

**FACTORS INFLUENCING IMPLEMENTATION OF WOMEN ENTERPRISE FUND IN  
SOUTH IMENTI CONSTITUENCY**

**By**

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**A RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL FULFILMENT OF  
REQUIREMENTS FOR THE AWARD OF DEGREE OF MASTER OF ARTS IN PROJECT  
PLANNING AND MANAGEMENT AT THE UNIVERSITY OF NAIROBI**

**2013**

## **DECLARATION**

This research project report is my original work and has not been presented for a degree award in any other University or learning institution.

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## **DEDICATION**

I dedicate this research project to my mother Zipporah Kigetu Simon for encouragement and support that saw me through it.

I also dedicate this research project to my friends Doreen Gacheri, Duncan Kithinji and Muriuki who were always there for me, always challenging me throughout my study period.

## **ACKNOWLEDGEMENT**

I would like to acknowledge my supervisors, Dr Chira Robert and Mr. Chandi Rugendo whose advice and encouragement throughout this period has not only impacted on my personal achievements but also on the community that I proudly serve.

I would also like to acknowledge Dr Wanjohi, my Lecturer in Research Methods for adequately equipping me in all the basic skills in Research methods. He made everything look simpler and his encouragement and sacrifice greatly inspired me during this research.

Finally, I would like to acknowledge the contributions of my colleagues in class and in particular my group discussion members. We encouraged each other and collectively worked together to ensure that none was left behind.

To you all, I say, thank you very much.

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## **ABBREVIATIONS AND ACRONYMS**

ASCAS	-	Accumulated Savings and Credit Societies
C.D.A	-	Community Development Agent
CGAs	-	Country Gender Assessments
CWEFLC	-	Constituency Women Enterprise Fund Loans Committee
CWES	-	Constituency Women Enterprise Scheme
DGSDO	-	District Gender and Social Development Officer
FBOs	-	Faith Based Organizations
G.D.P	-	Gross Domestic Product
GEM	-	Global Entrepreneurship Monitor
ILO	-	International Labor Organization
MDG	-	Millennium Development Goals
MFI	-	Micro Finance Institutions
MGDCSD	-	Ministry of Gender, Children & Social Development
NBIA	-	National Business Incubation Association
NGOs	-	Non-Governmental Organizations
ROSCAS	-	Rotating Savings and Credit Societies
SACCOs	-	Savings and Credit Cooperatives
SMEs	-	Small and Micro Enterprises
UNDP	-	United Nations Development Program
UNIDO	-	United Nations Industrial Development Organization
WEF	-	Women Enterprise Fund

## **ABSTRACT**

As a result of our weak economic growth rate, the government has not been able to adequately create jobs to its ever increasing population and more so the women. This has therefore led to women coming with innovative ways of creating employment for themselves and others through enterprise development. The sizes of women owned businesses seem to fail or remains the same throughout. The aim of the study was to examine how effectively fund had been implemented in South Imenti Constituency and identify key result areas that if improved could lead to consequent success. The objective of the study was to examine the challenges encountered in the implementation of the W.E.F. The study design was a descriptive survey study. The sample population was 51 women group leaders funded under C-WES. Data was collected using questionnaires with open-ended and closed-ended questions. Data collected was analyzed using SPSS windows version 17. Results were presented in percentages, frequency tables and cross tabulations. The study established that was an association between educations on entrepreneurship on implementation of WEF. The study also established that 65.3% of those groups that had received additional training on entrepreneurship education were able to invest the amount borrowed with success. Only 34.7% of these were not able to invest this amount borrowed with success. The study established that 68.8% of those women groups that had received some form business support services claimed that the implementation of WEF has been a success as far as their group was concerned. The study noted that 55.6% of the women beneficiaries in South Imenti Constituency from WEF believed that the WEF was a success. Generally, we note that irrespective of what determines the amount of money loaned to the group members, they feel that WEF had been a success. Thus one cannot associate the success of WEF in South Imenti to the determinants of the loan size. All those respondents who felt that their lives had not changed positively after receiving WEF believed that the funding was sufficient. We thus note an association between the amounts loaned to the groups and its eventual success. Recommendation for further studies as follows; the beneficiaries of WEF should be well trained on the management and use of finances as the study has associated the success of WEF to proper training, we suggest further study to be carried out to establish whether the amount of money given to individual members in the group determines the success of the WEF. This is because the study found that those members who claim that the amount of money given to individual members in the group depended on individual member savings, and finally we suggest a review of the current eligibility criteria for group to qualify for a loan to factor in the issue of whether the amount borrowed would be able to meet the intended purpose as this has been found to affect the eventual success of WEF in South Imenti constituency.

## CHAPTER ONE

### INTRODUCTION

#### **1.1 Background to the Study**

Entrepreneurship development institutions, both governmental and non-governmental have been around hundreds of years. Between the 1950s and 1970s, governments and donors focused on providing subsidized agricultural credit to small and marginal farmers, in the hope of raising productivity and incomes. However, according to Cgap (2005) modern microfinance was started in 1970s in Jobra, Bangladesh, which was begun by experimenting with lending to poor women. Since then, innovation in microfinance has continued and providers of financial services to the poor women continue to evolve. Today there are thousands of financial institutions providing financial service to an estimated 100 - 200 million of the world's poorest, mostly women (Christen, Robert, Elisabeth, Robert and Cressida, 1995).

According to research done by Otero, (1999) and various researchers, micro- finance creates access to productive capital for the poor, which together with human capital, addressed through education and training, and social capital, achieved through local organization building, enables people to move out of poverty by starting business enterprises. By providing material capital to a poor person, their sense of dignity is strengthened and this can help to empower the person to participate in the entrepreneurship development in their economy and society. According to Otero (1999), the aim of micro-credit is not just about providing capital to the poor but to combat poverty on an individual level and also at an institutional level. It seeks to create institutions that deliver credit services to the poor, who are continuously ignored by the formal banking sector.

Simanowitz and Brody (2004), also agree that micro-credit is a key strategy in reaching the MDGs and in building global financial systems that meet the needs of the poorest people," Littlefield, Murdudh and Hashemi (2003) state "micro-credit is a critical contextual factor with strong impact on the achievements of the MDGs. Micro-credit is unique among development interventions: it can deliver social benefits on an ongoing, permanent basis and on a large scale". Millennium Development Goal on Gender Equality and Women Empowerment (MDG 3), address empowerment of women via provision accessible and affordable credit for enterprise development.

It is however, important to note that some schools of thought remain skeptical about the role of micro-credit in development. For example, while acknowledging the role micro-credit can play in helping to reduce poverty, Hulme and Mosley (1996) concluded from their research on micro-credit that "most contemporary schemes are less effective than they might be". The authors argued that micro-credit is not a panacea for poverty-alleviation and that in some cases the poorest people have been made worse-off.

According to a research done by Gitile, Naituli, Francis N, Wegulo and Bertha Kaimenyi, (2004), on the challenges facing women entrepreneurs in Meru, an important aspect of the nature of women-owned enterprises in North and Central Meru is the small amounts of initial capital used to set them up. The average amount of initial capital investment was Kenya Shillings 5,690. While it is appreciated that this amount is not very small in relation to the general levels of incomes in Meru and especially among women, and given the socio-economic backgrounds of the entrepreneurs under study, it nevertheless underscores the 'ease of entry' into the MSE sector. This low figure also reflects the nature of women owned enterprises in the study area. In fact, when the modal values are considered, the smallness of women enterprises becomes further evident. In Igembe Central, the modal figure stood at KSH 6,000 per enterprise while the corresponding figures for Mirigamieru East, Laare, Nkuene, Tigania East, Uringu, Buuri and Timau were KSH 7000, 3000, 5000, 2000, 1500, and 1000 respectively. Another important aspect, which can be deduced from these 'startup capital' figures, is that they seem to correspond to economic endowments within and among the divisions in which the study was conducted. Mirigamieru East, for example, which has a higher per capita income, had a higher mean initial capital invested followed by Igembe Central and Nkuene division in South imenti Constituency, both of which also enjoy a higher per capita income than Tigania East, Timau and Buuri. Money for starting operations came primarily from personal savings. Financial institutions, formal savings and lending organizations and groups did not play a significant role in financing new women business ventures.

The study demonstrated that women owners of small and micro enterprises in Meru face specific constraints. The extent to which these were either caused or exacerbated by gender was difficult to quantify. The study concluded that there were certain strategies that Meru women adopt to counter either direct or indirect discrimination. These vary from enterprise to enterprise and were often dependent upon the age and experience of the owner/manager. When successful, they were undoubtedly influential in the transformation of a micro-enterprise (0-4 employees) into a small-scale enterprise (5 to 19 workers).

These finding corroborated Carr (1993), who found that very few women in Southern Africa applied for loans because they feared discrimination and also fear taking risks, and the high interest charged on loans. They also lacked both collateral and business and managerial skills. Taking out a loan to buy equipment or rent premises is often too much of a risk for a woman who is ill Equipped with technical and managerial skills. Consequently, women tended to start small businesses requiring small amounts of capital. This suggested that the problem of finance needed to be addressed if women were to engage in growth- oriented businesses with prospects for employment creation and income generation.

Entrepreneurship Industry in Kenya can be traced all the way in 1990s. The government offers these services through Youth Enterprise Development Fund and Women Enterprise Fund. Women Enterprise Fund stands out in empowerment of women via enterprise development as one of their explicit goals. The Fund has sought to transform women's lives through providing accessible and affordable credit to support women start and/or expand business for wealth and employment creation. It was important to find out whether through its product services, women were being empowered in life and were able to contribute to the country's economic development and their own social development.

It was upon this platform that the researcher sought to establish the factors that influenced the implementation of W.E.F in South Imenti Constituency.

## **1.2 Statement of the Problem**

In spite their contribution to the economic development, the women entrepreneurs' freedom to lead and make strategic business decisions is greatly hampered by among other thing culture, financial status and lack of education. To get out of the vicious cycle of poverty, women come together and form groups hence have an opportunity to gather week after week to conduct business in group meetings. Their major activities in these group meetings are savings and credit among the group members to boost their capital for entrepreneurship.

Despite the fact that the government of Kenya and other financial institutions have committed lot of resources for women enterprise development through Women Enterprise Fund, businesses owned by women are still smaller compared with business owned by men. The sizes of women owned businesses seem to remain the same throughout. About 50% of women business enterprises fail in the first year and 95% fail within the first five years (Moya, K, 2013), downloaded from, [www.moyak.com/papers/small-business-failure.html](http://www.moyak.com/papers/small-business-failure.html), on 23<sup>rd</sup> March, 2013. The reasons for the failure were given as due to lack of management knowledge and skills, among others.

The gap in the number of businesses owned across gender has narrowed but the average revenues of majority women owned businesses were still only 27% of the average of majority men owned businesses ([wsj.com/article/.html](http://wsj.com/article/.html)). Further, literature supported the fact that women entrepreneurs, mostly in developing countries, did not have easy access to credit for their entrepreneurial activity (Ibru, 2009; Iganiga, 2008; Iheduru, 2002; Kuzilwa, 2005; Lakwo,2007; May, 2007; Okpukpara, 2009), where as the rate of women participation in the informal sector of the economy was higher than males (Akanji, 2006; Akinyi, 2009). Women entrepreneurs, mostly in developing countries, lack the ability to save (Akanji, 2006; Mkpado & Arene, 2007), yet savings were needed to protect income, and to act as security for loan and could be re-invested in the business (Akanji, 2006).



Gitile, Naituli, Francis N, Wegulo and Bertha Kaimenyi, (2004), pointed out that that very few women in Meru apply for loans because they fear discrimination and also fear taking risks, and the high interest charged on loans. They also lacked both collateral and business and managerial skills. Taking out a loan to buy equipment or rent premises was often too much of a risk for a woman who is ill-equipped with technical and managerial skills. Consequently, women tended to start small businesses requiring small amounts of capital. According to Gitile, Naituli, Francis N, Wegulo and Bertha Kaimenyi, (2004), the average amount of initial capital investment was Kenya Shillings 5,690. While it was appreciated that this amount was not very small in relation to the general levels of incomes in Meru and especially among women, and given the socio-economic backgrounds of the entrepreneurs under study, it nevertheless underscores the 'ease of entry' into the MSE sector. This low figure also reflected the nature of women owned enterprises in the study area. In fact, when the modal values were considered, the smallness of women enterprises becomes further evident. In Igembe Central, the modal figure stood at KSH 6,000 per enterprise while the corresponding figures for Mirigamieru East, Laare, Nkuene, Tigania East, Uringu, Buuri and Timau were KSH 7000, 3000, 5000, 2000, 1500, and 1000 respectively.

This suggested that the problem of finance, technical and managerial skills and other business support services needed to be addressed if women were to engage in growth- oriented businesses with prospects for employment creation and income generation. The purpose of the study was to therefore to determine these factors that influence the implementation of W.E.F in its endeavor of women enterprise development South Imenti Constituency.

### **1.3 Purpose of the Study**

The aim of the study was to find out the factors that influence the implementation of the Women Enterprise Fund and examine these challenges in the light of the women beneficiaries' experiences in their effort to benefit from the Fund.

### **1.4 Objectives of the Study**

The study was guided by the following objectives;

1. To establish the influence entrepreneurship education of women entrepreneurs on the implementation of Women Enterprise Fund in South Imenti Constituency.
2. To establish the influence of business support services offered by WEF to women entrepreneurs on the implementation of Women Enterprise Fund in South Imenti Constituency
3. To analyze how lending procedures to women entrepreneurs influence implementation of Women Enterprise Fund in South Imenti Constituency.
4. To determine how the loan amounts offered to women entrepreneurs influence the implementation of Women Enterprise Fund in South Imenti Constituency

## **1.5 Research Questions**

The study was guided by the following research questions;

1. How does entrepreneurship education of women entrepreneurs influence implementation of Women Enterprise Fund in South Imenti Constituency?
2. To what extent do business support services offered by WEF to women entrepreneurs influence implementation of women Enterprise Fund in South Imenti Constituency?
3. To what extent do lending procedures by women entrepreneurs influenced implementation of Women Enterprise Fund in South Imenti Constituency?
4. To what extent does a loan amount offered by WEF to women entrepreneurs influence the implementation of Women Enterprise Fund in South Imenti Constituency?

## **1.6 Significance of the Study**

The importance of this study was to find out the factors that can enhance or hinder the implementation of the Women Enterprise Fund. The Kenya women entrepreneurs who were the intended beneficiaries of the Fund would benefit from the results and recommendations of the study that aims at identifying the constraints they face in their partnership with the Fund and creating more awareness on its existence. The findings would help the Fund to formulate policies that favor Kenyan women entrepreneurs, which would enable them to conduct successful businesses. This would in turn improve the social and economic well-being not only the women entrepreneurs but also their households and the whole nation at large, as highlighted by the Fund's Vision, which is "To socially and economically empower Kenyan Women Entrepreneurs for economic development"

The results and recommendations of this study if well disseminated would also help the government via the Ministry of Gender Children and Social Development (M.G.C.S.D) to put in place mechanism that would enhance the effectiveness of the Fund. The Fund managers who includes the Constituency Women Enterprise Scheme committee members, W.E.F officers and Community Development Agents (C.D.A), Local administrators (D.C's, D.O's, Chiefs and Assistant Chiefs), will benefit in terms of added knowledge that will enable them serve the Kenyan women entrepreneurs better.

The financial institutions that act as intermediaries of the fund would use the result and recommendations of the study for the purposes of planning. The study would also inform the non-partners financial institutions on the existence of such an opportunity to access government funds and hence an added source of loan capital to these institutions.

Finally, the results of the study would also be beneficial to other researchers who may be interested in this topic in future

### **1.7 Delimitation of the Study**

The study was confined to the borders of the constituency and could not be generalized to other constituencies in the region.

The study was also controlled by the study variables, which were; entrepreneurship education of women entrepreneurs, business support services offered to women entrepreneurs, lending policies to the women entrepreneurs and loan sizes offered to women entrepreneurs and the influence they had on the implementation of Women Enterprise Fund

### **1.8 Limitation of the Study**

Since the study mainly focused on women group leaders reporting on their personal and performance information, their subjectivity likely limited the study. The women group leaders may not have been honest in their responses especially on levels of education and management abilities. Time and financial constraints were major limitations.

### **1.9 Assumptions of the Study**

The study was based on a few assumptions; that the respondents would participate freely without fear, and hence would answer questions correctly and truthfully, and that the sampled population would be a representative of the whole South Imenti Constituency

### **1.10 Definition of Significant terms**

**Entrepreneur**- a person who initiate, organize and run business enterprise.

**Small and micro enterprises** – these are small scale businesses which are not necessarily registered and usually operate their businesses by paying for a short term license ranging from one day to one year.

**Small Businesses**-these are owner managed businesses which employ between 1-50 employees

**Woman**-Female persons, who are Kenyan Citizens of age of 18 years and above

**Women Enterprise Fund**-is a revolving fund set aside by Kenyan government for women to borrow and create and expand small businesses.

**Women enterprises**-are ventures in business spheres created by young people in groups by making full use of their abilities and resources that are locally available.

**Women entrepreneurs**-are those women who think of a business, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise.

**Women groups** - these are groups formed at the community level and whose members have a common goal or objective, especially in fighting poverty. They strictly comprise women only as members.

### **1.11 Organization of the Study**

Chapter one of study focused on the following areas; background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, delimitations of the study, limitations of the study, assumptions of the study, definition of significant terms and the organization of the study.

Chapter two of the study dealt with the literature review focusing on women enterprise development at global, regional and local level, challenges to women entrepreneurship, gaps identified in the literature review and the conceptual framework.

Chapter three of the study dealt with research methodology focusing on research design, target population, sampling procedure, methods of data collection, validity, reliability, operational definition of variables, data analysis methods, ethical considerations and the summary of the chapter.

Chapter four of the study dealt with data analysis, presentation and interpretation.

Chapter five focused on summary of the findings, discussion of the findings and recommendations for further studies.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1. Introduction

This chapter reviewed literature on women enterprise development at global level; women enterprise development in Africa; women enterprise development in Kenya; challenges to women entrepreneurship as well as the gaps identified and the conceptual framework of the study.

#### 2.1.1 Women enterprise development at global level

Women are the backbone of economic development in many developing countries. According to the report by Global Entrepreneurship Monitor (2010), in the year 2010, 104 million women in 59 economies, which represent more than 52% of the world's population and 84% of world GDP started and managed new business ventures. These women entrepreneurs made up between 1.5 percent and 45.4 percent of the adult female population in their respective economies. Another 83 million women across those regions ran businesses they had launched at least three and a half years before. Together, these 187 million exemplify the contribution women make to worldwide entrepreneurship and business ownership.

While most policymakers and academics agree that entrepreneurship is a catalyst for economic growth and national competitiveness, they must also acknowledge that not all groups in their societies have equal access to this endeavor. More specifically, when women do not participate equally in entrepreneurship, society loses out on the value that can be created by half its populace. (GEM 2010). According to this report, the ability to start a sustainable business, or to sustain businesses that have been started, may be a key challenge for women entrepreneurs in early development-stage economies.

The report further pointed out that when there are many startups, but few mature-phase businesses, and high levels of discontinuance, this may reinforce an assumption about the lack of sustainability of entrepreneurial efforts in early development-stage economies. Given that there were more women necessity entrepreneurs in these economies, and more women with consumer businesses, it was possible that these businesses were less sustainable, or that women were less likely or able to maintain them into their mature phase. In addition, women and men cited different reasons for discontinuance, women citing personal reasons like lack of entrepreneurship education, lack business support services and, lack of financing. (GEM 2010)

However, in contrast, Ehlers and Main (1998) analyzed microenterprise development programs for poor US women and argued that the microenterprise development assistance was more detrimental and problematic than advocates believe. Ehlers and Main based their conclusion on the fact that few women "graduate" their business into the formal sector due to gender constraints on the type of businesses they choose to run and due to inappropriate microfinance training.

### **2.1.2 Women enterprise development in Africa**

Literature reviewed in the developing countries and particularly in Africa, suggested that women enterprise development had more positive impact to a country's economic development. Pitt and Khandker (1998) used empirical data from Bangladesh over the period of 1991-1992 to test the hypothesis that women used borrowed funds more efficiently than men. They used household expenditures, non land assets held by women, male and female labor supply, and boys' and girls' schooling as measurement outcomes. The authors found that although the availability of microfinance positively impacted all six areas in the aggregate, all areas were significantly affected when women borrow, but only one of the six is significantly affected when men borrow. They concluded that women used borrowed funds better than men in Bangladesh microfinance programs.

While examining a related question, Kevane and Wydick (2001) used a sample of 342 MFI participants in Guatemala to analyze the assertion that male borrowers produce more economic growth than women and those women facilitate more poverty alleviation. They found no significant differences between men and women in generating business sales and a small advantage of employment generation by men relative to women. They attributed the difference between men and women to the role of women in childbearing. Underlying the emphasis on lending to women was the widespread belief that access to financial services empowers women, both financially and socially. Testing this belief, Amin, Ruhul, Stan and Abdul, (1998) used qualitative and quantitative evidence in Bangladesh to show that membership in microfinance programs among other factors are positively related to women's empowerment.

Contrary to the above views though, Mallick (2002) criticized the impact of microfinance on women in society and suggested that microfinance services resulted in gender conflict in Bangladesh. Hossain (2002) was quick to rebut Mallick and specifically addressed each of Mallick's assertions arguing that Mallick's analysis was premature.

Literature reviewed supported the fact that women entrepreneurs, mostly in developing countries, Africa not being an exception, did not have easy access to credit for their entrepreneurial activity (Ibru, 2009; Iganiga, 2008; Iheduru, 2002; Kuzilwa, 2005; Lakwo,2007; May, 2007; Okpukpara, 2009), whereas the rate of women participation in the informal sector of the economy was higher than males (Akanji, 2006; Akinyi, 2009). Lack of capital to start or run business led them to request for credits from micro-finance institutions (Ibru, 2009; Kuzilwa, 2005). This was due to poverty, unemployment, low household and business income and inability to save (May, 2009; Otero, 1999; Porter & Nagarajan, 2005; Roomi & Parrot, 2008). Women entrepreneurs, mostly in developing countries, lack the ability to save (Akanji, 2006; Mkpado & Arene, 2007), yet savings were needed to protect income, act as a security for loan and

could be re-invested in the business (Akanji, 2006).The focus of this research was to examine these constraints that hinder women entrepreneurship development.

### **2.1.3 Women Enterprise Fund in Kenya**

The government of Kenya in addressing the constraints Kenyan women entrepreneurs face took it upon themselves to create Women Enterprise Fund. Women Enterprise Fund is a Semi-Autonomous Government Agency in the Ministry of Gender, Children and Social Development established in August 2007, to provide accessible and affordable credit to support women start and/or expand business for wealth and employment creation. It is a flagship project under the social pillar in Vision 2030 and therefore a demonstration of the Kenya Government's commitment to the realization of the Millennium Development Goal Three(MDG 3) on Gender Equality and Women Empowerment. (<http://www.wef.co.ke/about-wef>)

Within a span of four (4) years this commitment had been actualized in 2011 when the Fund emerged the winner of the Millennium Development Goals Award for outstanding achievement on promoting Gender Equality and Women Empowerment. Women Enterprise Fund (the Fund) was established in August 2007 as a Semi Autonomous Government Agency in the Ministry of Gender, Children and Social Development to champion Poverty Reduction, Gender Equality and Women Empowerment (1st and 3rd MDGs respectively) through enterprise development. The Fund was a flagship project in the Vision 2030 development roadmap. (<http://www.wef.co.ke/about-wef>)

The Funds vision was to socially and economically empower Kenyan women entrepreneurs for economic development and its mission was to mobilize resources and offer access to affordable credit and business support services to women entrepreneurs. The Funds core mandates were: provision of subsidized credit for enterprise development, capacity building of women beneficiaries, support and facilitate local and international marketing of goods and services produced by women entrepreneurs, support and facilitate development of infrastructure beneficial to women entrepreneurs, e.g. markets and support and facilitate linkages between women owned enterprises and big companies.(<http://www.wef.co.ke/about-wef/mission-vision-mandate-values>, retrieved on 13<sup>th</sup> March 2013).

The fund offered its services in form of two products, Jiimarishe Loan and Tuinuke Loan. Jiimarishe was the on-lending component of the Fund that works through Financial Intermediaries such as banks, Non Governmental Organizations (NGOs), Savings and Credit Cooperatives (SACCOs), Faith Based Organizations, and Micro Finance Institutions (MFIs).Women access funds directly either as individuals or women owned enterprises or other organized entities such as women groups, women owned companies among others.

The key features of this product were: Interest rate: 8% p.a. on reducing balance, administrative fee: NIL, Loan cycles - Loan amounts depend on the Financial Intermediary subject to a maximum of Kshs.500,000, amounts above Kshs.500, 000 referred to Women Enterprise Advisory Board for determination, graduation from Kshs.500,000 to a maximum of Kshs.1,000,000 and further to maximum of Kshs.2,000,000, Grace period – 3 months, Maximum repayment -36 months, and finally, security- depends on the lending institution.

Tuinuke was a loan product at the constituency level or otherwise known as Constituency Women Enterprise Scheme (CWES) offered to registered women groups interested in expanding or starting new businesses. The key features of this product were: Interest rate: NIL, administrative fee: 5% of loan amount, the 1st loan Kshs. 50,000 2nd loan Kshs. 100,000, 3rd loan of Kshs. 200,000, the Grace period of 3, 2 and 1 months for 1st, 2nd and 3rd loan cycles respectively, the maximum repayment of 12 months, the security - group guarantees, repeat loans available upon full payment of previous loan.

Process of Registering Groups at the Ministry was as follows: apply to the Women Enterprise Fund via District Gender and Social Development Office, attach group constitution, attach signed minutes showing names group officials and their positions, attach copies of members identity cards, and Registration fee of Kshs.1,000 for Self help group or women group and Kshs.5000 for community based organization.(<http://www.wef.co.ke/products-and-services/loans/tuinuke-loan>).

## **2.2 Challenges to women entrepreneurship**

Women entrepreneurs face various challenges in their endeavors. These challenges are lack of entrepreneurship education, cumbersome lending procedures, lack of business support services and insufficient loans. These challenges were discussed as follows;

### **2.2.1 Lack of Entrepreneurship education**

Entrepreneurship education sought to provide the learner with knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings. Entrepreneurship education focused on realization of opportunity. Opportunities could be realized in several ways. The most popular was opening a new organization (e.g. starting a new business).This was referred to as entrepreneurship. A recent approach involved creating charitable organizations which were designed to be self-supporting in addition to doing their good works. This is usually called social entrepreneurship or social venturing.

Although this problem was seen to affect both men and women, entrepreneurship education was crucial to smooth business operations and entrepreneurship development. Despite the growth of entrepreneurship programmes here in Kenya, many remained largely tradition-bound. Many institutions entrepreneurship curricula were incomplete in course content matter. Some aspect relating to awareness and skills were absent. Rarely were units offered in entrepreneurial history. Crucial to entrepreneurship, courses such as



economics, taxation, and business law were largely absent. Where they existed, they had been lifted from non-entrepreneurship course descriptions without tailoring. (Bwisa H.M 2003).

### **2.2.2 Cumbersome Lending procedures**

Woman experience in negotiating with banks and their lack of financial confidence to argue for what they are entitled to were some of the challenges faced by women entrepreneurs in obtaining loans. There was empirical evidence that women had less ownership of economic resources and assets and several studies suggested that enhanced access to such assets and resources would lead to increased productivity of women. Increased equality in access to economic assets was shown to raise the productivity of female producers (Blackden and Bhanu 1999); World Bank 2002 e, 2001 a. Bamberger and others 2002). This in turn would help improve household welfare through better bargaining power (World Bank 2006 g; Doss 1996).

For example in Ghana the greater precariousness of women's land right had direct implications for productivity and yields (Goldstein and Udry 2008). There was sufficient evidence that increased access to resources such as micro-credit allowed women to gain direct access to raw materials and other resources allowing them some chance for their household to rise above poverty (Khandker, et al 2008).

In Kenya only 1% of land titles are owned by women, while 5 to 6% held in joint names. Unequal access to land and property meant that women were unable to secure loans for their businesses. Without financing women were unable to grow their businesses, and they remain stuck at the micro-enterprise level. As was noted by Roseanne Ndiga, owner of Green Corner café in Nairobi "I have approached several banks but they would not give us loans because of collateral." (Bitange N. and Fides W.M. (2006).

According to surveys on micro enterprises in Kenya, most of these enterprises were located in rural areas. Parker and Torres, (1994) attributed this to 78%, while Central Bureau of Statistics, (1999) attribute this to 66%. Despite this high population, many financial institutions especially commercial banks rarely lent to small and micro enterprises since they emphasized collateral which most SMEs lack. Most of these banks were located in urban areas hence making it difficult to provide services to enterprises located in rural areas. They also discourage frequent withdrawals or attach charges on frequent withdrawals increasing the transaction costs. These micro entrepreneurs therefore relied on their own savings and informal credit, hence prevalence of informal financial institutions in rural areas (Oketch, 1995).

### **2.2.3 Lack of business support services**

The major constraints affecting women entrepreneurs in these areas were: lack of business connections and contacts, suppliers, partners and networks, lack of knowledge of available business support services,

and lack of tailor made business training and advice for business start up. Incubators or business support providers provided numerous benefits to owners of startup businesses.

Their office and manufacturing space were offered at below-market rates, and their staff supplies advice and much-needed expertise in developing business and marketing plans as well as helping to fund fledgling businesses. Companies typically spent an average of two years in a business incubator, during which time they would often share telephone, secretarial office, and production equipment expenses with other startup companies, in an effort to reduce everyone's overhead and operational costs. (<http://www.entrepreneur.com/encyclopedia/business-incubator>).

#### **2.2.4 Insufficient loan amount**

Financial institutions both public and private had proved relatively successful in meeting the credit needs of small enterprises in some countries, although their limited resources restrict the limit to which they can effectively cater for the high demand. As micro enterprises expanded in size, the characteristics of the loans they required become increasingly difficult for informal credit sources to satisfy, despite their small sizes for formal lenders (Aryeetey, 1995). This limitation of resources influenced the amount of money loaned to the interested women entrepreneurs. This in turn had a negative impact in running successful business enterprises.

### **2.3 Gaps in the literature review**

This research therefore focused on the common features found in women groups funded by the Women Enterprise Fund and determine how they influence the goal of the Fund which is to socially and economically Kenyan women entrepreneurs. The features discussed in this study were; access to entrepreneurship education; lending policies; business support services and loan sizes.

#### **2.3.1 Access to Entrepreneurship Education**

Poor access to entrepreneurship education and training programs which were imperative in helping women in their entrepreneurship, managerial and technical skills were thoroughly addressed. Entrepreneurship education involved three elements namely, entrepreneurship skills, business development skills and management skills. According to Target Training International There were five entrepreneurship skills namely: Persuasion skills, Leadership skills, Personal Accountability, Goal Orientation and Interpersonal Skills. Business development skills included search for opportunities, research analysis, decision making skill and problem solving among others. Management skills included planning, financial management, selling and marketing, managing people, monitoring and evaluation of progress. (<http://www.ttiresearch.com/>).

Lapidus (1993), delineated three features that deserved emphasis for their role in shaping woman's economic position; women must overcome sexual stereotyping of occupation which is sustained by

government policies and societal attitudes, female occupational choices are profoundly influenced by men's authority, and finally Women entrepreneurs who pursue demanding careers encounter societal prejudices because women are expected culturally to assume household responsibilities.

The importance of women's enterprise, and of women in corporate sector, was increasingly recognized. Women owned between 13 and 38 percent of enterprises worldwide. In China, it was estimated that women own one-third of all small and medium-sized business with more than one in five employing more than 1000 workers (Bardasi, et al 2007). In Latin America among both micro-enterprises and small and medium sized enterprises, between one-quarter and one – third are women owned.

In Egypt, Jordan, Saudi Arabia and the west bank and Gaza, the share of female –owned firms had recently increased their workforce exceeds the share of male-owned firms and fewer female-owned firms have decreased their work-force. (Bardasi, et al2007).

Women's entrepreneurship was increasingly recognized as an important source of economic growth. Women's business in Africa make an important contribution to growth and poverty reduction (Bardasi, et al 2007).According to Mckinsey and Company (2007), there appeared to be positive correlations between women's representation on cooperate boards and cooperate performance, suggesting that women were both good business and good for business. In 2000, women made up only 12.5 percent of corporate officers, 4.1 percent of top earners and 6.2 percent of top managers. But those organizations with the most women in top managerial positions were far more likely to see a strong return on investment for share holders. In the same year, 2000, Fortune had 500 companies with the highest percentages of women corporate officers yielded. In Kenya, through the Women Enterprise Fund the government, usually trained women entrepreneurs before giving them the credit facilities. There were also several NGOs that supported women entrepreneurs. They included: Kenya Women Finance Trust, Equity bank in conjunction with a UN agency, African Networks and Associations of people living with HIV, Abantu for Development, Kenya Eco Village program (Transforming Rural Lives and Settlements).

### **2.3.2 Lending procedures**

There was growing empirical evidence that although there are forms of structural discrimination against women in relation to access to credit networks (Mayoux 2001),women borrowers had lower risk of default because there was a lower prevalence of corruption and bribes among women groups( Swamy et al 2001) and higher repayment rates among women's borrowers (Khandker, et al 1995). However, women entrepreneurs were still unable to access these credit facilities due to the cumbersome application procedures. The study focused on some of the features that associated with lending policies. These included, collateral required from potential borrowers, screening of a potential borrower and the interest rates charged on the loans given out.

Access to financial services by smallholders was normally seen as one of the constraints limiting their benefits from credit facilities. In most cases, this access problem was created due to the institutions' lending policies as in; prescribed minimum loan amounts and restrictions on credit for specific purposes. Where the duration of credit, terms of payment, required security or collateral, and provision of supplementary services do not fit the needs of the target groups' potential borrowers, group members would not apply for credit even when it existed, and when they did, they would be denied (Schmidt and Kropp, 1987).

Money lenders continued to exist and continued to apply high rates that were much higher than those of formal institutions. The duration of loaning influenced the interest rate, ranging from 10% for short term loans to between 50% to 100 for long term loans. (Hoff & Stiglitz, 1990) Short-term loans were usually lent on monthly basis where the principal amount and the interest were paid back at the end of the month. However, the loan could be renewed whereby the interest was paid at the end of the month and the principal considered a new loan thereby attracting another interest rate at the end of the month. Long term loans usually covered several months to a year. The principal and interest were lumped together and paid in monthly installments over a period agreed upon by the two parties.

### **2.3.3 Business support services**

Business support services or incubators were facilities that provide shared resources for young businesses, such as office space, consultants, mentors and personnel. They may also provide access to financing and technical support. These services provided the new businesses with a somewhat protected environment in which to grow before they become self-sustaining. The ultimate goal of any business incubator was to produce viable businesses, called "graduates" of the incubator. Today, there are an estimated 900 NBIA-affiliated business incubators in operation across the United States. (<http://www.nbi.org>).

According to the National Business Incubation Association, business support services or business incubation programs were often sponsored by private companies or municipal entities and public institutions, such as colleges and universities. Their goal was to help create and grow young businesses by providing them with necessary support and financial and technical services. There were approximately 900 business incubators nationwide, (<http://www.nbi.org>), downloaded on 23 March 2013.

### **2.3.4. Loan amount**

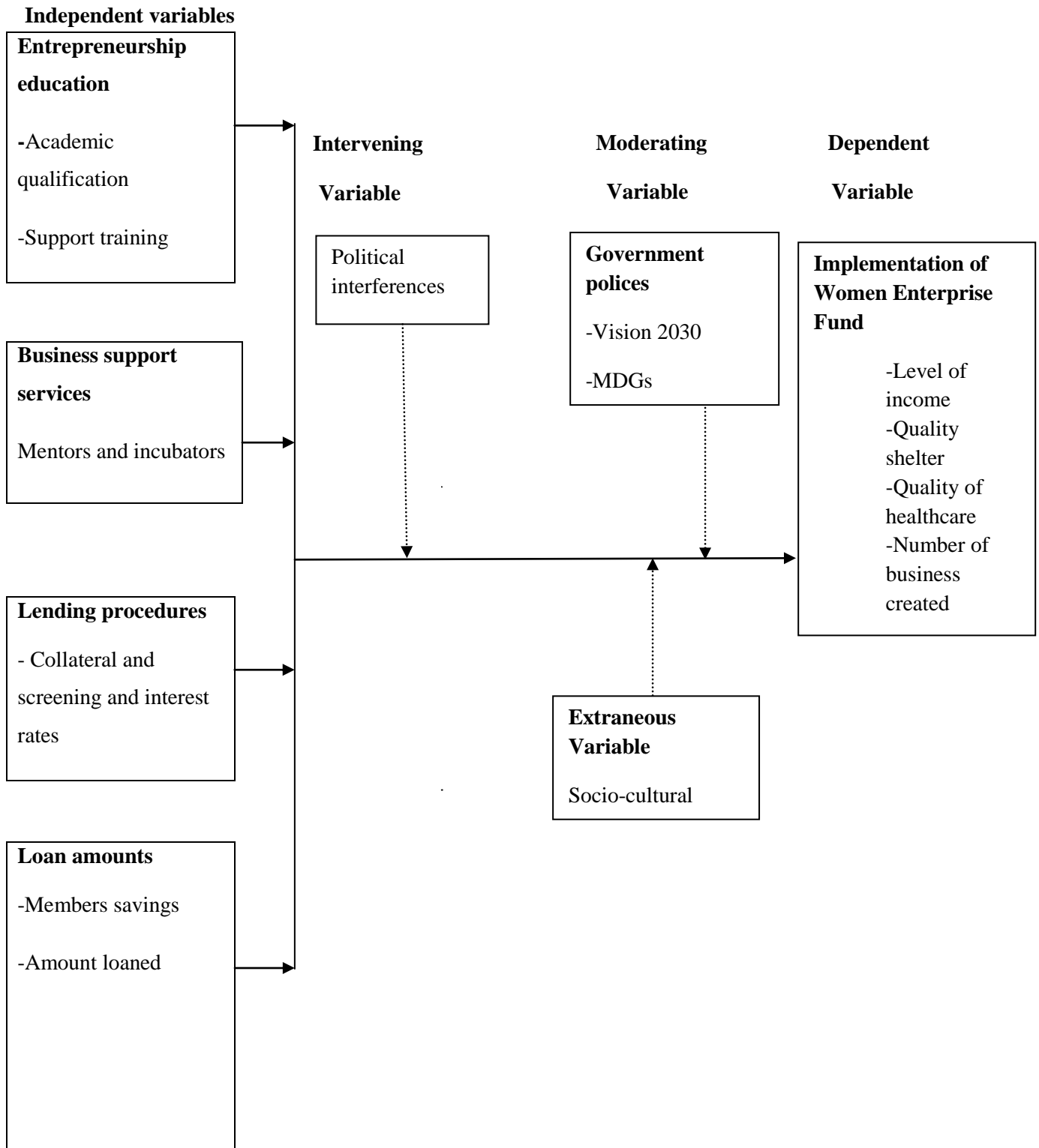
As micro enterprises expanded in size, the characteristics of the loans they required become increasingly difficult for informal credit sources to satisfy, despite their small sizes for formal lenders (Aryeetey, 1995). This limitation of resources influenced the amount of money loaned to the interested entrepreneur. Under loan sizes, the researcher will focus on members' savings, and the actual amount loaned to members and how each of them influence the loan uptake from the Fund.

According to (Johnson 2004), the amount of money women wish to save in Rotating Saving and Credit Societies (ROSCAs) is much smaller than that saved in Accumulating Savings and Credit Societies (ASCAs) This means that in ROSCAs what a group member receives will be equivalent or in proportion to the particular member's contribution only that it is paid in advance except for the last beneficiary. In ASCAs, the deposit is allowed to accumulate and interested members are lent money at an interest the repayment of which enables the fund to grow. The savers, also called shareholders earn a return on their savings in the form of a dividend when the fund is liquidated or paid out. The dividends may also be paid out on annual basis without the ASCA being fully liquidated.

Loan amounts given to these women entrepreneurs were relatively small, but increases with subsequent borrowings; considering that the Fund adds to the group kitty by giving the loan to a group so that they carry out a collective project or give loan to individual member to be repaid to the group at a certain interest rates, ranging from 5 to 15%, so that that group can in turn repay the Fund. However the fact that they could be regularly received ensured smooth expenditure patterns for many women entrepreneurs who would like to make immediate payments to their suppliers to ensure a regular flow (Aryeetey, 1995).

#### **2.4 Conceptual framework**

Many analysts had explored the implications of incomplete markets and imperfect information for the functioning of credit markets in developing countries. This study was based on work of Stiglitz and Weiss (1981), which challenges the paradigm of competitive equilibrium. Their work marks the beginning of attempts at explanations of credit rationing in credit markets. This involved the issues of security/collateral, interest rates, sorting potential borrowers, different terms of contracts and the resulting behavior of the borrowers.



**Figure 1 Conceptual framework**

From the figure 1 of the conceptual framework, the implementation of the Women Enterprise Fund was dependent variable while entrepreneurship education, business support services offered by WEF, lending

procedures by women entrepreneurs and loan amount offered by WEF to women entrepreneurs were the independent variables. These were the variables that the study concentrated on.

Other variables included the moderating, extraneous and intervening variables. Moderating variable was identified as other government and intergovernmental policies like Kenya's Vision 2030 and the Millennium Development Goals; extraneous variable identified include socio-cultural norms especially those based on gender biases and stereotyping against women; while intervening variable identified was political interferences. However, these were not considered in the study.

## **2.5 Summary**

It was repeatedly pointed out that enough research had not done much to demystify the role of both governmental and non-governmental enterprise development programmes and poverty reduction in any meaningful objective. Literature reviewed supported the fact that women entrepreneurs, mostly in developing countries, Africa not being an exception, did not have easy access to credit for their entrepreneurial activity (Ibru, 2009; Iganiga, 2008; Iheduru, 2002; Kuzilwa, 2005; Lakwo, 2007; May, 2007; Okpukpara, 2009), whereas the rate of women participation in the informal sector of the economy is higher than males (Akanji, 2006; Akinyi, 2009). Lack of capital to start or run business led them to request for credits from micro-finance institutions (Ibru, 2009; Kuzilwa, 2005). This was due to poverty, unemployment, low household and business income and inability to save (May, 2009; Otero, 1999; Porter & Nagarajan, 2005; Roomi & Parrot, 2008). Women entrepreneurs, mostly in developing countries, lacked the ability to save (Akanji, 2006; Mkpado & Arene, 2007), yet savings were needed to protect income, act as a security for loan and could be re-invested in the business (Akanji, 2006). This was the foundation upon which the researcher based the study on, in order to determine the influence of these constraints faced by women entrepreneurs. The results and recommendations of the study would provide policy makers with a point of reference when dealing with issues of enterprise development policies and their influence on the growth of women owned businesses.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter discussed the procedures and strategies used in the study. These were the research design, target population, sampling procedures, methods of data collection, validity and reliability, operational definition of variables, methods of data analysis and ethical considerations were all discussed.

#### 3.2 Research design

The research design used was a descriptive survey study. This was because descriptive survey research design is most appropriate for collecting data about characteristics of a large population. Survey design is concerned with gathering of facts or obtaining pertinent and precise information concerning the current status of a phenomenon and where possible, draws possible conclusions from the facts obtained (Wiersma, 1985). In this case the researcher had no control over the variable and could therefore only report on what had happened or what was happening. Correlation design techniques were used to clarify relationships between the independent variables and the dependent variable.

The Survey was done both qualitatively and quantitatively using the cross-sectional design which was the most appropriate for this study. The researcher used questionnaires and observation as the main tools of data collection. Documentary analysis was also used as a tool of data collection especially in the identification of the registered women groups at the department of Gender and Social Development and status of loan disbursement and status of loan repayments the sampled groups. These tools of data collection provided an easy accumulation of data (Mugenda and Mugenda, 2003).

#### 3.3 Target population.

The study targeted 82 women groups in South Imenti Constituency, which were funded by the C-WES between the year January 2011 and December 2012, as per the records provided by the DGSDO's office Imenti South District. Each of these groups had a membership of 15-30 members. It was not possible to interview every member of the group and therefore the study focused on three elected officials of each women group who were be purposively sampled, hence the target population will be 246.

**Table3.1. Registered and active Women groups funded by Women Enterprise Fund in South Imenti Constituency as at 31<sup>st</sup> December, 2012**

No. of women groups	Target population
82	246



### 3.4 Sampling procedure

Due to limitation of time, resources and energy, a study can be carried out from a carefully selected sample to represent the entire population Slavin, (1984). It has been recommended that at least 20%-30% sample is a good representation (Borg and Gall, 1989). The sampling population of study was 51 women group leaders (respondents)

The table 3.2 shows the sample size and their percentages.

**Table 3.2 Sampling Distribution table**

Category	Target	Sample	Sampling percentage (%)
Women group members	246	51	20.73

### 3.5 Methods of data collection

The study was conducted by the use of questionnaires, observation and documentary analysis as tools of data collection. Triangulation, which is the combination of these data collection tools, provided a substantial amount of data hence their collective necessity in a qualitative research. Self administered questionnaires were administered to the sampled group leaders on assumption that the respondent had basic formal education hence were able to read, interpret and answer the questions correctly and truthfully. The questions were written in simple English language and where there was need, they were interpreted in Swahili or vernacular languages.

Documentary analysis was done at the District Gender and Social Development Office to acquire information on the registration details of the women groups, W.E.F application procedures, and amount disbursed to these group, repayment rates, and recovery procedures among other related information.

### 3.6. Validity

An expert, in this case a university supervisor who is a research expert checked and validated the instruments before they were administered to the respondents. A mock study was then conducted to test the research instruments by administering the validated instruments to some respondents other than the sampled ones. Two women groups were involved in the mock study. The results of the mock study answered the research questions, and then the instruments will be adopted for use in the study.

### 3.7. Reliability

Reliability is a necessary condition for validity. Test retest method of checking for reliability was used. The instruments used in the study were first be validated by a technical person, the University Supervisor. They were then administered to some respondents from the target population and not in the sample population for testing and after a period of about two weeks, they will be administered again to another group of respondents. The findings from the two tests tallied and therefore the instruments were relied upon for the actual data collection.

### 3.8 Operational definition of variables

**Table 3.3 operational definition of variables**

Objective	Variables	Indicator	Measure	Scale
1. To establish the influence of entrepreneurship education of women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti constituency.	Entrepreneurship education	-Academic qualification  -Support training	-Academic level  -Professional certificates	Ordinal
2. To establish the influence of business support services offered by WEF on the implementation of women Enterprise fund in South Imenti Constituency	Business support services	-Mentors and incubators	Availability of business mentors and incubators	Ordinal  Ordinal
3.To analyze how lending procedures by women entrepreneurs influence implementation of Women Enterprise Fund in South Imenti Constituency	Loan application procedures	- collateral  - screening  -interest rates	- existence of collateral agreement  -screening policies  -percentage of interest	-nominal  -ordinal  -ordinal
4. To determine how the loan amounts offered by WEF influence the implementation of Women Enterprise Fund	Loan amount	-Members savings  -Amount loaned	-amounts  -amount	Ordinal  Ordinal

### 3.9 Data Analysis methods

The collected data was first edited and then assigned to the four research questions/objectives. The data was then interpreted in regard to the four research questions to establish the relationship between the

independent variables and the dependent variable. Data collected was then analyzed using descriptive statistics. This helped to measure the relationship between various variables of the study. Data was analyzed using statistical package for social sciences (S.P.S.S) for windows version 17 and presented using the frequency tables, percentages, and cross tabulations.

### **3.10. Ethical considerations**

The researcher obtained an introduction letter from the university to conduct research and from the DGSDO's office to collect data from the registered community groups. The researcher also informed the respondents that the research tools being administered were only for research purposes only and that the identity of the respondent would be kept confidential.

### **3.11. Summary**

This chapter explained descriptive survey as the research design used and why it was the best suited for this study. The target population of the study was target 82 women group leaders in South Imenti Constituency, which were funded by the C-WES between the year January 2011 and December 2012, as per the records provided by the DGSDO's office Imenti South District. The sampling population of study was 51 women group leaders.

Questionnaires were used as tools of data collection, while documentary analysis was done to identify registered women groups, W.E.F application procedures, and amount disbursed to these group, repayment rates, and recovery procedures among other related information. The research tools were validated by an expert who in this case was a supervisor from the University of Nairobi before being administered and re-administered to check on their validity and reliability. Participant observation was also done.

## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

#### 4.1. Introduction

This chapter focuses on data analysis and presentation of findings from the research objectives. Statistical analysis of the findings was by the use frequency tables, percentages and cross-tabulations.

#### 4.2 Demographic characteristics

The following are the statistical analysis of the findings presented by the use of frequency tables and percentages. The analysis was guided by research objectives.

##### 4.2.1 To establish the influence entrepreneurship education of women entrepreneurs on the implementation of Women Enterprise Fund in South Imenti Constituency.

##### i. Level of education

The table 4.1.1 illustrates the findings on the question inquiring about the level of education of women entrepreneurs.

**Table 4.1.1 Level of education**

	Frequency	Percent
Primary	11	21.6
Secondary	17	33.3
Certificate	13	25.5
Diploma	8	15.7
Degree	2	3.9
Total	51	100.0

The study established that 17 out of 51 respondents (33.33%) which forms the majority of the respondents were educated up to secondary with a further 25.5 having trained with a certificate, however only 3.9% of the respondents had a university degree.

##### ii. Training on entrepreneurship education

The table 4.1.2 illustrates the findings on whether the respondents had received any additional training on entrepreneurship education.

**Table 4.1.2 Training on entrepreneurship education**

	Frequency	Percent
Yes	49	96.1
No	2	3.9
Total	51	100.0

A majority 49 out of 51(96.1%) of the respondents claim to have received additional training on entrepreneurial education while only 2 out of 51 (3.9%) of these claims not to have received any training.

### iii. Type of entrepreneurship education provided.

The table 4.1.3 illustrates the findings on the type of business support service that the women entrepreneurs had received.

**Table 4.1.3 Type of support training on entrepreneurship education received**

	Frequency	Percent
Financial recording skills	41	80.4
Leadership skills	4	7.8
Business development skills	1	2.0
Entrepreneurship skills	3	5.9
Selling and marketing skills	2	3.9
Total	51	100.0

Of those who had received support training on entrepreneurial education 80.4% of them had been trained on financial recording skills with only 2% having received training on business development skills.

### iv.Provider of the related entrepreneurship education.

The table 4.1.4 was used to illustrate the organization that provided the entrepreneurship education.

**Table 4.1.4 Provider the related entrepreneurship education**

	Frequency	Percent
Women Enterprise Fund	49	96.1
Local formal microfinance institutions	2	3.9
Total	51	100.0

The study sought to establish who offered training on entrepreneurship education. It was established that 96.1% of the respondents claim that this training on entrepreneurship education was provided by WEF with only 3.9% of them having been trained by local formal micro finance institutions.

**v. Rating the training on entrepreneurship education offered by WEF**

The table 4.1.5 illustrates the rating of training on entrepreneurship education offered by WEF

**Table 4.1.5 Rating the training on entrepreneurship education offered by Women Enterprise Fund**

	Frequency	Percent
Poor	10	19.6
Average	7	13.7
Excellent	34	66.7
Total	51	100.0

The study sought to rate the training on entrepreneurship training offered by WEF, and 66.7% of WEF group beneficiaries claim that the training on entrepreneurial education offered to them was excellent with a further 13.7% of them rating it as average. However, 19.6% of them felt that these trainings needed an improvement.

**4.2.2 To establish the influence of business support services offered by WEF to women entrepreneurs on the implementation of Women Enterprise Fund in South Imenti Constituency**

**vi. Business support services received**

The table 4.1.6 illustrates business support received by women entrepreneurs.

**Table 4.1.6 Business support services received**

	Frequency	Percent
Yes	32	62.7
No	19	37.3
Total	51	100.0

The study sought to establish whether the respondents had received business support services. It was established that 62.7% of the respondents claimed that they had received some other form of business support services while a further 37.3% of these claim that they had not.

**vii. Type of business support provided.**

The table 4.1.7 illustrates the study findings on the type of business support service provided.

**Table 4.1.7 Type of business support provided**

	Frequency	Percent
Linkage to markets	24	47.1
Business mentorship	3	5.9
Technical services	13	25.5
Business contacts and networking	8	15.7
NA	3	5.9
<b>Total</b>	<b>51</b>	<b>100.0</b>

The study established that out of all the respondents who claim to have received some other business support services, 47.1% claim that they had received support on linkage marketing, a further 25.5% claiming that they had received support in technical services and still a further 15.7% of these received support on business contacts and networking.

**viii. Suggestions improve the growth of business enterprise.**

The table 4.1.8 illustrates the respondents' suggestions that would improve the growth of their business enterprises.

**Table 4.1.8 Suggestions to improve the growth of business enterprise**

	Frequency	Percent
Availability of business incubators	14	27.5
Availability of business mentorship	12	23.5
Availability of linkages to markets	20	39.2
Availability of technical services	5	9.8
<b>Total</b>	<b>51</b>	<b>100.0</b>

The study established that 39.2% of the respondents felt that availability if the linkages to markets would improve the growth of WEF funded projects while a further 27.5% felt that availability of business incubators would improve their business growth. Technical service was least considered as key to growing WEF group funded projects at 9.8%.

**4.2.3 To analyze how lending procedures to women entrepreneurs influence implementation of Women Enterprise Fund in South Imenti Constituency**  
**ix.Determinants of amount of money loaned to group members.**

The table 4.1.9 illustrates what determines amount of money loaned to a member.

**Table 4.1.9 Determinants of amount of money loaned to group members**

	Frequency	Percent
Member's saving	36	70.6
Funds available	13	25.5
Guarantors' saving	2	3.9
<b>Total</b>	<b>51</b>	<b>100.0</b>

The study established that 70.6% of the WEF group beneficiaries believed that members savings was key factor in determining the amount of money to be loaned. A further 25.5% believed that availability of funds was a key factor in determining the amount of loan to be given out.

**x.Frequency of contribution of savings.**

The table 4.1.10 illustrates the frequency of contribution of members savings.

**Table 4.1.10. Frequency of contribution of savings**

	Frequency	Percent
Weekly	5	9.8
After every two weeks	9	17.6
Monthly	37	72.5
<b>Total</b>	<b>51</b>	<b>100.0</b>

On how often group members contribute their savings,72.5% of the WEF group beneficiaries claimed that they contributes monthly towards their savings while a further 17.6% claiming that this happened after every fortnight. Still 9.8% claimed this was weekly.

**xi.Rate of lending to member borrowers**

The table 4.1.11 illustrates the rate of lending to member borrowers.

	Frequency	Percent
0 to 4%	1	2.0
5 to 9%	17	33.3
10 to 14%	33	64.7
<b>Total</b>	<b>51</b>	<b>100.0</b>



The study sought to find out the rates of lending to member borrowers. It was established that 64.7% of the money loaned to members was at the rate of between 10 – 14% pa. While 33.3% were loaned at the rate of between 5-9% pa.

**xii. Suggestion to raise the loan uptake by member borrowers.**

The table 4.1.12 illustrates suggestions by respondents on what ought to be done in order to raise loan uptake.

**4.1.12 Suggestion to raise the loan uptake by member borrowers**

	Frequency	Percent
Remove Collateral/security	12	23.5
Reduce interest rate	16	31.4
Reward schemes to frequent borrowers	6	11.8
Increase duration of repayment	17	33.3
<b>Total</b>	<b>51</b>	<b>100.0</b>

The study established that increasing the duration of repayment was claimed by the majority 33.3% as a solution to increasing the loan uptake by members of various groups. A further 31.4% believed that reducing interest rate would increase uptake while still a further 23.5% believing that this could be raised by removing security attached to loans taken.

**4.2.4 To determine how the loan amounts offered to women entrepreneurs influence the implementation of Women Enterprise Fund in South Imenti Constituency**  
**xiii.Amount of money disbursed through C-WES.**

The table 4.1.13 illustrates amount of money disbursed to women group via C-WES

**4.1.13. Amount of money disbursed through C-WES**

	Frequency	Percent
First cycle of Kshs 50,000	40	78.4
Second cycle Kshs 100,000	11	21.6
<b>Total</b>	<b>51</b>	<b>100.0</b>

The study had sought to establish the amount of money disbursed to women groups through C-WES. It was established that 78.4% of the respondents received their Kshs 50,000 through C-WES with a further 21.6% claiming that they received Kshs 100,000 via C-WES

**xiv. Repayment of group loan disbursed via C-WES.**

The table 4.1.14 sought to illustrate the repayment of money disbursed to women groups via C-WES.

**4.1.14. Repayment of group loan disbursed via C-WES.**

	Frequency	Percent
Valid Not yet started	17	33.3
Partially paid	9	17.6
Fully repaid	25	49.0
Total	51	100.0

The study sought to establish whether the women groups funded via C-WES had repaid their loans. It was established that 49% of the group beneficiaries of WEF had fully repaid their loan while a further 17.6% of these groups were repaying. However, 33.3% of them were yet to begin repaying the amount advanced to them.

**xv. Suggestion on what to be done to increase available funds for loaning.**

The table 4.1.15 illustrates respondents' suggestions on what to be done to increase available fund for loaning among group members.

**4.1.15 Suggestion on what to be done to increase available funds for loaning.**

	Frequency	Percent
Increase frequency for deposit	8	15.7
Increase the amount deposited	11	21.6
Recruit additional members	1	2.0
Outsource additional funds	30	58.8
Funds available are enough	1	2.0
Total	51	100.0

The study sought to find out suggestions from respondents on what ought to be done to increase funds available for loaning. It was established that 58.8% of the respondents believed that outsourcing for additional funds would increase the kitty for loaning while a further 21.6 and 15.7% believed that this

would be increased by increasing the amount deposited and increasing the frequency of deposits respectively.

**xvi.Sufficiency of loan received by women groups via C-WES**

The table 4.1.16 illustrates the sufficiency of loan received by women groups through C-WES.

**Table 4.1.16. Sufficiency of loan received by women groups via C-WES**

	Frequency	Percent
Yes	2	3.9
No	49	96.1
Total	51	100.0

The study sought to find out whether the money disbursed to their groups through the C-WES was adequate for their investment activities. It was established that 96.1% of the respondents felt that the funding from WEF was not adequate for their group members’ business enterprises. Only 3.9 felt that this money was sufficient.

**4.3 Cross tabulation.**

This section of the study sought to establish the relationship between each independent variable and its relationship with the dependent variable. These dependent variable is the implementation of the Women Enterprise Fund was dependent variable while entrepreneurship education, business support services offered by WEF, lending procedures by women entrepreneurs and loan amount offered by WEF to women entrepreneurs were the independent variables. These relationships are discussed below.

**4.3.1 The relationship between entrepreneurship education of women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency.**

The table 4.3.1 illustrates the relationship between entrepreneurship education of women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation.

**Table 4.3.1 Entrepreneurship education of women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation.**

			Do you think implementation of WEF has been a success		
			Yes	No	Total
What is your highest level of education	Primary	Count	0	11	11
		% within What is your highest level of education	.0%	100.0%	100.0%
	secondary	Count	6	11	17
		% within What is your highest level of education	35.3%	64.7%	100.0%
	certificate	Count	6	7	13
		% within What is your highest level of education	46.2%	53.8%	100.0%
	diploma	Count	6	2	8
		% within What is your highest level of education	75.0%	25.0%	100.0%
	degree	Count	2	0	2
		% within What is your highest level of education	100.0%	.0%	100.0%
Total	Count	20	31	51	
	% within What is your highest level of education	39.2%	60.8%	100.0%	

The study established that all the respondents who had an primary education claimed that the implementation of WEF had not been success, further 64.7% of those respondents who had secondary school education believed that the implementation of WEF was not a success with a further 35.3% of these believing that it was a success. However as the level of education increases we note a change of trend and those respondents with higher education believe that the implementation of WEF was a success. This may be attributed to knowledge acquired in school that guarantees efficient utilization of funds acquired.100% of those respondents who had an undergraduate degree believed that the implementation of WEF was a success while a further 75% of those who had a diploma believe that it were a success. We

thus can associate the level of education to the success of the WEF implementation in South Imenti Constituency.

**4.3.2 The relationship between business support services offered by WEF to women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation.**

The table 4.3.2 illustrates the relationship between business s support services offered by WEF to women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation.

**Table 4.3.2 Business support services offered by WEF to women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation.**

		Do you think implementation of WEF has been a success		
		Yes	No	Total
Have you ever received any other form of business support services	Yes	Count 22	10	32
		% within Have you ever received any other form of business support services 68.8%	31.2%	100.0%
	No	Count 7	12	19
		% within Have you ever received any other form of business support services 36.8%	63.2%	100.0%
Total		Count 29	22	51
		% within Have you ever received any other form of business support services 56.9%	43.1%	100.0%

The study established that 68.8% of those women groups that had received some form business support services claimed that the implementation of WEF has been a success as far as their group was concerned. It was further established that 31.2% claimed that it was not a success even after receiving business support services. Moreover, 63.2% of those women groups that had not received any business support services claimed that the implementation of WEF was not a success. We thus can note an association to receiving business support services to the eventual success of WEF in South Imenti constituency. These business support services were; Financial recording skills, Leadership skills, Business development skills, Entrepreneurship skills, selling and marketing skills and Problem solving and decision skills with 80.4% of the women groups claiming to have received support on Financial recording skills.

### 4.3.3 The relationship between lending procedures to women entrepreneurs and implementation of Women Enterprise Fund in South Imenti Constituency.

The table 4.3.3 illustrates the relationship between lending procedures to women entrepreneurs and implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation.

**Table 4.3.3 Lending procedures to women entrepreneurs and implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation**

			Do you think implementation of WEF has been a success		
			Yes	No	Total
What determines the amount of money loaned to a group member	Member's saving	Count	20	16	36
		% within What determines the amount of money loaned to a group member	55.6%	44.4%	100.0%
	Funds available	Count	9	4	13
		% within What determines the amount of money loaned to a group member	69.2%	30.8%	100.0%
	Guarantors' saving	Count	1	1	2
		% within What determines the amount of money loaned to a group member	50.0%	50.0%	100.0%
	Total	Count	26	25	51
		% within What determines the amount of money loaned to a group member	51.0%	49.0%	100.0%

The study established that 55.6% of the WEF women beneficiaries in South Imenti Constituency believed that the WEF was a success and also claimed that the amount loaned to a group depended on individual member savings, 69.2% of those who believed that WEF was a success claimed the amount of money loaned depended on funds available while 50% of those respondents who believed that WEF was a success claimed that the amount of money loaned depended on guarantors savings. Generally we note that irrespective of what determines the amount of money loaned to the group members, they feel that WEF

had been a success. Thus, one cannot associate the success of WEF in South Imenti to the determinants of the loan size.

**4.3.4 The relationship between loan amounts offered to women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency.**

The table 4.3.4 illustrates the relationship between loan amounts offered to women entrepreneurs and the implementation of WEF cross tabulation.

**Table 4.3.4 Loan amounts offered to women entrepreneurs and the implementation of Women Enterprise Fund in South Imenti Constituency cross tabulation**

		Were you able to invest the amount borrowed successfully			
		Yes	No	Total	
Has your group repaid the amount of money given through the C-WES	Not yet started	Count	9	15	17
	Has your group repaid the amount of money given through the C-WES	% within	11.8%	88.2%	100.0%
Partially paid	Count	3	6	9	
	Has your group repaid the amount of money given through the C-WES	% within	33.3%	66.7%	100.0%
Fully repaid	Count	20	5	25	
	Has your group repaid the amount of money given through the C-WES	% within	80.0%	20.0%	100.0%
Total	Count	32	19	51	
	Has your group repaid the amount of money given through the C-WES	% within	62.7%	37.3%	100.0%

The study established that 88.2% of those group members who were yet to start paying the money received through C-WES claim they were not able to invest the money received successfully. This might be as a result of using the money in some other reason other than the originally intended purpose. 66.7%

of those women groups that had been paying their loan partially claim also that they were not able to invest their loan successfully. However, we note those groups that had fully repaid their loan claim that they were able to successfully invest the money loaned to them. We can thus conclude that the amount of money loaned to groups affects eventually the success of WEF in south Imenti constituency. We suggest the money to be loaned out if it can meet the capital requirements of the intended project or business as a pre-requisite to giving out the money other than on the groups' eligibility in terms of savings and other factors currently under consideration.



## CHAPTER FIVE

### SUMMARY OF FINDINGS, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter discussed the summary of the findings, discussion, conclusions and recommendations.

#### 5.2 Summary of findings

Respondents for this study were sampled from women groups funded by WEF from January 2011 to December 2012. Women groups sampled were 17, out of which 51 questionnaires were returned, representing a 100% return rate. All data collection tools (questionnaires) were correctly filled and returned, representing 100% return rate.

The study established that all the respondents who had an primary school education level claimed that the implementation of WEF had not been success, further 64.7% of those respondents who had secondary school believed that the implementation of WEF was not a success with a further 35.3% of these believing that it was a success. However as the level of education increases we note a change of trend and those respondents with higher education believe that the implementation of WEF was a success.100% of those respondents who had an undergraduate degree believed that the implementation of WEF was a success while a further 75% of those who had a diploma believe that it were a success. We thus can associate the level of education to the success of the WEF implementation in South Imenti Constituency. We also found out that 65.3% of those groups that had received additional training on entrepreneurship education were able to invest the amount borrowed with success. Only 34.7% of these were not able to invest this amount borrowed with success. Further, of the 2 groups that had not received additional training none was able to invest the amount borrowed with success.

It was also established that 68.8% of those women groups that had received some form business support services claimed that the implementation of WEF has been a success as far as their group was concerned.31.2% claimed that it was not a success even after receiving business support services. Moreover, 63.2% of those women groups that had not received any business support services claimed that the implementation of WEF was not a success. We thus can note an association to receiving business support services to the eventual success of WEF in South Imenti constituency. These business support services were; Financial recording skills, Leadership skills, Business development skills, Entrepreneurship skills, selling and marketing skills and Problem solving and decision skills, mentorship and business incubators, with 80.4% of the women groups claiming to have received support on Financial recording skills.

The study also established that 70% of those women in groups who believed their lives had not changed after benefiting from WEF rated poorly the kind of training they had received as a support service. Further, 67.6% of those who believed that their lives had changed positively attributed this to support services they had received after benefitting from the WEF which they claim was excellent. A further 57.1% of the respondents who claim that their support service was average also claim that their lives had changed after benefitting from the WEF. We thus again note an association between better support services receives and the success of WEF in South Imenti Constituency.

The study established that 55.6% of the women beneficiaries in South Imenti Constituency from WEF believed that the WEF was a success and claimed that the amount loaned to a group depended on depended on individual member savings. Further, 69.2% of those who believed that WEF was a success claimed the amount of money loaned depended on funds available while 50% of those respondents who believed that WEF was a success claimed that the amount of money loaned depended on guarantors' savings. Generally, we note that irrespective of what determines the amount of money loaned to the group members, they feel that WEF had been a success. Thus, one cannot associate the success of WEF in South Imenti to the determinants of the loan size. We also found out that 66.7% of those women members in the groups who claim that they were not able to invest the amount borrowed successfully attribute their failure to the amount borrowed which depended on the individual member savings.

It was also established that 88.2% of those group members who were yet to start paying the money received through C-WES claim they were not able to invest the money received successfully. Further, 66.7% of those women groups that had been paying their loan partially claim also that they were not able to invest their loan successfully. However, we note those groups that had fully repaid their loan claim that they were able to successfully invest the money loaned to them. We can thus conclude that the amount of money loaned to groups affects eventually the success of WEF in south Imenti constituency. All those respondents who felt that their lives had not changed positively after receiving WEF believed that the funding was sufficient. However, a majority 77.6% of those who felt that their lives had not changed positively after receiving the WEF believed the money received was not adequate. We thus note an association between the amounts loaned to the groups and its eventual success.

### **5.3. Discussions of the findings**

Literature reviewed supported the fact that women entrepreneurs, mostly in developing countries, Africa not being an exception, did not have easy access to credit for their entrepreneurial activity (Ibru, 2009; Iganiga, 2008; Iheduru, 2002; Kuzilwa, 2005; Lakwo, 2007; May, 2007; Okpukpara, 2009), whereas the rate of women participation in the informal sector of the economy is higher than males (Akanji, 2006;

Akinyi, 2009). Lack of capital to start or run business led them to request for credits from micro-finance institutions (Ibru, 2009; Kuzilwa, 2005). This was due to poverty, unemployment, low household and business income and inability to save (May, 2009; Otero, 1999; Porter & Nagarajan, 2005; Roomi & Parrot, 2008). Women entrepreneurs, mostly in developing countries, lacked the ability to save (Akanji, 2006; Mkpado & Arene, 2007), yet savings were needed to protect income, act as a security for loan and could be re-invested in the business (Akanji, 2006). This calls for a lot of literature for better and enhanced understanding in order to assist in financial and monetary policies development. This section deals with how the following factors influence implementation of WEF in its endeavor to empower Kenyan entrepreneurs: entrepreneurship education of women entrepreneurs, business support services offered by WEF, lending procedures, and loan amounts offered by WEF.

### **5.3.1 To establish the influence entrepreneurship education of women entrepreneurs on the implementation of Women Enterprise Fund in South Imenti Constituency.**

According to research done by Otero, (1999) and various researchers, micro-finance creates access to productive capital for the poor, which together with human capital, addressed through education and training, and social capital, achieved through local organization building, enables people to move out of poverty by starting business enterprises.

This is in tandem with the findings of our study. All the respondents who had an A-level claimed that the implementation of WEF had not been success, further 64.7% of those respondents who had O-level believed that the implementation of WEF was not a success with a further 35.3% of these believing that it was a success. However, as the level of education increases we not a change of trend and those respondents with higher education believe that the implementation of WEF was a success. This may be attributed to knowledge acquired in school that guarantees efficient utilization of funds acquired. 100% of those respondents who had an undergraduate degree believed that the implementation of WEF was a success while a further 75% of those who had a diploma believe that it were a success. We thus can associate the level of education to the success of the WEF implementation in South Imenti Constituency. Further, 65.3% of those groups that had received additional training on entrepreneurship education were able to invest the amount borrowed with success. Only 34.7% of these were not able to invest this amount borrowed with success. These groups can be to those members in the groups who had low levels of educations as noted above. Further, of the 2 groups that had not received additional training none was able to invest the amount borrowed with success. It can be suggested that this monies borrowed was used in some other purposes other than the originally intended purpose. Thus we note training on entrepreneurial skills is fundamental in the success of WEF in South Imenti constituency.

### **5.3.2 To establish the influence of business support services offered by WEF to women entrepreneurs on the implementation of Women Enterprise Fund in South Imenti Constituency**

According to Otero (1999), the aim of micro-credit is not just about providing capital to the poor but to combat poverty on an individual level and also at an institutional level. It seeks to create institutions that deliver credit services to the poor, who are continuously ignored by the formal banking sector. This is confirmed by our study whereby 68.8% of those women groups that had received some form business support services claimed that the implementation of WEF has been a success as far as their group is concerned, while 31.2% claimed that it was not a success even after receiving business support services. Moreover, 63.2% of those women groups that had not received any business support services claimed that the implementation of WEF was not a success. We thus can note an association to receiving business support services to the eventual success of WEF in South Imenti constituency. These business support services were; Financial recording skills, Leadership skills, Business development skills, Entrepreneurship skills, selling and marketing skills and Problem solving and decision skills with 80.4% of the women groups claiming to have received support on Financial recording skills

70% of those women in groups who believed their lives had not changed after benefiting from WEF rated poorly the kind of training they had received as a support service. This can be attributed to individual trainers in the groups. 67.6% of those who believed that their lives had changed positively attributed this to support services they had received after benefitting from the WEF which they claim was excellent. A further 57.1% of the respondents who claim that their support service was average also claim that their lives had changed after benefitting from the WEF. We thus again note an association between better support services receives and the success of WEF in South Imenti Constituency.

### **5.3.3 To analyze how lending procedures to women entrepreneurs influence implementation of Women Enterprise Fund in South Imenti Constituency.**

Women entrepreneurs, mostly in developing countries, lacked the ability to save (Akanji, 2006; Mkpado & Arene, 2007), yet savings were needed to protect income, act as a security for loan and could be re-invested in the business (Akanji, 2006). This is collaborated by the findings of our study, whereby 55.6% of the women beneficiaries in South Imenti Constituency from WEF believed that the WEF was a success and also claimed that the amount loaned to a group depended on individual member savings, 69.2% of those who believed that WEF was a success claimed the amount of money loaned depended on funds available while 50% of those respondents who believed that WEF was a success claimed that the amount of money loaned depended on guarantors savings. Generally, we note that irrespective of what determines the amount of money loaned to the group members, they feel that WEF had been a success. Thus, one cannot associate the success of WEF in South Imenti to the determinants of the loan size.

66.7% of those women members in the groups who claim that they were not able to invest the amount borrowed successfully attribute their failure to the amount borrowed which depended on the individual member savings. This could have been the case where a member had intended to start a project or a business that would cost more than the savings could afford hence when this woman entrepreneur eventually gets this loan she uses this money to some other reason owing to inadequacy of the funds and hence eventually failing to utilize the money as was originally intended. We however suggest further study to establish if this is the actual reason on the ground as this could unearth a major challenge in the implementation of WEF in South Imenti constituency.

#### **5.3.4 To determine how the loan amounts offered to women entrepreneurs influence the implementation of Women Enterprise Fund in South Imenti Constituency.**

According to (Ibru, 2009; Iganiga, 2008; Iheduru, 2002; Kuzilwa, 2005; Lakwo, 2007; May 2007; Okpukpara, 2009), women entrepreneurs, mostly in developing countries, did not have easy access to credit for their entrepreneurial activity. This corroborates the findings of our study, where we find out that, 88.2% of those group members who were yet to start paying the money received through C-WES claim they were not able to invest the money received successfully. This might be as a result of using the money in some other reason other than the originally intended purpose. 66.7% of those women groups that had been paying their loan partially claim also that they were not able to invest their loan successfully. However we note those groups that had fully repaid their loan claim that they were able to successfully invest the money loaned to them. We can thus conclude that the amount of money loaned to groups affects eventually the success of WEF in south Imenti constituency. We suggest the money to be loaned out if it can meet the capital requirements of the intended project or business as a pre-requisite to giving out the money other than on the groups' eligibility in terms of savings and other factors currently under consideration.

All those respondents who felt that their lives had not changed positively after receiving WEF believed that the funding was sufficient. This might be attributed to those groups that had some other challenges other than the finances e.g. the level of education. However a majority 77.6% of those who felt that their lives had not changed positively after receiving the WEF believed the money received was not adequate. We thus note an association between the amounts loaned to the groups and its eventual success.

#### **5.4 Recommendation for further studies**

1. The beneficiaries of WEF should be well trained on the management and use of finances as the study has associated the success of WEF to proper training.
2. We suggest further study to be carried out to establish whether the amount of money given to individual members in the group determines the success of the WEF. This is because the study

found that those members who claim that the amount of money given to individual members in the group depended on individual member savings

3. We suggest a review of the current eligibility criteria for group to qualify for a loan to factor in the issue of whether the amount borrowed would be able to meet the intended purpose as this has been found to affect the eventual success of WEF in South Imenti constituency.

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## APPENDICES

### Appendix 1:

#### **Introduction Letter**

Magaju Raymond Mutwiri

P.O Box 189-60202

Nkubu, Meru

8<sup>th</sup> April 2013

Dear Sir/ Madam

To Whom it may concern,

#### **RE: INTRODUCTION LETTER**

I am a postgraduate student at the University of Nairobi pursuing a Masters degree in Project Planning and Management. I am undertaking a research on the factors influencing implementation of Women Enterprise Fund in South Imenti Constituency

This is to request you to willingly participate in this study by providing information as may be asked to you. Your response will be very confidential and will only be used for the purpose of this study.

Looking forward to your cooperation and your highly valued contribution.

Yours faithfully

Raymond Mutwiri Magaju

**Appendix 2:**

**Questionnaire for Women group leaders**

Hello, my name is Raymond Mutwiri Magaju. I am a student at the University of Nairobi pursuing a Master's degree in Project planning and Management. I intend to conduct research on factors influencing implementation of Women Enterprise Fund in South Imenti Constituency. The information given will be treated confidentially and will not be used for other purposes than this study. Please respond as honestly as possible and incase any clarification is required call me at my Mobile phone number 0720589484

Date of Interview: .....
Name of women group: .....
Position of respondent: .....

**SECTION A: ENTREPRENUERSHIP EDUCATION**

Please respond to each item by putting a tick (√) or writing in the spaces provided.

1. What is your highest level of formal education?

- a) Never attended school ( )
- b) Primary ( )
- c) Secondary ( )
- d) Certificate ( )
- e) Diploma ( )
- f) Bachelors Degree and above ( )
  - i. Chairlady.....
  - ii. Secretary.....
  - iii. Treasurer.....

2. Has the group received any additional training on entrepreneurship education?

- a) Yes ( )
- b) No ( )

3. If the answer to question 2 above is yes, what support training on entrepreneurship education has your group members received?

- a) Financial recording skills ( )

- b) Leadership skills ( )
- c) Business development skills ( )
- d) Entrepreneurship skills ( )
- e) Selling and marketing skills ( )
- f) Problem solving and decision skills ( )
- g) Others ( ) Specify.....

4. Who provided the related entrepreneurship education?

- a) Women Enterprise Fund ( )
- b) Local formal microfinance institutions ( )
- c) Others ( ) Specify.....

5. Who is responsible of overall management of your business enterprises?

- a) Members themselves ( )
- b) Contracted managers ( )
- c) Elected officials ( )
- d) Others ( ) Specify.....

6. How can you rate the training on entrepreneurship education offered to your group by the Women Enterprise Fund?

- a) Satisfactory
- b) Poor ( )
- c) Average ( )
- d) Excellent ( )
- e) Others ( ) Specify.....

**SECTION B: BUSINESS SUPPORT SERVICES**

7. Have you ever received any other form of business support services?

- a) Yes ( )
- b) No ( )

8. If the response to question 7 above is yes; specify the type of support given

- a) Linkage to markets ( )
- b) Business mentorship ( )
- c) Technical services ( )
- d) Business contacts and networking ( )
- e) Others ( ) Specify.....

9. Which Organization offered you these business support services?

- a) Women Enterprise Fund ( )

- b) Local formal microfinance institutions ( )
- c) Other group members ( )
- d) Others ( ) Specify.....

10. How can you rate the business support services offered by Women Enterprise Fund?

- a) Satisfactory ( )
- b) Poor ( )
- c) Average ( )
- d) Excellent ( )
- e) Others ( ) Specify.....

11. What do you suggest should be done to improve the growth of your business enterprises?

- a) Availability of business incubators ( )
- b) Availability of business mentorship ( )
- c) Availability of linkages to markets ( )
- d) Availability of technical services ( )
- e) Others ( ) Specify.....

**SECTION C: LENDING PROCEDURES**

12. What determines the amount of money loaned to a group member?

- a) Member's saving ( )
- b) Funds available ( )
- c) Guarantors' saving ( )
- d) Others ( ) Specify.....

13. What would happen to loan uptake if no savings or security is required before granting loan to group members?

- a) Uptake goes up ( )
- b) Uptake goes down ( )
- c) No effect on uptake ( )

14. What measure do you take to ensure that members who get loans from your group utilize it in a business enterprise?

- a) Conduct a physical check to her business premise before loaning ( )
- b) Conduct follow-ups on loan beneficiaries ( )
- c) Periodic progress reports ( )
- d) No need as long as they repay ( )
- e) Others ( ) Specify.....

15. How often do group members contribute their savings?

- a) Daily ( )

- b) Weekly ( )
- c) After every two weeks ( )
- d) Monthly ( )
- e) Quarterly ( )
- f) Others ( ) Specify.....

16. At what rate do you lend to member borrowers?

- a) 0 to 4% ( )
- b) 5 to 9% ( )
- c) 10 to 14% ( )
- d) 15 to 19% ( )
- e) Above 20 % ( )

17. What can be done to raise loans uptake by members of your group?

- a) Remove collateral/security ( )
- b) Reduce interest rate ( )
- c) Reward schemes to frequent borrowers ( )
- d) Increase duration of repayment ( )
- e) Others ( ) Specify.....

**SECTION D: LOAN AMOUNTS**

18. How much money was given to your group through the C-WES?

- a) First cycle of Kshs 50,000 ( )
- b) Second cycle Kshs 100,000 ( )
- c) Third cycle Kshs 200,000 ( )

19. Has your group repaid the amount of money given through the C-WES?

- a) Repaying ( )
- b) Partially paid ( )
- c) Fully repaid ( )
- d) Not repaid ( )

20 .If the answer to question 19 is not paid, give reasons.....  
 .....  
 .....

21. What can be done to increase available funds for loaning?

- a) Increase frequency for deposit ( )
- b) Increase amount deposited ( )
- c) Recruit additional members ( )
- d) Outsource additional funds ( )



e) Funds available are enough ( )

f) Others ( ) Specify.....

22. Is the funding received from Women Enterprise Fund adequate for your group members' business enterprises?

a) Yes ( )

b) No ( )

c) Not sure ( )

23. If the answer to question 22 above is No, what do you suggest?

.....  
.....  
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THANK YOU FOR YOUR CONTRIBUTION

## Appendix 3 Letter of Authority