



University of Nairobi



African Women Studies Centre (AWSC)

Evaluating the Effectiveness of Incubating Women's Collectives/Group Businesses for Replication



BASELINE SURVEY REPORT

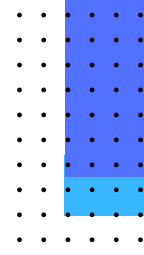
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ACRONYMS

AAF	Affirmative Action Funds
AFAWA	Affirmative Finance Action for Women in Africa
AGPO	Access to Government Procurement Opportunities
CBO	Community-Based Organization
CGS	Credit Guarantee Scheme
FGD	Focus Group Discussion
FGM	Female Genital Mutilation
GBV	Gender-Based Violence
ICT	Information Communication Technologies
IMF	International Monetary Fund
KNBS	Kenya National Bureau of Statistics
KRA	Kenya Revenue Authority
MFI	Micro Finance Institutions
MSME	Micro, Small and Medium Enterprises
NGAAF	National Government Affirmative Action Fund
NT	National Treasury (Kenya)
PIN	Personal Identification Number
SACCO	Savings and Credit Co-operative Society
SDG	Sustainable Development Goals
UN	United Nations
UNDP	United Nations Development Programme
UNIFEM	United Nations Development Fund for Women
WEE	Women's Economic Empowerment
WEF	Women Enterprise Fund
YEDF	Youth Enterprise Development Fund



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The report was prepared by Dr. Agnes Meroka-Mutua, Dr. Martine Oleche, Carolyn Mwikali, Elizabeth Jumba, and Caudesia Njeri.

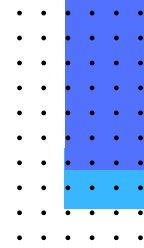
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FOREWORD

Women's entrepreneurship and economic empowerment are crucial indicators of global economic development as they contribute to employment creation and economic growth. In Kenya, about 36% of Small and Medium Enterprises are female-owned and contribute around 20% to Kenya's GDP (Oxfam, 2023). Entrepreneurship provides a pathway for women to build their capacity and overcome barriers to leadership and decision-making (Harbison, 1956). While women running individual businesses/individual entrepreneurship has always been the norm, women have become increasingly determined to achieve economic empowerment through a variety of means, including collective/group businesses. An increasing number of women entrepreneurs have come together to run collective businesses for their individual and collective growth, financial stability, and economic empowerment. Further, research shows that women entrepreneurs form groups to address some of the challenges they face individually.

This however, is not new in Kenya, women have, particularly after independence in 1963 come together and bought land and built homes, etc., and later in the eighties and nineties, got involved in businesses that were quite substantive such as real estate. The history of women's groups in Kenya is well documented and it is the reason why in 1976 at the establishment of the Women's Bureau, the Government took this strategy of working in groups and started funding small groups as is seen today in WEF, NGAAF, Youth Fund and Hustler Fund, and now even the commercial banks have taken this strategy to support women's businesses. Women's groups continue to be channels for women's economic empowerment through collective entrepreneurial activities. However, despite being the fastest-growing category of entrepreneurs, women remain the most underutilized source of economic growth. Women entrepreneurs and women

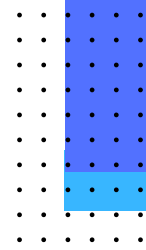


groups/collectives in Kenya also continue to face several challenges, such as limited growth and a lack of finances.

In light of the aforementioned challenges and the vision of full realization of WEE, the UoN WEE Hub initiated the Women-focused Business Incubation (WBI) project to assess what works in growing women's businesses/enterprises through incubation. According to the American National Business Incubation Association (NBIA, 2015), business incubation is a support process that accelerates the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services. Various national governments recognize business incubation programs as the mechanism to support small and medium enterprises (SMEs).

Through the Incubation project, the UoN WEE Hub, in collaboration with other partners, seeks to redress existing challenges to women's economic empowerment through incubating individual women and women groups' enterprises to assess what works in these initiatives for possible replication. The UoN WEE Hub Women's Business Incubation (WBI) project evaluates how women-focused incubation models contribute to the growth of businesses and enterprises in Kenya.

Through the WBI project, The WEE Hub and its partners, CrownTrust, TechnoServe and Sweet and Dried Enterprises Limited, and with technology transfer support from the Kenya Industrial Estates (KIE), the Kenya Industrial Research and Development Institute (KIRDI), the UoN Environmental and Biosystems Engineering (EBE) and support from Equity Bank are incubating 320 individual women-owned enterprises and 16 women's collective/group businesses by 2025, which will then be replicated, with the UoN WEE Hub conducting monitoring and evaluation every six months. Through Access to credit, Linkage to information and



technology, capacity building, Access to markets, and Mentorship, the project aims to achieve the growth and expansion of women-owned businesses and increase in revenue. Most importantly, informed policy and policy change are expected as part of the high-level outcome. Some services and training provided during incubation include Access to credit, Linkage to information and technology, Capacity building, Access to markets, and Mentorship.

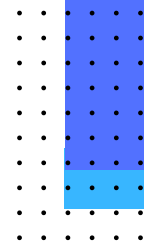
To understand the needs of the collectives/group businesses, the UoN WEE Hub, in collaboration with CrownTrust, conducted a baseline survey of 17 women collective/group businesses in 12 counties in Kenya, i.e., Nairobi, Kajiado, Kilifi, Kwale, Kisumu, Mombasa, Tharaka Nithi, Meru Kitui, Nyandarua, Turkana and Busia. The results from the fieldwork demonstrated various challenges that women-owned businesses face, ranging from limited finances, knowledge of the use of technology, and market access, among others, hence the need for incubation of women-focused businesses.

The baseline study's findings revealed that:

Women's business collectives were founded on humble beginnings, frequently by women with a similar goal, after recognizing the needs of women-led businesses at the local level. The findings indicate that the collectives were formed to support the business needs of individual women at the grassroots. This is confirmed by a lot of literature on women's groups in Kenya which have been in existence for a long time.

Individuals join groups/collectives for growth opportunities, which are more accessible to groups than individuals. Furthermore, through the groups, individuals can address business challenges that would be difficult to manage individually.

Most groups are registered as social groups/chamas with the Registrar of Societies thus enabling them to register and manage bank accounts. Other kinds



of registration, such as business or company registration, are inaccessible to most groups since they cannot always meet all the requirements.

Table banking was identified as the most common group activity for most collectives/groups and the members' primary source of affordable loans.

Some of the challenges the collectives face include, limited access to established markets for their products, limited availability of technology and skills, limited access to credit facilities and affordable loans, and limited opportunities for growth and scaling up.

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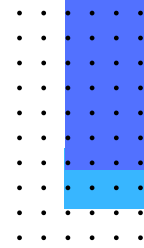


EXECUTIVE SUMMARY

In Kenya, there is a rich history of business incubators (WEE Hub 2022) serving as crucial structures for supporting business growth. These incubators go as far back as the colonial period. Women's business collectives, in particular, are critical players in supporting the community and individuals and are instrumental to the country's economic development. However, women face gender-related challenges in business. Research has shown that business incubators offer support to women's enterprises, thus highlighting the need to support women's businesses. The challenge has been that there has yet to be a focus specifically supporting women's businesses despite the existing data showing the need to support women's businesses. Few business incubators have explicitly supported women's businesses through a woman-centred approach. Therefore, there is a need to support women's businesses through a woman-centred approach.

Further, studies show that women entrepreneurs often form and join collective groups to address some of the challenges they face. Jones et al (2012) study reveals that women's business collectives are one of the most important ways women entrepreneurs address some of the challenges they face in the context of business. Thus, through collective enterprises, women can access markets with greater ease, access resources to run their businesses and overcome the gender constraints that they may face in the process of doing business.

In this regard, the emphasis on women's business collectives is driven by the crucial role they play in supporting women's enterprises. Through these collectives, some of the challenges that women's businesses face, including access to markets and access to other key resources, such as credit, can be addressed. Given the substantial role played by women's business collectives in supporting individual women's enterprises and in addressing the prevailing gender barriers that women's enterprises face, the WEE Hub's incubation project



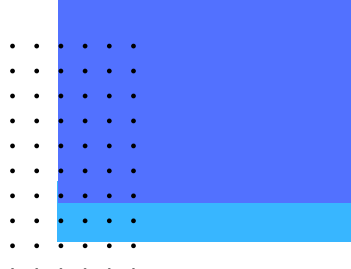
will include a focus on these collectives. Supporting women's business collectives is intended to further strengthen women's enterprises and act as a key driver of women's empowerment.

To understand the incubation needs of women's business collectives, the WEE Hub conducted a baseline survey, and the findings of this survey will be used to inform the design of the incubation products and services offered to the collectives incubated under the project.

The specific objectives of conducting the baseline survey were to:

1. Assess women's access to business development services (including providing information, knowledge, skills, and advice on the various aspects of a business).
2. Evaluate individual groups' governance structures and capacity to facilitate their business's growth/formalisation formalisation.
3. Assess existing structures that support the growth of individual members, such as the benefits of being in the group (whether they can access the support/benefits from elsewhere as a group, i.e., banks, institutions, or county government).

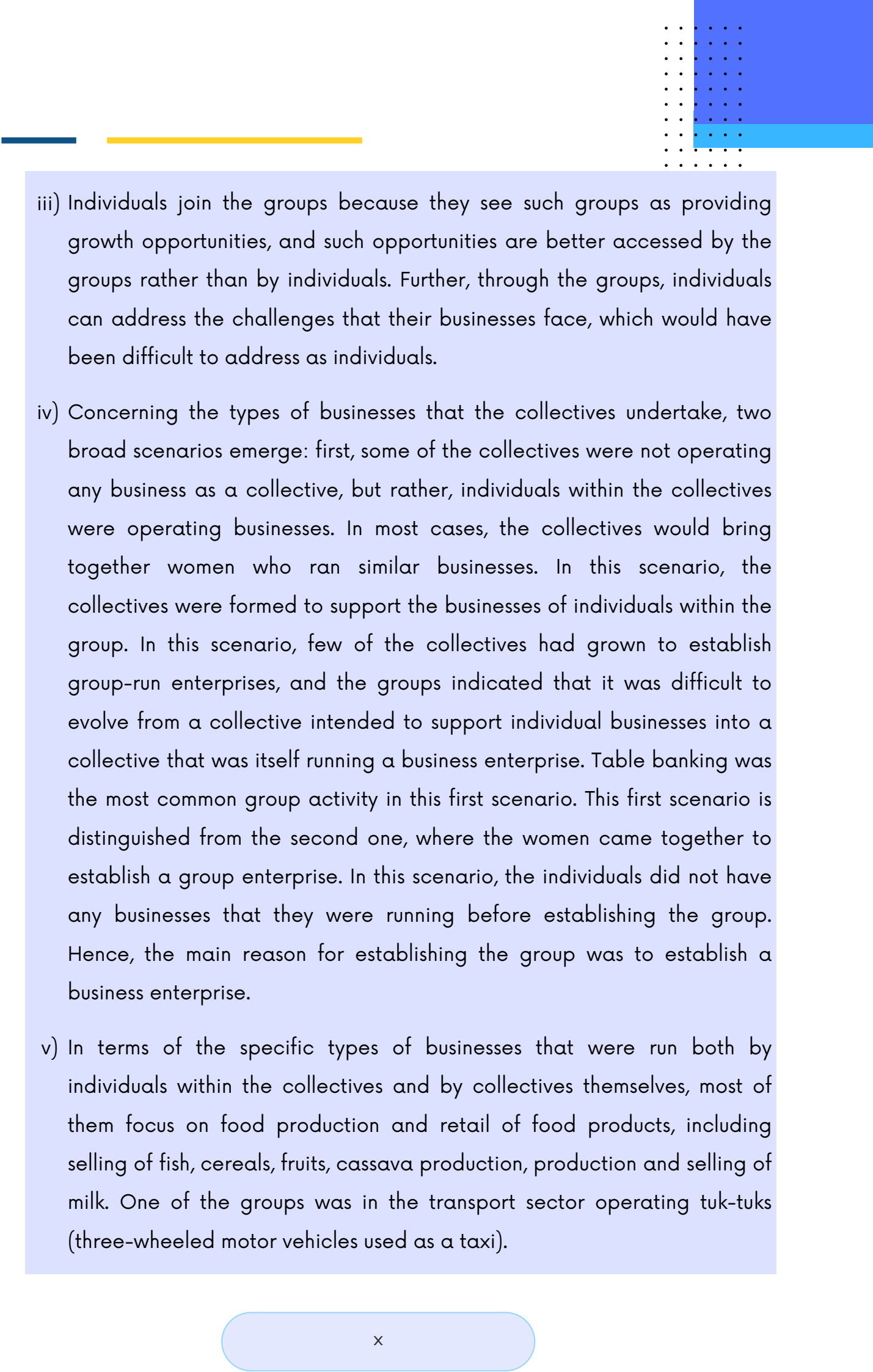
The baseline survey employed qualitative and quantitative methods to achieve the stated objectives. The baseline survey was intended to inform the support provided to the collectives through incubation. Notably, the study is also longitudinal, which allows researchers to repeatedly study the same population/individuals to see any changes in variables over a period of time (Audette & Rochester, 2020). This study enabled researchers to observe and collect data on several variables without necessarily trying to influence them. Thus, it could detect development or changes in the characteristics of the businesses at both group and individual levels. It also allowed researchers to develop and maintain relationships with participants and assist in determining



the cause-effect relationship of the variables, which is essential for developing solutions to potential business problems. Thus, after undertaking the baseline survey, follow-ups, referred to as waves, was done to track the performance of the incubatees.

In terms of the findings, the baseline study reveals that:

- i) Women's business collectives were established from humble beginnings and often by women with a shared vision, having understood the business needs of women-run enterprises at their local levels. Some of the groups started with a few members and expanded over time. In addition, although there was a focus on individuals making regular monetary contributions to support the group's activities, this aspect led to the dropout of some members. They could not make these contributions, even where they were as low as Kshs. 30.
- ii) Regarding reasons for the establishment, the findings show that the collectives were established to support the business needs of individual women at the grassroots. Thus, the groups did not come into existence until there was a clear need to provide support to women's businesses. Some of the challenges which women faced, and which led them to establish collectives include poverty, inability to access credit through banks and other formal lending institutions and the need for support in running their business more efficiently and effectively, for example, as a collective, it is easier and cheaper to source for raw materials.

- 
- iii) Individuals join the groups because they see such groups as providing growth opportunities, and such opportunities are better accessed by the groups rather than by individuals. Further, through the groups, individuals can address the challenges that their businesses face, which would have been difficult to address as individuals.
- iv) Concerning the types of businesses that the collectives undertake, two broad scenarios emerge: first, some of the collectives were not operating any business as a collective, but rather, individuals within the collectives were operating businesses. In most cases, the collectives would bring together women who ran similar businesses. In this scenario, the collectives were formed to support the businesses of individuals within the group. In this scenario, few of the collectives had grown to establish group-run enterprises, and the groups indicated that it was difficult to evolve from a collective intended to support individual businesses into a collective that was itself running a business enterprise. Table banking was the most common group activity in this first scenario. This first scenario is distinguished from the second one, where the women came together to establish a group enterprise. In this scenario, the individuals did not have any businesses that they were running before establishing the group. Hence, the main reason for establishing the group was to establish a business enterprise.
- v) In terms of the specific types of businesses that were run both by individuals within the collectives and by collectives themselves, most of them focus on food production and retail of food products, including selling of fish, cereals, fruits, cassava production, production and selling of milk. One of the groups was in the transport sector operating tuk-tuks (three-wheeled motor vehicles used as a taxi).

vi) Regarding registration, most groups are registered as social groups under the registrar of societies. This is a straightforward registration form that enables individuals to open bank accounts and exert control over them. One group was already registered as a SACCO. Other forms of registration, such as business or company registration, are not easily accessible for most groups, as they are not always able to meet all the requirements.

vii) Some of the challenges the collectives face include limited access to established markets for their products, limited availability of technology and skills, limited access to credit facilities, and limited opportunities for growth and scaling up.





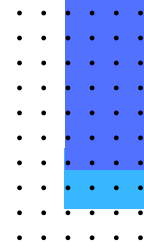
PART 1: INTRODUCTION

This section introduces the Women’s Businesses Incubation Project, the rationale for the focus on the women’s business collectives, the study objectives, the research questions and the methodology used in determining the sample size, data collection, data processing and analysis.

1.0 INTRODUCTION TO THE WOMEN’S INCUBATION PROJECT

The Women’s Business Incubation project is driven by the imperative to foster the success and expansion of women’s businesses. Data from the Kenya National Bureau of Statistics (KNBS, 2016) reveals that women’s enterprises account for 31.4% of licensed MSMEs in Kenya, as compared to 48% that are male owned and 17% that are jointly owned. With regard to unlicensed MSMEs, women owned enterprises account for 61% as compared to 6.4% that are male owned. Women owned MSMEs also contribute significantly to the country’s GDP (International Finance Corporation, 2021). However, many businesses in Africa close on average after 3.8 years (MSME Survey, 2016). The majority of the MSMEs which fold up within a short period of start-up are women-owned businesses, accounting for 54.9% (KNBS, 2016). From these statistics, we see that women’s enterprises are more likely to be unlicensed, hence operating in the context of informality and further, they are more likely to close up within a short period of time as compared to the male owned enterprises.

Gender gaps in business ownership suggest that women are not sufficiently supported in their entrepreneurial efforts. Business incubators offer a potential strategy to help overcome this gender gap. Hackett and Dilts (2004: 57) define business incubators as “a shared space facility that seeks to provide incubatees with a strategic, value-added intervention system of monitoring and business assistance.

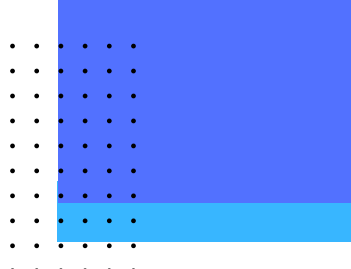


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This system controls and links resources and employees, local universities and university community members, industry contacts and professional service providers such as lawyers, accountants, consultants, market specialists, venture capitalists, angel investors, and volunteers.” Business incubation is crucial to the development of women entrepreneurs' businesses as it provides them with work premises, technical advice, access to information through ICT facilities, financial support through loans, along with other business development services on-demand to enable smooth start, growth, competitiveness, and sustainability of enterprises (Chijoriga, 2013).

In Kenya, the history of business incubators dates back to the colonial period (WEE Hub, 2021). However, a notable challenge persists – there is a lack of business incubators dedicated specifically to supporting women's businesses. Despite compelling data indicating the necessity of supporting women's businesses, there is a gap in the existence of business incubators that employ a woman-centred approach to address this need.

Further, studies show that women entrepreneurs form and join collective groups as a means of addressing some of the challenges that they face. Thus, according to a study by Jones, Smith and Wills (2012), individual women who come together and work as a group towards the realisation of their business goals, referred to here as 'women's business collectives' are one of the most important ways through which women entrepreneurs can address some of the challenges that they face in business. Thus, through collective enterprises, women can access markets with greater ease, access resources that they need to run their businesses and overcome the gender constraints that they may face in the process of doing business. In the context of informal enterprises, Hiriyur and Nangalia (2021) report that in India, collectivism is a vehicle through which informal enterprises can become formalized and registered as cooperatives and even private limited companies, and in this, women's enterprises can address the challenges that they



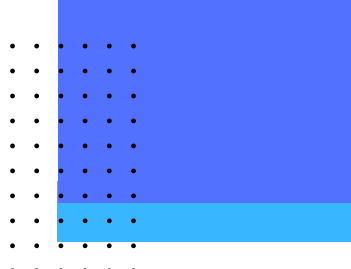
face, including being able to participate in collective decision making. Notably, we see here that as individual women running enterprises, women cannot always participate in decision-making. Still, when they come together as collective enterprises, they can participate in collaborative decision-making, thus circumventing the gender barriers that keep them out of decision-making processes in their communities.

Thus, the purpose of the WEE Hub's Women's Business Incubation project is to plug the existing gap in supporting women's business. The WBI model is informed by a woman-centred approach, based on the premise that women are marginalised in a male-dominated field and need support in establishing their businesses where the needs of women, their stories and narratives inform the approach used in providing support and services to business incubatees.

In line with the woman-centred approach, the WEE Hub collected data using qualitative methods from women-run enterprises, and this data was used to inform and shape the WBI project. The data presented below highlights the stories, experiences and needs of women-run enterprises.

1.1 RATIONALE

The focus on women's business collectives is informed by the fact that women's business collectives play an important role in supporting women's enterprises. Through business collectives, some of the challenges that women's businesses face, including access to markets, can be addressed by access to other key resources, such as credit. Thus, because of the significant role played by women's business collectives in supporting individual women's enterprises and in addressing the prevailing gender barriers that women's enterprises face, the WEE Hub's incubation project will include a focus on these collectives. Thus, by supporting women's business collectives, it is intended that this will only further strengthen women's enterprises.



In terms of sustainability, the collectives are also more likely to continue offering support to women's enterprises even beyond the period of incubation. Thus, the lessons learnt during the incubation period are more likely to continue being used and applied through the women's business collectives.

It is also important to note that the women's business collectives are constantly expanding in terms of numbers, and they often recruit new members. Thus, it is likely that the collectives will use the knowledge and skills gained through the incubation project to support their new members. This, therefore, means that women, including women's business collectives in the incubation project, will create opportunities to ensure that the knowledge and skills obtained through the process are used to support more women's enterprises.

1.2 OBJECTIVES

To understand the incubation and business support needs of women's business collectives, the WEE Hub conducted a baseline survey. The findings of this survey will be used to inform the design of the incubation products and services offered to the collectives incubated under the project.

The specific objectives of conducting the baseline survey were to:

Objective 1

Assess women's access to business development services (including providing information, knowledge, skills, and advice on the various aspects of a business).

Objective 2

Evaluate individual groups' governance structures and their capacity to facilitate the growth/formalisation of their business.

Objective 3

Assess existing structures that support the growth of individual members, such as the benefits of being in the group (whether they can access the support/benefits from elsewhere as a group, i.e., banks, institutions, or county government).

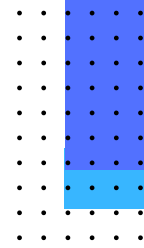
Objective 4

Establish a baseline scenario or set baseline indicators for women collectives to form the basis for programme monitoring and provide parameters for measuring change and attributing results (monitor the growth of the incubated businesses using the identified indicators).

1.3 CORE RESEARCH QUESTIONS

The questions that drive the baseline survey related directly to the specific objectives and associated targets and outputs drawn up under the Incubation for Women's Business Collective programme. Accordingly, we linked each research question to a combined qualitative and quantitative set of secondary questions using survey and participatory methods to assess the current situation and determine the changes required to enhance women's collective businesses. These questions included:

- i) To what extent do women-focused incubation models contribute to their business growth in Kenya?
- ii) What is the historical development of the project identified for data collection?
- iii) What data is available on the group's roadmap to realising their vision?
- iv) What is the status of the group and group members' capacity to successfully implement the proposed economic empowerment projects?
- v) What is the draft roadmap for the project development in the next two years?



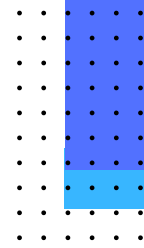
1.4 METHODOLOGY

1.4.1 Research Design

Before the incubation of the women's business collectives, it was important to understand the specific position of these collectives.

This baseline survey consisted of a quantitative (survey) followed by a qualitative study through interviews. The intention was to evaluate the effectiveness of women's business incubation to determine the extent to which women benefit from business incubation. The survey sought demographic information to build a general profile of those women who run the business, what type of business they ran and the challenges they faced in running this business. We obtained data through various business enterprises that included women who had come together to run businesses, which were run by individuals within the collectives and by collectives themselves. Most of them focus on food production and retail of food products, including selling fish, cereals, fruits, cassava production, production and selling of milk. One of the groups was in the transport sector and was operating tuk-tuks. The survey results suggested that female participants were more likely than males to come as collectives to run successful businesses. Nevertheless, they were faced with many challenges. The baseline survey is intended to inform the support provided to the collectives through incubation.

Notably, the study is also longitudinal, enabling researchers to systematically examine the same population or individuals repeatedly, observing changes in variables over an extended period (Audette & Rochester, 2020). This study enables researchers to observe and collect data on multiple variables without attempting to influence them. It also allows researchers to develop and maintain relationships with participants, which are essential for developing solutions to potential business problems. Thus, after undertaking the baseline survey, follow-ups, referred to as waves, will be done to track the performance of the incubatees.



There will be feedback every six months to monitor the progress of the businesses. Additionally, the interventions will be adjusted to respond to the documented experiences and emerging needs. For example, if a curriculum is delivered differently than expected, it will be modified based on collected information.

1.4.2 Study Sites and Study Population

A total of 16 women’s business collectives from 12 counties were surveyed. Two collectives were surveyed from each of the following counties: Nairobi, Kajiado, Kilifi, Kwale, Kajiado, and Kisumu counties. Mombasa, Tharaka Nithi, Meru, Kitui, Nyandarua, Turkana, and Busia produced one collective each.

16

Women’s Business Collectives

12

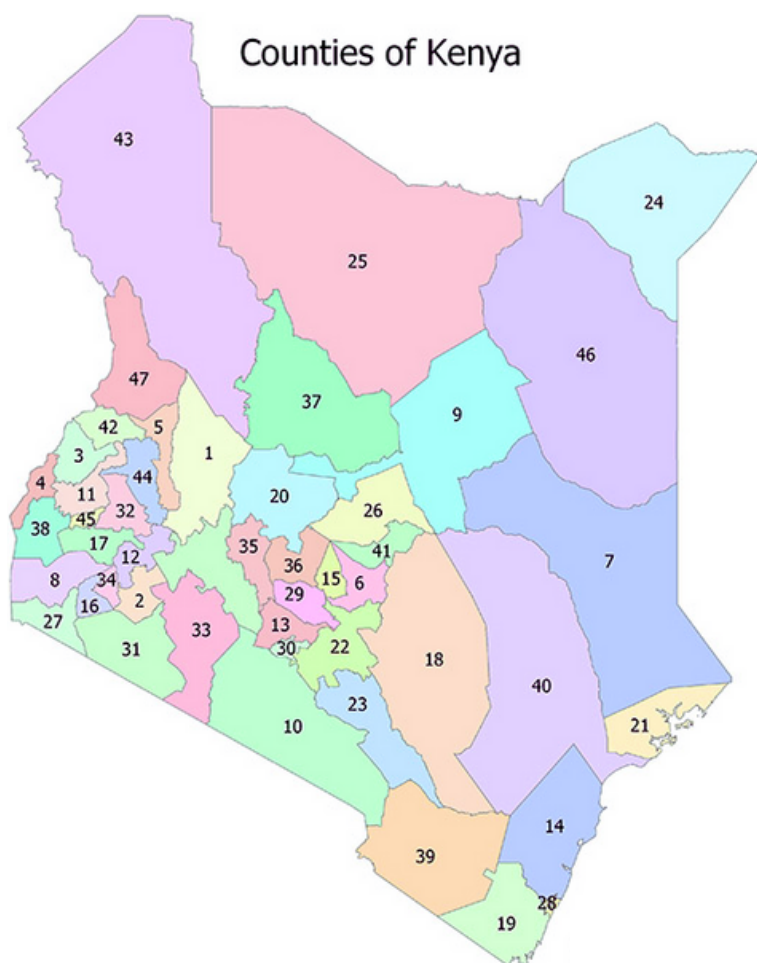
Survey Counties

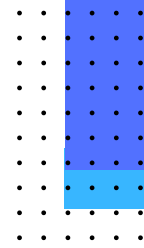
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Officials in the interviewed groups

Key

- 4-Busia
- 10-Kajiado
- 14-Kilifi
- 17-Kisumu
- 18-Kitui
- 19-Kwale
- 26-Meru
- 28-Mombasa
- 30-Nairobi
- 35-Nyandarua
- 41-Tharaka-Nithi
- 43-Turkana





In each collective, five officials were included in the group interview, during which both qualitative and quantitative data were collected from the group. Thereafter, three members identified with the support of the collective leaders were surveyed from each collective and quantitative data was collected from them individually.

The total sample size for the group interviews and surveys was 80 while the total sample size for the quantitative survey of individual members of the collectives was 48.

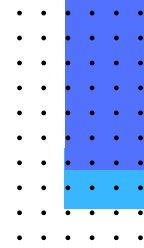
1.4.3 Sampling Procedures

The collectives included in this study were purposively selected, following a needs assessment on women's business collectives conducted by the WEE Hub.

The Hub could not conduct studies in all 47 Kenyan counties, but it ensured broad representation of the 47 counties, focusing on those with the highest impact on women's economic empowerment. The study also ensured that the results of a county's studies could be extrapolated to other counties with similar socio-economic conditions. Using indicators provided by the Kenya National Bureau of Statistics (KNBS), counties were classified based on their performance and four rankings were assigned to each county. From these twelve strata, a county was purposely chosen where partners had

already worked on projects. These counties include: Turkana, Samburu, Uasin Gishu, Lamu, Siaya, Kilifi, Machakos, Meru, Kisumu and Nyeri.

Mobilisation of the participants was done by CRAWN Trust, which is comparatively advantageous as it is a change catalyst already providing African women and girls with tools, voice and platforms in which they can effect change at the individual, family, a community within local, regional and the team worked closely with women's organisations affiliated to CRAWN Trust in mobilising participants.



1.4.4 Data Collection Methods

Three specific methods were used as follows:

Group key informant interviews were conducted with the leaders of the collectives. Key Informant Interview guides (KIIs) and questionnaires were prepared for the business collectives and their leaders interviewed based on their business roles.

A group quantitative questionnaire was also administered to the leaders of the collectives. After that, individual members of the collectives were surveyed using a quantitative questionnaire. The process of collecting quantitative data entailed the use of tablets running the Computer-Assisted Personal Interviews (CAPI) software. Unlike face-to-face data collection, using pen and paper was efficient. However, CAPI required interviewers to be trained in survey administration. Before embarking on the data collection, the research team was trained by the KNBS team.

1.4.5 Data Processing and Analysis

The qualitative data was analysed using the WEE Hub's NVIVO/ATLAS tools. Processing of the data was done using the following steps:

- ✓ Transcription: The research team converted the audio into written form for analysis, enabling the examination of stories collected from women collectives.
- ✓ Translation: The research team also translated the text from the source language into the language of reporting (English).
- ✓ Data coding and entry: This was an important analytical process of analysing data. The researchers labelled and organised qualitative data to identify different themes and relationships between them by using words and phrases that represent important/recurring themes in each response. This systematically categorised excerpts in qualitative data to examine themes

and patterns. This allowed the researchers to interpret, organise and structure their observations and interpretations into meaningful themes, allowing them to be reflexive, critical, and rigorous in our findings.

- ✓ Cleaning is the process by which inaccurate, poorly formatted or otherwise messy data are removed. The researchers thus removed or corrected errors and inconsistencies due to data corruption and inaccurate or irrelevant data was identified and then either replaced or modified/deleted.





PART 2: PRESENTATION OF RESEARCH FINDINGS

This section presents the key findings, collective biodata, the demographic characteristics of the individual women within the collectives and their business biodata. The findings are organized according to the study objectives: historical development of the projects identified for incubation, groups' road map to the realization of their vision, the empowerment levels of the groups and their members in relation to the growth of their businesses and the tentative roadmap for the project.

2.1 COLLECTIVES BIODATA

This sub-section presents the collective biodata. The biodata includes the collective's composition in terms of gender, the duration for which the collectives have been in operation and the registration status. It also consists of the collective's sales revenue, where they save their savings, the kind of assets that the collectives have and that can be used as collateral and the source of their workforce. Further, it includes collective access to credit, access to the market and training needs.

2.1.1 Sales Revenue

Eight (50%) of the collectives reported that they generate monthly sales revenues of less than Ksh. 20,000 while the other four groups (25%) generate no sales revenues. Only four (25%) of the collectives claimed to generate over Kshs. 20,000/- worth of revenue from sales.

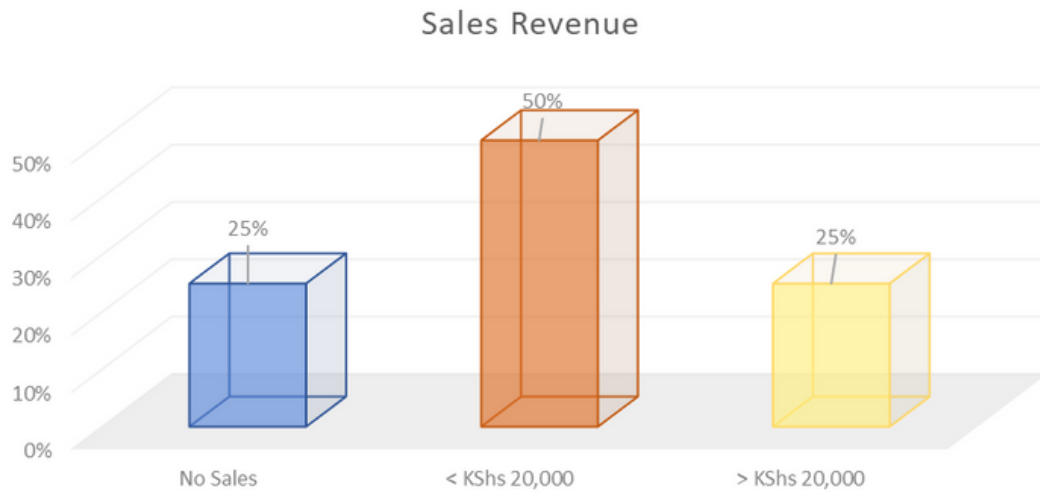
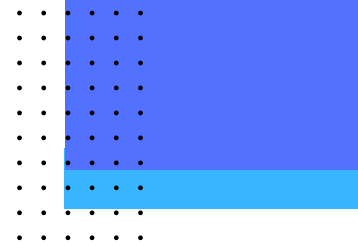


Figure 1: Sales revenue from the collectives surveyed

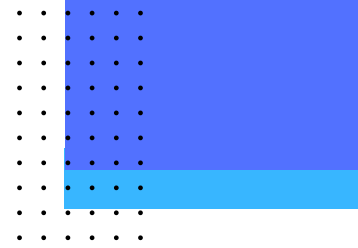
It is evident that the amount of money earned from their businesses was low and there is a need for the women's collective business to engage in practises that will see an increase in their revenue.

2.1.2 Savings

Seven of the collectives (43.75%) save their money in the banks, while five of them (31.25%) do so through table banking/champs. Besides, two (12.5%) of the collectives mentioned Saccos as their saving mechanism while one group (6.25%) said they save at home. One group (6.25%) asserted that they don't have any savings.



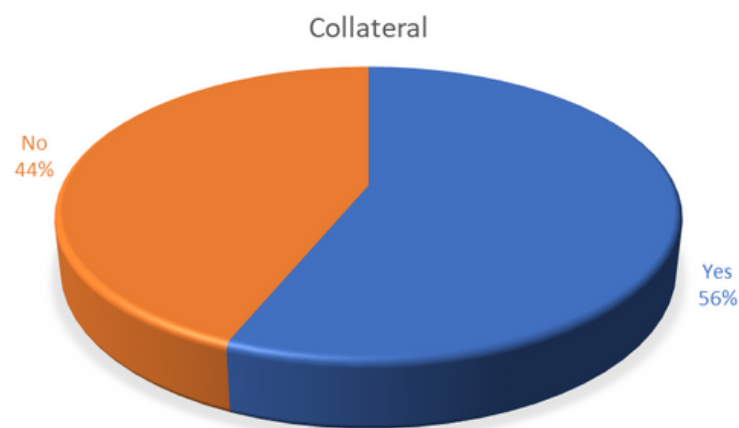
Figure 2: How the collectives manage their savings.



There is a need to have women's business collectives saved in banks as an opportunity to plan for their business's growth strategically.

2.1.3 Assets Used as Collateral

Only seven (43.75%) groups have assets that can be utilized as collateral.



The most frequently used owned asset as collateral among the groupings island (18.75%), which is followed by buildings (12.5%) and machinery (12.5%). Other mentioned include stocks and automobiles at 6.25%.

Figure 3: How the collectives manage their savings.

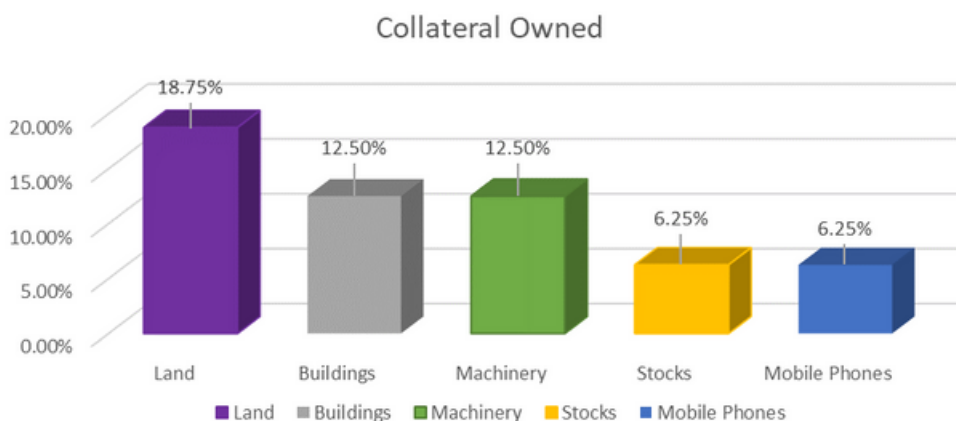
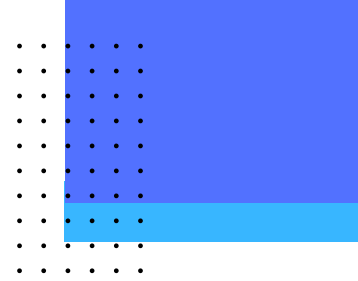


Figure 4: Collateral owned by women

Women's ownership of collateral remains limited, significantly restricting their access to formal financial tools and services like credit. Notably, women disproportionately lack access to fixed assets like land, buildings, machinery, and automobiles, which are often required as collateral. This disparity in asset ownership results in women being less likely to fully benefit from formal financial systems, hindering their economic empowerment and participation. Changes are needed to address this imbalance, including exploring alternative forms of collateral and promoting policies that empower women's access to and ownership of fixed assets.



2.1.4 Employment

Only a quarter (25%) of the collectives employ other individuals in their businesses.

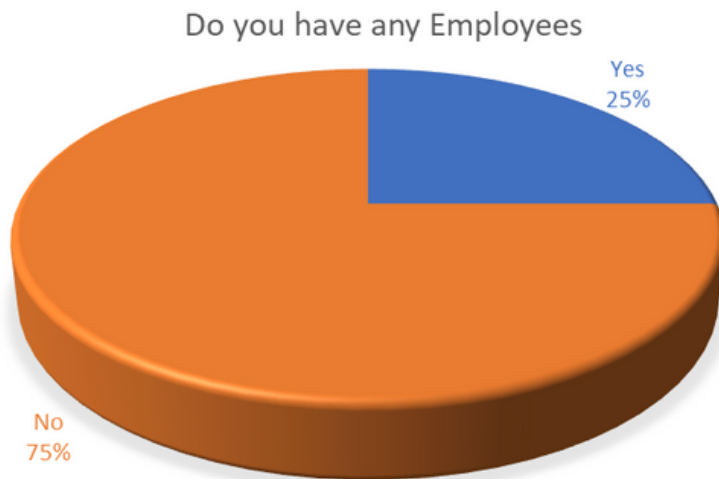


Figure 5: Number of women who have employees.

When a business has few or no employees, it is likely means that the owner is the only person working in the business. This can be common in the early stages of a business or for small businesses that are run by a sole proprietor. This means that the owner is

responsible for carrying out all the tasks related to the operation of the business. In this case, the owner is usually the sole decision-maker, and they are responsible for all aspects of the business, such as accessing markets and accounting. It may be necessary to hire employees to help manage the workload and support continued growth. For a business to thrive, it must generate a substantial amount of revenue. This revenue is needed to cover the cost of hiring employees and to support the growth of the company.

2.1.5 Access to Credit

Only three collectives (18.75%) had applied for loans, two of them (12.5%) received from the Women Enterprise Fund (WEF), and one group (6.25%) had received funding from the bank. The obstacles to accessing credit cited include fear (6.25%), stringent requirements (12.5%), Lack of collateral (12.5%) and lack of knowledge on where to access loans (18.75%).

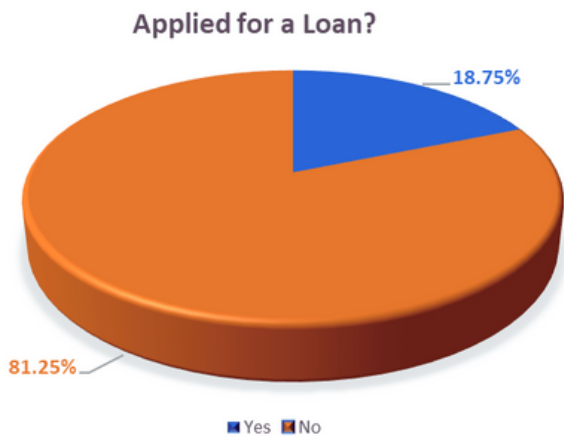


Figure 6: Those who have or have not applied for a loan

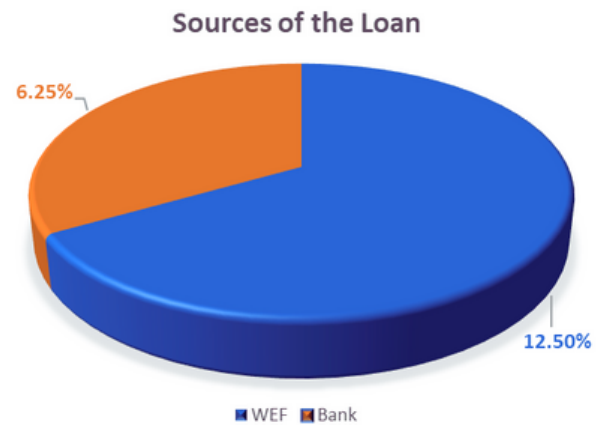


Figure 7: Sources of loans for those who obtained them

Obstacles to Credit Access

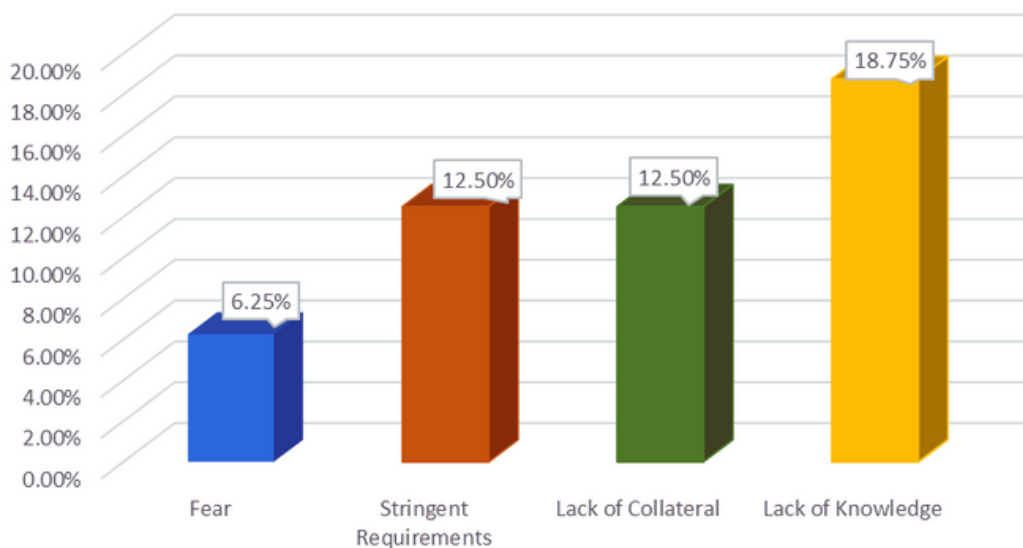
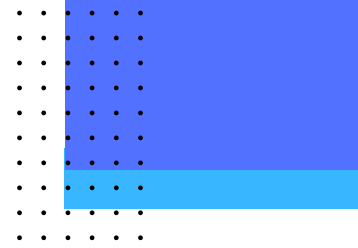


Figure 8: Obstacles to credit access

If the sources of loans are not mainstream banks and obstacles to credit include fear, stringent requirements, lack of collateral, and lack of knowledge, then the business may have limited options for obtaining financing. Additionally, a lack of knowledge about the loan application process and requirements can be a significant obstacle for small businesses. It is important to educate women's business collectives on the different financing options available to them. To sensitise them to seek advice from financial experts to make informed decisions about their funding needs. For instance, awareness of government-backed loan programs and affirmative action funds, which offer financing options to help small businesses grow. Women's business collectives must learn to explore all available options and choose the best fit for their needs and financial situation.



2.1.6 Access to Markets

Regarding access to markets, a quarter of the collectives (25%) said that they could access markets in other counties, two collectives (6.25%) could access EAC markets while none at all (0%) had access to other international markets.

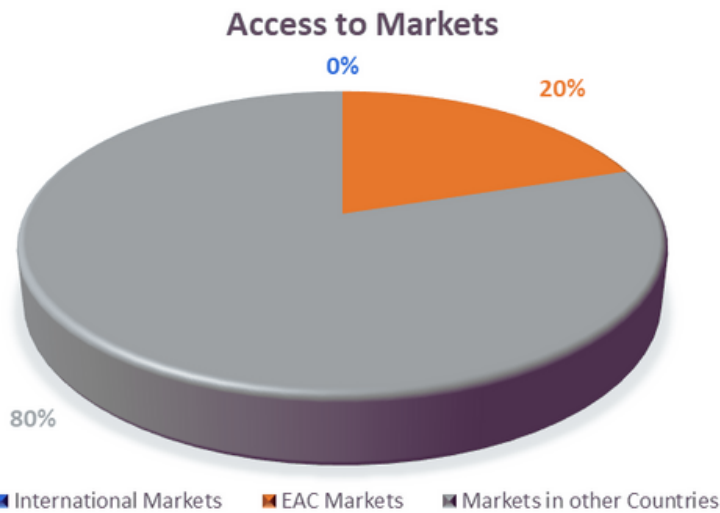


Figure 9: Access to markets by the collectives

Additionally, none of the collectives (0%) had utilized AGPO because of constraints such as cumbersome process (18.75%), unfairness in the process (12.5%), lack of knowledge (18.75%), cost of application (18.75%), unavailability of tender documents (12.5%) and lack of business registration (6.25%). Others felt their groups were too young to qualify for AGPO (12.5%).

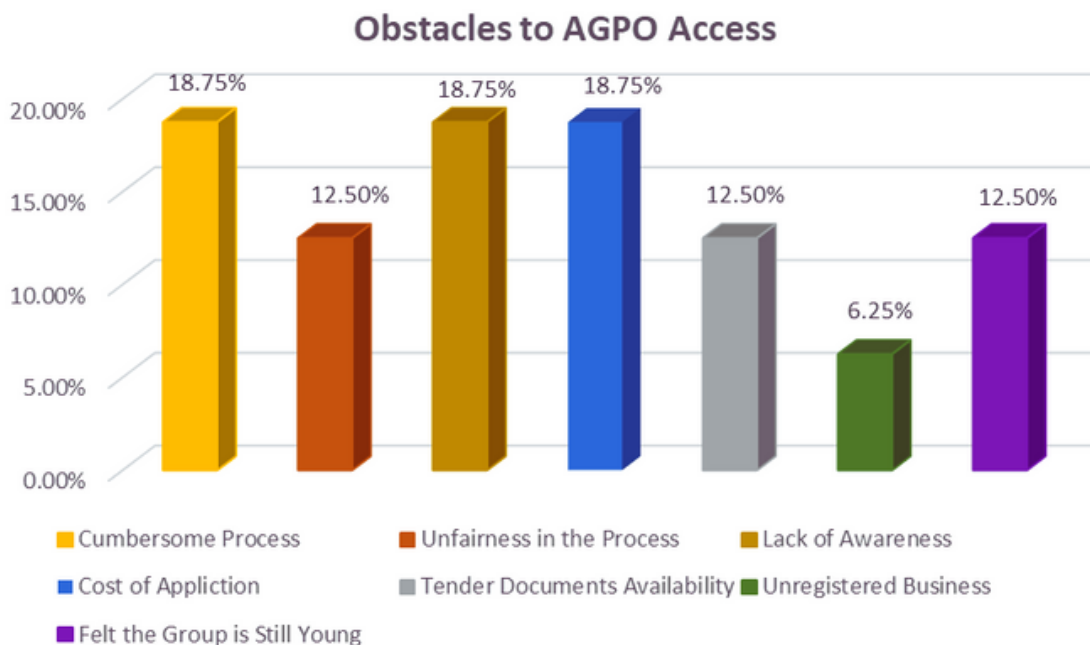
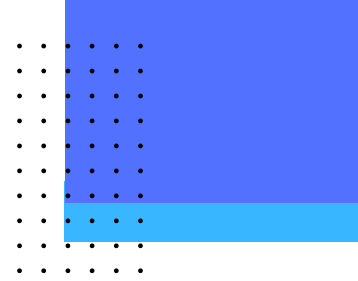


Figure 10: Some of the obstacles women collectives go through when trying to access AGPO



If there are obstacles to the loan application process such as a cumbersome process, unfairness in the process, lack of awareness, high cost of application, unavailability of tender documents, unregistered business, and age restrictions, it can be extremely challenging for small businesses to obtain financing. These obstacles can make the loan application process seem daunting and may discourage business owners

from even trying to apply for funding. It is important to educate women business collectives on these potential obstacles and help them navigate through the loan application process. By providing them with the necessary knowledge and resources, they can make informed decisions about their funding needs and explore all available options to choose the best fit for their business.

2.1.7 Technologies Utilised

Five groups (31.25%) reported utilizing technology such as smartphones while a quarter of them (25%) reported using computers. Mobile money services such as MPESA were operated by three (18.75%) of the groups while two other groups (12.5%) mentioned POS.

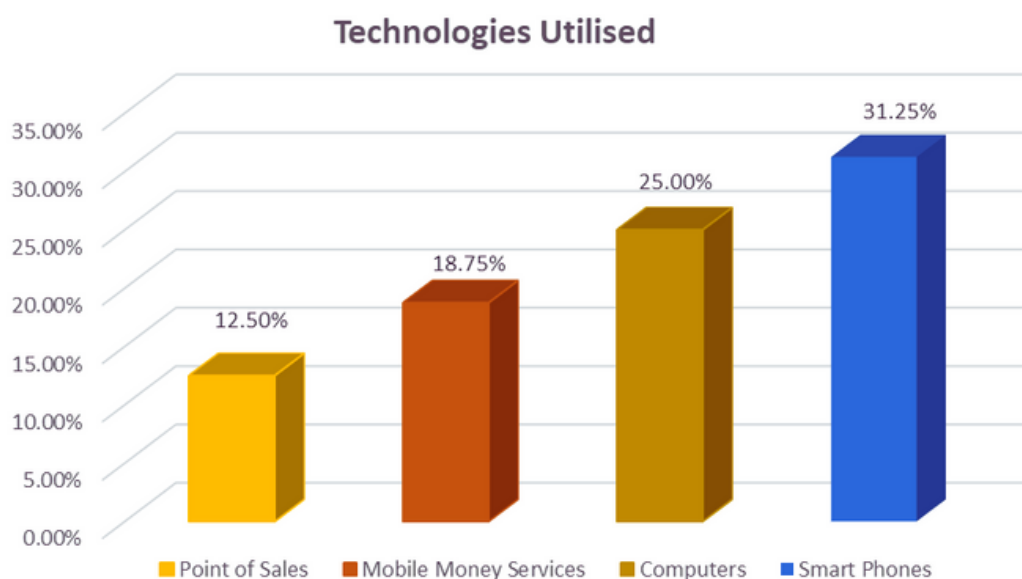
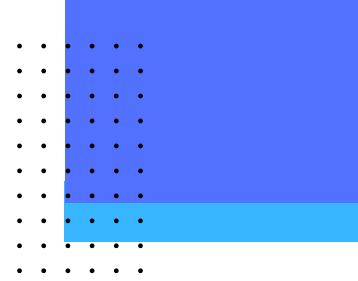


Figure 11: Range of technologies utilized by women collectives



The main obstacles mentioned to the utilization of technology include knowledge of use (43.75%), high cost (31.25%), accessibility (18.75%), and others (6.25%).

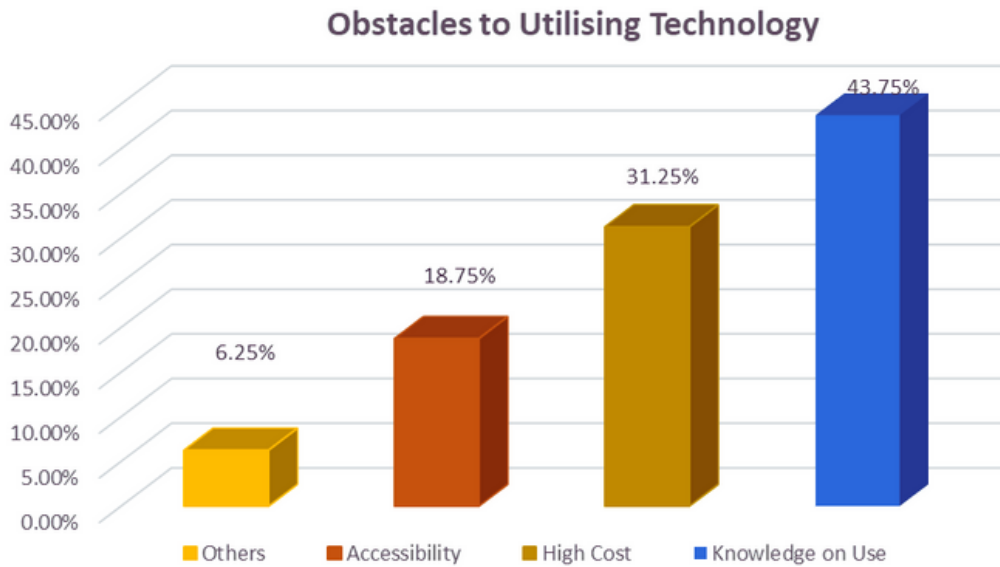
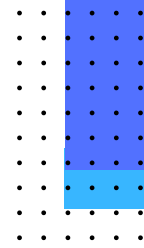


Figure 12: Ranking of obstacles to utilising technology

The collective's biodata gives the status of the groups at the time of the survey. It clearly indicates that the collectives are low revenue earners with only a quarter of the collectives earning more than 20,000 and a quarter of the collectives having no revenue from their collectives. This is an important aspect as the incubation process is starting because WEE Hub will be able to measure the improvement/the collectives' growth by measuring the revenue increase.

The biodata has also revealed that

only a small proportion of the collectives have access to loans which can be used to expand their businesses. They have cited fear, lack of knowledge on where they can apply for the loan, and lack of collateral with about 44% noting that they own collateral that they can use as loan security. This shows a gap in awareness about the available loans that women can apply for and help them scale up their business collectives including the AAF which is set aside to empower women economically. This creates the need to build these women's capacity by



creating awareness of the existence of such loans. The WEE Hub is also supposed to help women build the confidence to counter fear so that they can take advantage of the available opportunities.

Women collectives also lack knowledge about AGPO with a greater percentage citing that they have never accessed AGPO. Another opportunity that the government has set aside is to empower women economically. Therefore, they need to look at this and assist them in taking advantage of this opportunity by creating awareness, building their capacity to help them understand the procedures or easing the documentation process for them.

2.2. DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS AND THEIR INDIVIDUAL BUSINESSES BIODATA

This part presents the demographic characteristics of the individual women within the collectives. It shows their age distribution, marital status, education level and the number of dependants they have.

2.2.1. Age Distribution of the Respondents

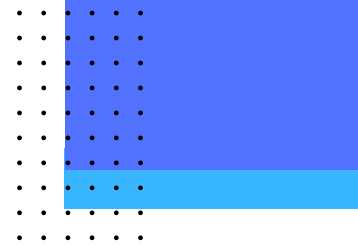
Ninety-six (96) women, who were individual business owners within the collectives, participated in the survey. The collectives comprised women from diverse age cohorts. The table illustrates the age distribution of the respondents in the studied counties. The largest proportion of women (43.90%) fell within the 46-64 years age group, followed by 25-35 years and 36-45 years at 24.4% and 22.0%, respectively.

12

Individual women business owners within the collectives

96

Individual women business owners within the collectives



Age Distribution of Individual Members

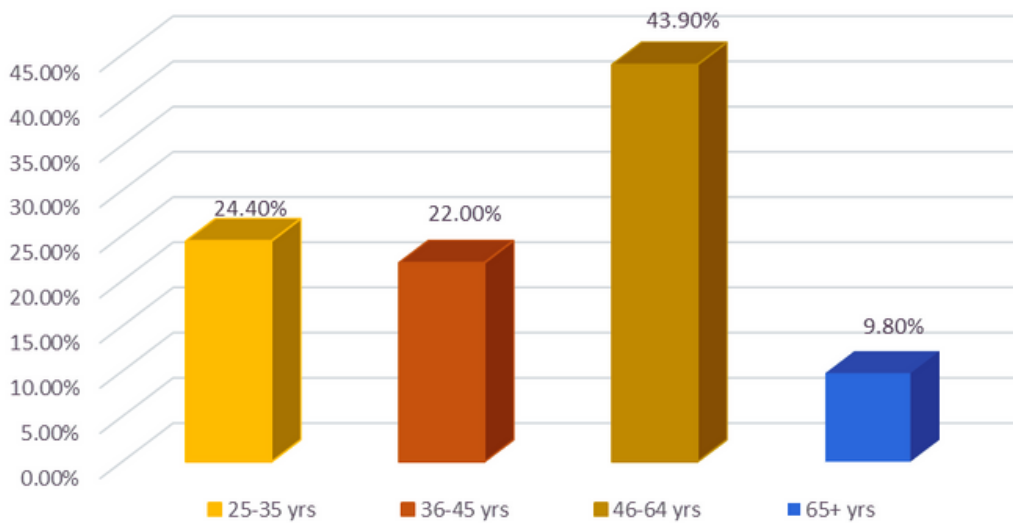


Figure 13: Age distribution of individual members of women collectives

2.2.2 Marital Status of the Respondents

Most of the women interviewed were married monogamous (61.40%) while about 10% were never married. Separated women were 7.2% while 13.3% were divorced.

Marital Status

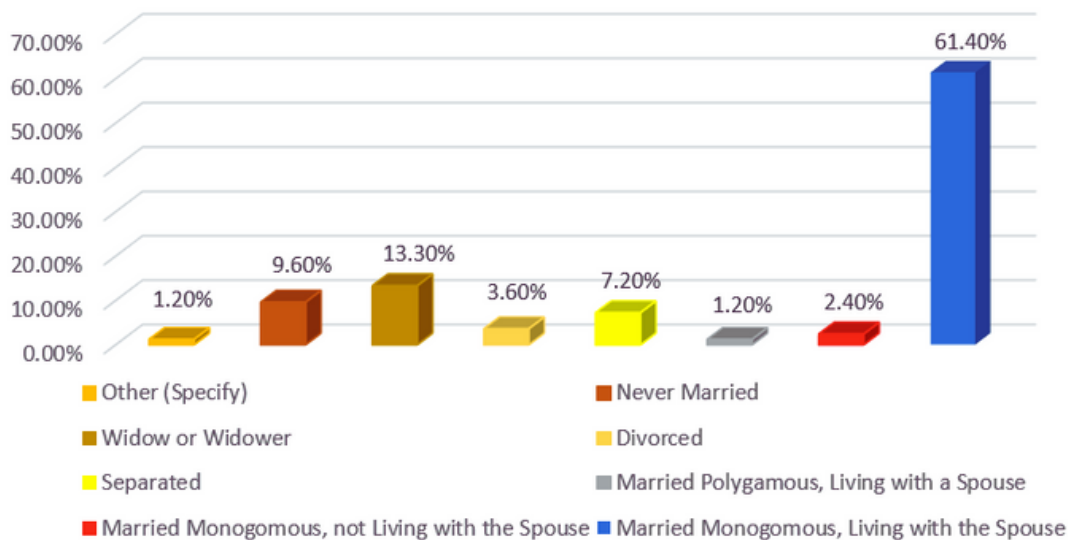


Figure 14: Marital status of the respondents

2.2.3 Education Level

Most women had achieved up to the primary level (30.10%) and secondary level (26.50%). About 17% had a college/middle level education while only 3.60% had obtained a university degree.

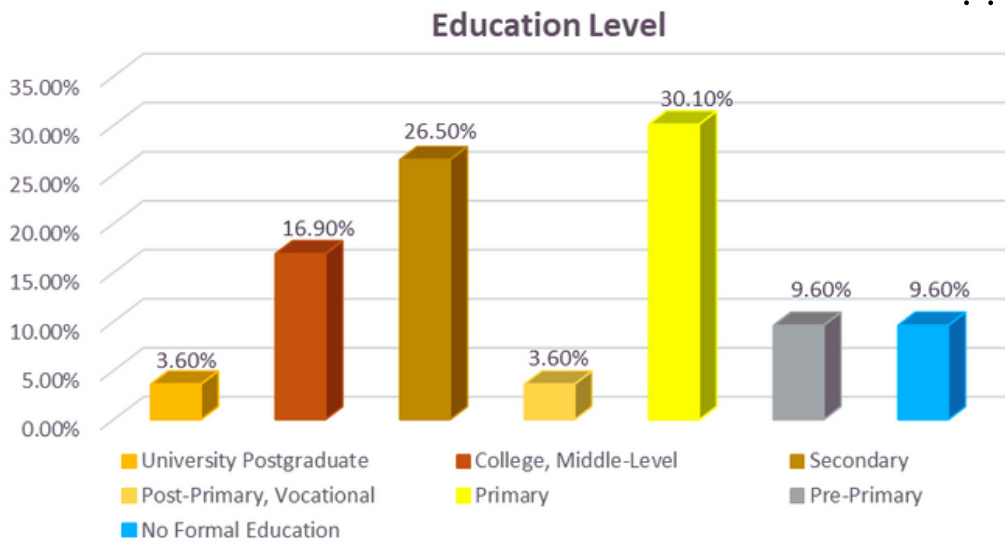
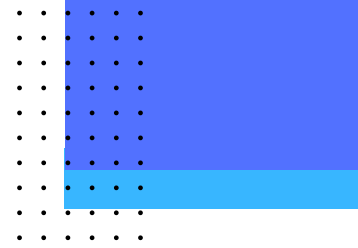


Figure 15: Educational level of respondents

2.2.4 Number of Dependents

The majority of the women (50.60%) reported having two to four dependents, while 25.90% and 23.50% had one and five and above dependents, respectively.

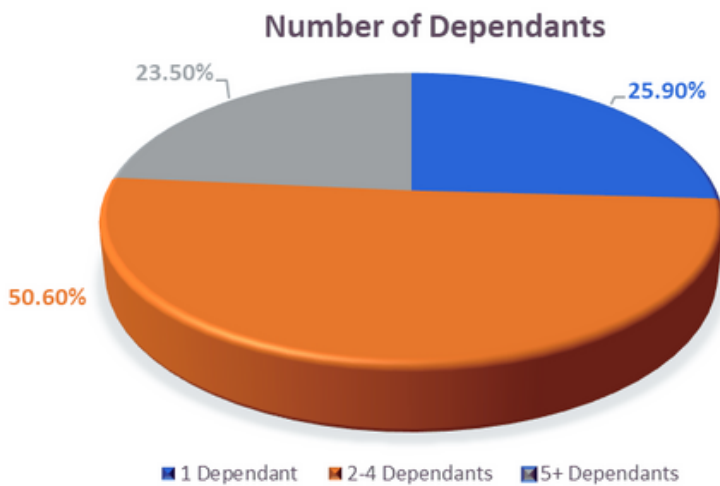
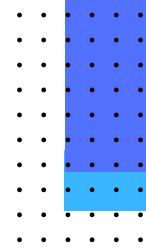


Figure 16: Number of Dependents.

Demographically, in all counties, most of the women interviewed were youthful, between 18 and 35 years old, married, and had only completed secondary education. Most of their businesses were less than two years. This shows that the challenges to women-owned

businesses are many, starting with their demographics and barriers such as age, level of education, and dependants, which are factors that are more likely to affect women than men may face discrimination in the business world, which can limit their opportunities for growth and success. Additionally, women who are married or have children may have more responsibilities outside of their business, making it challenging to devote the necessary time and energy to their ventures. Moreover, the level of education plays a significant role in business growth as it



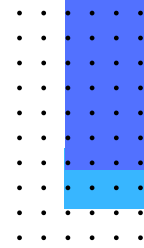
can impact the knowledge and skills required to run a successful business. Women with limited access to higher education may have a more challenging time acquiring the skills necessary to manage finances, market their businesses, and develop effective business strategies. This can limit their ability to grow and compete with other businesses in their industry. Fewer women in higher education also means fewer women in leadership roles, which can limit the representation of women in decision-making processes. This lack of representation can result in policies and practices that do not take the unique needs and challenges of women-owned businesses into account, which can further hinder business growth.

2.2.5 Business Type

The majority of the individual business owners reported that they were greengrocers, while another significant proportion (26.04%) ran retail businesses trading in basic groceries. Other individuals operate Salons/ Boutiques (6.25%), Tailoring, Poultry rearing (3.13%), Second-Hand Clothes and Cosmetics shops at 2.08% and Bookshops, Hardware, and Event Companies at 1.04%.

Table 1: Types of businesses owned by individual business owners

Type of Business	%tage	Type of Business	%tage
Groceries (Retail)	26.04	Second-Hand Clothes	2.08
Greengrocer	73.05	Cosmetic Shop	2.08
Hotels & Eateries	5.21	Bookshop	1.04
Milk Bar	1.04	Hardware	1.04
Saloons & Boutiques	6.25	Event Company	1.04
Tailoring	2.08	Poultry Farming	3.13



The data shows a great demand for retail businesses, especially in the grocery and green grocery sub-sectors. This presents an excellent opportunity for entrepreneurs looking to start a business in this field. However, it also suggests that other sectors, such as event companies and bookshops, may be more challenging to break into. Therefore, entrepreneurs need to consider which sectors they choose to invest in carefully. By doing so, they can maximise their chances of success and help contribute to the growth of the local economy. This data underscores the importance of providing support and resources to help entrepreneurs make informed choices about which sectors to invest in.

2.2.6 Location of the Businesses

Based on the survey results, it was found that the majority (26.04%) of the respondents reported operating their enterprises from commercial premises. Another significant proportion of respondents (12.5%) operated from open ground without a stand, while 11.46% operated from a residential area with a special outfit. Some respondents mentioned operating from open ground with a stand (8.33%), market stalls (6.25%), kiosks (5.21%), mobile/hawking (5.21%), industrial sites, and Juakali sheds (1.04%)

Table 2: location of business by individual business owners

Location	%tage
Commercial Premises	26.04
Industrial Site	1.04
Market Stall	6.25
Open Market	2.08
Kiosk	5.21

Location	%tage
Open Ground with stand	8.33
Open ground without a stand	12.5
Juakali Sheds	1.04
Mobile/No fixed location (Hawking)	5.21
Residential with a special outfit	11.46
Residential without a special outfit	2.08

The survey results have revealed valuable insights about the different ways in which businesses operate. According to the findings, it is important to have a proper physical location for a business. It is also noteworthy that a considerable proportion of businesses (12.5%) operate from open ground without a stand, indicating that there is a need for more infrastructure to support these businesses. Additionally, a significant percentage of businesses (11.46%) operate from residential areas with a special outfit, which suggests that some entrepreneurs are finding creative solutions to overcome challenges related to business premises. Overall, the survey results provide valuable information for policymakers and stakeholders to develop strategies that can support businesses of all types.

2.2.7 Business Registration

A large proportion of women (69.90%) run businesses which are not registered.



Figure 17: Percentage of unregistered businesses

2.2.8 Reasons for not Registering

Cost and unfavourable business environment were the main reasons for the respondents not registering jobs at 35.30% and 25.00%. Other mentioned include lack of knowledge (19.10%) and Difficulty in procedures (17.60%).

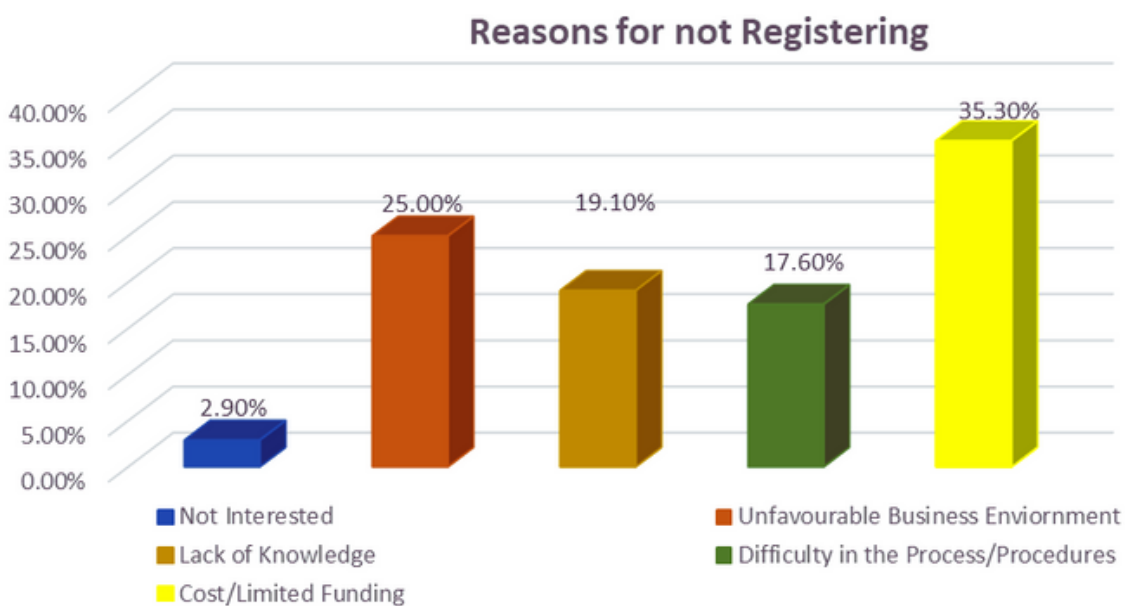
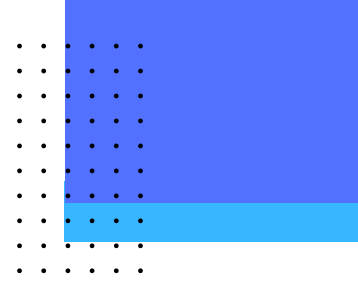


Figure 18: Reasons cited for not registering businesses



It was found that a significant number of women (69.90%) operate businesses that are not registered, with cost and unfavourable business environment being the primary reasons for not registering, cited by 35.30% and 25.00% of respondents, respectively. Other reasons include lack of knowledge (19.10%) and difficulty in procedures (17.60%). The reasons for not registering were identified as lack of interest, unfavourable business environment, lack of knowledge, difficulty in procedures, and cost/limited funding

This is a concerning statistic that highlights the challenges faced by women entrepreneurs. It is time to address these issues and create a more supportive environment for women entrepreneurs through business incubators. It should be made easier for women to register their businesses by providing more accessible information, simplifying procedures, and reducing costs. By doing so, we can help women entrepreneurs thrive and contribute to the growth of the economy.

2.2.9 Missed Work

About 20% missed work, most of whom attributed this to care work such as caring for children, the elderly, persons with disability (PWD), etc.



Figure 19: Percentage of those who missed work for various reasons

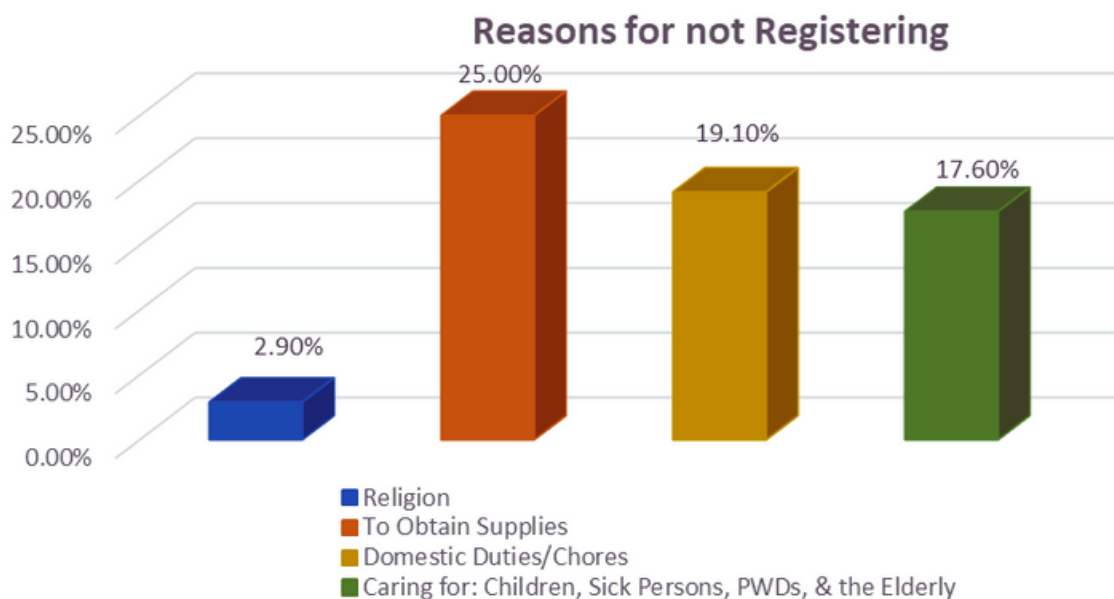


Figure 20: Range of reasons cited for missing work

For a self-run business entrepreneur, missing work can have even more significant implications. As per the data provided, around 20% of the employees have missed work, and most have attributed this to care work, such as looking after children, the elderly, or persons with disabilities. The reasons given for missing work include religious obligations, obtaining supplies, domestic duties/chores, and caring for children, sick persons, PWDs, and the elderly. For a business entrepreneur without employees, missing work can lead to decreased productivity, reduced revenue, and loss of clients and customers. Additionally, it may also lead to missed opportunities, loss of credibility, and difficulties in achieving business goals. Therefore, self-run business entrepreneurs must have a contingency plan in place to manage work in such situations.

2.2.10 Assets Owned as Collateral

Mobile phones (22.3%), Livestock (15.8%), Furniture (15.3%) and Land (11.9%) were the main assets owned as collateral by the individual business owners. A few others mentioned buildings (9.9%), shares (8.4%) and Machinery (7.4%).

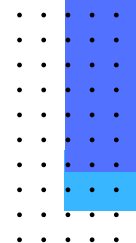


Table 3: Assets owned by individual business owners

Assets Owned		Count(n)	Per cent
	Mobile Phone	45	22.3%
	Land (acres)	24	11.9%
	Building(s)/house	20	9.9%
	Machinery, tools	15	7.4%
	Livestock	32	15.8%
	Bicycle	3	1.5%
	Motorcycle	9	4.5%
	Motor vehicle	6	3.0%
	Furniture	31	15.3%
	Shares	17	8.4%
Total		202	100.0%

From the data, it can be inferred that mobile phones are the most commonly owned asset used as collateral, followed by livestock and furniture. Land is also a significant asset used as collateral, although it is less common than the first three. Buildings, shares, and machinery are also used as collateral, but to a lesser extent. This information could be helpful for lenders who are looking to

understand the types of assets that individual business owners are willing to use as collateral and for entrepreneurs who are seeking financing and may need to pledge assets as collateral. It is also interesting to note that there is a range of assets used as collateral, indicating that business owners are willing to leverage a variety of possessions to secure financing.

2.2.11 Savings

Women's group/Chama/table banking (37%) was reported to be the main means of savings, followed by banks at 30%. Other modes of savings included mobile money (17%), microfinance (13%) and home (3%).

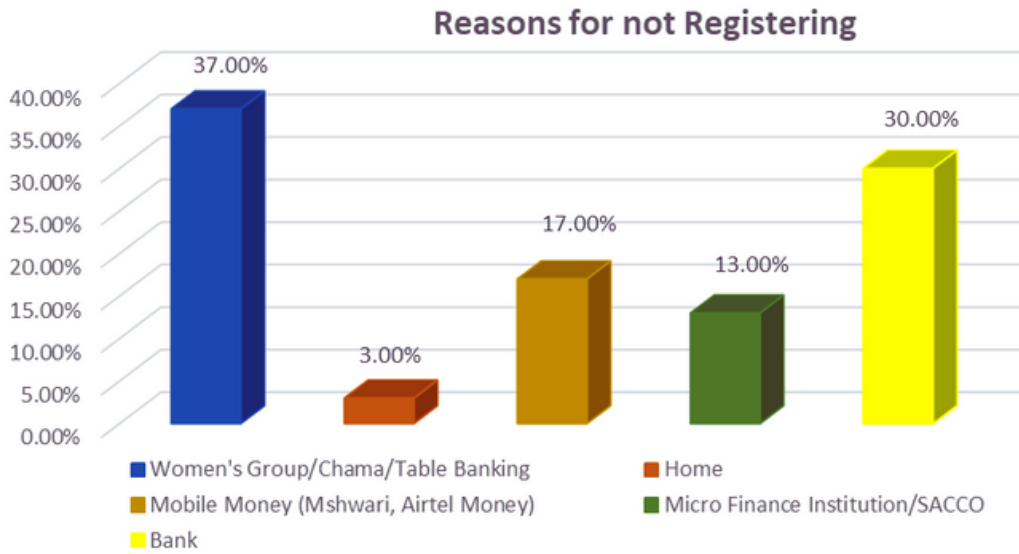
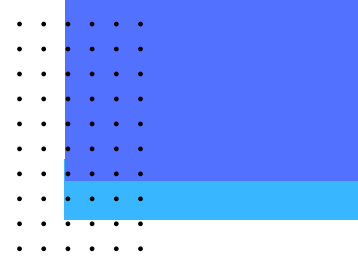


Figure 21: How individual business owners manage their savings

2.2.12 Access to Credit

The main sources of credit for the individual businesses were table banking/VSLAs/ROSCAs according to over half (56.70%) women interviewed. A significant number of women mentioned MFI/SACCOs (19.40%), Mobile money (10.40%), Banks (7.50%) and AAFs such as WEF (4.50%) and NGAAF (1.50%).

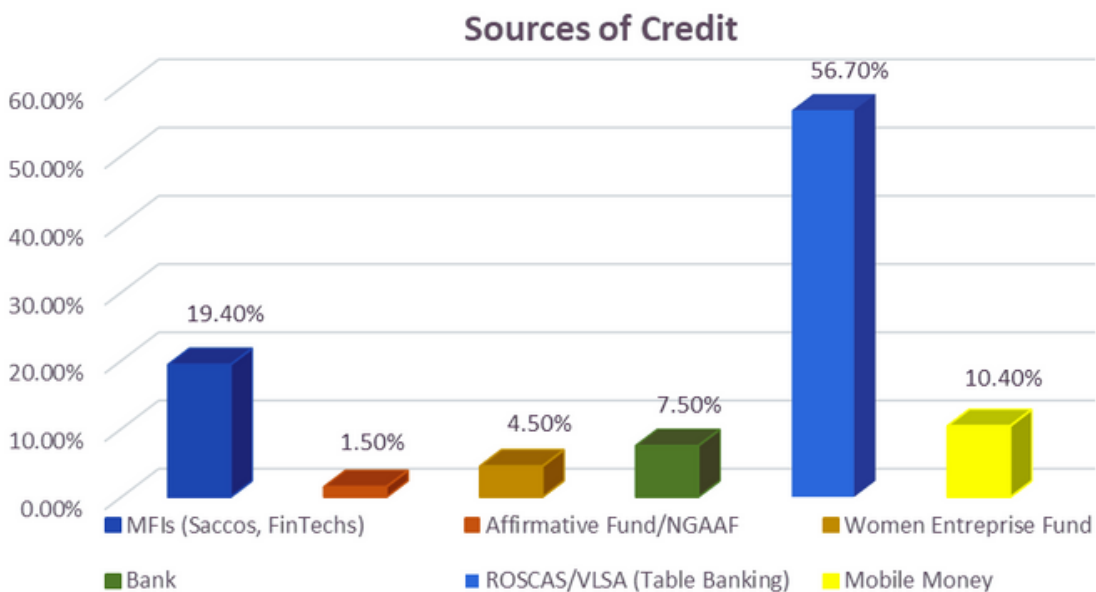
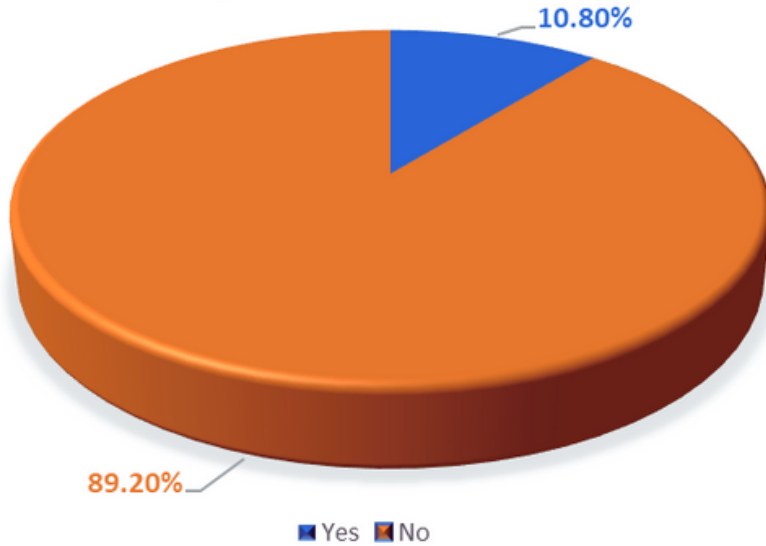


Figure 22: Main sources of credit for the individual businesses

Only 10% of the respondents utilised loan advisors.

Business/Loan Advisor Utilised



The financial advisors were mainly bank officers (44.40%), Friends and family members (22.20%) and NGO staff (11.10%).

Figure 23: Percentage of those who sought the services of a loan advisor

Financial Advisors

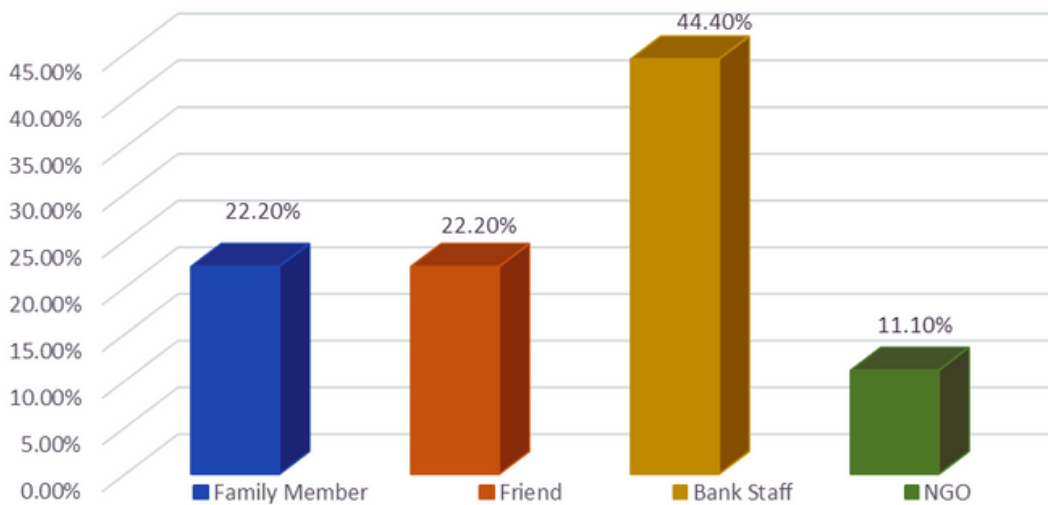


Figure 24: Main financial advisors known to business owners

If, from the data given, women business collectives utilise financial advisors who are mainly bank officers (44.40%), friends and family members (22.20%), and NGO staff (11.10%), it could imply that they have limited access to professional financial advisors or lack awareness about the availability of such services. This may also suggest that women entrepreneurs rely on their networks for financial advice and support, which may not always be the most effective or reliable approach for their business needs due to the risk of bias and conflicts of interest.

Women business incubators will ensure that the financial advisors are impartial and have the best interests of the collectives in mind.

Regarding loan applications in the past year, only 45.10% of the women had applied for a loan.



Figure 25: Percentage of individuals who have applied for loans in the past year

The proportion who had not applied for a loan reported that this was because some of them didn't require a loan (48.60%), stringent requirements (29.70%) and lack of collateral (21.60%).

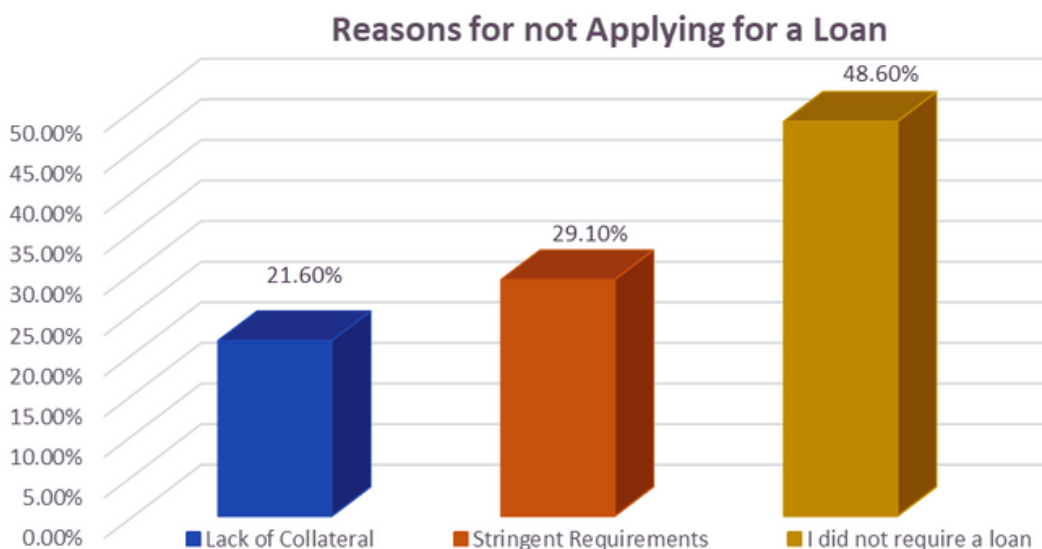
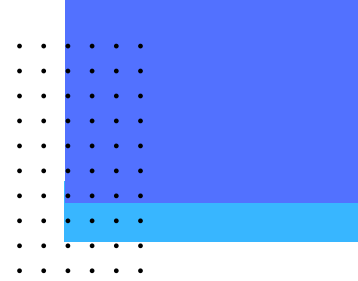


Figure 26: Range of reasons for not applying for a loan



The fact that only 45.10% of the women had applied for a loan in the past year could have significant implications for women's collective businesses. Without access to financing, these businesses may struggle to grow and expand, limiting their potential for success. Additionally, the reasons cited for not applying for a loan--not requiring a loan, stringent requirements, and lack of collateral highlight some of the critical challenges that women entrepreneurs face in accessing finance. Incubation of women's businesses can play a vital role in addressing these challenges. Through incubation, women entrepreneurs can access resources and support that

can help them develop their businesses, which include mentorship, training, networking opportunities, and access to financing. Incubators can also help women entrepreneurs navigate the loan application process, providing them with guidance on how to meet the requirements and secure collateral, and connecting them with lenders who are more likely to provide funding to women-owned businesses. By addressing the challenges that women entrepreneurs face in accessing finance, incubation can help to level the playing field and create more opportunities for women's collective businesses to thrive and succeed.

2.2.13 Use of Credit

The following data was obtained from individual business owners on loan use.

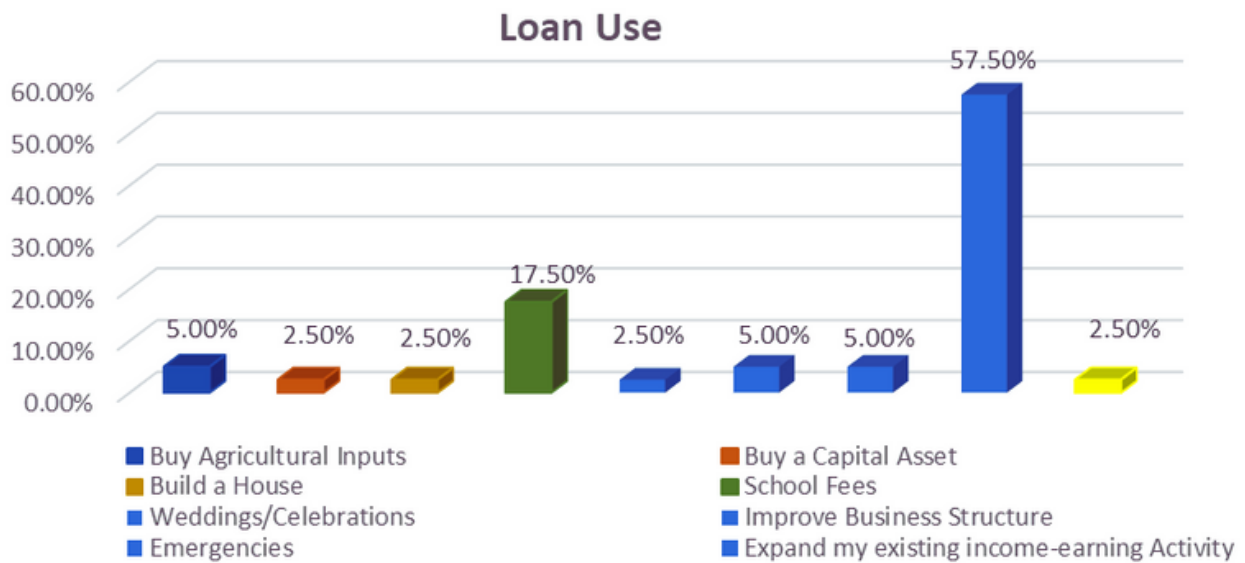


Figure 27: How the loans obtained were utilized

According to the data, most loans obtained by individual business owners were used to expand their existing income-earning activities, accounting for 57.50% of the total. Another 17.50% of the funds were directed towards paying school fees, while 5% were used to improve business structures address emergencies and purchase agricultural inputs. The remaining 2.5% of the loans were used for various purposes, such as purchasing capital assets, building houses, celebrating weddings, and starting new income-earning activities. These findings highlight the importance of providing funding to support the growth and development of existing businesses, as well as the need for financial assistance to address other critical needs, such as education expenses and emergencies.

2.2.14 Awareness of the Affirmative Action Funds

Regarding the AAFs funds for women UWEZO fund was the most popular one at 39.60%; followed by Women Enterprise Fund (26%), Youth Enterprise Development Fund (18.80%), NGAAF (6.50%) and CGS (1.30%). About 8% of the women interviewed had not heard about any AAFs.

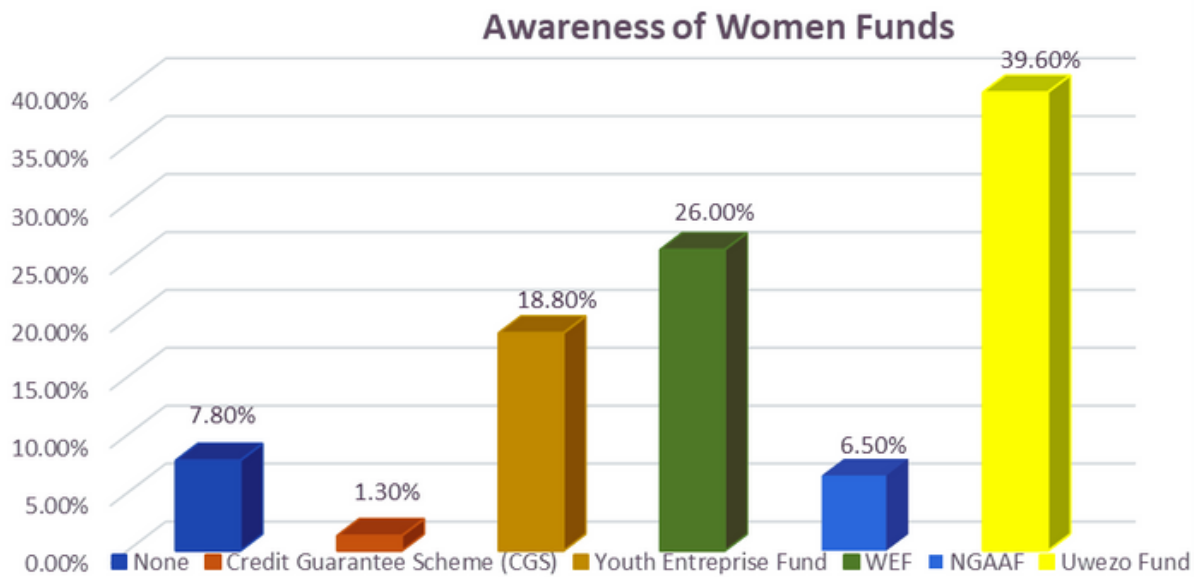


Figure 27: Awareness of the existence of funds

The data suggests that among the various funds, designed to support women in business, the UWEZO fund was the most popular one, with 39.60% of the women interviewed stating that they had utilized this fund. The Women Enterprise Fund was the second most popular, with 26% of the women having accessed it. The Youth Enterprise Development Fund was also utilized by a significant number of women, with 18.80% of the respondents stating that they had used this fund. Other funds, such as NGAAF and CGS, were accessed by smaller proportions of women, at 6.50% and 1.30%, respectively. It is worth noting that about 8% of the women interviewed had not heard about any Affirmative Action Funds. These findings indicate that certain AFFs are more widely known and accessible to women entrepreneurs than others and that there may be a need to raise awareness about the existence and availability of these funds to support a larger number of women in business.

2.2.15 Access to Tenders

None of the individual business owners had accessed a government/national tender. Most tenders awarded were from private entities (70%) while 30% of them were from the county government.

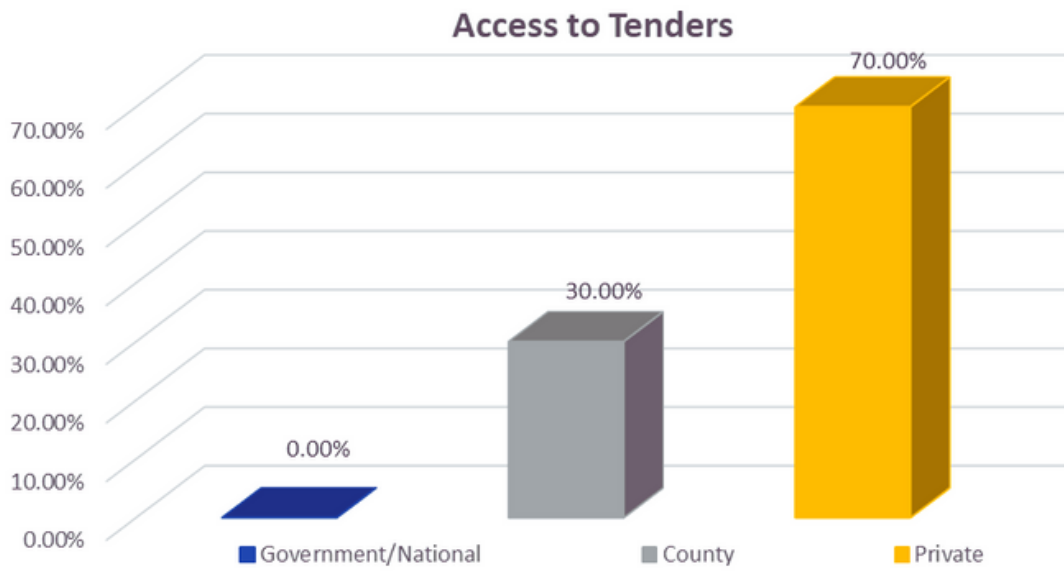


Figure 28: Percentage of those who accessed tenders

The majority of the women (85.50%) had never heard of or utilized AGPO.

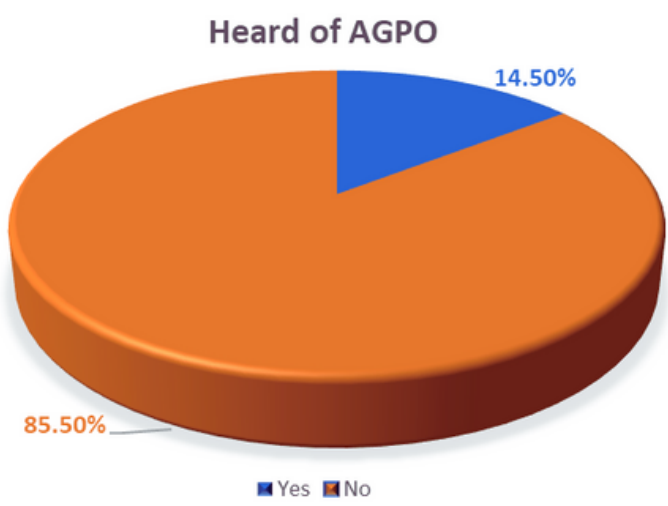


Figure 30: Percentage of those who have heard about AGPO

The main reasons for not utilizing AGPO funds include filling the tender documents is cumbersome (54.50%), the process is not fair & tender documents not accessible (18.20%) and the cost of application at 9.10%.

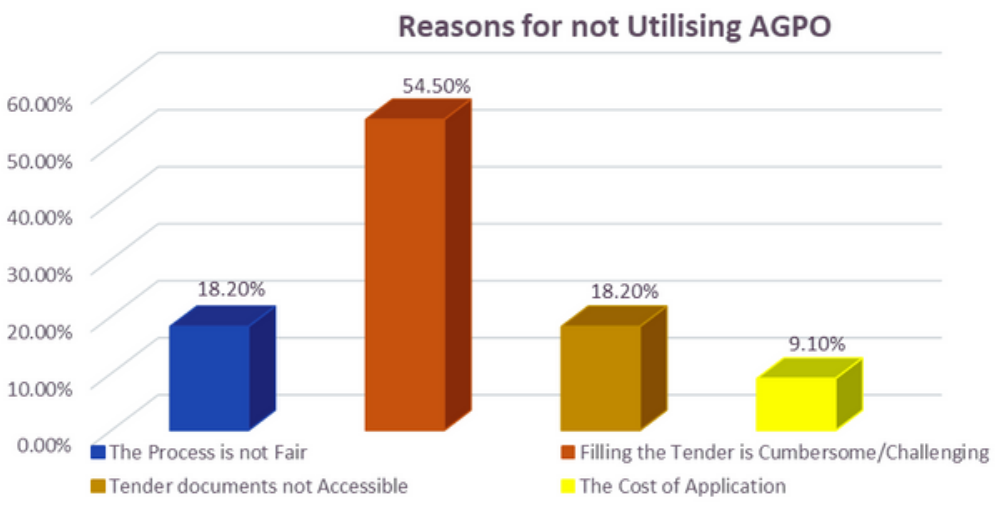
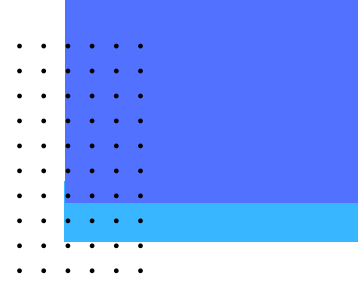


Figure 31: Range of reasons for not utilizing AGPO



Based on the data provided, it seems that there is a lack of awareness and utilisation of government tenders and the AGPO fund among business owners, particularly women. The majority of tenders awarded were from private entities, indicating a potential gap in accessing government tenders. The reasons cited for not utilising AGPO funds include the cumbersome process of filling out tender documents, perceived unfairness in the process, and the cost of application.

Further analysis and potential solutions to address these issues may be needed. Based on the data provided, it seems that very few of the individual business owners have accessed government or national tenders. Interestingly, a large percentage of the women surveyed (85.50%) had never heard of or utilised AGPO. Women Business incubators may need to further analyse the situation and offer potential solutions to address these issues.

2.2.16 Access to Markets

Mobile phones were mentioned as the main way of reaching customers (51.80%) while only 4.7% of women mentioned social media as a way of getting their customers. However, 43.50% did not have a mechanism for reaching customers.

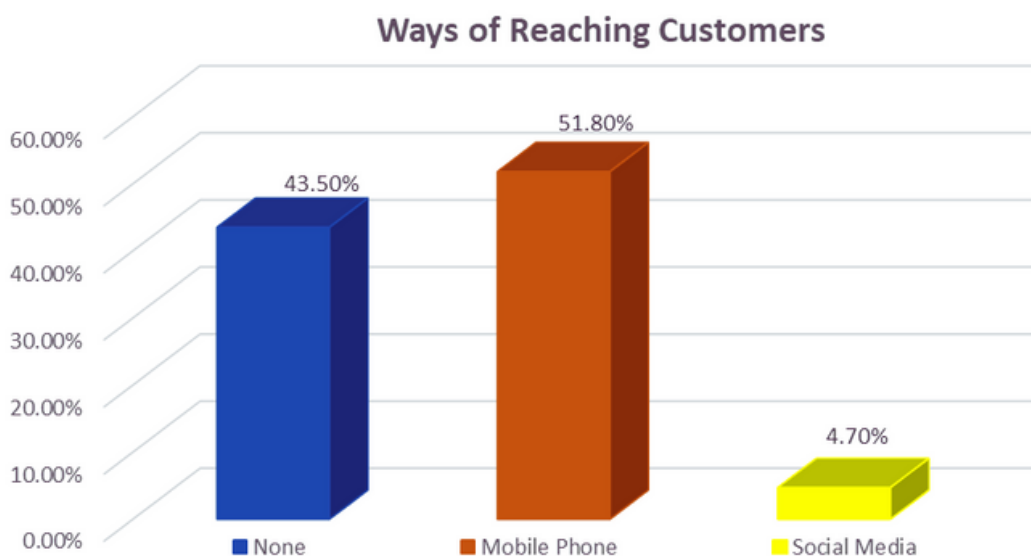


Figure 32: Ways of reaching customers

More than three-quarters (over 75%) of individual businesses did not have access to markets outside their counties, in the EAC or other international markets. However, markets outside the counties were more accessible (22.90%) as opposed to markets in EAC (14.50%) and other global markets (2.40%).

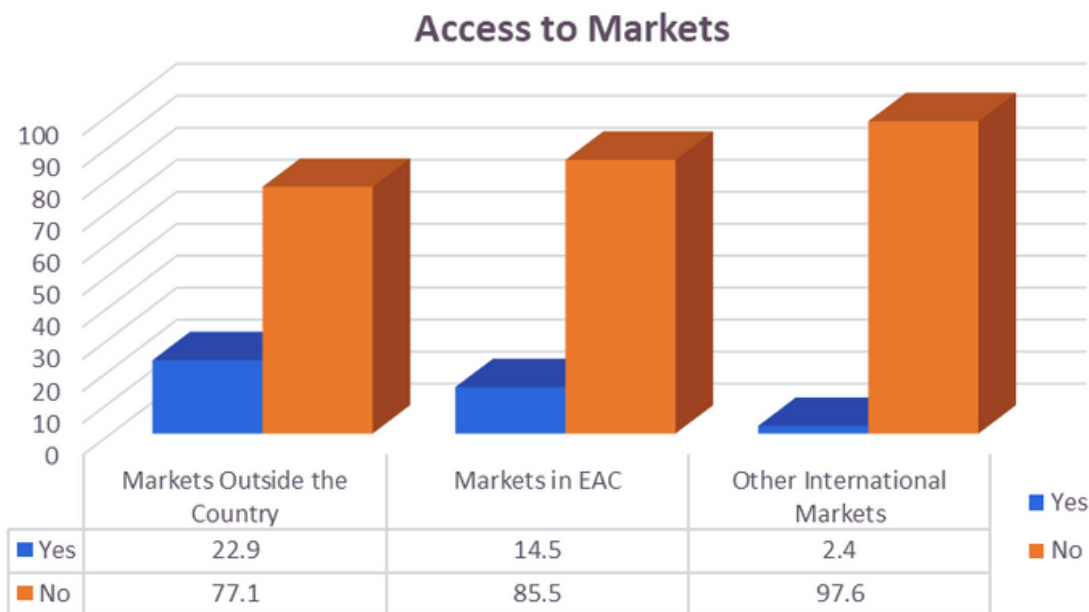


Figure 33: percentage of business owners who were able to access markets outside the county, in EAC, and or other international markets

2.2.17 Use of Technology in Running Businesses

The majority of the individuals (43.60%) utilized mobile applications such as MPESA in their enterprises. Other technologies include smartphone apps (12.80%) and computers (3.20%). Only 1.10% used POS.

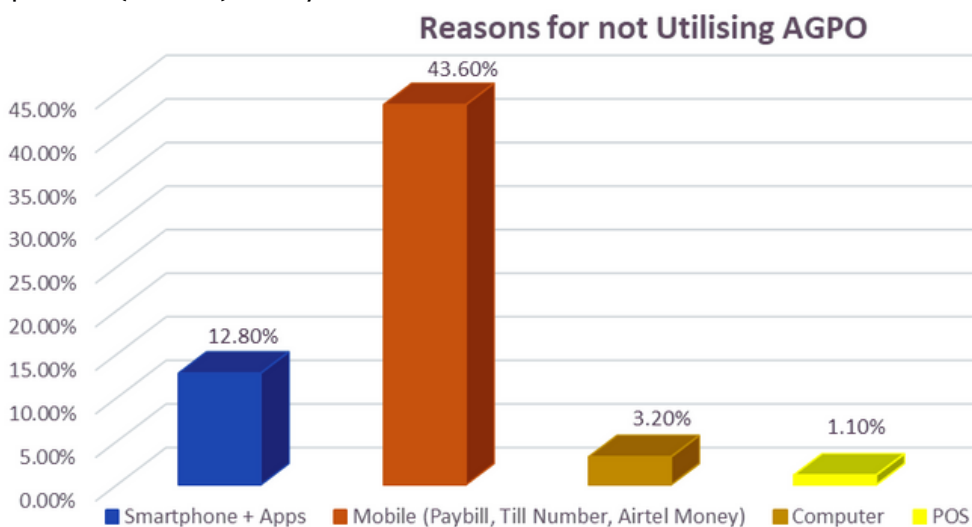


Figure 34: The range of technologies utilized

The majority (75.90%) faced no challenges while utilizing the technologies above. The challenges mentioned include limited knowledge (11.40%), usability (8.90%) and accessibility (3.80%).

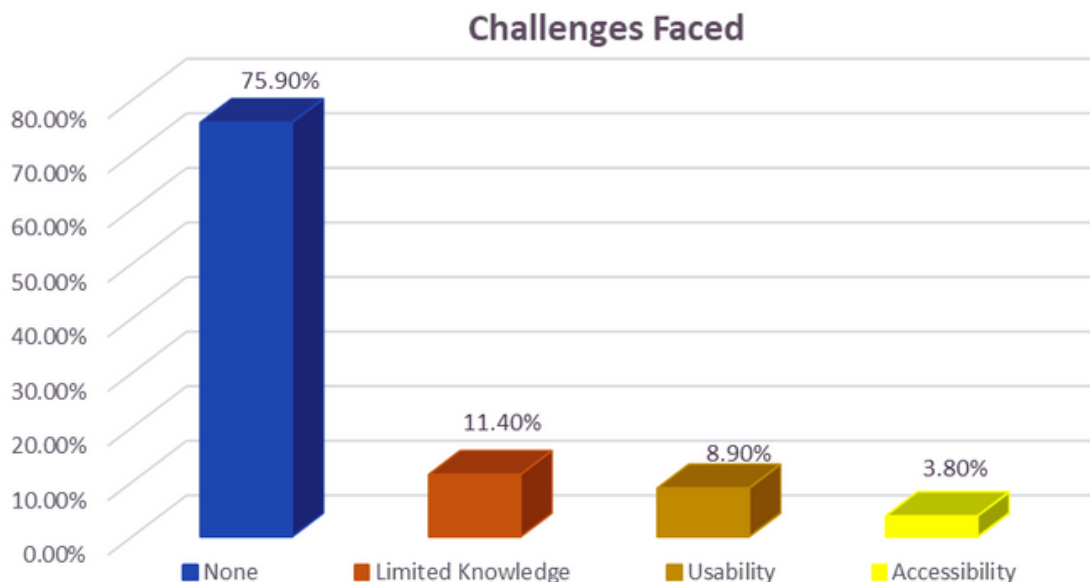


Figure 35: The challenges of utilizing the technologies

The individual business owners without any technologies claimed that they would like to utilize Mobile (38.20%), smartphones (35.30%), computers & POS (13.20%).

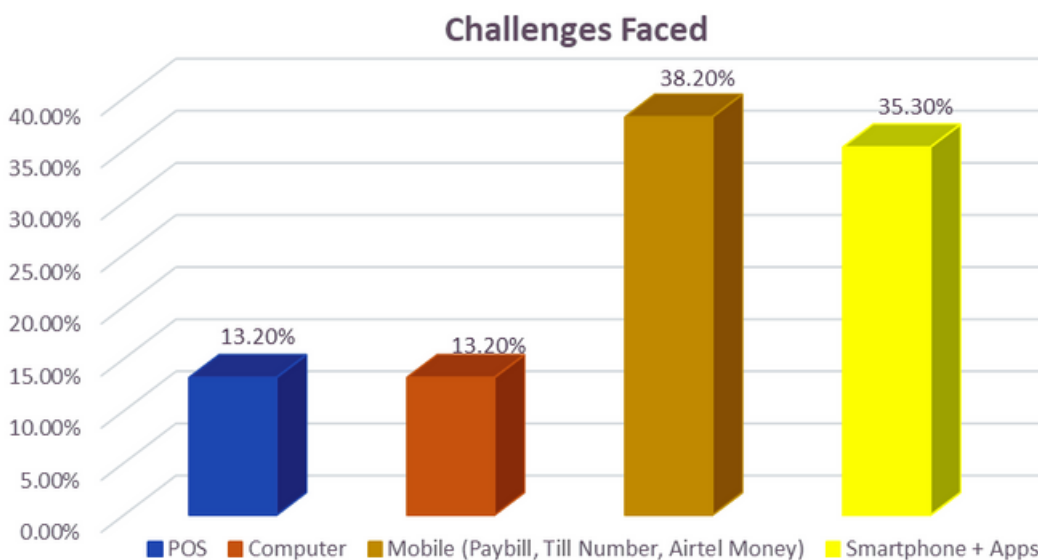
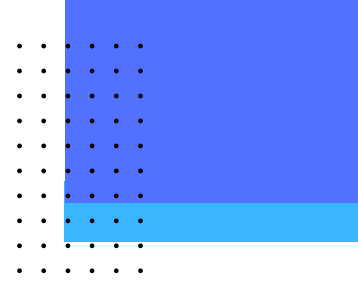


Figure 36: Technologies that business owners without technologies claimed that they would like to utilize



Reasons cited for not using the anticipated technologies include knowledge of use (28.80%), Cost (26.10%), knowledge of benefits (13.50%), lack of training (12.60%), confidence in ability on usage (11.70%) as well as availability (7.20%).

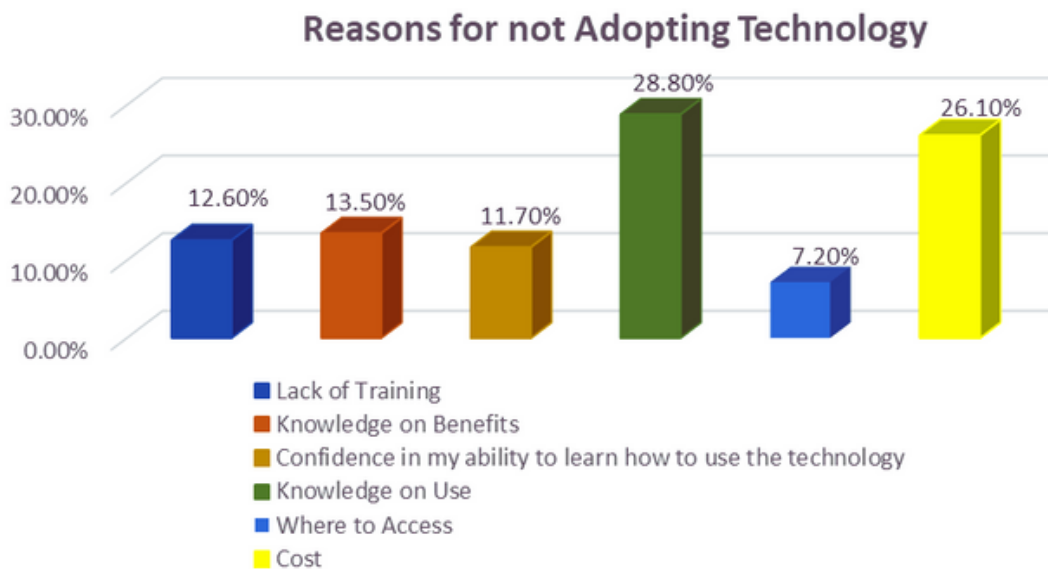
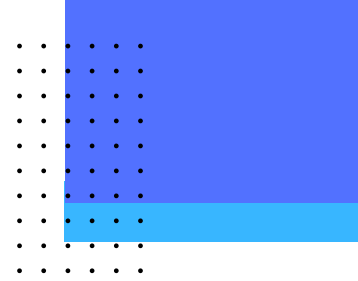


Figure 37: Reasons for not adopting technology

Based on the cross-tabulation of data, it appears that a significant majority of the individuals surveyed preferred utilising mobile applications such as MPESA in their businesses, with 43.60% choosing this option. Other technologies include smartphones with apps (12.80%) and computers (3.20%). Interestingly, only 1.10% of the respondents utilised POS. It's worth noting that 75.90% of those who utilised technology experienced no challenges while using the abovementioned technologies. However, some challenges mentioned by the remaining 24.10% include limited knowledge (11.40%), usability (8.90%), and accessibility (3.80%).

For individual business owners who were not using any technologies, it seems that most would like to utilise mobile (38.20%) and smartphone (35.30%) applications. Some would also like to use computers and POS (13.20%). Reasons cited for not using the anticipated technologies include cost (26.10%), knowledge of use (28.80%), knowledge of benefits (13.50%), lack of training (12.60%), confidence in ability on usage (11.70%), and availability (7.20%). The findings suggest that there



is a need for more education and training programs on the benefits and use of technology in businesses, especially for individuals not currently using any technologies.

2.2.18 Access to Information

Most individual business owners get information from other businesses (54.20%), manufacturers & distributors (29%), social media (13.10%) and TV/radio (2.80%).

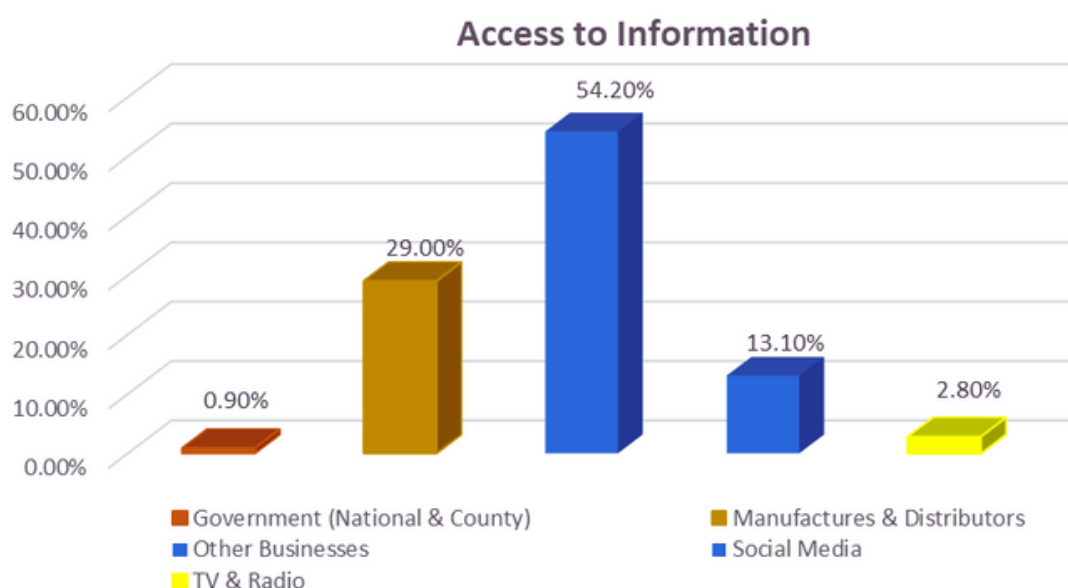
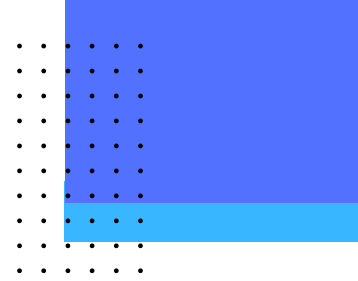


Figure 38: How individual business owners access information

Based on the data provided, most individual business owners get their information from other businesses, manufacturers and distributors, social media, and TV/radio. This data suggests a need for more targeted and accessible information dissemination channels, especially for those who may not have access to these sources. It may be beneficial to create educational programs and workshops to help business owners better understand how to access information related to technology and government tenders. Additionally, using various digital platforms such as social media can help to disseminate information to a wider audience in a cost-effective manner. The government and other stakeholders can also inform individual business owners through various channels. It's important to ensure the information provided is relevant and beneficial to the target audience.



2.2.19 Business Mentorship

About three-quarters (74.70%) of the business owners did not have a business mentor and all of them who did not have a mentor claimed that they needed one.



Figure 39: Percentage of business owners who have a business mentor

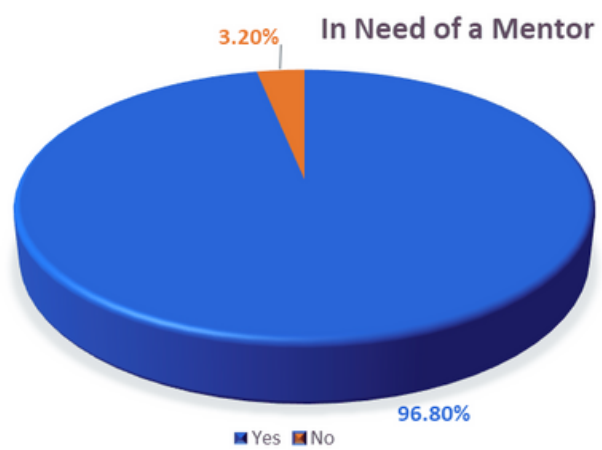


Figure 40: Percentage of business owners who need a mentor

The above figures present statistics on business owners and their experience with having a mentor. Specifically, it states that 74.70% of business owners did not have a business mentor, and all of them who did not have a mentor claimed that they needed one. This suggests that having a mentor is highly valued by business owners, but a significant portion of them do not have access to one. Additional information would be needed to determine why this is the case and how it could be addressed.

2.2.20 Training Needs and Preferred Mode of Training

On training needs, AGPO and access to EAC markets were highly preferred at 49.60% and 32.20%, respectively. International markets were mentioned by 10.70% of the individual business owners.

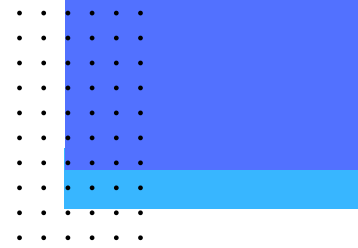


Figure 41: The most preferred training on market networks

Physical or in-person training was the most preferred mode of training (80.70%) as compared to blended (14.50%) and virtual (4.80%).

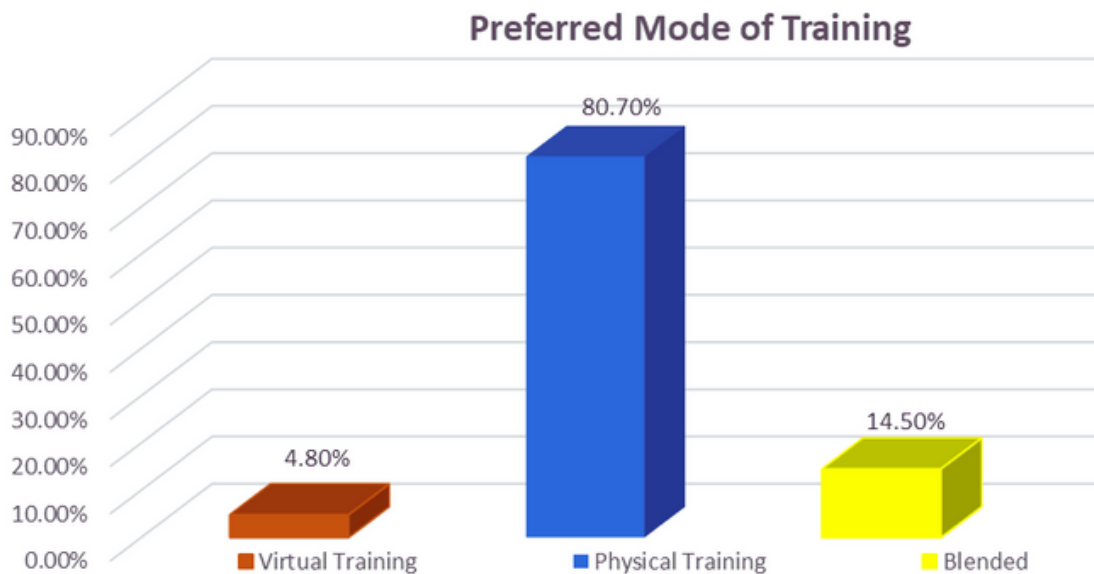


Figure 42: The most preferred mode of training

The majority of the individual business owners possess smartphones (62.70%) while feature phones are owned by 32.50% of the women. Only 1.20% of the women had both features and smart phones.

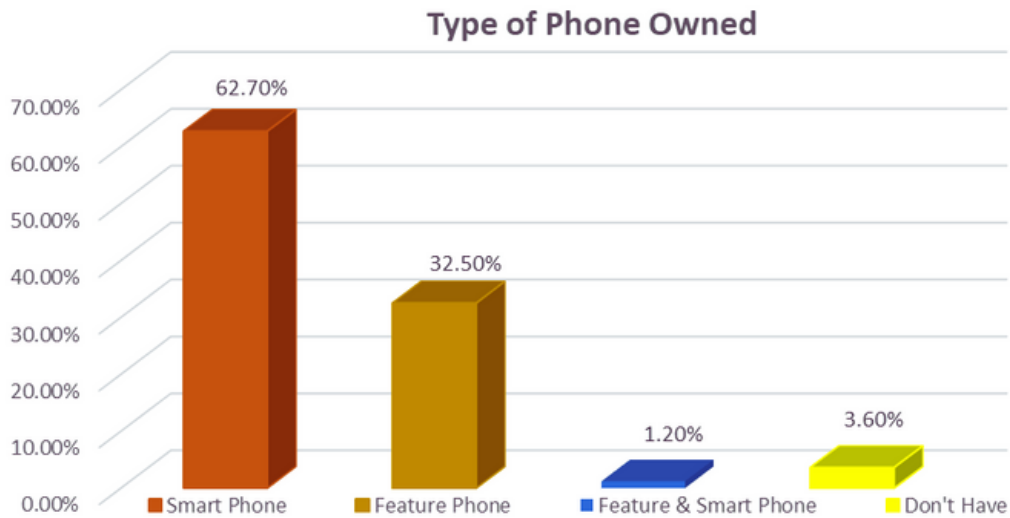
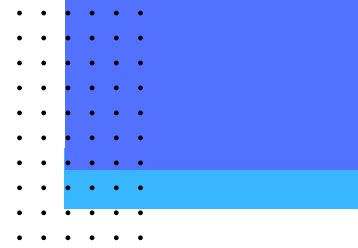


Figure 43: Types of phones used/owned by business owners

Based on the survey results, it can be inferred that individual business owners prioritise training needs related to AGPO and accessing EAC markets. The preference for physical or in-person training over blended or virtual modes also suggests a need for hands-on learning. Additionally, the high ownership of smartphones among business owners indicates the potential for digital solutions to support their businesses. However, it is worth noting that a significant portion of women still own feature phones, which may limit their access to specific digital tools and services. Overall, these findings can inform the development of targeted training and support programs for individual business owners.

2.3 HISTORICAL DEVELOPMENT OF THE PROJECTS IDENTIFIED FOR INCUBATION

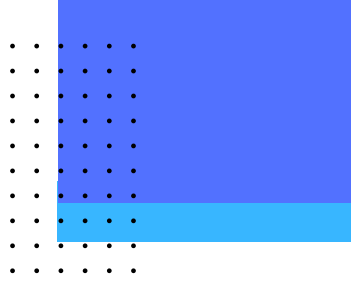
This section presents information relating to the collective's historical development regarding when the collectives were started, the reasons for which the collectives were established, the duration for which they have operated, the reasons why individual women within the collectives joined the collectives, their registration status, membership and their composition in terms of gender and leadership.

2.3.1 When the Collectives Started and the Duration of Operation

According to the participants, women's business collectives were established from humble beginnings and often by women who had a shared vision, having understood the business needs of women-run enterprises at their local levels. Some of the groups started with few members and expanded their membership over time. Initially, there was a focus on individuals making regular monetary contributions to support the activities of the group, an aspect that caused some members to drop off as they were unable to make these contributions, even where they were as low as thirty shillings.

"We started as four and used our resources to form the SACCO through the cooperative society of Kenya. We did not even have an office by then. We were just by the road when we were forming that Sacco that is when Sir Benson saw it necessary that we also involve women in the Sacco because they are also part of the business, we then looked for around five women. Because of the challenges that were there in the county, they later disappeared, so we had to look for others again. So we called this lady and that woman and some other few women, so initially they didn't even know how we have come along, they came to know later on. After that, we were given a certificate and we established an office in that place where you came. We came to have an office in 2018 even though we started in 2016 when we were still holding our meetings outside. We opened the office in 2018." **Mombasa Tuk-Tuk Group**

"It started in 2007. We had met at a friend's burial for one of us whereby we discussed and agreed to start a group. The group had about 30 members. We agreed to meet often we will and get to know each other and on familiarizing ourselves to each other well, we agreed that we would be contributing thirty shillings which would be given to one member till we go round and familiarize ourselves which would determine the foundation. As time went by we were unable to finish the first round as thought since some didn't want to contribute and others decided to leave. We were left with around 20 people whereby we did another round and by the end of it, we were only 11 people left. On getting to know each other well, we went and got registered at the social gender offices." **Kwa Manga Group**



On the reasons why the women came together, the participants noted that the women's collectives were established to support the business needs of individual women at the grassroots. Thus, the groups did not come into existence until there was a clear need to provide support to women's businesses. Some of the challenges which women faced, and which led them to establish collectives include poverty, the inability to access credit through banks and other formal lending institutions and the need for support in running their businesses more efficiently and effectively. For example, as a collective, it is easier and cheaper to source raw materials. The excerpts below clearly outline the reasons for which the women collectives were formed:

"We decided to unite ourselves as a group because we had children and our interests were also similar. My problems are similar to her. We had an aim of eradicating poverty among us, we realized that instead of going to the bank to borrow funds when we do not even have security, we could come together as women and start self-help group that would see us uplifting ourselves. We thought it wise to have a table banking sort of arrangement where each member could contribute at least 200 shillings then we give out loans to our members, through that initiative we have been able to pay school fees for our children. We have also bought a piece of land where we do agriculture as a group. Through all these initiatives we have been able to uplift ourselves, many of us have schooled their children while others have also opened various businesses which are thriving well."

Nyandarua Group Interview

"Our group was formed in 2008. Poverty brought us together, we came together to look for ways in which we can uplift each other; we decided on farming and selling of banana, poultry and cattle farming." **Keega Self Help Group**

"We started this group because we wanted to save some little money. Later, we came up with the idea of doing cashew nut farming." **Patanisho Self Help Group**

"We came together to maximize on opportunity. One of our members was already in the business of creating value addition for cassava. We saw it was a good business opportunity we ventured in as a group in order to make it easy for us to source raw materials. The business offered us opportunity to grow economically."

Bada Plus

"The name of the group is Otili Lewaran, it started 3 years ago. You see that cooler, when we put it up we hadn't started this group. It was handed over to the four of us we did not have any members then. We developed a list and finally came up with a membership of which is the current group membership."

Otili Lewaran Self Help Group

"We actually started as four of us. We actually had our personal tuk-tuks, we saw the challenges that we were going through and thought it wise to form SACCO which would help us raise our tuktuk issues up to a point that they are able to reach the government."

Mombasa Tuk Tuk Group

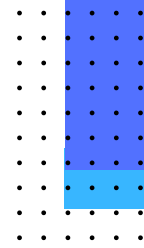
"The main reason why we started this group is so that we can stay together and help each other grow."

Ntharene Highway Group

These responses show that there is a relationship between the need to engage in meaningful activities and the need to provide a source of income for themselves suggesting that other than taking care of households' women shouldered the family's financial responsibilities and hence the need to support these initiatives. This correlates with the observations made.

"As a women's group, we sat down and saw that it was better for us to come together as women to be able to better ourselves. We sat down and saw that women have been left behind because we have husbands and together as women we have many responsibilities. We decided as women that since we are on this part and near the border It's good for us to have a women's group to be able to help one another do business and for every woman to fend for herself in her own home."

Lunga Lunga Cross Border Group



Through collectives, women can also be economically empowered, because the groups provide access to business opportunities, which in turn create livelihoods for women, allowing them to generate income of their own, so that they are not completely dependent on their husbands.

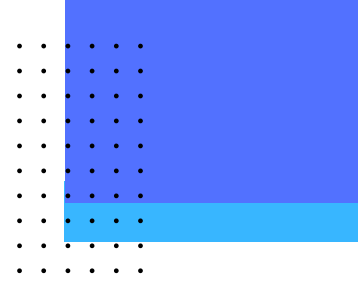
*“You know when my husband goes to the market to sell his cows, as a woman am not guaranteed to those money. Sometimes, you may have some of your needs that you need to attend to, he won’t care about that. It is none of his business, you and your female children. Traditionally, ladies used not to go to school, but nowadays you have your money, therefore you will tell your kid to go to school may be up to secondary is when you will seek for assistance. At primary level, you just pay school fees for your child.” **Maasai Women Diary***

The collectives are also a vehicle through which women can come together to address other social issues in addition to supporting women’s enterprises.

*“We don’t just engage in business matters but also are involved in sensitising women about the border procedures, rules and regulations. We also train them how to manage their businesses, and some of these women can be teachers who might not have such information. Such training informs some to even join the business world. So we do accommodate them under training and eventually they become business operators as well.” **Busia Cross Border Traders***

*“When we have cases of SGBV, may be a women has been raped, or has experienced physical assault, they can find a safe haven here. We take care of them then after a month, we take them to the chief’s office where the issue is handled administratively.” **Mchanganyiko CBO***

*“We teach women about their rights which reduces the likelihood of them being harassed. We also advise them about items which should not be taxed. We also have a GBV desk at the police station with the help of CCDG and I have the hotline to the GBV control centre in Nairobi. We also help women who face challenges with inheritance of property after a husband dies.” **Busia Cross Border Traders***



Regarding the duration for which the collectives had operated, the results show that the majority (43.75%) of the collectives had been in operation for one to five years, while five (31.25%) other collectives reported to have been in operation for over ten years. On the same note, two collectives (12.5%) had been operational for five to ten years while, another two (12.5%) had been around for a short period, i.e., less than a year.

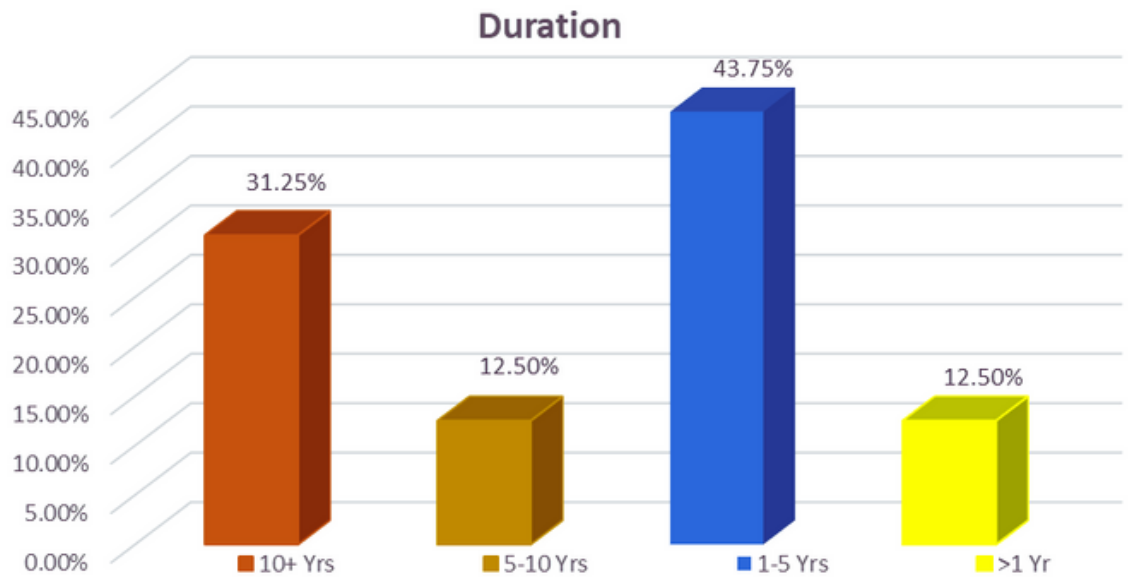



Figure 44: Age of businesses operated by business owners

The individual women within the collectives were further asked reasons why they joined the collectives and some of the reasons given for individuals joining the collectives included:

The need to develop livelihoods:

"We are all widows. That is what pushed us to come together because, on my own for instance, I cannot afford to pay secondary school fees for my child but when we are many, we can pool our resources together." **Patanisho Women's Group**

The common businesses that women did and the realization that being in a collective would help them improve those businesses:



"We decided to come together because, in Maasai land, it is only milk that is always owned by women. We realized that we have a lot of milk, but there is no market where we can take our milk. At times, they take it to town and sell a cup at five shillings. Similarly, at times, they spend the whole day without selling and come back with the milk. So, our patron, Mrs Nkaisery, saw that it was better to start a milk project so that we can help women to move from grass to grace. We started from nowhere, down from one litre. As we speak now, the milk project has really changed the lifestyle of Maasai. Education has made a big progress among the girl child. It has really made a great impact on our community."

Otiili Lewaran Self Help Group

"It is actually the fact that we were cleaning together that made us form this group." **Mchanganyiko CBO**


"We started as women with similar interests of growing together as a group, women who were in the omena business." **Kisumu Small Fish group**

Individuals join these groups perceiving them as avenues for growth opportunities, recognizing that the groups, rather than individuals, are better positioned to access such opportunities. Additionally, through these groups, individuals can effectively address the challenges their businesses encounter, challenges that would have been challenging to overcome individually.

"We realized that you cannot grow when you are alone, that is why we decided to form this group." **Kaloleni Futsetsezane Women Group**

"What brings us together is the merry go round and table banking. We support each other in so many ways. If your business is going down, we can support you to rise again. That is the main thing that has brought us together in the group but not the business. We also work together to ensure the place we are working in, is clean and there is no fish odour. Sometimes we have issues with the public health officials like now we are trying to put up a pit latrine." **Kisumu Big Fish Group**

"I realized that if one is in a group then they would be exposed more to ways to develop oneself. I joined the women who were cleaning up the streets, that has been a avenue for development." **Mchanganyiko CBO**



*“Because we realize working as individuals is not easy because there is less support when working as an individual. We needed organizations to come connect us to market so that we can be able to create more value addition to cassava.” **Bada Plus***

Individuals also join the collectives as they provide a space where women can form friendships which help them to unburden and receive emotional support.

*“It is a source of emotional support. When we come for group meetings, we talk and laugh and it helps release bottled up emotions. Actually it helps us relax. From time to time, we find ourselves going through difficulties and you imagine God may have forgotten about you.” **Patanisho Self Help Group***

From the field narrations, although these women collectives came together to address their needs, they needed more resources and capacity-building to address their challenges.

We have discussed the establishment of women's business collectives, which were formed to address challenges faced by women-run enterprises. The collectives provided a platform for women to support each other, share business opportunities, and address social issues. Individual women joined the collectives to improve their businesses, access growth opportunities, and receive emotional support. Despite the benefits of the collectives, they required more resources and capacity-building to address their challenges effectively.

2.3.2 Registration of the Group Collectives

Out of the sixteen collectives, eight of them (50%) had a county license, while thirteen of the groups are registered as social groups (81.25%). Additionally, eight of them (50%) possess both. The main barriers to registration or obtaining a county license were cited as being cost/limited funds, stringent requirements and unfavorable business environment.

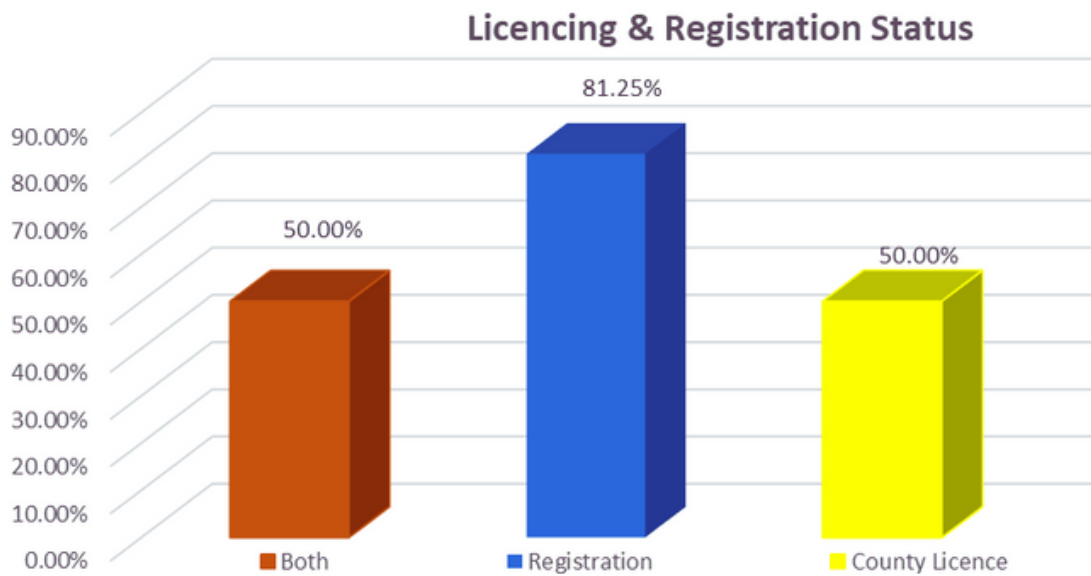



Figure 45: Licencing and registration status of businesses

As depicted in the above figure, the qualitative findings align with the results shown, indicating that the majority of the interviewed groups have registered with the registrar of societies. Consequently, these groups are registered as social entities rather than as businesses or companies. Participants noted that registering with the registrar of societies is perceived as an easier process compared to other forms of registration.

Only one of the groups in the qualitative research had already registered as a SACCO. The participants noted that Registration has some advantages, as well as challenges. Regarding the advantages, registration makes it easier for groups to lend larger sums of money to individuals, though this process of lending such funds is more rigorous as outlined in the following excerpt:

“It’s quite a process for a member to receive a loan. First, they need to have give guarantors and out of the five three must have shares that exceed the amount requested for the loan. The borrowers share in the application form must also match that one in our records. If they meet all these requirements, our loan officer approves the loan. The member then has to give a fee that goes to our advocate. We do have an advocate whom we have hired from a firm. The final step is for the member to sign an affidavit stating the amount borrowed, return date and member’s share.” **Busia Cross Border Traders Groups**



The groups which are not yet registered indicated that they had not been able to meet all the requirement for registration.

“We even tried to register as a SACCO, so that we can boost our members with loans to progress their businesses. When, we started the registration, we were given some terms and conditions which we were not able to bear. We were told, that for us to register a SACCO, we must have something like 10 M in our account.” **Maasai Women Dairy**

“We had gone to look for that registration but still there are some requirements which do not have at the moment, once we get them we will have our certificate. So the problem is about the money for registration.” **Kaloleni Futsetsezane Women Group**

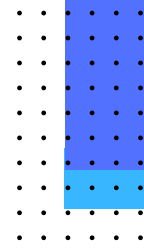
“The problem is that we are not registered. We need the certificate.” **Patanisho Self Help Group**

As a result of not being registered, this affects their activities. Thus, for instance, the groups cannot open bank accounts without some form of registration which means that the group cannot control the funds that individuals contribute within the group. Further, due to a lack of registration, the groups miss out on relevant opportunities.

“We had an experience before we were registered. The treasurer used to keep the money and you find that at the end of a year the money isn't available because the treasurer got tempted and spent some of the money or they loaned it to a member behind everyone's back.” **Kisumu Small Fish Group**

They added that when the women originally formed, they did not focus on the registration process. Rather the focus was on getting members who would be committed and also who could be trusted, and it was only after achieving this that the groups moved towards registration.

Legal and regulatory constraints do not favour women as women business collectives and may hinder the development of the collectives by imposing regulations that frustrate such enterprises. This challenge indicates a need for



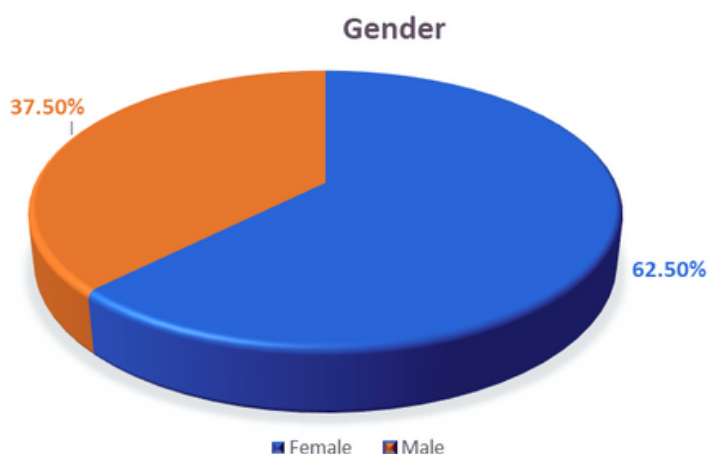
more awareness of some of the policies and rules governing their businesses, i.e., registration, licensing, other official levies, and the benefits once a group is legally recognised, as noted in the excerpt below:

“That is very important because even at the county government they normally look at the list of registered groups before they give out any support to them. So the greatest challenge is lack of legal recognition which we can only get when you are registered.” **Kaloleni Futsetsezane Women Group**

Regarding individual women with businesses within the collectives, their biodata and that of their businesses indicate that most of these women run unregistered businesses, citing that most of them have limited funds and unfavourable business environments (35% and 25%) respectively. This calls for policy advocacy to help ease the registration process and to advocate for the government to create a conducive environment for women's businesses. It also shows that most spend their savings in women groups and are not aware of the AAF, AGPO, and therefore the majority of them have never heard about them.

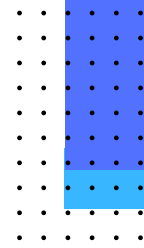
2.3.3 Collectives Gender Composition

The collectives were composed of both men and women, although women outnumber men overall. A portion of the collectives, i.e., ten (62.5%), were primarily made up of both men and women, while six (37.5%) comprised women only.



This implies that while both men and women were involved in forming collectives, women played a more significant role in doing so. The fact that more collectives were composed of both men and women may suggest a more collaborative

Figure 46: Composition of gender in the collectives



approach to community-building and decision-making. Additionally, the existence of all-women collectives may indicate a desire among women to create spaces where they can work and organize together, potentially to address issues or concerns that are specific to their experiences.

In short, regarding the historical development of the collectives, the women collectives were formed from humble beginnings by women who share a common vision. They formed them to support their needs that they


may have yet to achieve as individual women, such as empowering themselves economically. Through contributions that women make, they can raise capital to start businesses, pay school fees for their children as well and raise income for their families. The collectives have also helped women to address social issues, have provided a platform for their friendship space and provided an opportunity for their personal growth. Most of them, however, are newly formed and have only been in operation for less than five years.

2.4 GROUPS' ROAD MAP TO REALIZATION OF THEIR VISION

This section presents data on the activities/projects that the groups undertake their income levels, management of the project, the challenges they have faced in implementing their projects as a group or as individuals and how they address these challenges that they have faced, the vision they have for their projects/businesses and the assets they have acquired as a collective or as individual women.

2.4.1 Types of businesses carried out by collectives and by individuals within the collectives

Regarding the types of businesses that the collectives undertake, two broad scenarios emerge:



Firstly, some of the collectives were not operating any business as a collective, but rather, individuals within the collectives were operating businesses. In most cases, the collectives would bring together women who were operating similar businesses. In this scenario, the collectives were formed to support the businesses of individuals within the group. In this scenario, few of the collectives had grown to establish group-run enterprises, and the groups indicated that it was difficult to evolve from a collective intended to support individual businesses into a

collective that was itself running a business enterprise.

Regarding this first scenario, we see that while establishing collective business enterprises has been a vision of the collectives, many of them have not yet established such enterprises. Thus, the collectives currently exist to support the businesses of individual members, but the long-term vision is to have businesses which are owned and run by the collectives. Further, the most common group activity carried out under this first scenario was table banking.

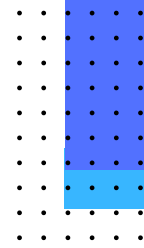
“Then we have table baking which we contribute per share. One share is equivalent to 100 shillings. Members can contribute up to ten shares meaning the minimum is 100 shillings and maximum is 1000 shillings.” **Kisumu Big Fish**

“We are not doing any business; we have not started any business. We only have a vision of doing this machine thing, the poultry and the accommodation housing thing but we are not doing any business at the moment. We are only putting our shares there accumulating there. We have not started any business; we are only distributing our shares into the group which our shares.”

Turkana Group Interview

“The first activity that we carry out is table banking. We contribute funds as a group and consolidate them in one pool for table banking purposes so that when one of our members wants to take her child to school, she can be able to take a loan from the group, which is one activity that we carry out.” **Nyandarua Group**

Interview



This first scenario is distinguished from the second one where the women came together to establish a group enterprise. In this scenario, the individuals did not have any businesses they were running before selecting and installing the group. Hence, the main reason for establishing the group was to establish a business enterprise.

In terms of the specific types of businesses that were run both by individuals within the collectives and by collectives themselves, we see that most of them focus on food production and retail of food products, including the following: selling of fish, cereals, fruits, cassava production, production and selling of milk. One of the groups was in the transport sector and was operating tuk-tuks.

With regard to the food-related enterprises, we see that even in cases where women are in the agricultural sector, they do not just produce the food, but they also sell their produce and, in some instances, they have to do some value addition so that they can get market for their produce.

“We saw that we could sell our food and that’s why we put the name Traders because you can’t farm and not know what business you’ll do. You have to know where to take all this food that you plant. So as a group we came together as women, no men. But in the beginning we had another one with men and called it LungaLunga CBTA but we put the name women in this one after we left. We still have the men but in this one we are only 35 women.”

Lunga Lunga Cross Border Traders

While the collectives indicated that they run one main activity, they also indicated that they have other activities which complement their main activity. Thus, for instance, where the main activity is hall hiring, catering is also provided as many of the customers who are interested in hall hiring are also likely to need catering services. Another example is the Tuk-Tuk transport business, where the group also runs a garage, which provides maintenance and servicing for members.

“Hall hiring is our most profitable business because when people hire the hall, they also request us to offer catering services. Some clients will hire the hall and request for teas and lunch to be served. With catering, if we have a client has hired the hall for a day, we ask them if they require our services. We will therefore be paid for both the hall and the catering. Other times we do outside catering where we get orders from clients who have events. We agree on the price and deliver the food. From the income, we pay the women who prepared the food, we deduct all the expenses and the remaining amount goes to the group account.”

Mchanganyiko CBO

“There is management, this involves booking county stickers, inspection, and insurance among other services. We also have a garage where we do servicing.”


Mombasa Tuk-Tuk

2.4.2 Challenges faced in running the business

The challenges cited in the FDGs included business losses, lack of access to markets, pricing, unpaid business debts, water, brokers, scaling up and expansion of business, lack of technology, access to credit and adverse weather conditions, among others. One of the major challenges faced in establishing a group-run enterprise where members are also running individual enterprises, particularly if the group-run enterprise is similar to the individual enterprises.

“For instance, the idea to come up with CBO would not have been possible if we were still doing business individually. When we got together we saw it wise to register the group and have officials and now we keep offering each other guidance.” **Bada Plus**

Access to markets is also another challenge, and in the context of food and agricultural produce, this is often exacerbated when the produce is not sufficient to attract large corporate buyers. In describing the group’s most important project they responded:



“Everyone grows cassava. Hardly will you find any farm in Kwale without cassava plantation. For instance I had so much cassava on my farm and nowhere to take them. Cassava is a perishable products and goes bad after two days and that is why I started the business. I started making flour from cassava then later other members started approaching me with interest in the business project. I used to buy cassava from those doing cassava farming. So we would buy and sell from each other but as days went by we realized that for any empowerment opportunity most institutions ask for groups . They carry out the incubation projects and empowerment through the groups and also one can find market through the groups . For me as a business person my challenge is the market. So the members needed a market and for them to get a market I need a market because what they are selling to me I need to have market and that is why we agreed to form this group.” **Bada Plus**

“Any member of the community can deliver their milk to the cooler because it is a community project they can bring as little as a litre. The little milk we have at the moment is from the farmers. Brookside are not coming for it because it is too little so we use it for value addition. We do yoghurt, mala and sell fresh milk so that we don’t close shop. Other dairies around here have closed down.”

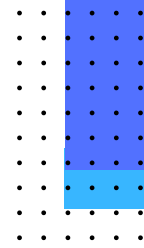
Otili Women’s Group

“We even approached KARI who offered to educate us and sold to us quality banana seedlings. They promised once the bananas grow they would come and buy them from us however we planted the bananas grew so well but KARI failed to buy from us. We got so frustrated, we now had to use brokers who bought the bananas at a very cheap price. I was personally so frustrated because I had planted bananas on an acre of land now the bananas had nor market. I did not know what to do I could not even give my bananas to the cows after all I only had two cows. At last we had to sell to those brokers at a throw away price.”

Keega Self Help Group

“We could have been ourselves but we do not have a market therefore we have to involve the brokers. You realize that you could be having the potatoes but there is no one to take them, you ask for transportation only to be told that Lorries are not available, some have broken down and so on. Therefore, you end up having potatoes but getting a market for them becomes a challenge.”

Nyandarua Group



From the above-sampled responses, it is evident that even though women's business collectives can produce, the main challenge they face is a need for market access. Similarly, Lack of technology and machinery is also another challenge. Here, we also see that the collectives lack access to basic technology such as the computer literacy. The women welcome initiatives to receive ICT training:

“Still on computer literacy, we also need to have an arrangement of training ourselves on computer literacy. For example, in Kiambu there is a place that is designated for training people on computer literacy.”
Nyandarua Group

There is a need to create awareness and educate women on the importance and usage of technology as it expands their business in otherwise constrained spaces.

Another challenge faced is the lack of machinery, as expressed in the following groups:

“The most important project is the grinding posho mill, why is it important. Because from Lokitam to Turkana North upto Kibich, there is no any poshomill that can help the community to grind their maize. A very important project that the group wants to start with is the posho mill because there is no machine to grind our maize. We use the stone. We grind with the stone. So this machine will help to reduce this labour of breaking this maize with the stone in this community.” **Turkana Group**

“Even coconuts, there are machines that make coconut oil used for oiling our bodies and cook but the machines are the problem. There are no machines.”
Lunga Lunga Cross Border Group

Brokers are also another challenge for the women’s collectives, as they affect the market for the products that the women produce, and their activities can lead to price fluctuations, which in turn affects the markets for the products the women’s business collectives produce.

“Brokers become a major challenge because they broke even the prices. As Maasai women we have tried to go to the interior to bar them from over exploiting our women. From there, women will know the reason why they should sell to the cooperative. If they are not careful, their money will be stolen, as they fight cooperative. And the only solution to this is to reach these women from where they are.” **Maasai Women Dairy**

“We now had to use brokers who bought the bananas at a very cheap price.”
Keega Self Help Group

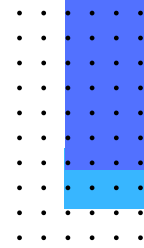
Many of the collectives reported that they started as small enterprises, and have faced challenges in scaling up and expanding activities. The challenges in scaling up are closely related to the limited access to markets because many of the groups cannot expand due to a lack of markets.

“I think the other challenge is scaling of activities, you know this is a new group even the miller is a startup. There some things we have to wait for a green light for us to engage in, for things to be easier for us farmers they have to be better for the investor in terms of access to ready market and working on product output. So the investors push for that we also push our farm products towards the value chain.”
Bada Plus

“Lack of ready market has hindered our progress because we could not keep as many chicken as we had wished. Our situation could have been compared with a frog that jumps up and down in on place never moving forward.” **Kitui Group**

Limited access to credit is also another challenge.

“We really needed to take a loan because it helps us to plan and do many things but those who offer loans to women like UWEZO Fund and WEF are unreachable here at the grassroots. Sometimes we make applications but there is no feedback. Key people who would help us are not available. We are no longer interested in applying for loans unless we are enlightened more about it. For now we decided to do away with loan applications and find our own ways of getting funds.”
Kitui Group



Another challenge that was reported is the fact that weather conditions affect the amount of produce and this in turn affects their markets. This is particularly because many of the groups are involved in food and agricultural production, which is largely affected by weather conditions.

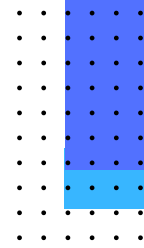
“When there is no drought, we get a lot of milk up to 15,000 litres per day. Brookside dairies normally collect the milk thrice per day but when it is dry like it is now, the volumes are low they come down to 400, 300 and even 80 litres. As you can see people have migrated with the cows to look for pasture because of the prevailing drought. We rely mainly on rainfall to get milk in this region.”

Otili Women’s Group

We can, therefore, sum these challenges as financial, i.e. credit availability and accessibility, legal and regulatory barriers, lack of appropriate technology, limited entrepreneurial culture and management skills, women's heavier household and time burden and lack of mitigating mechanisms, especially in adverse weather conditions, access to markets. Notably, there are also rural-urban disparities regarding challenges, as most groups in urban centres like Nairobi were aware of factors affecting their business. This scenario indicates that challenges will inhibit the potential of women's collective enterprises to thrive. Factors such as lack of awareness of

of existing credit schemes, lengthy and rigorous procedures for loan applications, lack of technological know-how, and lack of collateral security for finance affect the potential of the business collectives to thrive and realise the cost-effectiveness of their products and services. Lack of technological access and legal and regulatory barriers may also affect the groups preparing the statutory requirements.

These challenges are an indicator of the need for financial literacy awareness, especially on resource mobilisation and investment training, where women will be empowered on how to monitor their profits and use the money generated from the



business prudently from the profits, i.e. how much money they set aside for personal and household use and what went directly back to the enterprise to ensure growth and stability, how to access markets, and incorporating technology.

2.4.3 Strategies used to overcome the challenges.

Some of the strategies used to overcome the challenges include:

The groups reported that self-motivation is one of the ways they stay motivated so that they do not give up in the face of challenges.


“In terms of dealing with challenges I think the best we are doing right now is offering motivation to each other to keep our spirits high.” **Bada Plus**

Providing organic solutions that are derived from within the groups.

“Even us as producers we need to be part of the grand scheme of marketing this is because when the farmer brings their produce to processing what she is processing becomes ours and so we all need to be part and parcel of the marketing strategy. So we have to do an outreach. The other challenge is expanding our membership, some farmers are hesitant to join the group. Some farmers who have cassava farm tells us hold let wait and see.” **Bada Plus**

“We should get rid of these brokers, such that after we harvest we can be selling our potatoes at the stall, we can also sell some to the kiosk owners. In some areas you find women selling potatoes by the road side, we can as well emulate that, let say today Faith will be selling our potatoes along a given road as the person goes to a different road; through that we will be able eliminate the brokers.” **Nyandarua Group**

The groups also save as a means of preparing for challenges that they may face in the future.



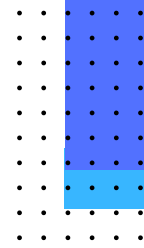
*“So we have to be open minded in our facing of challenges like for example during the time the machine is profiting a lot. We have to save something. We save something for the future of problems so that maybe as a group we keep our money that we contribute or the profit that we get can be saved some to help us to face times of challenges.” **Turkana Group***

From these insights, we can observe that women in Kenya experience cultural and customary barriers that prevent them from gaining employment, property ownership, and access to social amenities such as the right to education, access to credit facilities and resources to build and empower themselves socially and economically. Therefore, these challenges are financial, i.e., credit availability and accessibility, legal and regulatory barriers, lack of appropriate technology, limited entrepreneurial culture and management skills, women's heavier household and time burden and lack of mitigating mechanisms, especially in adverse weather conditions, and access to markets.

Notably, there are also rural-urban disparities regarding challenges, as most groups in urban centres like

Nairobi were aware of factors affecting their business. This scenario indicates that challenges will likely inhibit the potential of women's collective enterprises to thrive. Factors such as lack of awareness of existing credit schemes, lengthy and rigorous procedures for loan applications, lack of technological know-how, and lack of collateral security for finance affect the potential of the business collectives to thrive and realise the cost-effectiveness of their products and services. Lack of technological access and legal and regulatory barriers may also affect the groups preparing the statutory requirements.

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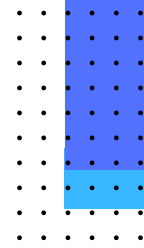


on how to monitor their profits and use the money generated from the business prudently, i.e. how much money they set aside for personal and household use and what went directly back to the enterprise to ensure growth and stability, how to access markets, and incorporating technology.

Socio-cultural barriers, mobility, balance between family and business and self-perception are key challenges limiting the growth of women-led businesses. Women-led enterprises underperform under certain conditions, which have to do with social norms, perceptions about abilities and opportunities, and entrepreneurial preference. Women are more likely to be pushed into entrepreneurship for economic reasons than pulled into it. While it is true that cultural and customary barriers can be entrenched and difficult to change, it is important to recognise that progress towards gender equality has already been made in many societies. Thus, there is

on how to monitor their profits and use the money generated from the business prudently, i.e. how much money they set aside for personal and household use and what went directly back to the enterprise to ensure growth and stability, how to access markets, and incorporating technology.

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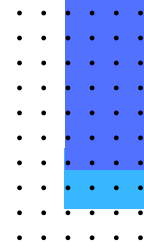


need for women's business incubation to continue to raise awareness and educate women, as well as support and empower women and girls to break down these barriers and achieve their full potential.

In summary, the research findings reveal that some of the collectives did not have a common business enterprise but rather women operating similar businesses who are members of these collectives have come together. The main activity for these collectives is table banking. Food production and retailing of food products emerged as the main focus these women engage in. The challenges that the respondents cited to have faced in realizing their roadmap vision included business losses, lack of access to markets, pricing, unpaid business debts, water, brokers, scaling up and expansion of business, lack of technology, access to credit and adverse weather conditions, among others. However, they have come up with strategies to

address these challenges which included self-motivation despite hardships to avoid giving up, coming up with organic solutions that they develop from the groups and saving in preparation to address any challenge that they may encounter in future.

This calls for support in accessing the market for their products to avoid exploitation by brokers, financial literacy regarding access to credit and especially that there are loans (AAF) set aside by the government to support women's businesses which attract low interest; saving strategies to help them expand their business and creating awareness of AGPO which the women can take advantage of and add on their income as either individuals or as a group. The WEE hub should also provide technological literacy skills as this is the emerging trend in business activity which can help the women access market using online platforms.



2.5 THE EMPOWERMENT LEVELS OF THE GROUPS AND THEIR MEMBERS IN RELATION TO THE GROWTH OF THEIR BUSINESSES

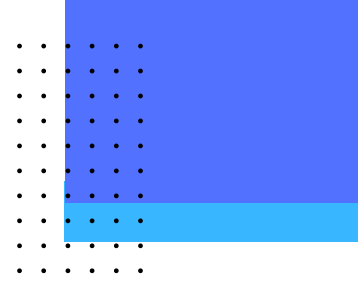
This section presents the women empowerment levels of the groups and their members in relation to their businesses. It presents the women's knowledge about economic empowerment, personal and instrumental agency of the women in the collectives, how the collectives have contributed to individual women empowerment and how they have benefitted by joining the groups.

2.5.1 Groups empowerment levels and their benefit to their members

Women in the business collectives understand the meaning of economic empowerment, which they view as empowering a woman and helping her to realise that she can do anything that she sets to do, not only financially but to help her understand herself better. While most women were aware of empowerment and could state it in their language, those from more constrained environments admit that social-cultural pressures usually constrain their empowerment but understand the need to be empowered. Participation in the business collective increased their confidence to express their opinions during community discussions and decision-making.

This element of personal and instrumental agency provides women inclusion in empowerment activities whereby information informs the benchmark for monitoring evaluation and impact assessment of incubation. The existence of women's business collectives and the economic activities they engage in are vital indicators that women have already pooled their economic resources and are actively voicing their priorities while participating in financial decision-making in ways that impact their homes, families and socially, their community as women.

The formation of the group helps them boldly manage their issues within the community, which benefits



their households where they are equal or majority contributors. Women's motivation to join the group is primarily driven by the need to cater to their families (pay school fees, etc.) and improve their economic status. This desire and interest explain in part how women with no prior experience come together to support one another in starting up a business, and this indicates a need for more opportunities and access to markets evident in their interests. While many women have joined the collectives and run successful businesses for the past two years, the source of their success should not be overlooked. The formation of groups further as indicated by the quantitative results has also enabled women to develop their businesses by helping them access important aspects of business development as shown in the figure below 32.5% of the women indicated that through their collectives, they can access loans for capital with 32.5% reporting so, 28% of the women noted that they can access training opportunities, another 21.1% have been able to access marketing opportunities through the group while another 18.4% can source supplies through the group.

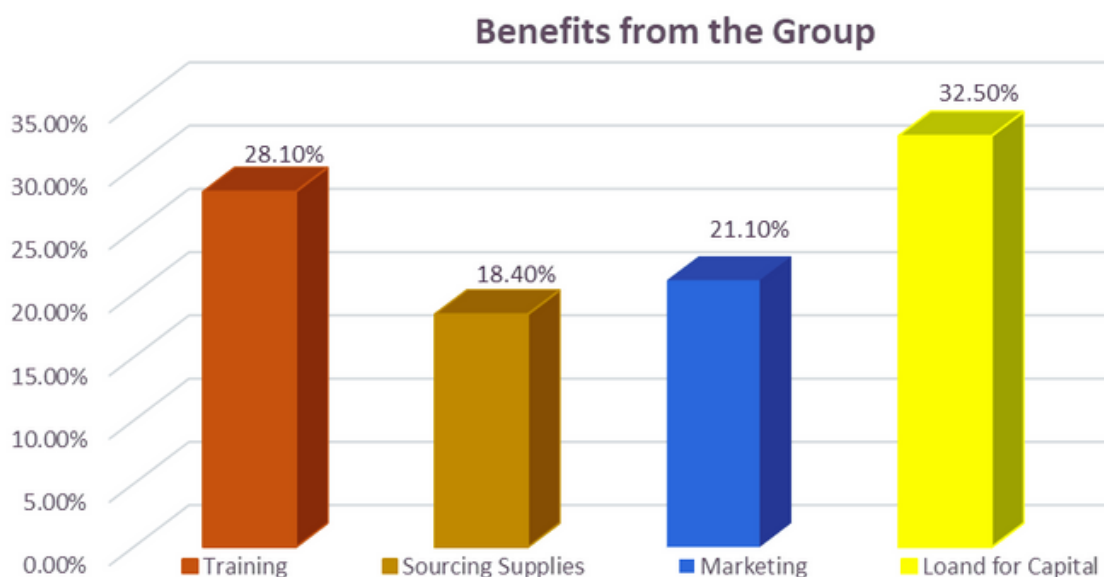
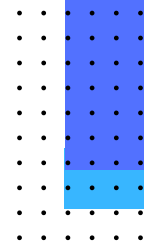


Figure 47: Benefits derived from the groups

Therefore, women in the community face economic and social challenges, which they are trying to overcome by coming together and forming a group. The group provides a platform for women to pool their resources, knowledge, and skills, and



to support each other in starting businesses. This indicates that there is a need for more opportunities and access to markets for women in the community. Additionally, the data suggests that women are motivated to join the group by their desire to improve their economic status and to support their families. The success of the group's businesses indicates that women can start and run successful businesses with the right support and resources. The implications are that the community should continue to support and empower women to improve their economic status and overall well-being.

2.6 TENTATIVE ROADMAP FOR THE PROJECT

This section presents the information related to the women's collective's roadmap for the project. This includes the activities that the collectives are undertaking to help them realize their objectives, the kind of assistance that they need to carry out these activities, the kind of training they need, the kind of partners that they would want to work with and the current connections with credit facilities that they can utilize.

2.6.1 Kind of activities that the collectives and individual women within the collectives are engaged in

Women collectives were said to be engaging in a range of activities that are geared towards enabling them to achieve their objectives, as shown in the figure below. The figure shows majority of the groups are involved in helping individual women save (37.2%), 14.1% of them indicated that the groups help their members to secure loans and 13.6% of them reported that through the groups, they can access credit. Others noted that through the groups, they can invest in the group business (9%), network (8.5%), and provide mentorship (7.0) and a small proportion reported that their groups are engaging in real estate and advocacy (5% each).

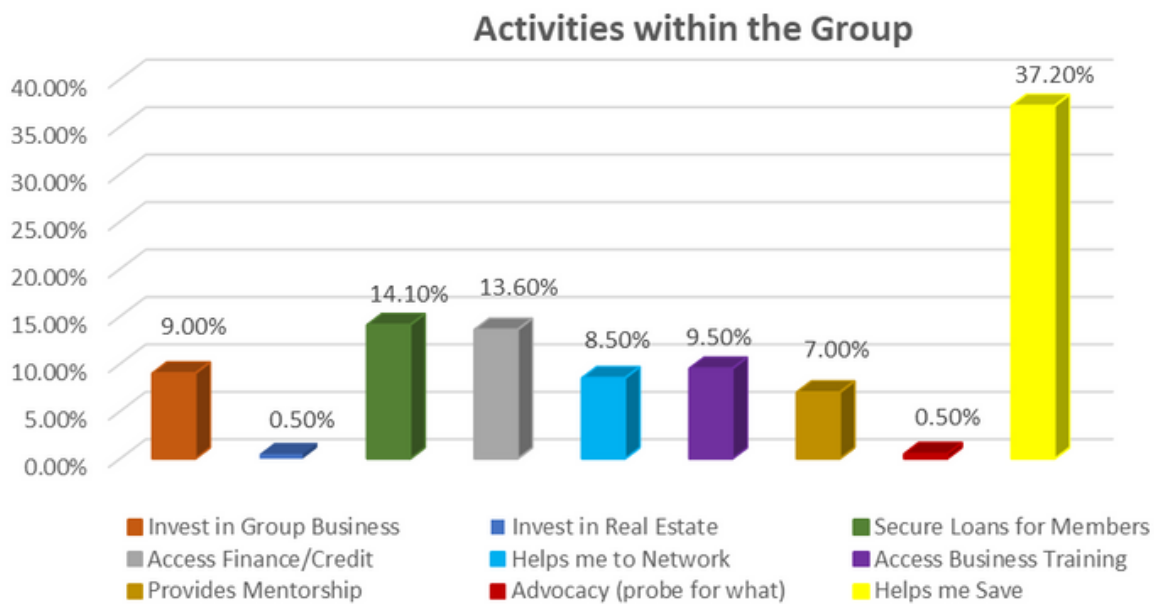
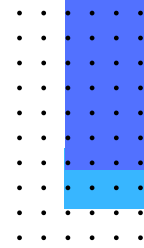


Figure 48: Range of activities conducted within the group

Apart from the business activities that the women carried out together, the researcher sought to establish the type of businesses that individual women within the collectives were engaged in and the results presented in the table below: The table shows that most of the women were engaged in greengrocers (73%), followed by groceries (retail) with 26% of them citing so. Other women who were involved in other business activities were few, registering small proportions, less than 10%.

Figure 4: Type of Business by Individual Women within the Collectives

Type of Business	%
Groceries (Retail)	26.04%
Green Grocer	73.05%
Hotels & Eateries	5.21%
Milk Bar	1.04%
Saloons & Boutique	6.25%
Tailoring	2.08%
Second-Hand Clothes	2.08%
Cosmetics Shop	2.08%
Bookshop	1.04%
Hardware	1.04%
Event Company	1.04%
Poultry farming	3.13%

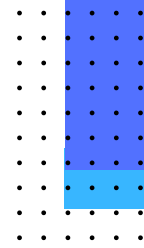


In addition, the researcher also sought to find out where the women operated their businesses and put the results in the table below: The table shows that the greatest proportion operated their businesses in the commercial premises (26%). others, 12.5% operated on the open ground without a stand, while 8% operated from an open ground with a stand.6% had market stalls, 5% had kiosks and an equal proportion hawked.2% operated at the open market, while a similar proportion of 1% operated at industrial sites and at Jua kali shades, respectively.

Figure 4: Type of Business by Individual Women within the Collectives

LOCATION	%
Commercial Premises	26.04%
Industrial Site	1.04%
Market Stall	6.25%
Open Market	2.08%
Kiosk	5.21%
Open Ground with stand	8.33%
Open ground without a stand	12.5%
Juakali Sheds	1.04%
Mobile/No fixed location (Hawking)	5.21%
Residential with a special outfit	11.46%
Residential without a special outfit	2.08%

It can, therefore, be inferred that a significant proportion of women entrepreneurs operate their businesses in commercial premises. In contrast, a smaller percentage operate in open grounds, market stalls, kiosks, and through hawking. The information on where these women conduct their businesses can be useful for policymakers and stakeholders in designing appropriate interventions and support programs to promote entrepreneurship among women.



2.6.2 Kind of assistance that they need to carry out these activities

The core purpose of business incubation is to respond to the needs of businesses to support and strengthen them. The findings indicate that some of the key support needs that the business collectives have include:

i) Support in business registration


This requires addressing the specific barriers that the collectives face in registering as businesses. Notably, the collectives have been able to register as social groups, so out of the sixteen collectives, thirteen are registered as social groups (81.25%). This registration allows them to operate as groups, but in terms of operating businesses, it is crucial also to pursue business registration. The main barriers to registration or obtaining a county business license include the cost/limited funds, stringent requirements, and unfavourable business environment.

ii) Access to credit facilities

Here, we see that many of the collectives are established to provide credit through table banking. However, for the collectives to expand and diversify their activities, they must also access credit. Often, the groups rely on contributions from members to expand their activities, and this, in turn, limits the extent to which they can scale up and grow. Hence, access to credit remains a key gap for these groups. While the collectives are seen as a source of credit for their members, access to credit by the collectives from other sources has been minimal. Only three collectives (18.75%) had applied for loans, two of them (12.5%) received from the Women Enterprise Fund (WEF), and one group (6.25%) had received funding from the bank. The obstacles to accessing credit cited include fear (6.25%), stringent requirements (12.5%), lack of collateral (12.5%) and a lack of knowledge on where to access loans (18.75%). Collectives expressed fear of the stringent requirements and problems that they experienced in acquiring the loan. This fear is an indicator of a lack of awareness and information challenges, therefore, the need for sensitisation on loan requirements.

iii) Training and capacity building in key aspects of business management.

The preferred mode of training both for the collectives and for the individuals within the groups is physical, however, implementing the trainings in person might be difficult, given that this would require the women to take time away from their businesses.



Concerning the significance of training, collectives indicated that they started without much knowledge about what it takes to run an enterprise, but rather, what brought them together was the fact that they were women running enterprises and they faced common challenges. These common challenges led them to the realization that it was easier to address these challenges collectively. However, they did not have any training on financial and business management issues. Key areas where training is needed include access finance (50%), reaching markets in other countries, the EAC, and other international countries (31.25%), business management (37.5%), Mentorship (18.75%) and value chain (12.5%). Additionally, digital marketing was a topic that thirteen of the groups (81.75%) expressed interest in regarding information technology.

iv) Access to more diverse markets

Access to more diverse markets is another need for the collectives, especially because many of the groups produce food and agricultural produce and are not always able to do value addition to their produce. Thus, many of the groups reported that in instances where their production is affected by prevailing weather conditions, this in turn affects their markets. Thus, for instance, where a group supplies milk to one corporate buyer, that buyer expects to buy large quantities of fresh milk, but when there is drought and milk production is reduced, the corporate buyer will not source milk from the women. They, therefore, must struggle to find an alternative market.

Related to the issue of access to markets, there is also a need to provide the collectives with knowledge on how to market their products to reduce reliance on brokers and middlemen. This reliance is because brokers tend to distort market prices, making it harder for the collectives to be able to sell their products at a profit. To avoid brokers, the collectives need to be equipped with knowledge and skills in marketing.

v) Access to technology and skilling in the use of technology

This is because many of the collectives indicated that their activities revolve around food and agricultural production, and they then look for markets for their produce in the raw form. However, through technology, they can add more value addition to their products, and this can in turn help them to access more diverse markets and attract higher prices for their products.

vi) Knowledge of affirmative action funds

There is a need to address the information asymmetry relating to affirmative action funds. The findings reveal low awareness about these funds, which are an important source of credit for collectives. Thus, from among the individual women, the findings reveal that the UWEZO fund was the most popular one at 39.60%, followed by Women Enterprise Fund (26%), Youth Enterprise Development Fund (18.80%), NGAFF (6.50%) and CGS (1.30%). About 8% of the women interviewed had not heard about any AFFs. In addition, the findings also reveal that only two of the sixteen collectives have accessed credit through AAFs, specifically WEF.

vii) Supporting collectives to establish business enterprises

The findings indicate that several collectives that were surveyed indicated that they were not operating any businesses as collectives. Still, they existed solely to support the individual members within the collective. This type of collective mainly focuses on table banking as their primary activity. However, these collectives indicated that, given the opportunity, they would operate businesses as a collective. It is important to support these types of collectives to establish businesses as this will allow them to remain sustainable and to continue responding to the needs of their members. Some of the challenges that these collectives face in establishing collective enterprises include:

- Lack of financial resources
- Lack of technology and skill
- Lack of registration

viii) Simplification and harmonisation of registration procedures

According to the findings, most groups are registered under the Registrar of Societies. This type of registration is easy and allows the groups to manage their finances efficiently. The groups can easily open bank accounts using the registration certificate provided by the Registrar of Societies. Generally, such accounts have multiple signatories, and transactions can only be completed if all signatories sign the relevant bank documents. This helps limit situations where money is mismanaged or fraudulently handled. However, many of the groups are still not registered as businesses, and this, therefore, limits the extent to which they can benefit from specific business opportunities, such as accessing tenders either from the National or County governments.

What we see, therefore, is that there are many avenues for registration under the law, and these are not all harmonised. Hence, where a group is registered with the registrar of societies and is undertaking some form of business, such a business remains unrecognised as far as the registration of businesses is concerned. By harmonizing the various forms of registration that currently exist, and providing a one-stop shop that allows groups to register once and have all the benefits of registration, would ease the challenges that these groups face in ensuring that they are recognized by the government and are therefore able to benefit from relevant government opportunities.

2.6.3 Kind of training they need

The study sought to establish the training needs of the women collectives and their preferred mode of training. The greatest percentage of the collectives suggested that they would like to receive training on digital marketing regarding information technology. Half of them (50%) wanted training on how to access finance 31.25% proposed that they would like to receive training on how to access markets; in other countries, the EAC, and other international countries, 37.5% business management, 18.75% pointed out that they would like to receive training on mentorship and 12.5% proposed that they would like to be trained on value chain.

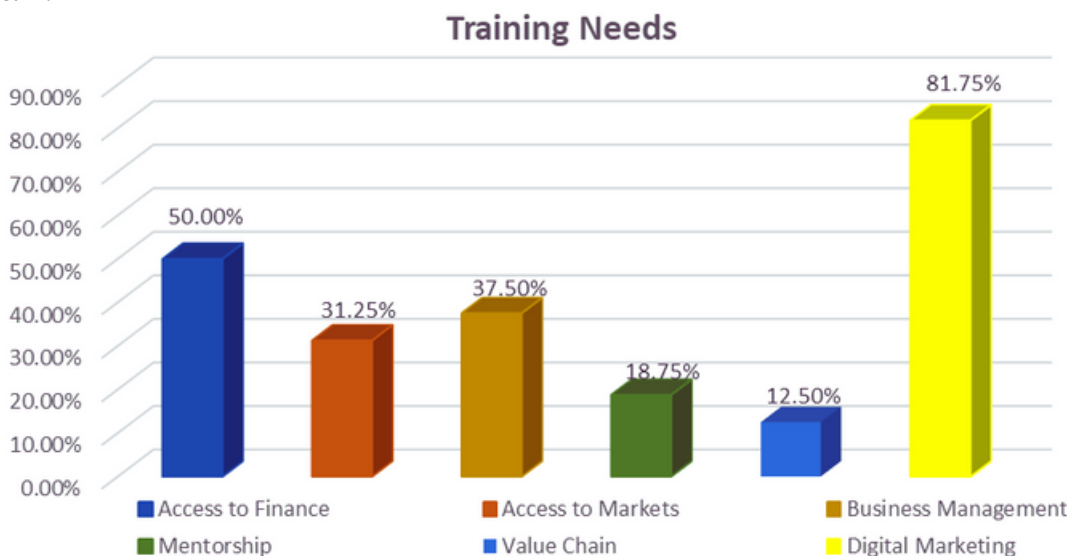


Figure 49: Training needs of businesses

2.6.4 Preferred Mode of Training

Regarding the preferred mode of training, physical training was the most preferred mode of training according to fifteen collectives (93.75%) while one group (6.25%) was comfortable with a blended mode of training.

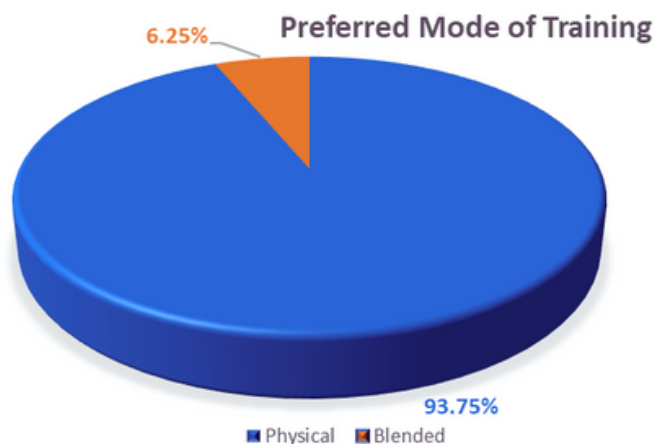


Figure 50: The most preferred mode of training by business owners

2.6.5 Current connections with credit facilities that they can utilize

Access to credit is a major aspect of business development services as it can help business collectives scale up their business activities; they can add more stock, open new businesses or diversify their business activities among others. However, among the study collectives only a small proportion of them, (18.75%) had applied for a loan with most of them (81.25%) saying they had never applied for a loan. Out of these, 12.5% received loans from the Women Enterprise Fund (WEF) while 6.25% had received funding from the bank as indicated in the two charts below.

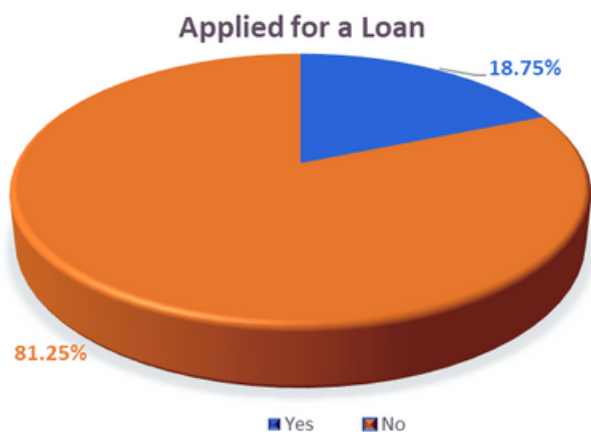


Figure 51: Percentage of businesses that applied for the loans

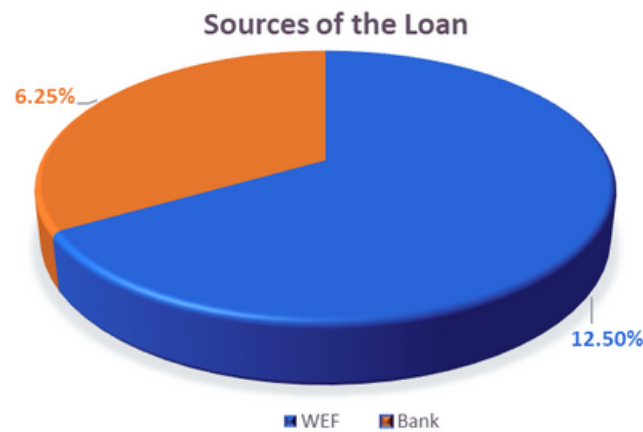


Figure 52: sources of loans

The researcher aimed to investigate why the collectives were not accessing the loans. The obstacles cited by the collectives included fear (6.25%), strict requirements (12.5%), lack of collateral (12.5%), and lack of knowledge on where to access loans (18.75%), as shown in the figure below:

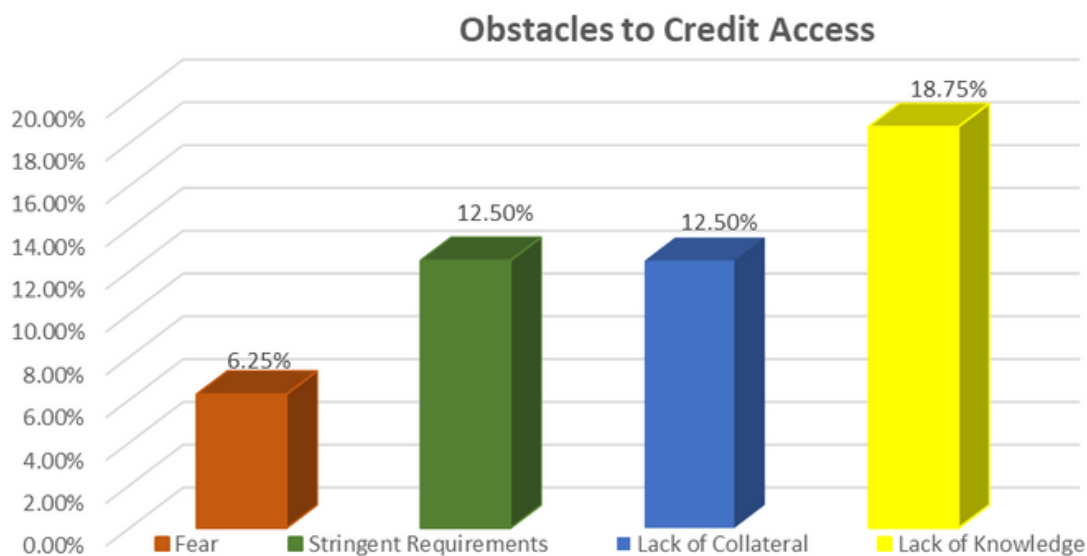


Figure 53: Obstacles to credit access faced by the collectives

In the qualitative study, the study participants noted that they are not able to access loans as the credit offering institutions are not on the grassroots citing that this has discouraged them from applying because at times they apply but they get no feedback as evidenced in the excerpt below:

“We really needed to take a loan because it helps us to plan and do many things but those who offer loans to women like UWEZO Fund and WEF are unreachable here at the grassroots. Sometimes we make applications but there is no feedback. Key people who would help us are not available. We are no longer interested in applying for loans unless we are enlightened more about it. For now we decided to do away with loan applications and find our own ways of getting funds.”

Kitui Group

The data presented demonstrates that fear, stringent requirements, lack of collateral, and lack of knowledge on where to access loans are the main obstacles that prevent collectives from accessing loans. Additionally, the qualitative study reveals that the lack of credit offering institutions at the

grassroots level is a major barrier that discourages collectives from applying for loans. These findings suggest that there is a need for financial institutions to address the challenges to facilitate access to credit for collectives.



Ntharene

Ntharene Highway Market CBO

TYPE OF BUSINESS: Banana Value Addition

PRODUCTS: Banana crisps, Dried Banana, Banana flour

EMPLOYMENT CREATED: 1,000 (part-time) (all from local farmers)

ECONOMIC & SOCIAL IMPACT: Creation of wealth & decent jobs for local businesswomen, entrepreneurship & income

Kege

Kege Women Self Help Group

TYPE OF BUSINESS: Banana Value Addition

PRODUCTS: Fried & spiced Banana crisps, Dried Banana, Banana flour, Banana flour

EMPLOYMENT CREATED: Director: 100 (part-time), Indirect: 1,000 (all from local farmers)

ECONOMIC & SOCIAL IMPACT: Creation of wealth & decent jobs for local businesswomen, entrepreneurship & income

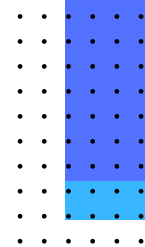
PART 3: DISCUSSION

This section presents the analysis and interpretation of the key findings and the summary of the key findings presented in part II.

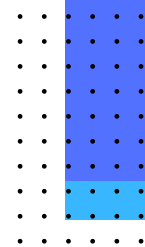
3.1 ROLE OF WOMEN'S BUSINESS COLLECTIVES

Understanding the role that women's business collectives play is essential, as this will inform and shape the services and products offered to the collectives during incubation. Thus, incubation should strengthen collectives to continue playing the roles that they play. In this regard, the findings reveal that business collectives play multiple roles, as highlighted below:

- i) Collectives support the core aspects of enterprises as highlighted by individuals within the collectives. Thus, collectives are a vehicle for saving (37.20%), securing credit collectively, which then benefits individual members (14.10%) and supporting individual members to access finance/credit (13.60%).
- ii) Collectives are vehicles through which members can access diverse markets, including outside their counties and in other countries, thus facilitating cross-border trade. The findings indicate that as concerns market access, a quarter of the collectives (25%) said that they can access markets in other counties. Two collectives (6.25%) could access EAC markets, while none (0%) had access to other international markets.
- iii) Collectives play an important role in promoting the use of technologies in business. From the findings, the collectives use various digital technologies, including smartphones and computers. This indicates that collectives are an important vehicle through which individual members can be trained on the use of technologies.



- iv) Women entrepreneurs rely on collectives to support their businesses. Thus, through collective agency, women entrepreneurs can address the challenges which their enterprises face, and which on their own, they would not be able to address.
- v) The findings also reveal that business collectives are the vehicle through which women can start individual and collective enterprises. Thus, while, as individuals, it may be challenging to establish enterprises, business collectives provide a platform through which individual women can establish businesses.
- vi) Women's business collectives not only serve the business needs that women have, but they also address other social needs. We see that through business collectives, women can address general issues relating to gender inequality. Thus, for instance, women can address issues of political representation and leadership and ensure their voices are heard so that their political leaders are held accountable for addressing the challenges that women face. Another example is the issue of gender-based violence, where women's business collectives can address this issue by coming up with strategies to support their members and even other women and girls within the community who are victims of GBV.
- vii) It can be inferred, therefore, that women's business collectives are an important vehicle through which the growth of women's enterprises can be supported. Thus, focusing on women's collectives can address some of the challenges that individual women's businesses face. In addition, women within the collectives who are not running individual enterprises can be motivated to begin their enterprises by virtue of belonging to



the group. The collectives also provide a platform through which women can address other social issues that affect them in general, and which if left unaddressed, can limit the extent to which women can participate in income-generating activities. For these reasons, it is vital to support women's business collectives through business incubation and to ensure that the collectives continue to grow and remain sustainable.

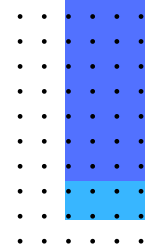
3.2 THE CHALLENGES THAT WOMEN'S BUSINESS COLLECTIVES FACE

The core purpose of business incubation is to respond to the needs of businesses to support and strengthen them. To achieve this, understanding the challenges that women collectives are undergoing is key so that the WEE hub can help them address these challenges. The findings indicate that some of the challenges that business collectives have faced include:

i) Barriers and obstacles in business registration

This requires addressing the specific barriers that the collectives face in registering as businesses. Notably, the collectives have been able to register as social groups, so that out of the sixteen collectives, thirteen of the groups are registered as social groups (81.25%). This allows them to operate as groups, but in terms of operating businesses, it is important to also pursue business registration. The main barriers to registration or obtaining a county business license include the cost/limited funds, stringent requirements and an unfavourable environment.

However, many of the groups still need to be registered as businesses, and this therefore limits the extent to which they can benefit from specific business opportunities, such as accessing tenders either from the National or County governments. Lack of harmonisation of the registration procedures is also a challenge that women collectives face, as revealed by the research findings. There are many avenues for registration under the law, and these are not all harmonised. Hence, where a group is registered with the registrar of societies and is undertaking some form of business, such a business remains unrecognized as far as the registration of businesses is concerned. By harmonizing the various forms of registration that currently exist, and providing a one-stop shop that allows groups to register once and have all the benefits of registration would ease the challenges that these groups face in ensuring that the government recognises them and are therefore able to benefit from relevant government opportunities.



ii) Lack of Access to credit facilities

Here, we see that many of the collectives are established to provide credit through table banking. However, for the collectives to expand and diversify their activities, they also must access credit. Often, the groups rely on contributions from members to expand their activities, and this, in turn, limits the extent to which they can scale up and grow. Hence, access to credit remains a key gap for these groups. While the collectives are seen as a source of credit for their members, access to credit by the collectives from other sources has been minimal. Only three collectives (18.75%) had applied for loans. Two of them (12.5%) received from the Women Enterprise Fund (WEF), and one group (6.25%) received funding from the bank. The obstacles to accessing credit cited include fear (6.25%), stringent requirements (12.5%), lack of collateral (12.5%) and lack of knowledge on where to access loans (18.75%). Collectives expressed fear of the stringent requirements and problems that they experienced in acquiring the loan. This is an indicator of a lack of awareness and information challenges therefore the need for sensitisation on requirements for the loans.

iii) Lack of Access to more diverse markets

This is another challenge that the women collectives faced especially because many of the groups produce food and agricultural produce and are not always able to do value addition to their produce. Thus, many of the groups reported that in instances where their production is affected by prevailing weather conditions, this in turn affects their markets. Thus, for instance, when a group supplies milk to one corporate buyer, that buyer expects to buy large quantities of fresh milk, but when there is drought and milk production is reduced, the corporate buyer will not source milk from the women. They therefore must struggle to find an alternative market.

iv) Lack of marketing skills

Related to the issue of access to markets, the respondents cited that they lacked marketing skills which in turn forced them to rely on exploitive brokers. Therefore, there is also a need to provide the collectives with knowledge on how to market their products to reduce reliance on brokers and middlemen. This is because brokers tend to distort market prices, making it harder for the collectives to sell their products at a profit. To avoid brokers, the collectives need to be equipped with knowledge and skills in marketing.

v) Lack of Access to technology and skills in the use of the technology

Many of the collectives indicated that their activities revolve around food and agricultural production, and they then look for markets for their produce in the raw form. They also indicated that they were not well conversant with the use of technology which poses a challenge to them in expanding their market. This is because, through technology, they can add more value addition to their products, and this can in turn, help them to access more diverse markets, and attract higher prices for their products, thus increasing their profit margins. Therefore, there is a need to build the capacity of the women in the utilisation of technology in their business activities.

vi) Lack of Access to credit

The findings reveal that there is low awareness about these funds, which are an important source of credit for collectives. Thus, from among the individual women, the findings reveal that the UWEZO fund was the most popular one at 39.60%, followed by Women Enterprise Fund (26%), Youth Enterprise Development Fund (18.80%), NGAAF (6.50%) and CGS (1.30%). About 8% of the women interviewed had not heard about any AFFs. In addition, the findings also reveal that only two of the sixteen collectives have accessed credit through AAFs, specifically WEF. Therefore, there is a need to address the information asymmetry relating to affirmative action funds. Creating awareness of these AAFs will increase their accessibility to loan facilities, which in turn will help them scale up their businesses.



PART 4: RECOMMENDATIONS

i) Link the women's business collectives with networks that will, in turn, enable these collectives to identify ready markets for their produce.



This is because one of the major challenges that the collectives identified was the limited access to markets for their produce. We also see that collectives who are running enterprises tend to run similar enterprises to those that individuals with the groups run. This means, therefore, that if the collectives can access more diverse markets, this will also allow the individuals within the collectives to benefit from these markets. In addition, it is recommended that the incubation project provides training, knowledge, and skills in marketing. This will equip the collectives with the capacity to access markets and sustain such access. Further, this will also support the collectives to limit reliance on brokers and middlemen, who often distort market prices.

ii) Support the collectives not currently running enterprises to plug into the opportunities that will allow them to establish such enterprises.



From the findings, we saw that some collectives are not running any business and instead, their core activity is table banking. These groups indicated that while they would wish to go into business, they face several constraints that prevent them from doing so. Such constraints include lack of financial resources, lack of technology and skilling, and lack of registration.

iii) Support the collectives to access credit by providing financial literacy



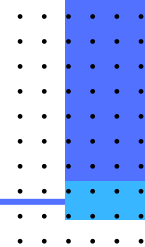
Support access to affordable and increased levels of credit. While many groups engage in table banking, the individuals with the groups can only access low credit levels through table banking. Further, table banking is only sometimes sustainable, as some of the groups reported that the individuals within the groups can sometimes need help to make the contributions as required. Thus, it is important to support the groups to be able to access alternative sources of credit, where they are also able to benefit from higher levels of credit.

iv) The government/banks/microfinance must Support the creation of a conducive business registration process.



Here, we see that many of the groups are registered with the registrar of societies, and they use the registration certificate mainly to open bank accounts and manage their finances. It is important to support the creation of a simple, one-stop registration process that allows groups which register as social groups to also be recognised as business entities. This recognition means that the registration of businesses should be harmonised with the registration of societies. For social groups which run enterprises, their registration with the registrar of societies should allow them to be recognised as business entities as well.





PART 5: CONCLUSION

Women collectives exist and they have been formed by women with a shared vision of helping each other grow economically. The social support system also exists that aims at assisting individual women to businesses to grow and thrive. However, the women collectives' vision and mission have been posed by many challenges that the WEE Hub and its partners need to help them overcome in the incubation process. The most glaring challenge is the inability to scale up due to limited access to the market, limited access to credit facilities, lack of knowledge on affirmative action opportunities that the government has secured for women in businesses, lack of business information and inability to utilise technology in running their businesses. If the women collectives are helped to address these issues, their businesses will likely automatically scale up.

In addition, joining the collectives has been instrumental, according to the research findings, in increasing women's empowerment levels. This is so because women's increased level of household income helps increase their autonomy in making household decisions. Therefore, to sustain this level of empowerment and to scale it up, the WEE Hub and its partner need to work towards helping these women increase their level of income, which in turn will increase their level of empowerment.

Conclusively, this baseline study is instructive and insightful as it provides valuable information on women's business collectives. Thus, while much support has not been provided to women's businesses through woman-centred incubation centers, the women's business collectives have sought to provide such support. Focusing on women's business collectives and ensuring that such collectives are themselves incubated will ensure that the collectives are well-equipped with skills and knowledge that will allow them to continue supporting women's businesses.

However, that may not address the myriad related gender-related problems they should be seen as a starting point that will create sustainability and also allow for more women's businesses, which are not part of the incubated cohort, project to benefit from the WEE Hub's business incubation project.





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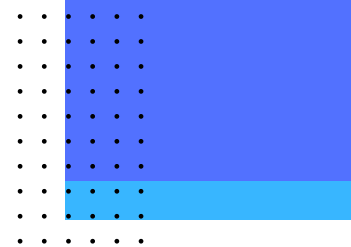
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'Through the Incubation project, the UoN WEE Hub in collaboration with other partners, seeks to redress existing challenges to women's economic empowerment through incubating individual women and women groups' enterprises to assess what works in these initiatives for possible replication. The UoN WEE Hub Women's Business Incubation (WBI) project evaluates how women-focused incubation models contribute to the growth of businesses and enterprises in Kenya.'

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