

Microcredit is a crucial tool for economic empowerment of women. In Kenya, the microcredit industry has supported more than 3 million small and medium enterprises for close to 30 years. Kenya Women Finance Trust is a leading microcredit institution dealing exclusively with financing needs of women. However, whether the services provided by the institution have spurred growth among women-owned enterprises remains undocumented. The objective of this study was to assess the effect of access to microcredit services on the growth of women-owned enterprises within the Central Business District of Kisumu City. To accomplish this, we sourced primary data from 190 women entrepreneurs. The study found that access to microcredit significantly associated with sales, net profit, number of paid workers and liabilities. Thus, access to microcredit had positive effects on the growth of women-owned enterprises. In addition, Kenya Women Finance Trust's lending policies were not responsive to financing needs of women and to changes in the business environment. This undermined the potential of funded enterprises to achieve sustainable growth. The study recommends the need to review the financial institution's lending policies, increase the amount of microcredit funds and encourage other actors to finance women-owned enterprises.