, discussions and conclusions. Chapter one deals with the introduction of the study and a background of the problem is given followed by a statement of the problem. The researcher then states the purpose, objectives, research questions and significance of the study. Chapter one finally ends with the definition of technical terms as used in the study. Chapter two covers literature review which begins with an introduction followed by the four factors influencing performance of women owned MSEs in Kikuyu sub-county which are business skills, family responsibilities, communication skills and personal financial credibility. Theoretical and conceptual frameworks are finally covered before a summary of the literature review. Chapter three looks at the research methodology of the study which starts by giving an explanation of the research design, target population, sampling procedure and sample size, and data collection instruments. The chapter goes ahead to cover data collection procedures, data analysis techniques and finally ethical considerations. Chapter four covers data analysis, data presentation, interpretation and discussion while chapter five consists of an introduction, summary of the findings, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter revised the different literatures written in areas of entrepreneurship, women entrepreneurs in MSEs and their performance worldwide. The factors influencing performance of these women owned MSEs were also examined and they included the level of business skills, family responsibilities, communication skills and personal financial credibility.

2.2 The Concept of Entrepreneurship

As globalization reshapes the international economic landscape and technological change creates greater uncertainty in the world economy, the dynamism of entrepreneurship is believed to enable meet the new economic, social and environmental challenges. Governments increasingly consider entrepreneurship and innovation to be the cornerstones of a competitive national economy, and in most countries entrepreneurship policies are in fact closely connected to innovation policies, with which they share many characteristics and challenges (ILO, 2003). The role of MSEs in the economic growth agenda has especially been the centre of the development debate in Kenya where it is perceived to be a zone of employment creation and generator of livelihood both in the rural and urban setting. A micro enterprise is a small business that employs fewer than 10 people and is started with a small amount of capital (Okello-Obura, 2008). Most micro and small enterprises specialize in providing goods and services for their local areas. Different countries however, define MSEs differently due to their per capita structure. Canada views MSEs as a small business with less than 100 employees (if it is a goods producing business) or fewer than 50 employees (if it is service based business) and less than \$50 million in gross revenues. The government of Uganda classifies firms employing up to 50 people as MSEs while in Kenya, micro and enterprises are sole proprietorships with 0 to 20 employees.

There is a strong consensus among policy makers regarding the contribution of MSEs to the economic development of 3rd World nations with many development policies increasingly focusing on the informal sector to alleviate poverty (ILO, 2003). Researchers, theorists, and business practitioners define entrepreneurship differently hence the decision to become an entrepreneur is regarded as a complex and multifaceted phenomenon where one of the motivating factors is the desire for independence and autonomy. Entrepreneurship is often associated with new business startups and is reflected in this definition of entrepreneurs seen as individuals who start a business from scratch with the lure of financial incentives. They aim to create new independent organizations thus independence appears to be a universal motivator in people deciding to become entrepreneurs (Glueck, 1988).

2.3 Performance of Women Owned Micro and Small Enterprises

The involvement of women in productive activities such as entrepreneurship is an important strategy for poverty alleviation. Women's productive activities, particularly in the business sector, empower them economically and enable them to contribute more to a nation's overall development. Whether they are involved in micro and small entrepreneurial activities, or in the formal sectors, women's entrepreneurial activities are not only a means for economic survival but also have positive social repercussions for the women themselves and their social environment (UNIDO, 2001). In many societies therefore, concerted efforts are needed to enable female entrepreneurs make better economic choices and transform their businesses into competitive enterprises, generating income and employment through improved production (OECD, 2004). Women owned MSEs designed within the right framework and implemented using the right approach can be a great tool for not only economic development but also social and political empowerment. This is because a successfully run woman owned SME will portray good management and leadership abilities which can be harnessed into the political arena for nation building and cohesion (Richardson, 2004). Women's participation in the small business sector is thus seen to be a growing phenomenon where a 2010 study in Wangige town revealed that women entrepreneurs' main reason for going into business ventures

was to provide and educate their children, the need for achievement, to gain flexibility and independence in their lives and for economic empowerment (Karanja, 2010).

Although MSEs became an important employer of the female labor force as early as the 1990s according to the Kenya Rural Enterprise Program and Central Bureau of Statistics Baseline Survey conducted in 1999, it was noted that women were concentrated in personal, community and social service enterprises which conformed to their traditional gender roles such as food processing and garment making. The reason for opting for these types of businesses was due to the low demands in terms of capital, new skills and equipment required to operate them (ILO, 2006). Karanja (2010) found out that women entrepreneurs in Wangige town often got their business ideas when they saw other women make money by selling a particular good or service thus when too many women started similar enterprises, the market became saturated and everyone's income suffered. This eventually led to stagnation and even closure of more women owned MSEs within a short a span of time. This was due to lack of diversity in products and services offered and too much competition especially from the male entrepreneurs who already had established a loyal customer base leading to poor revenue generation. According to Harkim (2006), personal reasons were also cited for lack of business growth such as difficulty in balancing both business and family responsibilities thus showing that women were generally at a disadvantage when competing for entrepreneurial opportunities as compared to men because domestic tasks were solely left to womenfolk.

A study by Robinson (2001) of women entrepreneurs in the Western world revealed that background factors such as family, genetic factors such as skills/ motivation and environmental factors such as economic conditions generally influenced entrepreneurship. According to Kibas (2004), on the other hand, certain entrepreneurial characteristics namely education, attitudes and perception, age, conducive environment and start-up capital had a significant relationship with the growth of MSEs. Women's access to meaningful business experiences has also been limited by barriers and constraints including family obligations/ responsibilities, gender roles, financial aspects,

social cultural inequalities and institutional policies put in place leading to majority of women entrepreneurs having less human capital for the management and development of their businesses (World Bank, 2001). During a workshop of promoting women leaders in Rome (13th February, 2010), Roxana Semii noted that women entrepreneurs also experienced gender specific factors which include lack of time, low participation, limited access to assets & services, illiteracy, limited decision making & mobility due to multiple domestic and productive responsibilities. According to Carter (2000), limited women's access to financial resources and demands on human capital in terms of education/ skills has also greatly impeded women's success and performance in entrepreneurship.

The main obstacles therefore, that women face in businesses are poor education and work background, ineffective communication skills, lack of balance between family and work responsibilities, limited external networking, and poor capital funding and investments (Robinson, 2001). In Kikuyu sub-county for example, majority of the women entrepreneurs lack sufficient education and training especially in business management which becomes an impediment to their micro and small enterprise performance and growth as they lack in the know-how needed to spur successful entrepreneurship. They are ignorant of new technologies or unskilled in their use, and often unable to do basic business management, research and gain the necessary training (Muteru, 2013).

2.4 Business Skills and Performance of Women Owned Micro and Small Enterprises

Human capital is the prerequisite for development, hence raising its quality and productivity mainly through basic education and training is looked upon as a major instrument of socio-economic transformation (Okpara, 2007). According to the World Bank Report (2001), education is a creator of human capital and the failure for an individual to get educated handicaps him / her in the market economy. These economic and social benefits of higher productivity and income are seen where even with minimum standards of literacy and numeracy, an individual is able to make simple calculations, read advertisements about products and follow written instructions (Carter (2000). The

level of business acumen and skills that women entrepreneurs have can be the key to their ongoing success because it ensures properly run and sustainable businesses where their entrepreneurial techniques are on one hand, the basic day-to-day management of the enterprise, keeping track of accounts, handling taxes and understanding compliance rules and regulations while on the other hand, focus on strategy and the long-range success of a business from writing a business plan to targeting specific markets. Lack of business skills is often quoted as a factor limiting the development of women as entrepreneurs and contributing to their lack of access to resources. Many women in Wangige town for example, lack the education and knowledge of latest market changes and business management techniques which has in turn significantly influenced their business performance and growth. (Karanja, 2010).

Business skills are the totality of skills ranging from record keeping, attention directing, financial management and reporting skills that are expected to promote effective decision, performance evaluation and business reporting of any business enterprise (Akande, 2010). Terry (2005) argued that business owner needs to possess basic business skills necessary to start, develop, finance and market their own business. Akintoye (2008) also concurs that business skills are necessary for successful entrepreneurial and small business development. This is because the inability to install a proper accounting system would disallow business monitoring, reporting, and performance evaluation that are essential to the business survival.

MSEs have failed in the past for ignoring vital business business skills as seen in the case study of women owned micro and small enterprises in Dar es Salaam, Tanzania (Msoka, 2013). As to whether business skills led to successful running and profitability of a business enterprise, majority of the women entrepreneurs at 65.8% strongly agreed, 28.8% agreed, 2.7% were undecided and only 2.7% disagreed. Most of the respondents indicated that they carried out stock taking, recorded down debtors, noted those that had paid their debts and calculated profit to see if their businesses were performing efficiently. This indicated that possessing business skills enhanced MSEs' performance

hence leading to profitability of their enterprises. It is therefore, very important for entrepreneurs to develop all necessary accounting skills required for setting and effective running of the enterprises (Okpara, 2007). To be successful in today's competitive market as an entrepreneur, one must possess appropriate entrepreneurial skills such as business skills to run an enterprise successfully (Msoka, 2013).

The influence of women entrepreneurs' possession of business skills on their enterprise' performance was also illustrated in the Women Entrepreneurship Development Study preliminary report in 2004 looking at women entrepreneurs in Tanzania, Zambia and Ethiopia. The accounting skills' level of the women respondents in the WED Study ranged from those who had never been to school hence had poor mathematical capabilities, to those with postgraduate qualifications who were well versed with the latest business skills (Richardson, 2004). Many of the women entrepreneurs in successful formal businesses were found to have engaged in some form of business skills' training before and/or during the period of establishing their enterprises. The primary motivating factor for training in business skills was to improve their calculation skills, business know-how and general competencies, both in areas technically related to revenue generation and for overall day to day business management skills. The women had sourced these business skills' trainings from a range of agencies including NGOs and most felt that the trainings were relevant to their businesses and had helped them in running the enterprises efficiently (Goheer, 2003). Generally, this means that better education brings with it greater opportunities for women entrepreneurs to further develop their business management skills which leads to the successful running of their enterprises.

Although most studies have focused on the general effect of women entrepreneurs' level of basic education on their business performance, few have focused specifically on their business management capabilities which are significant in running a business successfully. Majority of the women in the micro and small enterprise sector, do not have the business skills necessary to enhance effective management thus this may not only

inhibit their progress but also act as a barrier to efficient performance of women owned MSEs. Training of the women entrepreneurs on business skills has been cited as a very effective way of stimulating micro and small business performance as it is critical in reduction of MSEs' stagnation and eventual failure (Ibrahim and Ellis, 2002). The significance of business skills is that they help women entrepreneurs effectively manage, strengthen and market their businesses where they are eventually able to break into new markets or even offer new products. In areas such as Kikuyu sub-county, joint business skills' training programs have been recommended to train groups of women entrepreneurs to form institutional partnerships with schools/ restaurants/ hospitals as suppliers and even assist women package their products appropriately to compete with high end marketers for large businesses thus business growth and sustainability (Karanja, 2010). Okello-Obura (2008) therefore argues that there is need for collaboration between various industrial and trade organizations, professional bodies, private enterprises and government departments to provide MSEs with a comprehensive range of quality business information, advice and facilities. In conclusion, a study carried out by Njoroge and Gathungu (2013) revealed that even though an entrepreneur may be reporting an increase in sales & profits and may seem to be registering growth, lack of training on financial strategic management and accounting by the entrepreneur will mean that the enterprise will not grow from the first stage (existence) to other stages such as survival, success, take off and resource maturity. It will hence remain a small stagnant enterprise.

2.5 Family Responsibilities and Performance of Women Owned Micro and Small Enterprises

Women entrepreneurs play an important role in local economies where we have women, both in rural and urban areas, working in the MSEs sector to support their households. They however face additional or at least different social, cultural, educational and technological challenges than men when it comes to establishing and developing their own enterprises, and accessing economic resources (Mayoux, 2001). Women who build successful businesses or careers are perceived as venturing into masculine roles as they are seen to be going against socially constructed gender roles that include staying at home

and taking care of the family. It is recognized that women in most societies carry the added burden of both family and domestic responsibilities, and this has a detrimental or limiting impact upon their ability to generate income outside of the home. For example, running a business coupled with family responsibilities such as household chores and agricultural related activities can place heavy demands on women's time as they have to balance between work and household duties hence become a stumbling block to successful entrepreneurship (Karim, 2001). This has led to women entrepreneurs even having limited business networks outside of their family and close community due to constraints placed on their mobility and ability to interact with other business people arising from their domestic roles and responsibilities resulting to limited business knowledge and experience.

According to World Bank (2001), both personal and business networks are critical for business success. Therefore, women's limited networking circles isolate women as entrepreneurs and reduce their scope and opportunities for building personal and business know-how, and accessing other physical and financial assets. Women's family obligations are thus perceived as barring them from becoming successful entrepreneurs in both developed and developing nations as they tend to give more emphasis to family ties and relationships (Blackden, 1999). Much has been said about how women entrepreneurs are constrained by their multiple roles within the family and community, and the various responsibilities and restrictions that arise from and accompany these roles generally. For example, findings from a study carried out to assess constraints facing Lebanese women entrepreneurs reveals that most female entrepreneurs mentioned the balancing of work and family life as the first and most important barrier, followed by societal attitudes and access to capital, when asked to rank specifically the three most important barriers encountered in the course of their entrepreneurship experience (Jamali, 2009). The greater time demanded from women to handle household and child care activities affects their enterprise time allocation, duration and type of experience, learning and, consequently, the sector and choice of activity. Overall greater demand on time has the

effect of limiting women's labor mobility and burdening them with disproportionately higher household responsibilities (Blackden, 1999).

Combined household and micro firm data from Mexico pointed to child care obligations as the main restriction on the growth of women owned firms. The data showed that there were differences in size and profits between female owned enterprises of women who lived in households with children under the age of 12 and households whose children were grown up. The presence of children accounted for about 30 to 40 percent of the size and profit difference between these two groups of female owned MSEs with households that had grown up children recording more profit. Additional results from Mexico and Bolivia showed that female owned MSEs for women with children were two to three times more likely to operate inside the owner's home than those without children. This suggested that household obligations could restrict location, size and industry choices for female business owners, possibly leading to performance differences (Bruhn, 2009). Another research on Tanzanian women's economic activities suggested that reducing time burdens of women could increase household cash incomes for smallholder coffee and banana growers by 10 percent, labor productivity by 15 percent and capital productivity by 44 percent (Blackden, 1999).

The 2004 WED Study reinforced these findings where majority of the women entrepreneurs interviewed (69 percent in Tanzania, 63 percent in Ethiopia and 60 percent in Zambia) who were married and had dependants in their households, were struggling to keep their enterprises afloat. From this data, it is clear that majority of women entrepreneurs in the WED Study, had household and reproductive responsibilities to fulfill in addition to developing their own business which presented constraints on the business end due to the primacy of family life and child-care responsibilities. However, the findings also revealed that some of the successful women entrepreneurs had benefited positively from the support of their family through receiving financial, moral and practical support indicating that the family set-up could therefore act as a social asset for women enterprises.

According to ILO (2008), therefore most women entrepreneurs have to juggle both the household duties of farming, cooking and being the family's breadwinner while ensuring that the business is generating some income which in most cases, leads to the failure of one aspect mainly the enterprise. The business-family conflict and the lack of balance between these two roles has been confirmed by researchers to have a negative impact on people's life because the imbalance affects the effective functioning and even causes stress (Guest, 2002). However, whereas many studies focus on the negative effects of family responsibilities on performance of MSEs, this study also sought to examine whether married women entrepreneurs who are given support by their spouses and children in terms of finances, advice, motivational encouragement and actual involvement in running of the enterprises could actually establish thriving MSEs. This could be channeled towards performance and growth of women owned MSEs in Kikuyu sub-county because most MSEs start small and remain in the same state where they register little or no growth and profitability because of not only lack of confidence and support from the family circle but also from the supporting agencies such as banks (Murage, 2014).

2.6 Communication Skills and Performance of Women Owned Micro and Small Enterprises

There are three main reasons why entrepreneurs require good communication skills; to attract new clients, lead or guide their business team and convince investors and banks. Effective communication would assist them to better understand a person or situation and enable them to resolve differences, build trust and respect, and create environments where improved teamwork, decision-making, creativity and problem solving can flourish (Carter, 2000). Communicating in the right manner would also allow for women entrepreneurs to be able to delegate efficiently because it is a skill that is critical to business success and for a healthy work life balance. One person cannot do everything that needs to be done as she will get so busy and work will take over her personal life which causes personal unhappiness, stress and other problems (Meager, 2011). Entrepreneurs should be able to effectively explain, discuss, market and sell their goods

or services through utilization of proper communication skills both their business teams and customers. Modern day entrepreneurs must also have strong reading comprehension skills to understand contracts and other forms of written business communication.

Stevenson (2004) states successful business communication skills influence buyer behavior where the entrepreneur has a detailed understanding of each individual consumer's behavior/ needs, builds trust/ honesty, can pitch in sales of new products effectively and has a deep understanding of the business world through market research hence makes informed decisions. In today's digital economy therefore, the so-called 'soft' skills and communication qualities (such as listening, sharing and team building) that promote and reproduce a culture of collaboration are very significant (European Commission, 2013). Women entrepreneurs in Africa are seen to lack such important business management, communication and public relation skills mainly because of their low levels of education and lack of exposure to the business world. According to Muteru (2013), women lack time to explore and nurture their business skills and abilities which would be beneficial in their entrepreneurial activities due to the demand of their reproductive and household roles.

There are four communication skills that should be developed in any entrepreneurial setting which if utilized in the right process, highly increases the potential of business growth. The listening skill is an important communication skill because the ability to listen is very much crucial in the development of any small business enterprises as it serves as a stepping ground in learning more new ideas and business concepts, and maintains good clientele relationships. Most of the failures of MSEs result due to the inability to listen to clients' feedback which is especially vital in understanding and fulfilling each clients' needs satisfactorily. The speaking skill, on the other hand, should be practiced by women entrepreneurs in order to boost their small businesses through voicing out of positive energies and deeds. However, it can sometimes make a business fail if not utilized properly and with the right amount of understanding where entrepreneurs negatively scrutinize other MSEs (Wood, 2002). When it comes to the

reading skill, most women entrepreneurs do not read books or any informative reading materials because of illiteracy, time constraints, lack of enough resources and busy schedules. However for a successful enterprise, reading and research must be integrated with the business strategies so as to learn more about business growth requirements, regulations and cycles. The writing and final skill is equally as important in the proper documentation of business plans, marketing/ communication letters and transactions thus contributes immensely to the success of a starting business (Wood, 2002).

Tsvetanka (2010) indicates that there is need to treat employees and clients with the utmost respect by fully and attentively listening to what they are saying as entrepreneurs set themselves up for repeated business and possible referrals. Listening carefully and having all attention on the clients absolutely flatters them and will have them go back where they were treated with respect. Communication skills would therefore be an important asset to women entrepreneurs especially in Kikuyu sub-county as it could give them enhanced marketing, customer relation and retention skills to run a business efficiently and successfully (Muteru, 2013). This would be resourceful in Kikuyu sub-county where very few studies have been undertaken to examine how effective communication can positively enhance performance of women owned MSEs.

2.7 Personal Financial Credibility and Performance of Women Owned Micro and Small Enterprises

Accessing finance has been identified as a key element for micro and small enterprises to succeed in their drive to reach productive capacity, compete, create jobs and contribute towards poverty alleviation in developing countries (Idowu, 2010). Without funds, MSEs cannot acquire or absorb new technologies nor can they expand to compete in global markets or even strike business linkages with larger firms. Since entrepreneurs usually require financial assistance of some kind such as a formal bank loan or money from a savings account to launch their business ventures, an entrepreneur's financial credibility is cited as a major factor that could affect their ability to access financial assistance from financiers thus influence the direction of their enterprise growth and development.

Women entrepreneurs in developing nations especially those from poor rural communities have little accessibility to funds because they lack adequate personal financial resources and working capital, and inability to provide tangible security such as land which limits their opportunities to borrow money (UNIDO, 2001). The financial institutions are therefore skeptical about their credit abilities and consider them high risk thus put unrealistic and unreasonable securities for these women entrepreneurs such as high transaction costs and interest rates to access funds or credit facilities. Female entrepreneurs tend to steer clear of credit conditions put up by financial institutions such as forming a group, paying membership fees, group registration and having joint saving plans which would result in easy access of initial capital thereby worsening their personal's financial credibility (Stevenson, 2005). Financial institutions lack confidence in women owned MSEs as they believe that social and family values, entrepreneur's level of education and outdated legal frameworks of a nation inhibit them from having successful businesses (Starcher, 1996). For example, the economic policy in the Kenyan government since independence has been that men are considered more financially credible leaving women at an even bigger disadvantage especially in accessing capital information and funding from financial institutions. This has thus led to limited growth for existing women owned MSEs in Kikuyu sub-county where women entrepreneurs are still at the same business level as they were when they began their MSEs (Muteru, 2013).

In a study of NGOs and women owned MSEs in the garment and manufacturing sector of the textile industry, the factors that inhibit credibility of women were seen to include lack of startup capital, fear of high interest rates, lack of awareness of existing credit schemes, lengthy and vigorous procedures for loan applications and lack of collateral security for finance (ILO, 2008). In most cases, these women entrepreneurs settled for businesses requiring small capital and little managerial experience because of limited funds' accessibility to enable them start and expand their businesses. These factors have become a major barrier to the growth of business and income generating activities owned by women. The 2004 WED Study's preliminary (secondary) report also showed that most micro and small scale entrepreneurs, and in particular women, are not financially credible

as most cannot obtain loans from financial institutions hence get their start-up finance from personal sources. Over 50 percent of the women entrepreneurs studied in Zambia used their personal savings as capital with only 6 percent managing to access funds from financial institutions. In Ethiopia, those women owning MSEs felt that the loans offered by MFIs were inappropriate to their needs as they were of little amount and instead opted for the group lending sources, which did not suit them (ILO, 2003). In Tanzania, only three percent of the women entrepreneurs had managed to get a business start-up loan from a bank, with a further 8 percent getting a loan from a financial institution. As for the remainder of the women entrepreneurs, the main source of funds were from personal or family savings (WED, 2004). This reliance on personal sources of finance no doubt explains why becoming financially credible, in terms of having collateral to acquire loans with membership in women savings group and appropriate business skills' training to manage these funds, is important in becoming financially credible.

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 on both business and credit management by loan officers. In most cases, a woman's income has been viewed as a supplement to that of the male household head hence loans given to women are usually smaller and of a shorter term as compared to entrepreneurial loans given to men. These stereotypes have limited women entrepreneurs' abilities to own, run and sustain MSEs successfully especially in Kikuyu sub-county where women in business still lack business information, financial confidence and support from spouses hence accessing credit is one of the major constraints they face (Karanja, 2010).

2.8 Theoretical Framework

A theoretical framework can be defined as a set of reasoned propositions which are derived and supported by data or evidence hence accounts for or explains phenomenon. This study applied Kurt Lewin's theory of group dynamics to examine women entrepreneurs in Kikuyu sub-county and factors influencing performance of their micro

and small enterprises. The psychologist Kurt Lewin (1946) demonstrated that behavior (B) is the result of an interaction between person (P) and environment (E) and entrepreneurial behavior is a kind of decision behavior based on a special personal quality and stimulated by external and internal factors (Zhang, 2002). According to Baumol (1990), society's rules and norms create incentives that influence the form that entrepreneurial activity takes because individual's decision making capabilities are influenced by signaling which choices are acceptable as well as determining which norms and behaviors are socialized into individuals in a given society (Baughn, 2006).

Entrepreneurial internal stimulation is characterized by pull or push factors based on different personal position, nature and desire. Push factors refer to lack of income and basic need, dissatisfaction with current employment or the need to accommodate work and home roles simultaneously while pull factors, on the other hand, are related to a need for independence, achievement, desire for wealth, self fulfillment, social status and power (Glancey, 1998). Entrepreneurial decisions and development during a business' early stages are highly related to an individual's characteristics (Moore, 1990). This is because individual personalities could influence the likelihood that would-be entrepreneurs will exploit potential opportunities thus affect conclusions about potential success (Shane, 2003). Behavioral psychologists point out that motivation originates from internal and external stimulation hence analyzing behavior should start with need and motivation.

Figure 1 Shows the research model described as $S \rightarrow O \rightarrow R$ (Skinner, 1951).

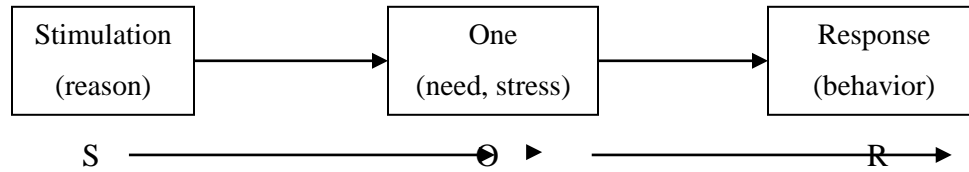


Figure 1: Basic model of behavior (Skinner, 1951)

The environment and internal motivations caused by push and pull factors stimulate the potential entrepreneur's expectations where the gap between expectations and reality leads to entrepreneurial needs, which in turn determine entrepreneurial motivation. It is motivation that gives rise to entrepreneurial decision directly and in addition personal characteristics add variance.

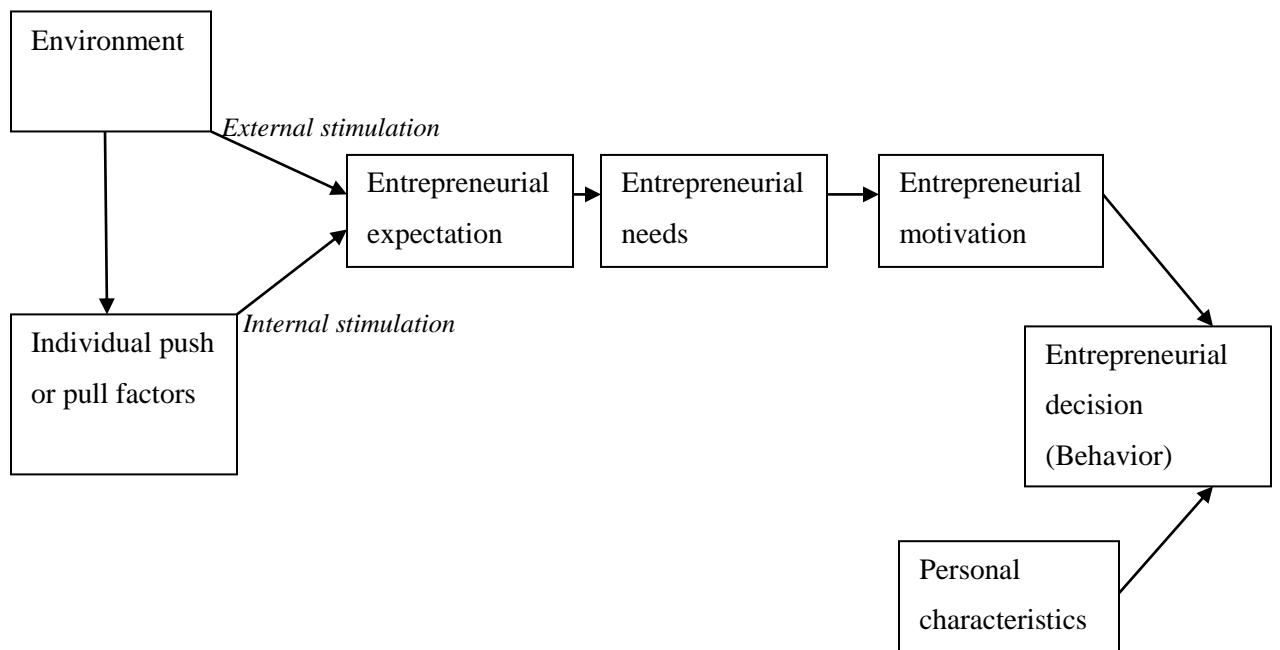


Figure 2: Entrepreneurial decision model based on institutional theory and psychology (Tong, 2004)

The model in Figure 2 shows that entrepreneurial behavior is impacted by both motivation and personal characteristics. Entrepreneurial motivations, in turn, are underpinned by the environment as well as push and pull factors. The framework in Figure 2 examines factors associated with women entrepreneurship in Kikuyu sub-county focusing on institutional (societal) environment and personal characteristics. Pull factors include interest in economic development, self reliance and personal control, and handling family obligations (Tong, 2004). Entrepreneurs motivated by pull factors often set time aside from their household duties, to own and run new ventures by taking advantage of the ready market from the working class population. However, there is existence of push factors such as low revenue generation, future limitations on business expansion opportunities, loss of customers and too much competition. The interaction of internal and external factors determines personal entrepreneurial behaviors because external institutional environment and internal push or pull factors stimulate a person's expectations and create the existence of entrepreneurial need and the need to perform effectively resulting in the formulation of motivation and entrepreneurial success (Hu and Zhu, 2006).

2.9 Conceptual Framework

The conceptual framework helped to identify the study's concept, the relationship between the independent variables, namely business skills, family responsibilities, communication skills and personal financial credibility and the dependent variable being performance of women owned MSEs. Performance of these women owned MSEs was measured by looking at each enterprise's period of operation and profitability to determine the enterprise's success rate. This is illustrated in Figure 3.

Independent variables
variable

Dependent

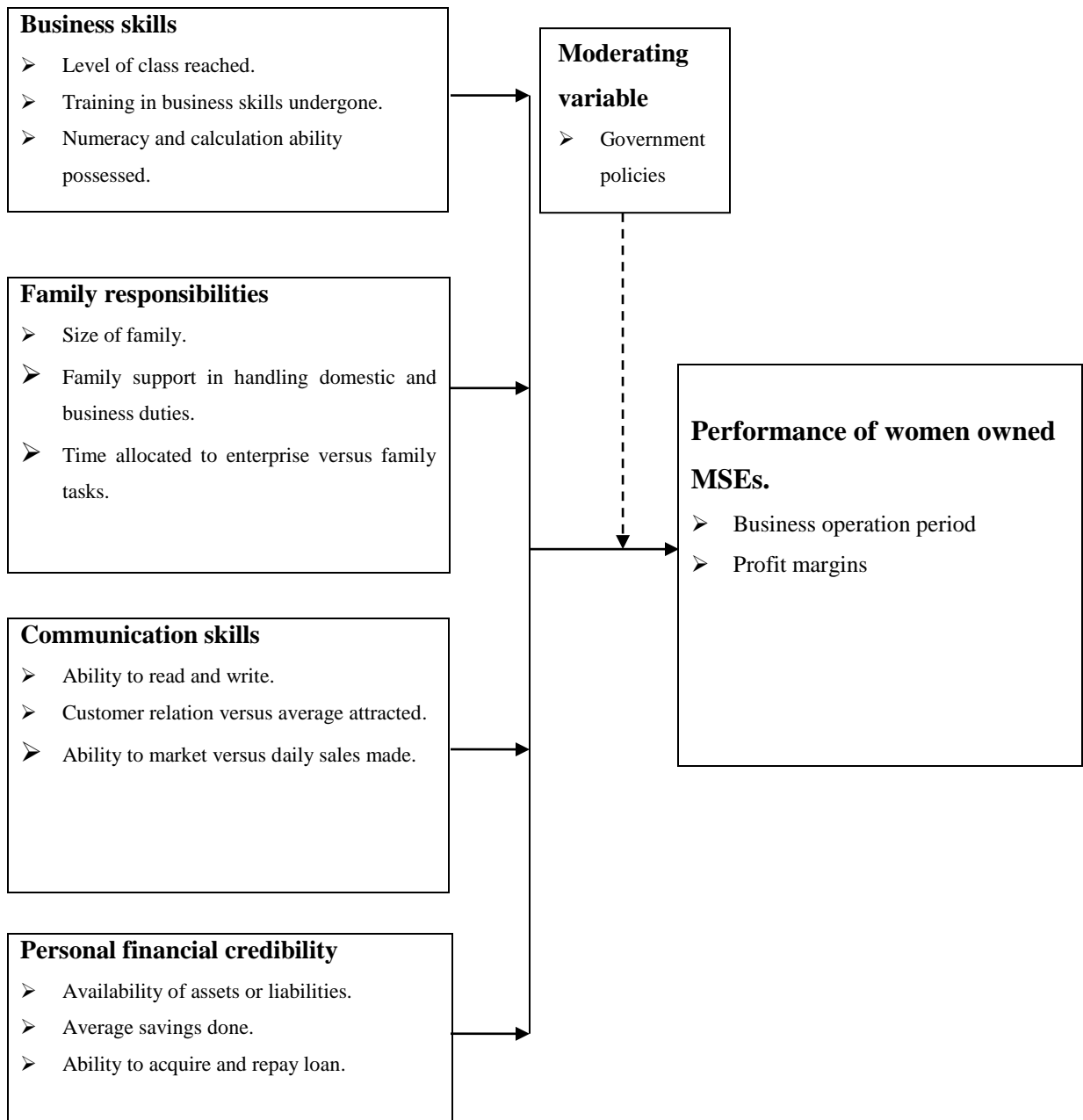


Figure 3: The conceptual framework

2.10 Summary and Research Gaps

The reviewed literature revealed that though women owned MSEs have become an important contributor to a nation's economy through provision of employment and poverty reduction, they still suffer from various challenges leading to stunted growth and lack of profitability. This is mainly attributed to lack of business management skills, capital and funds from formal banking institutions but also gender roles including household duties which have consequently affected performance of these MSEs (Ibrahim, 2002). Most studies on enterprises focus on small and medium enterprises and ignore the micro and small enterprises (Murage, 2014). This study therefore sought to examine factors influencing performance of women owned MSEs in Kikuyu sub-county which included level of business skills, communication skills, personal financial credibility and family responsibilities which are also embedded in other societies. The purpose of this was to attract the attention of Kikuyu county policy makers, NGOs and financial agencies to these constraints faced by women entrepreneurs so that suitable development policies could be put in place to alleviate poverty among households as most women are family breadwinners and would thus benefit from managing sustainable and profitable enterprises.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter gave a detailed outline of how the study was carried out. It described the research design, the target population, the sample size and sampling procedures, research instruments, reliability and validity of instruments, data collection and data analysis procedures.

3.2 Research Design

A research design is the conceptual structure within which research is conducted and descriptive survey method is considered the most appropriate design in behavioral sciences as it seeks to find out factors associated with certain occurrences and conditions of behavior (Kothari, 2007). This method is used to collect information by interviewing or administering questionnaires to a sample of respondents with an intention of describing the nature of existing situations. According to Mugenda and Mugenda (2003), the method has advantages in that subjects are observed in their natural set up without manipulating the environment, and it deals with clearly defined problems and desired objectives. It collects data from relatively large numbers of cases making it more representative thus it is essentially a cross section. This study thus employed the descriptive survey method because it answered the question why, what and how to provide the researcher with specific details both qualitatively and quantitatively. The quantitative approach, on one hand, was useful because data collected was analyzed statistically and once the information had been processed, the qualitative approach assisted in giving a narrative description for better understanding of the findings made. This information deduced from the collected data helped to highlight salient issues on factors influencing performance of women owned MSEs in Kikuyu sub-county.

3.3 Target Population

According to the 2013/2014 Municipal Council of Kikuyu sub-county, there are 5602 enterprises with 1288 businesses being owned by women, the target population of this study focused on 307 micro and small enterprises based in Kikuyu sub-county centre, Gitaru, Muthiga and Kidfarmaco. These were 111 farm produce traders, 97 general shops, 59 beauty salons and 40 tailoring shops.

Table 3.1: Target population

Business Category	Kikuyu Centre	Gitaru	Muthiga	Kidfarmaco	Total Population
Farm produce traders	28	27	28	28	111
General shops	25	24	24	24	97
Beauty salons	15	14	15	15	59
Tailoring shops	12	8	8	12	40
Total					307

These low income enterprises were registered by the Kikuyu sub-county Municipal council using the entrepreneur's full names and are housed in rental buildings.

3.4 Sample Size and Sampling Procedures

The sample size obtained for this study was one hundred and two (102) respondents based on the target population of three hundred and seven (307) women owned MSEs in Kikuyu sub-county. The researcher used stratified random sampling technique where four main homogenous business groups namely farm produce trade, general shops, beauty salons and tailoring were identified and samples drawn from each cluster in every town to ensure full representation.

Table 3.2: Sample size

Business Category	Kikuyu Centre	Gitaru	Muthiga	Kidfarmaco	Total Population
Farm produce traders	9	9	9	9	36
General shops	8	8	8	8	32
Beauty salons	5	5	5	5	20
Tailoring shops	4	3	3	4	14
Total					102

For the general shops cluster, eight shops were randomly identified in Kikuyu centre, Gitaru, Muthiga and Kidfarmaco bringing the sample size to a total of thirty two general shops, nine farm produce traders from each of the four centers bringing them to thirty six, five beauty salons and four tailoring shops from the four centers hence totaling to twenty and fourteen clusters respectively.

3.5 Data Collection Instruments

Questionnaires were the main tool used in data collection for this study. To gather a wide range of data and for ease of interpretation, a structured questionnaire with both open and close ended questions was used. While the close ended questions only permitted the respondent to choose from the given answers, the open ended questions allowed free responses from the respondents hence data obtained was sufficient. Questionnaires were administered to the women entrepreneurs to assess factors influencing performance of their micro and small enterprises. Information derived from the 102 women entrepreneurs included their age, level of business skills, communication skills, existing personal financial credibility issues and current family responsibilities. The questionnaires for the county officials, on the other hand, contained close ended questions which provided verification data on factors influencing performance of women owned MSEs in Kikuyu sub-county.

3.5.1. Validity of Research Instruments

According to Mugenda and Mugenda (2003), validity is the accuracy and meaningfulness of inferences based on research results where the research tool is said to be accurate and true if it measures what it was set out to and if the findings are verifiable. To increase the content related validity of the data collection instrument, the researcher's supervisor who is an expert in research studies, critiqued and checked if the sample content questions represented the content to be measured and if the content was comprehensive in measuring all the variables' construct.

3.5.2. Reliability of Research Instruments

Reliability of measurement concerns the degree to which a particular measuring procedure or instrument gives similar results over a number of repeated trials. According to Orodho, 2004, reliability is the extent to which results are consistent over time and are an accurate representation of the total population. For this study, a pilot test was carried out where the researcher administered questionnaires to a group of 10 women entrepreneurs in Kikuyu Center and feedback from the respondents led to revision of the research instrument by rewording difficult questions that the women entrepreneurs could not understand. The Split Half method was then used to measure reliability of the research instrument where revised questionnaires were re-administered to a group of 21 women entrepreneurs in Gitaru and scores obtained from both split halves i.e. 10 and 11 questionnaires were correlated. A coefficient of 0.82 was obtained using the Spearman's Rank Correlation method which implied a high degree of data reliability.

3.6 Data Collection Procedure

The researcher first reported to the Office of the County Commissioner and County Education officer in Kikuyu County before collection of data from the selected women entrepreneurs in Kikuyu sub-county to inform them of the study being undertaken. An introductory letter accompanying each questionnaire was then issued to the respondents i.e. 102 women entrepreneurs and 5 county officials by the research assistants with data collected within a one month period. This data was correlated to the period they had

operated their businesses, sales' turnover and savings made. The information was analyzed using central measures of tendency such as mean and tabulated in percentages so as to help understand and interpret the study findings.

3.7 Methods of Data Analysis

In this study, the extent to which the independent variables namely business skills, family responsibilities, communication skills and personal financial credibility influenced performance of women owned MSEs (dependent variable) in Kikuyu sub-county was measured. To begin with, all filled questionnaires were checked and edited for data quality before analysis to ensure errors were detected and corrections made. The researcher then assigned codes to responses from the questionnaires to enable classification and tabulation of the data which was thereafter analyzed using frequency distribution tables and the Statistical Package for Social Sciences (SPSS) computer program. It was expected that this analysis would not only generate important measures of central tendency such as mean, mode and standard deviation but also cross tabulation which was important in inferential statistics.

3.8 Ethical Issues

Mugenda and Mugenda (2003) suggest that protecting the rights and welfare of the participants should be a major ethical obligation of all parties involved in a research study. In conducting this study, personal information including names, age, enterprise and financial details collected from the respondents was treated with confidentiality and only used for the purpose of research. Participation in this study was voluntary and an informed consent from the women entrepreneurs was obtained before data collection. Information obtained from secondary sources was acknowledged in the form of references and citations. The researcher also obtained a research permit from the National Commission for Science, Technology and Innovation under the Ministry of Higher Education, Science and Technology before going to the field.

3.9 Operational Definition of Variables

Table 3.3 illustrates both the independent and dependent operational variables where the dependent variable is performance of women owned SMEs and the independent variables are business skills, family responsibilities, communication skills and personal financial credibility. Indicators and the measures of all independent variables have also been presented on Table 3.3 with indicators for the independent variable, business skills, being level of class reached, training in accounting undergone and numeracy and calculation ability possessed.

Table 3.3: The operational definition of variables

Research objectives	Variables	Indicator	Measure	Measurement scales	Data collection tool
To determine how business skills influenced performance of selected women owed MSEs in Kikuyu sub-county.	<i>Independent variable:</i> Business skills <i>Dependent variable:</i> Performance of women owned MSEs.	1. Level of class reached. 2. Training in business skills undergone. 3. Numeracy and calculation ability possessed.	1. Class level reached. 2. Business skills 3. Calculation abilities	Ordinal	Questionnaire
To assess the influence of family responsibilities on performance of selected women owed MSEs in Kikuyu sub-county.	<i>Independent variable:</i> Family responsibilities <i>Dependent variable:</i> Performance of women owned MSEs.	1. Size of family. 2. Time allocated to family versus enterprise tasks. 3. Family support in handling domestic and business duties.	1. Family size 2. Enterprise operating hours 3. Family support at home and work	Ordinal	Questionnaire
To ascertain how communication skills could influence performance of selected women owed MSEs in Kikuyu sub-county.	<i>Independent variable:</i> Communication skills <i>Dependent variable:</i> Performance of women owned MSEs	1. Ability to read and write. 2. Customer relations versus average customers attracted. 3. Ability to market versus daily sales made.	1. Reading and writing skills 2. Customer relations 3. Marketing skills	Interval	Questionnaire
To establish the influence of personal financial credibility on performance of selected women owed MSEs in Kikuyu sub-county.	<i>Independent variable:</i> Personal financial credibility. <i>Dependent variable:</i> Performance of women owned MSEs.	1. Availability of assets or liabilities. 2. Average savings done. 3. Ability to acquire and repay loan.	1. Availability of assets or liabilities. 2. Savings done 3. Loan acquisition and repayment	Interval	Questionnaire

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presented, interpreted and discussed findings of the data collected from women entrepreneurs and county officials in Kikuyu sub-county. An analysis of the data that was gathered using two sets of questionnaires was presented based on the research objectives previously stated to examine factors influencing performance of women owned micro and small enterprises in Kikuyu sub-county.

4.2 Response Rates of the Respondents

Table 4.1 showed that this study targeted 102 women entrepreneurs from Kikuyu sub-county that owned MSEs. This section presents information on the response rate of the respondents. A total of 102 questionnaires were issued to respondents and out of this, 93 were filled and returned bringing the response rate to 92%.

Table 4.1: Response rates for the women entrepreneurs and county officials

Respondents	Expected respondents	Frequency	Percentage
Women entrepreneurs	102	93	91%
County officials	5	5	100%
Total	107	98	92%

The response rate was 92% for the women entrepreneurs and 100% for the county officials as shown in the Table 4.1 which implied that data collected was representative of the target population.

4.3 Demographic Data

This section presented information on both personal and enterprise characteristics of the women entrepreneurs and county officials in Kikuyu sub-county. It showed not only the age, marital status and enterprise type, name and location of the women owned MSEs but also county area represented and period worked in the stated area for the county officials.

4.3.1: Age of the Respondents

Table 4.2 showed the responses on the respondents' age. From the findings, 8% of the 93 respondents were below 25 years old, 31% between the ages of 26-35 years, 48% in the 36-45 years age bracket and those over 45 years were only 13%.

Table 4.2: Age of the respondents

Age	Frequency	Percentage
Below 25 years	7	8%
26 – 35 years	29	31%
36 – 45 years	45	48%
Over 45 years	12	13%
Total	93	100%

This indicated that majority of women entrepreneurs sampled in Kikuyu sub-county were aged between 26 to 45 years and married. Most of the respondents were also breadwinners hence began their enterprises to earn a living and cater for their children thus implied existence of family responsibilities as well as entrepreneurial duties.

4.3.2: Type of Business Owned By the Respondents

Table 4.3 showed data on types of MSEs owned by the respondents where farm produce trade enterprises were the majority at 38%, with general shops at 30%, beauty salons at 18% and the lowest percentage being tailoring shops at 14%.

Table 4.3: Type of business owned by the respondents

Age	Frequency	Percentage
Beauty shop	17	18%
General shop	28	30%
Farm produce trade	35	38%
Tailoring	13	14%
Total	93	100%

Farm produce and general shops' products are easy to source and do not require the expertise needed as is the case with beauty salons and tailoring shops hence were the most preferred enterprises. From the study findings, the respondent' enterprises were located in Gitaru, Kidfarmaco, Muthiga and Kikuyu centre with most named using the owner's identity such as Mama Ciiru hair salon in Gitaru and Mary tailoring shop in Kidfarmaco. The study also found that 62% of the women entrepreneurs had operated their enterprises for between 1 to 5 years with few thriving past the fifth year. This thus showed lack of growth in Kikuyu sub-county hence the purpose of this study which was to examine factors influencing performance of women owned MSEs in Kikuyu sub-county.

4.3.3: Enterprise Operation of the Respondents

Data collected in Table 4.4 indicated that 15% of the respondents maintained business records while 85% of the women owned MSEs did not have any business records. Of the 93 women owned MSEs, only 71% had business accounts with 29% not having any business bank accounts.

Table 4.4: Enterprise operation of the respondents

Responses	Ownership of	Availability of business		Availability of business	
	similar enterprise	records		bank account	
	Frequency	Frequency	Percentage	Frequency	Percentage
Yes	0	14	15%	27	29%
No	93	79	85%	66	71%
Total	93	93	100%	93	100%

Results in Table 4.4 showed that all the women entrepreneurs in Kikuyu sub-county owned only one enterprise showing none had expanded their business to other areas because family responsibilities and lack of funds limited them. On the availability of business records including enterprise profile and financial documentation, only a few women owned MSEs maintained business financial statements while majority of the respondents had business bank accounts and records. They however did write down their daily sales and debtors on personal notebooks. Of the 93 women owned MSEs, the 27 respondents without business bank accounts stated that they saved their money in women chamaas thus did not see the need for an individual business bank account. This highlighted lack of efficient business management skills as a well run enterprise should have both a bank account and records for future reference. From the findings, majority of the women owned MSEs were also limited to a maximum of four employees thus showing little growth where a number of respondents were considering downsizing the number of assistants to between one and two.

4.3.4: Period Worked In Area Represented By the Respondents

From the findings of this study shown on Table 4.5, 40% of the respondents had worked as county officials in Kikuyu sub-county for less than 2 years, 60% had worked for between 2 to 5 years with none having worked for more than 5 years.

Table 4.5: Period worked in area represented by the respondents

Period worked	Frequency	Percentage
Less than 2 years	2	40%
2 – 5 years	3	60%
More than 5 years	0	0%
Total	5	100%

This implied that the majority of the county officials had work experience of between two to five years of the county areas they represented thus were able to provide adequate information to the study.

4.4 Business Skills and Performance of Women Owned MSEs

This was the first objective of the study which sought to determine influence of women entrepreneurs' lack of business skills on performance of their MSEs in Kikuyu sub-county by analyzing indicators such as the their level of education and whether they had been trained on business skills.

4.4.1: Current level of education and training of the respondents

Findings shown in Table 4.6 indicated that 3% of the respondents could not read and write, 16% had schooled up to class 5 while the majority at 42% had completed primary school and 27% undertook their secondary education while only 12% had acquired tertiary education.

Table 4.6: Current level of education and training of the respondents

Current level of education	Frequency	Percentage
Cannot read and write	3	3%
Primary class: 1- 5	15	16%
Primary class: 6 - 8	39	42%
Secondary	25	27%
Diploma / degree	11	12%
Total	93	100%

These findings showed that majority of the women had completed primary school while others had even pursued their education to secondary level hence possessed basic mathematical, reading and writing skills. This thus implied that though the women entrepreneurs generally possessed low levels of education, they could easily get additional training such as business skills because they possessed the required basic knowledge. However, findings of the study indicated that 70% of the women entrepreneurs had not received any training on business skills hence only 30% of the respondents possessed business knowledge. The respondents trained on business skills found them important in the operation of their enterprises because they were able to perform tasks such as record taking, debt collection, business reporting and performance evaluation. This thus resulted in better business performance and income generation as compared to performance of MSEs owned by women without any knowledge on business skills.

4.4.2: Acquisition of Training on Business Skills

The findings of the study on Table 4.7 represented 28 women entrepreneurs, who had acquired business skills where 29% had undergone formal training, 14% had gotten the skills from family, 18% had learnt through past experience while 39% had acquired their business skills through other means.

Table 4.7: Acquisition of training on business skills

Acquisition of business skills	Frequency	Percentage
Through formal training	8	29%
From family	4	14%
From past experience	5	18%
Others (specify)	11	39%
Total	28	100%

This implied that 29% of the respondents had undergone formal training and these were mainly the women with diploma or degree education. On the other hand, 14% of the

women entrepreneurs said that they had been trained by a family member who was a professional accountant, 18% had previously worked in jobs where they had received their business knowledge and 39% being the majority, had acquired their business skills through attending workshops held by either NGOs or MFIs. Of the 65 women entrepreneurs who had not trained on business skills, 73% preferred a family member to handle their enterprises' financial aspects as compared to an employing an accountant. This lack of business management skills where women entrepreneurs preferred family members to trained accountants indicated lack of proper control of the financial aspect of their enterprises thus poor performance. In conclusion, 60% of the county officials agreed that most women entrepreneurs possessed basic education skills and most could thus read and write. They however remarked that very few women entrepreneurs had been trained on business skills which they strongly agreed would enable efficient management of the women owned MSEs in terms of record keeping, accounts books balancing, stock taking and debt collection. According to the county officials, business skills were significant in enhancing the performance of women owned MSEs with examples cited of the few women entrepreneurs who run successful enterprises due to their business management capabilities.

4.5 Family Responsibilities and Performance of Women Owned MSEs

This objective sought to determine whether lack of balance between family responsibilities and business duties influenced performance of women owned MSEs in Kikuyu sub-county through analysis of indicators such as family support in running of the enterprise and performing household duties.

4.5.1: Household size of the respondents

Findings presented in Table 4.8 indicated that 44% of the women entrepreneurs had between 6 to 10 family members, 15% had more than 10 family members while the majority at 51% had less than five family members.

Table 4.8: Household size of the respondents

Family size	Frequency	Percentage
Less than 5 family members	38	51%
6 – 10 family members	41	44%
More than 10 family members	14	15%
Total	93	100%

The enterprise's location was somewhat determined by the household size where women entrepreneurs with more than six family members consisting of children had their MSEs located in centers near their homes while those with a smaller family were flexible thus could be situated as far as Kikuyu centre where the customer base was larger.

4.5.2: Handling of Business and Household Duties

Table 4.9 showed findings on handling of both household and enterprise duties where majority of the women entrepreneurs undertook the household duties at 61% and enterprise duties at 73%, employees handled the household and enterprise duties at 14% and 7% respectively while family members performed the household duties at 25% and business duties at 20%.

Table 4.9: Handling of business and household duties

Person handling duties	Household duties		Enterprise duties	
	Frequency	Percentage	Frequency	Percentage
Self	57	61%	68	73%
Employee	13	14%	6	7%
Family members	23	25%	19	20%
Total	93	100%	93	100%

This implied that majority of the women entrepreneurs undertook both the business and household tasks because most could not afford to employ an assistant or rely on family

members who had their own personal schedules. The women entrepreneurs thus stated that this affected the operating hours of their MSEs where they opened late (between 9am to 11am) and closed early (between 5pm to 7pm) to sufficiently undertake household chores which in turn lowered their daily sales' volume as they missed out on the early morning and late evening customer base headed to work and home respectively. However, during market days and on weekends, the women entrepreneurs made effort to open earlier by 8am and close late at 8pm so as to maximize on their sales from the influx of clients busy on weekdays but available on weekends.

4.5.3: Family Support Offered To the Respondents

From the study findings shown in Table 4.10, record keeping and other kinds of support were offered to the women entrepreneurs by their families at 35% and 38% respectively. Only 15% of the women owned MSEs had their goods sourced by the family members while the remaining 12% received support in selling of their enterprise products.

Table 4.10: Family support offered to the respondents

Family support in business	Frequency	Percentage
Sourcing for goods	6	15%
Record keeping	15	35%
Selling of products	5	12%
Others (specify)	16	38%
Total	42	100%

This implied that family members were not as directly involved in running the women owned enterprises where it is seen that members of family handled minor duties such as verifying business records and advising on business improvement techniques which reflected that a big part of enterprise's management was mainly left to women entrepreneurs. Data collected also showed that 41% of the respondents gave reasons for lack of family support as being that their children were in school, 10% said that their spouses were in formal employment, 24% thought that their families lacked interest in

their enterprises while 25% of the women entrepreneurs gave other reasons such as their spouses operating other enterprises which were viewed as the main source of family income hence given more support.

On the other hand, 80% of the county strongly officials agreed that most women entrepreneurs handled both family and business responsibilities but differed on whether their families supported them in handling of these duties and on whether the women entrepreneurs' time was spent more at home rather than in the business. These differences in opinion were brought about by areas they represented where those based in Kikuyu center stated that the women entrepreneurs were in fact concerned with performance of their MSEs thus spent most of their day running their businesses to maximize on sales. However, those with enterprises located close to their homesteads alternated between running the enterprise and handling of household duties thus losing most of their customers hence resulting in low sales and profitability. It was however noted that family support did improve performance of the women owned MSEs where women entrepreneurs receiving support from their families got motivated and encouraged, implemented new ideas to efficiently run their enterprises and had more business operating hours hence better profitability.

4.6 Communication Skills and Performance of Women Owned MSEs

Being the third objective of this study, it sought to determine whether communication skills influenced performance of women owned MSEs in Kikuyu sub-county through analysis of indicators such as the number of regular customer the women entrepreneurs had and daily sales they made.

4.6.1: Ability to Read and Write of the Respondents

From the findings of the study in Table 4.11, 97% of the women entrepreneurs had the ability to read and write efficiently with only 3% possessing poor reading and writing skills.

Table 4.11: Ability to read and write of the respondents

Ability to read and write	Frequency	Percentage
Yes	90	97%
No	3	3%
Total	93	100%

This implied that majority of the respondents possessed basic communication skills which entailed not only listening and speaking skills but also reading and writing abilities.

4.6.2: Number of Regular Customers Attracted

The findings from Table 4.12 showed that majority of the respondents at 53% had less than 20 customers, 37% had between 20 to 50 customers and only 10% had over 50 regular customers.

Table 4.12: Number of regular customers attracted

Number of regular customers	Frequency	Percentage
Less than 20 customers	49	53%
Between 20 – 50 customers	34	37%
Over 50 customers	10	10%
Total	93	100%

The data collected indicated that the beauty salons and general shops had majority of regular customers with most farm market produce women traders having less than 20 regular customers. This implied that more than half of the women entrepreneurs possessed poor communication skills especially when it came to marketing, listening and addressing their customer needs thus low clients' retention rates leading to reduced sales and poor enterprise performance.

4.6.3: Daily Sales Made Through Marketing

As shown in Table 4.13, majority of the women entrepreneurs at 55% made sales of less than Kshs. 1,000, 27% had daily sales of between Kshs. 1,000 to 5,000 while only 18% were able to sell more than Kshs. 5,000 on a daily basis.

Table 4.13: Daily sales made through marketing

Daily sales made	Frequency	Percentage
Less than Kshs. 1,000	51	55%
Between Kshs. 1,000 – 5,000	25	27%
Over Kshs. 5,000	17	18%
Total	93	100%

The women entrepreneurs owning general shops and beauty salons stated that they listened to their customers' needs, knew most of their clients by name and the goods or services they required which enhanced customer satisfaction hence recorded the highest daily sales because of high clients' retention rates. This implied that the higher the number of regular customers, the higher the sales made thus indicating that a woman entrepreneur's way of communicating to her customers was important in understanding and meeting clients' needs thus improving the performance of enterprises. More findings indicated that 60% of the county officials agreed that women entrepreneurs did not have more than 50 percent of regular repeat customers because these entrepreneurs did not communicate effectively to their customers not only about products and services available but also about their business operation hours thus the customers kept shifting from one entrepreneur to another. This implied that poor communication skills led to fewer regular repeat customers thus reduced sales which led to overall poor enterprise performance. The county officials remarked that women entrepreneurs needed to be sensitized on the importance of listening to their customers' needs.

4.7 Personal Financial Credibility and Performance of Women Owned MSEs

This objective sought to determine whether lack of personal financial credibility influenced the performance of women owned MSEs in Kikuyu sub-county through analysis of indicators such as current business monetary value and savings made from sales turnover.

4.7.1: Amount of Enterprise Capital

As shown in Table 4.14, 46% of the women entrepreneurs began their enterprises with less than Kshs. 5,000 while 26% had capital of between Kshs. 5,000 and 10,000, 18% with between Kshs. 11,000 to 20,000 and 10% with capital of over Kshs. 20,000.

Table 4.14: Amount of enterprise capital

Amount of enterprise capital	Frequency	Percentage
Less than Kshs. 5,000	43	46%
Kshs. 5,000 10,000	24	26%
Kshs. 11,000 – 20,000	17	18%
Above Kshs. 20,000	9	10%
Total	93	100%

This indicated that majority of these women owned MSEs were began with little capital mainly due to lack of access to bigger amounts of capital from financial institutions depicting a poor relationship between these institutions and the entrepreneurs. It was further shown that 45% of the respondents had sourced capital from their personal savings, 8% had managed to get loans from MFIs, 31% had borrowed from either friends or relatives while 16% had gotten assistance from NGOs that included sewing machines and training. This implied that only a minority of women entrepreneurs in Kikuyu sub-county had successfully obtained loans from micro finance institutions especially those entrepreneurs who were able to provide tangible assets or get guarantors to act as assurance on full loan repayment. Majority had however funded their enterprises from personal savings mainly gotten from their women groups or borrowed from friends and

relatives whom they were comfortable repaying in little amounts unlike banks which they viewed as having rigid funding and repayment conditions thus indicating poor personal financial credibility. The study found that 60% of the MSEs' current monetary value was valued for less than Kshs. 10,000 as compared to 72% of enterprises began with a capital of less than Kshs. 10,000 while 40% of the enterprises were valued for more than Kshs. 11,000 indicating lack of revenue generation. This study thus showed that majority of these women owned MSEs in Kikuyu sub-county had experienced little or no profitability and growth thus poor personal financial credibility for the women in terms of using the enterprise as an asset security in order to access funds from financial institutions.

4.7.2: Savings Made From Sales Turnover

The Table 4.15 showed that 66% of the women entrepreneurs saved between 5% and 25% of their sales turnover, 20% saved between 30% and 50% while only 14% managed to save more than 50% of the money generated from their sales.

Table 4.15: Savings made from sales turnover

Savings made	Frequency	Percentage
5% - 25%	61	66%
30% - 50%	19	20%
More than 50%	13	14%
Total	93	100%

The majority of the respondents were only able to save between Kshs. 100 to Kshs. 500 on a weekly basis because most of their money was ploughed back into the enterprise to ensure enough stock was available or channeled towards funding household activities thus insufficient for business expansion. The few women entrepreneurs who saved more than half their sales turnover stated that this was because they planned to loan more money from financial institutions for business expansion thus had to raise the required loan security percentage to get funded. On the other hand, the enterprises that were seen

to record the highest sales were salons, tailoring and general shops especially those located in Kikuyu centre. Farm produce traders had the least sales which were affected when their products were off the season because the women entrepreneurs sold a specific farm product instead of diversifying to ensure good sales throughout. From the study findings, it is also seen that majority of the respondents being 55% preferred saving their money in merry go rounds (chamaas), 29% saved in banks while 16% put their money at home or in their spouses' bank accounts. This implied that only 29% of these respondents were financially credible because managing savings in a business bank account portrayed good business management skills to any lending institution leading to its ability to trust that funds loaned by the financial institution would also be properly managed. However, it was noted that most of these business savings were utilized for both household and business financial activities hence were not sufficient for business expansion. This portrayal of poor business management in turn led to declining performance of women enterprises thus indicating poor financial credibility.

4.7.3: Financial Assistance on Business Expansion

The study findings in Table 4.16 showed that all 93 respondents were willing to improve and expand their businesses though only 73% of these women entrepreneurs had tried to get financial assistance from banking or lending institutions with the remaining 27% having not approached these financial institutions.

Table 4.16: Financial assistance on business expansion

Responses	Business expansion/ improvement plans		Financial assistance from banks	
	Frequency	Percentage	Frequency	Percentage
Yes	93	100%	68	73%
No	0	0%	25	27%
Total	93	100%	93	100%

This indicated that majority of women entrepreneurs were willing to improve and expand their businesses. However, it is also seen that only 10% of the 68 women entrepreneurs obtained loans from lending institutions with 90% were not being successful in getting financial assistance. The reasons given for the women entrepreneurs' disinterest in applying for financial assistance were mainly because of high bank interest rates and fear of repossession or getting jailed for failure to repay bank loans which was probable due to current business experiences such as low peak seasons and reduced sales. They also stated that they were not given loans because they did not have collateral where household properties were registered under their spouses. There was also preference of the banks / MFIs to give loans to women groups rather than individual women entrepreneurs showing that few were financially credible and that women groups were more trusted due to their savings and management policies making them financially credible. This view was fully supported by the county officials and indicated that women entrepreneurs in Kikuyu sub-county were yet to become financially credible for MFIs to trust them as individuals rather than in groups to access funds to improve and expand their businesses for better performance and growth.

CHAPTER FIVE

SUMMARY OF THE FINDINGS, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The purpose of this chapter was to present a summary of study findings, deduce conclusions based on the study findings and suggest recommendations and further areas of research and improvement. This study sought to find out factors influencing the performance of women owned micro and small enterprises in Kikuyu sub-county.

5.2 Summary of the Study Findings

In summary, the following were the findings of the study presented and discussed in order of variables: business skills; family responsibilities; communication skills and personal financial credibility. The study sought to determine the influence of the women entrepreneurs' lack of business skills on performance of their MSEs in Kikuyu sub-county by analyzing indicators such as the women entrepreneurs' level of education and if they had been trained on business skills. Research findings indicated that 70% of the women entrepreneurs had not received any training on business skills resulting in poor performance of their enterprises as compared to those who had the business management knowledge which helped them to evaluate enterprise performance, keep business financial records and meet set sales targets thus profitability.

This study determined that lack of proper balance between handling of family responsibilities and business duties influenced the performance of women owned MSEs in Kikuyu sub-county through analysis of indicators such as family support in running of the enterprise and undertaking household duties. The study showed that 73% of the women entrepreneurs were individually responsible for both the household and enterprise duties because they could not afford to employ an assistant or rely on their family members who were either at school or handling other personal responsibilities. This thus

affected time spent running the enterprise which resulted in reduced sales thus poor business performance.

This study also sought to examine whether communication skills influenced the performance of women owned MSEs in Kikuyu sub-county through analysis of indicators such as the number of regular customer the women entrepreneurs had and daily sales they made. From the findings, it was seen that communication skills did in fact affect the performance of the women owned MSEs negatively because by not listening to their customer needs, anticipating the goods/ services they required or properly communicating the business operation hours led to reduced repeat customers thus lowered sales as experienced by 53% of the women entrepreneurs.

This study finally examined if personal financial credibility influenced the performance of women owned MSEs in Kikuyu sub-county through analysis of indicators such as current business monetary value or assets and savings made from sales turnover. Research findings indicated that of the 68 women entrepreneurs who had applied for loans from lending institutions, only 10% were successful showing that their personal financial credibility was poor. This was seen from the data collected where only 34% of the women entrepreneurs saved more than 30 percent of their sales turnover while most redirected their business revenue to either fund family activities or restock their enterprises. This led to poor performance where no business growth was experienced over a long period because of misuse or lack of funds. This thus indicated the need to sensitize women on the importance of saving in a business bank account and managing business funds properly so as to be able to meet conditions set by lending institutions in terms of operating a thriving enterprise.

5.3 Discussion on the Study Findings

This section focused on a detailed discussion of major findings of the study which also entailed comparing findings of this study to literature and discussing them. The study established that lack of business skills limited the performance of women owned MSEs in

Kikuyu sub-county. This is in agreement with earlier findings where Terry (2005) argued that business owners need to possess basic accounting skills necessary to start, develop, finance and market their own businesses for successful entrepreneurial and small business development. Akintoye (2008) also concurs that business skills are necessary for successful entrepreneurial and small business development. This is because the inability to install a proper accounting system would disallow business monitoring, reporting, and performance evaluation that are essential to the business survival.

From this study, it is clear that majority of women entrepreneurs had household and reproductive duties to fulfill in addition to developing their own businesses which presented constraints on the business end due to the primacy of family and child-care responsibilities. Karim (2001) states that running a business coupled with family responsibilities such as household chores can place heavy demands on women's time hence a stumbling block to successful entrepreneurship. It is recognized that women in most societies carry the added burden of family and domestic responsibilities, and this has a detrimental or limiting impact upon their ability to generate income outside of the home. Women's family obligations are thus perceived as barring them from becoming successful entrepreneurs in both developed and developing nations as they tend to give more emphasis to family ties and relationships (Blackden, 1999).

The study revealed that poor communication skills limited the performance of women owned MSEs because women entrepreneurs should be able to effectively explain, market and sell their goods or services to potential customers. Stevenson (2004) states that successful business communication skills influence buyer behavior where the entrepreneur has a detailed understanding of each individual consumer's behavior or needs, builds trust and honesty, can pitch in sale of new products effectively and has a deep understanding of the business world through market research hence makes informed decisions. This is in agreement with Tsvetanka (2010) who states that there is need to treat the client with the utmost respect by delivering full attention and attentively

listening to what they are saying because entrepreneurs set themselves up for repeated business and possible referrals.

It was established that most women entrepreneurs relied on personal or family savings as their business startup capital for MSEs had fewer opportunities to access credit from MFIs due to negative perceptions of female entrepreneurs by credit officers on successfully managing both their businesses and funds loaned. According to Starcher (1996), financial institutions lack confidence in women owned MSEs as they believe that social and family values, level of education and outdated legal frameworks of a nation inhibit them from having successful businesses. This has led to limited growth of women enterprises due to lack of funds to expand where financial or lending institutions do not find them financially credible but view them as a risk. Without funds, MSEs cannot acquire or absorb new technologies nor can they expand to compete in global markets or even strike business linkages with larger firms. Since entrepreneurs usually require financial assistance of some kind such as a formal bank loan or money from a savings account to launch their business ventures, an entrepreneur's financial credibility is cited as a major factor that could affect her ability to access financial assistance from financiers thus influence the direction of her enterprise growth and development.

5.4 Conclusions of the Study

With respect to the findings of the study and in relation to the objectives, it was concluded that lack of business skills, lack of balance between family and enterprise responsibilities with less attention directed to business duties, poor communication skills and lack of financial credibility did influence the performance of women owned MSEs in Kikuyu sub-county. Women entrepreneurs who had thriving enterprises had been trained on business skills which they utilized in the daily running of their enterprises in areas of performance evaluation, stock taking and financial recording. Lack of proper balance between handling of family responsibilities and business duties reduced the time spent running the enterprises in terms of late opening and early closing hours of the women owned MSEs thus low sales and poor enterprise performance. Successful women

entrepreneurs listened to their customers' needs and effectively fulfilled them which in turn led to repeat customers and increased sales showing that effective communication was important in running an enterprise. Poor financial credibility inhibited business growth because the women entrepreneurs could not be financed by banks individually to expand and improve their businesses as compared to women groups thus business stagnation.

5.5 Recommendations

The study recommends there is need to improve on business skills of the women MSEs. Emphasis would not only be placed on financial management but also on customer care relations, sales and marketing, communication and interpersonal skills. These skills are mainly aimed towards improvement of overall business management and could be acquired through training and capacity building.

5.6 Suggested Areas for Further Research

Based on the research findings and conclusions, the researcher suggests that an in-depth study of factors influencing performance of women owned MSEs be carried out in other towns of Nairobi County to find out whether they experience similar challenges. It is also recommended that competition between male and female entrepreneurs should be studied to establish if there is existence or lack thereof of gender disparities in the MSE sector.

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APPENDICES

Appendix I: Letter of Transmittal

Letter to the Respondents

**Winnie Maina
P.O. Box 219 – 00200,
Nairobi, Kenya.
9th February, 2015.**

Dear respondent,

I am a post graduate student with the University of Nairobi undertaking a study on “Factors influencing performance of women owned micro and small enterprises in Kikuyu sub-county”.

The questionnaire attached is aimed at gaining information from you. The identity of the respondents will be treated with utmost confidentiality and their responses shall only be used for the intended academic purpose.

Thank you in advance for you cooperation and assistance.

Yours sincerely,

Winnie Maina.

Appendix II: Questionnaire for the Women Entrepreneurs

Dear respondent,

You are kindly requested to fill in this questionnaire. It seeks to investigate the factors influencing performance of women owned small micro enterprises in Kikuyu sub-county. You have been chosen and are requested to respond to the questions as honestly as possible. Your responses are confidential and shall only be used for the intended academic purpose. Please tick on the most appropriate response in the box provided or write down your feelings in the spaces provided.

A. Background information

1. In what age bracket are you in?

- | | | | |
|-------------------|--------------------------|------------------|--------------------------|
| a) Below 25 years | <input type="checkbox"/> | c) 36 – 45 years | <input type="checkbox"/> |
| b) 26 – 35 years | <input type="checkbox"/> | d) Over 45 years | <input type="checkbox"/> |

2. Indicate your marital status

- | | | | |
|------------|--------------------------|-------------|--------------------------|
| a) Married | <input type="checkbox"/> | c) Divorced | <input type="checkbox"/> |
| b) Single | <input type="checkbox"/> | d) Widowed | <input type="checkbox"/> |

B. Enterprise / business details

3. Which type of business are you involved in?

- | | | | |
|-----------------|--------------------------|-----------------------|--------------------------|
| a) Beauty salon | <input type="checkbox"/> | c) Farm produce trade | <input type="checkbox"/> |
| b) General shop | <input type="checkbox"/> | d) Tailoring | <input type="checkbox"/> |

4. How long have you been in this business?

- | | | | |
|------------------------|--------------------------|----------------------|--------------------------|
| a) Less than 12 months | <input type="checkbox"/> | c) More than 5 years | <input type="checkbox"/> |
| b) 1 – 5 years | <input type="checkbox"/> | | |

5a. Do you keep business records? Yes No

5b. Does your enterprise have a bank account? Yes No

6a. Other than yourself, how many employees did you have when you began your business?

- | | | | |
|----------|--------------------------|-----------|--------------------------|
| a) 0 | <input type="checkbox"/> | d) 4 - 5 | <input type="checkbox"/> |
| b) 1 – 2 | <input type="checkbox"/> | e) 6 - 10 | <input type="checkbox"/> |
| c) 3 – 4 | <input type="checkbox"/> | | |

- 6b. How many employees does your business now have?
- a) 0 d) 4 - 5
- b) 1 - 2 e) 6 - 10
- c) 3 - 4

A. Business skills

7. What is your current level of education and training?
- a) Cannot read and write d) Secondary
- b) Primary; Class 1 - 5 e) Diploma / degree
- c) Primary; Class 6 - 8
8. Have you been trained on business skills? Yes No
- 9a. If yes, how did you acquire these business skills?
- a) Through formal training c) From past experience
- b) From family d) Other (specify) _____
- 9b. If no, who handles the financial accounting for your enterprise?
- a) Family member b) Employed accountant

B. Family responsibilities

10. What is the size of your household?
- a) Less than 5 family members c) More than 10 family members
- b) 6 - 10 family members
- 11a. Who handles your household chores?
- a) Self b) Employee c) Family members
- 11b. Who runs your enterprise?
- a) Self
- b) Employee
- c) Family members
- 11c. If self, how do these household duties affect the operating hours of your business?
-
- 11d. How many days per week do you operate your enterprise?
- a) Weekdays b) Weekends

- 11e. What is the opening and closing time of your business?
 a) Opening time b) Closing time
- 12a. Does your family offer support in the running of your enterprise?
 a) Yes b) No
- 12b. If yes, in what ways do they support you?
 a) Sourcing for goods c). Selling of products
 b) Record keeping d). Others
 (specify)_____
13. If no, give reasons why they do not support you?
 a) Children are in school c) Lack of interest in enterprise
 b) Spouse is at work d) Others
 (specify)_____

C. Communication skills

14. Are you and your employees able to read and write? a) Yes b) No
15. As per your communication/ marketing style, what is the approximate number of regular customers you attracted on a daily basis?
 a) Less than 20 clients c) Over 50 clients
 b) Between 20 – 50
16. Resulting from your ability to market and sell your products/ services, what is the average amount of sales made daily from both regular and new customers?
 a) Less than Kshs. 1000 c) Over Kshs. 5000
 b) Between Kshs. 1000 - 5000

D. Personal financial credibility

17. Where did you get the initial capital to start your enterprise?
 a) Personal savings
 b) Loan from micro finance institution
 c) Borrowing from friends / relatives
 d) Inheritance
 e) Assistance from NGOs

18. How much did you invest in this business when you began it?
- a) Less than Kshs. 5,000
- b) Between Kshs. 5,000 – 10,000
- c) Between Kshs. 11,000 – 20,000
- d) Over Kshs. 20,000
19. What is the current capital of your business?
- a) Less than Kshs. 5,000
- b) Between Kshs. 5,000 – 10,000
- c) Between Kshs. 11,000 – 20,000
- d) Over Kshs. 20,000
- 20a. How much sales do you make from your enterprise in Kenya shillings?
- a) Per week _____
- b) Per month _____
- c) Per year _____
- 20b. Out of the sales turnover, how much do you save?
- a) 5% - 25% b) 30% - 50% c) More than 50%
- 20c. How do you save your money?
- a) Bank
- b) Merry go round
- c) Others (specify) _____
- 21a. Are you looking to expand or improve your business in future? a) Yes
- b) No
- 21b. Have you tried to get financial assistance from the banking / lending institutions to facilitate your business expansion?
- a) Yes b) No
- 21c. If no, give reasons why you have not applied for financial help _____
- 22a. Did you obtain the loan? a) Yes b) No
- 22b. If no, give your views on why you were not successful? _____

Appendix III: Questionnaire for the County Officials

Dear respondent,

You are kindly requested to fill in this questionnaire. It seeks to investigate the factors influencing performance of women owned small and micro enterprises in Kikuyu sub-county. You have been chosen to respond to the questions as honestly as possible. Your responses are confidential and shall only be used for the intended academic purpose. Please tick the most appropriate response in the box provided or write your feelings in the spaces provided. Your positive response will be highly appreciated.

A. Background information

1. Which county area are you representing?

2. What period have you worked in this area?

- a) Less than 2 years c) More than 5 years
- b) 2 – 5 years

B. Factors that influence women owned MSEs’ performance in Kikuyu sub-county

Please evaluate factors that influence women owned MSEs’ performance in relation to the MSEs found in your location and then tick on the choices below that are most appropriate

(5=strongly agree 4=agree 3=undecided 2=disagree 1=strongly disagree)

NO.	ITEM	AGREEMENT SCALE					Remarks
		1	2	3	4	5	
3	Business skills						
3.1	The women entrepreneurs possess basic education and can therefore read and write.						
3.2	The women entrepreneurs have acquired training on business skills.						
3.3	These business skills enable the women entrepreneurs manage their MSEs effectively.						

NO.	ITEM	AGREEMENT SCALE					Remarks
		1	2	3	4	5	
4	Family responsibilities						
4.1	The women entrepreneurs handle both the family and business responsibilities.						
4.2	The women entrepreneurs get support from their families in operating the enterprise and handling household duties.						
4.3	Most of the women entrepreneurs' time is spent at home rather than in running their MSEs.						
5	Communication skills						
5.1	The women entrepreneurs possess good communication skills including speaking and listening when interacting with their customers.						
5.2	The women entrepreneurs enjoy more than 50 percent of regular repeat customers because of their ability to properly market their products.						
5.3	The average daily sales made by the women entrepreneurs are between Kshs. 1000 – 5000 due to excellent communication/ marketing skills.						
6	Personal financial credibility						
6.1	More than 70 percent of the women entrepreneurs started their MSEs using personal savings as compared to loans from financial institutions.						
6.2	The women entrepreneurs save between 30 to 50 percent of the money made from their daily sales hence indicating a good saving history.						
6.3	MFIs in Kikuyu sub-county are willing to loan money to the women entrepreneurs because of their good financial credibility.						