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SOCIO-ECONOMIC IMPACT OF WOMEN ENTERPRISE FUND ON THE  
LIVELIHOODS OF WOMEN IN KENYA

(A CASE STUDY OF THIKA) ^

SUBMITTED BY

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**UNIVERSITY OF NAIROBI**

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## DECLARATION

This research project is my original work and has not been presented for a degree in any other university.

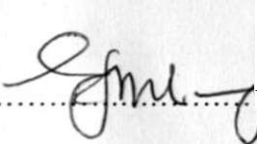
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This research project has been submitted for examination with my approval as the university supervisor.

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## **DEDICATION**

I dedicate this project to my loving husband Elijah Okuto who tirelessly assisted me throughout this course. May the Lord bless you abundantly.

## **ACKNOWLEDGEMENTS**

I take this time to thank the Almighty God for giving me the strength and showing me the purpose of having to undertake this course at this time of my life. Special thanks go to all those who facilitated my studies, those who kept me going with their words of encouragement, and those who reminded me about the importance of career development. I wish to express my sincere gratitude and appreciation to my supervisor Professor. Edward .K. Mburugu for the professional advice, patience and active assistance throughout the time of this project. To all those named and not named in this acknowledgement but positively contributed towards this noble job may God reward you abundantly.

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## **ABBREVIATIONS**

CEDAW Convention Eliminating Discrimination Against Women

CSYV Commission on the Status of Women

C-WES Constituency Women Enterprise Scheme

D(i& SDOS District Gender and Social Development Officers

GAD Gender and Development.

HIV Human Immuno-deficiency Virus

MDGS Millenium Development Goals

UN United Nations

WEF Women Enterprise Fund.

WID Women in development.

## ABSTRACT

This research was carried out to find out the Socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya with specific reference to Theca district. Specifically the study sought to: ascertain types of income generating activities supported by WEF; investigate the socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya; establish whether Women Enterprise Fund has reached the target beneficiaries and to establish the challenges faced by the Women Enterprise Fund in improving the livelihoods of women in Kenya.

Literature review and theoretical framework was conducted and the study was therefore anchored around Social Cognitive Theory of gender development and differentiation. Rational Choice Theory. Feminism and Empowerment theories.

Survey research design was used in this study. The researcher interviewed respondents in the population by administering a standardized questionnaire to them. Survey research design was utilized because it made it possible to collect data from large or small populations (sometimes referred to as the universe of a study). A total population of 62 respondents was thus interviewed based on a list provided from the data bank of WEF office of Thika Constituency under Central regional office.

From the study it is found that after starting the business women's status has been increased in the family and in the society thanks to WEF. Now they can enjoy freedom in their decision making and also can contribute in family decision making due to the fact that they can also now contribute in the family economically.

## CHAPTER ONE: INTRODUCTION

### 1.1 Background of the study

If you empower a woman, you have empowered a family, and ultimately, a whole nation. This is because women bear almost all responsibility for meeting basic needs of the family, yet are systematically denied the resources, information and freedom of action they need to fulfill this responsibility.

The vast majority of the world's poor are women. Two-thirds of the world's illiterates are female. Of the millions of school age children not in school, the majority are girls. And today, HIV/AIDS is rapidly becoming a woman's disease. In several southern African countries, more than three-quarters of all young people living with HIV are women.

The current world food price crisis is having a severe impact on women. Around the world, millions of people eat two or three times a day. but a significant percentage of women eat only once. And, now, many women are denying themselves even that one meal to ensure that their children are fed. These women are already suffering the effects of even more severe malnutrition, which inevitably will be their children's fate as well. The impact of this crisis will be with us for many years.

Studies show that when women are supported and empowered, all of society benefits. Their families are healthier, more children go to school, agricultural productivity improves and incomes increase. In short, communities become more resilient. (The Hunger Project; -New-York: Empowering Women as Key Change Agents)

Women Enterprise Fund (WEF) was conceived by the Government of Kenya in 2006 and officially launched in 2007. Women Enterprise Fund is a Semi-Autonomous Government Agency in the Ministry of Gender, Children & 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. Women Enterprise Fund was officially established through the promulgation of (Women Enterprise Fund Regulations) under section 26 & 35 of the

Government Financial Management Act. 2005. Legal Notice no.147 dated 3rd August 2007.  
(Statement from the Chairperson WEF Advisory Board)

The principal objective of the fund is economic empowerment of women. The Fund was established to provide alternative financial services to women who are excluded from the formal and informal financial sectors. The Fund provides accessible & affordable credit to support women start and/or expand business for wealth and employment creation. In addition to the Fund being a flagship project in the Vision 2030, it is also a demonstration of the Kenya Government's commitment to the realization of the Millennium Development Goal (MDG) on gender equality and women empowerment.

Women Enterprise Fund loans reach the target beneficiaries through partner financial intermediaries and directly through Constituency Women Enterprise Scheme (C-WES).

The fund seeks to enable the government realize the 3rd Millennium Development Goal (MDG) on "gender equality and empowerment of women". In recognition of the critical role women play in socio-economic development, the WEF has been identified as a flagship project under the social pillar in the Vision 2030. It is expected that the fund will play a catalytic role in mainstreaming women in the formal financial services sector. The Fund receives 100% financial support from the government of Kenya through the annual budgetary allocation.

Although women constitute 52% of the total Kenyan population, majority of them have been excluded from the formal financial services - for example, few have bank accounts, can access loans, money transfer services, etc. The rural women are more disadvantaged than their urban counterparts.

The fund is designed to address the perennial challenges women face in their desire to venture in income generating activities (enterprise development) namely:

i. Cultural factors - Our society up until the recent past after the promulgation of the new constitution did not allow women to own assets which are required by banks and other financial institutions, to access credit. Some widows are disinherited by in-laws.

ii. High transaction costs in terms of high Interest rates and bank charges, access costs - like transport.

iii. Negative Myths about banks - Few banks have outlets in the rural areas. The society's negative perception about banks e.g. repossession of assets in case of default, banks are not "poor-friendly" etc.

Those already in business, face various challenges that stifle their growth and survival, e.g. :Lack of market information, leading to exploitation by middlemen, high transport costs because of poor roads :Low standards of products i.e. They use rudimentary tools and technology making their products uncompetitive.; Unaffordable and suitable premises i.e. Business premises in suitable locations are too expensive.

WEF has the vision to socially and economically empower Kenyan women entrepreneurs for economic development. Its mission is to mobilize resources and offer access to affordable credit and business support services to women entrepreneurs. Its core values are: - Integrity. Team Work. Innovation. Courage and Respect for Diversity.

**The core mandates of the Fund are therefore:**

1. Provision of credit to women for enterprise development.
2. Capacity building of women beneficiaries and their institutions.
3. Promotion of local and international marketing.
4. Promotion of linkages of micro, small and medium enterprises owned by women with big enterprises,
5. Attract and facilitate investments in infrastructure that support women enterprises, e.g. markets, business incubators, etc.

WEF targets women aged 18 years and above, who may be organized in registered Self Help Groups or as individuals or companies owned by women. Men who are members of women groups or companies can also be included in the funding provided that 70% of members in such groups are women who also hold all leadership positions. The Fund therefore does not discriminate any gender in this respect.

Women can then access such funds in two ways: for individuals/registered groups or companies - from the nearest branches of selected financial intermediaries where they may apply for the loan from a preferred financial intermediary which then conducts their normal credit appraisal evaluation. : For those organized in registered groups - from the offices of the District Gender and Social Development Officers (DG&SDOs) found at district headquarters, where they fill a standard loan application form under the Constituency Women Enterprise Scheme(C-WES). These forms are available for free from the offices of the (DG&SDOs). This product is called "TUINUKE LOAN". It should be noted that this money is a very subsidized loan and not a free donation and must be repaid to enable others borrow.

From the financial intermediaries, one can get up to Kshs.500. 000 for a maximum of repayment of 36 months at a maximum interest rate is 8% per year on a reducing balance. Amounts above half a million are recommended to the Fund's Advisory Board for consideration.

Tuinuke Loan on the other hand has a maximum ceiling of Kshs.50.000 for a repayment period of 12 months for the 1st loan while a 2nd loan of Kshs.50.000.00 is automatically available if 1st loan is repaid within 6 months. 3rd and 4th loans of Kshs.75, 000 and Kshs.100, 000 respectively follow for the group. After the successful repayment of the 4th loan, a "letter of Good Credit Worthiness" is issued to a group. Tuinuke Loan -is charged Zero (0%) interest rate and a one-off administrative fee of 5% of the loan amount. It is important to note that to qualify for tuinuke loan, you must fulfill the following conditions: Be a registered group of more than 10 persons: Groups should have been in existence for more than 3 months: Have an account in a Bank/SACCO/Post Bank/Approved FSA :Be operating a viable business or planning to start a viable business. Tuinuke Loan though has simple security requirements that include: group guarantee, household items, business stocks, quoted shares, etc.

Initially constituencies used to be granted a full allocation of Kenya Shillings One million, however WEF being a revolving Fund those constituencies who had lent out their full capacity .repayments were used to lend to other groups in need. This amount has been increased to Two million per constituency starting 2009/2010 financial year. If women borrowers in a Constituency default, they deny fellow women in the same constituency from accessing the loans (i.e. funds belong to a particular constituency and cannot be transferred). There is a competent



Advisory Board composed of Kenyan women & men of diverse professional standing and experience. A qualified management team oversees the daily operations of the Fund at the Secretariat. The District Gender and Social Development Officers (DG&SDOs) oversee the field operations at the constituency level. The 34 Financial Intermediaries partners are: Taifa Sacco, BIMAS. Co-operative Bank. Family Bank. Kenya Industrial Estates (KIE). Wakenya Pamoja (formerly Gussi Rural Sacco). K-REP Development Agency. Jitegemea Credit Scheme. Mathira Farmers Sacco. Pamoja Women Development Programme. Small & Micro Enterprise Programme (SMEP). Jamii Bora Trust. Chase Bank. First Community Bank. Bright Enriched Empowerment Programme. Umoja Womeh Entrepreneur Programme. Adok Timo, Village Women Organization. South Imenti Micro Finance. Social Initiative and Development for Enterprise Programme (SIDEPE). NECCO FOSA. Naivasha Women SACCO, Lamu Teachers SACCO. Meru Mwalimu SACCO. Kipsigis Teachers SACCO. Wananchi SACCO. Laikipia Teachers SACCO. Biashara SACCO. Universal Traders SACCO. Samburu Traders SACCO. Narok Jua Kali SACCO. Omoremi Rural SACCO Society. Jiweze Women Foundation and African Women Foundation.

For purposes of this study however, we will focus more on Constituency Women Enterprise Scheme(C-WES) as opposed to these financial intermediaries. This is because access to finance services - including savings and credit, insurance and remittances - can have a great impact on the opportunities of poor women and men in rural areas to improve and secure their livelihoods and food security. A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stress and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base. (Chambers and Conway, 1991).

Access to finance services has significant potential for contributing to women's economic, social and political empowerment and a wide process of change in gender relations. However evidence suggests that, even in financially successful rural finance programmers, actual contribution to women's empowerment is often limited and there is still gender discrimination in access to many rural finance services. This suggests that women's empowerment needs to be an integral part of programme design, planning and monitoring. Products, structures and services need to be revised

to ensure that sustainable rural finance services fulfill their potential as a contributor to women's empowerment and rural development and this is what Constituency Women Enterprise Scheme(C-WES) seeks to achieve.

## **1.2 Statement of the Problem**

The challenges of implementing the international commitments on gender equality and empowerment of women and gender democracy demonstrate the great importance of ensuring an enabling environment .According to the report of the 49<sup>th</sup> session of the commission of the status of women. "An interdependent systemic conditions such as policies, laws, institutional mechanisms, resources e.t.c. which facilitate the promotion of gender equality.

An enabling environment would thus influence the capacity of women to be involved, participate actively and benefit from development processes in a sustained and effective manner. It would also contribute to the elimination of women's discrimination and exclusion, increase their access to decision making, their control over resources such as land and economic assets, and fully recognize their contributions as actors in the economy and other areas of public life".

Governments represented at the 5<sup>th</sup> Global Conference for Women recognized and dedicated themselves toward addressing the unique challenges that women face and highlighted the importance of designing and implementing, with the full participation of women, development policies and programmes that would promote, enhance and sustain the advancement of women and guarantee their full participation, their dignity and the respect of women's human rights.

Governments therefore set before themselves the responsibility of creating that enabling framework that would ensure that the gender inequalities that were so glaringly evident would be systematically addressed and that women would have equal opportunities for guaranteeing better outcomes for their well-being .The effective role of government in providing an enabling framework for the advancement of women . in African countries Kenya being a classic example is influenced by a number of factors that cannot be ignored in any discourse targeting development. Poverty continues to be a big challenge in Africa: structural reforms initially aimed at addressing the efficiency of governments only succeeded in exacerbating the very conditions of deprivation and neglect that should have been improved through efficient state functioning.

The Beijing+5 reports explicitly recognize that globalization has adversely affected the lives of women and increased inequality especially in developing countries. The government therefore saw the need to keep the bigger global picture in mind when trying to assess the progress and challenges in the advancement of women, and in analyzing government's contribution and its impact in creating an enabling framework for the women in Kenya. This led to the creation of the Women Enterprise Fund (WEF).

Endberg (1996: 61) for instance views it that, "the micro-economic frameworks were introduced to improve the status of the Kenyan citizens, yet they imparted negatively on the women. In effect women's participation in the formal sector employment has even remained low and more expansion has been experienced in the informal sector where most women have resorted to supplement their household incomes."

The Kenyan government has therefore stated its commitment on reversing the economic decline and mismanagement . contraction in per capita income and numbers living below poverty line through: Strengthening enterprises skills and market linkages: Improving business environment: and Enhancing access to Finance with an aim of deepening and expanding the reach of financial services and products through funds like Women Enterprise Fund (WEF). Youth Enterprise Fund .Constituency Development Funds etc.

In view of this, this study seeks to improve the global as well as national initiatives in improving the livelihoods of women by assessing the socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya -Thika County. This because very little is known in regard to the socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya.

### **1.3 Research questions**

Based on the above background and problem statement the study seeks to answer the following questions:

1. What types of income generating activities are supported by WEF in Kenya with specific reference to Thika district?

2. Has Women Enterprise Fund has reached the target beneficiaries?
3. What is the socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya?
4. What challenges are faced by the Women Enterprise Fund in improving the livelihoods of women in Kenya?

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

The general objective of this study was to assess the Socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya with specific reference to Thika.

Specifically the study sought to address the following:

1. To ascertain types of income generating activities supported by WEF
2. To establish whether Women Enterprise Fund has reached the target beneficiaries
3. To investigate the socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya.
4. To establish the challenges faced by the Women Enterprise Fund in improving the livelihoods of women in Kenya.

#### **1.5 Justification of the study**

The process of decentralization is an integral factor in the attainment of sustainable human development goals. The achievement of development targets hinges largely on a society's quality of governance. Fundamental principles of good governance include respect for human rights, political openness, participation, tolerance, administrative and bureaucratic capacity and efficiency. Many developing countries have adopted decentralization strategies for effective

service delivery to varying degrees. Decentralized funds can have far-reaching consequences on the economy and livelihoods of the people at the grassroots level.

As the practice of decentralized development funding gains momentum, many stakeholders have become involved in developing strategies for the management of these funds. This study therefore sought to contribute to improved management of decentralized funds in Kenya and by assessing the Socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya with specific reference to Thika.

While there have been piece-meal decentralization efforts in Kenya since independence, central planning has been the dominant practice: economic development was formulated, financed and implemented through central planning and was characterized by bureaucratic management of public resources. Under this dispensation, the Kenya government has made significant developments with regard to decentralization, with a number of initiatives making provision for the lower levels of resource reallocation including Constituency Development Fund (CDF). Local Authority Transfer Fund (LATF). Roads Maintenance Levy Fund. Water Services Trust Fund. Free Primary Education. Bursary Funds. HIV/AIDS fund among others not forgetting the rolling out of the most recent - Women Enterprise Fund. These decentralized funds are administered at the local authority, district, constituency and other lower levels, and were established in the belief that local level governance has a better understanding and is more accountable to local demands and aspirations.

The inspiration behind this study is that much has been done on most of these decentralized funds ranging from Constituency Development Fund (CDF), Local Authority Transfer Fund (LATF). Roads Maintenance Levy Fund. Water Services Trust Fund. Free Primary Education. Bursary Funds. HIV/AIDS but very little in line of academics, has done if any. on Women Enterprise Fund (WEF) since the fund's rolling out in year 2007. The researcher therefore found it justifiable to conduct a research on the Socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya with specific reference to Thika.

## **CHAPTER 2: LITERATURE REVIEW**

### **2.1 INTRODUCTION**

This chapter presents literature review and theoretical framework. Literatures regarding concepts that are pertinent to the study topic were reviewed. The key concepts included Women in Development (WID), Gender and Development (GAD), WEF as a decentralization initiative among others. Social Cognitive Theory of gender and development, Feminism Theory & Women Empowerment and decentralization theory were examined. The literature is derived from studies conducted by different scholars.

#### **2.1.1 Women and Development**

The seeds of women and development were planted during the 1950s and 1960s. However, Activism started as early as the ancient Greece mainly on the issue of sexuality. By the 18<sup>th</sup> century, activism on property and voting rights was rife. By 1864 to 1869 an Act was passed in England called Married Women Property Act which gave women legal identity to co-own property with their husbands. By 1916 and 1920 in England and America respectively, women were granted the equal rights as men to vote (Emily Allen and Lugo.D.E. 2002). The evident theme running in these developments is that women have not been treated equally as men even during the early centuries.

In 1947, after the formation of the UN, The Commission on the Status of Women (CSW) was established with the aim of monitoring UN activities on behalf of women. The efforts of the commission were limited to legal issues of Human Rights. By 1950s and 1960s, a large number of countries were freed from colonialism. Women from these newly independent countries took delegates to the UN and challenged the legalistic agendas of CSW and raised development oriented issues. e.g. at the beginning of 1960s, women from East African countries, led by Margaret Kenyatta met at a seminar to adopt strategies aimed at reaching their goals (E. Barribeau et al. 2000). In the 1970s, the UN General Assembly reviewed the results of the 1<sup>st</sup> development decade of the 1960s. It was found that the industrialization strategies of the 1960s had been ineffective and that it worsened the lives of the poor and women in 3<sup>rd</sup> world countries.

In the 2<sup>nd</sup> development decade of 1970s, the UN designed strategies to bring about sustainable development. Around the same time the feminist movement in the West was also coming up and the two contributed to the ideas of women inclusion in development and advocated for equal enjoyment of human rights by both men and women. Women and development as an approach was born, its pivot being that both men and women must be lifted from poverty and both men and women must contribute to and benefit from development efforts (Synder and Jaddesse, 1995:6)

The first International Women Year was declared by UN in 1975 and celebrated in Mexico City. The 1976-1985 period was marked as the UN decade. The Mexico Conference marked the birth of the Global Women Movement, and sparked the formation of institutions and networks worldwide as women and development became an area of specialization in the development arena. At national levels, national machineries were formed: new women organizations and networks were also established.

Women in Development (WID) approach was fronted in the 1970s and 1980. The approach aimed at involving women in development and implementation of women specific projects. This overworked women and isolated them further.

In the late 1980s, the Gender and Development (GAD) approach was born to deal with the inadequacies of the WID approach. Its aims were to include men and women in development and recognized the different roles and relations between men and women as ascribed by the society they lived in. The GAD approach objective was to mainstream men and women issues in development activities.

Various gender analysis tools were developed for planning gender responsive projects. They include among others 24-hour activity profile, which analyzes what men and women do in a day. This helps the planner to know whether proposed technological change will increase, displace or change timing of male and female tasks, and check whether increase in task commensurate with the benefits. Access and control profile framework is used to analyze what women own and control, or have access to. Sarah Longwe from Zambia developed an Empowerment framework, which is used to evaluate women participation in projects. She asserts that there is unequal

power relation between men and women in every society. She developed criteria to analyze empowerment which include five hierarchical levels;

- a) Welfare level is when projects meet practical need of women and they are passive participants and women empowerment cannot take place.
- b) Level of access: ask questions like what access do women have to resources? This where one recognizes unequal access to resources and factors hindering access.
- c) Level of concretization. which is about awareness and attitude.
- d) Levels of participation: is about equal participation in development processes
- e) Level of control: participation will lead to control over factors of production, and distribution of benefits of development.

Equality of control means balance of power relations between men and women. Women will have power alongside men to influence their destiny in their society. The five levels are interlinked in that equality in control enables women to gain improved access to resources and therefore enable improved welfare for themselves and their children. These gender analysis tools have sharpened over the years.

Gender issues form part of the Millennium Development Goals(MDGS) that were developed in year 2000 by UN. Governments and other stakeholders and sets development targets needed to be achieved by year 2015. While all the eight goals are applicable to men and women.

and boys and girls MDG3 is specifically applicable to this study, put verbatim it reads: "promote gender equality and empower women"(Source MDGS).

The MDGS and other International Women Empowerment Instruments present opportunities that can be harnessed to enhance the achievement of gender equality and women empowerment. In Kenya for example. MDGS Needs Assessment gave specific allocations of resources to the goal of gender equality and women empowerment through national machineries like National Commission on Gender and Development . and Ministry of Gender. Sports and Social Services (FIDA Annual Report 2005).The machineries can use the opportunity provided by MDGS to ensure stronger public commitment to gender equality through earmarking of funds for needs of women in all the departments and line ministries. The government of Kenya for example through the ministry of Gender. Children and Social development established the WEF in year 2006.



### **2.1.2 Kenya's experience on Women and Development**

The government of Kenya participated in the first Un conference on women in Mexico in 1975. This provided the impetus to advance women agenda to a higher level .After the conference .the government established Women Bureau in 1976.under the Ministry of Culture& Social Services. The responsibilities of the women bureau included policy formulation, implementation and evaluation, co-ordination of all government initiatives and program of women, gender disaggregated data collection and analysis for policy & programmes, and liaise with other actors working on women issues. The bureau implemented women specific projects like Nutrition .Family Planning and Income generation activities(IGAS).The bureau collected gender disaggregated data which was used for planning gender responsive projects and trained many government staff, first on women development concept .and later on gender and development approach.

With the evolving social systems and development paradigm shift, the Kenya government strategies needed to be changed. Gender relations changed because of increase in levels of education . social organizations and legislation to mention but a few. The population was growing and the number of female headed households was also on the increase due to widowhood attributable to HIV/AIDS. The poverty level was on the increase due to globalization and SAPS(Structural Adjustment Programmes) . as well as climate change. It is against this background that the government developed the National Gender and Development policy(2000). to provide a coherent and comprehensive framework to guide different sectors and actors in development for effective resource use.

Based on the past experiences of the government. Non-governmental Organizations, donor communities and women organizations themselves, the policy broadly recognizes that development initiatives impact differently on men and women, and it is the right of men. women, boys and girls to participate in and benefit from development and other initiatives. The policy calls upon different actors to employ empowering strategies, between men and women to the achievement of gender equality(National Gender and Development Policy.2002;3-4).Overall, the policy aims at mainstreaming gender in all sectors .In 2006 .the government translated the policy into Sessional Paper No.2 of 2006 on Gender. Equality and Development .May 2006

Furthermore, the government has identified policy implementation and resource mobilization Framework. The gender policy will be implemented in a collaborative manner. Institutions with clear mandates have been set up, namely: The Ministry of Gender, Sports, Culture and Social Services; Women Bureau have been elevated to Gender Department; all government ministries are expected to establish gender divisions; and the National Commission on Gender and Development was established by an Act of Parliament in January 2004. The Commission is an oversight body for gender mainstreaming performance of all government institutions, as well as participating in national development and policy formulation.

Government has also undertaken policy commitments in various national development plans and sector plans. The National Assembly has adopted the implementation of Beijing Platform For Action in November 1996, as well as legislative amendments. In the education sector, free primary education for all; re-entry of girls' mothers back into school was introduced; Sexual Offences Act discussed and passed; and Appointments of women to key positions based on affirmative action; and then we see the launching of Women Enterprise Fund in 2007

### **2.1.3 A Brief Situational Analysis of Women- IPU Inter Parliamentary Union**

According to the Inter-Parliamentary Union (IPU) which works for the enhancement and strengthening of democracy through the institution of parliament, women constitute up to 16.3% of the World's Parliamentarians. This means that out of 43,961 parliamentarians 195 are women. This percentage is very low given the population of women in the world which is over half of the total human population.

Kenya is worse when compared with other African countries with only 8.1% of women in current parliament, out of which 10 were elected and 8 nominated. In 2003, Rwanda replaced Sweden as the champion in this respect, following the election of women to nearly half the seats in its National Assembly. In fact, over these ten years, women's parliamentary representation in Rwanda increased by almost 32 percentage points, to 48.8 percent. At the other extreme, the greatest setbacks were encountered in Chad and Bangladesh, where women's representation fell by 10.6 and 8.6 percentage points, respectively.

Positively, the percentage of parliaments with a substantial proportion (30 percent or over) of women members has increased threefold over the past ten years (from 2.4 percent in 1995 to 6 percent in 2004) while the percentage of parliaments where less than 10 percent of representatives are women has fallen by nearly half (to 37 percent from 63.5 percent in 1995). Worldwide, the number of parliaments in which there are no women has not changed dramatically. Ten years ago, there were 12 countries with no women in parliament. Today (as of August 2005) there are nine, in just two regions, the Pacific and the Arab world.

Much of this is linked to the evolution of democracy in these two regions. Women in Kuwait were only granted the right to vote in May 2005. While women in Saudi Arabia voted for the first time ever in 2005 to elect local representatives, women were excluded from the exercise.

In circumventing the absence of a 'gender-sensitive culture', a number of countries have introduced affirmative action measures. These measures have been used not only to ensure women's presence in parliament, but also to implement commitments made under international instruments, including CEDAW. In the process of democratization, many nations emerging from internal conflict have succeeded in increasing the percentage of women in their new or restored parliaments. Recognizing the importance of including women in reconstruction processes and in cementing women's participation in new democratic institutions, various affirmative action measures were introduced. The reviewed national constitutions—of Kenya, Rwanda and Burundi, for example—now include provisions to reserve seats for women; in South Africa and Mozambique, quota mechanisms have been introduced by political parties.

Accepting that genuine democracy cannot exist without the equal participation of men and women in politics, the IPU has therefore been at the forefront of efforts to support women in this field. (<http://www.instraw.un.org>)

The number of women represented in Kenya's local councils' has increased from 2.7% in 1992 to 13.3% in 2002 ( Sessional Paper on Gender Equality & Development 2006)

The government in 2006 observed that there are significant differences between women and men, boys and girls in participation, job mobility and in distributions of economic benefit (Republic of Kenya, 2006). Majority 80% of the rural population are women most of who are engaged in

farming and livestock rearing .Almost 70% of these women are employed in agricultural sector with little benefits such as regular salary .job security or insurance and housing.

Participation of women in modern sector has risen since independence but with no much gain in terms of increase in living standard as they are in lower cadres. Women access to and control over productive resources is low hence less access to credit as they lack necessary collateral .However with the promulgation of the new constitution in Kenya we hope to see great changes. The increase of micro-finance and group guarantee system has also enabled many women in urban areas to have access to credit .The government has pledged to undertake appropriate action to enable men and women to have equal access to economic resources and employment .For instance . the rolling out of the WEF in 2007.

According to the Kenya Economic Survey(2005) .52% of Kenyans were absolutely poor. The second report on Geographic dimension of well-being in Kenya .which formed the basis of CDF allocations, presented that the incidence of poverty among women in Kenya is slightly higher than among men. This is because women have less access to ownership of productive resources than men. This further led to the rolling out of WEF. The situation is relatively same world over.

The UN Human Development report of 1995 said that poverty has a woman's face .This is because out of 1.3billion people living in poverty, majority 70% are women .The global MDG monitoring report 2007 indicates that generally there is some growth in relation to indicators of MDG3 promoting gender equality and women's empowerment. Girl's enrolments have risen especially in primary and secondary schools though in Sub-Saharan Africa less than a quarter of the countries have attained the target set in 2005. There is also modest increase in women's share of non-agricultural wage employment in 1990 to 2005. In all spheres of life women conditions are worse than men. However . most Governments of the world have recognized it and attempts are being made to address these unfortunate situations .It may take years to win but the battle for women's social and economic empowerment has to be continuously fought.

## **2.2 Gender And Development**

Gender and development is an interdisciplinary field focusing on the social relations between women and men in developing and transitional economies. The field has grown rapidly since the 1990s and includes "innovations in research, analysis, and political strategies brought about by

diversely located researchers and activists." as well as a set of practices and discourses that are institutionalized within multilateral organizations (such as United Nations agencies and the World Bank) and national governments (Cornwall et al. 2004. p. 2). Many line collections have been compiled on gender and development (Cornwall et al. 2007: Jacquette and Summerfield 2006: Beneria and Bisnath 2001: Jackson and Pearson 1998: and Visvanathan et al. 1997). There are also several excellent summaries tracing the intellectual and political evolution of this field from the 1970s to the 1990s (see Elson 1999: Bakker 1999).

The literature on gender and development originated in opposition to views common in the 1970s and 1980s that women were excluded from the development process and needed to be incorporated into mainstream policies, institutions, and programs. Early gender and development theorists critiqued the prevailing development paradigm that promoted market-led development and structural adjustment and stabilization packages as a response to debt and balance-of-payments problems, as well as the view that women should be integrated into a process that benefits a few and impoverishes many (Beneria and Sen 1982). In contrast to the earlier "women in development" literature, gender and development theorists had an explicit objective of social transformation, both of the ultimate aims and practices of development and of the relations between men and women (Jackson and Pearson 1998).

The feminist academics and activists who chose the language of gender used it in a particular way. Gender is a social construct that refers to the relations between women and men and reflects hierarchies among them, based not only on their biology, but also on their age, life-cycle position, ethnicity, race, income and wealth, and other features (Barker 1999). Gender relations change over time and vary across societies, but in all societies, they structure the division of labor and distribution of work, income, wealth, education, productive inputs, publicly provided goods, and the like.

Kate Young (1997) outlines six issues that characterize approaches used by gender and development scholars. (1) The focus is not on women per se but on gender relations, that is, relations between women and men in a variety of settings interlocked with other social relationships such as income, race, caste, and ethnicity. (2) Women are viewed as active agents, although they may not have perfect knowledge or understanding of the roots of discrimination

and subordination. (3) The perspective is holistic, and focuses on the reproductive aspects of social and economic life (caring for dependents), as well as the gendered social relations of production and distribution of goods and services. (4) Development is viewed as a set of complex processes involving economic, political, and cultural transformation over time and space that should aim to produce improvements in capabilities, freedoms, and living standards for individuals and societies. (5) Achieving gender equality and women's empowerment requires multiple approaches and strategies that will necessarily differ by circumstances. (6) The role of organization and collective action by women is central to the achievement of gender equality and women's empowerment.

Examining the field of gender and development since the 1990s requires an understanding of the global political economy at the turn of the century. Although globalization had accelerated, the patterns were uneven (Stiglitz 2002). Some countries, such as China and India, were growing rapidly while others, such as Ecuador and Bolivia, were growing only slowly. Many countries, especially those in sub-Saharan Africa, were experiencing negative growth (Birdsall 2006; Wade 2004). Although there is debate over whether global poverty has increased or decreased since the 1990s, analysts agree that a billion plus people were living on less than \$1 per day in 2000<sup>1</sup> (Reddy and Minoiu 2006; Chen and Ravallion 2004; UN Millennium Project 2005). The widening of income inequality both within and between countries, a series of environmental crisis from loss of species to global warming, growing religious fundamentalism, and violence and conflict also posed major development challenges (Milanovic 2006 and 2005; Melnick et al. 2005).

The concern over poverty, inequality, and differential economic growth led world leaders from 189 countries in 2000 to adopt the Millennium Development Goals (MDGs), a set of eight goals with related time-bound targets to reduce extreme poverty and its correlates by 2015 (UN Millennium Project 2005; Thorbecke and Nissanke 2006). The MDGs have become the global development policy paradigm for the early part of the twenty-first century and one of the key entry points for advocates of gender and development.

### **2.2.1 Gender Development and Poverty**

Reducing gender inequality and empowering women is the third Millennium Development Goal. In setting this goal, governments recognized the contributions that women make to economic development and the costs to societies of the multiple disadvantages that women face in nearly every country (Grown et al. 2005). As noted in the World Bank's *Engendering Development*:

In no region of the developing world are women equal to men in legal, social, and economic rights. Gender gaps are widespread in access to and control of resources, in economic opportunities, in power, and political voice. Women and girls bear the largest and most direct costs of these inequalities—but the costs cut more broadly across society, ultimately harming everyone. For these reasons, gender equality is a core development issue—a development objective in its own right. (World Bank 2001. p. 1)

Beginning in the 1990s, the concept of poverty broadened beyond a focus on shortfalls in income or consumption to lack of capabilities (e.g., education and health), lack of voice, lack of opportunities, and lack of dignity. When these broader criteria are factored in, females appear to be more vulnerable than males to the risk of poverty and vulnerability, although data limitations make it difficult to quantify the relative proportion of female poverty (Quisumbing et al. 2001). They also experience poverty differently than men (Razavi 1999; Jackson 1998)

Because of their responsibilities for social reproduction, as well as gender inequalities in ownership of assets and access to employment and productive resources, women find it harder than men to transform their capabilities into steady income streams that would allow them to escape poverty (Deere and Doss 2006; Cagatay 1998).

Early work on gender and poverty focused on female-headed households, identifying them as the poorest of the poor (Chant. 2003). In a meta-analysis of sixty-one empirical studies, Mayra Buvinic and Geeta Rao Gupta (1997) found that in thirty-eight studies, female-headed households were overrepresented among the poor. More recent work has debunked the notion equating female headship and poverty, noting the wide economic diversity of female-headed households in countries around the world and the heterogeneity of intra-household sharing rules.

which may disadvantage females in male-headed households more than females in female-headed households (Chant 2003).

Since poverty encompasses many dimensions other than earned income, including lack of public provision of goods and services, access to common property resources, and voice in political processes and decision-making, poverty reduction strategies need to be multidimensional. Within the context of the MDGs, Caren Grown and colleagues (2005) recommend seven strategic priorities to achieve gender equality in the context of poverty reduction, including strengthening opportunities for post primary education for girls, guaranteeing sexual and reproductive health and rights, investing in infrastructure to reduce women's and girls' time burdens, securing women's and girls' property and inheritance rights, eliminating gender inequality in employment by decreasing women's reliance on informal employment and closing gender gaps in earnings, and significantly reducing violence against girls and women.

### **2.2.2 Gender and Development on Women's Empowerment**

The concept of empowerment was first presented in the 1970s by Third World feminists and women's organizations. The aim of the concept was to give a framework to and facilitate the struggle for social justice and women's equality through a transformation of economic, social and political structures on both national and international levels. This definition of empowerment is called the transformative approach. In the 1990s the empowerment concept began to have other, diverse interpretations. (Bisnath & Elson 1999).

The concept of women's empowerment features prominently in the gender and development literature, and many development interventions not only aim to increase income and assets but also to empower women. The World Bank's sourcebook on Empowerment and Poverty Reduction (Narayan 2002) defines empowerment as the expansion of freedom of choice and action. Feminist scholars point out that women's empowerment encompasses unique additional elements. Women are not just one group among several disempowered subsets of society, but are spread throughout all categories of disadvantage, including race, caste, ethnicity, and class. Second, the household and interfamilial relations are a central locus of women's disempowerment in a way that is not true for other disadvantaged groups (Malhotra et al. 2002). At the same time, empowerment requires systemic transformation in household relations, social



norms, and market and government institutions (Kabeer 2001). Although the idea of empowerment is most often seen to have Southern origins, it is argued to be related to the rise of individualism, consumerism and personal achievements as cultural and economic goals (Oxaal. 1997: Rowlands. 1998). Hence empowerment is often understood as an individualistic process, which makes it more familiar to individualistic Western (or Northern) culture than to collectively oriented African culture. Rather often empowerment is studied in Third World countries with individualistic concepts, although in African societies it would be more appropriate to focus on collective empowerment. The initial theoretical framework of the original concept of women's empowerment from Third World feminists in 1970s argued that women have to challenge oppressive structures and processes on both the individual and collective levels (Bisnath & Elson 1999).

Access to employment and income are a critical component of poverty reduction and women's empowerment. Women's participation in paid employment has increased everywhere since 1990. but there is still a large gap between female-male activity rates in most regions. Most analysts attribute the increase to opportunities provided by globalization and structural changes, including commercialization of agriculture, industrialization, and the replacement of unpaid provision of services by women in families and communities by the paid provision of services by women employed in both the public sector and private firms (Standing 1999). Controlling for long-term economic development. Cagatay and Ozler (1995) find that structural adjustment policies and export-oriented growth lead to a feminization of the labor force.

As the International Labor Organization (ILO 2007) points out, indicators of paid employment (such as labor force participation rates or the female share of paid nonagricultural employment) show little about the likelihood of being employed or having decent work. In almost all regions, the female unemployment rate is higher than the male rate, occupations are sex-segregated, and gender gaps persist in earnings. Women predominate in informal employment—job that lack formal contracts, security, benefits, or social protection (ILO 2002). The average earnings from informal employment are too low. in the absence of other sources of income or social protection policies, to raise households out of poverty (Chen et al. 2005). And the conditions of informal employment perpetuate the financial dependency of women wage earners on male relatives and partners because they do not earn enough in informal employment to support themselves and any

children they may have (Chen et al. 2006). Available evidence suggests that women and girls spend more time on unpaid work than men and boys, and when both paid and unpaid work is taken into account, women and girls have a longer working day than men and boys. Jacques Charnes (2006), for instance, finds that females in Benin spent 7.5 hours a day in paid employment compared to 5 hours a day for men in 1998, yet females spent almost 3.5 hours per day on unpaid work, while men spent just over 1 hour. Moreover, a number of studies suggest that women's performance of overlapping activities has intensified with globalization (Floro 1995).

According to Kabeer (2001), it is possible to think empowerment in terms of the ability to make choices. Thus disempowerment means the lack of choice. For her, empowerment is a process where disempowered persons who have been denied the ability to make choices acquire such an ability. In this definition the process of change is underlined. In order to be empowered people have to be disempowered in the first place. A further distinction is made between strategic life choices and second-order or less consequential choices. The strategic life choices constitute the defining parameters of the quality of one's life. Thus empowerment is "the expansion in people's ability to make strategic life choices in a context where this ability was previously denied to them". (Kabeer 2001). Women's inferior situation may seem to result from their own choosing or not choosing.

Women have internalized their status as persons of lesser value and they lack power to make choices. (Kabeer 2001) Thus the ability to make choices is required in addition to mere choices in order to empower women. An enabling environment and the conditions for women's empowerment are also required: they include participatory democracy, critical self reflection and collective action (Bisnath & Elson 1999). The individual nature of empowerment stems from its definitions: most typically it is defined with individual attributes such as agency, self-reliance and awareness. In order to engage also structural changes, definitions should include structural measures.

### **2.3 Decentralization**

The term "decentralization" embraces a variety of concepts which must be carefully analyzed in any particular country before determining if projects or programs should support reorganization

if financial, administrative, or service deliver}- systems. Decentralization—the transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organizations and/or the private sector—is a complex multifaceted concept. Different types of decentralization should be distinguished because they have different characteristics, policy implications, and conditions for success.

Decentralization may be classified into political, administrative, fiscal, and market decentralization. Drawing distinctions between these various concepts is useful for highlighting the many dimensions to successful decentralization and the need for coordination among them. Nevertheless, there is clearly overlap in defining any of these terms and the precise definitions are not as important as the need for a comprehensive approach.

### **Political Decentralization**

Political decentralization aims to give citizens or their elected representatives more power in public decision-making. It is often associated with pluralistic politics and representative government, but it can also support democratization by giving citizens, or their representatives, more influence in the formulation and implementation of policies. Advocates of political decentralization assume that decisions made with greater participation will be better informed and more relevant to diverse interests in society than those made only by national political authorities. The concept implies that the selection of representatives from local electoral jurisdictions allows citizens to know better their political representatives and allows elected officials to know better the needs and desires of their constituents.

### **Administrative Decentralization**

Administrative decentralization seeks to redistribute authority, responsibility and financial resources for providing public services among different levels of government. It is the transfer of responsibility for the planning, financing and management of certain public functions from the central government and its agencies to field units of government agencies, subordinate units or levels of government, semi-autonomous public authorities or corporations, or area-wide, regional or functional authorities like the case of the WEF, CDF, LATF among others in Kenya.

The three major forms of administrative decentralization: - deconcentration, delegation, and devolution - each have different characteristics.

Deconcentration is often considered to be the weakest form of decentralization and is used most frequently in unitary states redistributes decision making authority and financial and management responsibilities among different levels of the central government. It can merely shift responsibilities from central government officials in the capital city to those working in regions, provinces or districts, or it can create strong field administration or local administrative capacity under the supervision of central government ministries.

Delegation is a more extensive form of decentralization. Through delegation central governments transfer responsibility for decision-making and administration of public functions to semi-autonomous organizations not wholly controlled by the central government, but ultimately accountable to it. Governments delegate responsibilities when they create public enterprises or corporations, housing authorities, transportation authorities, special service districts, semi-autonomous school districts, regional development corporations, or special project implementation units.

A third type of administrative decentralization is devolution. When governments devolve functions, they transfer authority for decision-making, finance, and management to quasi-autonomous units of local government with corporate status. Devolution usually transfers responsibilities for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions. In a devolved system, local governments have clear and legally recognized geographical boundaries over which they exercise authority and within which they perform public functions. It is this type of administrative decentralization that underlies most political decentralization and more so the most crucial for the purposes of this study.

### **Fiscal Decentralization**

Financial responsibility is a core component of decentralization. If local governments and private organizations are to carry out decentralized functions effectively, they must have an adequate level of revenues -either raised locally or transferred from the central government- as well as the

-authority to make decisions about expenditures. Fiscal decentralization can take many forms, including a) self-financing or cost recovery through user charges, b) co-financing or co-production arrangements through which the users participate in providing services and infrastructure through monetary or labor contributions: c) expansion of local revenues through property or sales taxes, or indirect charges: d) intergovernmental transfers that shift general revenues from taxes collected by the central government to local governments for general or specific uses: and e) authorization of municipal borrowing and the mobilization of either national or local government resources through loan guarantees. In many developing countries local governments or administrative units possess the legal authority to impose taxes, but the tax base is so weak and the dependence on central government subsidies so ingrained that no attempt is made to exercise that authority.

### **2-3.1 Decentralization Funds in Kenya**

The government of Kenya has put in place a decentralized system of funding development projects at the grass root level .Such funding mechanisms include Local Authority Transfer Fund(LATF).Secondary School Education Bursary Fund(SEBF).Road Maintenance Levy Fund<RMLF).HIV/AIDS Fund. Free Primary Education (FPE),CDF.WEF among others (Musvimi .2005).

Decentralized funds are based on the premises that the government at the local level has better understanding of community needs and is more capable of delivering improved . responsive and relevant services .Decentralized funds in Kenya are established to:

- Increase community participation and decision making where local affairs are concerned.
- Enhance government transparency as more people become aware of these funds
- Speed up government's responsiveness and improve the quality of its service delivery and"
- Try to bridge the gap between development of urban and rural areas

Decentralized funds in Kenya have challenges that have prevented them from attaining their full potential .In a survey done by KIPPRA (2006). shows that community awareness and

involvement leaves a lot to be desired. In many cases, communities are not involved in project identification processes and even so in decision making and monitoring (Musyimi, 2005). As a result projects have been implemented that do not meet community priority hence waste of public resources. The management of funds is often characterized by lack of transparency and accountability in fund allocation. This has therefore resulted to, for example, MPs or local authority using the funds as a form of political patronage. Also the funds are poorly co-ordinated hence resulting in inefficiency. Generally, the funds are seen to have little impact on the lives of the members of community. Corruption and misappropriation has also been cited. The government must come up with new regulation and even restructure the current funds in order to ensure that the funds meet the need of the target beneficiaries. This study will endeavor to establish whether the WEF Kitty has any impact on the livelihoods of women in Kenya.

## **2.4 Theoretical Framework**

According to Abraham (1980:1) a theory is a conceptual scheme designed to explain observed regularities or relationships between two or more variables. It helps to guide research and serves as an inquiry tool. This study applied Social Cognitive Theory of gender development and differentiation, Rational Choice Theory, Feminism and Empowerment theories for guiding the study.

### **2.4.1 Social Cognitive Theory of gender development and differentiation**

Human differentiation on the basis of gender is a fundamental phenomenon that affects virtually every aspect of people's daily lives. This theory presents the social cognitive theory of gender-role development and functioning. It specifies how gender conceptions are constructed from the complex mix of experiences and how they operate in concert with motivational and self-regulatory mechanisms to guide gender-linked conduct throughout the life course. The theory integrates psychological and socio-structural determinants within a unified conceptual structure. In this theoretical perspective, gender conceptions and roles are the product of a broad network of social influences operating interdependent<sup>^</sup> in a variety of societal subsystems. Human evolution provides bodily structures and biological potentialities that permit a range of possibilities rather than dictate a fixed type of gender differentiation. People contribute to their

Self-development and bring about social changes that define and structure gender relationships through their agentic actions within the interrelated systems of influence. (Bussey, K., & Bandura, A. 1999).

Social Cognitive Theory of Gender Development addresses the psychosocial determinants and mechanisms by which society socializes male and female infants into masculine and feminine adults. Gender development is a fundamental issue because some of the most important aspects of people's lives, such as the talents they cultivate, the conceptions they hold of themselves and others, the socio-structural opportunities and constraints they encounter, and the social life and occupational paths they pursue are heavily prescribed by societal gender-typing. It is the primary basis on which people get differentiated with pervasive effects on their daily lives. Gender differentiation takes on added importance because many of the attributes and roles selectively promoted in males and females tend to be differentially valued with those ascribed to males generally being regarded as more desirable, effectual and of higher status (Berscheid, 1993). Although some gender differences are biologically founded, most of the stereotypic attributes and roles linked to gender arise more from cultural design than from biological endowment (Bandura, 1986; Beall & Sternberg, 1993; Epstein, 1997). This theory provides an analysis of gender role development and functioning within the framework of social cognitive theory and distinguishes it from other theoretical formulations.

Over the years several major theories have been proposed to explain gender development. The theories differ on several important dimensions. One dimension concerns the relative emphasis placed on psychological, biological, and socio-structural determinants. Psychologically-oriented theories tend to emphasize intrapsychic processes governing gender development (Freud, 1905/1930; Kohlberg, 1966). In contrast, sociological theories focus on socio-structural determinants of gender-role development and functioning (Berger, Rosenholtz, & Zelditch, 1980; Eagly, 1987a; Epstein, 1988). According to biologically-oriented theories, gender differences arising from the differential biological roles played by males and females in reproduction underlie gender-role development and differentiation (Buss, 1985; Trivers, 1972).

A second dimension concerns the nature of the transmission models. Psychological theories typically emphasize the cognitive construction of gender conceptions and styles of behavior within the familial transmission model. This model was accorded special prominence mainly as a

.-acy of Freud's emphasis on adoption of gender roles within the family through the process of Identification. Behaviorist theories also have accorded prominence to parents in shaping and regulating gender-linked conduct. In theories favoring biological determinants, familial genes are posited as the transmission agent of gender differentiation across generations (Rowe. 1994). Sociologically-oriented theories emphasize the social construction of gender roles mainly at the institutional level (Lorber, 1994). Social cognitive theory of gender-role development and functioning integrates psychological and socio-structural determinants within a unified conceptual framework (Bandura. 1986: 1997). In this perspective, gender conceptions and role behavior are the products of a broad network of social influences operating both in familial and in many societal systems encountered in everyday life. Thus, it favors a multifaceted social transmission model rather than mainly a familial transmission model.

While most theories of gender development have been concerned with the early years of development (Freud. 1916/1963: Kohlberg. 1966) or have focused on adults (Deaux & Major. 1987), socio-cognitive theory takes a life-course perspective. Therefore, in the following sections, the analysis of the socio-cognitive determinants of gender orientations will span the entire age range. Nor is the theory restricted predominantly to cognitive or social factors. Rather cognitive, social, affective and motivational processes are all accorded prominence.

School for example is the place where children expand their knowledge and competencies and form their sense of intellectual efficacy essential for participating effectively in the larger society. The self-beliefs and competencies acquired during this formative period carry especially-heavy weight because they shape the course of career choices and development. Even as early as middle school, children's beliefs in their occupational efficacy, which are rooted in their patterns of perceived efficacy, have begun to crystallize and steer their occupational considerations in directions congruent with their efficacy beliefs (Bandura et al., 1999). Stereotypic gender occupational orientations are very much in evidence and closely linked to the structure of efficacy beliefs. Girl's perceived occupational efficacy centers on service, clerical, caretaking, and teaching pursuits, whereas boy's judge themselves more efficacious for careers in science, technology, computer systems, and physically active pursuits.

The gender bias in the judgment and cultivation of competencies operates in classrooms as well as in homes. Teachers often convey, in many subtle ways, that they expect less of girls



academically. Teachers are inclined to attribute scholastic failures to social and motivational problems in boys but to deficiencies of ability in girls (Dweck et al., 1978). Girls have higher perceived efficacy and valuation of mathematics in classrooms where teachers emphasize the usefulness of quantitative skills, encourage cooperative or individualized learning rather than competitive learning, and minimize social comparative assessment of students' ability (Eccles, 1989).

The channeling of interests into different academic domains has a profound impact on career paths. Inadequate preparation in mathematics is an especially serious barrier because it filters out a large number of career options requiring this competency (Sells, 1982). The differential pre-college preparation stems, not from differences in ability, but from differences in support and encouragement from teachers, peers and parents to pursue quantitative and scientific coursework.

Gender biases also creep into career guidance functions. School counselors encourage and support the interest of boys in scientific fields, but many scale down girls' aspirations and steer them away from scientific and technical fields of study into vocational paths below their level of ability (Betz & Fitzgerald, 1987; Fitzgerald & Crites, 1980).

The family also plays an influential role in children's success in school (Steinberg, 1996). Parent's sense of efficacy to promote their children's development and the aspirations they hold for them affect their children's beliefs in their efficacy, their academic aspirations, perceived occupational capabilities and scholastic achievement (Bandura, Barbaranelli, Caprara, Pastorelli, 1996a, 1997). In longitudinal studies, Eccles (1989) found that parents generally subscribe to the cultural stereotype that boys are more naturally endowed than girls for quantitative activities, despite equivalent achievement in mathematics. The more parents stereotype mathematics as a naturally male domain, the more they underestimate their daughters' math ability, overestimate the difficulty of the subject for them, attribute their successes to dint of hard work, and discourage them from computer and mathematical activities.

Based on the patterning of perceived efficacy for different occupational pursuits, women tend to gravitate toward female-dominant occupations and shun male-dominated ones (Lent et al., 1994). The interplay of personal and socio-structural impediments create disparity in the distribution of women and men across occupations that differ in prestige, status and monetary return. All too

rien. this leads to devaluation not only of women's work but the "feminized" occupations as well (Reskin. 1991). When wives and husbands work in tandem, a now quite common pattern. The women's occupational pursuit tends to be regarded as a secondary career designed mainly to supplement the household income.

The recent years have witnessed vast changes in the roles women perform, but the socio-structural practices lag far behind (Bandura. 1997; Riley. Kahn. & Foner. 1994). Low birthrate and increased longevity creates the need for purposeful pursuits that provide satisfaction to one's life long after the offspring have left home (Astin. 1984). Women are educating themselves more extensively, which creates a wider array of options than was available for women in the past. Women are entering the workforce in large numbers not just for economic reasons but as a matter of personal satisfaction and identity. Many have the personal efficacy, competencies and interests to achieve distinguished careers in occupations traditionally dominated by men. While the constraints to gaining entry into such careers have eased, many impediments remain to achieving progress within them (Jacobs. 1989).

In social cognitive theory (Bandura. 1986: 1999). human development and functioning are highly socially interdependent, richly contextualized and conditionally manifested. In everyday life these different subsystem sources of influence operate interdependently rather than in isolation. The multi-causality and reciprocity of influences adds greatly to the complexity of disentangling functional dependencies and their changing dynamics over the course of development. Further progress in understanding the sources, social functions, and personal and social effects of gender differentiation will require greater effort to clarify the complex interplay of the various subsystems of influence within the larger societal context. However, people are not simply the products of social forces acting upon them. In the triadic reciprocity posited by social cognitive theory, people contribute to their self-development and social change through their agentic actions within the interrelated systems of influence.

## 2.4.2 Rational choice theory

Rational choice theory is also known as choice theory or rational action theory and is a framework for understanding and often formally modeling social and economic behavior. It is the main theoretical paradigm in the currently-dominant school of microeconomics. Rationality (here equated with "wanting more rather than less of a good") is widely used as an assumption of the behavior of individuals and is central to some disciplines such as sociology and philosophy. It attaches "wanting more" to instrumental rationality, which involves seeking the most cost-effective means to achieve a specific goal without reflecting on the worthiness of that goal. Gary Becker, 1992 was an early proponent of applying rational actor models more widely. He won the 1992 Nobel Memorial Prize in Economic Sciences for his studies of discrimination, crime, and human capital.

Rational choice theory uses a specific and narrower definition of "rationality" simply to mean that an individual acts as if balancing costs against benefits to arrive at action that maximizes personal advantage. For example, this may involve kissing someone, cheating on a test, buying a new dress, or committing murder. In rational choice theory, all decisions, crazy or sane, are postulated as mimicking such a "rational" process. Thus rationality is seen as a property of patterns of choices, rather than of individual choices: there is nothing irrational in preferring fish to meat only first time, but there is something irrational in preferring fish to meat and preferring meat to fish, regularly.

Rational choice theory assumes that individuals choose the best action according to unchanging and stable preference functions and constraints facing them. Proponents of rational choice models associated with the Chicago school of economics do not claim that a model's assumptions are a full description of reality, only that good models can aid reasoning and provide help in formulating falsifiable hypothesis, whether intuitive or not. In this view, the only way to judge the success of hypothesis is empirical tests (Allingham, Michael (2002)).

According to Kabeer (2001), it is possible to think empowerment in terms of the ability to make choices. Thus disempowerment means the lack of choice. For her, empowerment is a process where disempowered persons who have been denied the ability to make choices acquire such an ability. In this definition the process of change is underlined. In order to be empowered people

able to be disempowered in the first place. A further distinction is made between strategic life choices and second-order or less consequential choices. The strategic life choices constitute the defining parameters of the quality of one's life. Thus empowerment is "the expansion in people's ability to make strategic life choices in a context where this ability was previously denied to them". (Kabeer. 2001). Women's inferior situation may seem to result from their own choosing or not choosing.

Women have internalized their status as persons of lesser value and they lack power to make choices. (Kabeer. 2001) Thus the ability to make choices is required in addition to mere choices in order to empower women.

Rational choice theory has also become increasingly employed in social sciences other than economics, such as sociology and political science in recent decades (Bicchieri. Cristina, 2003). It has had far-reaching impacts on the study of political science, especially in fields like the study of interest groups, elections, behaviour in legislatures, coalitions, and bureaucracy. Models that rely on rational choice theory often adopt methodological individualism, the assumption that social situations or collective behaviors are the result of individual actions alone, with no role for larger institutions. (Bicchieri. Cristina. 2003). This then leads us to decentralization theory down from centralized systems.

### **2.4.3 Feminism Theory & Women Empowerment**

Feminism is a collection of movements aimed at defining, establishing, and defending equal political, economic, and social rights for women. In addition, feminism seeks to establish equal opportunities for women in education and employment. A feminist is "an advocate or supporter of the rights and equality of women.

Feminist theory, which emerged from these feminist movements, aims to understand the nature of gender inequality by examining women's social roles and lived experience: it has developed theories in a variety of disciplines in order to respond to issues such as the social construction of sex and gender. Some of the earlier forms of feminism have been criticized for taking into account only white, middle-class, educated perspectives. This led to the creation of ethnically-specific or multi-culturalist forms of feminism.

Feminist activists campaign for women's rights - such as in contract law, property, and voting - while also promoting bodily integrity, autonomy and reproductive rights for women. Feminist campaigns have changed societies, particularly in the West, by achieving women's suffrage, gender neutrality in English, equal pay for women, reproductive rights for women (including access to contraceptives and abortion), and the right to enter into contracts and own property. Feminists have worked to protect women and girls from domestic violence, sexual harassment, and sexual assault. They have also advocated for workplace rights, including maternity leave, and against forms of discrimination against women. Feminism is mainly focused on women's issues, but because feminism seeks gender equality, some feminists argue that men's liberation is a necessary part of feminism, and that men are also harmed by sexism and gender roles.

Feminist theory is the extension of feminism into theoretical or philosophical discourse. It aims to understand the nature of gender inequality. It examines women's social roles, experience, and feminist politics in a variety of fields, such as anthropology and sociology, communication, psychoanalysis, economics, literary, education, and philosophy. While generally providing a critique of social relations, much of feminist theory also focuses on analyzing gender inequality and the promotion of women's rights, interests, and issues. Feminist researchers embrace two key-tenets: (1) their research should focus on the condition of women in society, and (2) their research must be grounded in the assumption that women generally experience subordination. Thus, feminist research rejects Weber's value-free orientation in favour of being overtly political-doing research in pursuit of gender equality. Themes explored in feminism include discrimination, objectification (especially sexual objectification), oppression, patriarchy, stereotyping, art history and contemporary art, and aesthetics.

Empowerment per se is not a measurable variable, and there is disagreement whether it can be measured or not. Indicators used for its measurement are e.g. mobility, economic security, the ability to make purchases, involvement in major household decisions, and relative freedom from domination within the family, political and legal awareness, and involvement in political campaigning and protests (Ackerly 1995: 57; Hashemi et al. 1996: 638). UNDP has created the Gender Empowerment Measure (GEM), which examines whether women and men are able to participate actively in economic and political life and take part in decision-making. It is

concerned with the use of basic human capabilities to take advantage of the opportunities in life (UNIFEM 2000).

Whatever the indicators of empowerment are, they are interrelated: merely one indicator cannot be a criterion for empowerment if the other indicators show disempowerment. Likewise, when the goal is empowerment, the approach has to be holistic, not sectoral.

According to Kabeer 2001, empowerment does not need to be accurately measured, but indicators must indicate the direction of change. The UN indicator framework has three key indicators for global assessment of gender equality and the empowerment of women: the ratio of girls' to boys' enrolment in secondary education, women's share of parliamentary representation, and women's share of paid employment in non-agricultural activities (UNIFEM 2000, 65).

Empowerment as a goal in development policy is politically controversial. It may be difficult for donor agencies and governments to agree on empowerment as an explicit target of development programmes (Grown & Sebstad 1989, 944). Welfare, poverty and efficiency, concepts from the Women in Development framework, have long been established terms in development policy. Women's empowerment as a means is compatible with the Women Development framework, but as a goal it is rather unfamiliar with it. Women's empowerment requires a change in thinking and also in terminology: more relevant concepts are power and social injustice (Kabeer 2001). Women's empowerment is seen to be crucial for the sake both of human rights and justice on the one hand, and of prosperity and the economy on the other hand. Women's welfare is important not only to equity and empowerment, but also for national development. (Moghadam 1995)

In order to empower women and find remedies for inequalities between the genders it is crucial to analyze what women's subordination is based on: patriarchal relationships in the family or unequal gender relations in the market place, or as is usually the case, both of these. Usually gender relations in the market place or within the household are thought as the right channel to address the promotion of women's empowerment. But, like Bisnath and Elson (1999) remind us, too much compartmentalizing of empowerment into different components and formulating empowerment strategies may hinder the understanding of the realities of women's lives and the complexities of their subordination.

The **improved** socio-economic status of women is typically argued to be the ultimate goal of empowerment and the consequence of the ability to make choices and set options. Weil, 1992 presents two factors affecting women's standards of living in sub-Saharan Africa: the general economic conditions in the region, and the underlying gender relations which determine how the workload and benefits of development are allocated. The result is women's welfare: increase in income increases women's welfare and increase in workload decreases it. Further, the factors are argued to affect women's income by affecting access to income-earning assets, access to human capital and access to employment. There have been obstacles for women in accessing these factors, and the consequence is that women have not made use of development to the same extent than men. and sub-Saharan Africa has not utilized fully its resources in the fight against poverty.

The empowerment model according to Weil's model includes four levels:

dis)empowerment, resources and gender relations, incomes and workload, and socioeconomic status. The model does not present either empowerment or improved socioeconomic status as an end or an instrument: the interaction between (dis)Empowerment and the socio-economic status is reciprocal, empowerment is both the goal and the instrument. These four different factors can improve or undermine women's socio-economic status, and thus the two-way process can be empowering or disempowering. Gender relations, which can be constraining or enabling, include also women's access to and control over resources. The ability of income to improve a woman's socio-economic status is remarkably dependent on gender relations and the woman's ability to control the income.

The impact of economic development on women is somewhat debatable. The Women in Development (WID) tradition demonstrates three positions in the relationship between women and economic development: economic development is seen to integrate, marginalize, or exploit women. According to Moghadam, development has all these three effects on women. Nevertheless, he sees development having primarily emancipatory effects in the long run. (Moghadam 1990) Women's income-earning activities can emancipate them and/or add their participation to decision-making on household expenditures, and thus contribute to women's "rational gender needs." But on the other hand, women's participation in economic activities has in some cases led to greater exploitation. If income earning is a necessity, it is believed to offer

few emancipatory- perspectives for woman. (Chant 1997: Moore 1988). But, according to vr mquist 1995. work outside the household is always an opportunity for women. Working 'men, even in an inferior situation and with a small income, are presumed to have a greater >nse of control over their lives and more power and control over resources within the family ;r.ji non-working women. Even though work outside the household often means a double burden of work for women, access to work increases a woman's economic independence and thus brings a higher level of general independence.

A woman as a non-economic actor is often seen to be a product of capitalism. In Africa work has been a responsibility and an obligation for women, rather than a right. In this respect any kind of work in any kind of conditions is not empowering for women. W'ork can also be disempovering, and it can require and exploit all of a woman's resources. In poor conditions work can be a necessity, which still is not able to help women out of poverty. Work, high employment or participation in income-earning activities has been sometimes used incorrectly as an indication of women's empowerment without proper study of other features. For many households, especially in low - income groups, women's contribution through their activities in the informal and formal sectors and housework provide most of their subsistence (Ward. 1993).

Particularly the rise of the informal economic activities is seen to provide remarkable benefits for poor women. Women's employment opportunities in the informal sector have expanded their decision-making power in families and business, promoted new skills and self confidence in business and public life (Swantz. 1995). It is argued that women's lack of empowerment in patnarchal societies is due to their relative lack of participation in the so-called gainful economic activities, i.e. income-earning activities outside the household. This disempowerment or powerlessness entails in turn women's inferior bargaining power in so called co-operative conflicts. The term co-operative conflict comes from Sen's bargaining model that examines the process of intra-household decision- making and power relationship between men and women. The model is based on the assumption that in intra-household decision- making situations it is in the interest of both men and women to co-operate, but a conflict of interest is also involved: therefore, the proces^Ts"" called' (To-operative conflict. Co-operative conilict includes also a bargaining problem within the household, i.e. there are problems of the division of labour and



Tensions among the adult members of the household. Co-operative conflicts occur typically in nuclear households, because there men and women have both common and separate interests.

Sen (1987;Osmani ,1998) sees two ways in which women's income-earning activities can affect the situation of a woman and her family. The first possible outcome is the enhancement of the over-all command of the household, and the second is an increase in the woman's share of the household command. Earnings can give woman a clearer perception of her individuality and wellbeing and/or a higher perceived contribution to the economic position of the family. And vice versa, women's empowerment has a critical effect on their economic gains (Grown & Sebstad 1989. 947). Women's economic activities and earnings outside the household are relevant to the nature of freedom, power and status women enjoy vis-a-vis adult men. since they will influence the perceptions of who is contributing to the family. Independent life and income outside the home has also social effects, which are important in terms of earnings and support. (Sen 1987: Osmani, 1998)

Women themselves usually see the connection between employment on the one hand and social and economic autonomy on the other hand. For married women working outside the home is a strategy to gain more economic and social independence from men.

Still, economic activities as empowerment or subordination are related to the more general structures of inequality and women's liberty to control their income. Entering into business is not the only constraint women have in struggling for livelihood and wellbeing: it is more difficult for them than for men to render labour into income, income into choice and choice into personal wellbeing (Kabeer. 1996).

The control over economic resources is the key issue in the equality between the genders. Often power is considered in terms of access to and control over resources. Thus control has become the most significant aspect of empowerment and an important aspect of strategic gender needs. Control over oneself and one's own life forms the foundation for empowerment: one definition of "empowerment is in fact a person's control over the key resources or aspects in his/her life. The ability to control one's own life and key resources is identified as the most important factor influencing women's status. Control can be operationalised in terms of having a say in relation to the resource in question or have a choice over its use. Concepts access, ownership, entitlement and control are often used interchangeably: control and access are defined as "having a say in

**decisions** related to particular resources within the household". Access to resources will alter into empowerment only if women are able to act on these resources in some definitive way. (Kabeer : <math>\Leftrightarrow</math> **Mayoux 1999**). Control over material and non- material (informational) resources means, in practical terms, also access to them, but a person may have access to resources without control **over** them. Control over resources is considered to be a critical ingredient in empowerment. In Blumberg's analysis (**1989**) control over economic resources and other means of production is seen to be strategic in women's empowerment and gender equality. The relevant aspect of the theory is relative male/female economic power: the degree of control over key resources conceptualizes women's relative economic power, and the degree of control over surplus allocation is more significant than the degree of control over basic resources.

## **CHAPTER THREE: RESEARCH METHODOLOGY AND DESIGN**

### **3.1 Introduction**

This chapter presents the research methodology which was used in the study. The researcher specifically aimed at explaining the methods and tools that were used to present data. It described the research design, target population, sample design and procedure, and data collection instruments and data analysis techniques.

### **3.2 Site Description**

Thika District is an administrative district in the Central Province of Kenya. Thika is a market town in Kiambu County. located 46 km North East of Nairobi City. Thika is home to the Chania Falls and the Thika Falls. 01 Donvo Sabuk National Park lies south east of Thika town. Its capital town is Thika. The district has a population of 645.713 .The district is predominantly r-ral. but its urban population is soaring as Nairobi is growing rapidly. Kikuvu are the dominant "jibe in the district (2009 census). Its Administrative divisions include Gatanga. Gatundu. Kakuzi. Kamwangi (Gatundu north). Ruiru (Juja) & Thika municipality.

Thika district is the prime pineapple-growing region in Kenya. In terms of Education, several colleges are found in Thika town including the Mount Kenya University. Some major banks like Co- Operative Bank. KCB. Chase Bank. Equity Bank & Bank of Baroda are also found in Thika.

### **3.3 Research design**

Research design is the process of planning and carrying out the research study. It is a list of activities to be undertaken. The approach in this study was descriptive research design. A meaningful research depends on the methods used to gather data, and more so the researcher's ability to analyze and interpret the data.

Lovell and Lawson (1971) says that, descriptive research design is concerned with conditions that exist, practices that prevail, beliefs and attitudes that are held, processes that are ongoing and trends that are developing, making it appropriate for this study.

#### **5.4 Target Population**

The population of interest in this study consisted of all beneficiaries WEF and the key informants such as the District Gender and Social Development Officers (DG&SDOs) and successful business women within Thika Constituency. The population of interest consisted of women above 18 years of age and the key informants.

#### **5.5 Method of Data Collection**

In this study, survey research design was used. In survey research, the researcher interviews respondents in a population by administering a standardized questionnaire to them. The questionnaire, or survey, can be a written document that is completed by the person being surveyed, an online questionnaire, a face-to-face interview, or a telephone interview. Using surveys, it is possible to collect data from large or small populations (sometimes referred to as the universe of a study).

The beneficiaries of the WEF (women above 18 years of age) in Thika constituency and the key informants were interviewed to enable solicit in-depth information. A total population of 62 respondents was thus interviewed based on a list provided from the data bank of WEF office of Thika Constituency under Central regional office.

#### **3.6 Data Collection Instruments and Procedures**

The method that was applied during the data collection process was aided by a questionnaire and use of key informant guides. Data was collected by the use of questionnaires and key informant guides, from both the financed and the key informants. The questionnaires had both closed-ended and open-ended questions. Open-ended questions sought to allow for both quantitative and qualitative data to be collected. Closed-ended questions sought to allow for precision, and efficiency. This is according to Bernard (1988) and Prewit (1974).

The questionnaire method is viewed to be effective in eliciting information about a respondent's reception, feelings, anticipation and beliefs. This enables the investigation into private affair.

...hivh would be impossible to observe. This is according to Cook et.al (1962). Bernard (1988) and Moser (1969). A copy of the questionnaire is found in appendix II and that of the key informant guide in appendix III. The researcher was interested in finding out. "the socio-economic impact women enterprise fund on the livelihoods of women in Kenya with emphasis on Thika District'.

### **3.7 Data Analysis**

The data was analyzed using qualitative as well as quantitative methods of data analysis. This enabled the researcher to evaluate relationships between occurrences as well as explain the results of the study. The findings from the questionnaire and the key informant guide were therefore done in two parts. The first part entails the quantitative analysis which is done through tabular analysis, and the second part describes the socio-economic impact of women enterprise funds through a qualitative analysis. Qualitative data on the other hand was analyzed through content analysis.

### **3.8 Study limitations**

The researcher encountered various problems during the course of conducting her study.

language barrier; Being that the researcher came from a different ethnic community from that of her respondents, she encountered the problem of language barrier. This is because Thika being a rural set **up**. some respondents were not be literate enough to understand the questions well since the questionnaire were be written in English. The researcher then utilized the help of a translator who was able to understand both languages well in cases of need.

" time shortage was also yet another problem that arose. This because being a student and an employed person as well it was not easy for the researcher to find adequate time to conduct the research smoothly. Situations of time shortage also arose since some respondents especially the illiterate respondents took too long to understand and respond to some questions.

## **CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND INTERPRETATION**

### **4.1 Introduction**

This chapter focuses on data analysis and presentation of research findings. It utilizes descriptive statistics to illustrate the collected data. The findings from the questionnaire were presented as quantitative analysis which is mainly done through tabular analysis, as well as through qualitative analysis.

### **4.2 Characteristics of respondents**

The following is a descriptive analysis of the characteristics of the respondents in the study area based on the research questions.

#### **4-2.1 Marital status of women entrepreneurs**

According to the research methodology all the respondents interviewed were female. The findings show that among women entrepreneurs interviewed in Thika district, 72.6 percent are married, 24.2 percent are unmarried, 1.6 percent are widows and 1.6 percent are divorced. Hence, marital status is an important factor that has vital influence on women's socio-economic life. This implies that married women mainly engage in entrepreneurial activities in the study area. This could be driven by the fact that married women have a lot of financial needs as well as the desire for financial freedom and decision-making freedom within their households as informed by a key informant.

The collected data further indicates that after marriage women are gradually becoming interested to be involved in business and entrepreneurial activities. Widows and divorced women also become self-reliant by the entrepreneurship. Thus the need for WEF as a source for capital for business. This is illustrated in table 4.1 below.

**Tabk 4.1: Marital status of women entrepreneurs**

<b>Mjrital Status</b>	<b>No. of respondents</b>	<b>Percent</b>
Married	45	72.6
<b>Single</b>	15	24.2
<b>Divorced</b>	1	1.6
<b>Widowed</b>	1	1.6
Total	62	100.0

#### **4.2.2 Educational Qualification**

The study got some mixed results considering the educational qualification of women entrepreneurs, ranging from illiterate women to degree holders. As Table 4.2 below shows, the majority of women entrepreneurs have a relatively low level of education: 8.1 percent are illiterate. another 22.6 percent have only primary education. 17.7 percent have Secondary Education. and 19.4 percent Diploma level. However, given that 32.3 percent have a Graduate level of education, the higher educated women are over-represented in relative terms to the average education level of Thika women. This seems to encourage other women to engage in business. Education is no doubt a crucial element for every person to upgrade his/her position and for many women this is badly needed. As will be confirmed in Table 4.2 below, self-will is important to start a business, especially for a woman.

**Table 4.2: Educational qualification**

<b>Educational qualification</b>	<b>No. of respondents</b>	<b>Percent</b>
<b>illiterate</b>	5	8.1
<b>Primary Education</b>	14	22.6
<b>Secondary Education</b>	11	17.7
<b>Diploma level</b>	12	19.4
<b>Graduate level</b>	20	32.3
<b>Total</b>	62	100.0

### vector of investment

described the a few characteristics of the respondents above. I now embark on the J; - first objective which was to ascertain types of income generating activities supported by in Thika.

sr. nvn in Table 4.3 below, most women entrepreneurs in Thika are engaged in traditional eoiaie businesses (like farming, beauty parlor, boutique house, tailoring etc.). Indeed, most of h e m e n entrepreneurs (35.5 percent) are engaged in commercial farming, which is followed h beauty parlor (24.2 percent). On the other hand. 16.1 percent of the women are engaged in "iicr.ng. Very few of the women entrepreneurs are engaged in clothing businesses (6.5 percent • all respondents). This data indicate that in Thika district women are investing in different actors. The most probable reason why these women engage in these traditional businesses could >e because of low start -up capital .They could also be too conservative and would not want to ri<k and engage in large modern businesses.

**Table 4.3: Sector of investment**

<b>Sector of investment</b>	<b>No. of respondents</b>	<b>Percent</b>
Fanning	22	35.5
Cloths <b>business</b>	4	6.5
Boutique <b>house</b>	10	16.1
Beauty <b>Parlor</b>	15	24.2
aUoring	10	16.1
Others	1	1.6
Total	62	100.0

table 4.4 below shows that sole ownership is the dominant type of investment among the women -'trepreneurs in Thika. Among the enterprises. 83.9 percent are owned by an individual, and • 16.1 percent are jointly owned. This seems to indicate that in Thika district most of the Ten entrepreneurs want to run their business by themselves.



**Tibk 4.4: Type of investment**

<b>Ttpe of investment</b>	<b>No. of respondents</b>	<b>Percent</b>
Sole investment	52	83.9
.bint v enture	10	16.1
Total	62	100.0

#### **4.4 Socio-economic impact of women enterprise fund on the livelihoods of women**

The second objective of the study was to investigate the socio-economic impact of Women Enterprise Fund on the livelihoods of women. Respondents were asked some questions to bring : ?ear answers that could allow for interpretation of the same.

##### **i.4.1 Monthly profit from business**

LIQU: profit no business can run. This is especially true for women entrepreneurs, where profit is related to their self reliance. As Table 4.5 below shows, most of the entrepreneurs (38.7 percent > make monthly profits within the range of Kshs. 1. 000-10.000. However, there also were 6.[ percent who had monthly profits of more than Kshs.40, 000.00. Among the IOrespondents \*bo earned more than Kshs.40, 000.00. some of them earned even more than Kshs.60. 000.00 per month. Hence, monthly incomes of women entrepreneurs are very uneven. According to a tey informant, this variation in profits could be as a result inadequate training on business "anagement skills and therefore re-investment for business growth was therefore wanting.

#### Figure 4.5: Monthly profit from business

Monthly profit (Kshs.)	No. of respondents	Percent
1,000.00 to 10,000.00	24	38.7
10,001.00 to 20,000.00	15	24.2
20,001.00 to 30,000.00	8	12.9
30,001.00 to 40,000.00	5	8.1
40,001.00 and above	10	16.1
<b>Total</b>	<b>62</b>	<b>100.0</b>

"I came from having nothing to owning and running my business." says, a 35 year-old successful business woman who is a poultry farmer, who has four daughters, and lives on the outskirts of Thika town.

At a young age, following the trend of rural-urban migration, she moved to Nairobi looking for a better life. Faced with high standards of living and scarcity of jobs, along with her husband she soon returned to her rural home. On their small plot of land, they grew just enough food to feed themselves, hardly making ends meet. In 2008, she began poultry farming business with the little capital she had got from WEF with the hope of increasing their family income. The business actually broke even and she still feels that it could only reach its full potential if they sought formal training on business management. With a monthly profit of over K.shs.30,000.00 she feels she is doing well but can still do better.

#### 4.4.2 Use of income from business

The uses of women entrepreneurs' income are used in several ways. Among the women entrepreneurs interviewed, 51.6 percent expend their income in family expenditure which means they are contributing to their family to a large extent. On the other hand only 3.2 percent women entrepreneurs spend their income for their own purpose. An inspiring matter is that a large proportion of women entrepreneurs (45.2 percent) reinvest their income in their business, which implies that they are eager to expand their business as shown in Table 4.6 below.

**Table 4.6: What do you do with your income?**

Use of income	No. of respondents	Percent
Spend in family purpose	32	51.6
Spend for self purpose	2	3.2
Invest in the business	28	45.2
Total	62	100.0

Women being the backbone of rural economies in Kenya and Africa as a whole, play a significant role to ensure their families' well being. One of the objectives of the Women in Business and Investment project according to a key informant is to increase capacity and motivation of women to take on new and challenging roles at higher levels coupled with the zeal to perform satisfactorily. This particular key informant has managed to perform beyond expectations, making a monthly revenue of Kshs. 30,000.00 from the sale of her poultry alone notwithstanding the fact that she engages in other farming activities.

According to her, instinctively, women opt to invest their earnings in the education of their children. They understand the value of a good education especially of the girl child having learnt from their own experiences. Two of her daughters have completed their secondary education. She smiles at the thought that all her children shall be able to go on to university, which was once an unattainable dream.

**4.4.3 Seek permission of husband to use income**

In the patriarchal African society many women have to seek permission from their spouses at every step of their life. However, this study provides a totally different scenario among women entrepreneurs. As Table 4.7 below shows, most of the women entrepreneurs (79 percent) did not need to seek any permission from their male counterpart to use their own income. On the other hand, the remaining 21 percent had to depend on their husband's opinion for utilizing their income. So it can be opined that overall, women entrepreneurs are enjoying their right in financial sectors. This is due to the fact that after starting the business, their status has been elevated in the family and in the society thanks to WEF. Now they can enjoy freedom in their vision making and also can contribute in family decision making. They can also now

. - --ate in the family economically. Thus the respect accorded to them by their spouses due to . re .ef that they can make wise independent decisions.

**Table 4.7: Seek permission of husband to use income**

<b>Permission of husband</b>	<b>No. of respondents</b>	<b>Percent</b>
Yes	13	21.0
No	49	79.0
Total	62	100.0

#### **4.4.4 Support from family in times of business crisis**

Crisis may arise at any step of any work. One has to cope with the situation with the help of his -ell wishers especially the role of the family is very important. From the study it is visible that i-Tiong the respondents most of the women entrepreneurs in Thika (96.8 percent) have got the Juppe:!! from their families while 3.2 percent could not manage the support as shown in Table 4.8 below. So it can be said that women entrepreneurs of Thika region enjoy total support toward ±eir business in crisis period which is very significant with the exception of a few.

Businesses of Thika women entrepreneurs are most often home-based due to the dual rsspnsibility of family and business. Hence, this dual responsibility is more easily achieved if -omen's businesses are close to their homes. Women entrepreneurs most often spend just as many hours in their businesses as men entrepreneurs: this means they face heavy workloads as 'hey still have to attend to their household responsibilities after a long day of doing business.

Among the respondents, their business do not affect their roles as spouse, parent or homemaker •ey much. These women experienced very low levels of work-family conflict in their spousal or "uren:al roles. Most of the time, their husbands or other family members encourage them to start and continue a business. According to them if they face any problem in continuing business, •heir husbands and family members help them in this occasion. Notwithstanding the economic jpport their businesses bring into the family their families should just try as much and support 'item.

<b>Table 4.8: Support from family in times of business crisis</b>		
<b>Family support</b>	<b>No. of respondents</b>	<b>Percent</b>
<b>Yes</b>	<b>60</b>	<b>96.8</b>
<b>No</b>	<b>2</b>	<b>3.2</b>
<b>Total</b>	<b>62</b>	<b>100.0</b>

#### **4.4.5 Type of behavior women entrepreneurs face from their family**

Support from the family toward any effort of women is very important to develop their own potential. In the context of women entrepreneurship in Thika, it is visible that among the respondents, 87.1 percent got encouragement from their family. On the other hand 3.2 percent were discouraged and 9.7 percent got no reactions from their family (Table 4.9). So it can be said that in Thika region most of the women entrepreneurs got family support to carry on their business. From the study it is also found that after starting the business their status has been increased in the family and in the society thanks to WEF. Now they can enjoy freedom in their decision making and also can contribute in family decision making. They can also now contribute in the family economically.

**Table 4.9: Type of behavior women entrepreneurs face from their family**

<b>Behavior of family</b>	<b>No. of respondents</b>	<b>Percent</b>
<b>Encouraging</b>	<b>54</b>	<b>87.1</b>
<b>Discouraging</b>	<b>2</b>	<b>3.2</b>
<b>Neutral</b>	<b>6</b>	<b>9.7</b>
<b>Total</b>	<b>62</b>	<b>100.0</b>

#### **4.4.6 Changes in behavior of family towards women entrepreneurs**

Women entrepreneurs are not accepted in an ordinary manner in our society. As a result, they have to face changed behavior even from their family. From the study it is visible that most of

•je women entrepreneurs 74.2 percent have to go through behavioral changes, while 25.8 percent faced no behavioral changes as illustrated in table 4.10 below. So it can be said that most women entrepreneurs of Thika district face different attitudes from their family members and relatives from when they engaged themselves in such activities.

**Table 4.10: Changes in behavior of family towards women entrepreneurs**

<b>Whether family Behavior changed</b>	<b>No. of respondents</b>	<b>Percent</b>
Ves	46	74.2
No	16	25.8
Total	62	100.0

#### **4.4.7 Changes in behavior of society towards women entrepreneurs**

The impact of society is very crucial in every person's life, especially in women's way of living. Table 4.11 below shows that. 95.2 percent of the women entrepreneurs interviewed faced a changed behavior from their societies, whereas 4.8 percent faced normal behavior. So it can be opined that in Thika District, women started to face a changed behavior of society after they engaged themselves in entrepreneurship.

A respondent said "mwanamke akitaka kuheshimiwa awe anaweza kujitegemea na kusaidia jamii yake."This implies that societal attitude change towards women entrepreneurs was mainly positive .This is because such women can now afford to be self reliant and sufficient. They can also afford to support their own folks.

**Table 4.11: Changes in behavior of society towards women entrepreneurs**

<b>Whether behavior of society changed</b>	<b>No. of respondents</b>	<b>Percent</b>
Yes	59	95.2
No	J	4.8
Total	62	100.0

#### 4.4.8 Changes of women entrepreneur's position in their family

Maximum portion of the respondents (96.70 percent) feel that their position has been changed in the family after involvement in business where only marginal level of respondents (3.30 percent) disagreed. According to information gathered from a successful business woman, her family was initially opposed to her entrepreneurship but after seeing the performance of one of her close friends the family started encouraging. She now claims total support from the family. In fact her husband tells her that her decision to venture into business was very wise. She is accorded the kind of respect she previously did not receive because at least she is able to buy packet of milk or basic necessities in her house. She does not have to beg for everything like in the past. See Table 4.12 below.

**Table 4.12: Changes of women entrepreneur's position in their Family**

Whether changes in family position occurred	No. of respondents	Percent
Yes	59	96.7
No	2	3.3
Total	62	100.0

#### 4.4.9 Kind of changes occurred in family

Women entrepreneurship is not only contributing to our economic development but also changes the decision making process in the family structure. Most of the respondents (90.3 percent) believe that now they can participate in decision making system in family affairs and enjoy their freedom regarding their own decisions. According to a key informant the economic empowerment that comes along with entrepreneurship enhances the women's self confidence in the family and thus they are able to engage in decision making activities in key issues like family planning, which schools to take their children to, how best to check on their nutrition and that of their family among other key family issues. See Table 4.12.1 below.

**Table 4.12.1: Kind of changes occurred in family**

Changes occurred in family	No. of respondents	Percent
Contributing in family decision making	2	3.2
Enjoy freedom in own decision making	4	6.5
All of the above	56	90.3
Total	62	100.0

\* All of the above in the above table implies that the respondents who felt they were contributing in family decision making as well as enjoying freedom in their own decision making.

#### **4.4.10 Expenditure pattern of women entrepreneurs in family**

In recent years, huge changes occurred in the family expenditure structure where both male and female members of the family may agree to share family expenditures. The study finds that a maximum of respondents (46.80 percent) believe that it will be much easier to continue their existing lifestyle if they equally contribute in family expenditures. But a few respondents (4.8 percent) did not agree to participate in sharing. Some other respondents (32.3 percent) believe in spending money in some particular sectors as shown in Table 4.13 below.

**Table 4.13: Expenditure pattern of women entrepreneurs in family**

Expenditure pattern	No. of respondents	Percent
Equally contribute like other male earning members	29	46.8
Spends money in some particular sectors	20	32.3
Not spend at all	1	4.8
Others	10	16.1
Total	62	100.0



#### 4.4.11 Extent to which women entrepreneurs enjoy economic freedom

men. at present day. are largely engaged in development sector. The table below (Table 4.14) represents the women's economic freedom after their involvement and participation in decision making process in household and external affairs. A significant portion of the women entrepreneurs (59.7 percent) are highly satisfied with their economic freedom whereas other respondents. (40.3 percent) have minimum level of satisfaction due to their economic freedom .

**Table 4.14: Extent to which women entrepreneurs enjoy economic freedom**

Help in gender discrimination	No. of respondents	Percent
Highly Satisfactory	37	59.7
Satisfactory	25	40.3
Total	62	100.0

#### 4.5 To establish whether women enterprise fund has reached the target beneficiaries

The third objective of the study sought to establish whether Women Enterprise Fund has reached the target beneficiaries. This is addressed by looking into the principal objective of the fund which is economic empowerment of women. The Fund was established to provide alternative financial services to women who are excluded from the formal and informal financial sectors. The Fund provides accessible & affordable credit to support women start and/or expand business for wealth and employment creation. In addition to the Fund being a flagship project in the Vision 2030, it is also a demonstration of the Kenya Government's commitment to the realization of the Millennium Development Goal (MDG) on gender equality and women empowerment.

The fund seeks to enable the government realize the 3rd Millennium Development Goal (MDG) on "gender equality and empowerment of women.

**4.1 Impact of WEF in establishing women's right**

From the perspective of Kenya, women's rights can be ensured in various ways, women entrepreneurship is one of them thus the rolling out of WEF by the government of Kenya. According to the respondents, almost all (98.4 percent) opined that women entrepreneurship and thus establishing their right, whereas only 1.6 percent replied negatively as shown in table 4.15 below. According to key informant and some successful business women in Thika. Sustainable development of women especially rural women is not so easy but it is a challenge. Entrepreneurship is part of the answer to this challenge. Entrepreneurship is therefore a water drop added to the nation's economy which has led to solving the nation's unemployment and other advantages like; developing individual economic independence, increasing the personal and social capabilities thereby improving women's standard of living through economic empowerment and in so doing women's rights were established. It is therefore that women entrepreneurs of Thika district believed that WEF has great impact in the establishment of women's rights.

**Table 4.15: Impact of WEF in establishing women's right**

Response	No. of respondents	Percent
Agree	61	98.4
Disagree	1	1.6
Total	62	100.0

**4.2 Extent to which women enterprise fund helps in gender discrimination**

Gender discrimination is very obvious in our socio-cultural environment. Among the women entrepreneurs interviewed in regard to WEF. 62.9 percent opined that WEF has satisfactory role in reducing gender discrimination. On the other hand, 37.1 percent viewed that women enterprise fund play highly satisfactory role in reducing gender discrimination as shown in table 4.16 below. One woman actually lamented and said "Gone are the days when a woman could boast

-eng **capable of** feeding the whole family. Now the woman must supplement it through  
 -se'.er **skills she** has acquired. Now the women are playing multidisciplinary roles and so  
 re :s '**en little** discrimination against the women,"

**Table 4.16: Extent to which women enterprise fund help in gender discrimination**

Extent of discrimination in gender	No. of respondents	Percent
Satisfactory	23	37.1
Dissatisfactory	39	62.9
Total	62	100.0

### **-5-3 Source of inspiration to start a business**

Table 4.17 below shows that most of the women entrepreneurs 40.3 percent started their business from their **own** inspiration, 38.7 were inspired by WEF, 16.1 percent got inspirations from **family**. 1.6 percent from friends and 3.2 percent were inspired from other sources. It can therefore be opined that while most of the women inspired themselves to be entrepreneurs as they have realized their **own** potential to become self-reliant, majority of them were also inspired by WEF.

This clearly indicates that WEF to some extent (38.7percent) has managed to reach its target beneficiaries by inspiring them to start up their businesses through provision of startup capitals and business management skills as well as ideas.

**Table 4.17: Source of inspiration to start a business**

Source of inspiration	No. of respondents	Percent
Self	25	40.3
Family	10	16.1
Friends	1	1.6
Market	24	38.7
Others	2	3.2
Total	62	100.0

#### 5.4 Initial capital to start up business

Among the women entrepreneurs surveyed 56.5 percent started their business with an initial investment of less than Kshs.50,000 which is followed by 24.2 percent by Kshs.50,001-100,000. 1.5 percent by Kshs. 100,001-150,000, and 4.8 percent by above Kshs. 150,000 as illustrated in table 4.18 below. So it can be said that either most of the entrepreneurs were not willing to take risk by investing big amounts or they had financial constraints when starting their business. It can also be opined that WEF being one of the key financial providers in the area and they provide credit to women for enterprise development in small amounts. Tuinuke loan for instance has a maximum ceiling of Kshs.50,000 for a repayment period of 12 months for the 1st loan while a 2nd loan of Kshs.50,000.00 is automatically available if 1st loan is repaid within 6 months. 3rd and 4th loans of Kshs.75,000 and Kshs.100,000 respectively follow. After the successful repayment of the 4th loan, a "letter of Good Credit Worthiness" is issued.

**Table 4.18: Initial capital to start up business**

Initial capital (Kshs.)	No. of respondents	Percent
Less than 50,000.00	35	56.5
50,001 to 100,000.00	15	24.2
100,001 to 150,000.00	9	14.5
Above 150,000.00	3	4.8
Total	62	100.0

#### 455 Source of capital to start a business

Capital is very important to start any business either small or big. In terms of women entrepreneurship capital is a more crucial role player. It is found that most of the women entrepreneurs (38.7 percent) initially invest from their own savings and 16.1 percent from informal loans such as from their spouses. It was though notable that 40.3percent of women in ftika sought finances from WEF. Very few of them (1.6percent and 3.2 percent) invested initially via formal loans such as from banks or other sources like selling of property (Table 4.19). So it is found that the WEF is contributing much in expanding women entrepreneurship in Thika.

**Table 4.19: Source of capital to start a business**

Source of capital	No. of respondents	Percent
Own Savings	24	38.7
Spouse	10	16.1
Bank Loan	1	1.6
WEF	25	40.3
Others	2	J.J
Total	62	100.0

#### 456 Problem in getting business start -up capital from WEF

to collect money for investing in business is always a tough concern, and this is typically even more the case for women. Conventional knowledge indicates that most women entrepreneurs face problems getting money. However, Table 4.20 shows a total different scenario. Most of the women (90.3 percent) got money very easily from WEF to invest in their respective field and only a few of them (9.7 percent) had some problems. So the data seems to indicate that most Ma women are financially sound enough to start their business without financial constraints.

Therefore, it therefore indicates that WEF has to a great extent managed to reach its target beneficiaries

90.3percent of the women in Thika town did not have any problems in getting business jrt-up capital from WEF.

**Table 4.20: Problem in getting business start -up capital from WEF**

<b>Whether had a problem</b>	<b>No. of Respondents</b>	<b>Percent</b>
<b>Ves</b>	<b>6</b>	<b>9.7</b>
<b>No</b>	<b>56</b>	<b>90.3</b>
<b>Total</b>	<b>62</b>	<b>100.0</b>

The study then tried to find out the matters which created problems for women entrepreneurs to jet money. As shown in Table 4.21 below, most of the sources (33.2 percent) insisted not to advance for any business and the rest (16.7 percent) were confused, less inspired and showed an alternative way to them to invest money. So from the analysis it is clear that those who are facing problems in getting money are either disinterested or sources are considering them inefficient. For instance for WEF to provide funds to a group, the Group should have been in existence for more than 3 months.

**Table 4.21: What was the problem faced**

<b>Problem faced</b>	<b>No. of respondents</b>	<b>Percent</b>
They were confused to give loan to a women	1	16.7
They insisted not to advance	2	33.2
They showed alternative way to invest	1	16.7
They did not inspire	1	16.7
Others	1	16.7
Total	6	100.0

## 15" Received training on business management from WEF

.-. though training is very important for any business development. Table 4.22 shows that 2Tapc the women entrepreneurs in Thika only 46.8 percent have received training, while the --dining 53.2 percent did not receive any training or. business management.

**Table 4.22: Received training on business management from WEF**

<b>Got training</b>	<b>No. of respondents</b>	<b>Percent</b>
Ves	29	46.8
No	<b>JJ</b>	53.2
Total	62	100.0

Taking a look at a key informant who attested to the fact that her business barely broke even initially . and could only reach its full potential if she sought formal training on business management which she did it implies that basic training is key to the success of any business.

Through WEF which is a women in business and investment project, the informant was able to receive basic training on entrepreneurship. finance, literacy skills, marketing, production and managerial skills. She says ; "I now understand how to confidently manage my money and my people." She comments, as she prepares lunch for her 4 full-time employees. She personally-trained all her workers on how to handle her poultry in tenns of knowing when to feed the them . how to know when there is a sick poultry and isolate it among other key issues.

### 4.5.8 Duration of business

It was observed that women's involvement in their businesses was of different lengths. Among -he respondents 24.2 percent have continued their business for 4-6 years. 21 percent for 1-3 years, 24.2 percent for over 10years. 17.7 percent for less than a year and 12.9 percent for 7-9 >ears .So it can be easily opined that among women entrepreneurs most of them are mediocre in experiences with a total 75.8 percent having less than 10years and those who have more experiences are very few in numbers among the respondents. It is important to note at this point

Women Enterprise Fund (WEF) was conceived by the Government of Kenya in 2006 and launched in 2007 which is well around six years. This explains why majority of the respondents (62.9percent) have been in business for a period of 6years and below. They could be beneficiaries of start-up capital from WEF thereby constituting the target beneficiaries of VEF.

**Table 4.23: Duration of business**

Duration of business	No. of respondents	Percent
Less than 1 Year	11	17.7
1 to 3 years	13	21.0
4 to 6 years	15	24.2
7 to 9 years	8	12.9
10 years and above	15	24.2
Total	62	100.0

#### **4.6 Challenges faced by the women enterprise fund in improving the livelihoods of women in Kenya**

The fourth and final objective of the study sought to establish the challenges faced by the Women Enterprise Fund in improving livelihoods of women in Kenya by addressing issues like whether Women Entrepreneurs Found any Problem or Not in the successful operations of their business and trying to find out the various problems faced.

##### **4.6.1 Whether women entrepreneurs found any problem or not in the successful operations of their business**

In Kenya, women are always dominated by their male counterparts especially in line of entrepreneurship. even though women have equal rights as per constitutional rules. However, the study revealed that 59.7 percent of the women entrepreneurs do not face such problems, while 40.3 percent are facing problems in their respective working sectors as they are women (see table 4.24 below). So it can be said that some women entrepreneurs are still facing dominance



- ems as women usually face it.

**p i 4.24: Whether being a woman was associated with any problem in the successful operation of women businesses**

<b>Whether had problem</b>	<b>No. of respondents</b>	<b>Percent</b>
<b>Yes</b>	<b>25</b>	<b>40.3</b>
<b>No</b>	<b>37</b>	<b>59.7</b>
<b>Total</b>	<b>62</b>	<b>100.0</b>

### **Problems faced by women entrepreneurs**

The study explored that among the 62 respondents, 25 women entrepreneurs faced problems to operate their business as a women successfully (Table 4.19.1). So the study further tried to identify the sectors which are creating problems. Here most of the women entrepreneurs (52 percent) are facing problems of managing business finances. 20 percent cannot maintain their employees properly. 12 percent have friends and relatives speaking ill of them, while 4 percent face others problems like failing to deal with their customers well.

The problems faced by the women entrepreneurs of Thika district are maintaining the employees, difficulty in maintaining business finances due to inadequate training in business management, dealing with customers and in some cases friends and relatives make ill talk about the enterprise. Getting **the** startup capital is also a problem for many women entrepreneurs of Thika District. But after starting **the** business successfully, this problem has been eliminated as other financial institutions as well as WEF also give loans to successful entrepreneurs who repay start up loans in good time. Yet, it is a matter of sorrow that majority of women in Thika are still engaged in traditional business. It is also found that while women's businesses generally created employment for men and women more or less equally, on the other hand men's businesses mainly employed men.

«»- ..

**Figure 4.24.1: The problem faced by women entrepreneurs in the successful operations of their business**

Problem faced	No. of respondents	Percent
Managing the employees	5	20.0
Managing business finances	13	52.0
Parents and relatives speak ill of	3	12.0
Others	4	16.0
Total	25	100

One informant in the region who was a successful business woman informed the researcher that despite the fact that WEF could be a preferred source of funding among women, accessing it remained a great challenge. Most women have not been properly informed on how this fund can be accessed may be due to ignorance on the part of the women or even inadequate sensitization on the part of the management of WEF.

Another key informant also opined that projects funded by the funds have not been properly managed leading to low repayment rates or even non-payment in some cases. This then implies that sustainability of the Fund will depend on continued government funding to build a revolving Fund, timely and faithful loan repayments and prudent Fund management by the secretariat. According to this particular informant, the Fund should try and seek partners from private and public sector which would enable it grow its financial capability and thus enable it solve issues like staffing problems which it faces currently and hence be able to improve on its monitoring and capacity building capabilities.

## **CHAPTER FIVE: SUMMARY , CONCLUSION AND RECOMMENDATIONS**

### **5.1 summary and conclusion**

The study sought to assess the Socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya with specific reference to Thika. This was due to the fact that globalization has gradually dawned on all concerned that a society cannot afford to waste half of its human resources by discrimination on grounds of gender. This increasing awareness on the part of the government led to the adoption of national policies to facilitate a development process involving women in all spheres, particularly in economic activities focusing especially on entrepreneurship development thus the rolling out of WEF. What comes out clearly out of the study is that women have now become aware of their socio-economic rights and have ventured to avail the opportunities initiated for them. The study therefore sought to ascertain types of income generating activities supported by WEF; Investigate the socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya; Establish whether Women Enterprise Fund has reached the target beneficiaries and to establish the challenges faced by the Women Enterprise Fund in improving the livelihoods of women in Kenya.

#### **5.1.1 Types of income generating activities supported by WEF**

As per the findings , most women entrepreneurs in Thika are engaged in traditional female businesses (like tailoring, beauty parlor, boutique house, handicrafts etc.). This data indicate that in Thika district women are investing in different sectors though most of them are involved in traditional businesses and therefore more training needs to be provided in regard to possibility in engaging into more modern businesses which can realize them better profits. Better still

ment in a more wide range of businesses would reduce the clot in specific types of  
\_r.e>ses and thus WEF will achieve its goal of financial empowerment even further.

- ie ownership being the dominant type of investment among the women entrepreneurs in  
a .Lives a clear indication that in Thika district most of the women entrepreneurs want to  
-x their business by themselves which is also a good thing for businesses in terms of personal  
Lxountability in case of failure and personal growth.

### **5.12 Socio-economic impact of Women Enterprise Fund on the livelihoods of women in Kenya**

In regard to the second objective of the study which was to investigate the socio-economic impact of Women Enterprise Fund on the livelihoods of women what came out clearly was that  
•here was monthly profit from business and without profit no business can run. This is especially true for women entrepreneurs, where profit is related to their self reliance. Even though the monthly incomes of women entrepreneurs were very uneven. According to key informant, this variation in profits could be as a result inadequate training on business management skills and  
".herefore re-investment for business growth was therefore wanting.

Incomes of women entrepreneurs on the other hand are used in several ways .ranging from expending their income in family expenditure which means they are contributing to their family to a large extent, spend their income for their own purpose, to reinvesting their income in their business, which implies that they are eager to expand their business which is a good drive to economic empowerment.

\*"hat comes out further is that . women entrepreneurs are enjoying their right in financial sectors. This is due to the fact that after starting the business, their status has been increased in the family and in the society thanks to WEF. Now they can enjoy freedom in their decision making and also can contribute in family decision making. They can also now contribute in the

; **economically**. Thus the respect accorded to them by their spouses due to the belief that . **can make wise** independent decisions. These women entrepreneurs of Thika region also . **total support** toward their business in crisis period which is very significant with the I ; **support of a few**.

' impact of society is very crucial in every person's life, especially in women's way of living, according to this study. 95.2 percent of the women entrepreneurs interviewed faced a changed behavior from their societies, whereas 4.8 percent faced normal behavior. So it can be opined **that** in Thika District, women started to face a changed behavior of society after they engaged themselves in entrepreneurship.

A key informant said "mvvanamke akitaka kuheshimiwa awe anavveza kujitegemea na kusaidia anii jake."This implies that societal attitude change towards women entrepreneurs was mainly positive .This is because such women can now afford to be self reliant and sufficient. They can also afford to support their own folks.

### **5.13 Whether Women Enterprise Fund has reached the target beneficiaries**

**The** third objective of the study sought to establish whether Women Enterprise Fund had reached the target beneficiaries. This is addressed by looking into the principal objective of the fund which is economic empowerment of women. The Fund was established to provide alternative financial services to women who are excluded from the formal and informal financial sectors. The Fund provides accessible & affordable credit to support women start and/or expand business for wealth and employment creation. In addition to the Fund being a flagship project in the Vision 2030, it is also a demonstration of the Kenya Government's commitment to the realization of the Millennium Development Goal (MDG) on gender equality and women empowerment.

Majority of the respondents (98.4 percent) opined that women entrepreneurship and thus WEF is establishing their right, and so it is clear that women entrepreneurs of Thika district believed that **that** WEF has great impact in the establishment of women's rights. 62.9 percent of the women on the other hand felt that WEF had played a satisfactory role in eradicating gender discrimination.

Good number of the respondents (38.7percent) confirmed to having been inspired by WEF to start their businesses. This clearly indicates that WEF to some extent (38.7) has managed to reach its target beneficiaries by inspiring them to start up their businesses through provision of start-up capitals and business management skills as well as ideas.

It is also observed that women's involvement in their businesses was of different lengths. It is important to note at this point that Women Enterprise Fund (WEF) was conceived by the Government of Kenya in 2006 and officially launched in 2007 which is well around six years.

This explains why majority of the respondents (62.9percent) have been in business for a period of 6 years and below. They could be the beneficiaries of start-up capital from WEF thereby constituting the target beneficiaries of WEF.

#### **5.1.4 Challenges faced by the Women Enterprise Fund in improving the livelihoods of women in Kenya**

The fourth and final objective of the study sought to establish the challenges faced by the Women Enterprise Fund in improving livelihoods of women in Kenya by addressing issues like whether Women Entrepreneurs Found any Problem or Not in the successful operations of their business and trying to find out the various problems faced.

In Kenya, women are always dominated by their male counterparts especially in line of entrepreneurship. Even though women have equal rights as per constitutional rules. However, the study revealed that 59.7 percent of the women entrepreneurs do not face such problems, while 40.3 percent are facing problems in their respective working sectors as they are women. So it can be said that some women entrepreneurs are still facing dominance problems as women usually face it thus creating a challenge in WEF in achieving its goal of economic empowerment.

Study explored that some women entrepreneurs faced problems to operate their business as a men successfully in terms of problems of managing business finances, inability to maintain their employees properly, friends and relatives speaking ill of them, while and problems of not to deal with their customers well.

Case could be as a result of inadequate training in business management according to a key informant. Getting the startup capital is also a problem for many women entrepreneurs of Thika District. But after starting the business successfully, this problem has been eliminated as other financial institutions as well as WEF also give loans to successful entrepreneurs who repay start-up loans in good time. WEF should therefore try and conduct more business management trainings and conduct more awareness campaigns in the region and the country at large if it is to curb these challenges that hinder it from achieving its full potential.

## **5.2 Recommendations**

A sustainable economy is a precondition for national growth and prosperity including institutionalization of a democratic system. It is impossible to achieve the target of a poverty-free society without incorporation of women in the mainstream economy. Considering the issue, a special emphasis has been given by the Government, donor agencies, NGOs, business community and all other relevant stakeholders through different interventions to ensure increased women's participation in both formal and informal economic sectors, especially in business and industry.

To enhance the participation of women in formal businesses further the following recommendations are therefore paramount:

Apart from just providing funds like WEF, the government should establish an information center at the district level to facilitate women to have business ideas and information on markets, design, buyers, sources of finance and training on business management to enhance financial growth.

In addition to such rolled out funds like WEF by the government, the central bank should set a target for each bank to provide loans for women SMEs and form a monitoring team to monitor the implementation. Further to this it should also check interest rates charged on such loans which should be well below the usual market rates which are unaffordable.

Financial institutions including micro-finance firms and Banks can organize training on women's business development, which will enable them to find more female credible clients and even further advise them on worthy and lucrative business ventures. Such trainings should not only target the urban centers but move down to the rural areas if total women economic empowerment is to be realized.

Finally, the Government should take initiatives to increase the research program on women's entrepreneurship development and provide financial support to the institutions that are currently involved in research activities on women entrepreneurship development as well as put checks to ensure that the credit needy women do benefit from such funds in a bid to improve their livelihoods.



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**jftNMXI: INTRODUCTION LETTER**



**UNIVERSITY OF NAIROBI  
DEPARTMENT OF SOCIOLOGY & SOCIAL WORK**

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13<sup>th</sup> August, 2012

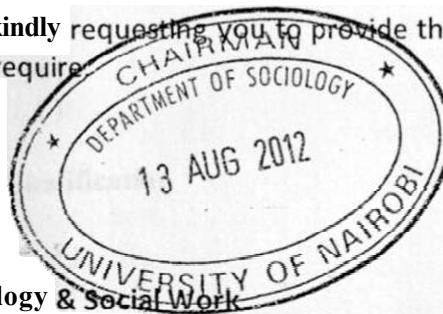
**TO WHOM IT MAY CONCERN**

**RE: Etter A. Riany - C 50/62892/2010**

Through this letter, I wish to confirm that the above named is a bonafide postgraduate student at the Department of Sociology & Social Work, University of Nairobi.

rurther, I wish to inform you that the student is collecting data for his/her research proposal on " **Socio-economic impact of women enterprise fund on the livelihoods of women in Kenya: A case study of Thika.**"

Through this letter, I am kindly requesting you to provide the student with any form of support that He/She may require.



**Dr. Robinson Ocharo  
Chairman, Dept. of Sociology & Social Work**

**Cc. Prof. Mburugu - Supervisor**

## **APPENDIX II: QUESTIONNAIRE FOR WOMEN**

### **Socio-Economic Impact of Women Enterprise Fund on The Livelihoods of Women In Thika District)**

Dear Respondent,

I am currently conducting a research on Socio-Economic Impact of Women Enterprise Fund on The livelihoods of Women In Kenya (A Case Study Of Thika County).

I am glad to inform you that you have been selected to participate in this study. Your participation will be highly appreciated. The information you give will be treated with utmost confidentiality.

#### **Instructions to the Interviewer**

Please tick ( ) where appropriate and fill in the spaces where applicable.

#### **Part 1: Respondents Characteristics**

##### **Gender**

- 1) Male
- 2) Female

##### **-What is your Marital Status**

- 1) Married
- 2) Single
- 3) Divorced
- 4) Widowed

##### **3. What is your Educational Qualification**

- 1) Illiterate
- 2) Primary Education
- 3) Secondary education
- 4) Diploma level
- 5) Graduate level

What type of income generating activity are you involved in ?

- 1 Fanning ( )
- 1- Cloths. Boutique house 0
- 3) Parlor 0
- 4 Tailoring ( )
- 5 Others (please specify)

What type of Investment are you involved in?

- 1 Sole Investment ( )
- 2 Joint venture ( )

Who was your source of Inspiration to Start a Business?

- 1) Self\* ( )
- 2) Family ( )
- 3) Friends ( )
- 4) WEF ( )
- 5) Others

How much was your initial capital to start up your business?

- 1. Less than Kshs.50.000 .00 ( )
- 2) Kshs.50.000 to 100.000 .00 ( )
- 3) Kshs. 100.000 to 150.000.00 ( )
- 4) Above Kshs. 150.000.00 ( )

Where did you source your start up Capital?

- 1) Own savings ( )
- 2) Spouse ( )
- 3) Bank loan ( )
- 4) WEF ( )
- 5) Others(please specify)

Did you face any problems in getting the business start -up capital from WEF?

- 1) Yes ( )
- 2) No ( )

Please expound on the problems faced?

**Have you received any Training regarding business management from WEF?**

- 1) Yes ( )
- 2) No ( )

**11. How long have you been in Business ?**

- 1) Less than 1 Year ( )
- 2) 1 to 3 years ( )
- 3). 4 to 6 years ( )
- 4> 7 to 9 years ( )
- 5> 10years and above ( )

**12. What is your monthly profit from Business?**

- 1) Kshs.1,000.00 to 10,000.00 ( )
- 2) Kshs. 10,001.00 to 20,000.00 ( )
- 3) Kshs.20,001.00 to 30,000.00 ( )
- 4) Kshs.30,001 to 40,000.00 ( )
- 5) Kshs.40,001 and above ( )

**13. What do you do with your income?**

- 1) Expend in family purpose ( )
- 2) Expend for self purpose ( )
- 3) Reinvest in the business ( )

**14. Do you seek permission of your husband to use your income ?**

- 1) Yes ( )
- 2) No ( )

**15. Do you get any support from family in times of business crisis?**

- 1) Yes ( )
- 2) No ( )

W hat type of behavior do you experience from your family as a woman entrepreneur?

- 1) Encouraging ( )
- 2) Discouraging ( )
- 3) Neutral ( )

As women entrepreneurs do you experience any change of behavior towards you from imih?

- D Yes ( )
- 2) No ( )

/•lease expound

i. As women entrepreneurs do you experience any change of behavior towards you from iriety?

- D Yes ( )
- 2) No ( )

ease expound

1\*. As women entrepreneurs do you face any problems in the successful operations of your usiness?

- 1) Yes ( )
- 2) No ( )

•»Tat are some of the problems you face in the successful operations of your business?

- 1) Difficulty in maintaining employees ( )
- 2) Difficulty in managing business finances ( )
- 3) Friends and relatives speak ill of me ( )

4V -Others .

10. In your opinion . do you think women enterprise fund has had any Impact in



• **Women's Right thus leading to women empowerment?**

1) **Yes** ( )

2) **No** ( )

13. **If yes above , to what extent do you think women enterprise fund has helped in reducing Gender Discrimination through women empowerment?**

1) **Highly Satisfactory** ( )

2) **Satisfactory** ( )

2 **Do you think there have been changes of Women Entrepreneur's Position in their family?**

1) **Yes** ( )

2) **No** ( )

**What Kind of Changes Occurred in Family**

1) **Contributing in family decision making** ( )

**Enjoy freedom in own decision making** ( )

3) **All of the above** ( )

14 **What is the expenditure pattern of women entrepreneurs in Family ?**

1) **Equally contribute like other male earning members** ( )

2) **Spends money in some particular sectors** ( )

3) **Not spend at all** ( < )

4) **Others** ( > )

24. **To what extent does women enterprise fund lead to enjoyment of Economic Freedom amongst women?**

1) **Highly Satisfactory** ( )

2) **Satisfactory** ( )

## **APPENDIX 111: KEY INFORMANT GUIDE**

### **Socio-Economic Impact of Women Enterprise Fund on The Livelihoods of Women In Kenya (A Case Study of Thika)**

**Dear Respondent,**

**My name is Etter Riany, a master's student at the University of Nairobi. I am currently conducting a research on Socio-Economic Impact of Women Enterprise Fund on The Livelihoods of Women In Kenya (A Case Study Of Thika).**

**I am glad to inform you that you have been selected to participate in this study. Your participation will be highly appreciated. The information you give will be treated with utmost confidentiality.**

**Key Informant No.**

#### **Instructions to the Interviewer**

**Please use check list to get information from informant**

#### **Part 1: Background information**

- 1. Gender of informant**
- 2. Occupation**
- 3. Area of Jurisdiction**

#### **Part 2: WEF and Women empowerment**

**4. What are some of the income generating activities that women within Thika are involved**

**S. Comment on the level of borrowing of WEF by women in Thika and give reasons as to the borrowing pattern.**

**6. Are there educative forums conducted on WEF?**

**If yes above, how frequent are they conducted and who are the target groups?**

**7. Who facilitates these educational forums?**

**8. Do you think beneficiaries of WEF (Women Entrepreneurs Enjoy Economic Freedom) and if Yes, to what extent do they Enjoy Economic Freedom?**

**9. Who monitors WEF to ensure that the funds are put into the intended use and how?**

**10. In your opinion, do you think women enterprise fund has had any Impact in establishing Women's Right thus leading to women empowerment**

**11. What are some of the achievements WEF in terms of bringing change in the livelihoods of women?**

**What are some of the challenges faced by WEF**

**12. What are some of the challenges faced by WEF?**