

**ROLE OF SPOUSE SUPPORT IN THE SUCCESS OF FAMILY OWNED
BUSINESSES IN MERU COUNTY**

BY

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DECLARATION

I hereby declare that this project is my original work and has not been presented to any other university for examination purposes.

Signed-----

Date-----

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D66/80552/2015

This research project has been submitted for examination with my approval as a University of Nairobi supervisor.

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DEDICATION

I dedicate this work to my family for the continuous support that they have given me throughout the entire process.

LIST OF ABBREVIATION AND ACRONYMS

CEO	Chief Emotional Officer
RBV	Resource Based View
ROI	Return on Investment
SFBT	Sustainable Family Business Theory
SPSS	Statistical Package of Social Science

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ABSTRACT

One positive characteristic of family ventures is their short chain in decision making, which anchors fast execution of goals. A family company system is particularly arranged; all undertakings must be done reliably. Family company business visionaries trust that with a solid family and legitimate management of strategies they can guarantee accomplishment of the goals. Spousal help is imperative in maintaining the business to progress. Spousal support incorporates such parts as good and calculative responsibility, transference of assets crosswise over family/business limits amid chaotic occasions in the firm, spousal view of business visionary's business adequacy, partaking in firm decision making, and additionally helping with speaking to the family enterprise in the network. However, studies done on matters of family business are lacking, that particularly feature the commitments of life partners in the family businesses. This study sought to establish role of spouse support in the success of family owned businesses in Meru County. The study was guided by resource-based theory and sustainable family business theory. The study adopted descriptive cross-sectional survey. The population was made up of the 2083 small and medium family businesses within Meru County operated in the county for at least 4 years classified as, 513 farming businesses, 189 manufacturing businesses, 343 service businesses (hotel, clubs among others) and 1042 retail and wholesale businesses. The sample size comprised of 335 respondents. The study collected primary data. A pilot study to ascertain the validity of the questions asked and the reliability of the collected data was conducted. The analysis of quantitative data was through descriptive statistic. Further, the study used regression analysis to establish the relationship between the dependent variable and the independent variables. The finding of this study showed that provision of physical capital support, social capital support and management support by spouse influenced the success of family owned businesses in Meru County. The study recommends policy formulation to ensure spouses roles and responsibility does not overlap. The study further recommends that spouses should work as a team to achieve the business goals and objectives. Good communications is recommended as an integral part of business growth.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

A common element of family ventures is that the family company is the primary wellspring of pay for the members of the family. One positive characteristic of family ventures is their short chain in decision making, which anchors fast execution of goals. Variables impacting the action and accomplishment of family companies are the common connections between members of the family and an all around considered strategic plan of action, and culture of organizations (Harris, Martinez, and Ward, 2014). A family company system is particularly arranged; all undertakings must be done reliably. The culture and process of planning strategies in a family company never comes to an end, there have to be consistent acclimation to changes. Family company business visionaries trust that with a solid family and legitimate management of strategies they can guarantee accomplishment of the goals.

Solid spousal responsibility can be advantageous and encourage the achievement of a business owned by a family (Harris, Ward, & Martinez, 2014). It is probably going to be related to a readiness to convey family-oriented assets to help the enterprise. Spousal duty might be particularly essential amid the underlying long periods of another endeavour when money related difficulties and odds of disappointment are the best. Life partners can give dynamic help as close to home or transient assets including money related and human capital. Then again, life partners can give aloof emotional help that lightens money related anxieties (Van Auke & Werbel, 2016).

Despite the level of investment by a spouse in the enterprise, qualities possessed by spouses, particularly spousal responsibility, saturate family connections and are able to influence the financial performance of a business by affecting the business

entrepreneurs' states of mind, assets and inspiration toward the enterprise (Poza & Messer, 2001). Besides, this is a programmed outcome where, given the monetary ties that are as a result of marriage, a life partner turns into a basic partner in the family business.

This research will be anchored by the Resource Based View (RBV) and Sustainable Family Business Theory. As per Barney (1991) RBV proposes that assets belonging to an organization that are uncommon, significant, one of a kind, and expensive or difficult to imitate help enhance the performance of an organization and help them gain a competitive advantage over contenders. On account of this study, RBV will be utilized to show the degree of support from spouse in physical and money related terms causes family business to invest into assets that can't be imitated by contender easily, in this way giving these organizations an edge over the others. Organizational assets that are uncommon, important, one of a kind, and exorbitant or difficult to emulate help enhance the performance of an organization and help them gain a competitive advantage over contenders. Sustainable Family Business Theory (SFBT) gives an extraordinary thorough way to deal with investigation of the family business and underlines on the association of the family and business frameworks. In reference to this investigation, this theory will facilitate the study of the impact support from spouse on family business achievement.

This investigation will center around family claimed organizations in Meru County. Meru County is farming based and organizations are provincial organizations. In the wake of the consolidation of agriculture, small businesses are now progressively imperative as methods for supporting employment in the rural areas and financial action. Be that as it may, businesses in rural areas are observed to be less fruitful than

their urban partners, having less business development and lower survival rates. Research has additionally demonstrated that businesses in rural areas are probably family business (Shields, 2015), are probably together overseen by life partners thus, alluded to as copreneurial and have less staff than urban organizations. Beside the location in rural setting, past research (Shields, 2015) has provided reason for concern with respect to the accomplishment of copreneurial organizations. Copreneurs appear, all things considered, to be less fruitful than their non-copreneurial partners as far as perceived achievement and profits are considered. This study therefore seeks to carry out the study in the county to establish the role of spouse support in the success of family owned businesses in the County.

1.1.1 The Concept of Spousal Support

Spouse support is the assistance a business owner gets from the marriage spouse in maintaining the family business. Spousal help is essential with regards to the accomplishment of the family possessed organizations. This help can be as spousal capital. Spousal capital is the aggregate human, social, and money related assets accessible to business people by means of life partners (Danes, Lee, Stafford, and Heck, 2014). For instance human capital is when life partners offer their expert skill to aid in the operations of the firm. Spousal capital asset exchanges occur when particular assets, for example, energy and time are traded by the companion and the enterprise; the procedure pertaining these exchanges can influence new business commitment by the business owner's spouse, emotional help for new enterprise given by the life partner and gotten by the business owner, and fulfilling correspondence in relation to the enterprise between the business owner and spouse (Van Auken & Werbel, 2016).

Spousal social capital is when life partners consent to acknowledge a more noteworthy extent of youngster care duties contrasted with the innovative life partners so the business owners can invest more energy in the enterprise to grow their customer base. Spousal money related capital can either be immediate or indirect; for instance, immediate monetary capital involves when life partners loan the innovative life partners some portion of their parental legacy to grow the firm (Danes, et al., 2014). A case of indirect money related spousal capital involves when life partners operate away from home to give stable pay and health advantages until the point when another business adventure is gainful. Spousal social capital is characterized as flexibility that advances from texture of social relations of married couples through the trade of resources and interpersonal attributes.

The relationship of the couple is a type of social capital for business owners since exchanges between mates can go about as a collection of assets that business owners can attract upon to help accomplish family and enterprise goals (Danes, et al., 2014). Spousal social capital exchanges may incorporate asset exchanges, for example, effort and time added to the business or interpersonal exchanges, such as, for example, advancement of emotional ties and rules about adequate and inadmissible practices of members of a family identified with the business. Relationship exchanges depend on logical qualities, convictions, and standards that originate from the couple culture and diminished worry for a business owner (Van Auken & Werbel, 2016). Spousal social capital is more comprehensive in relation to when life partners give emotional help for the business owner.

1.1.2 Success of Family Owned Businesses

A family business is an establishment whereby choices are made or affected by multigenerational relatives related either by blood or marriage and whose connection to the business is either by responsibility for business or by authority. For this situation consequently, proprietor administrator endeavors are for the most part not viewed as family businesses (Barrett & Moores, 2015). This is on the grounds that these organizations do not have the multigenerational viewpoint and also the impact of the family which is an interesting measurement that recognizes family businesses from the rest. Family businesses are generally not subject to the strict money related announcing prerequisites that are normal for different types of business. A firm is thought to be a family owned enterprise if the controlling investor is a person and not an association or a trust. Also, in most family businesses, there is constantly a few individuals from the family in the administration group speaking to the interests of the family in the administration of the enterprise.

A big challenge that partners of family businesses is the ability to recognize the issues that they confront, create plans and procedures to surmount the issues and most essentially concoct accounts that disclose to the family the emotional measurement of the issues (Boz, Martínez– Corts, and Munduate, 2016). In family businesses the most unyielding difficulties are not the business issues that are faced by the association but the emotional difficulties. In the event that the families are not ready to address the mental issues they confront well ahead of time, numerous long stretches of accomplishment passed through ages can be pulverized. The family will have the capacity to prepare life cycle changes and numerous different issues that may emerge

in the event that they apply psychodynamic ideas which will help with clarifying the conduct of the member of the family.

It is simpler to naturally do the vital adjusting when the business is possessed and operated by one individual. For example, the proprietor of the business can choose to open another plant of the business. For this to happen he chooses to decrease the money he takes from the business enabling the business to amass enough money expected to open the new plant. Along these lines the proprietor could adjust the requirements of the business with his own profits in the business (Fitzgerald, 2016). In numerous family businesses the control of the business is by the original proprietors/administrators and in this manner basic leadership is quick. However, when the second era is in control of the business more consultations are required in the process of decision making. Decision making turns out to be considerably harder and more consensual when the third era of members of the family are in control of the business and by and large they need to take a vote in favor of a choice to go through. Along these lines, making decisions end up being more balanced. Fitzgerald (2016) found that directors of more fruitful organizations who were family arranged will probably welcome their companions to work in the business.

1.2 Research Problem

Family businesses same as family units, work based on statistic columns, for example, age, sex and so on that dependably figure out what the power of bargaining of the individuals is, and what their ability is to decide, control and settle on business assets and the measure of work that is expected to maintain them. Spousal help is imperative in maintaining the business to progress. Spousal support incorporates such parts as good and calculative responsibility, transference of assets crosswise over family/business

limits amid chaotic occasions in the firm, spousal view of business visionary's business adequacy, partaking in firm decision making, and additionally helping with speaking to the family enterprise in the network. Chell and Baines (2016) proposed that a gender orientation inclination is present in the writing on business development and advancement since profitability results have been favored all the more regularly by men.

As has been specified, research has demonstrated that rural organizations, for example, County organization, will probably be family businesses and will probably be overseen by life partners henceforth alluded to as copreneurial. The help of the life partners is accordingly vital in the achievements of the organizations. Anyway regardless of the significance of their commitments to the business, numerous life partners' commitments and diligent work in the family firms is as yet imperceptible to official and statistics records. This requires the necessity of particular research being done along the lines of the current study in order to highlight the complexity, scale and importance of this role.

According to Belenzon and Zarutskie (2012) family enterprises experienced better performance when the two driving investors were hitched. Spill overs of knowledge are productive between co-preneurial couples than non-wedded colleagues. This presented a gap in the comprehension of the causal impact on productivity of entrepreneurs that have worked with their companion and has given the exploration goal to this investigation. Local researches incorporate; Maina (2013) who completed an investigation on variables that impact leadership progression in family possessed organizations in Kenya which was an instance of family possessed small and micro scale ventures in Nairobi Central business District. The exploration uncovered that a harmony between the business framework and the family framework is the way to the

long span of the business. Omar (2017) completed an examination on the influence of financial administration on the development of family enterprises in Kenya. The investigation uncovered that there was certain and noteworthy impact of family qualities, family monetary administration competency, on every one of the pointers of money related administration practices and development of family businesses in Kenya. As is obvious local studies are lacking, that particularly feature the commitments of life partners in the family businesses. The study focuses at filling up the gap by examining the role of spouse support in family owned businesses. The study therefore aimed at answering the question, what is the role of spouse support in the success of family owned businesses in Meru County?

1.3 Objectives of the Study

The objectives that guided the study are as follows:-

- i). To assess the extent to which spouses support is effective in the running of family businesses in Meru County.
- ii). To examine the effect of spouse support on the success of family owned businesses in Meru County.
- iii). To establish the challenges spouses face in the family owned businesses in Meru County

1.4 Value of the Study

It sets out to examine the functions of spousal support in the success of family owned businesses in Meru County. Through its findings, this study will assist the family businesses to appreciate the value of spouse support in the running of the businesses by

giving the spouses a higher mandate in the management of the businesses and recognizing their contributions by offering them commensurate remuneration.

This research will additionally be of benefit to government policy makers since results will be able to come up with strategies and programs to empower spouses consequently enabling them to take up positions of leadership in the management of the businesses. Meru County government, as a regulatory body in the county, will benefit from the results of the research in developing policies and procedures of regularizing and licensing of the family businesses to encourage more spouses to take up leadership roles in the family businesses. Additionally, Non-governmental organizations together with other donor agencies and development partners involved in poverty eradication in the county rural areas will utilize the study results in identifying the women headed family businesses and supporting them.

Students, institutional researchers and academicians will benefit from the outcomes of this study as the results will be documented in academic institutions' and public libraries. This way the study will be available for all those who are planning to conduct studies of a similar nature in the future. Additionally, in empowering spouses to take up entrepreneurial activities and taking up decision making roles in the existing family businesses the study will be assisting in sustainable development through poverty eradication in the county with the hope that this will be replicated across all the counties in the country.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section presents the theoretical literature of the study using the resource-based theory and sustainable family business theory. The chapter also discusses the role of spouse support in family owned businesses in terms of social capital support, spousal support and management support. The conceptual framework of the study was also be documented.

2.2 Theoretical Review

This study was guided by Resource Based Theory and Sustainable Family Business Theory.

2.2.1 Sustainable Family Business Theory

The sustainable family business theory (SFBT) was presented by et al., (2014) who talked about enterprise and business inside the social setting of the family and its locale. This theory gives a strategy to handle the investigation of the family enterprise and underlines on the collaboration of the family and enterprise frameworks. The theory tends to track the collection and utilize and stream of firms assets after sometime between the family and the business to guarantee its strength. This is fundamental to the long-run manageability of the family enterprise. The family unites and develops the powers behind rising and maintained pioneering conduct. The family, with its very own elements, is a critical and crucial element for making and maintaining enterprising conduct or experience (Danes et al. 2014). Family capital, the aggregate assets of owning relatives, is the primary wellspring of here and short term achievements of family business and long haul sustainability (Danes et al., 2014).

Danes et al. (2014) opine that SFBT shapes its premise from family frameworks hypothesis and conduct speculations of business administration, giving equivalent acknowledgment to family, enterprise and to their transaction in accomplishing shared sustainability. The theory perceives that spousal capital assumes a job at the interface of the family enterprise where spousal capital assets, for example, time and vitality are used through asset and interpersonal exchanges to help the family possessed business (Danes et al. 2012). Spousal capital is installed inside a gender orientation one-sided structure of jobs and principles. For example, there are distinctive analogies for male and female business visionaries, for example, more family obligations regarding ladies and more business situated obligations for men. Family jobs and standards elucidate who and how individuals oversee family assets and limit impacts of requirements and further assign how couples allocate obligations, how individuals are reinforced, how choice expert is disseminated, and how organizations characterize themselves in connection to the world (Danes, Haberman, & McTavish, 2015; Danes & Morgan, 2016). A few jobs and standards are ostensibly clear; others are profoundly imbued. This theory helps this investigation in supporting the need of spousal help in the accomplishment of family claimed organizations. It primarily underlines effect of spousal capital and family framework in the sustainability on the business and upgrading the business performance.

2.2.2 Resource Based Theory

The RBV theory is utilized to give a hypothetical establishment to investigate the predecessors that influence framework quality and administration. This theory proposes that assets of an organization that are uncommon, significant, remarkable, and expensive or difficult to mimic help enhance performance of an organization and help

them increase competitive advantage over contenders (Barney, 1991). RBV theory has been effectively used to clarify long haul contrasts in performance of businesses that can't be credited to industry or monetary conditions. Since family businesses have been depicted as curiously mind boggling, dynamic, and wealthy in elusive assets (Habbershon & Williams, 2016). Family businesses' assess, gain and expand utilization of their remarkable assets, for example, point of view shared objectives, quick decision making and embeddedness in the network, in societies that vary from those of non-family firms. They trust these distinctions, permit family firms to build a competitive advantage over contenders.

Dyer (2016) states that there exists three sorts of capital characterized as family factors related with the family businesses performances: human, social, and physical/monetary capital while different specialists, for example, Barney (1991) opine that firm assets are of four measurements: physical, human, organizational, and process capital assets which incorporate information, abilities, skills, and duty and in addition correspondence. Habbershon et al. (2016) demonstrate that the family businesses comprises of a heap of assets and abilities that gives family businesses a competitive advantage and clarifies the impact on performance results. Chrisman, Chua and Litz (2013) contend that riches creation isn't really the main or even essential objective of all family businesses and consequently the associations enable the likelihood to accomplish an assortment of objectives and henceforth wellsprings of preferred standpoint for family-controlled organizations. The culture of a family in a family owned enterprise is the primary wellspring of a supportable competitive advantage as he contends that effective family enterprises are portrayed by a sentiment of paternalism and an unquenchable want to exist and flourish as time goes on. Further, Hoy and

Verser (2014) place that relatives in a business are more affected by this one of a kind arrangement of family esteems than non-family workers would be such sort of imitable family culture which involves propensities, mentalities, convictions, learning and estimations of the individuals gains them a competitive advantage (Barney, 1991)

In this study, success of the family owned businesses in Meru County is viewed from the spousal support point of view. The support and its elements are intangible resource and would be unique thereby giving these family businesses competitive advantage over others enhancing their performance. For continuity purposes, skills and knowledge that is inherent to family business is safeguarded by the spouse and only shared between the spouses making it hard to leak to the outsider. In this regard therefore, family business boasts of unique information resource that is hard to imitate and this may steer the business to success. Therefore, Resource Based View Theory will be used in the study to support the resource orientation in family businesses and also help in identifying the strategies and capabilities employed by the family owned businesses leading to better performance. This study utilizes the theory to assess the how resource orientation in terms of family and spouse support helps in improving family owned business performance.

2.3 Measures of Business Success

As indicated by Wood (2016), regularly estimating business achievement is accomplished by evaluating its benefit, return on investment (ROI), turnover or number of clients and workers development. Profit is a critical proportion of performance; it is far-fetched that firm development can be supported without profits being accessible for reinvestment in the firm. Achievement of a business might be considered as "poor" if the information indicates misfortunes or low benefit. Further, Fibírová et.al., (2015)

opines that the customary markers for business achievement incorporate pointers of the supreme estimation of income, pointers of income and productivity pointers. Accomplishment of a business along profitability terms can be considered as far as net revenues or profit for resources. This additionally suggests financial success is required by elite enterprises. Notwithstanding, Delmar, Davidsson and Gartner (2003) conclude that while profits are an essential marker of progress, the profits relationship to measure is just obvious in total of enterprises or over significant lots for enterprises.

According to Delmar et al (2003) development of figures of sales additionally indicate accomplishment of a business since they reflect both short and long haul firm changes. Development of sales is normally determined by interest for the association's items and administrations. Staff and resources ought to likewise be considered as measures of performance. When utilizing sales development as a performance proportion; specialists frequently accept that quicker development is alluring. However, it might not be obvious to everyone that fast development shows preferable performance in comparison to slower development. Firms developing faster have inordinate resource challenges which can result in lower performance and sometimes bankruptcy.

To accentuate the significance of representatives as a proportion of business achievement, Armstrong (2006) demonstrates that worker turnover which is the rate at which a business increases and losses staff, to what extent the staffs join and leave the institution influences accomplishment of business. The higher the worker turnover, the lower the achievement of the business. The businesses are more worried about the turnover as a pointer of accomplishment in their business as it impacts contrarily to the achievement of a business and it is an exceptionally costly part of the business (Thomas, 2013). As indicated by Martin (2015) when staffs leave a firm, the enterprise requires

acquiring immediate and indirect expenses. According to Murphy (2013) organizations take a profound enthusiasm for the rate of staff turnover since turnover impacts business operations by making interruptions that lead to decreased generation and benefits of the enterprise.

2.4 Role of Spousal Support in the Success of Family Owned Businesses

Members of a family comprise a gathering of partners who have coffered interests in the achievement and practicality of a business (Cole, 2012). Members of a family and life partner specifically crucially affect business achievement. Nonetheless, while ladies tend to upgrade their essence as female business people, look into on ladies in family businesses has recommended that the lion's share of ladies kept on staying out of sight, staying 'imperceptible'. Dyer (2016) states that there exist three sorts of capital characterized as family factors related with family business performance: human, social, and physical/money related capital.

2.4.1 Spouse Physical Capital Support

Support from spouse assumes an essential job in the achievement of a family business. At the point when the help is as far as capital, this goes into financing everyday tasks of the business. Assets can be intangible or tangible in nature. Tangible assets incorporate capital, access to capital, crude materials structures and location among others. Intangible assets comprise of learning, aptitudes and notoriety, enterprising administration, among others. Heath, Ciscel and Sharp (2016) sets that the member of a family who can offer the most assets as far as esteem, availability and need of the assets controls the parity of power in the business. Further, Hochschild (2012) opines that resources employed in family businesses can be basically any form of input that a family member gives to benefit the operations of the business including financial

support, human resource, spousal attention and affection, mentoring, motivation advice support among many more. According to Carlock and Ward (2011), the extent to which a spouse or family member participates in the business is a tangible demonstration of their commitment and dedication and is a resource in the venture and not necessarily dependant on their financial involvement.

Customarily, many women saw their work life as auxiliary to the family yet that is changing as better business openings wind up accessible. The conventional division of work inside the family places that in a family business the spouse is assigned the household duties while the business obligations to the husband. This still holds on where neither men nor ladies will disturb this profoundly settled in equalization of work and family jobs. In family business, the line among family and business habitually ends up vague particularly when customary family jobs flood into casual jobs in the family business. With the gender equality rule and women empowerment programmes, some of these traditional beliefs are becoming irrelevant. Both genders are well endowed with skills and abilities to start and run a business solely but they either way require support from their spouse and or family members (Carlock & Ward, 2011). Spouses support one another in these businesses in terms of financial and emotional support, offering free advice and consultation services, mentoring, motivation, sacrificing personal interests, division of labour in order to balance their family and business requirements among many more. Therefore, spouses should recognize the efforts and support of their partners in the business to enable them continue performing effectively.

Keanon (2011) noticed that despite the greater part of the family possessed endeavours being controlled by men, the spouse assumes an imperative job in the business. Concerning this, the female mate has been given the term CEO (Chief Emotional

Officer). Much of the time, the help of an adoring life partner in the business provoked its begin and its prosperity. Be that as it may, the family firms possessed by ladies are expanding and the mate may be the man. The life partner ought to in this way go up against the job of boss parental figure to the family's needs at home, enabling the conjugal accomplice to focus on maintaining the business (Carlock & Ward, 2011). The life partners should be made mindful of the issues, opportunities, and limitations in the business and not get their information by a third hand by including them in the family business chamber and gatherings. Thusly they will have the capacity to intervene clashes and give guidance and insight that is learned, and situated truth be told. The mate conveys power and impact long after the passing of the originator or after a progression to the people to come. In this manner, the companion should be familiar with the business tasks so they might have the capacity to run it fittingly when require emerge (Hochschild, 2012). For example, The Ambani siblings of Reliance Industries in India had a very open battle for control of the company after the demise of their dad. After much acrimony and perpetual fights in court, the organization was part fifty-fifty between the siblings. The debate continued for quite a long time in the courts until the point when it was at last interceded by expert guides, with weight from their mom since she was the main advice they would tune in to after the intense voice of their dad was no more. This subsequently demonstrates the need of including the life partner in the family business to avert such sort of battle and struggle (Keanon, 2011).

2.4.2 Social Capital Support

Antoldi et al. (2011) characterizes social capital as an arrangement of assets installed in strong systems and connections that are helpful for formation of significant worth and change of profitability. It is special from different types of capital, for example,

human capital and budgetary capital as it relies upon communications between social performers. Social capital is of three structures; auxiliary, subjective, and social; which are all of significance in enhancing organizational performance. Social capital's commitment to the performance is gotten from both intra-and between situational connections. Following the explanation of Burt (2015), social capital is for the most part non-tradable and matchless, consequently a remarkable asset that boosts the enterprising systems to get to assets past the limits of the system giving the business upper hand. In this investigation, the social type of social capital is of more significance because of the spousal help in the organizations. Trust is a social type of social capital. In any business, exploiting trust is a benefit in this way in family businesses particularly for copreneuers, where trust is based gives them the upper hands over different organizations empowering them perform (Cruz, Gomez-Mejia, and Becerra, 2015).

As per Coleman (2012), association between the individuals from a business prompts advancement of social capital and is disintegrated when the individuals end up being independent. More elevated amounts of social capital are for the most part created in settings with generous shared association which prompts upkeep of common commitments. Further, Kontinen and Ojala (2010) state that in a family business, the system ties are more implanted as there exists the trust related with the relationships. Hence, support by spouses in a business creates social capital as the mates are reliant of each other and they tend to move in the direction of enhancing performance of the business. Bubolz (2013) demonstrate that family is a source, developer and client of social capital and the relationships among members of a family make a perfect situation to expand on social capital. Upgrading the quality of a family's social capital expands the likelihood of the organizations' survival. Social capital assets, for example, trust

between the companions shapes an establishment of good conduct which prompt participation and coordination in the business and additionally standards of correspondence and trade are created (Bubolz, 2013). Expanded family security improves the comprehension of the qualities, conduct standards and subjective plans utilized by spouses. This understanding encourages reconciliation, union and survival of the family and additionally the business. Social capabilities speak to the capacity of individuals to cooperate, shape coalitions and have the capacity to network to fundamentally enhance the business performance.

Entrepreneurs that have widened their social capital dimensions such as status, personal ties, networks, referrals are more likely to receive funds from venture capitalists. These social capital competencies often lead to direct access to subsidized loans as well as investment tips leading to improvement of business ventures. Unlike family businesses, other businesses do not often possess well-established factors of stability, interdependence, interaction and closure hence affecting their performances negatively. These businesses hence employ the operational social capital competences that help the businesses in acquiring external materials like distribution networks, technology, financial capital, information, knowledge and information to better how they perform.

Studies have illustrated that the family business' uniqueness and success arise from integration of family and business life. Family dynamics largely affect the development of the business' social capital (Wortman, 2013). This depicts that family enterprises, more so copreneuers, are deemed more successful due to the social capital resources embedded in them in terms of interactions, networks, good internal relations, determination and commitment, team work and trust which are mainly associated with the natural family bonds amongst them.

2.4.3 Management Support

Chrisman (2012) contended that the relationship between proprietorship, administration and family administration gives a family the power and authenticity to impact an association's destinations. Moreover, by tending to the job of mates in administration of family business, we uncover that their impression of spousal vocation support influence the business performance. . The owners and managers of a business need to be in line with the firm's goals and objectives and so in a family business, spouses are likely to work in line with one another in achieving the goals of their business and improving performance. Entrepreneurs' spouses tend to make the best managers of their business due to the commitment, determination and participation in operations of the business (Greenhaus & Powell, 2014). The decisions made in the family owned businesses are majorly influenced by their partners' view and are easily implemented due to the short chain of decision making and hence making the spouses legible managers.

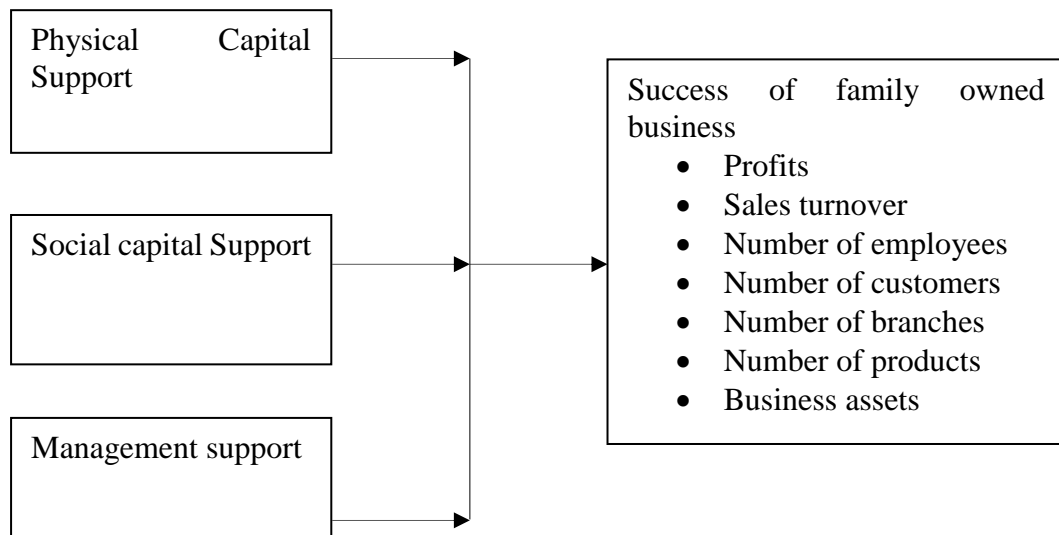
Further, companions can give additionally understanding in that they have comparable or shared points of view identified with the business and are in this way ready to draw upon their very own insight to well deal with the business. Hansen (2016) noted that individuals with strong ties say married couples are able to transfer high complex knowledge and information amongst them unlike those with weak ties say between non family individuals. The ease in communication between the spouses makes the spouse a better manager for the business since they are able to easily communicate and decide on the best way forward. Greenhaus and Powell (2014) orated that spousal involvement in management of family owned businesses is advantageous as there is transparency, confidentiality and trust between the manager and owner and these are key aspects of

management. The spouses also know the strengths and weaknesses, interests and dislikes of each other and are therefore able to make decisions regarding the business putting these aspects in consideration. The spouses also work towards achieving the same goals and have the same vision of the business and this gives them the competitive advantage over other businesses with outsourced managers who often work on their own agenda and goals.

Hochschild (2012) emphasized on the important role of spouses in family organizations as an asset that people can use to adapt to work requests, prompting the foundation of a decent harmony between the work and family areas and a decrease in requests at work. However, life partners as chiefs can be an essential explanation behind expensive untimely returns. This is on account of the couples may settle on choices rashly without watchful assessment of the impacts of the choice. For instance, the couple (owner and manager) may decide to take money from the business to go on vacation without considering the effects of such decisions on the future of the business especially when the business is immature and has just started picking. Such mistakes lead to unworthy costs being incurred by the business and can be prevented if the business has a manager outside the family. The spouse may also lack managerial skills to govern and improve the businesses performance but due to altruism, they end up managing the business instead of employing well skilled managers. The spouses as managers of the family business can influence the performance of the business either positively or negatively (Schulze et al. 2011).

2.5 Conceptual Framework

The conceptual framework is a diagrammatical representation of the relationship between the independent variables and the dependent variable. This is diagrammatically illustrated in figure 2.1 below.



Independent Variables

Dependent Variables

Figure 2.1: Conceptual Framework

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

Presented in the chapter is the methodology employed in carrying out the research. Contained herein is the research design, population targeted as well as the sampling technique used and the consequent sample size. Also presented is the methods employed for collecting data, procedures or conducting research and the methods employed for analysing data.

3.2 Research Design

Cooper and Schindler (2011) have also defined research design terming it as research structure. The reserch deployed descriptive cross-sectional survey. The research design is suitable since it demonstrates the status of the things. Additionally the design has the following advantages that make it unique; the design is appropriate for illustrating the features of the population targeted by a study, the design is ideal for large population samples such as that anticipated to be participating in the current study and finally the design caters for both methods of analysis, i.e. the quantitative and the qualitative approaches.

3.3 Target Population of the Study

Cooper and Schindler, (2011) defines population as groups of items, objects and individuals wherefrom samples are derived for measurement. The population was made up of the 2083 small and medium family businesses within Meru County operated in the county for at least 4 years classified as, 513 farming businesses, 189 manufacturing businesses, 343 service businesses (hotel, clubs among others) and 1042 retail and wholesale businesses. A list of family-owned enterprises was obtained from the statistics by county government of Meru.

3.4 Sampling

The sample size of the family business members to be targeted was ascertained through the use of Yamane's (1967) formula.

$$n = \frac{N}{1 + N(e)^2}$$

Where: N = Size of Population; n = size of the sample, and; e = Margin error of the study set at $\pm 5\%$

The sample size comprised of 335 respondents. Statistically, with the end goal to generalize, there must exist a sample of 30 or more (Cooper & Schindler, 2003). The researcher used systematic random technique to sample from the population targeted. To Saunders, Lewis and Thornhill (2012) systematic random sampling choosing elements from the sampling frame. The study then counted down the list starting with the household number 80 (selected randomly) and then selects each 335th business.

3.4 Data Collection Methods

Primary data was collected. Saunders, Lewis and Thornhill (2012) postulates that primary data is the one which is original in character since it happens to have been collected for the first time by the researcher. The primary data was gathered through structured questionnaires. Mugenda and Mugenda (2009) opine that questionnaire is the most suitable instrument for gathering data as it is quicker than other information accumulation instruments. Furthermore, structured questionnaires guarantee the researcher that the inquiries to be asked were uniform. The questionnaire was structured into two section, Section A and B. While section A collected general information,

section B collected data on functions of spousal support in success of businesses which are family owned.

3.5 Research Procedures

Before doing the collection of actual data, conduct a pilot study to ascertain whether the questions are valid and if the data collected is reliable. As Mugenda and Mugenda (2009) stated the clarity of the questionnaire and how easy it was to use it during the actual study, is assessed during the pre-test. The necessary corrections were made on the questionnaire after the pre-test. The researcher thereafter, with the help of assistants in research to administer the questionnaire to targeted respondents. The advantage of the self-administered questionnaires is that the researcher was able to directly contact the respondents who would otherwise be unavailable and, compared to other interviews, the questionnaire is less costly.

3.6 Data Analysis

It is expected that quantitative and qualitative data was generated by the study. The analysis of quantitative data was through descriptive statistics. The researcher used SPSS Version 21 in assisting in the analysis of data. The study used measures of central tendency and dispersion, absolute and percentages, and frequencies for descriptive statistics. Tables and graphs were used to present qualitative whose explanations will be done in prose.

Further, the study used regression analysis to establish the relationship between the dependent variable (family business success) and the independent variables (physical capital support, social capital support and management support). The researcher terms regression method as being significant since it is able to examine how independent variables influence dependent variables. It is also capable of making estimations of the

linear equation coefficients that consist of one or many independent variables, that best predicted the dependent variable value. The regression model was as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

Where:

Y = success of family owned business; X₁ = Physical Capital Support; X₂ = Social Capital Support; X₃ = Management support; β_0 = Constant; β_1 β_2 and β_3 = the regression equation coefficients for each of the variables, and; ϵ = error.

CHAPTER FOUR: DATA ANALYSIS, INTERPRETATIONS AND PRESENTATION

4.1 Introduction

The chapter gives a discussion of interpretations and presentations of research outcomes from the field. Background information concerning the respondents is provided, outcomes of analysis is subject to the major objectives set for the research. The outcomes of the research have been analysed through Descriptive statistics.

4.1.1 Response Rate

The sample of target by the researcher was 335 respondents whereby 283 did fill in the questionnaires and returned them with an 84.48% response rate.

Table 4.1: Response Rate

	Questionnaires Administered	Questionnaires filled & Returned	Percentage
Respondents	335	283	84.48

Source: (Survey Data, 2018)

The rate of response was satisfying as it was representative of the entire population and therefore dependable upon making conclusions. As far as Mugenda and Mugenda (2003) are concerned, a 50% rate of response is good enough to do an analysis and make reports; a 60% rate of response and that of 70% and above stands excellent. Therefore the rate of response for this research stands excellent.

4.2 Background Information

It gives a presentation of the respondent's background information, specifically, the information sought includes; gender respondent's highest educational qualifications, and the period of service.

4.2.1 Distribution of Respondents by Gender

Participants were required to give an indication of the category their gender falls in. This meant to create a fair involvement of male and female respondent. outcomes are presented on Table 4.2.

Table 4.2: Gender Category

Gender	Frequency	Percent
Male	158	55.8
Female	125	44.2
Total	283	100.0

From the outcomes, a big number of respondents (55.8%) were male whereas (44.2%) were of the female. The findings reveal both male and female respondents were fairly involved in the research thus the outcomes of this study were not biased in terms of gender.

4.2.2 Highest Level of education

Respondents were supposed to give an indication of the highest educational qualifications they possess.

Table 4.3: Highest Level of Education

	Frequency	Percent
Certificate/Diploma	148	52.3
Degree	100	35.3
Postgraduate	35	12.4
Total	283	100.0

The outcomes give an indication that a big number of respondents (52.3%) held Certificate or Diploma level, 35.3% Degree level whereas 12.4 % held Postgraduate level. From the findings is evident, that all the respondents had good education with implies that that they would be able to read and comprehend the questions under research and respond at ease.

4.2.3 Business Category

The study had the aim of determining the category under which the business belonged to. Results are presented on Table 4.4.

Table 4.4: Business Category

	Frequency	Percent
Farming	96	33.9
Manufacturing	7	2.5
Service (hotel, bar etc)	61	21.6
Retail and wholesale	119	42.0
Total	283	100.0

A big number of respondents (42%) showed that they were in retail and wholesale business, 33.9% of the respondents were in farming, 21.6% gave an indication that they operated in service business (hotel, bars, etc.) whereas 2.5% of the respondents indicated were in manufacturing. Drawing from the research filings, it's evident that respondents were well drawn from various business organisations in deferent sectors.

4.2.4 Form of business ownership

This research sought to determine forms of business ownership. Results are presented on Table 4.5.

Table 4.5: Form of Business Ownership

	Frequency	Percent
Sole proprietorship	159	56.2
Partnership	55	19.4
Company	69	24.4
Total	283	100.0

A big number of the respondents (56.2%) gave an indication that their business entity was registered under sole proprietorship, 24.4% of the respondent indicated that the firm was registered as limited company while 19.4% of the respondent indicated that the firm was registered partnership. This implies that respondents were fairly drawn from various forms of business ownership.

4.2.5 Period which the Business had been in Operation

Respondents were supposed to give an indication of how long (years) the business has been operating. Results are presented in Table 4.6.

Table 4.6: Period in years which the Business had been in Operation

	Frequency	Percent
Below 5	21	7.4
5 to 10	39	13.8
10 to 15	106	37.5
15 to 20	74	26.1
20 and above	43	15.2
Total	283	100.0

Results obtained show that 37.5% of the enterprises had operated for the duration of 10 to 15 years 26.1% of the enterprises had operated for a duration of 15 to 20 years, 15.2% of the enterprises had operated for more than 20 years, 13.8% of the enterprises had operated for a duration of 5 and 10 years while 7.4% of the enterprises had operated for 5 years and below. This meant, most firms had operated for a reasonable duration of years and therefore was considerable in offering reliable information based on their operational experience.

The study purposed in determining how much the spouses got involved in running and managing this business. Results are presented on Table 4.7.

Table 4.7: Spouses Involvement in the Running and Management of the Business

Extent	Frequency	Percentage
Low	18	6.4
Moderate	27	9.5
Great	132	46.6
Very great	106	37.5
Total	283	100.0

A big number of respondents (46.6%) approved that spouses greatly got involved in running and managing of family owned business to a great extent, 37.5% showed to a

very great extent, 9.5% showed to a moderate extent 6.4% gave it to a low extent. This portrayed that spouses were extensively involved in the running and management of family owned business.

4.3 Role of Spouse Support in the Success of Family Owned Businesses

4.3.1 Spouse Physical Capital Support

The study focused on determining how much spouse physical capital support influenced the success of family owned businesses in Meru County.

Table 4.8: Influence of Spouse Physical Capital Support on Business Success

Extent	Frequency	Percent
Low extent	26	9.2
Moderate extent	54	19.1
Great extent	127	44.9
Very great extent	76	26.9
Total	283	100.0

According to the outcomes, 44.9% were for the point that spouse physical capital support influenced the success of family owned businesses to a great extent, 26.9% gave it to a very great extent, 9.2% gave it to a low extent. This was an implication that spouse physical capital support influenced the success of family owned businesses to a great extent.

The research purposed in determining how much did the respondent's agree with the statements below relating to spouse physical capital support and the success of family owned businesses.

Table 4.9: Spouse Physical Capital Support and Business Success

Statement	N	Mean	Std. Dev
Social support by a spouse signify buy in by the spouse and thus motivate the other party w	283	4.33	0.67
Spouse give feedback on how business can be improved	283	4.35	0.53
Spouses provide human resource for the success of the business	283	4.10	0.77
Social capital provided by spouse in a business is generally inimitable, cannot be traded, therefore very unique to maximising the entrepreneurial networks to diversity of resources giving the business competitive advantage	283	4.33	0.58
Spouse, especially women take care of the family so that the man may concentrate on running the business	283	4.47	0.65
Spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows	283	4.25	0.69
Through social capital the business is able to acquire external materials like distribution networks, technology, financial capital, information, knowledge and information to better how they perform.	283	4.14	0.80

Results on Table 4.9 shows that a big number of respondents were in agreement that spouse, especially women take care of the family so that the man may concentrate on running the business (M= 4.25 SD =0.69) and that social capital provided by spouse in a business is generally inimitable, cannot be traded, therefore unique and hence maximises the entrepreneurial networks to diversity of resources giving the business competitive advantage (M= 4.33 SD = 0.58). These finding goes hand in hand with the findings by Ciscel and Sharp (2016) spouse usually take the duty to provide care and satisfy the needs of the family and this enhances concentration of the marital partner towards running their own business.

Further the study also revealed that spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows (M=4.23 SD =0.69) and that through social capital the business is able to acquire external resources like distribution networks, technology, financial capital, information, knowledge and information to better how they perform.(M= 4.14 SD =0.80).The above finding concurs with the findings by Keanon (2011) noticed that spouses make a unique contribution to the survival of the business and in some cases they are the unifying thread within the family business.

Respondents further reported that Spouses may influence one another in bringing the matters affecting the business in an adversely.

Survey participant also reported that spouse physical capital support influence success of family owned businesses in Meru County, spousal inclusivity impacts positively on the efficiency of the business. Spousal support in terms of emotions on a social basis impacts positively on the efficiency on the business.

4.3.2 Social Capital Support

The research purposed to examine how much social capital support influenced the success of family owned businesses in Meru County.

Table 4.10: Influence of Social Capital Support on Business Success

Extent	Frequency	Percent
Low extent	27	9.5
Moderate extent	62	21.9
Great extent	147	51.9
Very great extent	47	16.6
Total	283	100.0

As far as the outcomes are concerned, 51.9% of the respondents gave in that social capital support had an influence on the success of family owned businesses to a great

extent, 21.9% gave in to a moderate extent, 16.6% gave in to a very great extent while 9.5% gave in to a low extent. This implies that social capital support influenced the success of family owned businesses to a great extent.

The research purposed in determining how much the respondents agreed with the following statement that concerning social capital support and the success of family owned businesses.

Table 4.11: Role Social Capital Support on Business Success

	N	Mean	Std. Dev
Social support by a spouse signify buy in by the spouse and thus motivate the other party	283	4.33	0.67
Spouse give feedback on how business can be improved	283	4.35	0.53
Spouses provide human resource for the success of the business	283	4.10	0.77
Social capital provided by spouse in a business is generally inimitable, cannot be traded , therefore very unique hence thus maximises the entrepreneurial networks to diversity of resources giving the business competitive advantage	283	4.33	0.58
Spouse, especially women take care of the family so that the man may concentrate on running the business	283	4.47	0.65
Spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows	283	4.25	0.69
Through social capital the business is able to acquire external resources like distribution networks, technology, financial capital, information, knowledge and information to better how they perform.	283	4.14	0.80

Results on Table 4.11 shows that a big number of respondents agreed that Spouse, especially women take care of the family so that the man may concentrate on running the business (M= 4.47 SD =0.65), spouses give feedback on how business can be improved (M=4.35 SD =0.53), Social capital provided by spouse in a business is generally inimitable, cannot be traded therefore very unique and hence maximises the

entrepreneurial networks to diversity of resources giving the business competitive advantage and that Social support by a spouse signify buy in by the spouse and thus motivate the other party (M=4.33 SD =0.67). This finding goes hand in hand with the findings by Keanon, (2011) helps in sharing of business responsibilities, in that Knowing who is supposed to do what each day not only makes for a smoother workflow, but allows spouses to just slip right into their roles. At the same time Further the study also revealed that spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows (M= 4.25 SD =0.69), Through social capital the business is able to acquire external resources such as resources like distribution networks, technology, financial capital, information, knowledge and information to better how they perform.(M=4.14 SD =0.80)and that spouses provide human resource for the success of the business (M=4.10 SD =0.77).The above finding concurs with the findings by Coleman (2012) Act of efficacy requires support on a social context or interactions for strengthening the process of coping.

4.3.3 Management Support

The study sought to determine the extent to which spouse management support influenced the success of family owned businesses in Meru County.

Table 4.12: Influence of Spouse Management Support on Business Success

Extent	Frequency	Percent
Moderate extent	55	19.4
Great extent	128	45.2
Very great extent	100	35.3
Total	283	100.0

From the research findings, 45.2 % of the respondents were of the opinion that spouse management support influenced the success of family owned businesses to a great

extent, 35.3% of the respondents indicated to a very great extent, while 19.4% of the respondents indicated to a moderate extent. This implies that spouse management support influenced the success of family owned businesses to a great extent.

The research sought to determine the respondent’s level of agreement with the following statement that relate to management support and the success of family owned businesses

Table 4.13: Influence of Spouse Management Support on Business Success

	N	Mean	Std. Dev
Spouse are important in influencing the entrepreneur’s motivation and business-related decisions making in a family business	283	4.31	0.75
Spouse may influence family business objective through career support	283	4.48	0.50
In a family business, spouses are likely to work in line with one another in achieving the goals of their business and improving performance	283	4.28	0.66
Entrepreneurs’ spouses tend to make the best managers of their business due to the commitment, determination and participation in operations of the business	283	4.25	0.43
The decisions made in the family owned businesses are majorly influenced by their partners’ view and are easily implemented due to the short chain of decision making and hence making the spouses legible managers	283	4.19	0.81
Spouses provide more understanding since they have similar/shared perspectives related to the business and are therefore able to draw upon their own knowledge to well manage the business	283	4.44	0.58
Spouse support in the management of family owned businesses is advantageous as there is transparency, confidentiality and trust between the partners which is a key aspects of business success	283	4.49	0.59

Results presented in Table 4.13 shows that majority of the respondents agreed that spouse support in the management of family owned businesses is advantageous as there is transparency, confidentiality and trust between the partners which is a key aspects of business success (M= 4.49 SD = 0.59), spouse may influence family business objective through career support (M= 4.48 SD =0.50), and that spouse are important in influencing the entrepreneur's motivation and business-related decisions making in a family business (M= 4.31 SD =0.75). This finding goes hand in hand with the findings by Hansen (2016) if spouses have strong skills, they can contribute to the business and improve our bottom line

Further the study also revealed that in a family business, spouses are likely to work in line with one another in achieving the goals of their business and improving performance (M= 4.28 SD =0.66) entrepreneurs' spouses tend to make the best managers of their business due to the commitment, determination and participation in operations of the business (M= 4.25 SD =0.43) and The decisions made in the family owned businesses are majorly influenced by their partners' view and are easily implemented due to the short chain of decision making and hence making the spouses legible managers (M= 4.19 SD =0.81). The above finding concurs with the findings by Greenhaus & Powell, (2014) Spouses will feel most included as family if they are employed with the firm

However on contrary respondents reported that Spouses working outside of the business reduce the family's overall reliance on the business as the sole economic engine for family units, Spouses do not need to be employed to remain informed about the business and lend support to the organization.

4.4 Success of Family Owned Businesses

Respondents were required to indicate how the business had performed in the last five years, in the following area.

Table 4.14: Performance of Family Owned Businesses

	Opinion	Frequency	Percentage
Profits	Increased	178	62.9
	Constant	68	24.0
	Decreased	37	13.1
	Total	283	100
Sales turnover	Increased	144	50.9
	Constant	95	33.6
	Decreased	44	15.5
	Total	283	100
Number of employees	Increased	229	80.9
	Constant	36	12.7
	Decreased	18	6.4
	Total	283	100
Number of customers	Increased	249	88.0
	Constant	25	8.8
	Decreased	9	3.2
	Total	283	100
Number of branches	Increased	166	58.7
	Constant	67	23.7
	Decreased	50	17.7
	Total	283	100
Number of products	Increased	197	69.6
	Constant	77	27.2
	Decreased	9	3.2
	Total	283	100
Business assets	Increased	175	61.8
	Constant	64	22.6
	Decreased	44	15.5
	Total	283	100

Assessment on business performance on the following success measures showed that the most of the business, registered significant increase in number of number of customers(88.0%), profits (62.9%),number of branches(58.7%),number of

employees(80.9%), sales turnover (50.9%), number of products(69.6%) and in business assets(61.8%), These findings are in line with the study Wilson et al., (2013) Spouse involvement in senior leadership in family owned business results in better financial and all-round performance and that appointing Spouse to senior positions and at the Board Level is imperative not only for the bottom line but also for diversity

Respondents also reported that the business faced various challenges among which include stiff competition and stiff legal policies

4.5 Regression Analysis

For this research, a multiple regression analysis was carried out to examine the influence existing amongst the predictor variables. SPSS V 21.0 was used for coding, entering and computing measurements of multiple regressions. The model summary are presented on Table 4.15.

Table 4.15: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.740 ^a	.547	.542	4.57701

Source: (Survey Data, 2018)

Coefficient of determination was employed to examine the suitability of the model. R² adjusted, represents the percentage of variance explained by independent variables. R² adjusted for this model was 0.54.2 meaning 54.2% of the variations in successful performance of family owned business are explained by the independent variables in this research (Physical Capital Support, Social Capital Support and Management support).

Additionally, the significance of this model was as well examined through the ANOVA method. The outcomes are presented on Table 4.16.

Table 4.16: Summary of One-Way ANOVA results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7058.446	3	2352.815	112.312	.000 ^b
	Residual	5844.771	279	20.949		
	Total	12903.217	282			

Source: (Survey Data, 2018)

From the outcomes given by the ANOVA model, probability = 0.000 was gotten that portrayed that the regression model was key in making predictions of the relationship between predictor variables and the successful performance of family owned business (Physical Capital Support, Social Capital Support and Management support) since it was below $\alpha=0.05$.

Additionally, the research made use of the coefficient table in determining the model of the study. The outcomes are as shown on Table 4.17.

Table 4.17: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	23.570	2.169		10.865	.000
Physical Capital Support	.465	.068	.286	6.825	.000
1 Social Capital Support	.662	.071	.406	9.308	.000
Management support	.551	.068	.344	8.059	.000

Source: (Survey Data, 2018)

As far as the SPSS generated output is concerned on that table, the equation ($Y = \beta_0 +$

$\beta_1X_1 + \beta_2X_2 + \beta_3X_3$ ends up to:

$$Y = 23.570 + 0.465 X_1 + 0.662 X_2 + 0.551 X_3$$

Holding other factors constant, a change in one unit in physical capital support while holding the other factors constant enhances how a business owned by a family performs by a factor 0.465, a unit change in social capital support while holding the other factors constant would enhance the performance of family owned business by a factor of 0.662. and that, a unit change in management support while holding the other factors constant would the performance of family owned business by a factor of 0.551. The predictor variables were significant in the model since the values of their probability were below $\alpha=0.05$.

4.6 Discussion of the Findings

The study investigated the extent to which spouse physical capital support influenced the success of family owned businesses in Meru County, results obtained showed that spouse physical capital support greatly influenced the success of family owned businesses to a great extent. Test regression results give a prediction that a change in a unit of spouse physical capital support while holding the other factors constant would enhance the performance of family owned business, spouse, especially women take care of the family so that the man may concentrate on running the business and that social capital provided by spouse in a business is generally non-tradable and inimitable, hence a unique resource that maximises the entrepreneurial networks to access resources beyond the boundaries of the network giving the business competitive advantage. These finding goes hand in hand with the findings by Ciscel and Sharp (2016) spouse usually take the role of chief caregiver to the family's needs at home, allowing the marital partner to concentrate on running the business

Further the study also revealed that Spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows and that Through social capital the business is able to acquire external resources like distribution networks, technology, financial capital, information, knowledge and information to better how they perform. The above finding concurs with the findings by Keanon (2011) noticed that spouses make a unique contribution to the survival of the business and in some cases they are the unifying thread within the family business.

Assessment showed that social capital support provided by spouses influenced the success of family owned businesses in Meru County to a great extent, test regression results showed that a unit increase on social support from spouses while holding the other factors constant would enhance the performance of family owned business. Descriptive results showed that spouse, especially women take care of the family so that the man may concentrate on running the business, spouses give feedback on how business can be improved, social capital provided by spouse in a business is generally non-tradable and inimitable, hence a unique resource that maximises the entrepreneurial networks to access resources beyond the boundaries of the network giving the business competitive advantage and that social support by a spouse signify buy in by the spouse and thus motivate the other party This finding goes hand in hand with the findings by Keanon, (2011) helps in sharing of business responsibilities, in that Knowing who is supposed to do what each day not only makes for a smoother workflow, but allows spouses to just slip right into their roles. At the same time

Further the study also revealed that Spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows, through social capital the business is able to acquire external resources like distribution networks,

technology, financial capital, information, knowledge and information to better how they perform and that Spouses provide human resource for the success of the business. The above finding concurs with the findings by Coleman (2012) Act of efficacy also needs social support or interaction to strengthen the coping process, Emotional social support can also be associated with information or feedback support from the spouse in strengthening the business-efficacy.

The study revealed that spouse management support influenced the success of family owned businesses in Meru County, test regression results revealed that a unit change in management support while holding the other factors constant would the performance of family owned business. The study also revealed that that spouse support in the management of family owned businesses is advantageous as there is transparency, confidentiality and trust between the partners which is a key aspects of business success spouse may influence family business objective through career support and that Spouse are important in influencing the entrepreneur's motivation and business-related decisions making in a family business This finding goes hand in hand with the findings by Hansen (2016) if spouses have strong skills, they can contribute to the business and improve our bottom line

Further the study also revealed that In a family business, spouses are likely to work in line with one another in achieving the goals of their business and improving performance entrepreneurs' spouses tend to make the best managers of their business due to the commitment, determination and participation in operations of the business and The decisions made in the family owned businesses are majorly influenced by their partners' view and are easily implemented due to the short chain of decision making and hence making the spouses legible managers. The above finding concurs with the

findings by Greenhaus & Powell, (2014) Spouses will feel most included as family if they are employed with the firm. However on contrary respondents reported that Spouses working outside of the business reduce the family's overall reliance on the business as the sole economic engine for family units, Spouses do not need to be employed to remain informed about the business and lend support to the organization.

Assessment on business financial performance in the last five years showed that o significant improvement number of customers ,business assets, development of number of products and sales turnover and in profits, These findings are in line with the study Wilson et al., (2013) Spouse involvement in senior leadership in family owned business results in better financial and all-round performance and that appointing spouse to senior positions and at the Board Level is imperative not only for the bottom line but also for diversity

CHAPTER FIVE: SUMMARY OF FINDINGS CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

It entails some discussions, conclusion and recommendations arising from the analysis done. The main purpose for the research was finding the impact of corporate audit committee characteristics on financial performance of manufacturing firms in Kenya

5.2 Summary of the Research Findings

The finding of this study showed that provision of physical capital support by spouse influenced the success of family owned businesses in Meru County, social capital provided by spouse in a business is generally non-tradable and inimitable, hence a unique resource that maximises the entrepreneurial networks to access resources beyond the boundaries of the network giving the business competitive advantage and that spouse provided entrepreneurial motivation and encouragement to their partners which ensures that the business grows, that spouses make a unique contribution to the survival of the business and in some cases they are the unifying thread within the family business. Descriptive evidence also revealed that spouse usually take the role of chief caregiver to the family's needs at home, allowing the marital partner to concentrate on running the business and that unit change in spouse physical capital support while holding the other factors constant would enhance the performance of family owned business, spouse, especially women take care of the family so that the man may concentrate on running the business.

The findings of this study revealed that spouse, especially women take care of the family so that the man may concentrate on running the business, through social capital the business is able to acquire external resources materials like distribution networks,

technology, financial capital, information, knowledge and information to better how they perform and that spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows and efficiency of the business enhanced through social support by the partners.

Further assessment showed that Social capital provided by spouse in a business is basically not inimitable ,cannot be traded , therefore very unique as it maximises the entrepreneurial networks to diversity of resources giving the business competitive advantage spouses helps in sharing of business responsibilities, in that Knowing who is supposed to do what each day not only makes for a smoother workflow, but allows spouses to just slip right into their roles and that social support by a spouse signify buy in by the spouse and thus motivate the other party and that spouses give feedback on how business can be improved.

The study revealed that spouse may influence family business objective through career support, spouse management support influenced the success of family owned businesses in Meru County, test regression results revealed that holding other factors constant a change in management support by a unit would better how a business owned by a family performs. Entrepreneurs' spouses tend to make the best managers of their business due to the commitment, determination and participation in operations of the business and that the decisions made in the family owned businesses are majorly influenced by their partners' view and are easily implemented due to the short chain of decision making and hence making the spouses legible managers.

However on contrary respondents reported that spouses working outside of the business reduce the family's overall reliance on the business as the sole economic engine for family units, spouses do not need to be employed to remain informed about the business

and lend support to the organization. The research as well disclosed that spouse support in the management of family owned businesses is advantageous as there is transparency, confidentiality and trust between the partners which is a key aspects of business, spouse are important in influencing the entrepreneur's motivation and business-related decisions making in a family business. Assessment on business financial performance in the last five years showed that o significant improvement number of customers, business assets, development of number of products and sales turnover and in profits and that spouse involvement in senior leadership in family owned business leads to improved financial status and performance in general and that appointing spouse to top positions as well as a Board member is very vital for diversity purposes.

5.3 Conclusion

This study concludes that physical support provided by spouses has significantly positive effect on business efficacy. Spouse provided entrepreneurial motivation and encouragement to their partners who ensure that the business grows and that through social capital the business is able to acquire external materials like distribution networks, technology, financial capital, information, knowledge and information to better how they perform.

The research as well concludes that spousal support on a social basis impacts positively on efficiency of a business, social capital provided by spouse in a business is basically not inimitable and cannot be traded, therefore very unique and by that it maximises the entrepreneurial networks to diversity of resources giving the business competitive advantage in making the efficiency of the business stronger.

Finally this study concludes that spouse management support influenced the success of family owned businesses to a great extent and that spouse support in the management of family owned businesses promotes transparency, confidentiality and trust between the partners which is a key aspect of business success.

5.4 Recommendations

According to the outcomes of the research this, the research makes a recommendation that family owned enterprises are supposed to encompass policy formulation. There is need to develop a policy postulating on extent to which spouses can provide assistance this will help to ensure that responsibilities of both parties do not overlap. Before they even start their business, spouses need to discuss their specific roles to avoid conflicts.

Both spouses should give their full trust to each other to keep the relationship strong. One should never give in to temptations and should value his marriage to make it last. Since couples in business spend most of their time together, a couple that is wise knows quite clearly that it is very good to set their relationships aside so as to make wise decisions.

Both spouses should work as teamwork to enable the business to grow onward. Partners are not supposed to compete with each other. A business owned by a couple is also termed to have accomplished when they do not blame each other for the challenges the business is facing, instead they should accept them. Both partners should be very cautious if they want to start up business together as partners. Problem may arise that would cause marriage problems and also affect the growth of their business especially at the start of the business due to the much commitments required.

It is very important to have proper communication. There are always difficulties when spouses want to translate to a business relationship which is working. A consultant proposed that the way partners communicate back outside the office may not be appropriate for business. Experts point out that a good conversation by a spouse in business is supposed to be official, targeting on the problem at the moment and not making criticisms personal.

5.5 Limitations of the study

The major limitation of this study is the inability to espouse the effects of spousal death to the continuity and sustainability of the family enterprise. Some co-preneurs were also not willing to participate in the study though through further identification of the researcher, some bulged.

5.6 Suggestions for Further Studies

Fixture studies should seek to determine the effect of innovativeness on how supermarkets owned by a family perform in the county of Meru, the effect of proactiveness on how supermarkets owned by a family perform in the county of Meru, the relationship between risk taking and performance among family owned supermarkets in Meru County and the impact of collaboration on how supermarkets owned by a family perform in Meru County?

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APPENDICES

Appendix I: Questionnaire

SECTION A: GENERAL INFORMATION

Kindly give an indication of your response by a tick on the spaces given.

- 1) Please indicate your gender
Male Female
- 2) Highest Level of education
Primary Level Secondary
Certificate/Diploma Degree
Postgraduate
- 3) Please indicate the category that your business belongs
Farming Manufacturing
Service (hotel, bar etc) Retail and wholesale
- 4) Please indicate the form of ownership of the business you own
Sole proprietorship Partnership
Company
- 5) For what duration of years have you worked in the business?
5 and below 5 to 10
10 to 15 15 to 20
20 and above
- 6) By how much does your spouse get involved in the running and managing of this business?
Not at all Low
Moderate Great
Very great

Section B: Role of Spouse Support in the Success of Family Owned Businesses

Spouse Physical Capital Support

- 7) To what extent do you think spouse physical capital support influence the success of family owned businesses in Meru County?
Not at all Low
Moderate Great
Very great

8) On a scale of 1 to 5, where 1 = strongly disagree and 5 = strongly agree, indicate your level of agreement with the following statement that relate to spouse physical capital support and the success of family owned businesses?

	1	2	3	4	5
Spouses provide financial support necessary for growth and success of the family business					
Spouse may provide access to raw materials for the success of business					
Spouse may take loans to support the growth of a family business					
In case of land, spouse may provide land onto which the family business maybe established					
Spouse commit resources like personal vehicle for use in the business to ensure its success					
Spouse involvement in the business is usually unpaid and thus the money can be invested to ensure success of the business					

9) In your own opinion, in what other ways does spouse physical capital support influence success of family owned businesses in Meru County?

.....

Social Capital Support

10) To what extent do you think social capital support influence the success of family owned businesses in Meru County?

- Not at all [] Low extent []
- Moderate extent [] Great extent []
- Very great extent []

11) On a scale of 1 to 5, where 1 = strongly disagree and 5 = strongly agree, indicate your level of agreement with the following statement that relate to social capital support and the success of family owned businesses?

	1	2	3	4	5
Social support by a spouse signify buy in by the spouse and thus motivate the other party w					
Spouse give feedback on how business can be improved					
Spouses provide human resource for the success of the business					
Social capital provided by spouse in a business is generally non-tradable and inimitable, hence a unique resource that maximises the entrepreneurial networks to access resources beyond the boundaries of the network giving the business competitive advantage					

Spouse, especially women take care of the family so that the man may concentrate on running the business					
Spouse provide entrepreneurial motivation and encouragement to their partners which ensures that the business grows					
Through social capital the business is able to acquire external materials like distribution networks, technology, financial capital, information, knowledge and information to better how they perform.					

12) In your own opinion, in what other ways does social capital support influence success of family owned businesses in Meru County?

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Management Support

13) To what extent do you think spouse management support influence the success of family owned businesses in Meru County?

- Not at all [] Low extent []
- Moderate extent [] Great extent []
- Very great extent []

14) On a scale of 1 to 5, where 1 = strongly disagree and 5 = strongly agree, indicate your level of agreement with the following statement that relate management support and the success of family owned businesses?

	1	2	3	4	5
Spouse are important in influencing the entrepreneur’s motivation and business-related decisions making in a family business					
Spouse may influence family business objective through career support					
In a family business, spouses are likely to work in line with one another in achieving the goals of their business and improving performance					
Entrepreneurs’ spouses tend to make the best managers of their business due to the commitment, determination and participation in operations of the business					
The decisions made in the family owned businesses are majorly influenced by their partners’ view and are easily implemented due to the short chain of decision making and hence making the spouses legible managers					

Spouses provide more understanding since they have similar/shared perspectives related to the business and are therefore able to draw upon their own knowledge to well manage the business					
Spouse support in the management of family owned businesses is advantageous as there is transparency, confidentiality and trust between the partners which is a key aspects of business success					

15) In your own opinion, in what other ways does management support influence success of family owned businesses in Meru County?

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Success of Family Owned Businesses

16) In the last five years, how have the following measures of business performance changed?

	Increased	Unchanged	Decreased
Profits			
Sales turnover			
Number of employees			
Number of customers			
Number of branches			
Number of products			
Business assets			

17) In the last five years, in what other ways has your business changed in terms of performs?

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Thank you for your participation!!