

**FACTORS INFLUENCING IMPLEMENTATION OF WOMEN ENTERPRISE FUND IN  
KASARANI CONSTITUENCY, NAIROBI COUNTY KENYA**

**By**

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## DECLARATION

This research project report is my original work and has not been presented for defense for the award of degree, diploma or certificate in a university.

Signature..... Date .....

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This research project report has been submitted for examination with my approval as University supervisor.

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## **DEDICATION**

This research project report is dedicated to my dear husband Francis Kamunya for being there for me financially, morally and physically. To son Godfrey Kimani Kamunya and daughter Joy Watiri Kamunya for bearing with mama's absence during the busy study schedules. To my dad, Mr. Harun Njuguna and mum, Mrs. Elishipha Wanjiru Njuguna for taking me to school, laying a firm foundation and emphasizing the importance of education from childhood. Finally to my sisters Catherine Kimamera and Rhoda Kiige and brothers John Kirikiru and Peter Mukuria for their prayers and moral support in the course of study.

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## ABBREVIATIONS AND ACRONYMS

<b>ASAL</b>	Arid and Semi Arid Land
<b>CEDAW</b>	Convention on the Elimination of All Forms of Discrimination against Women
<b>C – WES</b>	Constituency Women Enterprise Scheme
<b>CBO</b>	Community Based Organisation
<b>GDP</b>	Gross Domestic Product
<b>GoK</b>	Government of Kenya
<b>HIV/AIDS</b>	Human Immuno deficiency Virus
<b>ICT</b>	Information and Communication Technology
<b>ILO</b>	International Labour Organization
<b>MDG3</b>	Millennium Development Goal 3
<b>MFI</b> s	Micro Finance Institutions
<b>MSE</b> s	Micro and Small Enterprises
<b>MSME</b>	Micro, Small and Medium- size Enterprises
<b>NGO</b>	Non Governmental Organisation
<b>R&amp;D</b>	Research and Development
<b>SACCO</b> s	Savings and Credit Cooperative Organisations
<b>SME</b> s	Small and Medium Enterprises
<b>SMS</b>	Short Message
<b>UNIFEM</b>	United Nation Development Fund for Women
<b>UWSACCO</b>	United Women’s Savings and Credit Cooperative Society

**ABSTRACT**

The purpose of the research was to investigate the factors that influence the implementation of WEF in Kasarani Constituency. In chapter one the researcher looked at the background of the study in which the position of Women entrepreneurship in Africa and the rest of the world and finally in Kenya was analysed. The objectives of the study were to identify social cultural, economic, technological and political factors that influence implementation of WEF. In chapter two the researcher carried out an extensive review Literature related to the topic in question and in line with the objectives of the study. Some areas of interest that came up included culture and customs, gender division of labour, availability and accessibility of funds, ICT skills and facilities. The study was based on Feminist theory of Betty Friedan 1963. On research methodology the researcher used descriptive survey design with a target population of 140 respondents. Using Krejcie and Morgan Table 1970 the researcher came up with the sample size of 103 respondents. The sample was determined using stratified random sampling from the wards of Kasarani Constituency including Kasarani, Mwiki, Ruai and Clay City. Questionnaires were the preferred tools for data collection with both open and closed ended questions being used. Secondary data was also used from the reports, records and journals from the WEF offices. Reliability of the research tools was verified through Test and Re – Test method. To ensure confidentiality the researcher assured the respondents of confidentiality verbally and also asked them not to write their names on the questionnaires. The data was then analysed using SPSS package and presented using frequency tables, cross tabulation and descriptive statistics. The research findings were then analysed and discussed .....

## CHAPTER ONE

### INTRODUCTION

#### 1.1. Background of the study

Throughout Africa, women are a powerful force for growth and development, making important contributions to the economy as workers and entrepreneurs, and to the welfare of their families. In many African countries, however, unequal access to property, discrimination in the labor market, and business-related obstacles hinder women from contributing even more to their countries' growth and well-being. Removing such obstacles can help not only to empower women, but also to unlock the full economic potential of their nations.

Women are a powerful force for sustainable economic growth. Research has shown that considerable potential for economic growth could be realized if countries support women's full potential for economic participation (World Bank 2011). It is believed that promoting women's participation in business may bolster women's overall participation in the labour market, because women-owned businesses are more likely to employ other women.

Traditionally women have been disadvantaged and discriminated against. To avert this, women have been trying to fight out for their rights as far as economic advancement is concerned. The Universal Declaration of Human Rights clearly states a commitment to socio – economic rights but this has not been met at the international level. Women rarely receive more than 70 percent of what men earn for comparable work. Women face discrimination in education and are relegated to low skill and low paid job market. It is further noted that vast number of women work outside the market in their homes, in agricultural production and in the so-called informal sector for little or no pay and their contribution to the economy is not counted as part of Gross National Product (GNP). (UNIFEM, 1994)

It is worth noting that women have less access to power, wealth and resources and are less likely to own land and property (Oxfam 1994). Oxfam further, notes that in most cases women have inferior statuses both legally and culturally. They have less access to education and training and to paid employment.

Kenyan women have not been an exception from discrimination, unemployment among others like any other women. Gender inequality is a serious economic issue in Kenya which requires to be addressed so as to have improved outcomes not only for women themselves, but for their families and the society as a whole.

With regard to institutional mechanisms for the advancement of women, the Ministry of Gender, Sports, Culture and Social Services was established in 2003. This marked the beginning of a focused consideration of the situation and status of women and their participation in various spheres of life on the country. Under the auspices of the Ministry of Gender, Sports, Culture and Social Services, the Sessional Paper No. 5 of 2005 on Gender Equality and Development, also known as the Gender Policy, was passed.

Kenya's national poverty rate was 53 percent in 2005. The World Bank's Country Assistance Strategy recognizes that "women are more likely than men to be poor and more vulnerable to adverse shocks than men" (World Bank 2004d). In Kenya, 54 percent of rural and 63 percent of urban women and girls live below the poverty line (Government of Kenya 1997).

Women's poverty level is also aggravated by the prevalence of HIV/AIDS in Kenya which is higher for women than for men with infection rates for females in the 15 to 19 age range being a staggering five times higher than for males (World Bank 2004a). This has led to an increased number of widows and orphans. Consequently this situation has significantly increased women's workload and their financial responsibilities (USAID 2002) since they are left to cater for their families when their husbands die.

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 and money transfer service. To address this challenge the GOK through Kenya Vision 2030, noted that no society can gain the social cohesion predicted there in if its significant section of population live in abject poverty (GoK, 2007). Comparatively, rural women are more disadvantaged than their urban counterparts. Therefore the fund is designed to address the perennial challenges women face in their desire to venture in income generating activities namely, Cultural issues, high transaction costs and negative myths about banks.

Further, Sessional paper No. 2 of 2005 states that promotion of equality of opportunity and elimination of all forms of discrimination based on sex is a functional step that provides necessary conditions for effective development. Empirical studies show that women are more vulnerable to chronic poverty because of gender inequalities such as access to productive inputs such as credit, access to and control of property and earned income and inadequate access to education. This is despite increasing women participation in SMEs. As such Sessional Paper No. 2 of 2005 recommends that the government pursue policies to empower women, increase their access to credit by encouraging them to form SACCOs, promote networking with formal banks and micro-finance institutions.

Women enterprises (SMEs) aid in grass root economic development of a country and women entrepreneurs contribute to the economic development of their families. However women entrepreneurs lack adequate physical capital such as credit which forces them into quest for micro-financial assistance (Kuzilwa, 2005). Inability to access credit for business is occasioned by factors such as lack of asset for collateral, societal discrimination, poverty and unemployment among others (Ekuman, 2001).

Women Enterprise Fund was therefore established by the government of Kenya as part of the government's commitment to one of the millennium development goals on gender equality and women empowerment to provide a start point for new businesses, wealth creation and employment. The women enterprise fund (WEF) was established in August 2007 and in May 2009 the government launched the accessible and affordable credits to support women expansion. (World Bank, 2007)

Women Enterprise Fund is a flagship project under the social pillar in vision 2030. The fund aims at providing accessible and affordable credits to support women, expand or start new businesses for wealth and employment creation. The fund was also meant to provide business support services such as capacity building, marketing, promotion of linkages and infrastructure support. Women Enterprise Fund loans reach the target beneficiaries through partner financial

intermediaries and directly through Constituency Women Enterprise Scheme (C-WES) (GoK, 2008).

Having looked at the vulnerable position of women entrepreneurs, this research was seeking to explore and investigate the how factors which are social cultural, economic demographic and technological in nature have influenced the implementation of WEF since inception of Women Enterprise Fund in 2007 putting the emphasis on Kasarani constituency.

## **1.2. Statement of the Problem**

According to World Bank Report (Equality for Women) there is a compelling evidence of the importance of gender equality for poverty reduction and sustainable growth. For this reason Millennium Development Goal 3 (MDG3) on gender equality and women's empowerment is a shared global commitment.

To encourage women's participation in entrepreneurship, the Government of Kenya (GoK) in 2006 conceived the Women Enterprise Fund (WEF) that was officially launched in 2007. This was an innovative development by the government to reach the low income end of people and ignite synergies that would enhance entrepreneurship in the country with an objective to have a revolving fund that would in the long run reduce poverty through social economic empowerment of women (Gaititi, 2012).

According to (Gaititi,2012) the Constituency Women Enterprise Scheme (C-WES) comes in two forms as Tuinuke Loan which is an interest free loan given to groups and Jiimarishe Loan which is given to both individuals and registered groups or companies owned by women at an interest of 8% p.a on reducing balance.

Through these loans WEF has been able to lead to women a total of Ksh. 2.6 million which she has received since inception. According to the Women Economic Status report (Wainaina 2013) the fund has been able to create loans worth Ksh. 3.1 billion using the two channels with high loan repayments of 91% for the self help groups and 99% for the financial partners. This good repayment has enabled the fund to create a sustainable revolving fund for women, their

daughters and future generations. Together with this 224,440 women have been trained in entrepreneurship and business management skills and formation of women owned cooperatives. Use of mobile phones for loan repayments has been implemented (WEF 2013)

Kasarani Constituency has a population of 200,984 which is distributed in the four wards. According to the WEF loan status report of December 2014, Ksh. 13,000,000 had been disbursed to Kasarani and the repayment rate was 90%. With this in mind the researcher sought to investigate if this money was helpful to the constituents. The researcher also sought to investigate the implementation of this fund in Kasarani, for growth and how the implementation may have been influenced by social cultural, economic, technological and political factors to empower women and reduce poverty levels in the constituency.

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

This study was meant to investigate the factors that influence implementation of WEF in Kasarani Constituency Kasarani ward.

### **1.4. Research Objectives**

The study sought to address the following objectives:-

1. To identify how social cultural factors influence implementation of WEF in Kasarani Constituency
2. To examine the extent to which economic factors influence the implementation of WEF in Kasarani Constituency
3. To assess how technological factors influence the implementation of WEF in Kasarani Constituency
4. To assess the extent to which political factors influence the implementation of WEF in Kasarani Constituency

### **1.5. Research Questions**

1. How do social cultural factors influence the implementation of WEF in Kasarani Constituency?

2. To what extent do economic factors influence the implementation of WEF in Kasarani Constituency?
3. How do technological factors influence the implementation of WEF in Kasarani constituency?
4. To what extent do political factors influence the implementation of WEF in Kasarani constituency?

### **1.6. Significance of the Study**

Women Enterprise Fund was established by the Ministry of Gender, Children and Social Development with the aim of providing affordable and accessible credit for women enterprise development, capacity building of women beneficiaries and their institutions, promotion of local and international marketing, promotion of linkages of Micro, small and medium enterprises owned by women, facilitate and support investment in infrastructure that support e.g. markets and incubators for goods produced by women entrepreneurs (KIPPRA, 2010). In essence WEF was meant to reduce poverty among discriminated persons/groups and create employment.

In view of this, the study might be important to the policy makers in that it will help them to identify the political, economic, socio-cultural and technological factors that have influenced the implementation of WEF in Kasarani Constituency. By so doing policy makers will be in a position to identify the strong factors and enhance them and for the weak factors that is factors that carry negative impacts they may be in a position to mitigate, fill the gaps and improve on them. The research will also help in restructuring the WEF training programs to be able to address emerging issues so as meet the intended objective.

For the particular Women Groups, the research might help them identify the factors that greatly influence the implementation and work on them accordingly. For the women who have not accessed the fund for one reason or another, they might be encouraged by the study and endeavour to form groups to benefit from the same. It will also be helpful because it will open their eyes to see and learn how other groups are utilizing their money for their empowerment.



### **1.7.Delimitations of the Study**

The research involved WEF officials, leaders and sampled registered women group members in Kasarani Constituency that have benefited from the WEF fund.

### **1.8.Limitations of the Study**

The major limitation of this research was the fact that it was dealing with sampled groups in a single constituency which might not be a full representation of the national situation. Due to cost and time factors the research concentrated on some leaders and members of the sampled registered women groups as the sample and not the entire groups. The sampled groups were not 100% in participation due to absenteeism of members during meetings during which the data was collected. Moreover, language barrier and level of education prevented some of the participants from responding to the questions as expected effectively. However, the researcher made all efforts possible to ensure that the accuracy of the research was not compromised.

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

The study was based on the assumption that the sampled women leaders and members would respond to all the questions honestly, correctly and truthfully. It was also assumed that the participants would participate by fully filling and returning all the questionnaires.

### **1.10. Definitions of Significant Terms**

**Demographic factors:** These are socio economic characteristics of a population expressed statistically, such as age, sex, education level, income level, marital status, occupation, religion, birth rate, death rate, average size of a family, average age at marriage. They also include gender, ethnicity, knowledge of languages, disabilities, mobility, home ownership, employment status, religious belief or practice, culture and tradition, living standards and income level. (Business Dictionary). For the purpose of this research demographic factors included education level, age, marital status, gender and belief and practices. Demographic characteristics of women entrepreneurs as demonstrated in the Private Sector Survey (PSS) 2003, women entrepreneurs are younger than their male counterparts with an average age of 33 years for women and 36

years for men Hughes and Jennings (2012). Another study revealed that 58% of women entrepreneurs were in the age of 15 to 30 years group another 27% belonged to the group of 31 to 40 years age group (BWCCI, 2008). Consequently the SEDF study (2006), in contrast reported the average age of women entrepreneurs to be 45 years old and it also reported that women had an average of 9 years experience.

**Economic factors:** This includes economic, interest rates, exchange rates and the inflation rate. These factors have major impacts on how businesses operate and make decisions. For example, interest rates affect a firm's cost of capital and therefore to what extent a business grows and expands. Exchange rates affect the costs of exporting goods and the supply and price of imported goods in an economy. (Business Dictionary). For the purpose of this research the economic factors meant access to bank accounts, loans, collaterals and the amount of money available for the women empowerment.

**Implementation of Women Enterprise Fund** is the carrying out, execution, or practice of the Women Enterprise Fund, a method, or any design for doing something. Implementation is the action that must follow any preliminary thinking in order for something to actually happen. (Business Dictionary). For the purpose of this research Implementation of WEF is actual execution of the policies and procedures that govern the running of Women Enterprise Fund.

**Political factors:** This is the extent to which the government intervenes in the economy. Specifically, political factors include areas such as taxes, labour law, environmental law, trade restrictions, tariffs and political stability. These are activities related to government policy and its administrative practices that can have an effect on something. (Business Dictionary). For the purpose of this research, political factors were restricted to the legislations regulating the running of WEF as set by the government.

**Social cultural factors:** These are sets of beliefs, customs, practices and behaviour that exist within a population. They include the cultural aspects and include health consciousness, population growth rate, age distribution, career attitudes and emphasis on safety. (Business Dictionary). For the purpose of this research the social cultural factors included age distribution, career or business attitudes that are evidenced by the sampled group.

**Technological factors** include technological aspects such as research and development (R & D) activity, automation, technology incentives and the rate of technological change. They can determine barriers to entry, minimum efficient production level and influence outsourcing decisions. Furthermore, technological shifts can affect costs, quality, and lead to innovation. (Business Dictionary). For the purpose of this research technological factors included use of computers in the group economic activities.

**Women Enterprise Fund:** It is a flagship project in the Vision 2030 and thus a demonstration of the Kenya Government's commitment to the realization of the Millennium Development Goals, 3rd MDG on women empowerment and gender equality.

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

The study was organized into five chapters. Chapter one, which is an introduction of the study covers a background to the study, a statement of the research problem, purpose of the study, the research objectives, research questions, significance of the study, basic assumptions, limitations of the study, delimitation of the study and finally definition of significant terms. Chapter two is about the literature reviewed and it briefly tracks the factors that have influenced the implementation of WEF. These factors included political, economic, social cultural, and technological. This chapter also looked at the conceptual framework which outlines the dependent, independent, intervening and moderating variables and how they influence the dependent variable which is implementation of WEF. Chapter three describes the research methodology by discussing in details the research design used in the study, target population, sample size and sampling procedures, data collection instruments, pilot testing of the instrument, validity of the instrument, reliability of the instrument, data collection procedures, data analysis techniques, ethical considerations and operationalization of variables. Chapter four gives the data analysis, presentation and interpretation. In this chapter the results of the study were presented, analyzed and discussed as per the research objectives. The researcher used frequency tables, pie charts and bar graphs to present the data outcome. Finally in chapter five, summary of findings, discussions, conclusions and recommendations for further action and contributions to the body of knowledge were highlighted and suggestions for further research listed.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1. Introduction

In this chapter the researcher undertook to review literature related to the key terms of the Study. The chapter includes definition of key terms as used in the research and it also involves review of what other researchers and writers have to say on the same. The chapter has analysed some of the factors that have influenced implementation of WEF in other parts of the world as well as Kenya. There is also the theoretical framework that the researcher has applied as well as the Conceptual Framework.

#### 2.2. Women Enterprise Fund

According to the WEF strategic Plan 2012/2013, The Women Enterprise Fund (WEF) is an initiative of the Government and was established through the Legal notice No. 147: Government Financial Management (Women Enterprise Fund) Regulations, 2007. WEF operations began in December 2007 while its official launch by His Excellency the President was on 26<sup>th</sup> May 2009. WEF targets women who constitute slightly over 50% of the Kenyan population, who nonetheless have been marginalized from accessing economic resources and opportunities for myriad reasons such as institutional, cultural and structural factors. (Wainaina, 2009)

The Women Enterprise Fund (WEF) established in 2007 is 100% Government funded. WEF is a Kenyan government initiative that was aimed at developing and growing women – owned MSME's (Kiraka (2013)). The Fund which is a flagship project under Kenya's Vision 2030 provides a holistic integrated approach to addressing the challenges women face in starting or expanding their enterprises especially with regard to lack of capital, low financial literacy, accessibility to markets, decent work spaces and linkages with big enterprises.

The Fund has also enabled several beneficiaries to access micro-finance credit and other financial services. The Fund demonstrates Kenya Government's commitment to the realization of the 3rd MDG by allocating specific resources targeted at reducing gender and socio-economic

imbalances and promoting gender equality and women's empowerment. The Government of Kenya through the Treasury has to date allocated Kshs 4.5 billion (USD 50.6 Million). These funds have benefitted 864,920 women who have borrowed over Kshs. 4.5 billion (USD 50.6 Million) On the other hand over 404,800 women have been trained on business management skills, sensitization and registration of 52 Savings and Credit Co-operatives (SACCOs), use of mobile phone loan repayment, partnership with private-public non state actors. The loan repayments have been impressive at 89% group loan and 99.8% through financial intermediaries.

Moreover, the Fund has been successful in promoting women empowerment and gender equality by reducing barriers and impediments that hinder access to financial services. It has enhanced women's capabilities through financial literacy as well as ensuring active participation of women in socio-economic development of the country and positive growth among women owned enterprises. The Women Enterprise Fund as a model of moving women from poverty to gainful economic activities has been recipient of the 2011 MDG Award by the MDGs Trust Fund. The Women Enterprise Fund has been devolved to all the 290 constituencies and there is an officer in each of the constituencies.

The UWEZO (Ability) Fund which was established in 2014 is another milestone by Government aimed at empowering youth and women and persons with disabilities by providing interest- free loans as start-up capital for small and micro business of varying amounts not exceeding Kshs. 500,000 (USD 5682). The fund will enable the beneficiaries to take advantage of the 30% government procurement preference for youth, women and persons with disability. Kshs 500 Million (USD 5.682) is used for capacity building of groups to equip recipients with skills and market linkages necessary to manage group enterprises. The fund adopts a hybrid concept of the table banking and revolving funds, designed to ensure that women, youth and persons with disabilities are able to employ availed resources for credit, while similarly promoting and sustaining a savings culture. Total funds set aside for this is Kshs 6 billion (USD 68.18 million). The National Assembly approved a House Committee's amendments to the Uwezo Fund Regulations which will see the Sh. 6 billion funds turned into a revolving fund.

### **2.3.Socio Cultural Factors and Implementation of Women Enterprise Fund**

In this section the researcher intended to find out some of the key social cultural factors that may be affecting the participation of women in SMEs thus inhibiting their full participation in viable economic activities and thus empowerment of women by looking at the participation of women in the economy.

In Uganda there are myths that imply that women's business is just meant to supplement the family income and thus it is seen to be too small to matter in the national economy. These statements mean that the substantial cash and in-kind contributions of women to households and national economies are unrecognized as it is their potential to augment that income and expand employment opportunities through increased access to capital technology and training.(Snyder, 2000)

However, Women in Uganda are increasingly a major if not the sole source of support of large households often providing half or more of the family income even when the spouse is present. They are sole heads of 29% of all households in the country (Government of Uganda).

Examples from other regions such as Nepal show that most women engage in feminine types of businesses such as beauty parlours, dress making, handicrafts among others mostly owned on proprietorship basis and earning very little profit which is used to supplement the family income (Tulandhar, 1996).

Nepalese community is predominantly patriarchal, patri-lineal and patri-local. Fundamental features characterising patriarchy are the patri-lineal inheritance system, controls over women's sexuality and bodies and restrictions of women over mobility. Women are given subordinate position at all levels; economic control and power over their bodies, and movement and power of family lineage. The basic patriarchal predominance negatively affects women's esteem confidence and decision making ability in both direct and indirect ways.

In Kenya, looking at both rural and urban areas, absolute poverty is higher among women than men at 50% and 46.2% respectively thus poverty in Kenya continues to wear a female face. The reasons for this include socio cultural barriers, patriarchal land inheritance systems, low literacy

levels among women, the care burden on women and harmful traditional practices. Female-headed households are poorer than those headed by their male counterparts and men have higher employment and business opportunities than women.

However, there is an increasing recognition of the significant role that women play in the economy and the Government is taking deliberate steps to ensure women's effective participation in the country's economy. (Stevenson and St - Onge2005)

### **2.3.1. Education**

The Government in partnership with the private sector conducts training on entrepreneurship, book keeping and basic business administration to enable those who qualify for the different catalytic funds to set up or improve their businesses.

### **2.3.2. Gender Division of Labour**

According to (ILO, 2008) women entrepreneurs face a number of unique challenges most of which stem from their multifaceted roles as business women, parents and homemakers. Gender division of labour leads to gender stereotyping of jobs and this determines business behavior in that it sets women business activities as distinct from those of men.

According to the United Nation, 1996 women constitute the principle labour force in the informal sector and their presence is widespread in Africa. Some of the key roles played by women are in food and beverages, textiles, retail trade, pottery and cross-border trade constitute half of all production in the informal economy. Women's businesses differ from Men's in that majority of their enterprises are in food processing, clothing, agro processing, horticultural, and food preparation sectors. Women owned businesses are also smaller to the level of having only one employee who is the owner. Consequently women owned businesses are founded on less capital investment than male-owned firms are. Most women operated businesses operate from home (McCormick, 2001). Moreover, women are more likely to start retail and service oriented businesses.

Women in rural areas of Kenya are burdened with household tasks, such as collecting firewood and pounding grain; fetching water. Only 30% of households in Kenya have access to piped water supplies, and fetching water can account for up to 40 percent of a woman's day, taking from 3 to 5.25 hours (Were and Kiringai, 2003). Childcare is also an important source of time burden for women in Kenya. Women's labour time and flexibility are therefore more constrained than men's. The disproportionate cost borne by women in terms of reproductive work in the household economy limits the time that they can spend on economic activities and means that they may have less time to devote to developing their businesses (Blackden and Morris-Hughes, 1993). The 2006 World Bank Country Social Analysis argues that, women's burdens in the economic, domestic, and collective spheres have only intensified, bringing about a destabilizing effect on households and leading increasingly to tension and violence (World Bank, 2006c).

### **2.3.3. Culture and Custom**

Although MSEs are now generally recognized as a viable strategy to even out socio-economic disparities between men and women, socio cultural factors continue to discriminate against women. For example, in education, preference is given to boys. Thus, the educational level of most women entrepreneurs is very low, creating a barrier to them accessing training and other business development services. In Nairobi, for example, many women come from disadvantaged social backgrounds and are not well informed about business processes and operations and, therefore, fail to take full advantage of opportunities. Moreover, entrepreneurial education and training which they lack play a key role in stimulating entrepreneurship and self-employment. (Namusonge, 2006),

Custom often works against women in that they have less education, are less likely to own land and put it to productive use or use as collateral for credit. They also have less information on markets and bear heavy, time consuming responsibilities at home, offspring and extended family.

According to (Uzzi, 1997) knowledge and resources are culturally embedded and influence availability of resources and exploitation of potentials of women entrepreneurship. Ayarudai argues that women entrepreneurs in Kenya put up with lack of confidence, lack of strong



individual involvement and unwillingness to take risks. This may be emphasized by their weak social position which is exacerbated by lack of role model in entrepreneurship, poverty and illiteracy that increase invisibility and marginalization of their enterprises. For example, the presence of biased cultural practices among communities domicile in Garissa retards women aspirations and fulfillment of their social and economic life.

Despite growing evidence of women's preponderance in the larger subsectors of the informal economy, the common trend in African countries has been the tendency to attach much lower value to informal activities dominated by women and much higher value to those dominated by men (Macharia, 1997). Further it is notable that women's work is doubly invisible as women's work and as productive employment in the informal economy.

More over Socialization Pattern of girls trained them to be effective house wives, mothers and service providers. From very early it is instilled into girls' minds that their duty lies in their family, domestic chores sibling care or assisting the mother in household responsibilities preparing her for the world of caretaking of future generations.

#### **2.3.4. Men's Dominance in Property Ownership**

Historically, laws that prohibited women from owning property, operating businesses or borrowing money existed (Butler, 2003). In the US the laws have been repealed and do not contribute directly to the limitations on women's business ownership. In the US more women are choosing to be entrepreneurs. In 2002, women owned businesses employed 9.2 million people and generated almost \$ 1.15 million in sales. (Butler, 2003)

Under customary law, there is a general principle that a husband should manage his wife's property, whether acquired before or during the marriage. Thus, a married woman may use matrimonial property, but she cannot dispose of it without her husband's consent. Under customary law, the position of widows is particularly precarious.

Adoption of the National Land Policy which recognizes the role of women in land matters. It proposes review of succession, matrimonial property and other related laws to ensure gender

equity and the enactment of specific legislation governing division of matrimonial property to replace the English Married Women's Property Act of 1882. It provides for the protection of the rights of widows, widowers and divorcees through enactment of law on co-ownership of matrimonial property. The National Land Policy requires appropriate legal measures to ensure that men and women are entitled to equal rights to land and land-based resources during marriage, upon dissolution of marriage, and after death, and development of mechanisms to curb selling and mortgaging of family land without the involvement of spouses.

## **2.4.Economic Factors and Implementation of Women Enterprise Funds**

World Bank (1991) identifies that women are the poorest of the poor, a relatively more deprived segment even from among the poor. Forty five percent of women aged ten and above are listed as economically active. More than four percent of women are unpaid family workers, the only category where women outnumber men. According to the census (1991) the more common employment for women includes vending, petty trade, liquor making and vegetable selling.

Women in Kenya are poorer than men, with 54 percent of rural and 63 percent of urban women and girls living below the poverty line (Government of Kenya, 1997). The World Bank's Country Assistance Strategy recognizes that "women are more likely to be poor and vulnerable to adverse shocks than men" (World Bank, 2004d).

### **2.4.1. Availability of funds**

Finding cash income is more challenging for women than men because women who comprise "perhaps the majority" in the micro and small enterprise (MSE) sector and provide some seventy percent of the agricultural labour, have fewer assets and less access to productive resources. (Republic of Uganda, 1999)

According to (Macharia, 1997) women are clustered in the trade and services sectors of Africa economies due to paucity of capital availability to them as a reason for their inability to enter fields demanding high start-up capital. For example, informal sector development in Africa identifies lack of access to credit as a leading constraint for small-scale entrepreneur and it is particularly acute for women (UN, 1996).

Although access to finance is an obstacle for all firms, women rated it as the single biggest constraint that is preventing them from growing their businesses. Other constraints to women's access to funds include prevalence of a collateral-based banking system and lack of a credit bureau that could capture women's excellent repayment rates in microfinance.

As major actors in the informal sector of the Kenyan economy, women own almost half of the 1.3 million micro, small, and medium - size enterprises (MSMEs) in Kenya at 48%. Even though a significant 85 percent of female-owned MSMEs are in the informal sector and two-thirds are located in rural areas, the average MSME generates a gross income equivalent to more than twice the average minimum wage in the agricultural sector (US\$76 per month). It is estimated that MSMEs generate as much as 20 percent of Kenya's GDP (Government of Kenya, 2006b); however, female-owned MSMEs report only 57 percent of the income earned by their male counterparts. They also have fewer employees: the average number of employees in a female-owned MSME is 1.54, compared with 2.1 for a male-owned MSME. As a result, 60 percent of total MSME employment is generated by male-owned and 40 percent by female owned MSMEs (Government of Kenya, 1999).

#### **2.4.2. Access to Credit**

Land is vital both because of the predominance of agriculture within the Kenyan economy and because of the significance of land in providing collateral for business finance. Yet, although women in Kenya supply 70 percent of labor in the agricultural sector, they hold only about 1 percent of registered land titles in Kenya, with around 5–6 percent of registered titles held in joint names. Research shows that women's limited ability to own land and property negatively affects their contribution to Kenya's economic growth.

“The problem here in Kenya in general is that women don't have collateral. For you to go to the bank, you must have collateral”. (Zohra Baraka). Due to women's limited land ownership, few of them are able to provide the collateral needed for loan requests. Thus, even though women entrepreneurs make up nearly half of all MSME owners and 40 percent of smallholder farm managers, they have less than 10 percent of the available credit and less than 1 percent of

agricultural credit (Government of Kenya, 1999). The government's 2005 MSE Sessional Paper recognized that, "Lack of access to credit is a major constraint inhibiting the growth of the MSME sector, and more so for women entrepreneurs" (Government of Kenya, 2005). (Karanja, 1996) notes that owning title deeds as collateral to finance expansion is still a hurdle for most women entrepreneurs, given that property is not usually registered in their names

Women can also access credit through MFIs (Micro Finance Institutions). Whereas many MFIs emerged to provide initial and working capital, relevance and cost-effectiveness is often inappropriate in satisfying the particular needs of potential and operating women entrepreneurs (Government of Kenya, 1999).

Where accessible, the cost of credit was found to be expensive for most MSEs; for instance, the interest rates charged by some MFIs is as high as 54 per cent per annum. This coupled with a short repayment period becomes a major constraint, resulting in forcing the entrepreneur to work almost round the clock to service the loans. The exorbitantly high cost of initial capital tends to make the enterprise almost uneconomical to operate as a business. This is common to most formal sources of credit as well as MFIs

The Women Enterprise Fund was established in order to create affordable access to finance for Kenyan women facing difficulties accessing existing microfinance institutions (MFIs) and banks. (GoK, 2006)

On the other hand women have resulted unto forming Saccos to facilitate access to credit. For instance, United Women's Savings and Credit Cooperative Society (UWSACCO) was Created in 2000 by a team of professional women, UWSACCO's mission is to help women acquire financial assets that will give them economic power and financial freedom. Their vision is to transform UWSACCO into a women's savings bank. UWSACCO targets the upper end of women MSME business owners and NGO women executives with higher savings requirements (Ksh 100,000 minimum savings) and bigger loans (average of Ksh 250,000). Prospective members are interviewed and closely screened before being granted membership status.

Most prospective members are introduced by current members. The committee prefers this approach because it transfers some of the screening requirements to the sponsoring members.

The success of the UWSACCO is well captured in its financial statements. As of May 2005, the share capital grew from Ksh 6,954,045 to Ksh 16,460,269, reflecting a growth of 137 percent. Total loans grew from Ksh 4.5 million to Ksh 10.5 million, reflecting a growth of 33 percent. As of November 2005, the default rate was zero. But UWSACCO's membership is small and exclusive. In interviews, UWSACCO's leadership indicated they believe that lack of legal and regulatory framework governing the operations of the SACCOs is the biggest threat to the organization. (World Bank, 2007)

Banks and licensed nonbank financial institutions there is virtually no provision between these two extremes. Even though well-delivered microfinance is a great poverty reduction tool, it offers only limited support for women who wish to grow their enterprises beyond the micro level. Women business owners who have outgrown the maximum loan limits from microfinance institutions have great difficulties obtaining loans as small as Ksh 1 million from commercial banks.

## **2.5. Technological Factors**

In this section the researcher sought to establish if the respondents were versed with current technology and how well they use it to grow and manage their businesses.

### **2.5.1. ICT skills**

Appropriate technology is one that is suitable to the environment, culture and level of development of the people ([www.unido.org](http://www.unido.org)). In Kenya, there is a general lack of appropriate technology available to disabled women entrepreneurs (McCormick and Pedersen, 1996).

A case study of Unison in UK showed that changes in technology, including a rise in automation in the workplace and the development of the internet, have transformed the way in which many businesses work in that automation of production processes in factories means less-skilled workers are needed. The internet has opened up a need for information processing in purchasing

and data management areas, for example, in online shopping. Many migrant graduates have come to fill these more specialised vacancies.

The biggest technological factor affecting migration has been the increased availability and reduced cost of transport. Over 75% of migrants fly into the UK, most using budget airlines. Advances in online money transfers enable migrant workers to send money home easily and securely. This makes them more willing to migrate. A United Nations statistic shows that migrant workers send home over twice the amount given in international aid to developing countries.

Improvements in telecommunications have made it easier for potential migrants to discover what job opportunities are available. Through online chat rooms, they gain information and advice from other migrants from their own country and can keep in contact with friends and family in their home countries. (Unison)

It is worth noting that lack of scientific and technological education may make women's entry into technologically sophisticated business less likely and these kinds of businesses may generate the greatest incomes and profits. (Butler, 2003)

WEF has implemented SMS banking model which clients use to do loan enquiries. Triggers are sent periodically to remind clients about repayment. (WEF Public Accountability Statement 2013 /2014) The department also increased the fund's interaction with the public by participation in Social media via Face book, Twitter and YouTube. Further the funds network devices were upgraded to improve on efficiency.

Consequently, expansion of ICT services- Fiber Optic Cables and increased use of social media leading to increased connectivity and access to information. This means that women can take advantage of the information available on the internet to start or expand their businesses. This is particularly useful for young unemployed graduates who have been able to tap into the wealth of information on the internet and link up with international markets. Internet connectivity is now available in all major counties at affordable rates.

### **2.6.2. ICT Facilities**

According to Greene and Greer 2003, lack of scientific and technological education may make women's entry into technologically sophisticated business less likely and these kinds of businesses may generate the greatest incomes and profits.

## **2.7 Political Factors**

In this section the researcher aimed at looking at the rules governing the Women Enterprise Fund. Some of the rules include the fact that the loan targets enterprises of women in the divisions, the loan is accessible to women groups operating within the parliamentary constituency; a maximum loan amount per group is Ksh. 50,000. Further the loan is not accessible to individual owned enterprises. The loan does not attract any interest but has an administration fee of 5% deductible upfront from the approved loan. The loan repayment period is twelve equal installments after a grace period of three months. It is a requirement that in groups with male and female membership should have at least 70% women membership and 100% of women in leadership positions ([www.kcse-online.info/.../Women Enterprise Development Fund](http://www.kcse-online.info/.../Women Enterprise Development Fund))

## **2.8. Theoretical Framework**

This study was informed by The Feminist Theory which is discussed below. This Theory was first a brain child of Betty Friedan 1963.

### **2.8.1. Feminism Theory**

Feminism concerns equality and justice for all women and it seeks to eliminate systems of inequality in all aspects of women's life. It is the politics of equality and it anticipates a future that guarantees human dignity and equality of all people, women and men. Feminism is inclusive and affirming of women, it celebrates women's achievements and struggles and works to provide a positive and affirming stance towards women and womanhood.

This research report was based on feminist theory. According to Moffitt, feminism is support of equality for women and men. Feminists believe in working to increasing equality, they believe in expanding human choice, the idea that both men and women should be able to develop their

human traits, even if those which go against the status quo. If a woman wants to be a mechanic, she should have every right and opportunity to do so. Another feminist principle is eliminating gender stratification. This one proposes that laws and cultural norms that limit the income, educational and job opportunities for women should be opposed.

Greene and Greer 2003, state that the goal of liberal feminism has been the elimination of explicit legal and institutional barriers to women's participation in Society on an equal basis with men. According to liberal feminism men and women are regarded as equal autonomous individuals. Therefore the solution to women's lesser achievements is to remove barriers to women participation, notably in education, and employment. Removal of legal barriers allows men and women to be free as individuals, moving ahead based on their talents, skills and willingness to work.

Liberal feminism believes in the viability of the present system and work within this context for change in such public areas as education and employment. Liberal feminists attempt to remove obstacles to women's full participation in public life through education federal and state policies and legal statutes.

Historically, there existed laws that prohibited women from owning property, operating business or borrowing money. In the USA the laws have been repealed and do not contribute directly to limitations on women business ownership

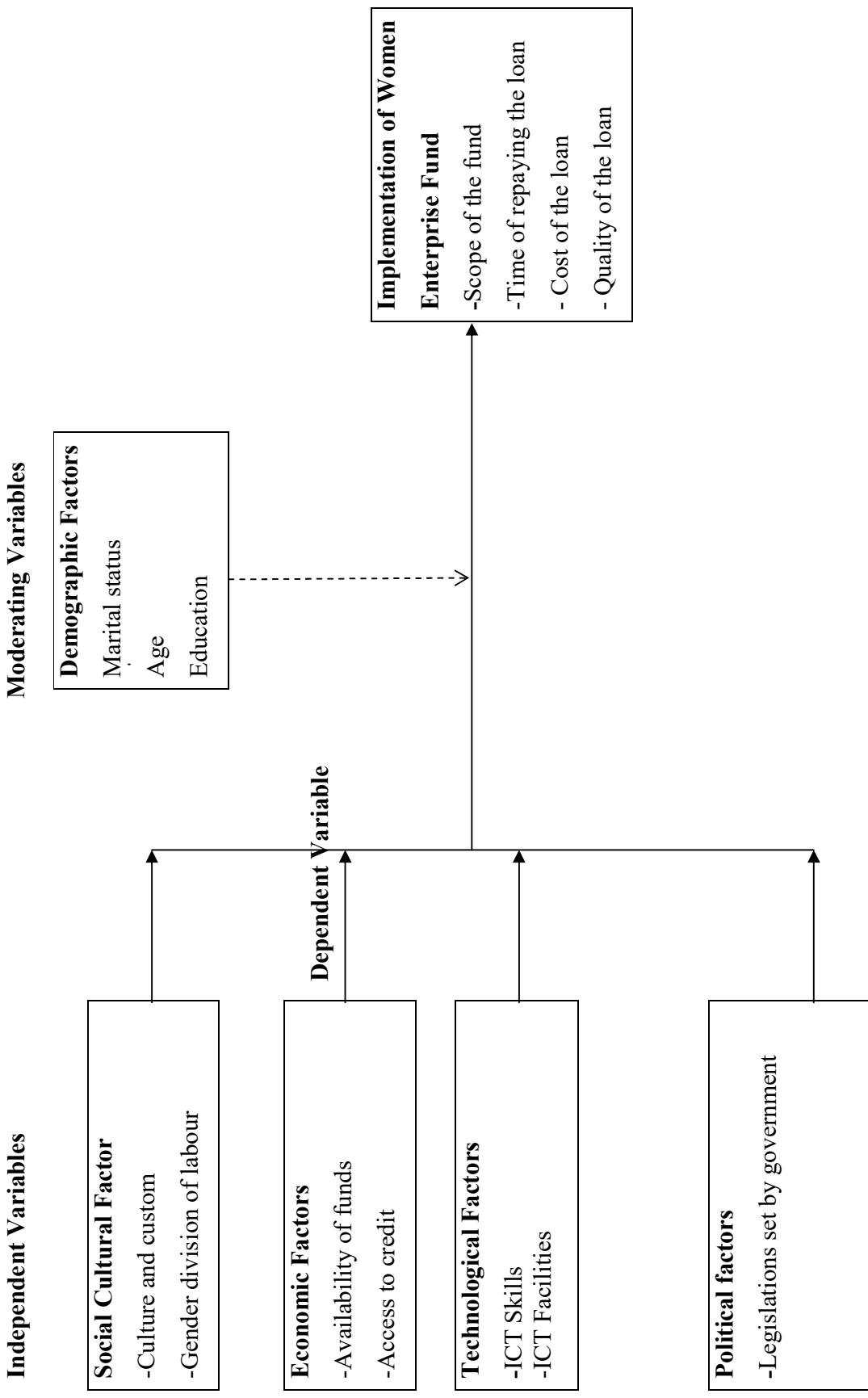
## **2.9. Conceptual Framework**

In this study the independent variable was implementation of women enterprise fund while the dependent variables were economic factors, social cultural factors and demographic factors. The intervening variables include management skills, level of education and type of business. On the other hand moderating variables include gender, marital status and age of the women entrepreneurs.

The indicators of effective implementation of women enterprise fund include scope, time, quality and cost. The figure below shows the conceptual framework for the selected social cultural,



economic, and demographic factors with their indicators and the moderating and intervening variables that influence the implementation of women enterprise fund.



**Figure 1: Conceptual Framework**

### **2.10. Knowledge Gap**

For a long time women have been perceived as the weaker sex and who face discrimination in many areas of their lives including entrepreneurship. Most of the women do not have access to property and thus lack collateral to access loans. Women Enterprise Fund is a government initiative that was aimed at developing and growing women – owned MSMEs (Kiraka, 2013). The researcher intended to find out if the government has been able to grow these enterprises for women and eradicate poverty with Kasarani Constituency.

### **2.11. Summary**

From the literature review above it has been emphasized on the position of women in the society as far as entrepreneurship is concerned. From the traditional culture women have been relegated to poverty especially due to the fact that they have no right to property, low literacy levels and lack of relevant training as supported by (ILO, 2008, McCormick, 2001, Namusonge, 2006) among others. Women form the backbone of the economy but remain the poorest since they are mainly employed in vending, petty trade, vegetable selling and other feminine businesses (Macharia, 1997). The main reason for this is because women have had no easy access to credit facilities and they also do not have capital (Karanja, 1996). Moreover the literature review has shown that women are lacking in technological training which could help them in access to information and connectivity which can ease the problem of connectivity. Lack of ICT facilities and training is a major drawback as far as implementation of WEF is concerned. For this reason the government came up with WEF as a tool to help address the challenges facing women in starting or expanding their enterprises especially with regard to lack of capital, low financial literacy, accessibility to markets, decent work and linkages with big enterprises.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1. Introduction**

This chapter describes the research procedure and technique that was employed by the study. This include research design, target population, sample and sampling procedure, research instruments, data collection procedures, validity, reliability and methods of data analysis.

#### **3.2. Research Design**

The researcher used a descriptive survey design. A survey is a process of collecting data from existing population units with no particular control over the factors that may affect the population characteristics of interest in the study (Gupta, 2008). The design was chosen because the study did not purpose to manipulate variables but to describe things as they were at the time of the study. In this case the researcher had no control over the variable and therefore only reported on what has happened or what was happening. The researcher used purposeful sampling to identify the sample size. The researcher used descriptive statistics to clarify the relationship between the independent and dependent variables.

#### **3.3. Target Population**

Target population is the particular entity of people, objects or units to which a researcher can reasonably generalize his or her research findings (Mugenda and Mugenda, 2012). The target population included the officer in charge of implementation of WEF, officials and members of the sampled number of registered women groups in Kasarani constituency. Kasarani Constituency area of study included Kasarani, Njiru, Ruai and Clay City. For the researcher to get a fair representation the target population she drew a sample from all these areas.

#### **3.4. Sample size and Sampling procedures**

### **3.4.1. Sample Size**

Sample size is the number of units, subjects, objects or items in a sample (Mugenda and Mugenda, 2012). The target population was 140 women groups from which a sample of 103 participants was drawn. The researcher used the Krejcie and Morgan table (1970) to determine the sample size.

### **3.4.2. Sampling Procedure**

The researcher used probability sampling procedure. First the researcher used stratified random sampling where by the population was grouped according to their wards. A sample was then drawn from the women groups within each ward. To get the sample from the selected women groups simple random sampling was used. For the sample from the officials of the particular groups the researcher used simple census method.

### **3.5.Data collection Instrument**

The researcher used primary and secondary data in the research study. The primary data was collected using questionnaires which consisted of open ended and closed ended questions. Consequently, secondary data was collected from the WEF journals, records and reports.

#### **3.5.1. Validity of Research Instruments**

According to Mugenda .et al, validity of research instruments is the degree to which data collected in a study accurately represents the variables being measured. This therefore means that validity is the accuracy, truthfulness and meaningfulness of the data and all inferences made from the data. To ensure that there was validity of the research instruments the researcher documented the sources of remarks whenever possible and appropriate to help make sense of comments that might look misplaced. The researcher also checked one informant's descriptions of something against another informant's description of the same thing.

#### **3.5.2. Reliability of Research Instruments**

Reliability of research instrument is the degree to which a measure supplies consistent results (Mbwesa, 2006). It can also be regarded as the degree to which instruments used in data

collection are free from errors and therefore can produce consistent results. To ensure reliability of the research instruments the researcher used Test Re-test method where she first issued the questionnaires to a group and the same questionnaire was given to the same group after two weeks. The fact that the respondents gave similar responses the second time was an indicator that the tool was reliable.

### **3.6.Data Collection Procedure**

Before collecting data the researcher obtained a research permit from the ministry of Science and Technology. The researcher then presented the permit at the WEF National offices from where a letter to proceed to the field was issued. After receiving the letter of approval the researcher presented to the relevant constituency office after which she proceeded to the field. The research used self-administered questionnaires to collect data. This helped the researcher to save on time, cost and also for clarifications to the participants. For the WEF officials the questionnaires were administered in their respective offices. For the women group officials and members the researcher administered the questionnaires during their monthly meetings either with the WEF officials or in their respective meetings.

### **3.7.Data Analysis Techniques**

Data analysis is the process of cleaning and summarizing data so that it becomes information that can be easily interpreted and conclusions made to support decision making (Mugenda and Mugenda, 2012). Data analysis includes a variety of activities and processes that a researcher administers to a database in order to draw conclusions and make certain decisions regarding the data collected from the field (Mbwesa, 2006). According to Mugenda and Mugenda (1999), descriptive statistics is the first step to analyse or summarize data. Its main purpose is to enable a researcher to meaningfully describe a distribution of scores using few indices. The researcher used SPSS to obtain descriptive statistics such as frequencies, mean, mode, standard deviation, and correlation of variables.

### **3.8.Ethical Consideration**

Ethical consideration is the moral principles and values that guide a researcher when conducting research studies especially with human subjects (Mugenda and Mugenda 2012). In research, respondents should be protected by upholding confidentiality and privacy by keeping the information given very confidential (Mugenda and Mugenda 1999). With this in mind the researcher ensured that she took the responsibility of ensuring that the research information from participants was kept very confidential and ensured that it was only used for academic purposes only. For this reason the researcher did not require the participants to fill in their names in the questionnaires.

### **3.9.Summary**

This chapter described the procedure and technique that the researcher employed in the study. The researcher used descriptive survey design since she did not have control over the variable and thus reported on what was happening. Purposeful sampling method was applied to identify the sample. The target population for the study included the officer in-charge of the WEF in Kasarani and representatives of the Women group officials and members. The sample size was attained using the Krejcie and Morgan table. With a target population of 140 respondents a sample of 103 was arrived at using the above mentioned table. The researcher used questionnaires with both open and closed ended questions to gather information from the respondents. To ensure validity of the research tool the researcher checked the information of one respondent against another on the same description and she also used test re-test approach to ensure reliability. Consequently, the procedure used by the researcher included obtaining authorisation letters from the University, Ministry of Science and Technology and the national WEF office. Data was then analysed using SPSS package and presented in form of frequency tables, cross tabulation and descriptive statistics. To ensure confidentiality the researcher gave assurance to the respondents on the same and as a result she did not require them to write their names on the questionnaires.

### 3.9 Operationalization of variables

Objective	Variable	Indicator	Measurement scale	Data Analysis
To identify how social cultural factors influence the implementation of WEF in Kasarani constituency	Social cultural factors	-Number of women accessing the funds	-Nominal	Descriptive Statistics
To examine the extent to which economic factors influence the implementation of WEF in Kasarani constituency	Economic factors	-Number of women with collateral for loans -Level of access to credit	-Nominal -Ordinal	Descriptive Statistics
To find out how technological factors influence the implementation of WEF in Kasarani constituency	Technological factors	-Availability of ICT equipment -Percentage of women with ICT training	-Ordinal -Ratio	Descriptive Statistics
To assess the extent to which demographic factors influence the implementation of WEF in Kasarani constituency	Demographic factors	Characteristics of women accessing the funds	-Ordinal	Descriptive Statistics

**Figure 2: Operationalization of variables**



## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

#### 4.1. Introduction

The study sought to investigate the factors influencing implementation of women enterprise fund in Kasarani Constituency, Nairobi County, Kenya. This chapter dealt with data analysis, presentation and interpretation of research findings of the study which answer the research question. Data collected was analyzed and findings presented in frequency tables percentages and cross tabulation.

#### 4.2. Demographic Analysis

Table 4.1: Analysis of Gender response

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Female	67	95.7
Male	3	4.3
<b>Total</b>	<b>70</b>	<b>100.00</b>

The Table 4.1 above shows that 95.7% of the respondents were women and 4.3% were men. It was important to find out the gender of the respondents so as to verify if these are purely homogeneous as the name suggests or there were men involved in them.

##### 4.2.1. Distribution of respondents by Ward

The respondents were purposefully sampled from all the wards of Kasarani Constituency as shown in Table 4.2 below

Table 4.2: Analysis of respondents by ward

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Kasarani	42	60.0
Njiru	11	15.7
Ruai	12	17.1
Clay City	5	7.1
<b>Total</b>	<b>70</b>	<b>100.00</b>

Out of all the respondents 60% came from Kasarani ward, 15.71% Clay City, 17.14% were from Njiru and 7.143% from Ruai

#### 4.2.2. Distribution of respondents by age

The researcher found it important to establish the age of the women who have embraced Women Enterprise Fund. The distribution is in the Table 4.2 below

Table 4.3: Distribution of respondents by age

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
21 – 30	5	7.1
31 - 40	17	24.3
41 - 50	26	37.1
Over 50	22	31.4
<b>Total</b>	<b>70</b>	<b>100.00</b>

Majority of the respondents were within the age of 41 – 50 with 37.1%,31.4% were above the age of 51 years, 24.3% of the respondents were in the age of 31 – 40 years old and 7.1% of respondents were between the age of 21 - 30 years.

### 4.2.3. Distribution of respondents by marital status

The researcher sought to find out if there was any relationship between the marital status of the respondents and the implementation of WEF. The Table 4.4 below shows the distribution

Table 4.4: Distribution of respondents by marital status

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Married	51	72.9
Widowed	8	11.4
Separated	4	5.7
Single parent	4	5.7
Never married		2.9
Divorced	2	1.4
	1	
<b>Total</b>	<b>70</b>	<b>100.00</b>

From the Table above 72.9% of the respondents were married, 11.4% were widowed. Consequently, 5.7% were separated and 5.7% were single parents. The respondents who were never married comprised of 2.9% and 1.4% were divorced.

### 4.2.5. Distribution by level of education

The researcher intended to find out the level of education achieved by each respondent. The findings were as follows.

Table 4.5: Distribution of respondents by level of education

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
University	4	5.7
Tertiary	15	21.4
Adult education	15	21.4

Secondary	26	37.1
Primary	10	14.3
<b>Total</b>	<b>70</b>	<b>100.00</b>

From the above Table 4.5 shows that most of the respondents had reached the secondary school with 37.1%,21.4% had attained tertiary and21.4% had achieved adult education. Consequently 14.5% had acquired primary education and 5.7% had acquired university education

### 4.3. Political Factors

In this section the researcher sought to establish if the respondents had any regulations that governed the running and management of their WEF groups.

#### 4.3.1. Availability of regulations governing WEF groups

The researcher sought to find out if the WEF groups in Kasarani constituency had any rules that governed their activities and the findings were as shown in Table 4.6 below

Table 4.6: Availability of regulations

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	66	94.3
No	4	5.7
<b>Total</b>	<b>70</b>	<b>100.00</b>

94.3% of all the respondents indicated that their WEF groups had a set of rules and regulations governing their groups while 5.7% stated that their groups did not have the rules.

#### 4.3.2. Knowledge of rules set by government

In this section the researcher intended to find out if the respondents had knowledge of rules set by the government as far as WEF is concerned.

Table 4.7: Knowledge of rules set by government

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	55	78.6
No	15	21.4
<b>Total</b>	<b>70</b>	<b>100.00</b>

Majority of the respondents at 78.6% indicated that they had knowledge of rules that the government has set to run the WEF, and 21.4% indicated that they had no knowledge of regulations set by government.

#### 4.3.3. Training on Government regulations

Table 4.8: Training on government regulations

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	52	74.3
No	10	14.3
Missing	8	11.4
<b>Total</b>	<b>70</b>	<b>100.00</b>

A majority of respondents with 74.3% indicated that they had had training on government regulations on WEF and 14.3% indicated that they had not had such training. While 11.4% did not give their response.

#### 4.3.4: Analysis of whether there are rules governing WEF groups and examples of the rules

Table 4.9: Cross tabulation of rules for WEF groups and examples of regulations

Examples of regulations	Are there rules governing groups		Total
	Yes	No	
	62.9%	4.3%	67.2%
Attendance	10.0%		10.0%
Contribution	15.7%		15.7%
Discipline	7.1%		7.1%
<b>Total</b>	<b>95.7%</b>	<b>4.3%</b>	<b>100.0%</b>

Majority of the respondents up to 62.9% agreed that they had rules that governed their groups and only a small percentage of 4.3% of the respondents indicated that they had no rules to govern their group activities. Some of the rules that the groups had were rules on contribution which was 15.7% of the respondents, 10.0% of respondents had rules on attendance and those with rules on discipline comprised of 7.1%.

#### 4.3.5. Analysis of knowledge of what the government says about women and examples of what the government says.

Table 4.10: Cross tabulation knowledge of regulations by women and what the government says

Examples of what government says	Knowing what government says		Total
	No	Yes	
Knowing Nothing	3.3%		3.3%
Boost Women Financially		9.8%	9.8%
Empowerment		78.7%	78.7%
Women are disadvantaged		1.6%	1.6%
Women are backbone		6.6%	6.6%
<b>Total</b>	<b>3.3%</b>	<b>96.7%</b>	<b>100.0%</b>

In this section the researcher intended to find out if the respondents knew what the government had to say about women. 96.7% were in agreement that they knew what the government had to say about women and only 3.3% had no idea of the same. Consequently, a majority of women were in agreement that the government had laws on women empowerment with 78.7%. 9.8% mentioned the issue of boosting women financially and 6.6% mentioned something to do with women being the backbone of the economy. It was only a small group of the respondents comprising of 1.6% that said that women were disadvantaged.

#### 4.3.6. Analysis of knowing the legislations and examples of the legislation

Table 4.11: Cross tabulation regulations set by parliament and examples given by respondents

Examples of legislations	If they know the legislations		
	No	Yes	Total
With nothing	14.3%		14.3%
How to spent WEF money		8.6%	8.6%
Loans must not have interest		4.3%	4.3%
Loan Repayment Period of one year		2.9%	2.9%
Officials must be Women		5.7%	5.7%
Procurement Initiative Law		1.4%	1.4%
To Empower Women		62.9%	62.9%
<b>Total</b>	<b>14.3%</b>	<b>85.7%</b>	<b>100.0%</b>

From the above frequency table majority of the respondents 85.7% were in agreement that they had been trained on the government legislations on WEF and 14.3% which a smaller number indicated they had not been trained. Out of those who had said yes a huge percentage of 62.9% indicated that the laws were mainly on empowerment of women; 8.6% said they were trained on how to spend WEF money, 5.7% said that the laws stated that the officials must be women, 4.3% about WEF loan not having any interest, 2.9% the loan repayment period of one year and 1.4% on the procurement initiative law.

#### 4.4.Economic Factors

In this section the researcher sought to review the economic factors such as access to bank accounts, loans, collateral and the amount of money available to the WEF groups in Kasarani constituency. The tables below shows the outcome

##### 4.4.1. Analysis of the economic factors

Table 4.12: Economic factors

<b>Economic Factors</b>	<b>Yes%</b>	<b>No%</b>	<b>Total</b>
Have personal Bank Account	95.7	4.3	100.0
Have borrowed a loan	4.3	75.7	80.0
Missing	20.0		20.0
Required collateral	17.1	82.9	100.0

Majority of the respondents in the table 4.12 above had had personal bank accounts to 95.7% while 4.3% did not have. Out of the respondents 4.3% have ever borrowed loans from a bank and 75.7% had not. 20% of the respondents did not respond to whether they had borrowed a loan or not. Consequently of those who had taken loans 17.1% had required collateral while 82.9% had not required collateral to get loans.

##### 4.4.2. Kind of collateral used

Table 4.13: Kinds of collateral

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
House hold goods	5	14.3
Title deed	6	8.6
Log book	1	1.4
TV	3	4.3
Sofa set	1	1.4
Witness	3	4.3



No response	51	72.9
	<b>70</b>	<b>100.00</b>

The Table 4.13 above shows that 14.3% of respondents who had used collateral to acquire loan had used household items, 8.6% used title deeds, and 1.4% used log book and witness each. 4.3% of respondents had used TV sets as collateral. A majority of 51% of the respondents had not applied for loans and thus did not require collateral.

#### 4.4.3. Amount of Money Borrowed

Table 4.14: Amount of money borrowed

Response Rate	Frequency	Percentage
Below 20,000	2	2.9
21,000 – 30,000	1	1.4
31,000 – 40,000	1	1.4
41,000 – 50,000	2	2.9
Over 50,000	7	10.0
Total	13	18.6
Missing	57	81.4
<b>Total</b>	<b>70</b>	<b>100.00</b>

The majority of the respondents that had taken big loans took above Ksh. 50,000 which was 10% of people who took loans. 2.9% of the respondents had taken Ksh. 41,000 – 50,000 and below Ksh. 20,000 each. Consequently a small group of people took Ksh. 21,000 – 30,000 and 31,000 – 40,000 each with 1.4% each. The respondents who had not applied for any loan are the missing with 81.4%.

#### 4.4.4. Group Economic Activities

In this question the researcher intended to find out if the respondents had common group economic activities and found out the following.

Table 4.15: Group economic activity

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	36	51.4
No	34	48.6
<b>Total</b>	<b>70</b>	<b>100.00</b>

From the above table 4.15 a majority of respondents forming 51.4% had no group economic activity while 48.6% of respondents indicated that they had a common group economic activity.

#### **4.4.1. Analysis group economic activities and examples of group economic activities**

Table 4.16: Cross tabulation of respondents with group activities and types of activities

Economic Activities	With group economic activity		Total
	Yes	No	
No Economic Activity		51.4%	51.4%
Chickens	7.1%		7.1%
Hiring Utensils	2.9%		2.9%
Making and Selling Cooking Baskets	4.3%		4.3%
Merry-go-round	4.3%		4.3%
Rearing Quails	4.3%		4.3%
Table Banking	8.6%		8.6%
Taking Care of Disable Children	1.4%		1.4%
Water Harvesting	4.3%		4.3%
Missing			11.4%
<b>Total</b>	<b>37.2%</b>	<b>51.4%</b>	<b>100.0%</b>

From the above figure 4.16 it is clear that 37.2% of respondents were involved in group activities and 51.1% did not have a group activity. Consequently, majority of the participants did table banking at

8.6% as a group, 7% of the participants reared chicken, 2.9% hired utensils, 4.3% made and sold cooking baskets, did merry – go – round, did water harvesting and rearing quils each, 8.6% of the respondents did table bankinf and 1.4% ran a CBO.

#### 4.4.2. Ways of raising funds for the groups

Table 4.17: Ways of raising funds

Ways of raising funds	Frequency	Percentage
Members contribution	56	80.0
Loans	14	20.0
<b>Total</b>	<b>70</b>	<b>100.00</b>

From the table 4.17 above majority of the respondents were in agreement about how they raised money for their activities with 80.0% raising money through member contributions and 20.0% raising funds through loans.

#### 4.4.3. Statistics on challenges, personal business and family roles

Table 4.18: Statistics on challenges, personal business and Family roles

	N	Mode	SD
Challenges in managing finances	70	1	.392
Ownership of personal business	70	1	.403
Family roles	70	1	.367

From the table above majority of the respondents accepted that they had challenges in managing finances which was with a mode of 1 and a very small SD of 0.392 meaning they had a common agreement on the response.

On whether the respondents owned personal businesses the response had a mode of 1 and a small SD of 0.403 meaning that most of the respondents were running their personal businesses. Consequently, the response was that they had other roles within their family set up with a mode of 1 and a SD of 0.367 which means that the respondents were in agreement that they all played other roles

#### 4.4.4. Statistics on how family roles affect business and ownership of assets

Table 4.19: Statistics on family roles and ownership of assets

Response Rate	N	Mode	SD
Roles affect running of business	70	2	.493
Own any assets	70	1	.494

From the above table majority of the respondents stated that their businesses were not affected by the roles they played in their families which was with a mode of .493 meaning they had a common agreement. On ownership of assets the participants accepted that they owned assets with a mode of 1 which is yes in the Likert scale and a SD. of .494 < 1 which means that the participants had a common agreement on the issue.

### 4.5. Technological Factors

In this section the researcher aimed at identifying some of the technological factors that were affecting implementation of WEF.

#### 4.5.1. Record keeping for the groups

The researcher sought to find out if the respondents were able to keep records for their group activities.

Table 4.20: Keeping of records

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	65	92.9
No	5	7.1
<b>Total</b>	<b>70</b>	<b>100.00</b>

From the above table 4.20 majority of the respondents with 92.9% were of the same idea that they kept records for their group meetings and 7.1% indicated that they did not keep records for their meetings.

#### **4.5.2. Analysis of ownership and use of computer**

Table 4.21: Cross tabulation of group ownership and use of computer

Own a computer	Use of a computer		Total
	Yes	No	
Yes	1.5%	72.3%	73.8%
No		26.2%	26.2%
<b>Total</b>	<b>1.5%</b>	<b>98.5%</b>	<b>100.0%</b>

The above table shows that 1.5% of participants owned and used a computer in their meetings. Majority of the respondents had a common response that they neither had a computer nor used it in their meetings with 72.3% and 26.2% respectively.

#### **4.6.Scope**

In this section the researcher sought to establish the scope of the Women Enterprise Fund and found the following.

#### 4.6.1. Beneficiaries of Women Enterprise Fund

Table 4.22: Beneficiaries of WEF

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Women	61	87.14
Men	1	1.43
Men and women	8	11.43
<b>Total</b>	<b>70</b>	<b>100.00</b>

From the above Table 4.22 most of the respondents agreed that 87.14% of the beneficiaries were women only, while 11.43% agreed that beneficiaries were men and women and 1.43% indicated that men were the beneficiaries.

#### 4.6.2. Number of times of benefiting from the loan

Table 4.23: Number of times respondents have benefitted from WEF

<b>Number of times</b>	<b>Frequency</b>	<b>Percentage</b>
One time	41	58.6
Twice	14	20.0
Thrice	15	21.4
<b>Total</b>	<b>70</b>	<b>100.00</b>

In the Table 4.23 above majority of the respondents were in agreement that they had received the loan once with 58.6%, 20.0% agreed that they had received the money twice while 21.4% had benefitted thrice.

#### 4.6.3. Analysis of money given and money paid back

Table 4.24: Cross tabulation of amount of money given and full amount paid back

Amount given	Money paid back		
	Yes	No	Total
50,000		14.3%	25.7%
100,000		24.3%	17.1%
200,000		17.1%	1.4%
Total		55.7%	44.3%
			100.0%

The above cross tabulation shows that 14.3% have benefitted for a Ksh. 50,000 loan, 24.3% Ksh. 100,000 and 17.1% of the respondents indicate that they had been given Ksh. 200,000.

#### 4.6.4. Cross tabulation of Problems experienced if money is not paid back in full

Table 4.25: Cross tabulation of problems experienced and full payment of money

Problems Experienced if no	Paid Back Full Amount	Total
	No	
No Problem	64.5%	64.5%
Poor Record Keeping	16.1%	16.1%
High Level of Defaulters	19.4%	19.4%
Total	100.0%	100.0%

The Table above shows that most of the respondents agreed that they had not paid the money in full with 64.5% having no problem, 16.1% had experienced problems of record keeping and the other challenge was due to high level of defaulters with 19.4%.

#### 4.7. Cost of loan

In this section the researcher intended to find out if the loan given to women by the government through WEF was accruing any interest or not. The Table 4.26 below illustrates the outcome.

#### 4.7.1. Interest on Loan

Table 4.26: Loan interest

Any interest on loan	Frequency	Percentage
Yes	5	7.1
No	65	92.9
Total	70	100.0

From the above Table 4.26, 92.9% of the respondents indicated that the loan did not accrue any interest and 7.1% of respondents indicated that the WEF loan has interest.

#### 4.7.2. Analysis of defaulters and reasons for defaulting

In this section the researcher intended to find out if there were any defaulters and if any the reasons for defaulting. Table 4.27 below shows the outcome.

Table 4.27: Cross tabulation of defaulters and reasons for defaulting

Reasons for defaulting	Persons Defaulting		
	Yes	No	Total
Any defaulters	14.3	85.7%	85.7%
Avoiding to pay	2.9%		2.9%
Failure of the project made the people to leave the group	5.7%		5.7%
Inability to pay	4.3%		4.3%
Leaving the Group	1.4%		1.4%
Total	14.3%	85.7%	100.0%

The participants were in agreement that there were defaulters with 14.3% of them agreeing and those who did not agree were 85.7%. The reasons that were identified for defaulting included avoiding to pay loans with 2.9%, failure of projects that made people to leave the groups with 5.7%; inability to



pay the loans was another reason which had 4.3% and for members leaving the groups as a reason to default had 1.4%.

#### 4.7.3. Analysis of challenges in managing loans and examples of challenges

In this question the researcher looked at the challenges that had been experienced by participants in managing through cross tabulation. Table 4.28 shows the findings.

Table 4.28: Cross tabulation of challenges and examples of challenges

Challenges faced	Yes	Total
Charging of high interest within the group	7.1%	7.1%
M-Pesa transactions not being uploaded on time	7.1%	7.1%
Not having money to repay on time	7.1%	7.1%
Offices being very far	7.1%	7.1%
Paying money for defaulters	42.9%	42.9%
Poor record keeping	28.6%	28.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

A majority of the respondents were in agreement that paying money for defaulters was one of the greatest challenges they faced with 42.9% and poor record keeping following with 28.6%. The other challenges included high interests within the groups, M-Pesa transactions not being uploaded on time, failure to have money to repay the loan and WEF offices being very far with 7.1% each.

#### 4.7.4. Analysis of whether the loan is enough and the challenges involved

Table 4.29: Cross tabulation of challenge and amount of loan

Challenge	Loan enough	
	No	Total
Money not being enough	100.0%	100.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

From the above Table 4.29 all the respondents agreed with the issue that the money given through WEF is not enough to fund their projects.

#### 4.7.5. Analysis of mode of loan payment

Table 4.30: Analysis of mode of payment

Mode of payment	Frequency	Percent	Total
Monthly	70	100%	100.0%
Total	70	100%	100.0%

All the respondents in the above figure 4.30 were in agreement that the money was paid back in monthly installments with 100% response.

#### 4.7.6. Analysis of availability of other sources of funding and examples of funding

Table 4.31: Other sources of funding

Sources of funding	Any other sources of funding	
	Yes	Total
Selling farm produce	3.2%	3.2%
Group activities	9.7%	9.7%
Shares	3.2%	3.2%
Loans from Financial institutions	9.7%	9.7%
Members contribution	12.9%	12.9%
From personal business	12.9%	12.9%
Merry - go-round	16.1%	16.1%
Support by spouse	3.2%	3.2%
Table banking	16.1%	16.1%
Uwezo Fund	12.9%	12.9%
Total	100.0%	100.0%

All the respondents agreed on one key issue that they had other sources of income with 100%. The other sources of income included merry – go – round and table banking with 16.1% each; Uwezo

fund, money from personal business and members contribution with 12.9% each. Other sources of funding included group activities and loans from FIs with 9.7% each while support by spouse, shares and selling of farm produce being the other sources with 3.2% each.

#### 4.8. Descriptive Statistics

In this section the researcher sought to carry out descriptive of the various factors to establish the relationship between these factors and Implementation of Women Enterprise Fund.

##### 4.8.1. Descriptive Statistics of Social factors on growth of group business

Table 3.42 Descriptive Statistics of Social Factors on growth of group Business

	N	Minimum	Maximum	Mean	Std. Deviation
Those with personal business	70	1	2	1.35	.347
Other Roles played by respondents	70	1	2	1.16	.367
Effect of other roles on running of business	70	1	2	1.18	.403
Those respondents that owned assets	70	1	2	1.16	.493
Valid N (list wise)	0				

From Table4.32 all the statements under social cultural factors have a mean that range between 1.00 and 2.00. For the respondents who owned businesses of their own the mean is 1.35 which is close to 1 and this is Yes according to the Likert scale and a very small standard deviation of .347 less than 1.00 which means that many of the respondents owned their own business. This is likely to affect their inputs for the group business and hence it might affect the growth of the group business. On other roles played by participants in their families there is a mean of 1.16 which is close to 1.00 and its Yes according to the Likert scale and a very small standard deviation of .367 less than 1.00. This indicates that many respondents accepted that they play other roles in their families besides doing their businesses. On whether the roles affect the running of business there is a mean of 1.18 which is close to 1.00 and a small standard deviation 0.403 which is less than 1.00 which indicates that many respondents accepted that the roles they played affected the running of group business. For the respondents who owned any assets there is a mean of 1.16 which is close to 1 and this is Yes

according to the Likert scale and a very small standard deviation of .493 less than 1.00 which means that many of the respondents own some assets and this can help them access loans which can boost their group business.

#### 4.8.2. Descriptive Statistics of Economic Factors growth of group business

Table 4.33 Descriptive analysis of economic factors and growth of group business

	N	Minimum	Maximum	Mean	Std. Deviation
Respondents with personal Bank Account	70	1	2	1.04	.204
Respondents who had borrowed a loan	70	1	2	1.46	.432
Respondents who required Collateral to access the loan	15	1	2	1.20	.414
Respondents with group Economic Activity	70	1	2	1.26	.500
Amount of Money Borrow	13	1	5	3.85	1.573
Valid N (list wise)	13				

From Table 4.33 above, all the statements under Economic Factors have a mean of between 1.00 and 2.00 except money the business borrow which is 3.85 and its close to 4.00 from Likert scale with a small standard deviation of 1.573 which indicates that many of the respondents accepted that the group borrowed over Ksh. 50.000 to boost their group business. Other factors have mean close to 1.00 which is Yes from Likert scale and a very small standard deviation of less than 1.00 which indicates that many of the respondents accepted that they have personal bank account, the group have ever borrowed loan, they require collateral to access loan and the group have economic activities to boost their business and this economic factors determine the growth and progress of their group business.

#### 4.8.4 Descriptive Statistics of Technological Factors

Table 4.34:

	N	Minimum	Maximum	Mean	Std. Deviation
Keep Record	70	1	2	1.41	.496
K now Computer	70	1	2	1.32	.391
Use Computer for group	70	1	2	1.07	.259
Valid N (list wise)	0				

From Table 4.34 all the statements under Technological Factors have a mean close to 1.00 which is Yes as per the Likert scale with a very small standard deviation less than 1.00 which indicates that all the technological factors influence the growth of group business.

#### 4.8.5. Descriptive Statistics of political factors

Table 4.35: Analysis of political factors and implementation of WEF

	N	Minimum	Maximum	Mean	Std. Deviation
Regulations that govern running of WEF groups	70	1	2	1.47	.503
Training on Legislation related to WEF	70	1	2	1.29	.455
Respondents knowledge of government legislation on WEF	70	1	2	1.17	.380
Valid N (list wise)	0				

From Table 4.35 above, the respondents indicated that there were regulations that governed the running of the WEF groups with a mean of 1.47 and a SD of .503. This indicates that the availability of rules influenced the growth of the WEF group businesses. The training of the respondents on

government legislation had a mean of 1.29 and a small SD of .455. This also indicates that the training had positively influenced the growth of WEF groups. Finally, the respondents' knowledge of the legislation set by the government in relation to WEF had a mean of 1.17 and a very small SD of .380. This means that the knowledge of the legislations also influenced the growth of group businesses set by the WEF groups.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1.Introduction**

This chapter looks at the summary of findings, discussions, conclusions and recommendations for policy considerations and further research.

The study objective was to identify factors influencing implementation of WEF. The factors included social cultural, economic, technological and political factors.

#### **5.2.1. Social Cultural Factors**

Table 4.18 shows that most of the respondents agreed that they owned personal businesses. The respondents further agreed that together with the businesses they played other roles in the family which did not affect the running of their businesses. Moreover, majority of the respondents agreed that they had had challenges managing their finances. Table 4.19 showed that the roles played by the respondents did not have significant effect on the running of their businesses. The respondents were also in a common agreement that they owned assets.

#### **5.2.2. Economic factors**

According to Table 4.12 majority of the respondents had personal bank accounts. Out of the majority who had bank accounts it is evident that a few of them had ever borrowed loans from banks. Consequently, out of the few who had borrowed loans, a number had required collateral before accessing the loans. The kinds of collaterals that the respondents had presented as securities included house hold goods, title deeds, log book, TVs and sofa sets. Some respondents were guaranteed by others so as to access the loans.

The amount of money borrowed ranged between below Ksh. 20,000 and above Ksh 50,000. Majority of the respondents had borrowed above Ksh. 40,000 while the rest applied for loans

below Ksh. 40,000. A small percentage of the respondents had even borrowed loans which was less than Ksh. 20,000. The respondents were in agreement that they had faced some challenges in paying back the loans due to poor record keeping. This in consequence led to high level of defaulters.

The respondents who participated in group economic activities and those who did not have any group economic activity were almost equal at 51.4% and 48.6% respectively. Some of the major group activities that they participated in included rearing chicken, hiring of utensils, making of and selling of cooking baskets, merry – go – round, water harvesting and rearing quails. The respondents also did table banking and a few were taking care of disabled children as CBOs. The major source of funds for most of the respondents was individual contributions. However, a small percentage had loans as a source of their funds.

### **5.2.3. Technological Factors**

From Table 4.20 it is clear that 92.9% of respondents were in agreement that records for their group meetings were. However it was evident that only a very small percentage of the respondents owned and used computers in their meetings for record keeping.

### **5.2.4. Political factors**

Majority of the respondents indicated that they had rules that governed their group activities. Some of the rules set by respondents in their groups included rules on attendance, contribution and discipline of members. The respondents further indicated that they were knowledgeable about the fact that the government had set rules for the running of WEF related groups. These rules included rules on boosting the financial capacity of women, empowerment of women being the disadvantaged in the society and women being the backbone of economy.

According to the respondents, other rules that exist to govern the running of WEF include rules on the loan not having any interest with, how to spend the money with, loan repayment period with, and officials should be women, procurement initiative law at and laws to empower women.



### **5.3. Discussion of the findings**

#### **Social cultural factors**

According to ILO, 2008, women entrepreneurs face a number of unique challenges most of which stem from their multifaceted roles as business women, parents and homemakers. Tulandhar, 1996, noted that in Nepal most women engage in feminine types of business such as beauty, dress making handicrafts, mostly owned on proprietorship basis and earning very little profit which is used to supplement the family income. The research findings show that the respondents to a total of 44.3% are involved in activities which are similar in nature such as rearing chicken, making and selling cooking basket, taking care of disabled children and water harvesting. According to McCormick, 2001, most women operate businesses from their homes and they also operate retail and service oriented businesses. This agrees very well with the major activities carried out by the respondents in that they carried out business on small scale, most of these businesses are feminine and they most of them are within the household set up.

According to Namusonge, 2006, educational level of women entrepreneurs is very low, creating a barrier to them accessing training and other business development services. In Nairobi, for example many of them come from disadvantaged social backgrounds and are not well informed about business processes and operations and therefore fail to take full advantage of opportunities.

From the research findings table 4.2 only about 28.6% of respondents had acquired tertiary education and above. This means that they have limited access and exposure to training and other business development services. Moreover the respondents are from disadvantaged social background meaning they may be lacking in business exposure.

#### **Economic Factors**

McCormick, 2001, observed that women owned businesses are founded on less capital investments than male owned firms. Most of the businesses mentioned above are not capital intensive especially because they are on small scale and retail level thus confirming the statements of McCormick.

According to (Macharia, 1997) women are clustered in the trade and services sectors of Africa economies due to paucity of capital availability to them as a reason for their inability to enter fields demanding high start-up capital. For example, according to UN, 1996 informal sector development in Africa identifies lack of access to credit as a leading constraint for small-scale entrepreneur and it is particularly acute for women. Looking at the findings it is clear that most of the respondents used household goods to access loans and very few had capital intensive collaterals such as title deeds and log books. This in part agrees with McCormick and Macharia

Ayarudai argues that women entrepreneurs in Kenya put up with lack of confidence, lack of strong individual involvement and willingness to take risks. This can be seen in the respondents' failure to take up loans and the amounts of loans taken. From the research findings table 4.9 we see that only 18.6% of respondents had ever taken loans and the amounts of loans taken are barely anything greater than Ksh. 50,000 to a minimum of below Ksh. 20,000. This is a clear indication that the respondents are risk averse and therefore they can barely invest in capital intensive business thus minimizing the returns and profits. The kind of collateral used by the respondents can also indicate on the ability to secure bigger loans.

Zohra, stated that the major problem in Kenya is that women do not have collateral to access a loan from a bank. This is because women are limited in land ownership and therefore very few are able to provide collateral as needed. Karanja, 1996, further notes that owning title deeds as collateral to finance expansion is still a handle for most of the women entrepreneurs, given that most of the property is not registered in their names. From the table 4.7 of the research findings only 8.6% of respondents had title deeds as collateral, 1.4% had log books and all the others about 34.3% had household related items as collaterals.

Therefore lack of collateral could be a major impediment to acquiring funding for women entrepreneurs thus inhibiting the kind of business they get involved in.

### **Technological Factors**

Butler, 2003, noted that lack of scientific and technological education may make women's entry into technologically sophisticated business less likely and these kinds of business may generate the greatest incomes and profits. From the research findings none of the respondents had any

technology related business. On the other hand the findings indicate that only 1.5% of the respondents owned and used a computer despite the fact that 89.9% of the respondents were keeping records in their group activities. This implies that most of these respondents do not use computers in their meetings.

Looking at the level of education of the respondents whereby only 28.6% have education to the level of tertiary and University education there is a possibility that majority of the respondents do not have training and ability to use computers. Consequently, when we look at the age of the respondents according to Table 4.1 about 68.5% are above the age of 40 years meaning they may not be computer literate.

### **Political Factors**

According to the Women Enterprise Fund Development website there are rules set for the running and management of CWES. These rules include the rules on the loan target group which is the enterprises of women in the divisions. The loan is only accessible to women groups operating within the parliamentary constituency. Another rule is the maximum loan amount per group is Ksh. 50,000. Further there is the rule that states that the loan is not accessible to individual owned enterprises. The CWES loan does not attract any interest but it incurs an administration fee of 5% deductible upfront from the approved loan. Consequently it is clear that the loan repayment period is twelve equal installments after a grace period of three months. Moreover it is a requirement that groups with male and female membership should have at least 70% women membership and 100% of women in leadership positions

### **5.4. Conclusions of the Study**

Constituency Women Enterprise Fund is a very noble idea that the government came up with in order to empower women and in essence eradicate poverty. This was done by introducing issuing loans to women who came together in groups that are registered by the Ministry of Gender and Children affairs. These groups are meant to apply for loans together and invest either as individuals in the groups or as groups. The minimum amount of money given is Ksh. 50,000 which is the starting amount. In Kasarani Constituency the highest amount the respondents have received is Ksh. 200,000.

From the findings above it can be concluded that CWF has helped some women to and men to expand their businesses and thus have increased their level of income making their families better. However, there are still factors that are hindering full exploitation of utilization of the CWF.

Firstly, most of the respondents have concentrated on gender sensitive business which includes rearing chicken, making food baskets, hiring of utensils and chairs, and taking care of the disadvantaged children in society through CBOs. This may be so due to their cultural affiliation or due to insufficient funding even from the CWF. From this it can be concluded that the CWF is insufficient to help the respondents invest in capital intensive projects.

Secondly, the rules set by the government on the management of CWF coupled with the rules that the respondents have set in their particular groups have gone a long to aid in the implementation of CWF since they help in management of the loans. However, it can be concluded that these rules are not punitive enough thus leading to high rate of defaulters.

Thirdly, as Kiraka 2013, observed CWF is a Kenyan government initiative that was aimed at developing and growing women – owned MSME's. These research findings differ with this opinion in that from Table 4.1 on gender analysis the researcher observed that 4.29% of the respondents were men. Again from the rules set by the government it is clear that men can also benefit from CWF but only if they join groups that with women and have all leadership positions being reserved for women. It can therefore be concluded that men can also benefit from CWF but only if they agree to combine efforts with women and support them in leadership.

Fourthly, the level of education acquired by most of the respondents is up to tertiary level with a very small percentage having achieved University education. This may be a reason as to why there is low technological knowledge and very low usage of technology in the businesses. The level of education may also hinder the level of training in that the level of understanding will be low. Therefore it can be taken to mean that it will be hard to convince the people to invest in capital intensive but highly profitable projects. With this in mind it can be concluded that low

level of education has contributed to low level of training. It is also clear that there is very little or no knowledge in technology. This can be explained by the fact that the respondents indicated that the major challenges they experienced included managing finances, poor record keeping and high degree of defaulters. This can be explained by the low level of education thus low level of training and also due to poor record keeping due to lack to training in technology. This in the long run may lead to increased loss of finances.

According to most of the respondents the money received from CWF is not sufficient to cater for the businesses that the respondents are involved in. It can therefore be concluded that the respondent cannot invest in capital intensive projects because they do not have enough capital to do so.

#### **5.5. Recommendations of the study**

The researcher came up with the following recommendations: -

- i. There is need to do further research to establish the extent to which men are incorporated in the WEF program and also carry out a comparative research on businesses ran by groups that have men in them and those that are homogeneous in nature.
- ii. Further research needs to be conducted in more constituencies to find out if the same results will be found.
- iii. There is also need to sample respondents from across the social divide to establish the validity of the fund. This will help to find out if the fund is used across all the social classes. This might also help to change the mindset of women on the type of business they invest in.
- iv. There is also need for training to be done on the beneficiaries of WEF. With the current technological advancement it is important for people to be trained on how they can use technology for record keeping, marketing among others which might bring a major shift in the businesses of the participants. The government will need to come up with a comprehensive training program to enhance effectiveness of the WEF.

- v. The government will need to come up with comprehensive measures on how to curb the high rate of defaulters. This will ensure that tax payers' money does not end up getting into the pockets of people who can neither utilize it nor leave it for others to utilize.
  
- vi. It is clear that the money is meant to empower women and eradicate poverty but there is need to censor them to take responsibility of any amount of money they receive lest they think that these are donations which need not be accounted for. This will help the government to revolve the money and empower more and more women and thus eradicate poverty which is a great enemy of development.

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## APPENDICES

### APPENDIX A: Letter of Introduction



**UNIVERSITY OF NAIROBI**  
COLLEGE OF EDUCATION AND EXTERNAL STUDIES  
SCHOOL OF CONTINUING AND DISTANCE EDUCATION  
DEPARTMENT OF EXTRA-MURAL STUDIES  
NAIROBI EXTRA-MURAL CENTRE

Your Ref:  
Our Ref:  
Telephone: 318262 Ext. 120

Main Campus  
Gandhi Wing, Ground Floor  
P.O. Box 30197  
N A I R O B I

REF: UON/CEES/NEMC/21/068

14<sup>th</sup> April 2014

TO WHOM IT MAY CONCERN

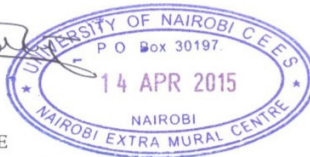
RE: NJUGUNA FAITH WANJA - REG NO L50/62521/2013

This is to confirm that the above named is a student at the University of Nairobi College of Education and External Studies, School of Continuing and Distance Education, Department of Extra- Mural Studies pursuing Master of Arts in Project Planning and Management.

She is proceeding for research entitled "factors **influencing implementation of women enterprise fund in Kasarani constituency**, Nairobi county Kenya

Any assistance given to her will be appreciated.

  
CAREN AWILLY  
CENTRE ORGANIZER  
NAIROBI EXTRA MURAL CENTRE



## APPENDIX B: Letter of Authorization

### WOMEN ENTERPRISE FUND

Telegrams: "JAMAA", Nairobi  
Telephone: Nairobi 2727980-4  
Fax: 608737/2734417  
Cell Phone: 0714 606 842-7



NSSF Bldg, Block 'A', Eastern Wing, 11<sup>th</sup> Floor  
P. O. BOX 17126 - 00100  
NAIROBI  
Email: [wefsecretariat@yahoo.com](mailto:wefsecretariat@yahoo.com)  
[www.wef.co.ke](http://www.wef.co.ke)

When replying please quote

**WEF: HR/T/302/14**

**27<sup>th</sup> April 2015**

**Faith W. Njuguna**  
**P. O. Box 73492-00200**  
**NAIROBI**

**RE: AUTHORITY TO DO RESEARCH – FAITH NJUGUNA WANJA (STUDENT NO. L50/62521/2013)**

This is in reference to the request to Women Enterprise Fund (WEF) dated 27<sup>th</sup> April, 2015 to do a research on "**Factors influencing implementation of Women Enterprise Fund in Kasarani constituency**"

On behalf of the WEF Management, this letter authorizes you to carry out the research as requested. However, please take note that Women Enterprise Fund shall need to have the copy of the proposed study and the report thereafter.

Kindly liaise with WEF Nairobi Assistant Manager Credit, Mr. Philip Sirawa at their Nyayo House Building Nairobi offices and Kasarani field officer Gladys M. Ogendi on **0722 949744** to link you up with any information you may need.

We take this opportunity to wish you luck in your research.

**AETONI CLEAVER OCHIENG'**  
**FOR: CHIEF EXECUTIVE/DIRECTOR**

## APPENDIX C: Questionnaire

The questions in this Questionnaire are for academic purposes only and all information given will be treated with high level confidentiality.

### Section A: Respondent's Background Data

#### 1. Particulars

Date: .....

Name: (Optional) .....

Gender: M  F

#### 2. County Ward area (Tick appropriately)

Kasarani  Njiru  RuaiClay City

#### 3. Which category below includes your age? (Years)

20 or younger  20- 30  31- 40  41 – 50  50 or older

#### 4. Which of the following best describes your current relationship status?

Married  Widowed  Divorced  Separated  Single  Never   
parent married

#### 5. What is the highest level of education you have completed?

University  Tertiary  Adult Education  Secondary  Primary

**Section B - Political Factors**

6. Do you have regulations that govern the running of your women group? YES NO

If yes what are these regulations? Please write and explain them.....

.....  
.....  
.....  
.....  
.....  
.....  
.....

7. Do you know anything that the government says about Women? YES NO

If yes what does it say? Explain .....

.....  
.....  
.....

8. Has anyone explained to you as an individual or as a group of any legislations set by government or parliament about women enterprise fund? Yes No

If YES explain .....

.....  
.....

**Section C – Economic Factors**

9. Do you have a personal bank account? Yes  No

10. If yes have you ever borrowed a loan? Yes  No

11. If yes, did you require collateral to access the loan? Yes  No

12. If yes what kind of collateral did you have? Please list them down

.....  
.....  
.....

13. How much money did you borrow?

Below 20,000       21,000-30,000       31,000-40,000

41,000-50,000       above 50,000

14. Do you have a group economic activity?    Yes       No

If yes what do you do? .....

.....  
.....

15. How do you raise money for the group?

Members contribution       Loans       Donations       Any other

If any other, please explain

.....  
.....

16. What are the major challenges you experience as a group as far as finances and group activities is concerned? Please explain .....

.....  
.....  
.....  
.....  
.....

**Section D – Social Cultural Factors**

16. Do you own a business of your own? Yes  No

If yes what kind of business do you have please explain.....

.....  
.....

17. What other roles do you play in your family? .....

.....  
.....

18. Do these roles affect the running of your business? Yes  No

If yes briefly please explain .....

.....  
.....  
.....

19. Do you own any assets? Yes  No

If yes what assets are they? Please list them down

.....  
.....  
.....

If No what is the main reason for this?

.....  
.....  
.....  
.....

**Section E – Technological factors**

20. Do you keep records for your group or personal business? Yes  No

If yes how do you keep them? Please explain.....

.....  
.....

21. Do you know what a computer is? Yes  No

If yes do you use it in your group meetings? Yes  No

If yes how do you use it? Please explain .....

.....  
.....

If no please give some reasons why .....

.....  
.....

**Section F: Scope**

22. Who are the beneficiaries of women enterprise fund?

Women  Men  Women and Men

23. How many times have you benefitted from the loan? .....

24. How much money were you given?.....

25. Have you paid back the money in full? Yes No

26. If no, what problems have you experienced? Please explain .....

.....  
.....



.....  
.....

**Section G: Time**

27. How long does the loan take to be processed?

0 – 5 months       6 – 10 months       over 10 months

28. What is the required loan repayment period?

0-12 months       13 – 24 months       25 – 36 months       over 36 months

29. Have you been able to pay back your loan on time? Yes      No

If no why? Please explain .....

.....  
.....

**Section H: Cost**

26. What is the interest on the loan per month? .....

I don't know

27. What other fees are you charged before or after getting the loan?

28. Are there groups or persons that have defaulted paying the loan? Yes       No

If yes explain the reasons.....

.....  
.....  
.....  
.....  
.....

29. Have you faced any challenges in managing the loans? Yes       No

If Yes please explain.....

.....  
.....  
.....

**Section I: Quality**

30. Is the loan received enough to fund the project you are undertaking? Yes  No

If No what are the challenges?

.....  
.....  
.....  
.....  
.....

31. How do you repay the loan? .....

32. Do you have any other source of funding for your project? Yes  No

If Yes please explain .....

.....  
.....  
.....  
.....  
.....

**Thank you for your response**