AN ANALYSIS OF FACTORS THAT INFLUENCE ENTREPRENEURAL PERFORMANCE OF WOMEN DEALING WITH URBAN AGRICULTURE IN KENYA. (A CASE OF ROYSAMBU, NAIROBI)

BY

MARY WANGARI MURATHE

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DECLARATION

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

Mary Wangari Murathe.

D53/CE/12303/2004

This research project has been carried out by the candidate under my supervision as the University Supervisor.

Shadrach Bett.

This research project has been submitted for examination with my approval as Chairman.

Mr. D. K. Ngaba

Chairman, Department of Business.
DEDICATION

This work is dedicated to my parents:

Isaac Makumi Kiruga and

Milkah Waruguru Makumi
ACKNOWLEDGEMENTS

I wish to thank my supervisor Shadrach Bett for his guidance in the project

and also

my husband Dr. Alfred Murathe Muthee,

and my sister Florence Njeri Mungai,

for their support and encouragement.
ABSTRACT

The purpose of the study was to determine how various factors determine women entrepreneurship in Kenya so that their potential can be better harnessed to ensure their greater contribution in economic development of the country.

In Kenya, most women run businesses remain static and small, providing the owners with bare existence. Entrepreneurship in agriculture, the backbone of the economy employing 80% of Kenyan women, needs to be especially encouraged given its possible impact on poverty eradication, empowerment, education, health and widespread access to factors of production. In line with this, the research targeted women engaged in urban agricultural enterprises which have been proven to be a more innovative sector.

The research investigated various factors identified by past studies both in Kenya and elsewhere as having major influence on entrepreneurial performance among women. These factors include family background and support; individual motivation and attitude; availability and level of financing; education and training; and policies and programs.

The study sample consisted of 71 respondents (20% of the accessible target population). The selection of interviewees was made through multi-stage sampling consisting both purposive and stratified random sampling.

Quantitative and qualitative data was collected through face to face interviews guided by a semi structured questionnaire, focus group discussions and the use of key informants.

Data analysis was made through the use of computer software packages Microsoft Excel and Statistical Package for Social Scientists (SPSS) and included various measures of central tendency, variability and correlation.

The results of the study showed high correlation between the independent variables and performance of women entrepreneurs. Two major factors identified as affecting maximization of women’s performance and growth orientation were risk aversion and the tendency to set a maximum enterprise size.
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ABBREVIATIONS AND ACRONYMS

ADB – African Development Bank

AFC – Agricultural Farmers’ Association

FAO – Food and Agricultural Organization

FIDA – International Federation of Women Lawyers

GEM – Global Entrepreneurship Monitor

GDP – Gross Domestic Product.


HIV/AIDS – Human Immune Virus/Auto Immune Deficiency Syndrome

ILO – International Labour Organization

KFA – Kenya Farmers’ Association

MSEs – Micro and Small Enterprises

MSME- Micro Small and Medium Enterprises

NALEP – National Agricultural and Livestock Extension Project

ROSCAs – Rotating Savings and Credit Associations

SPSS – Statistical Package for Social Scientists

UPA – Urban and Peri urban Agriculture

USAID – United States Agency for International Development

UNIDO – United Nations Industrial Development Organization

UNDP – United Nations Development Programme
DEFINITION OF OPERATIONAL TERMS

For the purpose of this study, the following definitions are used:

ENTREPRENEUR
The owner and manager of a business enterprise.

ENTREPRENEURSHIP
The process of taking responsibility and management of a business enterprise innovatively.

ENTREPRENEURIAL PERFORMANCE
This refers to measurement of the success of the business through improved value to consumers, and benefits to the entrepreneur. It is a measure of how innovative the entrepreneur is by either introduction of new or improved products, methods of production, supply sources, markets and organization. Innovativeness can also be measured quantitatively by the growth in output, growth in income, and growth in employment arising from the enterprise while qualitative measures on the other hand include self fulfilment, achievement of goals, balancing family and work, and making a social contribution.

MICRO AND SMALL ENTERPRISES
Micro and small enterprises refers to businesses with 1 to 50 employees. While micro enterprises represent businesses with 1 – 9 employees, small enterprises employ 10 to 50 workers.

URBAN AGRICULTURE
Urban agriculture refers to the practice of agriculture within the boundaries of towns and cities. It comprises many different activities including the supply, acquisition and utilization of necessary resources, inputs, and services; the production of goods including livestock and crops; and the post production activities which include processing, packaging, distribution, marketing and recycling.
CHAPTER ONE

INTRODUCTION

1.1 Study Background

1.1.1 Entrepreneurship and its importance

The process of entrepreneurship is important since it results in the introduction of new products, new methods of production, opening of new markets, conquest of new sources of supply and the creation of new organizations. According to Joseph Schumpeter (1934) entrepreneurs accomplish this by seeking out opportunities to innovate continuously through the combination of inputs in untried combinations. According to Carl Manger (1950) and the Austrian School in Economics, the entrepreneur is also a risk taker in an uncertain environment and has the ability to use available information to make correct decisions in allocating resources. This increases productivity in the economy by ensuring that resources, or factors of production, are continuously reallocated to their most efficient alternative use. According to Hisrich, Peters and Shepherd (2005) therefore, the importance of entrepreneurship is in increasing economic development through initiating and constituting change in the structure of business and society. This change is accompanied by growth in output, income and employment.

Increased entrepreneurship should therefore be a major strategy for economic development in Kenya. In order to ensure the effectiveness of this strategy, it is crucial to ensure that the full potential of all including women is harnessed through elimination of existing huddles and the creation of an enabling environment that supports and promotes entrepreneurship.

1.1.2 Women Entrepreneurship and its importance

According to Delmer and Holmsquist (2004), even though there are similarities in men and women entrepreneurship, "women entrepreneurship is country specific and a gendered phenomenon" with the proportion of women in entrepreneurship being lower than male entrepreneurship in all countries but higher in poorer countries than developed
ones. A major factor that accounts for differences between men and women entrepreneurship is the local culture which determines access to resources including property, financing and knowledge. According to Delmer and Holmsquist (2004), "...entrepreneurship for many women and especially those in developing countries is a journey representing their struggle out of poverty and the restraints of cultural traditions towards equality".

One advantage of women entrepreneurship is that it offers the society different solutions to management organization and business as well as entrepreneurship opportunities. According to Patricia G. Greene et al (2002), research shows that "there are differences in business and industry choices, financing strategies, growth patterns, and governance structures of female-led ventures." Women entrepreneurship also offers many women unable to get formal employment while encumbered by various customs that see them as inferior, a path to self esteem and actualization. According to the GOK (2003), Economic Recovery Strategy for Wealth and Creation, reducing poverty by providing women with income earning opportunities is the surest way of empowering them to be responsible for their destiny.

According to African Development Bank (1999) the enhancement of women entrepreneurship also leads to considerable generation of employment opportunities for other women who generally suffer higher unemployment rates than men, and create linkages with other women-owned firms both in rural and urban areas, thereby contributing to the promotion of a more equitable distribution of income. These spill over effects also have a positive impact on women empowerment, education and training levels, and the acquisition of business-related skills. According to Margaret Snyder (2000) women entrepreneurship offers economic growth accompanied by human development. This is because the first priority for many women entrepreneurs is to take better care of their families. Women entrepreneurship has a big impact on poverty eradication, empowerment, education, health and widespread access to factors of production. She argues that the prevailing tendency to equate development with economic growth can conceal a disturbing persistence of poverty. According to Margaret
Snyder (2000) by boosting women entrepreneurship with positive policies and actions, transferring resources from other areas as necessary, poverty can be countered while giving the world a new and unique non western model for grassroots, participatory development, triggering a process of economic democracy.

According to the World Bank (2007), GDP growth from agriculture which the main focus of the proposed research, is four times more effective in reducing poverty than GDP growth originating outside the sector. About 80% of Kenyan women are involved in agriculture which is the backbone to the economy. It therefore follows that increased productivity as a result of increased women entrepreneurship in agriculture has great potential for increased economic development. Women entrepreneurship in agriculture also has high potential for contributing to industrialization of the country through use of appropriate technology, value addition and step up to small scale agricultural manufacturing. According to Minniti and Arenius (2003) “the movement of women from spectators to protagonists in the economic arena mirrors the transformation of nations from low to high income countries – a journey that sees them employed in agriculture, then as necessity entrepreneurs in agriculture, then employed in industry, then employed in services and, finally, as opportunity entrepreneurs.”

1.1.3 Urban Agriculture

Agricultural activities within Kenyan cities account for a big proportion of the food consumed within them and especially in the case of poultry, dairy and horticultural products. Urban agriculture has been growing tremendously in recent years due to the pressure of increasing population and comprises a major coping strategy for food security and income for the urban poor. Entrepreneurship in urban agriculture offers efficient use of resources by making productive use of under-utilized or vacant land, limited water including treated wastewater and recycled waste, and unemployed labour. According to Pearce and Furubjelke (1999) overall productivity in urban agriculture can be as much as 15 times the output per hectare of rural agriculture due to its intensive nature fuelled by market proximity. Urban farming is also important in creation of green spaces in cities; waste management including waste water used in irrigation and solid waste which is used
to enhance soil fertility; cutting down on traffic transporting food from the rural areas; substituting for imported high-value goods; preventing soil erosion; and, it also offers benefits to the microclimate. According to Sarah Rich (2006) another advantage of urban farming is providing work sites close to home, "...women comprise the vast majority of urban farmers ... by cultivating small plots in the city, women can fulfil their traditional role of taking care of the home, while leveraging some economic advantage for the family by producing a bit of surplus to sell."

Urban agriculture has many problems. According to Pearce and Furubjelke (1999), one is that agricultural production systems in urban areas can pose risks to public health and the environment. This arises from the inappropriate or excessive use of pesticides and agricultural inputs including waste water, organic matter containing heavy metals and air pollution for example contamination with lead from petrol fumes. Some livestock diseases can also be passed on to humans. This risk is more in small congested households such as those inhabited by the urban poor where people may share their living space with animals.

In Kenya, the major challenge to the viability of urban farming is land availability, security of land tenure and city by – laws. According to Pascale Donnery (1999) in Nairobi the land used for farming is 32% private residential land, 29% roadside land, 16% along river banks, and 16% in other publicly-owned. Although urban agriculture is tolerated, town planning legislative provisions do not recognize urban agriculture as a legitimate land use that should be provided for in the urban areas. This uncertainty with respect to access to land is of major concern to food producers. For a long time most city authorities discouraged or even banned farming in the cities. However, that view is changing as governments and city councils realize the role it plays to food security, food nutrition and employment.

1.1.4 Small Scale businesses in Kenya.

The process of entrepreneurship usually involves development of small businesses such as those prevalent in urban agriculture. However, small businesses are not always
entrepreneurial. According to David Holt (1992), "...the distinction is that entrepreneurs have a vision for growth, commitment to constructive change, persistence to gather necessary resources and the energy to achieve unusual results."

Small businesses provide sustainable economic development. According to Schumacher (1973), such enterprises are more likely to use a combination of indigenous knowledge and modern international knowledge or "appropriate technology". Given their labour intensity, the resultant "production by the masses rather than mass production." restores human dignity by reducing unemployment and the growing feelings of hopelessness and crime propensity among the poor. It is "economics as if people mattered".

According to the GOK (2005) small businesses in Kenya are categorized under Micro and Small Enterprises (MSEs) which include both non farm and farm business categories employing 1 to 50 workers. Over 70% of MSEs employ one to two persons including the proprietor and are in the informal or "jua kali" sector where they operate under a variety of simple work sites, open markets, undeveloped plots, residential premises, street pavements and road reserves. According to the 1999 MSE Baseline Survey, women owned - businesses account for 48% of these enterprises.

While MSEs currently operate largely outside government interventions, they offer a critical contribution to the Kenyan economy by offering the most prolific source of employment creation, income generation and poverty reduction. According to GOK (2007) Economic Survey, the MSE sector currently contributes 18.4% of the country's Gross Domestic Product and account for 78% of recorded employment in Kenya.

According to Sessional Paper No. 2 of 2005, MSEs face many challenges and constraints that include unfavourable policy environment and inhibitive legal and regulatory framework; limited access to financial services and markets; inadequate access to skills and technology; insecurity of land tenure; poor access to infrastructure; inadequate business know how and linkages with large enterprises; gender inequality; job quality deficits; limited access to information; impact of HIV/AIDS pandemic; unsatisfactory occupational health and safety standards.
1.2 Statement of the Research Problem

Women entrepreneurship performance in Kenya has lagged behind that of men. According to the 1999 Baseline Survey, Micro and Small Enterprises (MSEs) run by women remain small and static, providing the women with bare subsistence. According to the survey, even though women owned businesses comprise 48% of MSEs, they contribute only 40% of employment and 57% of the income. Of about 5% of MSEs in Kenya that grow to have 11 – 50 employees, it is estimated that women own fewer than 20% of them.

There are few published studies on women entrepreneurship and specifically women entrepreneurship in Kenya. According to Patricia G. Greene et al. (2002), "while research shows similarities in the personal demographics of men and women entrepreneurs, there are differences in business and industry choices, financing strategies, growth patterns, and governance structures of female-led ventures. These differences provide compelling reasons to study female entrepreneurship – looking specifically at women founders, their ventures, and their entrepreneurial behaviours as a unique subset of entrepreneurship".

Most entrepreneurship studies have also been done in the developed countries. One has to be careful when applying such findings derived from research in other countries to the Kenyan context. According to Kolvereid, Shane & Westhead (1993), differences between male and female entrepreneurs are country-specific, suggesting that the differences derived from the social, cultural and political contexts rather than from fundamental differences between the sexes.

The challenge is therefore to determine factors that encourage successful women entrepreneurship in Kenya so that their micro enterprises can grow and increase their contribution to economic development.
1.3 Study Objectives

1.3.1 General Objectives

The overall objective of the study is to determine the factors that influence the performance of women entrepreneurs in Kenya.

1.3.2 Specific Objectives

1. To find out how family background and support of women in Kenya influence entrepreneurial performance among women engaged in urban agriculture in Nairobi.
2. To find out how individual motivation and attitude explain entrepreneurial performance among women engaged in urban agriculture in Nairobi.
3. To determine how availability and level of financing affects women entrepreneurial performance among women engaged in urban agriculture in Nairobi.
4. To determine how education and training affect women entrepreneurial performance among women engaged in urban agriculture in Nairobi.
5. To determine how various policies and programs affect the performance of women entrepreneurs engaged in urban agriculture in Nairobi.

1.4 Research Questions

1. Are women more successful as entrepreneurs when they come from families with a business background and how does their socialization especially on gender roles and support from their families reflect on their entrepreneurial performance?
2. What motivations and attitudes drive successful women entrepreneurs in Nairobi?
3. What are the sources and levels of financing available to women entrepreneurs in Nairobi and how does this affect initiation and growth of their businesses?
4. Is entrepreneurial performance in Kenya related to level of education and training?
5. How do various government, non governmental and private sector policies and programs affect women entrepreneurial performance?
1.5 Significance of the study

1. The study was aimed at comparing the factors that have been suggested to date as leading to successful entrepreneurship of women and to determine those that differ or have more significance in influencing the success of women entrepreneurship in Kenya.

2. It is expected that the research will be helpful in enabling Government, non governmental institutions, and others concerned with the welfare of women as an integral part of society to come up with policies and programs that promote and sustain entrepreneurship in women in Kenya.

3. It is also expected that the findings will be used to recommend improvements in the upbringing, education, training and socialization of women in order to nurture innovativeness leading to entrepreneurship.

4. The study may also be used a learning tool and helpful to women entrepreneurs and those planning to go into business, especially small scale business.

5. The study may be used to showcase the contribution and therefore the importance of the inclusion of the invisible workers in the home and farm enterprises in official business surveys conducted by the government.

6. The study will also contribute to the body of knowledge regarding entrepreneurship and will have potential for comparison to related and future studies on the subject.

1.6 Scope of the study

The area of study was Roysambu location which is in Kasarani Division on the outskirts of Nairobi, and is bounded by the Nairobi-Thika Highway and the Nairobi – Kiambu road. It has an area of 14.6 square kilometres. The estimated population is 12,467 – 5,516 male and 6,951 female, and there are 3,957 households of which at least 3,000 are estimated to deal in some form of agricultural activity. The location has 6 major estates; Garden Estate, Ridgeways, Thome, Marurui, Jua Kali and Njatha-ini.

The estates represent various income groups and land holdings. While Garden Estate/Ridgeways have plots averaging 5 acres, Thome has 0.5 acre plots, while Marurui
and Njatha ini have on average 0.125 acres. Jua Kali is a slum area along a road reserve and government land with some of the squatter settlements stretching into Marurui.

The research covered women owned and managed enterprises in various stages of growth. It consisted of profiling women engaged in urban agricultural enterprises, and specifically those involved in dairy, poultry and horticulture. It involved ascertaining the successes they have achieved so far, the problems they face, and the potential they have for creating greater wealth. Information was gathered to support psychological, social and resource profile characteristics of the women and to establish their innovativeness and growth in terms of increased income, employment, size of their business and added value to consumers as a measure of their entrepreneurial capabilities.

In order to determine the variables that provide impetus to entrepreneurship, the study examined the extent to which cultural background, family they are brought up in, their level of education, experience and training affect women entrepreneurship. Other factors considered included the support systems: from their family, society in general, the government, and their peers, those successful women entrepreneurs enjoy. The effect of the success of a woman entrepreneur on her family (for example on food security and education of children) and how the society views her achievement was also considered. Of major importance were the constraints women entrepreneurs have to overcome in terms of resources especially financing, government policies, motivations and attitudes and other requirements of successful entrepreneurship and the determination of what measures can be taken to cultivate and nurture entrepreneurship in Kenyan women.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

For this study, major reliance was made on various books on general entrepreneurship. Due to the dearth of published materials on women entrepreneurship and urban farming especially as it relates to Kenya, internet articles were used to a large extent. Various theses on women’s work and their position in society were also useful. Reference on studies on small scale enterprises with special emphasis on micro and small enterprises in less developed countries were also made. Great reliance was made on various Government of Kenya publications especially in reference to government policies for enhancing economic development and specifically those involving in improving the performance of micro and small businesses.

2.2.0 Past Studies on Factors affecting women entrepreneurship

Various studies have shown that women entrepreneurship is different from that of men and differs from country to country. According to Minniti and Arenius (2003), a Global Entrepreneurship (GEM) study (1999) involving 37 high and medium income countries showed that overall, men are 50% more likely to start a business than women. The GEM study also found that women entrepreneurship is higher in low income countries, for example, 0.6% in Japan compared to 18.5% in Thailand. This compares to Kenya women’s rate of entrepreneurship which is almost par as that of men at 48% of the total national entrepreneurship as per the 1999 Micro and Small Enterprises Baseline Survey.

Within various countries, studies have identified major factors that influence entrepreneurial performance among women including family background and support; individual motivation and attitude; availability and level of financing; education and training; policies and programs.
2.2.1 Family background and support

Family background and support plays a critical role in the making of an entrepreneur. According to Mittal (2003), entrepreneurial activity is generated by the particular family background and experiences as a member of a certain kind of group and as a reflection of the general cultural values. This is because it imputes on the individual the societal values and norms within which they are expected to conduct their life.

In Kenya, the traditional, cultural and religious practices put major emphasis on women’s roles as wives and mothers with most of their activities being restricted to the home and farm environs. The traditional practices, many of which persist today left housework, food preparation and childcare to the women with very little help from the men with many such tasks seen as taboo for men. According to Cutura et al (2006), “As in many other countries, women entrepreneurs in Kenya face the challenge of managing their work with family and household affairs. On average, Kenyan women work 12.9 hours per day, which is 4.7 hours more than men work. Women constitute 60.8 percent of unpaid family workers. Women entrepreneurs are both mothers and businesswomen: time spent on family duties leaves women with less time to run their business, take advantage of training opportunities, or network.” McCormick (2001) also supports this view. He asserts that it is the division of labour assigning a greater share of household responsibilities to girls, and the marriage institutions that discourage investment in women’s education. This is the reason women entrepreneurs are less educated than their male counterparts and therefore less likely to benefit from management and technical programmes, thereby negatively impacting on their potential to succeed as entrepreneurs.

Traditionally, most of the farm activities were also left to the women. However, ownership to all land and resources was male dominated with women also being seen as assets. Even today few fathers or husbands pass on their rights to land in form of title deeds to their daughters and wives. These cultural practices are a strong deterrent to women empowerment above all in the economic sector since they cannot access adequate
financing for their entrepreneurial activities thereby preventing them from taking advantage of the equal opportunities embedded in the law.

Various cultures in Kenya bring up their women to be obedient and compliant to the wishes and authority of their men folk who control the available resources. This socialization to suppress their needs over others breeds out their need for personal achievement which is considered by many as a necessary ingredient to entrepreneurship. According to studies by McClelland (1961), socialization practices that emphasize self reliance, initiative, and independence tend to produce people with high need for achievement than those that emphasize conformity which suppresses acquisitiveness. According to Delmer and Holmquist (2004) “Women learn to act in accordance to the demands of society on them and they will only be able to discover the opportunities that their shared experience allows them to do. Gender is a multilevel system that consists not only of roles and identities but also includes ways of behaving in relation to one another at the interaction level and cultural beliefs and distribution of resources at the macro level.”

Many Kenyan women have large families and dependants and going into business is usually in order to enhance their welfare with many of the children and other dependants working in their business. According to Cutura (2006), Kenyan women tend to perceive their business as a family affair so that even when women exercise control over the business day-to-day operations, the husband and other family members tend to be part of the company ownership structure and also human resource. One problem with this arrangement is that some family members may not be effective and efficient.

According to Stevenson and St- Onge (2005) family support plays a crucial role in the success of women enterprises. They identified three strata of women entrepreneurs. The first strata are women in micro enterprises “the underclass or jua kali” with less than 1 to 5 workers are likely to have come from families that afforded them little education, husbands who are not supportive and object to having them go out for training, and they are also constrained by their household responsibilities which they have to fulfil with
little help. The second strata is women in enterprises consisting of very small enterprises (employing 5 – 10 workers) and small enterprises (more than 10 workers) are likely to have had a minimum of secondary education and have supportive husbands who may be directly or directly be involved in the business. The third strata consists of “elite class” of women have small enterprises (10- 50 workers), and medium and large enterprises (more than 50 workers) and are likely to have an entrepreneurial family background which also afforded them education up to the university level and a supportive husband.

According to Stevenson and St- Onge (2005) those women in micro enterprises are most negatively affected by the patriarchal structures and can only move into the “economic grid” if given a lot of support, encouragement, visibility and empowerment. This echoes the findings of Cutura (2006) in a study of growth oriented businesses comprising small and medium enterprises in Kenya. Over ninety percent of the women interviewed involved their husbands as partners in the business, and drew on their advice and encouragement when making important business decisions as well as drawing on their husbands not only to help provide the needed collateral to start a business, but often also to provide legal advice or accompany the wife to the bank. According to Caputo & Dolinsky (1998) potential positive contributions to women entrepreneurship include access to the husband’s knowledge and experience regarding start-up activities when he is also self employed and role reversal with help from the husband in providing child care.

2.2.2 Individual motivation and attitude

Various researchers have through observation of various successful entrepreneurs noted that they share certain personal characteristics. Jeffrey Timmons (1994) analysed more than 50 studies conducted in the U.S.A. and found a general consensus around six general characteristics of entrepreneurs which are leadership, high commitment, risk taking performance, achievement orientation, independence, flexibility, sense of adventure and aggressiveness These psychological variables or traits have however been discredited as the major causal link leading to entrepreneurship. Not all entrepreneurs exhibit all these characteristics. Nor do these qualities guarantee business success. There are also many
people with many of these qualities yet they do not start businesses. Timmons (1994) saw those talents as "unmolded clay" needing the addition of relevant skills, experiences and contacts over a number of years.

Emphasis on some of these characteristics as showing the profile of an entrepreneur has also distorted the image of an entrepreneur, with entrepreneurship being viewed as a male domain. According to Delmer and Holmsquist (2004), recent research has questioned some of the personal characteristics related to entrepreneurship such as leadership, high commitment, risk taking performance, achievement orientation, independence, flexibility, sense of adventure and aggressiveness which do not define entrepreneurship as a task that can be seen as feminine. Male values have shaped the cultural norms of organizations with those of women being seen as inferior. According to Marshall (1993) “Female characteristics and values such as emotions, intuition, and interdependence are denied legitimacy and are covertly or actively suppressed”. Delmer and Holmsquist (2004) see women as different from men therefore providing the potential to provide society with different solutions to management, organization and business. Indeed as argued by Cole (2004), women are more likely to adopt a democratic/participatory style of leadership which is more favoured by modern management gurus as opposed to men who are more likely to be autocratic. According Revivo-Steiner (2006), women have a penchant for long term planning and the ability to tolerate ambiguity which is a major advantage given today’s globalization where the entrepreneur needs to change plans frequently. They also have talent with words and negotiation, and preference for networking and cooperation which can add valuable advantages to entrepreneurship. According Revivo-Steiner (2006) women do not have to replicate men’s entrepreneurial experience and masculine mentality of doing business. However, according to Revivo-Steiner (2006) women suffer from internal barriers of entrepreneurship such as low self esteem, low need for achievement and a fear of failure which need to be corrected.

According to Minniti and Arenius (2003), the likelihood of starting a new business is significantly higher among women who perceive themselves as having the necessary skills and knowledge than it is among women perceiving themselves as lacking such skills. This places great emphasis on individual awareness and perception processes and
points out the importance of local social norms. It can also be used to explain why more women in Kenya are in agriculture which represents an activity many know as they grow up, mostly in the rural areas.

According to Stevenson and St. Onge (2005), both female and male entrepreneurs are driven by two basic motivations; inspiration or desperation. Inspiration comes out of the desire to pursue opportunity to be one's own boss; to create a business around a particular set of talents and skills or to realize a dream, while desperation is born out of economic necessity. Minniti and Arenius (2003), describe these situations as opportunity and necessity entrepreneurship respectively with opportunity entrepreneurship being entrepreneurship resulting from a search for wealth accumulation through exploitation of identifiable opportunities and necessity entrepreneurship being the motivation to start a business because other employment options are either absent or not satisfactory. According to Minniti and Arenius (2003), there is more necessity entrepreneurship in lower income countries due to higher rates of population growth, unemployment and lack of government programmes such as welfare payments to support the unemployed. This burden is carried more by the women who have greater parenting responsibilities. There is also a strong incentive for women to create their own work environment that is compatible with child rearing. This tendency is strengthened by the typically lower degree of involvement in childcare by fathers in poor countries. In developed countries the quality of maternal support encourages women to shy away from entrepreneurial activities.

According to Cutura (2006), in Kenya the motivations of women in the informal sector are often tied to necessity and lack of other employment opportunities while for wealthier women the situation is often different with their likelihood of starting a business significantly higher for those employed in a waged job compared to those who are not working, suggesting that working provides access to resources, social capital, and ideas needed to start a business venture.
According to Minniti and Arenius (2003), the percentage of women in public and private managerial positions in low income countries is negatively correlated to opportunity entrepreneurship, although the correlation is not statistically significant. This finding suggests the possibility that managerial jobs may be more attractive for highly skilled women than entrepreneurial opportunities. According to the study, there is a strong negative correlation between female necessity entrepreneurship and women in industry and opportunity entrepreneurship in services. However, female entrepreneurship – particularly female opportunity entrepreneurship – is positively related to the proportion of women participating in agriculture. This suggests that the agricultural sector may be the source of entrepreneurial opportunities for women in these countries. According to Minniti and Arenius (2003), “these observations support the claim that, for women, entrepreneurship is a journey out of poverty and toward equality – a journey that sees them employed in agriculture, then as necessity entrepreneurs in agriculture, then employed in industry, then employed in services and, finally, as opportunity entrepreneurs. Most important, the women’s journey mirrors the transformation of nations from low to high income countries.”

According to Mary N. Kinyanjui (1996) in her studies of businesses in Central Kenya, “there is a high correlation between the founder’s original motivation for enterprise formation and development. Founders originally motivated by desire for independence, forced entrepreneurship, desire to increase and maintain income or possession of expertise have smaller firms. The largest category of these small enterprises were set up for reasons of maintaining or increasing income meaning that this motive reflects a ‘satisficing’ rather than optimizing business strategy. In contrast, founders motivated by perceived market opportunity are disproportionately represented in the largest size category. This indicates that market opportunities motivation is paramount to Micro Small and Medium Enterprises (MSME) development and growth”

According to Bolton (1971), founders of small firms achieve personal gratification from the performance of tasks such as labour supervision and management, developing their own ideas and enjoying direct contact with customers. Through these, the individual
entrepreneur experiences a sense of personal achievement, pride and subsequent psychological satisfaction which transcend all other motivational forces. Growth, since it requires bureaucracy makes the founder want to remain small and not growth oriented. However, others have questioned this finding and suggested more empirical testing.

Currently in Kenya, many people still look down on entrepreneurship due to their negative image as struggling blue collar workers. According to Stevenson and St. Onge (2005), in order to strengthen the overall entrepreneurial culture of the country there is need to promote entrepreneurship as an opportunity especially to the younger generation so that they can view it as an attractive option. Women also need to have positive role models of successful entrepreneurs that they can emulate and there should be advertising campaigns to ensure this.

2.2.3 Availability of financing

Access to funding offers the entrepreneur the resources for the initial start up, expansion of the business and innovation through new product development and processes that enable them to gain greater market access. According to USAID (2005), an analysis of credit schemes in various African countries including Kenya found that on average, only one percent of total amount of credit was directed to women in agriculture. According to Cutura et al (2006), only one percent of land titles in Kenya are owned by women, with 5 to 6 percent being held in joint names. Without collateral many women entrepreneurs in Kenya are unable to secure financing and therefore rate access to finance as their key constraint. Without financing, they are unable to grow their businesses, and they remain stuck at the micro-enterprise level.

Access to credit for women urban farmers is even poorer. According to Cutura et al (2006)," women in Kenya have only 9% of the available credit, despite the fact that they own nearly half of all small and medium enterprises. With financing being conditional on collateral such as land and other property, getting finance from banks is out of reach for most women." According to Nyang’wara et al (2007) 18.6% of Nairobi urban farmers get finance from microfinance institutions, 13.9% from money lenders, 10.6% from
Cooperatives, 8.4% from banks such as KFA and AFC with 34.2% of the farmers getting credit in kind in terms of inputs such as fertilizers, seeds, farm implements and animals. The rest of the farmers get credit from other informal sources such as ROSCAs. According to Nyang’wara et al (2007), urban farmers reported constraints to credit access including; restrictive procedures and requirements (33.3%), high interest rates (30.8%), lack of collateral (29.2%), unfavourable terms and conditions (20%), absent credit sources (14.2%) and late delivery of credit.

According to Minniti and Arenius (2003), compared to men, women entrepreneurs use smaller amounts of start-up capital and therefore their businesses tend to be smaller and to grow more slowly than those owned by men. According to Revivo-Steiner (2006), chronic undercapitalization of women enterprises contributes to their propensity to establish firms in poorly performing sector segments thereby leading to their struggle to survive or grow.

Lessons on women financing can be learnt from the US where according to Greene, Brush, Hart, & Saporito (2001) women led firms received very little equity capital amounting to only 4.1 percent of all equity investments in the US in 1998. This was due to institutional or network barriers, lack of appropriate human capital including leadership skills, background, strategic choices of growth, product, and markets. According to Dolinsky & Caputo (1994) in the US, in order to redress financing especially for minorities like black women, government actions include underwriting commercial banks, developing credit unions, micro-loan funds, and other programs to make start-up and growth capital more readily available.

A survey of information from a variety of micro finance institutions, such as the Kenya Women’s Finance Trust, various women’s associations, cooperatives and savings groups have helped many women expand their micro enterprises but not to the level of small and medium enterprises. The Women’s Kshs. 2 billion revolving fund introduced by the Kenya Government in the 2007 budget was in recognition of the problems women face in financing of their businesses. Equity Bank in conjunction with UNDP have also initiated
a Kshs. 5 billion programme to finance women enterprises and various products targeting women and farmers. Many other banks are increasingly coming up with financial products for women.

According to Stevenson and St. Onge (2005) there are three segments of women entrepreneurs with differing levels of access to finance in Kenya. Those women operating micro-enterprises with very few if any employees mostly in the informal sector usually source their capital from their own meagre resources with low levels of credit mainly from “merry go rounds” formed with other women with similar means. They have little access to microfinance institutions. This means that their enterprises have very low potential for growth. According to Stevenson and St. Onge (2005), Kenyan women in small enterprises employing 6 or more employees usually has a higher level of funding derived from previous employment and they can also access funds of up to Kshs. 500,000 from various micro-finance institutions. They have growth potential with some already tapping into the international markets. However they often lack sufficient capital to prepare for further growth in demand including raw materials and work in progress inventory. They are likely to be below the threshold of many commercial banks that prefer larger depositors and collateral security which most women do not have since they are unlikely to have title deeds or other assets.

According to Stevenson and St. Onge (2005) there are a few women, comprising about 0.03% of the Kenyan women entrepreneurs who are able to have larger sized businesses with access to financial means. These are usually university educated and with experience in management in the corporate world and are most likely to be engaged in exporting.

According to Mireri (2002), in urban farming while women play a dominant role, ownership of land and sometimes the produce is by men who control the resources. This makes it difficult for the women to procure direct financing. Secure land tenure is also an important prerequisite to credit access due to the requirement for collateral. Urban farming on public land including road reserves and river banks therefore limits available
credit to farmers. According to Mireri (2002), there is very little credit available to the poorer urban farmers. However some NGO’s provide some financing. The richer farmers often can access the traditional sources composed of banks and microfinance institutions which usually comes at a high cost. Some companies also offer their contract farmers credit in form of material support such as animal feeds, animals (for example one day old chicks to poultry farmers), and technical services such as veterinary services and advice on critical management practices to guarantee quality products while minimizing cost and time of production.

Even though financing is important, it has however been argued that the lack of financing by itself is not what hinders growth and expansion of some women’s enterprises. The lack of growth and expansion could suggest gender-based differences in the value attached to business expansion. According to Green et al (2003), personal considerations appeared to override economic consideration in the business expansion decision. Canadian female entrepreneurs were more likely to establish maximum business sizes and these sizes were smaller than those set by their male counterparts. Female entrepreneurs were just as likely to want to grow their businesses, but, they reported more concerns about the risks associated with fast growth and generally preferred to adopt a slower and steady rate. According to Green et al (2003), in Sweden analysis of sales, profitability, employment, and orders also concluded that women -owned firms were smaller and had a smaller customer base and were “underperforming” because the growth preferences of women were lower than those of men.

According to Snyder (2000), women’s commitment to ‘family first’ use up potential reinvestment capital “while the level of initial capital can be a determinant of future growth in business and a significant determinant of the level of profits, profits are not always evidenced by growth of the business ... but show up in investments.” These include education of children, plots, and the financing of other businesses.

Hisrich and O’Brien (1981) probed beneath the gender issues, postulating that the financial resource problems that women reported could be a function of the types of
businesses they founded rather than a reflection on the characteristics of female owners. Minniti and Arenius (2003) further argue that it is the lack of confidence in their own entrepreneurial capabilities that discourages women from using a lot of financial capital and personal resources. “Women in business tend to trend carefully taking into account personal and business risks whereas men expand more rapidly. Self-employed women still face disadvantages relative to self-employed men due to gender-specific barriers associated with education, child rearing, and the workplace. Additional barriers include socialization practices, family roles, and the possible lack of business contacts. Disadvantages experienced by women in all these areas are widely believed to result in higher failure rates and lower growth rates for women’s businesses.”

2.2.4 Education and training

According to Minniti and Arenius (2003) the GEM 1999 study showed that entrepreneurship rates for women with higher levels of education was lower and highest in countries where the female population has low levels of education because most women prefer formal employment which pays more and usually has benefits such as health and maternity leave. According to the study, in low income countries, entrepreneurship in women declines when they have access to formal employment with those with low education usually driven to necessity entrepreneurship as a survival mechanism. This is the case of Kenya which has a high percentage of women entrepreneurship principally in the informal sector. However, without education to equip them to effectively manage their business, their enterprises remain small with a high failure rate.

According to Stevenson and St. Onge (2005), the higher the education, the higher the potential for a woman entrepreneur to have a growth oriented enterprise of small, medium or large enterprise as opposed to informal micro-enterprises. According to McClelland (1961) the achievement motive, an important ingredient of entrepreneurship can be enhanced through education and achievement related training. Women with higher education and skills are able to engage in opportunity entrepreneurship which has higher success rate due to the education, training and experience of the business owners.
According to Cutura et al (2006) in their study of women in small and medium enterprises in Kenya, “the level of formal entrepreneurial activity among women increases as their education rises, and there is a major jump in business ownership among those who go beyond secondary education”.

According to Sessional Paper No. 5 of 2005, in 1999, 13.7% of women had no formal education compared to 6.8% of men. According to J. Cutura et al (2006), “lower education levels put Kenyan women entrepreneurs at a disadvantage compared to men. While the gender gap in primary education in Kenya has decreased in recent years, the gap remains high at secondary and tertiary education levels. Women are much less likely to enrol in public universities, national polytechnics, and technical institutes, accounting for only about 39 percent of those enrolled in tertiary education. Lower education and a curriculum that does not emphasize entrepreneurship skills decrease the chances that women will have the knowledge needed to excel in business, and thereby contribute to the country's overall economic growth.”

In the case of women in agriculture, according to the World Bank (2007), eliminating gender-based inequalities in education and access to agricultural inputs in Kenya could result in a one-off increase in as much as 4.3 percentage points in GDP growth, and a sustained year-on-year increase of 2.0 to 3.5 percentage points in GDP growth. There is therefore need to pay increased attention to the gender dimensions of economic development.

2.2.5 Policies and Programs.

In Kenya, there are various government, non-government and private sector policies and programs aimed at stimulating and assisting women entrepreneurs. According to J. Cutura et al (2006) while the Kenyan government recognizes that women have not been on an equal footing when it comes to their access to opportunities and assets, it has yet to effectively address the barriers facing women. These barriers are dependent on the political, economic, social-cultural and technological environment which governs business market potential and growth. The political environment for example determines
the legislation in place; regulatory bodies and processes; government policies; funding, grants and initiatives; and the actions of various local and international pressure groups. The economic environment depends on both local and international trends for example the current globalization. It also affects taxation of various products; interest charged by banks; level of income and commensurate consumer demand of various products. The social environment which includes demographics, cultural and religious factors will determine lifestyle and consumer buying trends; role models and desirability of entrepreneurship. The technological developments, legislation (including intellectual property issues) and access also affect entrepreneurship performance. It will determine information and communication and the innovation potential.

According to Cutura et al (2006) women may not be aware of the legal issues that they need to address to start a business, and they can find it difficult to navigate the complex array of laws and regulations, even though Kenyan firms that are registered are much more likely to grow than those that are not, thereby providing in theory, a strong incentive for women to formalize their business and register, about 85 percent of women-owned Micro Small and Medium Enterprises are in the informal sector and remain unregistered. Lack of knowledge about the registration process and its requirements is one of the reasons given by the women for the failure to register. Many of the women entrepreneurs operate at the micro-enterprise level, and they do not think the small size of their business warrants registration since they have too little income. According to Cutura et al (2006) many are also deterred by the difficult business registration procedure which is not straightforward and requires time as well as financial resources for example to hire a lawyer which might not be available to them. There should therefore be a program aimed at simplifying the procedures so that more women enterprises register.

According to J. Cutura et al (2006) other barriers in Kenya’s business environment such as taxes and customs duties also disproportionately affect women. In a recent World Bank survey, over 60 percent of women perceived taxes and customs as constraints to their business growth, compared to only 40 percent of men. This negative perception makes women less likely to register their businesses, and it deprives the government of
tax revenue. The level and application of taxes and duties therefore need to be studied in order to ensure that they are not retrogressive.

According to J. Cutura et al (2006) there are too many licenses in Kenya. These place a large burden on businesses, through annual renewals and inspections, and create large opportunities for corruption. The city council licensing system is particularly cumbersome with few entrepreneurs being aware of all the different licences they require. Most of the micro-entrepreneurs face continuous harassment by city council askaris and cannot concentrate satisfactorily on their business. The Kenya Government is currently having a program for reviewing these licenses by assessing whether each is legal, necessary and business friendly. Of the 1,347 business licenses in the country, the 2007 budget proposed that 195 be retained, 367 eliminated, and 737 simplified, with 48 licenses still pending review.

Some of the administrators also intimidate women with some asking for bribes which women are less likely to meet and negotiate. This is especially so in business licensing. Ensuring that women are treated fairly in their interactions with the government is therefore important in encouraging women to formalize their business and seek government support.

According to J. Cutura et al (2006) another problem women face is property rights. While in principle, women are granted property rights through formal statute law, the 1882 Married Women’s Property Act and the Law of Succession, in practice, judges are often unaware of the legal position given their rulings. Moreover, customary law and exceptions to the Succession Law Act mean that, in practice, women are denied their property rights. In order to address this, there should be a program where both judges and women should be trained on women property rights. There should also be more and knowledgeable women on land boards.

According to Cutura et al (2006) women in Kenya have poor access to justice which is essential for ensuring smooth business operations, and spans issues such as enforcing
contracts and employment disputes. Using the formal courts in Kenya can be costly, complex, and time consuming for entrepreneurs. As a result, when a woman entrepreneur finds herself in court, this can have potentially destructive consequences for her business: The cost of enforcing a contract in Kenya is prohibitively high and more costly in Kenya than even in neighbouring Uganda or Tanzania. Women owned businesses are smaller and generate less revenue, and they are thus less likely to be able to afford this process. For women who are burdened with their multiple responsibilities in the household and at work and who do not have the know-how to navigate the government process, dealing with the complicated and often corrupt bureaucracy is another reason for avoiding the process. Lack of knowledge of the rights that women have and how to enforce them is a therefore a big challenge for women entrepreneurs. However, a variety of civil society organizations, such as FIDA, have been effective in reaching some women and increasing their knowledge about their legal rights.

According to Cutura et al (2006) intellectual property rights in Kenya are not properly enforced. The issue of patents has also stifled innovation and growth of women owned businesses because the high cost of patents means that few female entrepreneurs can afford to protect their work. Because traditional community products are not protected by the intellectual property regime, some Kenyan products have been copied in other countries that are able to produce the goods more cheaply. One example is the traditional hand-woven Kenyan basket, which has been copied by a Korean company and is being sold internationally. This problem needs to be addressed fully by government since patents and copyrights are also blatantly flouted in all areas of enterprise in Kenya. One of the major problems women face is that Kenya being a patriarchal society, there are ingrained cultural prejudices that does not allow women to have visibility and voice in power structures and decision making processes at all levels. Women need to be empowered so that they can fully engage in the political, economic and social development of the country. Current government programs in supporting women empowerment include; affirmative action to ensure education of the girl child through free primary and secondary education (to ensure parents don’t have to choose between educating girls or boys), lowering by one point the public universities cut off points for
girls; the discouragement of marriage of underage girls and legislation against child labour; measures by government to increase employment of women to comprise 30% of employment in the civil service and measures to increase women representation in parliament so as to increase the women’s’ voice.

According to Cutura (2006), many women also face capacity constraints. In order for example to secure orders in new markets and develop credibility, the women need to have timely and consistent quantities of quality products. Without access to credit and know-how, women lose out on potentially lucrative contracts. Partly to redress this, various programs by both the government and non governmental bodies to increase the capacity of women entrepreneurship include the Women’s Kshs. 2 billion revolving fund introduced by the Kenya Government in the 2007 budget. Equity Bank in conjunction with UNDP have also initiated a Kshs. 5 billion programme to finance women enterprises with free training of 2,000 women by UNDP, ILO and UNIDO and workshops bringing together grassroots women to discuss bottlenecks preventing women’s enterprises from becoming globally competitive. (Daily Nation June 22, 2007). In addition, Equity Bank plans to operate some women only banks in order to make these products more women friendly and accessible.

Entrepreneurship and business management training programmes are also critical to the advancement of women entrepreneurship. According to Dumas (2001) studies in the US on a micro enterprise training program for low income women concluded that the training empowered participants to achieve economic self-sufficiency, helped them to build strong businesses, contributed to the development of life management skills and also contributed to the growth of locally owned controlled businesses that would create new jobs in the inner city neighbourhoods. However, Ehlers and Main (1998) argued that micro-enterprise training programs have discounted the socio-cultural conditions women bring with them and instead have emphasized the personal growth of individuals. They maintain that these policies have resulted in maintaining women entrepreneurs’ economic vulnerability and have supported social peripheralization rather than moving women into the mainstream economic world. Carter & Allen (1997) argued that programs needed to
focus on the skills and behaviours that could facilitate growth, specifically in the financial management arena.

According to Burr and Strickland (1992) programmes to support a constructive environment, including a positive attitude towards women business owners from business and political leaders, was found to be critical to the development of a strong female entrepreneurial community in the US. This is also necessary in Kenya. This should also include programs to show entrepreneurship in a positive light as a desirable pursuit especially for impressionable young people most of who aspire only for formal employment.

According to Stevenson and St. Onge (2005), men are more able to act on “individual” basis because they have collateral in the form of title deeds. Even though some micro finance institutions offer credit to individual women with some assets to serve as collateral, women however often need to use their groups to pool resources and form a mutual guarantee system. This applies for example to Kenya Women Finance Trust, Equity Bank Women Economic Empowerment Consort and the newly commissioned National Women’s Fund. While these programs are useful they cannot take women to the next level from micro enterprises.

According to Cutura et al (2006) social networks, role models and mentors are important sources of information and resources for both male and female entrepreneurs. Membership in business associations provides a venue for exchanging information and building partnerships. Yet prevailing social norms and women’s time burdens can make networking a challenge for women entrepreneurs. As a result, women can be left out of important networking events, where key contracts are won and orders secured. Women entrepreneurs indicate they would benefit from a well coordinated association that effectively addresses their needs. The recently established Kenya Women Entrepreneurs Board has the potential to become such an effective gathering of women in business.
According to research in several countries, women networks however could however be counterproductive. According to studies on women in Israel by Lerner, Brush and Hisrich (1997), while membership in a women’s organization had a highly significant effect on profitability of business, multiple networks impacted negatively to revenue, income, the size of the business and number of employees for women entrepreneurs due to loose associations which do not allow strong relationships to develop.

In his cross-culture gender study in Russia and China, Batjargal (2007) also observed that women entrepreneurs develop large networks, but these associations hurt profitability. "They are not only useless, but even toxic and harmful," said Batjargal. The bigger the networks are for female entrepreneurs, the more they seem to drag down revenue growth. Women have big networks, he said, but they include "lots of the wrong people, and people who have no useful resources'. Male entrepreneurs on the other hand have larger emotional support networks, and have an apparently greater facility for using emotional ties for utilitarian ends - in this case, making more money. Batjargal speculated that "women network for the sake of relationships, and men for utility." He also suggested avoiding all-women business associations. "Women are making themselves more cut off and clustered," said Batjargal. "They're perpetuating a woman's world." He found that profits come fast and early to entrepreneurs whose networks are dense and "homogeneous" - full of people like them. But within a few years, profits go up only if networks become dispersed and "heterogeneous" - more diverse.

Programmes to disseminate various technological advances including information and communications for example on research into better farming methods; are also critical to women entrepreneurship performance. The ministries of agriculture and livestock’s extension programmes is an expansive initiative aimed at assisting farmers to increase their productivity through undertaking agriculture as a business.
2.3 Critical Perspective

While application of some research studies from developing countries is useful, there are sometimes major differences in factors affecting entrepreneurship. For example, according to Minniti and Arenius (2003), the GEM 2000 study found that for both men and women in developed and developing countries, the peak years to become involved in entrepreneurial activities are ages 25-34. Those ages 35-44 are next, followed closely by the 19-24 age group and then ages 45-55 with those over 55 having the lowest rate of entrepreneurship. However, according to Kinyanjui (1996), a study conducted in Nairobi and towns in central Kenya found that the most successful enterprises in terms of size and employees were started by an older group. According to Kinyanjui (1996) the peak years were ages 36-45 while the ages 26-35, were next followed by the ages 16-25, 46-55 and lastly the over 55s. According to these studies in Kenya for both men and women, the mean age for entrepreneurship was 35 while that of women was 38. The possible explanation for this is that even if the younger entrepreneurs had more stamina, the older group had more education, expertise, capital, and organizational skills from previous employment. It also shows that both men and women in Kenya tend to acquire the necessary resources and possibly the motivation at a later age than more developed countries.

Entrepreneurship needs are not static. One needs to grow with the business. The competencies and other factors leading to entrepreneurship often need to change as the enterprise grows. Some entrepreneurs are unable to make the transition to enable their business to grow beyond a certain point for example due to lack of managerial competencies since many are self-made persons used to make all the decisions quickly without any consultation or delegation.

Another problem is in looking at an entrepreneur as an isolated individual. In their 1997 paper entitled “Characteristics of the Entrepreneur: Social Creatures not Solo Heroes” Byers, Kist and Sutton argue that entrepreneurship should be viewed as a social and not an individual activity. Even though the entrepreneurs’ individual characteristics and
resources are important, their social networks and the important relationships that they form both outside and inside the organization are critical to their success. The other people the entrepreneur spends time with and how they respond are critical to the success of her venture. The employees can mean her success or downfall. So can the support of others. In Kenya many women are members of groups such as cooperatives, rotating credit societies (ROSCAs), farmers and religious groups all which make an impact to their business.

2.4 Summary and Gaps


The GEM study was an in depth study on women entrepreneurship factors and how they differ in some respects between men entrepreneurship and between countries. However, the analysis did not consider poorer countries like Kenya with South Africa as the only African country covered.

Most of the literature review on studies done in Kenya such as the research by and Stevenson and St Onge (2005) and Cutura (2006) was based on research on small and medium women enterprises which have already graduated from being informal micro enterprises, and their major focus was strategies that can help them grow into larger enterprises. Few of the major studies done were on women entrepreneurs in micro enterprises possibly because most of these studies were sponsored by banks which do not usually finance such micro enterprises.

Most of the studies on women entrepreneurship reviewed also do not cover agriculture to a large extent and mainly concentrate on other industries such as services and manufacturing. However, Minnitti and Arenius (2003) and Margaret Synder (2000)
emphasize on opportunity entrepreneurship in agriculture as the most promising path out of poverty for less developed countries. The 1999 baseline survey on MSEs put women entrepreneurship at 48%. Inclusion of agricultural production where women are prevalent would increase these statistics to a higher level showing that critical emphasis should be put on women entrepreneurship in agriculture in order to ensure faster economic development for the country.

Most studies in urban agriculture have also been on enterprises run by both men and women. A survey on the role of women, their strength and constraints in development of the sector is also important. According to Patricia G. Greene et al (2002), “the existing research has not yet developed a clear understanding of the aspirations and strategies of women entrepreneurs. A significant portion of the research draws from previous instruments developed for and about men and much of the research on women is not theoretically grounded. Research about the strategic choices women make – from the type of business, to the sector, to the growth strategy should be explored in greater depth. In particular, research addressing women’s and men’s product/market strategies, goals, and approaches for competing might suggest whether or not the choice of industry, sector or growth goals determines subsequent acquisition of resources, team building, growth and performance, or even personal satisfaction.”

2.5 The Conceptual Framework

The proposed research aims to show the extent of how various independent variables: family background and support; individual motivation and attitude; availability and level of financing; education and training; policies and programmes determine the independent variable – women entrepreneurship performance. This is demonstrated in Figure 1 below.
Figure 2.1. Conceptual Framework

Source: Author (2007)
CHAPTER THREE.

RESEARCH METHODOLOGY

3.1 Study Design

The study design adopted a descriptive survey research design. This design is appropriate when the research aims to establish the associations among variables relating to the problem being investigated.

The researcher used questionnaires, key informants and focus group discussions to produce both quantitative and qualitative data. Quantitative data was used in measurement of factors such as income, employment, age and education of respondents while qualitative data was capture in depth explanation of the human elements such as personal experiences, attitudes, motivations and opinions presented. According to Mugenda and Mugenda (2003) even though quantitative data is easier to analyse, there is a strong argument for using qualitative research and evaluation in Africa in order to give the respondents a chance to state their problems the way they perceive them and participate in seeking solutions to these problems as well as in affecting such solutions. In the study quantitative data was used to provide the hard data needed to meet the stated objectives.

3.2 Target Population

It had been estimated that about 3,000 households in Roysambu were engaged in some form of farming activity. The population of interest were women entrepreneurs engaged in urban agriculture and specifically those engaged in dairy, poultry and horticultural farming in Roysambu location. Since it was not possible to get a sampling frame as the farmers are spread out over the location, the researcher selected women entrepreneurs who are members of various farmers’ groups working closely with extension officers in the Ministries of Agriculture and Livestock Production. According to the lists, women comprise 357 members of which 17% are in dairy, 40% in poultry and in 43% in horticultural groups as shown in the Table 3.1 below.
Table 3.1. Characteristics of Target Population

<table>
<thead>
<tr>
<th>Business Activity</th>
<th>Population Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>62</td>
<td>17%</td>
</tr>
<tr>
<td>Poultry</td>
<td>141</td>
<td>40%</td>
</tr>
<tr>
<td>Horticulture</td>
<td>154</td>
<td>43%</td>
</tr>
<tr>
<td>Total</td>
<td>357</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: MOA and MOLD Extension Officers (2007)

3.3 Sample Design

Selection of the sample was done through multi stage sampling. Purposive sampling was done to select all women engaged in dairy, poultry and horticultural farming from available lists of farmer’s groups in the area provided by government agricultural extension officers. Out of the total population of 357, the researcher selected a sample of 71 which is 20% of the population using stratified random sampling. As defined by Mugenda and Mugenda (1999), for descriptive studies 10% of the accessible population is adequate for any meaningful study. The researcher used 20% in order to make the survey more inclusive given that the actual population of women farmers in the area is not known. Calculation of the stratified random sample is shown in Table 3.2.

Table 3.2. Calculation of Sample Size

<table>
<thead>
<tr>
<th>Nature of Business</th>
<th>Population Distribution</th>
<th>Sample Proportion</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>62</td>
<td>0.2</td>
<td>12</td>
</tr>
<tr>
<td>Poultry</td>
<td>141</td>
<td>0.2</td>
<td>28</td>
</tr>
<tr>
<td>Horticulture</td>
<td>154</td>
<td>0.2</td>
<td>31</td>
</tr>
<tr>
<td>Total</td>
<td>357</td>
<td>0.2</td>
<td>71</td>
</tr>
</tbody>
</table>

Source: MOA and MOLD Extension Officers (2007)
The major criterion for stratification was the type of agricultural activity undertaken. The sample was further distributed among the 4 region/estates where members of the groups come from (See Appendices 1 and 2). The geographical area of operation was assumed to a great extent to determine the type of business activity undertaken and show a relationship with family background, income levels, level of education and financing given that some groups are from the slums, others from more affluent locations.

3.4 Data Collection Procedure

Data was collected from farmers through face to face interviews using semi structured questions. Closed ended questions were used where there were clear possible answers in order to ensure ease of analysis. Open ended questions were used to give respondents greater depth of response especially in regard to their background, opinions, attitudes, and motivation. Data was also collected from 5 key informants including government extension officers in the district, division and location levels (3), one non governmental organizations and a firm that contracts poultry production from farmers. This was done using an open format questionnaire. One focus group discussion was also held with 8 selected farmers.

Prior to the main study, a pilot study comprising of 5 respondents was conducted to verify the instruments, ensure that all intended dimensions of research were covered and that all questions were clear and unambiguous. This was not included in the final tally of results.

Out of the initial sample of 71 it was not possible to interview 6 of the selected farmers. A repeat stratified random sampling of an additional 7 farmers was carried out and 6 out of the 7 were successfully interviewed bringing up the responsive sample to 71.

3.5 Data analysis

The information from the questionnaires was first edited, coded, tabulated and organized into qualitative and quantitative data. Both quantitative and qualitative data was analysed by descriptive statistics.
For the qualitative data, data was grouped into categories, meanings extracted and coded so that patterns, trends, and relationships from the information gathered was established to address the objectives.

Quantitative data was entered into a computer and analysed using Microsoft Excel and Statistical Package for Social Scientists (SPSS). The data was analysed using various measures of central tendency including mean, mode and median; measures of variability including range, variance and standard deviation; and frequency distribution including tables, bar charts, graphs and percentages. In analysing the factors held to provide impetus to entrepreneurship, correlation coefficients between variables and various measurements of entrepreneurship performance including output, income and number of employees were calculated.

3.6 Limitations

Due to financial and time constraints, the study was restricted to interviews with 71 urban farmers in Roysambu location in Kasarani Division, Nairobi North District. The low number of interviews and concentration of survey to one location in Nairobi area limit the generalization of the data to the whole of Nairobi and applicability throughout Kenya.

The proposed research was also based on cross sectional samples. The current general picture of entrepreneurship is also mainly based on such studies. According to Dolmer and Holmquist (2004) “longitudinal studies are required in order to understand survival and growth among entrepreneurs as well as time of entry and exit from business. This is especially important for women entrepreneurs as the obstacles and challenges they face change their involvement in the entrepreneurship process. As a woman evolves through the entrepreneurship process, she will face various obstacles related to the stage (opportunity identification, opportunity exploitation and resource acquisition for example). Depending on the nature of these obstacles, only certain categories of women will enter business and succeed”. Longitudinal studies are also necessary in order to monitor the effectiveness and impact of several government and non-governmental programs and initiatives in women entrepreneurship.
4.1 Introduction

There were a total of 71 responsive questionnaires. In order to enable generation of results and recommendations, the data was organized into qualitative and quantitative data, entered into the computer using the Excel spreadsheet and exported to SPSS for further analysis.

4.2 Quantitative Data Analysis

Quantitative data from the structured questions was entered into the computer using various numbered options starting from 1 for coding purposes. Where there was an option of Yes or No, Yes was coded 1 and No was coded 0. The coding for the quantitative data was done to enable preparation of frequency distribution tables, bar charts and graphs. However actual raw data: for example output, profit, and employment figures were entered into the computer to enable analysis of various measures of central tendency including mean, mode and range. In analysing the relationship between variables, the Karl Pearson Correlation Coefficient was used to show both the magnitude and direction of the correlation. The correlation was calculated for various characteristics of the variables held to provide impetus to entrepreneurship including family background and support; individual motivation and attitude; availability and level of financing; education and training; and policies and programs; in relation to performance in entrepreneurship measured in terms of profit, output, number of employees, and innovation.

4.3 Qualitative Data Analysis

Qualitative data was derived from open ended questions from various informants. For this data, the researcher established the patterns, trends and relationships from the information gathered and how the factors related to entrepreneurship performance. The data was then grouped into various numbered categories therefore translating the information to quantitative data for easier analysis.
4.4 Major characteristics of the population

4.4.1 Spread of women in various agricultural activities

In calculation of the sample size, it had been assumed that the business categories were mutually exclusive. However according to the survey, many of these women however undertake two or all of these activities together given various synergetic relationships for example use of manure from dairy animals in horticulture, use of horticultural produce as cattle feed and use of poultry waste to feed dairy cows. Many of the respondents also perform various agricultural activities in order to be self sufficient in as many products as possible and to make efficient utilization of their workers. In the study sample 61% of the respondents undertook dairy, 63% poultry and 48% horticulture as shown in Table 4.1 below.

Table 4.1. Characteristics of Respondents by Business Activity

<table>
<thead>
<tr>
<th>Business Activity</th>
<th>Percentage of sample population</th>
<th>Percentage of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>17%</td>
<td>61%</td>
</tr>
<tr>
<td>Poultry</td>
<td>40%</td>
<td>63%</td>
</tr>
<tr>
<td>Horticulture</td>
<td>43%</td>
<td>48%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author (2008)

4.4.2 Age of women entrepreneurs

The ages of the women entrepreneurs in the study is distributed as per Figure 4.1 below. The median age group for the sample is ages 46 -55 while the mode is ages 56- 65 showing a concentration of older women in the business. 45% of the respondents were aged above 55 years. None of the respondents was below 26 years of age.
Figure 4.1: Age Groups of various women entrepreneurs

![Age Distribution for Women Urban Farmers](chart.png)

Source: Author (2008)

The marital status of various respondents is shown in Table 4.2 below.

Table 4.2 Marital Status of the Respondents

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Number of Respondents</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Married</td>
<td>37</td>
<td>52</td>
</tr>
<tr>
<td>Widowed</td>
<td>15</td>
<td>21</td>
</tr>
<tr>
<td>Divorced/Separated.</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Author (2008)

4.4.3 Education level of the women entrepreneurs

Figure 4.2 below shows the education level of the respondents. 59% had secondary education, 24% primary, 7% no formal education and 5% had university education.
4.4.3 Experience in the business

Experience in farming for various women entrepreneurs was an average of 12.3 years and ranged from as low as 2 to 40 years. The frequency distribution is shown in Table 4.3 below.

Table 4.3. Experience in farming for the women entrepreneurs

<table>
<thead>
<tr>
<th>Experience in Years</th>
<th>0-5</th>
<th>6-10</th>
<th>11-15</th>
<th>16-20</th>
<th>21-25</th>
<th>26-30</th>
<th>31-35</th>
<th>36-40</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>20</td>
<td>25</td>
<td>11</td>
<td>8</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>71</td>
</tr>
<tr>
<td>Percentage</td>
<td>28.2%</td>
<td>35.2%</td>
<td>15.5%</td>
<td>11.3%</td>
<td>1.4%</td>
<td>4.2%</td>
<td>0</td>
<td>4.2%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Author (2008)

4.4.5 Agriculture as Primary Occupation

47 out of the 71 respondents (66.2%) undertook agriculture as their primary occupation while the rest also did business or were also in formal employment.
4.4.6 Business Registration

Only 3 out of the 71 respondents (4%) had registered their business.

4.4.7 Innovations in the businesses

49% of the respondents had adopted various innovations as per the assessment of the researcher. These included innovative housing for animals, new technologies such as milking machines, feeding ratios, and new and better breeds of animals and crop varieties.

4.5.0 DEPENDENT VARIABLE

4.5.1 Performance of Women Entrepreneurs

Table 4.4 below shows how the respondents rated their performance. Only 24% of the entrepreneurs were satisfied with their performance.

Table 4.4. Entrepreneurs Assessment of their businesses.

<table>
<thead>
<tr>
<th>Performance Rating</th>
<th>Very Good</th>
<th>Good</th>
<th>Fair</th>
<th>Poor</th>
<th>Very Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of Respondents</td>
<td>0%</td>
<td>24%</td>
<td>51%</td>
<td>20%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: Author (2008)

The range and mean for the output, profit and employment of workers (including entrepreneur) was as per Table 4.5 below.

Table 4.5. Range of Performance

<table>
<thead>
<tr>
<th>Measure of Performance</th>
<th>Lowest</th>
<th>Highest</th>
<th>Range</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output per month in Kshs.</td>
<td>2,000</td>
<td>500,000</td>
<td>458,000</td>
<td>76,431</td>
</tr>
<tr>
<td>Profit per month in Kshs.</td>
<td>1,500</td>
<td>100,000</td>
<td>98,500</td>
<td>21,704</td>
</tr>
<tr>
<td>Employment</td>
<td>1</td>
<td>8</td>
<td>7</td>
<td>2.34</td>
</tr>
</tbody>
</table>

Source: Author (2008)
This means that there was a high variation of performance. Most of the entrepreneurs' performance was on the lower scale with 11% earning a profit of up to Kshs. 5,000 per month, 39% earning up to Kshs. 10,000 per month and 69% earning up to Kshs. 20,000 per month as shown in Figure 4.3 below.

**Figure 4.3. Number of women entrepreneurs in various profit categories.**

![Bar chart showing the number of women entrepreneurs in various profit categories.](chart)

*Source: Author (2008)*

Table 4.6 below shows the distribution of workers among the women entrepreneurs. This includes the employers, 28% of whom had no other worker apart from themselves while 37% had an additional worker.

**Table 4.6. Distribution of Workers among women entrepreneurs**

<table>
<thead>
<tr>
<th>Number of Workers</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>20</td>
<td>26</td>
<td>14</td>
<td>6</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>% Frequency</td>
<td>28.2%</td>
<td>36.6%</td>
<td>19.7%</td>
<td>8.5%</td>
<td>5.6%</td>
<td>0%</td>
<td>0%</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

*Source: Author (2008)*
Table 4.7 below shows the average performance of entrepreneurs in various business activities. Those involved in dairy farming performed best, while those involved in horticulture had the lowest measured performance.

Table 4.7. Performance of Women entrepreneurs by Business Activity

<table>
<thead>
<tr>
<th>Business Activity</th>
<th>Average employment for business category</th>
<th>Average output for business category</th>
<th>Average profit for business category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>2.65</td>
<td>78,099</td>
<td>24,047</td>
</tr>
<tr>
<td>Poultry</td>
<td>2.22</td>
<td>81,546</td>
<td>23,067</td>
</tr>
<tr>
<td>Horticulture</td>
<td>1.97</td>
<td>53,988</td>
<td>17,324</td>
</tr>
<tr>
<td>Average for all respondents</td>
<td>2.34</td>
<td>76,431</td>
<td>21,704</td>
</tr>
</tbody>
</table>

Source: Author (2008)

A comparison between innovativeness and profit is shown in Table 4.8 below.

Table 4.8. Innovation versus Profitability

<table>
<thead>
<tr>
<th>Profit category Kshs, per month</th>
<th>Number of Respondents</th>
<th>Number with various Innovations</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>90,001-100,000</td>
<td>1</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>80,001-90,000</td>
<td>2</td>
<td>2</td>
<td>100</td>
</tr>
<tr>
<td>70,001-80,000</td>
<td>2</td>
<td>2</td>
<td>100</td>
</tr>
<tr>
<td>60,001-70,000</td>
<td>1</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>50,001-60,000</td>
<td>2</td>
<td>2</td>
<td>100</td>
</tr>
<tr>
<td>40,001-50,000</td>
<td>3</td>
<td>3</td>
<td>100</td>
</tr>
<tr>
<td>30,001-40,000</td>
<td>5</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>20,001-30,000</td>
<td>6</td>
<td>5</td>
<td>83</td>
</tr>
<tr>
<td>10,001-20,000</td>
<td>21</td>
<td>12</td>
<td>57</td>
</tr>
<tr>
<td>1-10,000</td>
<td>28</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>TOTAL</td>
<td>71</td>
<td>35</td>
<td>49%</td>
</tr>
</tbody>
</table>

Source: Author (2008)
49.3% of the respondents had introduced various innovations in their businesses including value adding such as processing of raw milk to yoghurt, fresh juice processing, machine milking, multi-storied housing for cows and chicken, and new horticultural varieties. As shown in the table, the higher the innovativeness, the higher the profit. The calculated Karl Pearsons Correlation Coefficient between innovation and profit was 0.95 which shows high positive correlation.

Table 4.9 below shows by age distribution, the performance of the women’s agricultural enterprises represented by current employment, output, profit and innovativeness.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total Number</th>
<th>% of Total</th>
<th>Average Employment per Group</th>
<th>Average Output Per Month</th>
<th>Average Profit Per month</th>
<th>Innovativeness % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>26-35</td>
<td>5</td>
<td>7%</td>
<td>0.80</td>
<td>29,100</td>
<td>11,700</td>
<td>40%</td>
</tr>
<tr>
<td>36-45</td>
<td>14</td>
<td>20%</td>
<td>2.43</td>
<td>168,400</td>
<td>41,393</td>
<td>79%</td>
</tr>
<tr>
<td>46-55</td>
<td>20</td>
<td>28%</td>
<td>1.35</td>
<td>59,066</td>
<td>23,143</td>
<td>40%</td>
</tr>
<tr>
<td>56-65</td>
<td>24</td>
<td>34%</td>
<td>1.04</td>
<td>57,186</td>
<td>22,175</td>
<td>38%</td>
</tr>
<tr>
<td>Over 65</td>
<td>8</td>
<td>11%</td>
<td>0.63</td>
<td>46,215</td>
<td>16,937</td>
<td>63%</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100%</td>
<td>1.34</td>
<td>76,431</td>
<td>21,704</td>
<td>49%</td>
</tr>
</tbody>
</table>

*Source: Author (2008)*

From the study, the 36-45 age group has the best performance followed by those 46-55, and then 56-55. The 26-35 group had the worst performance in terms of average output and profitability, followed by the over 65s. The 26-35 age group however reported a higher rate of employment than those over 65 who on the other hand had a higher average rate of innovativeness. These results show that women in urban agriculture are more entrepreneurial at a later age. This could be because the older group had higher education, expertise, land and capital from previous or parallel employment. They also have more family responsibilities. No respondent in the study was younger than 27 years of age.
The Karl Pearsons Correlation Coefficient between age and profit was -0.12, that between age and output -0.22, while that of age versus employment was -0.38 all showing low negative correlation and that performance on average declined with age. The Karl Pearsons Correlation Coefficient between age and innovation was however a low but positive correlation of 0.04.

Comparison with other studies is shown in Table 4.10 below with the Kinyanjui study having a similar group with highest performance but with a world average of higher performance from the GEM study featuring lower age groups.

Table 4.10: Women Entrepreneurship Performance By Age Group – Comparison with other studies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>36 -45</td>
<td>36-45</td>
<td>25-34</td>
</tr>
<tr>
<td>2</td>
<td>46 -45</td>
<td>26-35</td>
<td>35-44</td>
</tr>
<tr>
<td>3</td>
<td>56-55</td>
<td>16 -25</td>
<td>19-24</td>
</tr>
<tr>
<td>4</td>
<td>Over 65</td>
<td>46-55</td>
<td>45-55</td>
</tr>
<tr>
<td>5</td>
<td>26-35</td>
<td>Over 55’s</td>
<td>Over 55’s</td>
</tr>
</tbody>
</table>

Source: Author (2008)

Table 4.11 shows some qualitative entrepreneurship performance measures by the women in the study.

Table 4.11. Other Achievements derived from the business

<table>
<thead>
<tr>
<th>Achievement</th>
<th>Food security</th>
<th>Clothing and shelter</th>
<th>Education of dependants</th>
<th>Self Fulfilment</th>
<th>Balancing family and work</th>
<th>Making a social contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>83.1%</td>
<td>31%</td>
<td>39.4</td>
<td>76%</td>
<td>53.5</td>
<td>56.3</td>
</tr>
</tbody>
</table>

Source: Author (2008)
According to the respondents, their highest rated achievement was the attainment of food security for 83.1% of the entrepreneurs followed by self fulfilment for 76% of them.

The respondents suggested various ways to increase performance which were as follows

Table 4.12. Strategies to Improve Performance

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Work And Perseverance</td>
<td>11</td>
<td>15.49</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>13</td>
<td>18.31</td>
</tr>
<tr>
<td>Management and personal supervision</td>
<td>23</td>
<td>32.39</td>
</tr>
<tr>
<td>Relevant Training</td>
<td>3</td>
<td>4.23</td>
</tr>
<tr>
<td>Financing</td>
<td>14</td>
<td>19.71</td>
</tr>
<tr>
<td>Security of tenure and title to land</td>
<td>1</td>
<td>1.40</td>
</tr>
<tr>
<td>No suggestion</td>
<td>6</td>
<td>8.45%</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: Author (2008)*

4.6. INDEPENDENT VARIABLES

4.6.1. Family Background and support

70 out of the 71 respondents thought that family background and support of the family was crucial to the success of women entrepreneurs. However, only 34 out of 71 (48%) felt that they received the necessary support from their families.

Table 4.13 below shows marital status, support and performance of the respondents.

According to the study, married women enjoyed the highest level of support from their family and had the highest rate of innovation, employment, output and profit. The single respondents had the lowest performance on all scores except support in which the divorced/separated had the lowest score.
Table 4.13. Family Background and Support versus Performance.

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>No.</th>
<th>% of Total</th>
<th>No. of depend -ants</th>
<th>Support</th>
<th>Rate of innovation</th>
<th>Average Workers</th>
<th>Average Monthly output</th>
<th>Average Monthly profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>9</td>
<td>12.68</td>
<td>5</td>
<td>22%</td>
<td>0.22</td>
<td>0.00</td>
<td>12,806</td>
<td>6,500</td>
</tr>
<tr>
<td>Married</td>
<td>37</td>
<td>52.11</td>
<td>4</td>
<td>59%</td>
<td>0.70</td>
<td>1.86</td>
<td>114,147</td>
<td>30,649</td>
</tr>
<tr>
<td>Widowed</td>
<td>15</td>
<td>21.13</td>
<td>6</td>
<td>53%</td>
<td>0.33</td>
<td>1.07</td>
<td>45,660</td>
<td>15,100</td>
</tr>
<tr>
<td>Divorced/Sep.</td>
<td>10</td>
<td>14.08</td>
<td>5</td>
<td>20%</td>
<td>0.20</td>
<td>1.00</td>
<td>40,300</td>
<td>12,200</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100.00</td>
<td>5</td>
<td>48%</td>
<td>0.49</td>
<td>1.34</td>
<td>76,431</td>
<td>21,704</td>
</tr>
</tbody>
</table>

Source: Author (2008)

The Karl Pearsons Correlation Coefficient between family support and profit was 0.49 that between support and output 0.52, support and innovation 0.25 while that of support versus employment was 0.76, all showing high positive correlation. The Karl Pearsons Correlation Coefficient between marriage and performance was calculated by giving marriage a score of 1 and other marital status a score of 0. The resultant correlation coefficient between marriage and profit 0.94, that between marriage and output 0.94, marriage and innovation 0.97, while that of marriage versus employment was 0.77 and on the other hand, the Karl Pearsons Correlation Coefficient between marriage and support was 0.67. This high positive correlation between marriage and women entrepreneurship performance in agriculture could be because of both access to land and financing. Even those husbands who did not directly contribute to their wives business took care of other financial obligations leaving her with more money to invest. She was also free to use land registered in their names.

The table 4.14 below shows what the entrepreneurs’ parents did for a living. 90.14% of the respondents’ parents were involved in agriculture and it was the primary occupation of 83.1% of them. This can explain why the women entrepreneurs were motivated to get into the business they feel they have knowledge and skills for as suggested by Minnitti and Arenius (2003).
Table 4.14 - Parents work background

<table>
<thead>
<tr>
<th>Type of work</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal employment</td>
<td>2</td>
<td>2.8%</td>
</tr>
<tr>
<td>Business</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>59</td>
<td>83.1%</td>
</tr>
<tr>
<td>Combined formal job and business</td>
<td>5</td>
<td>7.0%</td>
</tr>
<tr>
<td>Agriculture and formal employment</td>
<td>3</td>
<td>4.2%</td>
</tr>
<tr>
<td>Agriculture and business</td>
<td>2</td>
<td>2.8%</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Author (2008)

The average income for respondents whose parents were engaged in some form of business was Kshs. 38,571 compared to Kshs. 19,859 for the rest which suggests that coming from a family with business background makes the women more entrepreneurial. The Karl Pearsons Correlation Coefficient between those with parents engaged in business and their performance (profit) was 0.25 which shows a low but positive correlation.

Table 4.15 below compares the husband’s work and that of their wives’ entrepreneurship performance. The performance of those whose husbands are in business was highest followed by those in formal employment.

Table 4.15 – Husband’s work

<table>
<thead>
<tr>
<th>Type of work</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Average Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal employment</td>
<td>14</td>
<td>19.7</td>
<td>30,464</td>
</tr>
<tr>
<td>Business</td>
<td>14</td>
<td>19.7</td>
<td>39,071</td>
</tr>
<tr>
<td>Agriculture</td>
<td>5</td>
<td>7.0</td>
<td>18,000</td>
</tr>
<tr>
<td>Combined formal job and business</td>
<td>1</td>
<td>1.4</td>
<td>19,900</td>
</tr>
<tr>
<td>Single/divorced/separated/long widowed</td>
<td>33</td>
<td>46.5</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author (2008)
Children and other dependants ranged from 0 to 10 but on average ranged from 4 to 6 for various marital status groups. Average for all groups was 5.

Table 4.16 below compares performance (profitability) and number of dependants

Table 4.16. Performance (Profitability) versus Number of Dependents

<table>
<thead>
<tr>
<th>Dependants</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>15</td>
<td>12</td>
<td>18</td>
<td>11</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>71</td>
</tr>
<tr>
<td>Ave.Profit</td>
<td>7500</td>
<td>22500</td>
<td>23167</td>
<td>32800</td>
<td>25667</td>
<td>19333</td>
<td>13636</td>
<td>45000</td>
<td>8667</td>
<td>22500</td>
<td>20000</td>
<td>21704</td>
</tr>
</tbody>
</table>

*Source: Author (2008)*

The study shows that up to 3 dependants, the more dependants one has, the higher the profit. After 3 dependants the higher the dependants one has the lower the profit. This could mean that more dependants provide an impetus for entrepreneurship. However, this effect is tempered by increased expenditure which reduces available capital for starting, maintaining and expanding the business. (This excludes respondents with 7 or more dependants where it appears other variables come into play for example financial contribution from grown children.) The Karl Pearsons correlation coefficient between performance (income) and dependants is -0.19 showing that on average those with more dependants perform more poorly.

4.6.2 Individual Motivation and Attitude

Table 4.17 shows in order of importance, various motivations for starting the business among the respondents Market opportunity (59%) and income generation (58%) were the prime movers for starting the businesses with the desire for independence being the lowest motivation (23%). The highest performance was attained by those that had started the business for income generation (25,585) and seen a market opportunity (25,238). However the average profit differential between entrepreneurs motivated by these factors compared to the lowest average performance was less than Kshs. 5,000/- per month.
Table 4.17. Reasons for starting the Business Versus Performance (Profitability)

<table>
<thead>
<tr>
<th>Reasons for Starting Business</th>
<th>Percent of Respondents</th>
<th>Average Profit per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Market opportunity</td>
<td>59</td>
<td>25,238</td>
</tr>
<tr>
<td>b. Income Generation</td>
<td>58</td>
<td>25,585</td>
</tr>
<tr>
<td>c. Possession of expertise</td>
<td>44</td>
<td>22,839</td>
</tr>
<tr>
<td>d. Forced Entrepreneurship</td>
<td>38</td>
<td>20,852</td>
</tr>
<tr>
<td>E Desire for Independence</td>
<td>23</td>
<td>22,531</td>
</tr>
</tbody>
</table>

Source: Author (2008)

Table 4.18 below shows various responses on motivation and attitude for the women entrepreneurs. 100% of the respondents agreed that motivation and attitude was important to women entrepreneurs since many felt weighed down by various family responsibilities and cultural traditions which prevented most of the women to have property in their own names and especially title deeds on land. Many of the poorer women, especially those in Jua Kali did not have any family plot in which to undertake their agricultural activities and were undertaking these activities on road reserves, government land and unoccupied plots in neighbouring Thome and Marurui.

Table 4.18 - Responses on drivers for Individual Motivation and Attitude

<table>
<thead>
<tr>
<th>Factor</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family expectation of high achievement</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>Possibility of women in general being as successful as men</td>
<td>58%</td>
<td>48%</td>
</tr>
<tr>
<td>Existence of special problems that women in business have to overcome compared to formal employment</td>
<td>87%</td>
<td>13%</td>
</tr>
<tr>
<td>Critical importance of motivation and attitude to women entrepreneurship</td>
<td>100%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Author (2008)

All the women recognized the importance of motivation and attitude in entrepreneurship. 56% of the respondents had their family impress upon them the need for high
achievement. 58% of the women felt that they could do business as well as men. The rest felt that there were special challenges facing women, which were difficult to overcome, for example, ownership of property and especially title deeds. This view dampens their entrepreneurial spirit. 87% indicated that women in business had special challenges compared to those in formal employment. This indicates that many would have preferred formal employment if available.

Table 4.19 shows various youth ambitions by the respondents.

Table 4.19. Various career aspirations for entrepreneurs as they were growing up

<table>
<thead>
<tr>
<th>Youth ambition</th>
<th>Teacher</th>
<th>Nurse</th>
<th>Secretary</th>
<th>No specific ambition</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>28%</td>
<td>17%</td>
<td>12%</td>
<td>22%</td>
<td>21%</td>
</tr>
</tbody>
</table>

*Source: Author (2008)*

The respondents had a wide variety of career aspirations and none appeared to view agriculture as a venue for high achievement. This may explain why many of the women took up agriculture at a later age – out of necessity to generate income and opportunity presented by the demand of agricultural products both in their homes and by their neighbours. Three of the older women said earlier parents did not talk much with their children on their future and expected them to grow up, get married and bring up a family. For some (2%) that was their ambition too. They assumed a husband would provide. 22% did not specify any youth ambition. Most of the women had aspired to be teachers- 28%, nurses- 17% and secretaries -12%. Many especially the over 55s felt that when they were growing up these were the acceptable careers for women and they knew some women who were in these professions. Few of the respondents (four in the study) had role models when they were growing up or even now.

Table 4.20 shows current aspirations of the women entrepreneurs. The current aspiration for the 61 out of the 71 responses was 58% successful businesswomen, 30% farmers and 3% managers in their current formal occupation. This shows that given the necessary
resources, many instead of expanding their agricultural business would get into another line. Only 30% of the entrepreneurs actively wanted to remain in the industry.

Table 4.20. Current aspirations of the women entrepreneurs.

<table>
<thead>
<tr>
<th>Current Aspirations</th>
<th>Successful businesswoman (in alternative field)</th>
<th>Successful farmer</th>
<th>Manager in current parallel occupation</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>58%</td>
<td>30%</td>
<td>3%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: Author (2008)

Table 4.21 below shows the respondents’ ranking of the most important characteristics in a woman entrepreneur.

Table 4.21. Respondents’ ranking of Important Characteristics in a woman entrepreneur.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Percent of Respondents</th>
<th>Average profit per month</th>
<th>Profit Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. High commitment</td>
<td>86</td>
<td>23,107</td>
<td>7</td>
</tr>
<tr>
<td>b. Positive attitude</td>
<td>85</td>
<td>22,517</td>
<td>9</td>
</tr>
<tr>
<td>c. Social skills</td>
<td>62</td>
<td>15,568</td>
<td>10</td>
</tr>
<tr>
<td>d. Risk taking</td>
<td>48</td>
<td>23,000</td>
<td>8</td>
</tr>
<tr>
<td>E Achievement orientation</td>
<td>32</td>
<td>28,522</td>
<td>3</td>
</tr>
<tr>
<td>F Interdependence</td>
<td>28</td>
<td>28,425</td>
<td>4</td>
</tr>
<tr>
<td>G Leadership skills</td>
<td>25</td>
<td>33,694</td>
<td>1</td>
</tr>
<tr>
<td>h. Sense of adventure and aggressiveness</td>
<td>24</td>
<td>27,353</td>
<td>6</td>
</tr>
<tr>
<td>i. Independence</td>
<td>20</td>
<td>27,429</td>
<td>5</td>
</tr>
<tr>
<td>j. Flexibility</td>
<td>9</td>
<td>29,571</td>
<td>2</td>
</tr>
<tr>
<td>k. Intuition</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author (2008)
According to the respondents, the most important characteristic required for success is high commitment (86%), positive attitude (85%) and social skills (62%). However as shown in the table, as far as performance is concerned, those who selected leadership earned the highest profit followed by those who selected flexibility and thirdly achievement orientation. This shows the importance of management capacity (especially leadership) in women entrepreneurs to allow their firms to grow into larger enterprises. Flexibility is also important in that it allows for innovation and keeping up with global trends. The good performance of those with achievement orientation shows that those with a vision and clear goals have a better chance to succeed in entrepreneurship.

4.6.3 Availability and level of financing

Table 4.22 shows women’s responses on financing and availability to women entrepreneurs.

Table 4.22. Importance of Financing and Perceived availability

<table>
<thead>
<tr>
<th>Importance of financing</th>
<th>Positive responsiveness of financial institutions to women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of respondents</td>
<td>69</td>
</tr>
<tr>
<td>Percentage</td>
<td>97.8%</td>
</tr>
</tbody>
</table>

Source: Author (2008)

97.8% of the respondents thought that financing was important to women entrepreneurs. 73.2% of the respondents felt that financial institutions were currently responsive to women entrepreneurs especially given various new products in agriculture by various banks such and micro finance institutions. However, only one respondent had sought for and got such a loan. Others appeared risk averse especially given the issue of using any assets they have as security. This confirms the views expressed by Snyder (2000), Green et al (2003) and Kinyanjui (1997) that for women, personal considerations appeared to override economic considerations in the business expansion decision with women likely to establish a low maximum business size by “satisficing” rather than on optimizing on returns from their business.
Table 4.23 below shows various sources of financing for the women entrepreneurs. The most important source of financing for the respondents was their own savings at 85%, ROSCAs 33.8% and husband 25%. Financing from financial institutions and cooperatives was limited at 1 and 4 respondents each. One farmer had taken both loans. Sources of the respondents financing were as shown in Table 14 below:

Table 4.23: Sources of funds for the women entrepreneurs

<table>
<thead>
<tr>
<th>Source of Financing</th>
<th>Percentage of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Own savings</td>
<td>84.51</td>
</tr>
<tr>
<td>B Husband</td>
<td>25.35</td>
</tr>
<tr>
<td>C Parents</td>
<td>1.41</td>
</tr>
<tr>
<td>D Sister/brother</td>
<td>1.41</td>
</tr>
<tr>
<td>E Bank loan</td>
<td>1.41</td>
</tr>
<tr>
<td>F Cooperative</td>
<td>5.63</td>
</tr>
<tr>
<td>G Women’s ROSCA</td>
<td>33.8</td>
</tr>
</tbody>
</table>

Source: Author (2008)

The 4 respondents (5.6%) who had taken either a cooperative or bank loan achieved a mean profit of Kshs.64,000 per month compared to the other 67 (94.4%) with other sources who achieved an average of Kshs. 19,179 per month. The Karl Pearsons Correlation Coefficient between these loans and profit as a measure of performance was 0.64 which indicates high positive correlation.

41 (58% of total) of the respondents indicated that they had plans to expand their businesses and of these 66% planned to finance the expansion from retained profit and other sources such as pension and ROSCAs. 34% planned to take a bank loan given new products through banks and microfinance institutions and the women’s fund. However none of the respondents had as yet to initiate the process. 42% of the respondents had no intention of expanding their business citing various reasons such as limited size of the plots, problem with farm workers in town where most were seeking alternative jobs in other sectors, and feeds availability and cost.
This lack of commitment to profit maximization through expansion of businesses also showed a "satisficing" motivation as posited by Kinyanjui (1997). According to Snyder (2000), in agriculture, potential reinvestment capital is diverted to education of children, plots and financing of other businesses.

4.6.4. Education and Training

100% of the respondents agreed that education and training was important for the performance of women entrepreneurs. 59.14% of those who had no formal education saw this as a major deterrent to their success.

Table 4.24 below shows performance of the respondents in the survey depending on their education. The highest performance was reported by those who had gone up to secondary school except for innovativeness in which those who attended university had a higher average score. Those who had not attended any formal education had the lowest performance on all scores.

**Table 4.24. Education vs performance**

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Number</th>
<th>Average Output per month</th>
<th>Average Profit per month</th>
<th>Average Workers</th>
<th>Rate of Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Formal</td>
<td>7</td>
<td>10,750</td>
<td>6,429</td>
<td>0.14</td>
<td>14.29</td>
</tr>
<tr>
<td>Primary</td>
<td>17</td>
<td>24,647</td>
<td>10,000</td>
<td>0.47</td>
<td>35.29</td>
</tr>
<tr>
<td>Secondary</td>
<td>42</td>
<td>109,977</td>
<td>29,786</td>
<td>1.83</td>
<td>59.52</td>
</tr>
<tr>
<td>University</td>
<td>5</td>
<td>62,667</td>
<td>15,000</td>
<td>1.80</td>
<td>60.00</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>76,431</td>
<td>21,704</td>
<td>1.34</td>
<td>49.30</td>
</tr>
</tbody>
</table>

*Source: Author (2008)*

Assuming years of education as a measure, that is 0 for no education, 8 for primary, 12 for secondary, and 16 for university, the Karl Pearsons Correlation Coefficient between
education and profit as a measure of performance was 0.60 which indicates high positive correlation. The corresponding correlation coefficient for output was 0.71, that for employment 0.90, and for innovation 0.96.

69% of the respondents had a previous or additional occupation and 96% thought that it helped in their entrepreneurship in agriculture given the management, technical and other skills attained. The average monthly profit for the business for those with previous or concurrent occupation was Kshs. 26,510 per month compared to those for who agriculture had been their sole occupation who had an average profit of Kshs. 11,000 per month. Karl Pearsons Correlation Coefficient between previous occupation and profit was 0.72.

52% of the respondents had attended various courses and training as part of their previous or current occupation and felt they were useful in their entrepreneurial endeavours in agriculture especially those on management, accounting and agriculture. Those who had not taken such courses also felt that they still needed such training and especially animal husbandry and business education.

Table 4.25 compares experience in farming to profitability. It shows those with lower experience as being more successful with those with 6 - 10 years experience having the best performance in terms of profits.

Table 4.25. Experience in farming versus Performance (profit)

<table>
<thead>
<tr>
<th>Experience in Years</th>
<th>0-5</th>
<th>6-10</th>
<th>11-15</th>
<th>16-20</th>
<th>21-25</th>
<th>26-30</th>
<th>31-35</th>
<th>36-40</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>20</td>
<td>25</td>
<td>11</td>
<td>8</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Percentage</td>
<td>28.2%</td>
<td>35.2%</td>
<td>15.5%</td>
<td>11.3%</td>
<td>1.4%</td>
<td>4.2%</td>
<td>0</td>
<td>4.2%</td>
</tr>
<tr>
<td>Av. Profit</td>
<td>16,525</td>
<td>25,700</td>
<td>18,091</td>
<td>10,938</td>
<td>7,500</td>
<td>13,333</td>
<td>0</td>
<td>17,500</td>
</tr>
</tbody>
</table>

Source: Author (2008)
The Karl Pearsons correlation between experience and profit was -0.18 which shows low but negative correlation. This could be because those with fewer years of experience started off with higher capital investment and better management skills from previous or concurrent occupation and higher education.

This foregoing analysis showed that education and training contribute significantly to entrepreneurship performance.

4.6.5 Policies and Programs

According to all the respondents, various policies and programs by government and non governmental organizations are important to the performance of women entrepreneurs. Figure 5 below compares the total number of respondents in each profit category and those who benefited from such programs. As illustrated, those reporting lower profitability had lower percentage of attendance of these programs with the highest achievers all reporting to have benefited.

**Figure 4.4: Beneficiaries of various programs for various Profit Categories**

![Figure 4.4: Beneficiaries of various programs for various Profit Categories](image)

*Source: Author (2008)*
68% of the respondents had benefited from various government and non-governmental programs especially training. This included training by government extension workers and various trainings sponsored by some non-governmental bodies. The average profit for those who had benefited from such training was Kshs. 21,583 compared to those who had not benefited from such programs at Kshs 21,957. The Karl Pearson's Correlation Coefficient between benefits for such programs and profit was 0.65.

Most of groups, including those for farmers and various ROSCAs were initiated by various programs. The study sample consisted of members of farmers' groups. All the respondents therefore belonged to at least one farmers' group. They also belonged to other assorted groups especially ROSCA's. 97% of the respondents felt that their enterprise had benefited from their group activities.

17% of the respondents also belong to various farmers or professional organizations and they all thought that these had helped them in their entrepreneurship activities.

37% of the respondents had had a bad experience with the city council and government agents. Various reasons given were business licensing, cultivation on roadsides, roaming animals and milk hawking. On the whole many of the entrepreneurs felt uncertain on the future of their urban agricultural enterprises given the current city by-laws which are unfriendly to agricultural and livestock practitioners. The Karl Pearson's Correlation Coefficient between bad experiences with city council and government agents and profit was 0.41 showing that current practices may be a major deterrent to entrepreneurship.

The programs and policies that women entrepreneurs felt should be put in place to facilitate them included –

1. change of culture, traditions and the law to facilitate inheritance of property by women and especially holding of title deeds in their names;
2. re-education so that young people should not shun any productive work especially farming;
3. to have society be more supportive and respecting of women;
4. to educate women to be more assertive; independent and to have a need for personal achievement;

5. compulsory and not just free education to Form 4 – to increase independence and eradicate early marriages;

6. educate women on various existing laws so that they can make informed decisions;

7. amendments of any law that does not ensure equal treatment of women; more programs for business/entrepreneurship training for women;

8. more grants and soft loans for women; create role models for women through advertising feats of successful women;

9. more education on opportunities available – new processes, markets, financing options etc.;

10. amendments of city by laws to support agricultural and livestock activities in Nairobi.
CHAPTER FIVE
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary of findings

From the results of the survey, all the independent variables influence the performance of women entrepreneurs. However apart from the measurable performance indicators including income and employment, 83% of the respondents rated food security as one of their major achievements followed by 76% who achieved self fulfilment among other qualitative achievements.

In the case of family background and support, it was demonstrated that opportunity identification is linked to the parent’s occupation. 90.14% of the respondents had parents who were primarily involved in agriculture. Respondents whose parents were involved in business performed better on average than other respondents with their profitability being twice those of others. The Karl Pearson Correlation coefficient between parents in business and profitability was 0.25. Those respondents who got the support of their family and those who were married also performed better than others. The Karl Pearson Correlation coefficient between support and profit was 0.49, that between marriage and profit 0.94 with the correlation coefficient between marriage and support 0.64. While presence of dependants appeared to motivate entrepreneurial performance, a large number of dependants lowered the performance and the Karl Pearson Correlation coefficient between performance and number of dependants was – 0.19.

On individual motivation and attitude, the primary motivation for majority of the respondents was found to be the generation and maintenance of income which as posited by Kinyanjui (1997) reflect a “satisficing” rather than an optimizing business strategy. 34% of women had no expansion plans and of the 66% of those who said they had, had not taken any initiative to do so. Only 5.63% of the women had taken bank or cooperative loans with even those with various assets showing considerable risk aversion. This could partly be explained by age. 45% of the respondents were over 55 with those who had jobs before being retired. There were only 5 respondents below 36 and none below 26 years old. This shows that few young women see agriculture as a good career due to the
absence of role models who have been successful in this field. However, availability of family land and capital are also contributing factors. According to the rating of the respondents, the most important characteristics for a women entrepreneur are high commitment, positive attitude, social skills and risk taking. However those who performed best in terms of average profit had rated in order of importance - leadership skills, flexibility, achievement orientation and interdependence which show the importance of managerial skills, innovation, vision and networking in women entrepreneurship.

According to the survey, financing is a significant determinant to performance. Sources of financing for the women entrepreneurs in order of importance were - own savings (85%), ROSCAs (33.8%), husband (25%), financial institutions and cooperatives (5.63%). Given the importance of own savings, those who were previously employed or had another occupation from which they could finance their ventures performed better and enjoyed an average profit of Kshs. 26,510 per month compared to those for who agriculture had been their sole occupation who had an average profit of Kshs. 11,000 per month. Karl Pearson’s Correlation Coefficient between previous occupation and profit was 0.72. Those who had taken the risk of either a cooperative or bank loan achieved a mean profit of more than 3 times higher than the rest. The Karl Pearsons Correlation Coefficient between these loans and profit as a measure of performance was 0.64 which indicates high positive correlation. Even though 58% of the respondents indicated that they had plans to expand their businesses with 34% intending to take out a loan for this purpose, none had as yet to initiate the process despite 73% of the respondents believing that financial institutions were currently responsive to women in agriculture. This risk aversion and lack of commitment to profit maximization through expansion of businesses confirmed a “satisficing” motivation among the respondents. It means that beyond some certain individually set performance level, the motivation for starting the business moderates the importance of financing.

Education and training had positive correlation to the respondent’s performance. Those respondents with secondary education performed best followed by those with university and then primary education respectively. Those with no formal education performed
poorest. Karl Pearson's Correlation Coefficient between education and profit as a measure of performance was 0.60 which indicates high positive correlation. The corresponding correlation coefficient for output was 0.71, that for employment 0.90, and for innovation 0.96. 69% of the respondents had a previous or additional occupation and 96% thought the derived training and experience especially on management, accounting and agriculture helped in their entrepreneurship in agriculture. The Karl Pearson's Correlation Coefficient between previous occupation and profit was 0.72.

According to the survey, policies and programmes by both government and non-governmental organizations affected the performance of women entrepreneurs either positively or negatively. 68% of the respondents had benefited from such programs especially training. The Karl Pearson's Correlation Coefficient between such training programs and profit was 0.65. Many government and non-governmental organizations work with groups and the study sample consisted of members of farmers groups who also to other assorted groups particularly ROSCA's. 97% of the respondents felt that their enterprise had benefited from their group activities. 37% of the respondents had had a bad experience with the city council and government agents. Various reasons given were business licensing, cultivation on roadsides, roaming animals and milk hawking. The Karl Pearson's Correlation Coefficient between such experiences and profit was 0.41 meaning that those who were doing well were likely to be harassed and may have performed much better given better consideration.

5.2 Conclusions.

1. The family structure and support systems for women are important determinants to the success of women entrepreneurship since they determine to a large extent the resources available to women including education and training, financing, land availability and even motivation. Most women interviewed felt they had to overcome special problems more than men.

2. Most of the women in the study were risk averse preferring to use only their own resources to finance their business. Those who took the risk and got loans performed three times better on average than those who did not.
3. The primary motivation for majority of the respondents was generation and maintenance of income which resulted in the setting of a low maximum size of enterprise which reflects a “satisficing” rather than an optimizing business strategy.

4. Majority of the women would have preferred formal employment and entered the field of entrepreneurship in agriculture out of necessity.

5. Leadership skills, flexibility and achievement orientation are very important in the performance of women entrepreneurs.

6. Formal education as well as training is critical to entrepreneurship

7. Various programs and policies are important to entrepreneurship

5.3 Recommendations

a. In order to enhance the performance of women entrepreneurs, the societal attitudes should be more supportive of women by removing cultural and legal barriers to facilitate ownership of property and equal rights for women. Women should also be educated on various existing laws so that they can make informed decisions.

b. There is need to identify and advertise successful women entrepreneurs to act as role models in entrepreneurship and especially in agriculture.

c. There is need for entrepreneurship and achievement orientation training in women. This should be coupled with flagging of various opportunities provided by new processes, markets, and financing options.

d. There should be compulsory and not just free education to Form 4 – to increase women’s independence and self worth.

e. There should be more grants and soft loans to finance start ups for women especially those with low incomes. These should strictly be coupled with business training.

f. In order to increase viability of urban agriculture and livestock, city by-laws in Kenya need to be revised and an enabling environment created to reduce uncertainty and increase productivity of its practitioners.
5.4 Room for further research

1. More studies should be done in order to develop a clearer understanding of the aspirations and strategies of women entrepreneurs. This will help in determining ways in which women entrepreneurs can increase risk taking and reduce their “satisficing” motivation so that their businesses can become more growth oriented.

2. A more inclusive study on women entrepreneurship in urban agriculture should be done covering the rest of Nairobi and other Kenyan cities and towns in order to get data that can be generalized throughout Kenya.

3. There is need for longitudinal studies to be done in order to understand survival and growth among women entrepreneurs as well as time of entry and exit from business, and also in order to monitor the effectiveness and impact of several government and non-governmental programs and initiatives in women entrepreneurship.
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Appendix 1. Introduction of the Research Questionnaire to the Interviewees

As part of the programme leading to a Masters in Business Administration, I am undertaking a study in to find out which constraints Kenyan women have and the factors that can help them become more successful in their businesses.

Your ideas will be helpful in the understanding of the strengths of women entrepreneurs and the problems they face. It is hoped that it will help make the path of upcoming women entrepreneurs and especially urban farmers easier.

Please note that your identity will remain anonymous and will not be revealed without your authorization.
Appendix 2:

Research Questionnaire – Urban And Peri Urban Farmers

Identification No --------------------------- Interview Date ---------------------

SECTION A

INTRODUCTION

1) Farmers Group ------------------------------------- Estate ----------------------------------
2) How old are you?  18 – 25 ------------ 26 – 35 --------------- 36 – 45 ----------------
    46 – 55 ------------- 56 – 65---------------- over 65 years -------------------
3) Nature of business (a)Dairy -------- (b)Poultry ----------(c) Horticulture ------------
   Explain-----------------------------------------------------------------------------------------
4) Is agriculture your primary occupation? (a)Yes ---------------- (b) No. ---------------
   Explain-----------------------------------------------------------------------------------------
5) How long has it been since the business was established? ------------------- Years
6) Is the business registered? Yes ---------------- No. ------------------------

SECTION B

PERFORMANCE

7) How do you rate the performance of this business?
   (a) Very good ---- (b) good ------ (c) fair ------- (d) poor ------ (e) very poor------
   Please explain.-----------------------------------------------------------------------------------------
8) Have you introduced any innovations in your business? (a)Yes ------(b) No ------
   Explain-----------------------------------------------------------------------------------------
9) How many employees did you start with in your business? -------------------------------
   How many do you have now? ---------------------------------------------------------------
10) What was your output at the initial stage? ---------------------------------------------------
    What about now? -----------------------------------------------------------------------------
11) What was the level of profit at the start of your business? Kshs. ------------------
What about now? Kshs.------------------

12) What other achievements have you derived from the business?
   (a) Food security ------------------
   (b) clothing and shelter ------------------
   (c) Education of dependants ------------------
   (d) self fulfilment------------------
   (e) balancing family and work ------------------
   (f) making a social contribution------------------
   (g) others ------------------
Please explain------------------

13) What comments do you have on how to improve performance? ------------------
                                                                                     

SECTION C

FAMILY BACKGROUND AND SUPPORT

14) What is your marital situation? Single ------------------ Married ------------------
widowed ------------------ Divorced/Separated ------------------

15) If married what kind of work is your husband involved in?
   (a) formal employment ------------------
   (b) business------------------
   (c) agriculture ------------------
   (d) combined job and business------------------
   (e) Other ------------------
   Explain ------------------

16) How many dependants do you have? Children ------------------ Others ------------------

17) What work do/did your parents do? (a) formal employment ------------------
   (b) business------------------
   (c) agriculture ------------------
   (d) combined job and business------------------
   (e) Other ------------------
   Explain ------------------

18) Do you receive support from your family? Yes ------------------ No. ------------------
   Explain------------------

19) Do you think family background and support is important to the success of
women entrepreneurs? (a) Yes------------------ (b) No------------------
   Please explain------------------
SECTION D

INDIVIDUAL MOTIVATION AND ATTITUDE

20) Why did you specifically choose to be in this business?
   (a) Market opportunity ------------------ (b) Desire for Independence ------------------
   (c) Forced Entrepreneurship ------------------ (d) Income Generation ------------------
   (e) Possession of Expertise ------------------ (e) Others ------------------

Explain

21) Did your family impress upon you their expectations on your high achievement when you were growing up? Yes --------- No. --------- Please explain ---------

22) What did you want to become when you were growing up? ------------------

   Who was your role model?  ------------------ What about now? ------------------

23) Do you think women in general can be as successful as men in business? Yes ---- No ---- Please give your reasons for the answer. ------------------

24) Do you think women in business have to overcome special problems as compared to those in formal employment? Yes --------- No --------- Explain ---------

25) Do you think motivation and attitude are important requirements of a woman entrepreneur? Yes --------- No --------- Please explain ---------

26) Which of these qualities do you think are important to the performance of a woman entrepreneur? (a) leadership skills -------- (b) high commitment --------

   (c) risk taking -------- (d) achievement orientation -------- (e) independence --------

   (e) interdependence -------- (f) flexibility -------- (g) intuition --------

   (h) sense of adventure and aggressiveness -------- (i) social skills --------

   (j) positive attitude -------- (k) others --------
**SECTION E**

**AVAILABILITY AND LEVEL OF FINANCING**

27) Where did you source the start up capital for your business? (Select as many as applicable)
   (a) Own savings  
   (b) husband  
   (c) parents  
   (d) sister/brother  
   (e) bank loan  
   (f) cooperative loan  
   (g) women’s group/merry go round  
   (h) Others

Explain

28) Do you have plans to expand your business? Yes -- No

If so how do you intend to finance the expansion?

If not, please explain

29) Do you think availability of financing is important to the performance of women entrepreneurs? Yes -- No

Please explain

30) Do you think financial institutions are responsive to women entrepreneurs/farmers needs? Yes -- No

Please explain

**SECTION F**

**EDUCATION AND TRAINING**

31) What is the highest level of education you attained? (a) No formal education  
(b) Primary  
(c) Secondary  
(d) University

32) Has your level of education deterred you in running your business?
   (a) Yes  
   (b) No.

Explain
33) What professional courses did you attend?  

Have the courses helped you in running your business? Yes ------- No.  

Explain  

34) What was your previous primary occupation?  

Has the experience or training in your former occupation been useful in your current operations? Yes --------- No.  

Explain  

35) What additional education and training do you think would have assisted you in running your current business and why?  

36) Do you think education and training are important determinants to the performance of women entrepreneurs? (a) Yes --------- (b) No  

Please explain  

SECTION G  

POLICIES AND PROGRAMMES  

37) Have you ever had a bad experience with the city council or any government agency in regard to your business operations? Yes ------- No  

Please explain  

38) Has your business received any benefits from any government or non-governmental policies and programmes? Yes ------- No  

Explain  

39) Please list women’s, religious and other social support groups you belong to.  

Have they contributed to the performance of business? (a) Yes ------- (b) No  

Please explain  

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40) Please list your membership to trade/farmers or other professional organizations?

Have they contributed to the performance of your business? (a)Yes ---- (b)No ----

Please explain---------------------------------------------------------------------------------

41) Do you think programmes and policies are important to the performance of women entrepreneurs? (a) ----------------- (b) ----------------------- Explain --------

42) What programmes and policies do you think should be put in place to assist women entrepreneurs in Kenya?

(a) On Culture and traditions
(b) On motivation and attitude
(c) On education and training
(d) On availability of financing
(e) On any other issue
Appendix 3: Guide Questions for discussion with Extension officers

1. What is your role in extension?
2. What kind of government policies and programmes are there for the farmers?
3. What agricultural and livestock activities are undertaken in the area and which are the most significant?
4. How many farmers of various categories are there? What contribution do they make to the country’s/Nairobi’s supply of food?
5. What kind of opportunities do the farmers have?
6. What are the main challenges faced by the urban farmers in the area?
7. What do you feel the extension services have achieved in Roysambu Location?
8. What are the problems associated with extension?
9. What factors do you think would make government programmes more effective?
10. How do you rate the productivity and innovativeness of the farmers in the area?
11. What is the relative gender participation in urban agriculture and livestock in the area?
12. What factors do you feel would increase the women’s performance?
13. Who are the other major stakeholders in the area and what is your assessment of their impact in the urban agriculture and livestock sector in the area?
14. Please provide me with names of farmer’s groups in Roysambu and a list of their members.