

**FACTORS THAT HINDER THE GROWTH OF WOMEN OWNED
ENTREPRISES IN KAJIADO COUNTY**

WAIHUMBU, TIMOTHY

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DECLARATION

I Waihumbu, Timothy hereby declare that this Research Project entitled **FACTORS THAT HINDER THE GROWTH OF WOMEN OWNED ENTREPRISES IN KAJIADO COUNTY** is my original work and has not been presented for a degree in any other University.

Signature:

Date:

NJUGUNA, TIMOTHY WAIHUMBU

Registration No: D66/70993/2014

MSC PROGRAMME

SUPERVISOR'S APPROVAL

This MSC research project prepared by Waihumbu, Timothy has been submitted for examination with my approval as the University Supervisor.

Signature: **Date:**

DR. JAMES GATHUNGU, PhD, CPS (K)

SENIOR LECTURER

DEPARTMENT OF BUSINESS ADMINISTRATION

SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI.

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DEDICATION

I dedicate this project to my loving wife and children, more so to my wife for encouraging and supporting me throughout this course and project.

TABLE OF CONTENTS

| | |
|--|-------------|
| DECLARATION | ii |
| ACKNOWLEDGEMENT..... | iii |
| DEDICATION | iv |
| LIST OF TABLES | vii |
| LIST OF FIGURES | viii |
| ABBREVIATIONS & ACRONYMS | ix |
| ABSTRACT..... | x |
| CHAPTER ONE: INTRODUCTION..... | 1 |
| 1.1 Background of the Study..... | 1 |
| 1.1.1 Business Growth..... | 2 |
| 1.1.2 Factors that Hinders the Growth of Businesses..... | 4 |
| 1.1.3 Small and Medium Enterprises in Kenya..... | 5 |
| 1.1.4 Kajiado Women owned enterprises..... | 6 |
| 1.2 Research Problem | 7 |
| 1.3 Objectives of the Study..... | 9 |
| 1.4 Value of the Study..... | 10 |
| CHAPTER TWO: LITERATURE REVIEW..... | 11 |
| 2.1 Introduction | 11 |
| 2.2 Theoretical Foundation | 11 |
| 2.2.1 Entrepreneurship Innovation Theory | 11 |
| 2.2.2 Sociological Entrepreneurship Theory..... | 12 |
| 2.2.3 Human Capital Theory | 13 |
| 2.3 Gender Differences and Entrepreneurial success in Different cultures | 15 |
| 2.4 Cultures of Female Entrepreneurs | 17 |
| 2.5 Critical Success Factors for Women-owned Enterprises | 18 |
| 2.6 Knowledge Gap | 19 |
| CHAPTER THREE: RESEARCH METHODOLOGY | 22 |
| 3.1 Introduction | 22 |
| 3.2 Research Design | 22 |
| 3.3 Population of the Study..... | 22 |
| 3.4 Sample Design..... | 23 |
| 3.5 Data Collection | 23 |
| 3.6 Data Analysis..... | 24 |

| | |
|--|-----------|
| CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION..... | 25 |
| 4.1 Introduction | 25 |
| 4.2 Response Rate | 25 |
| 4.3 Demographic Information | 25 |
| 4.3.1 Age of the Respondents..... | 25 |
| 4.3.2 Marital Status..... | 26 |
| 4.4 Characteristics of Women Owned enterprises..... | 28 |
| 4.4.1 Family Size | 29 |
| 4.4. 2 Business Sector | 30 |
| 4.2.3 Legal Ownership Status of the Enterprise | 30 |
| 4.2.4 Reasons for the Business Start-up..... | 31 |
| 4.2.5 Person that influenced business start-up | 33 |
| 4.3 Factors Affecting Women Entrepreneurs’ Growth in Enterprises | 34 |
| 4.4 Discussions of Results | 40 |
| CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS.... | 43 |
| 5.1 Introduction | 43 |
| 5.2 Summary of the Study | 43 |
| 5.3 Conclusion of the Study..... | 45 |
| 5.4 Limitations of the Study..... | 45 |
| 5.5 Recommendation of the Study | 46 |
| 5.6 Areas suggested for further research..... | 47 |
| REFERENCES | 48 |
| APPENDICES | 51 |
| Appendix I: Letter of Introduction to the Respondents | 51 |
| Appendix II: Questionnaire | 52 |
| Appendix III: Map of Kenya Showing Counties | 58 |
| Appendix IV: Letter From the University | 59 |

LIST OF TABLES

| | |
|--|---------|
| Table 2.1: Summary of Literature Review (Empirical and Theoretical Literature reviews)..... | page 20 |
| Table 4.1: Cronbach's alpha..... | page 34 |
| Table 4.2: Correlation analysis Interest charged by Financial Institutions..... | page 35 |
| Table 4.3: Correlation analysis: Managerial skills and access to information to exploit business..... | page 36 |
| Table 4.4: Correlation analysis: Access to market for products and business assistants and support from government bodies..... | page 37 |
| Table 4.5: ANOVA analysis: I have better networks with outsiders (Constant), I can access credit without titled assets as a Collateral..... | page 38 |
| Table 4.6: ANOVA analysis the attitude of employees towards the business..... | page 39 |

LIST OF FIGURES

| | |
|---|---------|
| Figure 4.1: Age of the respondents..... | page 26 |
| Figure 4.2 Marital Status of the respondents..... | page 27 |
| Figure 4.3 Length of business existence..... | page 28 |
| Figure 4.4 Family Size..... | page 29 |
| Figure 4.5 Business sector..... | page 30 |
| Figure 4.6 Legal Status..... | page 31 |
| Figure 4.7 Reason women start their own businesses..... | page 32 |
| Figure 4.8 Person that influenced business start-up..... | page 33 |

ABBREVIATIONS & ACRONYMS

| | |
|-------------|--|
| AfDB | African Development Bank |
| MSE | Medium and Small Enterprises |
| SME | Small and Micro-enterprises |
| ILO | International Labour Organization |
| MSME | Micro, small, and medium-sized enterprises |

ABSTRACT

Women-owned enterprises are now more common in developing countries such as Kenya. Studies show that women have increased in business but most of them are only in the small and medium enterprise sector. Many of the MSEs have grown out of self-help groups that have been formed by women groups and youth groups', community organizations and other non-state actors and play a very important role in provision of services in the county. Micro-enterprises are especially important to women since it gives them a chance to be self-employed and also run their household chores. Women are involved in economic activities such as promotion of education, capacity building, health, provision of water through sinking of boreholes, construction of dams, pans and sand dams and rehabilitating of the nutrition and disaster response. The objective of this study was to analyze the specific factors that affect growth of the women owned. There are many varied reason why businesses succeed and others fail. Lack of access to finance, technology, markets and information also affect growth of enterprises. Women do not make enough income sufficient for their households needs and therefore cannot afford nanny care for their children. This increased demand in time between home and work leads to lack of time for business and time to update their skills. This study adopted a descriptive case-study research approach since it utilizes elements of quantitative research methodologies. The descriptive research design attempted to define the factors that slow down growth of female businesses in Kajiado County. The study utilized primary and secondary data obtained from women groups, department of social services and county government leaders. The study established that women owned enterprises faced other unique challenges that are related to gender roles that are unique to different societies. Women are the caregivers in most homes leaving less time for running enterprises. The study recommends that more investment should be made on women education and training which will give them more skills and also increased their chances of building more networks in the business environment.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In Kenya, women are involved at different levels and roles in initiating and running start-ups and enterprises in general. Many women entrepreneurs are however running businesses that mostly small and register low income output compared to businesses that are run by men. In addition, women business owners have a tendency of concentrating their efforts on certain sectors which are relatively small in number leaving out other sectors to be occupied by their male counterparts (Aslesen, 1998), in this case we find that men run high income generating businesses in a big range of sectors (Spilling and Jordfald, 1996; OzenKutunis and Bayraktaroglu, 2002b). Women-owned enterprises in developing countries like Kenya have increased their worth with more profit realization, a high number of staff employed and they have increased their contribution to Kenya's economy.

Entrepreneurship innovation theory by Joseph Schumpeter explains the role of an entrepreneur in the development of the economy (Price et al. 2013). Currently, the world has become extremely complex and exhibits dynamism whereby economic development cannot be achieved without using innovation as the driving force for entrepreneurship. In an economy that is largely innovation dependent, only women with adaptive traits make a contribution and bring meaning new cultural attitudes (Steel et al. 2012). Much research has been done and it provides evidence on the link that positively exists between developments of human capital and an enterprise success or failure is becoming large and continues to grow (Carter, 2002). There is a great emphasis on human capital in organizations and this shows clearly that tangible resources do not necessarily determine

the market value compared to intangible ones such as human resources. Hiring and retaining the outstanding employees, however, is only part of a wider equation. As Allinson et al. (2013) indicate, the sociological theory could provide a more layered, intensive and comprehensive model of the beliefs, behaviors and performance of small businesses. A person growth determines environment adaptability which in turn influences mindsets. This then guide behaviors and influence business performance and growth.

Kajiado County is dominantly composed of one ethnic community, the Maasai community. With devolution, the county has seen a massive increase of other communities due to its close proximity to Nairobi city. According to Kajiado county government around 28% of Kajiado people who reside in the County have a secondary level of education or above and 42% of Kajiado of people living there have attained the primary level of education only. Women owned businesses are also on the rise in the county due to the low economic status of the women. It has been noted that enterprises owned by women are making a fundamental contribution to the current Kenyan GDP. These enterprises account for about 48 percent of all MSMEs nearly half the number, which has recently been contributing to around 20 percent to Kenya's GDP. The main activities that kajiado women entrepreneurs are involved in include; buying, fattening and selling livestock, making of beaded accessories like belts, necklaces, head gears, bangles and so on. Others are engaged in dancing and other forms of entertainment.

1.1.1 Business Growth

The growth a business can occur in two ways; either horizontal or vertical (Liedholm, 1990). When a business grows vertically, it means it has transformed into a more modern small business, while horizontal growth is formation of more businesses at the same level

and employ the same number of staff per business set up (Carter, 2002). Sessional Paper No 2 (GOK, 2005) states that only a few MSEs expand to a capacity of hiring six or more workers and life-span is short, which makes it difficult for them to move up the scale and become medium and large scale enterprises. With the expanding population, unemployment is a major concern in developing countries and particularly in Kenya according to the Economic Recovery Strategy (2003). The number of people unemployed in Kenya stood at about 12.7 per cent of the labour force as stated by the World Bank (2007).

The economy was required to absorb about 500,000 new labour market entrants annually and most of this was envisaged to come from the informal sector, which includes the SMEs (GOK 1997 and 2002). However, the economy is not able to absorb the new entrants into the labour market into productive work (NESC, 2010). The sector remains the major employer in the country, accounting for over 87 percent of employment. In 2006, 410,000 new jobs were created, engaging 7.5 million people. According to the Private Sector Development Strategy (2008), the informal sector was estimated to comprise an estimated 1.7 million enterprises in 2007 as compared to the formal sector which comprised an estimated 35,000 enterprises. The population living in poverty has declined according to KIPRA (2009). However, the number of people living below the poverty line is estimated to have increased from 13.4 million in 1997 to about 16.6 million in 2006. Growth of the SME sector if well managed and nurtured to grow can contain the levels of poverty in Kenya.

Vertical growth plays a crucial role in the development of the SME sector as it is associated with increased potential in job creation (Liedholm, 1990). Vertical growth is, however, inhibited by lack of technical and managerial skills necessary for business

expansion and diversification (Nelson, 1998). Research shows that business set-ups in Kenya continue to be established and most are unable to grow compared to their counterparts in the developed world as cited by World Bank (2007). According to the World Bank (2000), factors perceived as inhibiting business growth are insufficient government support and promotion of the SME sector, low competition, minimal access and cost of capital. There is need to improve the sector and create a conducive environment so that it expands to absorb Kenya's labour force, which grew at about three percent in the period 1990-2005 (KIPRA, 2009).

1.1.2 Factors that Hinders the Growth of Businesses

There are many challenges faced by SMEs, such as limited input and the relevant technology required for production (Brusco and Righi 1989). The production stage of small business is usually faced with challenges due to limited access to finance, despite there been many financial institutions. This is because of the many requirements put by this institutions many of which are easy to meet for small enterprises. The Kenya Industrial Estates requires that all small businesses be in a registered group or association which makes it easier for them to access loans. This has brought the emergence of 'chamas' many of which have made it easier for entrepreneurs to access loans. This groups have even grown to form SACCOs that bring more capital for the businesses. Many however are still not members of these groups and so the challenge of access to finance still persist (Kiriimi, 1988).

It is fundamental to identify the sector that one operates in order to determine the critical success factors. Some of these factors include how a customer receives after sale services, distribution and marketing, financial access, human capital management, technical know-how and the use of technology and production, while Thompson and

Strickland (1993, pp. 132-140) states technology, production, marketing, distribution, cooperation ability and organisational skills. Badri (1995) looked at two sectors in the United Arab Emirates, service and manufacturing companies. Both showed similar factors that are crucial to success such as how well the staff are trained, how services and products are designed, the quality of management, and good relationship between staff members (Badri & Davis, 1995, pp. 41-47).

The private sector development strategy in Kenya was designed in order to aid in addressing the major challenges faced by informal and formal sectors. This constraints include factors such as poor infrastructure, corruption, high and numerous taxes that affect low earners and poor tax administration, high crime rate and insecurity, and access to financial services, as well as limited access to markets, credit and skilled laborers especially those willing to run small enterprises (Ministry of Trade and Industry, 2006). In determining the critical success factors in the success of enterprises, it is important to note that entrepreneurship is environmentally determined and that the external environment and demographic factors affect the success of social enterprises (Gratner, 1989).

1.1.3 Small and Medium Enterprises in Kenya

Kenya has a large number of small and micro enterprises. These businesses are known to be very labor intensive and mostly use local resources. The government and other stakeholders support of small enterprises is highly regarded because these enterprises largely contribute to the national and international economic growth. The contribution made by SMEs in the achievement of macroeconomic goals of a nation is very important. Third world countries have been an interesting study for scholars since the contribution by SMEs has had a great impact on the economy (Shelley, 2004). Policy makers

recognize the important role that SMEs have in the global environment and work to ensure that they survive, grow and thrive in a conducive environment.

In 2002, MSEs accounted for over 74.2% of employment levels in terms of the all persons engaged in employment at the time. This is evidence that the SME sector can provide the 500,000 jobs set out by the government if proper and clear development strategies are put in place since the failure rates among many start-ups is high. The same conducted was able to indicate that 38% of the enterprises are expanding while 58% have not recruited more human capital. The shows also how many enterprises poses a very short life-span with likely to close in their first three years of operation.

1.1.4 Kajiado Women owned enterprises

The level of education that is attained by women in Kenya greatly puts them at a disadvantage when compared to men. Subsequent governments have tried to decrease the gender gaps in education by introducing policies that favor the girl-child such as free primary education. The gap had decreased recently in the primary level but in secondary and tertiary levels it is still quite high. Women account for only 39 percent for those enrolled in tertiary education since the trend show that women enrollment in higher education is low. This lack of quality education among the women and the fact that the Kenyan curriculum does not put a lot of emphasize on entrepreneurial skills contributes to women lacking the knowledge need to succeed in business. The system has been designed to produce graduate who are ready for employment and not people who can create their own start-ups hence contributing to the country's overall economic growth.

Kajiado County is dominantly composed of one ethnic community, the Maasai community. With devolution, the county has seen a massive increase of other communities and also its close proximity to Nairobi city. A total of 28% of Kajiado

County residents have a secondary level of education or above and 42% of Kajiado County residents poses primary level of education only. Women owned businesses are also on the rise in the county. Due to the low economic status of women in the county, many formed groups that they use to pool resources and fund their businesses. Most of these groups have been registered as self-help groups in the county department of social services. Other than self-help groups that promote personal growth, most groups in Kajiado are also engaged in provision of the required community services especially those registered as Community Based Organizations (CBO's). These include promotion of education, capacity building, health, provision of water through sinking of boreholes, construction of dams, pans and sand dams and rehabilitating of the nutrition and disaster response.

Women entrepreneurs in Kajiado county are also involved many entrepreneurial activities which in include; buying, fattening and selling livestock, making of beaded accessories like belts, necklaces, head gears, bangles and so on. Others are cultural groups who are engaged in dancing and other forms of entertainment, those that offer support and motivation during the start-up stage of a business, combine skills in making the best jewelry for the international market, promote female investment, empowerment and transformation in the region, provide economic and social support to members of the group, support young girls through paying their education fees, instill culture to the young ones and support women health issues in their region.

1.2 Research Problem

Entrepreneurs, in most cases, in their entrepreneurial journey encounter several challenges and widen the barriers that exist to block them from attaining success. These challenges comes various attributes that may be inborn or are the environment that they

operate in. This may be in terms of their personality, influence and support from immediate family, or from the environment in which they live and what expects of them coupled with perceptions of the people that greatly influence their decisions (Halkias, 2011). The many challenges faced by female owned enterprises in kajiado county include access to finance, markets, networks and policymakers among others. Halkias (2011) further identifies access to microcredit as a fundamental resource for any business to succeed in their sector and produce its maximum capacity, to create jobs and contribute to eradication of poverty in developing countries. This access to micro credit has been the main challenge that drive women to form groups to enable them access credit from their pooled resources. Even with the access to micro-credit from the groups, the success of these enterprises is still low with many failing within the first year. Kiriti, et al. (2003) states that the government seems to have pushed formation of these groups by stipulating that government funds be given to groups.

In many economic circles women are seen to be actively involved through their involvement through organized groups and many informal initiatives that they are engaged in. The economic output into the economy is shown by many women who own and are running enterprise initiatives and the women in the labor market (Zacharakis & Meyer, 2000). There has been a great focus on women economic status by organizations that put effort to promote the progress and visibility of women and increase their economic empowerment. In June 2003, the African Development Bank's (AfDB) started a business relationship with ILO to facilitate and run a forum on the place of female entrepreneurs in private sector development. The focus is on issues relating to factors that affect the growth of women-owned enterprises in Africa. The two organization's vision is of having female entrepreneurs increase their contribution to creating employment for the

many jobless in Africa, alleviating poverty and making an impact on sustainable development.

This study will therefore focus on women entrepreneurs in Kajiado, most of whom are from the Maasai culture in Kenya. The study will try to determine whether culture has prevented them from accessing important facilities that ensure success of their enterprises. Success in entrepreneurship greatly relies on the opportunities presented to an entrepreneur and how they respond to those opportunities. Ozgen& Baron (2007) entrepreneurs depend on three sources of information that they use to accelerate their opportunity recognition process: Mentors, informal networks within their industry, and family and close friends. The early socialization of a woman also determines the types of enterprises that one gets in. This suggests further that women success factors in enterprise vary greatly from culture and region to another. This study attempted to fill gaps in the entrepreneurship discipline by identifying those specific issues that contributes to hindering the success of female owned enterprises and reveal the detailed differentials that affect women performance in entrepreneurship.

1.3 Objectives of the Study

The objective of this study is to assess factors that hinder the growth of women owned enterprises in Kajiado County.

The specific objectives are to:

- i. To determine the major characteristics of female entrepreneurs in Kajiado County and their businesses.
- ii. To investigate and establish the effect of the above factors on the women owned enterprises growth and suggest recommendations for intervention.

1.4 Value of the Study

This study is of significant to the academic community as it contributes to the body of knowledge around gender in entrepreneurship. It contributes to filling the gap of knowledge that examines the contribution of female business owners to the economy. There are many models used to explain entrepreneurship and gender. It also adds to the growth of a better theoretical models and point the way toward further study.

This study highlighted the challenges faced by women hindered by culture to grow economically and show ways to improve their status. It contributes to existing knowledge on female entrepreneurs and other stakeholders who offer support to women entrepreneurs to reduce all constraints women face in their entrepreneurial journey. It also shows support areas to financial institutions, government and those that provide business development services to women enterprises. A lot has been written on the critical success factors to the growth of women entrepreneurs but not more on the effect of culture to the uptake of those success factors

During the last decade the contribution of women to economic growth has been greatly appreciated in many sectors in the development world. This contribution by women is substantial, but there is lack of a substantial detail of the specific impact. There is need to recognize the contribution women make in creating employment opportunities. Even with this contribution, women still represent the smallest percentage of people in entrepreneurship and a great percentage of homemakers especially in the African context. Thus when women are discriminated against, it contributes to market failure as their contribution is good for a successful market environment. Policy makers therefore form a great resource to the development of women entrepreneurs as their contribution impacts on the economic impact this group has on the economy.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Review of literature review is a very important and mandatory chapter for any research project. It brings out the importance of carrying out any given research in a given field through analysis of already existing knowledge from previous research in the field. This helps to identify the existing gap in the knowledge. The first part covers theoretical foundation on reproduction of subordination by women and entrepreneurial behavior theories. The second part deals with the review of existing empirical literature in accordance with the study variables.

2.2 Theoretical Foundation

This section discusses the theories that explain gender assumptions informing entrepreneurship theories. This section will examine three theories: The Entrepreneurship Theory Innovation Theory, Sociological Theory and the Human Capital Theory.

2.2.1 Entrepreneurship Innovation Theory

Schumpeter (1950; 1961) is famous for defining an entrepreneur as a person who coordinates production and is an agent of change ('creative destruction'). This theory indicates that an entrepreneur poses three major characteristics such as been innovative, having foresight and been very creative. This shows that the "Schumpeterian" entrepreneur is above all else an innovator. Other authors and researchers who poses this same view do not consider entrepreneurship to have a greater impact on the early stages of development but do recognize this to matter more during the later stages where knowledge and competition drives economic growth. During these earlier stages of development, entrepreneurship may not be that pronounced with little economic impact.

This is because the growth of an enterprise is largely driven by factor accumulation (Ács & Naudé, 2013).

In Schumpeter's analysis, what drives economic growth and development is innovation. People generally are conditioned to do things in a certain way due to the cultural heritage, their history and their tried and trusted practice. This makes them very effective in their work but inhibits innovation. People get to know and are able to do their daily tasks in an exact same routine with their supervisor's having their own role as they too have their own roles. A manager's directive functions to correct individual mistakes in their routine work (Schumpeter, 1949).

2.2.2 Sociological Entrepreneurship Theory

This theory on sociological enterprises mainly explains most of the social aspects of development. It usually does an analysis of the tradition aspect of the society (Landstrom, 1998). Reynolds (1999) observed that the social context is vast and divided them into four. This is the ones that relates to entrepreneurial opportunity. Social networks were the first to be identified and it focuses on building social relationships and bonds in a manner that no actor feels taken advantage of but promotes trust. In other words, the entrepreneur should not be opportunistic in a manner that they take undue advantage of people to be successful. The success of an entrepreneur should be as a result of keeping faith with the people. The second was referred to as the life course stage context. This is the context that looks at life situation and how an individual that has decided to be an entrepreneur is characterized. It looks at the experiences that people go through since this experiences could influence how they think and act so push them to want to do something that adds value to their lives. The other social context is ethnic identification. An individual's social background mostly has decisive or agents that motivates one to get into business.

For instance, one's social experiences may become the determining factors in what one strives for and whether they succeed or not.

There are those people that have experienced a disadvantage over others and this marginalization may bring with it various obstacles to success. The last social context is called population ecology. This context recognizes the fact that the survival of businesses is determined by the environmental factors. The growth of a new business is not only depends on the market environment or the characteristics of an entrepreneur. Other factors include the system of government, how the customer responds to the business, response to competition, and various other business environmental issues that have an effect on the growth or survival of new enterprise or the success of the business owner. This sociological theory in entrepreneurship portrays social cultures as what drives entrepreneurship in the world. The entrepreneur is definitely the main player and the society has certain expectations of him. An entrepreneur's roles are usually based on religious beliefs, taboos and customs. Compared to Catholics, Protestants work ethics harps values that capitalism thrives under. This was explained by Max Weber (1864-1920) who indicates that religious affiliations has a huge influence on ones success in business, stressing on the important of having the spirit of capitalism among the people. This highlights economic freedom and private enterprise.

2.2.3 Human Capital Theory

The human capital theory states that most organizations and nations put little investment on women's education and training, and this means that there are less opportunities for women advancement and promotion in the organization (Dreher, 2003). Human resources is important and directly useful in the production process. Investing in human capital directly impacts on the quality of the workforce, increases the productivity of all

employees in their roles, though it may impact specialization at different levels and tasks, organizations, and situations. Consequently, the complexity of the human capital role in the production process can be presented by a one-dimensional object, such as the bank of knowledge or skills, and this bank is directly part of the production process.

Following the disadvantages stated above, women in most cases find themselves substituting financial capital through human capital as compared to their male counterparts. A recent study suggested that when human capital grows the growth expectancy of female entrepreneurs grows but it never affects the growth expectancy of male entrepreneurs (Manolova, Carter, Manev, & Gyoshev, 2007). This is because female entrepreneurs depend more on human capital for their success, people form their greatest asset which is a different case with men whose greatest asset in business can be seen in their access to financial services and the networks they make.

It is important to exposed women to formal education because many women in business have shown the huge benefit they have acquired through the exposure and networks and its contribution to the success of their enterprises. Therefore, we find that there is a strong correlation between entrepreneurial growth and human capital when they are based on the business owner's gender. The reason is because task-specific and general skills and knowledge can be useful partially as substitution for financial constraints and other challenges women face due to the society's gender role expectations. Human capital is also included in the growth accounting. There are instances of when earnings are different depending on the education levels. This is also meant to differentiate productivity. This can be explained by the earnings ratios on education in terms of whether one graduated from high school or college. This however varies from one year to the next with people attaining different levels of education.

2.3 Gender Differences and Entrepreneurial success in Different cultures

The resource-based theory explains that a firm gains more competitive advantage when it uses creativity and also effectively using its available resources (Hoopes, Madsen and Walker, 2003; Barney, 1991). There are various resources that an entrepreneur requires in running a firm and this having experience and education is always an added advantage (Kantor, 2003), the resource-based theory greatly supports this and it is important and useful to determine how and what resources are required by women entrepreneurs to sustainably run successful operations. The relevance of the theory is seen in how it points out important issues that are fundamental for successful entrepreneurship. In addition, cultural theory explains entrepreneurship hypothesis in comparing the success in business activities by both genders and indicates that cultural differences make women less successful when compared to their male counterparts (Smith-Hunter & Boyd, 2004). Evolving from the cultural theory of entrepreneurship, the disadvantage theory theorizes that women become entrepreneurs due to the push brought about by the disadvantages in the labor market (Smith-Hunter & Boyd, 2004). The disadvantage theory also applies to the challenges that women in construction face, which place them at a financial disadvantage; for example, women finance their business ventures with personal savings instead of the traditional lending and financial institutions (Smith-Hunter & Boyd, 2004).

The debate around the factors that influence performance differences between men and women has been on-going for a long period. This debate has been made around business and other areas of development. The differences especially in business that exist between male and female are in regard to the size of the enterprise (Du Rietz & Henrekson, 2000), aspirations to grow the enterprise (Cliff, 1998) and the sector that one decides to do

business in (Du Rietz & Henrekson, 2000). However, the empirical evidence on the varied gender differences regarding human resources and capital is varied. There is much that has been researched around gender differences and human capital and how different performances have different effects on human capital for enterprises run by men and those run by women (Brush, Carter, Gatewood, Greene, & Hart, 2004). With most of this remaining unclear, there is a notable exception study by Kalleberg & Leicht (1991) who examines how different variables that are connected to human capital relates to the success in enterprise growth for women and men business owners.

Looking at the resource-based view (Barney, 1991), there is an indication of an unique set of different resources that are critical in founding and also for new venture survival and economic success. Women business owners face several challenges in trying to provide the much needed financial assets in their businesses. They have different roles that they play in the society and especially in the family set up. The income losses they experience is high as they face interruptions due to taking breaks from their careers to bring up their children. This has caused women to delay child birth in the modern society in a bid to grow careers and enterprises. There are also differences in the pay scale where they earn less than a man in the same position.

Economies that have different pay schemes based on gender roles demonstrates a huge different in the development of both genders. When women earn less, their financial growth is constrained and they become unable to accumulate financial capital needed to start businesses (IAB, 2009). Women also do not use much of external financial services from institutions but rely on their own fund which is not sufficient to run large enterprises (Greene, Brush, Hart, &Saparito, 1999). This is one of the reasons that majority of business owners are concentrated in the small and micro enterprises. Chandler and Hanks

(1998) indicates that human capital can substitute financial capital. This means that one can achieve the same economic success using high or low finances and high or low levels of human capital. This is why most financial institutions such as banks or venture capital firms consider the human capital of an enterprise owner when they decide on whether to extend credit to a business or not. Human capital also serves as a measure by new and potential employees and financiers and may therefore impact business growth indirectly through eased access to other human resources and a decrease in capital constraints (Parker, & van Praag, 2006; Backes-Gellner, & Werner, 2007).

2.4 Cultures of Female Entrepreneurs

The culture of entrepreneurship has a great impact on how men and women exhibit differences in their skills to run enterprises (Acs, et al 2005; Verheul et al, 2006). This is because how a person is adapted to a specific environment determines the traits they acquire. Culture has been previously defined as collectively programming a people's mind in way that it is possible to tell one group of people from another (Hofstede 2003 p5). Similarly, others have define culture as what a people share in terms of identity, what they value and believe in, how they interpret different experiences and place meaning to significant events in the society. This experiences and shared values are then passed on from one generation to the next (House et al., 2001). This therefore means that entrepreneurial culture can therefore be described as those values and preferences that a group shares and those that impact on the chances one has in becoming an entrepreneur.

There can be shared values and beliefs that causes an individual to act differently from others and they could be intentions that make one to be entrepreneurially oriented, however if there is no opportunity then the intention cannot lead one to the success they need (van Praag and van Orphem 1995). Enterprise opportunities present a variation in

terms of institutional and macroeconomic conditions. There exists variations when it comes to one's intention that is influenced by culture and what the outcome of entrepreneurial action may be and this could be attributed to one's opportunities. The body of knowledge around orientation examines the different entrepreneurial opportunity constraints from those of culture. Migrants are required to have with them their original culture which in most instances explains their success in a different cultural setting (Guiso et al. 2006). It is evident that culture greatly impacts on an individual's entrepreneurial action and this can be identified by considering the choices and actions of migrant groups in a common economic environment.

Cultural values always influence a society's description of gender roles and stereotypes consequently determining careers or enterprise orientation that a culture considers appropriate for men or for women (Mueller 2004; Shinnar et al 2012). Institutional influence leads to discrimination. This makes how females make choices on entrepreneurship to be linked their gender roles prescribed by the society in which they live. (Fischer et al 1993; Marlow and Patton 2005; Gupta et al 2009). Most cultural groups most of the times are not gender differentiated. Experiences that are shared by most people give rise to common values and when these values are transmitted they have deep roots from taking place in the same location.

2.5 Critical Success Factors for Women-owned Enterprises

Most economies register an increase in the financial contribution of female entrepreneurs to the economic development. There is however a number of challenges that hinder more contributions which is associated with different factors. According to the World Bank for example, (2007), ILO (2006), (SMIDEC, 2004), women in business especially medium and small enterprises are affected by a lot of protocol and other inhabitants, insufficient

enterprise knowledge, knowing how to manage and market; challenges in reaching economic gains/insufficient capital, limited access to knowledge and data; no specific standards followed in the industry they operate, limited investment access such as equipment that makes technology easy to use and know-how, insufficient goodwill of large corporates to work with domestic MSEs and seem as if they are working against them/no goodwill on the part of the government to support programs dealing to public procurement, limited quality networking opportunities and lack of quality awareness schemes that bring about mutual recognition; cultural barriers and different languages used, limited intellectual property protection, international sales risks, having the same duplicated businesses competing for the same market space in foreign markets ; having very complex trade documents include how commodities should be packed and labelled, and limited access to the necessary technology.

2.6 Knowledge Gap

Many researches that have been done around entrepreneurship on gender issues have many times showed that enterprises run by male entrepreneurs usually perform better than those owned and run by women in terms of financial success (Rosa, Carter, & Hamilton, 1996 and Parker, 2009). However, currently women led organization have showed a change of trend by posting high financial gains. Most women do not appear to have been able to match up this trend due to their cultural limitations. This study sought to find out reasons why some cultures have been able to empower their women more than others. Women perceptions and attitudes will be focused on as this determines how they take up changes that are to improve their economic involvement.

Table 2.1: Summary of Literature Review (Empirical and Theoretical Literature reviews)

| Study | Study focus/main objectives | Methodology | Findings | Knowledge gaps |
|------------------------|---|---|---|--|
| Mulugeta, C. W. (2010) | Factors affecting the performance of women entrepreneurs in micro and small enterprises | Uses qualitative methodology descriptive statistical techniques and Descriptive narrations. | Demographic characteristics of entrepreneurs greatly influence their success in entrepreneurial activities. | Even though, all the economic, social, legal and administrative factors affect the performance of entrepreneurs, they do not have equal impact. More research is needed to determine this. |
| Edona, H. (2015) | Factors affecting the success and performance of women entrepreneurs in Kosovo | Qualitative and case study survey | Women have different reasons to start enterprises as compared to men even though there are common elements. | The impact of entrepreneurial policies to women enterprises. |

| | | | | |
|---|---|-----------------------------|---|--|
| Patricia, G., Myra, M., Elizabeth, J. (1995) | Women Entrepreneurs: Moving Front and Center: An Overview of Research and Theory | Secondary data analysis | Characteristics of male and female entrepreneurs were similar. | The impact of barriers hindering female entrepreneurs, society's negative beliefs about women |
| Nasimiyu, R. (1993) | The Women's Movement in Kenya, Women led organizations | Uses qualitative methods | The study established that women are very active and visible in the economic spheres of development organized in form of women's groups, and informal initiatives | The research needed to capture whether increased participation of women in politics could reduce barriers to growth for female entrepreneurs. |

Source: Research 2016

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discussed the various stages and phases that were followed in completing the study. It is a preview of the research design, the target population, and the data collection method that was used and how the data gathered was analyzed. This helped achieve the objectives of the study and also report the findings in an organized manner.

3.2 Research Design

This study used a descriptive research design. This design is useful because information from any field research on current status of issues always describes what exist in respect to variables or conditions in a situation and their relationship will be obtained (Kothari, 1990). It is a study which involved collection of data from women entrepreneurs in Kajiado County which was considered as a representation of the situation in country. The data collected from the women entrepreneurs answered questions about the current status of the study topic and it is cross sectional as it was collected from different women in different parts of the county over the same period of time.

3.3 Population of the Study

The population of the study describes what a researcher intends to generalize results of the study on (Mugenda and Mugenda 2003). The target population for this study consisted of women entrepreneurs located in Kajiado County. According to the statistics available from the Kajiado county council and the department of micro and small enterprises, there are 680 registered women entrepreneurs operating within Kajiado County in the year 2014/2015. It would have been good to take as suggested by (Gay 1981) 10% of the targeted population as the sample size for this descriptive study.

However, due to the fact that there was a scattered population in the county, it was hard, costly and time consuming to use the projected data collection procedure.

3.4 Sample Design

A simple random sample of 50 women entrepreneurs in Kajiado County was used in the study. This method was used because of its ease in assembling the sample, its representativeness of the population and it is unbiased selection thus reasonable to make generalizations (Mugenda and Mugenda, 2003). According to Dattalo (2007), the perfect sample size is directly related to the type of research one is conducting. The study used purposive sampling to get representation of the women in the county. In purposive sampling the researcher relies on his/her own judgment to select sample group members.

3.5 Data Collection

Primary data was used in this study. It was collected by use of questionnaires. The questionnaires were semi-structured and contained a number of questions which were printed in a definite order on a form. They were hand delivered to respondents who were expected to read and understand the question and write down the responses in the appropriate spaces provided. For those entrepreneurs who cannot read and write, the question were read to them by the research assistants and also assisted in filling in the questions. The Questionnaire structured in three parts; part (A) included demographic characteristics of the entrepreneur, part (B) Characteristics of women entrepreneurs and women owned enterprises and part (C) the specific factors that hinder the growth of women-owned enterprises.

3.6 Data Analysis

For the analysis of data that was done, excel sheets were used to simplify the task. All the responses were made ready for analysis through summaries made from the sheet. Descriptive statistical techniques and descriptive narrations was used to analyze the data. The profiles of the respondents, these are responses that showed factors that were been examined on the contribution to their success in enterprise development in female entrepreneurs were analyzed using simple statistics such as frequency tables and percentages. Descriptive statistics which involved computing mean and standard deviations of the data collected from the field was computed for the Likert statements and analyzed by comparing these mean scores and deviations from all the participating respondents. Descriptive statistics was preferred to compare the different factors that accelerate either growth or failure of the growth of women entrepreneurs by the means and standard deviations of data compiled. This was then followed by relevant discussions with much reference from the literature review done so as to achieve the desired results. When giving interpretations of the results for the likert questions, the mean scores from the results were then applied. The data was analyzed qualitatively with the aim of ascertaining common themes from the responses provided by the respondents.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the research findings based on the data collected after administering the questionnaires. The purpose of the study was to link factors that contribute to the growth of business to the performance of women owned enterprises in Kajiado County. Frequency table and figures were used to present the data and facilitated report production with the intention of answering the research objectives.

4.2 Response Rate

As indicated in chapter 3, the research method used was questionnaires which were dropped and later picked from the selected participants in the research. The researcher was able to drop 60 questionnaires to various enterprises within Kajiado and managed to pick 50 of them. This is a 83.3% response rate which is a good percentage to conclusively achieve the research objectives.

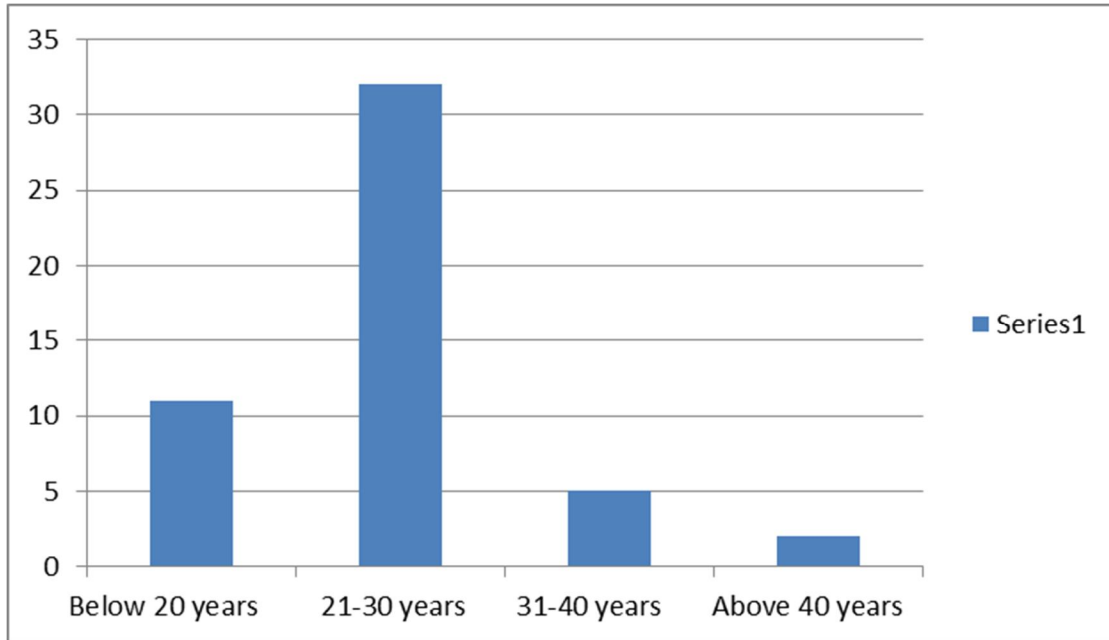
4.3 Demographic Information

This section is meant to provide a general characteristic of women entrepreneurs around the County in terms of their age, level of training, marital status and the length of time they have been in business. This generally helps link these characteristics and to how successful a business is or to what might be causing its failure.

4.3.1 Age of the Respondents

The respondents who participated in the study by filling the questionnaires were of different ages as highlighted in figure 4.1:

Figure 4.1: Age of the respondents



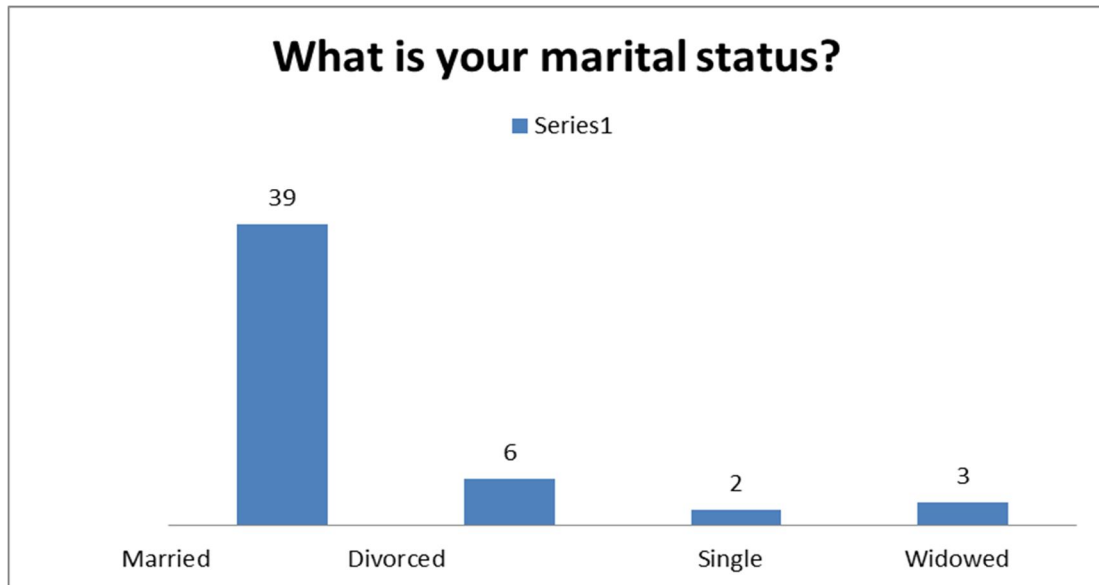
Source: Field data

Figure 4.1 presents that out of the 50 women that participated in the study, 64% were between the ages of 21-30 years. This is more than half but it is expected since most people in business in the county are young people due to the high level of unemployment. Most young people have also realized that one needs to jump in when the industry is emerging. They realize that if they did not get in, others would and establish their beachhead.

4.3.2 Marital Status

The women that participated in the study were of different marital as shown in figure 4.2. It was important for the study to determine their marital status to establish the impact that the spouses have to the success of women who run and own businesses. Divorced and widowed women may or may not have the support of their in laws in running businesses or in supporting their children so as to have more time dedicated to the business.

Figure 4.2 Marital Status of the respondents



Source: Field data

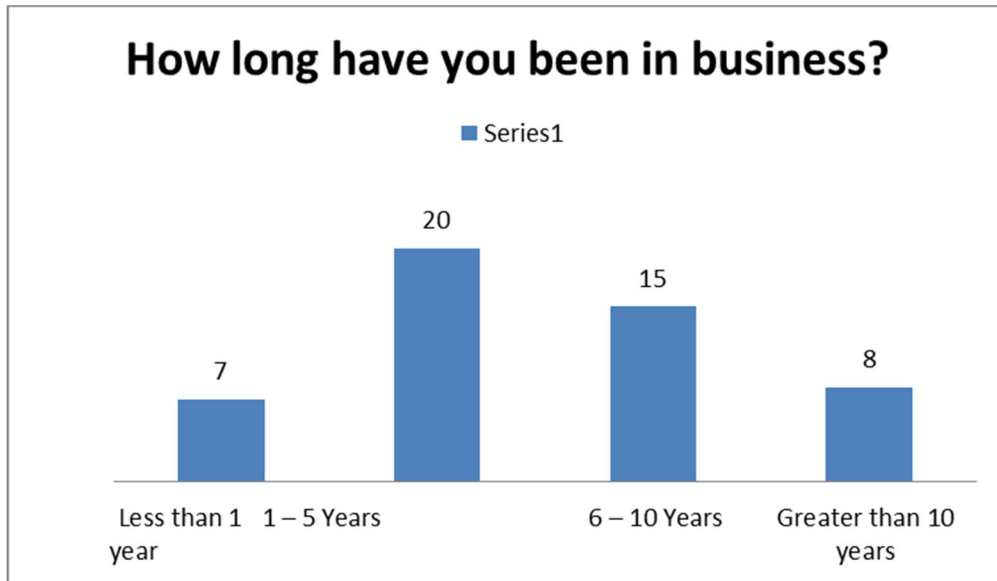
Figure 4.2 above presents that most of the women business owners are married with 78% of the respondents being married women. This is attributed to the fact that most women in the Masaai community are usually married off at a very young age. Being married also has shown support for most entrepreneurs as their families are involved in the start-up and also running of the business.

A study done by Manolova, Carter, Manev and Gyoshev, (2007) suggested that for a business to be successful an entrepreneur needs to put in a lot of effort especially in the initial stages. This study noted that married women who engaged in entrepreneurial activities in Kajiado County have so many responsibilities including taking care of their family and at times may not sacrifice much for their business to grow. This then makes female entrepreneurs to depend more on human capital for their success, as people form their greatest asset which is a different case with men whose greatest assets in a business can be seen in their access to financial services and the networks they make.

4.3.3 Duration of Business Existence

The questionnaires also sought to find out the length the enterprises have been in existence as shown in figure 4.3.

Figure 4.3 Length of business existence



Source: Field data

Figure 4.3 presents that the majority of the respondents have been running their business for 1-5 years. This shows that many have not been running their business for a long period. From figure 4.1, most of the entrepreneurs were between 21-30 years and that explains why they have not been in business for such a long amount of time. However, there were few, 16%, who had been running their own business for 10 years. This represented a majority of the older women in business.

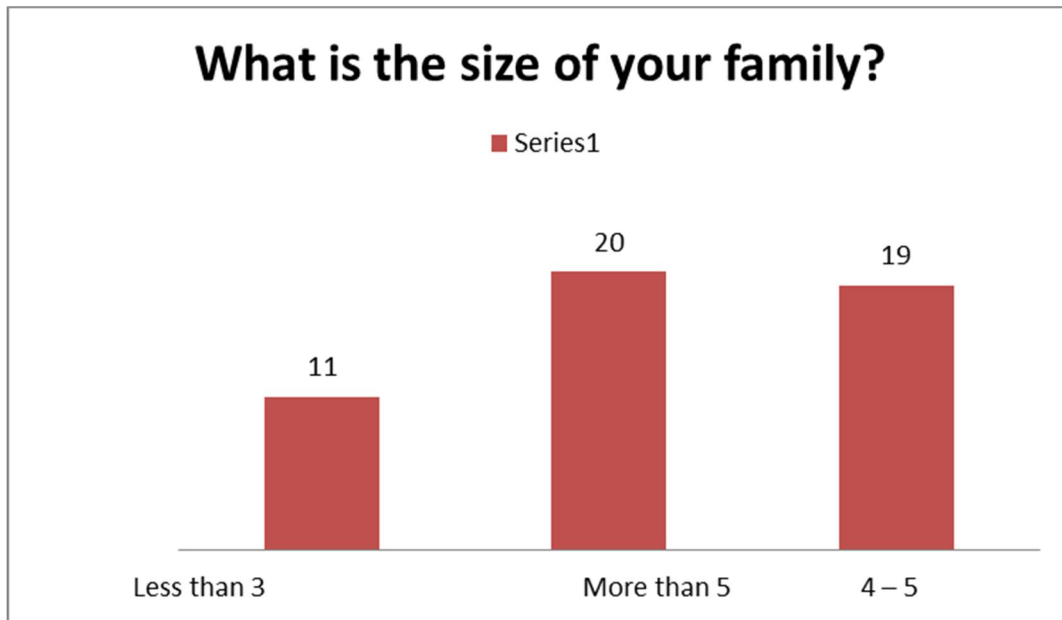
4.4 Characteristics of Women Owned enterprises

The study analyzed characteristics of women entrepreneurs in terms of their background and family status. Women traditional gender roles have hindered their success and this study sought to find out if women in Kajiado County faced the same challenges.

4.4.1 Family Size

The study analyzed the size of nuclear families of the respondents and the findings are represented below.

Figure 4.4 Family Size

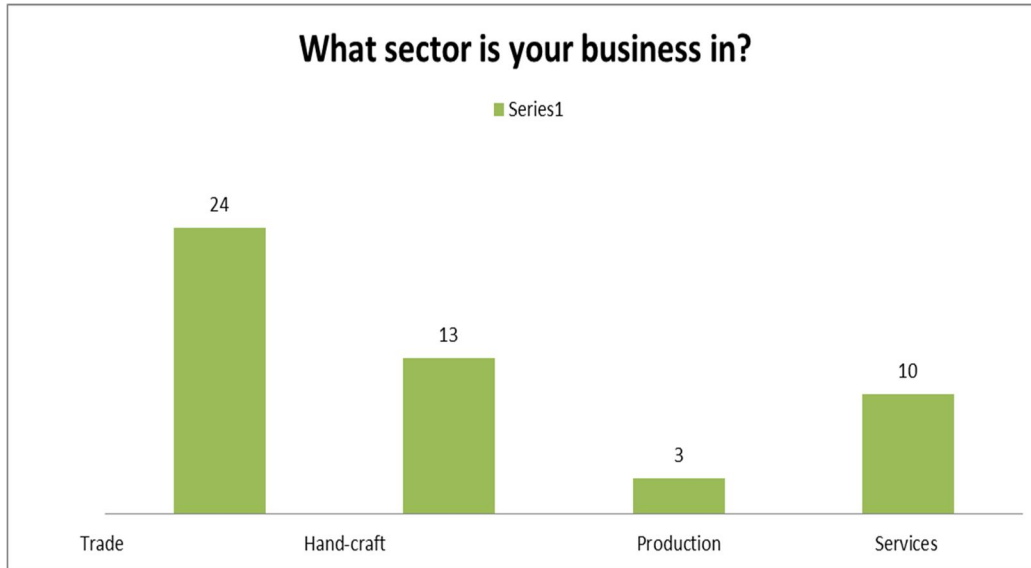


Source: Field data

Figure 4.4 indicates that 40% had families of more than five people. This include the spouse and children; this was foreseen as most of the women entrepreneurs were married and with children. Traditionally families in Kajiado County are made of nuclear and extended families where a whole family lives in the same location or in a small village of less than thirty members. This family set up has encouraged many women entrepreneurs in Kajiado county to venture in to business as they have support from the extended family especially in taking care of the little ones. Only 38% had between 4-5 family members and 22% had less than 3 members in their families.

4.4. 2 Business Sector

Figure 4.5 Business sector



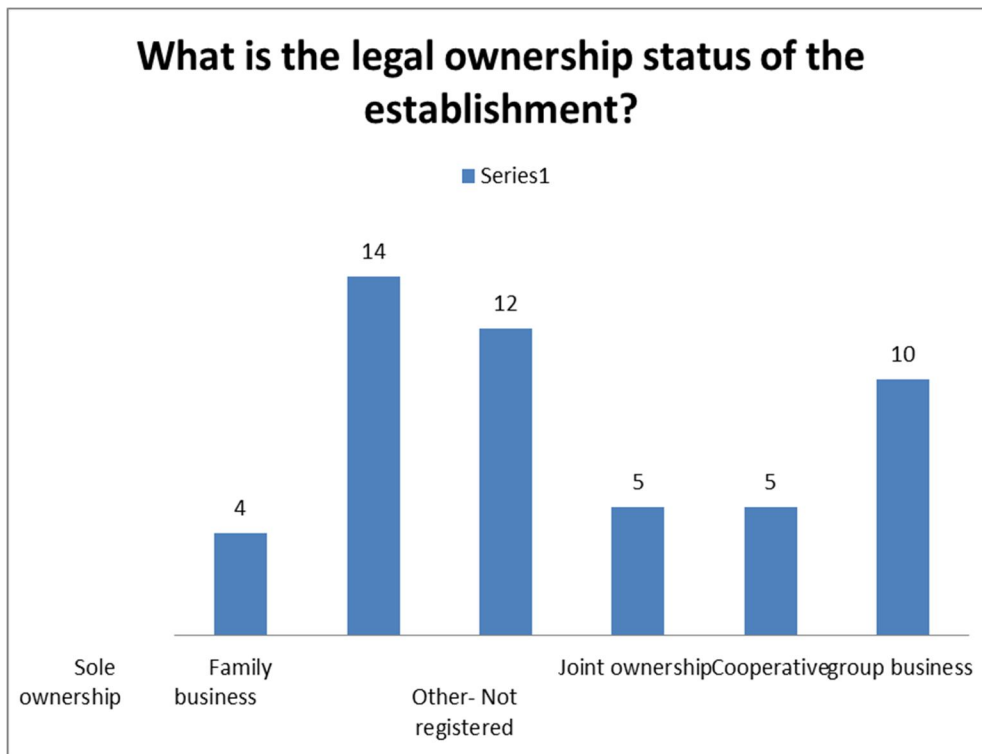
Source: Field data

Figure 4.5 indicates the sectors that have most female owners. 48% are in trade with only 6% been in production. Kajiado County experiences a large number of tourist that explains why we have 26% of the women owning handcrafts business.

4.2.3 Legal Ownership Status of the Enterprise

The study also sought to find the legal status of the women owned enterprises in Kajiado county in order to ascertain if they were legally registered as indicate in figure 4. 6. While most of the businesses before were unregistered, the government recently has become more strict ensuring that all businesses are licensed legally. The study sought to establish if women get into other form of business ownership status other than sole proprietorship. This is because women are more risk averse as compared to their male counter parts who get into partnership for the sake of growing more networks and bring in different strengths for the success of their enterprises.

Figure 4.6 Legal Status



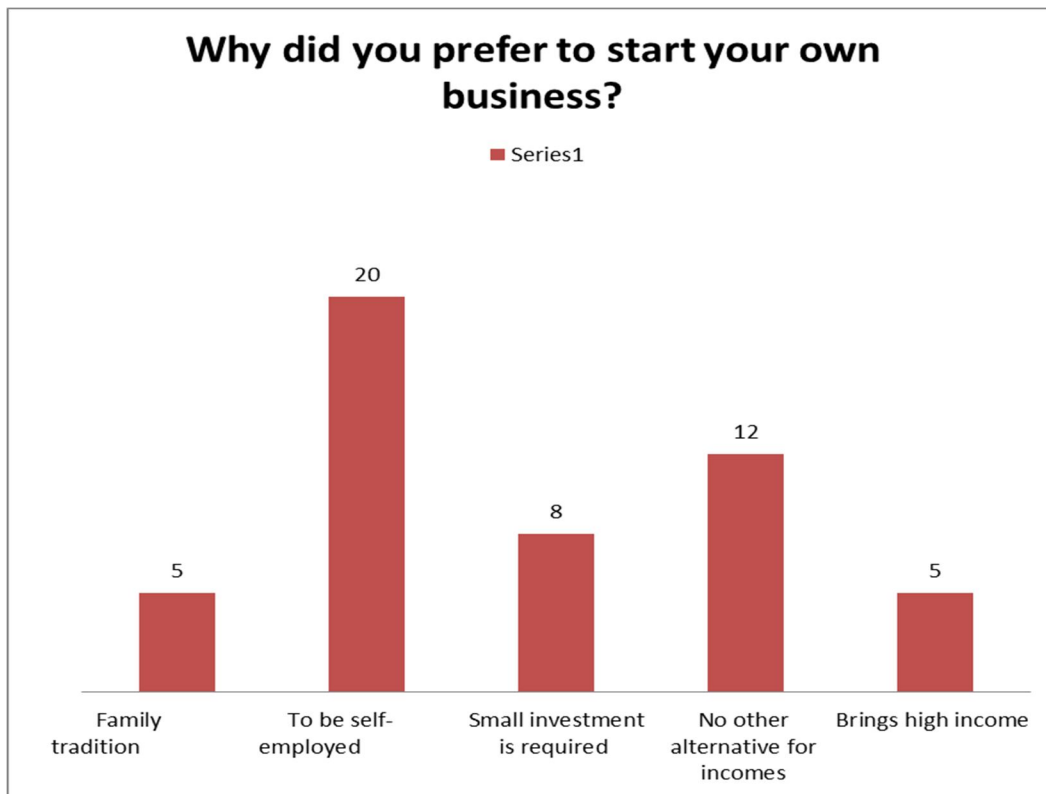
Source: Field data

Figure 4.6 indicates that a large number, 24%, of the businesses are not legally registered. Most women are running large enterprises that employ a number of staff without registering them. The study also established that the 28% family businesses too had no legal registration. 20% were registered under social services as self-help group and Community based organizations.

4.2.4 Reasons for the Business Start-up

There are various reasons why people go in to business and this study analyzed among the other reasons women get into business as indicated in figure 4.7. with the high rate of unemployment in the country, it is important to determine whether business started by women who are not successful in their job search do succeed.

Figure 4.7 Reason women start their own businesses



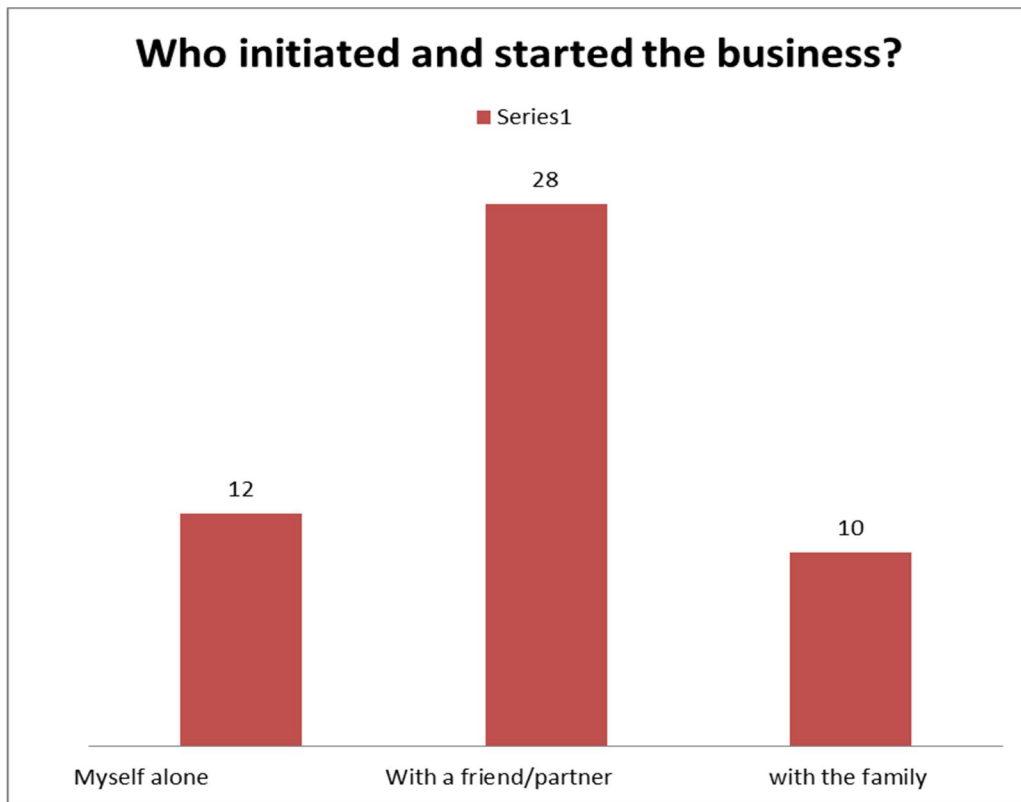
Source: Field data

Figure 4.7 indicates that 40% of the women in the study started their own businesses because they wanted to be self-employed. 24% however had no other alternative and got into business as they only option to having a livelihood. The findings indicated that a larger percentage of women wanted to be self-employed. This would ensure that they have the freedom to run their business and at the same time be able to attend to their family needs and social life. While this was the leading reason for starting a business, others started their own enterprise due to lack of employment. In Kenya, we still have a high rate of unemployment and this can only be overcome through encouraging entrepreneurship both in schools and in employment. Only a smaller percentage of 10% got into business because they expected to get a high income from it.

4.2.5 Person that influenced business start-up

Majority of young women have different people in their lives who influence their decision to get into business as indicate below from the study findings.

Figure 4.8 Person that influenced business start-up



Source: Field data

Figure 4.8 indicated that 24% initiated and started business by themselves. The largest percentage of the respondents, 56%, had a friend or partner at the initial stage of the business. While there are many reasons for doing partnership when starting a business, this study observed that the main reason for partnership in women owned enterprises, was as a way of pulling resources and managerial ideas as well as sharing different past and present entrepreneurial experiences to effectively run the businesses

4.3 Factors Affecting Women Entrepreneurs' Growth in Enterprises

The study's major objective was to determine the factors that affect the growth of women owned enterprises. The study finding shows the correlations between some of the major factors that determine growth in women owned enterprises in Kajiado County. The production stages of small business are usually faced with many challenges due to limited access to finance despite there been many financial institution in the country. This is because of the many requirements put by the financing institutions.

Table 4.1: Cronbach's alpha.

Reliability Statistics

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|------------------|--|------------|
| .876 | .969 | 11 |

Source: Research data

Table 4.1 is an evaluation of the statistical reliability of the questionnaire and it is clear that the cronbach's alpha is .876, which is indicative of a high level of internal consistency for the scale used in this study.

Table 4.2: Correlation analysis Interest charged by Financial Institutions Correlations

| | | I am satisfied with the financial access given by micro finances and other lending institutions | Interest rate charged by micro finances and other lending institutions are reasonable |
|---|---------------------|--|--|
| I am satisfied with the financial access given by micro finances and other lending institutions | Pearson Correlation | 1 | .730** |
| | Sig. (2-tailed) | | .005 |
| | N | 50 | 50 |
| Interest rate charged by micro finances and other lending institutions are reasonable | Pearson Correlation | .730** | 1 |
| | Sig. (2-tailed) | .005 | |
| | N | 50 | 50 |

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

Source: Research data

Table 4.2: Pearson correlation was conducted to establish the relationship between the satisfaction with access to financial services offered by microfinance institutions and the reasonableness of the interest rate that is charged by the microfinance institutions. From this assessment, it is evident that there is a strong relationship between the satisfaction and the reasonableness of the interest rates charged by the financial institutions, which was statistically significant ($r=.730$, $n=50$, $p=.005$).

Table 4.3: Correlation analysis: Managerial skills and access to information to exploit business

Correlations

| | | I have managerial skills | I have an access to information to exploit business |
|---|---------------------|--------------------------|---|
| I have managerial skills | Pearson Correlation | 1 | .824** |
| | Sig. (2-tailed) | | .000 |
| | N | 50 | 50 |
| I have an access to information to exploit business | Pearson Correlation | .824** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 50 | 50 |

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

Source: Research data

This table indicate a strong relationship between possession of managerial skills and access to market information.

Table 4. 3: This is a correlation analysis of that was conducted in the assessment of the relationship that exists between the possession of managerial skills and access to information for exploiting businesses, a strong relationship between possession of managerial skills and access to market information and was statistically significant (r=.824, n=50, p=.005)

Table 4.4: Correlation analysis: Access to market for products and business assistants and support from government bodies

Correlations

| | I have access to market for my products | I have business assistants and supporters from government bodies |
|--|---|--|
| I have access to market for my products | 1 | .880** |
| Pearson Correlation | | |
| Sig. (2-tailed) | | .000 |
| N | 50 | 50 |
| I have business assistants and supporters from government bodies | .880** | 1 |
| Pearson Correlation | | |
| Sig. (2-tailed) | .000 | |
| N | 50 | 50 |

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

Source: Research data

In the assessment of the correlation analysis of the relationship that exists between the access to market for products and assistance from the government bodies, it is evident that there is a strong relationship between the two variables. From the assessment, $r=.880$, $n=40$, $=p=.005$, implying that there exists a strong relationship that is statistically significant.

Table 4.5: ANOVA analysis: I have better networks with outsiders (Constant), I can borrow money even without titled assets as a Collateral

ANOVA^a

Table 4.5: Anova Analysis

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|----------------|----|-------------|--------|-------------------|
| 1 Regression | 70.585 | 1 | 70.585 | 60.680 | .000 ^b |
| Residual | 55.835 | 48 | 1.163 | | |
| Total | 126.420 | 49 | | | |

Source: Research data

- a. Dependent Variable: I can borrow money even without titled assets as a Collateral
- b. Predictors: (Constant), I have better networks with outsiders

Table 4.5 is a regression assessment in an effort to determine whether a relationship exists between possession of better network with outsiders and the ability to borrow money without titled assets as collateral. According to the analysis results from the table, the regression model is able to predict the dependent variable through the assessment of the sig value $P < 0.005$. The fact that the value is less than 0.005 is indicative of the fact that the regression model statistically significantly predicts the results of the variable. Carter (1996) states that people who have networks can be able to get their way in the same situations that others may not due to favors owed to them.

Table 4.6: ANOVA analysis the attitude of other employees towards my business is positive

Predictors: (Constant), I have managerial skills

ANOVA^a

Table 4.6: Anova Analysis

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|--------------|----------------|----|-------------|---------|-------------------|
| 1 Regression | 106.572 | 1 | 106.572 | 281.878 | .000 ^b |
| Residual | 18.148 | 48 | .378 | | |
| Total | 124.720 | 49 | | | |

a) Dependent Variable: The attitude my employees towards the enterprise is positive

b) Predictors: (Constant), I have managerial skills

Table 4.6 is a regression analysis of the relationship between the possession of managerial skills and the attitudes employees have relating to a business. From the analysis, there is an indication that there is a strong relationship and that the regression model can predict the dependent variable statistically significantly well with the sig value $p < 0.005$.

4.4 Discussions of Results

The findings of this research show a positive relationship of the factors that influence growth of enterprises and the success of women owned enterprises. Research indicates that most women are in small enterprise management. According to Liedholm (1990), small enterprises are much more flexible than large companies and so managerial skills determine greatly the growth of the enterprise. Employees also form the greatest asset to the enterprise as they take care of the customers. Managing people is a great trait in business growth. When employees are well taken care of, they are more likely to treat well the clients they serve. Customer satisfaction increases return business and therefore increasing the growth of a business.

Similar research carried out by Kantor (2003) shows resources that are needed for the success of an enterprise. There are various resources that an entrepreneur requires in running a firm and this having experience and education is always an added advantage (Kantor, 2003), the resource-based theory greatly supports this and it is important and useful to determine how and what resources are required by women entrepreneurs to sustainably run successful operations. This study shows that the lack of networks by most women also limits their access to credit facilities and they are not able to influence decision making in most organizations.

The findings indicated that women wanted to open up their own business mainly because they wanted to be self-employed. With the expanding population, unemployment is a major concern in developing countries and particularly in Kenya according to the Economic Recovery Strategy (2003). The number of people unemployed in Kenya stood at about 12.7 per cent of the labour force as stated by the World Bank (2007). By opening their own enterprises women would ensure that they have the freedom to run their business and at the same time be able to attend to their family needs and social life. While this was the leading reason for starting a business, others started their own enterprise due to lack of employment. In Kenya, we still have a high rate of unemployment and this can only be overcome through encouraging entrepreneurship both in schools and in employment. Our government is currently running several entrepreneurship ventures to counter the unemployment problem in the country.

This study also indicates that a bigger percentage of women owned enterprises were started by partnership or with a friend. This is because a bigger percentage of women owned enterprises were also run by married women. The results showed their husbands also played an important role in the startup of this business through partnership. This study further indicated that women owned enterprises were not started all started with their husbands but also with friends and family. While there are many reasons for doing partnership in starting a business, this study observed that the main reason for partnership in women owned enterprises was a way of pulling resources and managerial ideas and experiences to effectively run the business.

The research findings indicate that demographic characteristics of an entrepreneur also influence the success of the enterprise. According to the World Bank for example, (2007), ILO (2006), (SMIDEC, 2004), women in business especially medium and small

enterprises are affected by a lot of protocol and other inhabitants, insufficient enterprise knowledge, knowing how to manage and market; challenges in reaching economic gains/insufficient capital, limited access to knowledge and data. Characteristics of most of entrepreneurs whether male or female may influence the access of knowledge and data, influence how one manages markets or even access to capital.

From the analysis made in this study, women from different marital status have different experiences when it comes to limitations brought about by the cultures they grow and work in. Culture values always influence a society's description of gender roles and stereotypes consequently determining carriers or orientation that a culture considers appropriate for men or for women (Mueller 2004; Shinnar et al 2012). Institutional influence leads to discrimination.

The study observed that 78% of women who owned enterprises in Kajiado County were married women with the least of those interviewed being single women. The communities in this county and those mostly targeted in the study were from the Maasai community that still depicts high value in family with marriage being an enviable status. These women do not make enough income sufficient for their households needs and therefore cannot afford nanny care for their children. This increased demand in time between home and work leads to lack of time for business and time to update their skills. The study therefore concludes that unlike the western culture that indicates a slow growth in business of married women as explained by Mueller (2004), the Africans cultural values in family also contribute to the success of businesses owned and run by women due to the support accorded to them by the extended families in running both household chores and the women owned enterprises.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study was conducted with the aim of finding out the factors that have major on the growth or failure of women owned businesses in Kajiado County. The respondents reached were 50 female business owners who have owned businesses for one year and others for even more than ten years. This chapter outlines the summary from data analyzed in the previous chapter. The findings have different implications on practice, academia and policy as it will be outlined. Comparisons from other scholars will be done to offer more insight into the research findings. This will be based on the literature review done in chapter two.

5.2 Summary of the Study

From the study, most of the factors that affect women during initiating and running of business are almost alike to those that affect men. The ones that are unique to women are those tied to their traditional gender roles. Ewoh (2014) noted that people who are able to acquire the necessary education and training in a particular business area usually gain the much-required expertise and improve their chances for business success. However, the proper training for women is much difficult than that of men. This is because women have other household obligations which are very time consuming. Ability to tap in to new markets requires this training that women have no greater access to. Many women in the modern society still lack access to training and also have no experiences on how to engage with others in the market place. This therefore makes them unable to strategically market goods and services. For this reason, most enterprises owned by women do not have enough capacity to make maximum production and market their goods and services.

The study also highlights the relationship between access to networks and access to support from government and other institutions that support business performance. There is a very high correlation which was similarly noted by Mahbud (2000) when he stated that women face gender discrimination since majority of networks that support women entrepreneurs are male dominated. This lack of network hinder the access to government bodies that promote growth of enterprises in the country. In Kenya for example the government has introduced the 30% rule of having 30% tenders awarded to women, youth and the disabled yet women are still not able to access them to grow their enterprises.

Women owned enterprises need to access to financial capital. Many institutions do not offer credit particularly to state-ups and therefore women entrepreneurs experience this challenge when trying to start new ventures. Men usually have an advantage over women and this gives them opportunities to gain access to credit. This advantage that men have includes having collateral in form of documents of ownership of big assets. Many institutions do not consider some household assets as enough collateral for credit purposes (Mahbud, 2000). This pushes most of the women to engage to illegal credit access that results in loss of their assets. A report by the World Bank, Makena (2012) shows women have ownership to only one percent of the world's property. Expecting collateral therefore from women in order for them to acquire capital from financial institutions is a hindering mechanism to women owned enterprises. This is an extension to Njati (2014) who noted that lack of having property in their names limits female entrepreneurs from securing loans due to lack of collateral.

Policy makers are very essential in business growth. Many economies in the world have grown due to good policies that safeguard the business environment. Most countries have

fewer women in decision making bodies. This means women are not well represented in making policies that favour them. When more men are policy makers or have an easier access to policy making bodies, they are able to influence policy. This is also seen in large corporations where women seem not to have a sense of belonging therefore have limited access to governance opportunities in their regions, mainstream enterprise corporation, which limits their contribution in to policymaking and other changes through lobbying and advocacy. This study also highlights the need for women to have access to information regarding their enterprise environment. When women have no access to information, there is a limit to their knowledgeability in the shifting global village economies.

5.3 Conclusion of the Study

This study concluded that there is still so much that has to be done so as to promote women entrepreneurs bearing in mind their big role in economic development. Many governments have embarked on women empowerment programs that have added an advantage but in most countries women in urban areas seem to have the greatest benefit due to their access to information. The study further concludes that women entrepreneurs can benefit a lot from networking events where they get access to different resources. This could be attributed to the fact that more than 50% of the funds used in business start-up comes from other sources other than personal savings.

5.4 Limitations of the Study

For the purpose of this study limitations were indicated as the factors that arose and had a contribution to any inadequate data that the researcher got. This means that the responses would have been marginally different had this factors been different. They also seem different from the expectation of the researcher. These included:

The respondents were largely drawn from women with businesses with physical addresses. The responses would have varied significantly were the same questions addressed to even those with virtual addresses. This is mainly because the business environment has changed and there are more businesses that do not have physical addresses and are performing very well. The respondents were all women. This created a bias on the responses given. Involving men in the research could give a different view since they offer support to the great performance of the women owned enterprises as partners, staff and also venture capitalists.

5.5 Recommendation of the Study

Factors that impact the growth Based on the findings of this study, several recommendations can be made. There is need to increase the attention to the enrolment of women to formal learning as the early exposure increases there network with potential business partners, venture capitalist and business development specialists. There is a very high school dropout rates among the female population that needs to be addressed by policy makers and also the society in general since most is caused by cultural requirements. Most women have resulted to forming their own savings groups that enable them access credit to run their businesses. This credit from the groups is not enough to grow their small enterprises compared to what is accessible from financial institutions. This study therefore recommends favorable conditions for access of credit with a wide range of securities that are not limited to land title deeds.

Women entrepreneurs need to be involved in policy making. This will lead them to make policies that enable them counter the challenges that affect them when running their enterprises. Having women in elected and appointed government positions, business leaders and other leadership positions that affect the business environment should be a

core focus of organization that are seeking to increase the inclusion of women in governance.

5.6 Areas suggested for further research

This study only concentrated on women enterprises in Kajiado County which is not a conclusive study for the whole country. Carrying out more research in other counties would provide more conclusive findings for the women entrepreneurs in Kenya. The study also targeted women who are actively running the businesses they own. There are many women in employment who own enterprises and have left them to be run by their staff. The challenges or advantages they may be are different from the ones faced by those fully involved in running of their own business.

Further studies can also be conducted on the contribution of men in the growth of female owned enterprises. Excluding men who are in the majority and major financiers of women entrepreneurs is to ignore experience and mentorship. Women who have support from their networks, most of whom are composed of men seem to succeed speedily in entrepreneurship. This makes it important to cooperate with men who have been more experience and means in the management of entrepreneurship. This study also suggests that further studies can be carried out on relationship between the success of women owned enterprises and social change in the communities that they operate in.

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APPENDIX I

LETTER OF INTRODUCTION TO THE RESPONDENTS

Waihumbu, Timothy,
University of Nairobi,
P.O Box 30197,
Nairobi.

Dear respondent,

RE: DATA COLLECTION

I am a post graduate student in the school of business, at the University of Nairobi. I am carrying out a research on the factors that hinder the growth of women owned enterprises in Kajiado County. You have been carefully selected to participate in this research. Please assist me in this venture by completing the attached questionnaire. The information you provide will be treated with utmost confidentiality and it will be used for the purpose of this study only. Your assistance towards this is highly appreciated.

Yours faithfully,

Waihumbu, Timothy
University of Nairobi
Dr. Gathungu,
Supervisor
University of Nairobi

APPENDIX II

QUESTIONNAIRE

This questionnaire is designed to collect data on factors that hinder the growth of women entrepreneurs in Kajiado County. The data collected shall be used for academic purpose only, and thus shall be treated confidentially. Your participation in facilitating this study is highly appreciated. Kindly answer the following questions by ticking in the appropriate box.

PART A: Demographic Information (*Tick in the appropriate box*)

1. What is your age?

- | | |
|---|---|
| <input type="checkbox"/> Below 20 years | <input type="checkbox"/> 31-40 years |
| <input type="checkbox"/> 21-30 years | <input type="checkbox"/> Above 40 years |

2. What is your level of training and training

- | | |
|---|---|
| <input type="checkbox"/> Cannot read and write | <input type="checkbox"/> Certificate |
| <input type="checkbox"/> Up to standard 8 level | <input type="checkbox"/> Diploma |
| <input type="checkbox"/> Form four level | <input type="checkbox"/> Degree and above |

3. How long have you been running your enterprises?

- | | |
|---|--|
| <input type="checkbox"/> Less than 1 year | <input type="checkbox"/> 6 – 10 Years |
| <input type="checkbox"/> 1 – 5 Years | <input type="checkbox"/> Greater than 10 years |

4. State your marital status?

- | | |
|----------------------------------|---------------------------------|
| <input type="checkbox"/> Married | <input type="checkbox"/> Single |
|----------------------------------|---------------------------------|

Divorced

Widowed

PART B: Characteristics of female entrepreneurs and women who own businesses

5. How many are you in your family?

Less than 3

4 - 5

More than 5

6. In which sector is your business operating?

Trade

Production

Hand-craft

Services

Other (specify _____)

7. How many staff have you employed in your enterprise?

Less than 5

6 - 10

11 - 15

More than 15

8. Where did you acquire the initial capital to start your business?

Personal savings

Borrowings from relatives or friends and other money lenders

Micro-finance institutions

Assistance from NGO's

Borrowed from Bank

Others (specify) _____

9. How has your business been registered in legal business ownership status?

Sole proprietorship

Partnership

Family owned business

Cooperative

Other (specify) _____

10. What motivated you to start your enterprise?

Family traditions

Little investment is required

For self-employed

Lack of alternative for incomes

To generate high income

Others (Specify) -----

11. Who initiated and started the running of the enterprise?

Myself

Family was involved

Friend/partner assistance

other (specify)

PART 3: FACTORS AFFECTING WOMEN ENTREPRENEURS'

GROWTH IN ENTERPRISES

12. Majority of the factors that enhance growth of women owned businesses are listed below. Read carefully each of the factors, make an evaluation basing them on how you run your enterprise and then put a tick mark under the choices you pick below.

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

| ITEM | Agreement scale | | | | |
|---|------------------------|---|---|---|---|
| Factors relating to the economy | 1 | 2 | 3 | 4 | 5 |
| Financial institutions and other lending institutions have given me access to micro-credit enough to run my enterprise. | | | | | |
| I face no major challenges while marketing my products | | | | | |
| Different business trainings have been made accessible to me | | | | | |
| The premises I use for my business is mine | | | | | |
| There is a lot of information that I get that helps me exploit business opportunities | | | | | |
| My managerial skills are excellent | | | | | |
| Technologies used in my enterprise are easily | | | | | |

| | | | | | |
|---|--|--|--|--|--|
| accessible | | | | | |
| I face no stiff competition in the course of my business | | | | | |
| There is adequate infrastructures available in the location I work in | | | | | |
| Raw materials and other business inputs are easily accessible | | | | | |
| Factors relating to the social business environment | | | | | |
| I am highly sociable | | | | | |
| I have grown major networks with people outside my business | | | | | |
| I do not discriminate my customers | | | | | |
| There is positive attitude towards my services/ goods by the society | | | | | |
| All my staff members have a positive attitude towards my business | | | | | |
| There are no conflicting gender roles in my society | | | | | |
| I do not face any cultural influences in the course of my business | | | | | |
| Gender inequalities do not affect how I run my enterprise | | | | | |
| Factors relating to Legal and administrative issues | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| Government bodies have accorded me the necessary business assistance and support | | | | | |
| Policy makers are accessible in my area | | | | | |
| I do not need collateral or other titled assets to acquire finances from the banks | | | | | |
| Micro finances and other lending institutions give reasonable interest rates | | | | | |
| I have been benefiting from government incentives | | | | | |

APPENDIX III

MAP SHOWING THE 47 COUNTIES IN KENYA



Thank you for your cooperation

APPENDIX IV
LETTER FROM THE UNIVERSITY



UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MSC. ENTREPRENEURSHIP AND INNOVATIONS MANAGEMENT PROGRAMME

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

Date 16/9/2016

TO WHOM IT MAY CONCERN

The bearer of this letter Timothy Njiru
Registration No. 26617099312014

is a bona fide student in the Master of Science in Entrepreneurship and Innovations Management Programme (MSc. Entrepreneurship and Innovations Management Programme) degree program in this University.

He/She is required to submit as part of his/her coursework assessment a research paper on enterprises management. We would like the student to do their project on real problems affecting firms in Kenya. Your organization has been identified for the study and we would, appreciate your assistance to enable him/her collect data in your reputable organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organization on request.


JANE MUTURI
P.O. Box 30197
NAIROBI
MSC. ENTREPRENEURSHIP AND INNOVATIONS MANAGEMENT PROGRAMME ADMINISTRATOR
SCHOOL OF BUSINESS

