

**AN INVESTIGATION INTO THE FACTORS AFFECTING THE GROWTH OF
WOMEN-OWNED SMALL AND MICRO ENTERPRISES IN KENYA: A CASE
OF SELECTED MARKETS IN NAIROBI PROVINCE**

BY:

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DECLARATION

This is my original work and has not been presented in any other University, or for any other award.

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DEDICATION

This work is dedicated to my late parents, Mr. Hiram Ndigirigi and Joan Mumbi, for their love for me, and their contribution to girl child education. Dad, mum I loved you in life, I cherish you in death.

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Thank you.

ABSTRACT

In Kenya, dominance of trade over other sectors - manufacturing, services and construction - occupy two thirds of the country's enterprises. This means that a large proportion of Micro-Small Enterprises (MSEs) is engaged in buying and selling of commodities. Women productive activities are concentrated in small-micro enterprises in such ventures as hawking, retail trade, manufacturing and periodic market trade, (Mullei, Bokea 1999). Participation of women in trade is 86 per cent, which is (20 per cent higher than men). Despite the numerical dominance of women in small-micro enterprises, there are marked gender disparities and inequalities between men and women participating in similar activities. Studies touching on problems affecting women entrepreneurs give emphasis to economic forces and fail to address adverse African traditions that inhibit women's participation in MSEs.

This study investigated the factors affecting the growth of women owned micro-small enterprises. The researcher surveyed women micro-small enterprises in view of business structure, performance and constraints hindering their participation in MSEs. The objectives of the study are: (i) to determine the demographic characteristics of women operating MSEs (ii) to establish what motivates women to participate in MSEs. (iii) to determine the role played by education, training and previous jobs in making of entrepreneurs. (iv) to investigate the factors affecting the growth of women MSEs.

Literature related to the study was reviewed. A survey method was adopted whereby purposive sampling method was used to select 60 women micro-small entrepreneurs from a target population of 600 women entrepreneurs from 3 markets in Nairobi province: Wakulima, Gikomba and Kangemi Harambee market which were selected using purposive sampling method. Structured and unstructured questionnaires were used to collect the data, which was analyzed using Statistical Package for social Sciences (SPSS). Simple regression and correlation was used to determine the relationship between variables.

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LIST OF ABBREVIATIONS

- GoK - Government of Kenya
- GDP - Gross Domestic Product
- ILO - International Labour Organization
- MESP - Micro Enterprises Support Programme
- MLHRD - Ministry of Labour Human Resource Development
- NGO - Non-Governmental Organization
- SPSS - Statistical Package for Social Sciences
- BDS - Business Development Services
- KWFT - Kenya Women Finance Trust
- MSE - Micro-Small Enterprises
- WEEC - Women Economic Empowerment Consort
- WED - Women's Enterprise Development,

OPERATIONAL DEFINITION OF TERMS

Entrepreneur: Applied to those who start-up and manage enterprises based on incubated new ideas and provide value addition to society through their initiatives.

Entrepreneurship: The process or art of business management through combination of land, labour and capital to achieve a finished product/service to satisfy needs and wants.

Performance: Refers to changes in the following indicators in an enterprise, fixed assets, number of employees, profit level, sales, debtors, creditors and stock..

“Enterprise” and **“Business”** refers to a set of non-farming economic activities carried out by one or more owners. These terms are used synonymously in this study.

“Micro-Small Enterprises” and **“Informal Sector”** are used synonymously in this study. This refers to business enterprises employing 1-2 workers including working owner. The main features of the enterprises, is smallness in scale of business activity, self-employment, high proportion of family workers and apprentices, little capital investments, low level of skills and low levels of organization. Micro-small and small-micro enterprises are used interchangeably.

Informal Enterprise: Are those enterprises engaged in economic activities that do not comply fully with the regulations governing such activities. Such enterprises are not registered, some or all of their employees receive less than the minimum wage, their employees may not have been registered with social security system and they could not be paying taxes.

Constraints: Refers to those factors that impede the smooth operation of an enterprise.

Employment: Refers to the total number of people working in an entity and who may or may not be paid salaries or wages. Such employment includes owner/operators and family members.

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

A notable trend on enterprise management is the visible emergence of women as small firms' owners. Over the past few years, particularly in U.S. the number of firms started by women surpassed men-owned firms; women-owned small and medium firms created over 80% of new occupations. In 1996, 36% of all companies in the U.S. were owned by women with a workforce of 189 million for 26% of the total workforce in the U.S. Studies done in Korea, (1998 Research Report) indicates that women entrepreneurs experience additional difficulties because of gender discrimination in addition to general difficulties, which small and medium companies are confronting. Despite those difficulties, the number of successful businesswomen is growing.

However, there is little resource available on type, size, start-up, business process and outcome of women businesses; there is also lack of basic statistics on size of women entrepreneurs. Reduction of gender inequities and bringing women in the mainstream of development has been a major policy concern by United Nation bodies, Governments and many Non-Governmental Organizations (NGOs).

In African countries resource ownership patterns is gendered to the disadvantage of women, leading to gendered poverty (Mbughuni, 1994). Alleviation of women's poverty and hence social poverty in Africa will be achieved by adapting equal participation in entrepreneurship. In the past two decades, policy-making bodies of developing countries

have increasingly and explicitly recognized that small-scale enterprises have potential for contributing to economic and social development of their countries. Supportive measures have been set up but despite these efforts, women's participation in entrepreneurship remains very low. For the few women who are already in business, the problem of their survival remains a real one. The above situation suggests that there must be fundamental and practical factors that affect women's entry into, and survival in business.

In addition, before independence, foreigners dominated modern entrepreneurship with Africans playing only an insignificant role. The level of entrepreneurship in any economy is strongly determined by environmental factors. Lack of conducive policies in Africa has resulted to low levels of entrepreneurship and underdevelopment, the present crisis and high levels of unemployment.

Micro and small enterprises (MSEs) dominate the Kenyan economy. The MSE sector is the biggest employer outside Agriculture. About seventy percent live at the bottom of the economy that means living below poverty line. They engage in economically uncompetitive activities mainly for subsistence. Most of these enterprises operate within the informal sector in Kenyan context referred to as '*Jua Kali*'. The growth rate of the informal economy has considerably outpaced that of the formal sector. In pursuit of state recovery, the government has stated its commitment to "Integrating the MSE sector into economic grid". The government has taken a serious look at the potential of the informal and MSE sectors for driving employment, poverty reduction and economic growth. However, lack of coordination of the various implementing agencies, poor resource management, and lack of enthusiasm by policy makers to encourage the growth of the

informal sector in urban areas could explain the poor implementation of record in the MSE sector. Nevertheless MSEs are seen as businesses and employees that provide one of the most prolific sources of employment.

In Kenya, women's productive activities are concentrated in micro enterprises, in such ventures as hawking, retail trade, and manufacturing and periodic market trade. There has been significant growth in female self-employment, with women now starting new ventures at three times the rate of men. Women entrepreneurs have been identified as significant and a growing part of Kenyan Business Community (Dondo, 1998). From the government of Kenya *Report*, there were 2.8 million MSEs in 2002, contributing to employment of 5.1 million persons. The women MSEs are about 1.3 million generation of about 2 million jobs to Kenyans (including themselves). This shows that the women owned enterprises are likely to increase women employment more than men-owned (Masinga 1994) and with this, the potential to create viable occupation for the ever-growing women population in Kenya (Kenya Population Census Report 1999).

The social change paradigm has resulted to changes in traditional norms, beliefs, values, attitudes, family systems and division of labour. (Vag 1996; Mc Cormick and Pedersen, 1996). Prior to such changes, the male dominated indigenous cultures denied women critical economic rights in land and other property ownership. Capitalist system maintained similar structural productive relations in terms of the traditional-modern and rural-urban dichotomies (Snyder and Tadesse, 1995), leaving the women marginalized in terms of access to basic economic opportunities and security items for credit.

Until changes are realized in these structural arrangements, women will continue to face problems that are attributable to both endogenous and exogenous change processes out of which women will only have access to limited benefits. Planned efforts aimed at improving the women's welfare have not achieved very much due to the inherent biases, which tend to favour the males (Seidman and Anang, 1992).

Women assisted projects have been on welfare approach rather than promotion of women's economic independence and growth. Consideration of women interests under the umbrella of "gender and development" is another way of creating serious hurdles against women's advancement in social, economic and political areas of concern. Eigen (1994) states that little progress has however been recorded towards active integrating of Kenyan women in the mainstream of economic activities.

Generally, the informal sector encounters difficulties in licensing procedures and such constraints as inadequate resources, markets, exploitation by middlemen and manufacturers, poor business management skills and wanting government policies as reflected in lack of macro-economic discipline, poor and uneven enforcement of laws and regulations. Yet, while such constraints affect both sexes, women are often more disadvantaged than men (K-rep, 1991). The Sessional Paper No.2 of 1992 also acknowledged gender equality among entrepreneurs in the small sector as undermined by the special constraints women face. Among the constraints Sessional Paper identified are loopholes in the implementation of equitable laws, particularly in employment and inheritance as well as discriminatory and often negative attitude and social practices that

limit equal participation of men and women in all entrepreneurial activities. In spite of the policy proposal to sensitize women and to focus on their, there is still a marked difference in women-owned enterprises. Women entrepreneurs face unique socio-economic obstacles in running their businesses hence performing poorer compared to their counterparts.

1.2 Statement of the Problem

Majority of small-micro enterprises are found within the informal sector. They are young firms that are generally vulnerable to harsh economic conditions. McCormick (2001) noted significant differences in the performance of women's enterprises vis-à-vis those of Kenyan men. Their businesses are smaller, less profitable, less likely to grow and begin with less capital investment than those of men. Sessional Paper 1992 highlighted the unequal situation of women versus men in MSE sector and acknowledged that: "Gender equity", among entrepreneurs was undermined by the special constraints faced by women, including loopholes in the implementation of equitable laws, particularly in employment and inheritance, as well as discriminatory and often negative attitudes and social practices that limit equal participation of men and women in all entrepreneurial activities (Kinyanjui and Munguti, 1999).

Despite difficulties faced by women in business, the number of successful businesswomen is increasing. Globally, formal jobs are on the decrease hence the need to support MSEs. Industrialized countries achieved economic development through promotion of MSEs. If Kenya is to generate employment and reduce poverty, there is

need for more attention to be paid to this sector than the case now. This study sought to investigate the factors affecting the growth of women-owned micro-small enterprises in selected markets in Nairobi Province.

1.3 Purpose of the Study

The purpose of this study was to investigate the factors affecting the growth of women-owned small-micro enterprises.

1.4 Objectives of the Study

1.4.1 General Objectives

To investigate the factors affecting the growth of women owned small-micro enterprises.

1.4.2 Specific Objectives

- (i) To determine the demographic characteristics of women entrepreneurs operating MSEs.
- (ii) To establish what motivates women to participate in micro- small enterprises.
- (iii) To determine the role played by education, training and previous jobs in making of entrepreneurs.
- (iv) To investigate the factors affecting the growth of women MSEs and suggest possible solution.

1.5 Research Questions

1. What are the general characteristics of women operating micro-small enterprises?
2. What is the structure of small micro-entrepreneurships operated by women?

3. What are the main reasons behind joining the field of micro-small enterprises?
4. What effect does level of education and training have in their business operations?
5. What are the factors affecting the growth of women micro-small entrepreneurs?

1.6 Significance of the Study

This study has brought into light the factors affecting the growth of women small micro-enterprises. It is expected that the information generated from this study will be helpful to policy-makers in designing policies meant to encourage micro-small enterprises in urban sectors; Non-governmental organizations (NGOs) that encourage establishment of micro-small enterprises at urban level will find the results of this study helpful; Women entrepreneurs and those aspiring to join micro-small enterprise sector, as it has provided information on challenges facing women entrepreneurs; and to the Academia this study will contribute to the body of knowledge regarding micro-small enterprises. It has also great potential for comparison with other related studies and future ones.

1.7 Scope of the Study

This study focused on women micro-small entrepreneurs owning and running MSE enterprises in the three selected markets in Nairobi: Wakulima, Gikomba and Kangemi Harambee market, dealing with all types of businesses. Most of Kenyan MSEs are in the urban strata; Nairobi and Mombasa and other major rural towns account for 66 percent about 2/3 of Kenyan MSEs. The density of MSE is higher in urban areas, Nairobi and Mombasa accounting for 16 per cent of the total MSEs and 17 per cent of their total employment. Women are starting businesses three times as men and the

Nairobi City was selected considering the dense population mainly composed of women. The markets selected are due to their visibility, with respect to the volume of micro enterprises; easy reach from the city centres and characterized by the presence of a majority of female owned businesses. Wakulima is along Haille Selesie Avenue near county bus station. It is operated as a wholesale market being spaciouly designed with a roof supported with columns and partial walls. The market has no stalls but traders display their wares on the cement floor in specific spaces. The market produce comes from the surrounding rural areas and sold in wholesale mostly to women who control the market purchases. The products are then sold to micro-small retailers and institutions that buy direct from the market.

Kangemi Harambee market is 7 kilometers from Nairobi city situated along Nairobi-Nakuru Highway. The market was started on a harambee basis in 1975. It has semi-permanent sheds and an open-air market space where sellers spread their wares on the floor. The market is in a slum area and has attracted poor working class and the unemployed. A population with low literacy levels characterizes the area, overcrowding, poor housing, poor drainage system, small-scale business of all types, and various social and economic activities.

Gikomba market is about 2 kms from the city centre on Chiriku Lane off Pumwani Road. Gikomba market is a conglomerate of businesses: flesh foodstuffs and cereals, sale of old clothes (mitumba), hardware stalls, and furniture shops. The selection of the market is due to its diversity in the micro-small entrepreneurs in social background, level of education and residential status.

1.8 Limitations of the Study

The Survey Method was applied in the study and involved physical movement, meaning it called for use of researcher's time and money. There were limitations regarding the data and information which people were able and willing to give. For example the study touched on people's worth in terms of their businesses, which many people want to hold confidential. Face-to-face interviews involved physical movement and this was time consuming and costly; which in turn affected the size of the sample selected. The study was done during an election preparation period and women were very sensitive in giving information freely especially involving payment of taxes and business licenses. They were skeptical about the genuineness of the research and felt that they may be out for cheating.

1.9 Basic Assumptions

The following were basic assumptions of the study:

- (i) That the women in the sample would be co-operative and give honest responses.
- (ii) That the challenges encountered by women micro-entrepreneurs in the selected sample would be similar to those of other women entrepreneurs in the survey location.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

Kenyan social systems are known to be inherently biased against women; and thus give only a marginal attention to women's needs (Kariuki 1985; Seidmaan and Anang 1992). As such women face problems that are often qualitatively different from those encountered by men, for example access to information, training and credit (K-Rep 1985). Studies by ILO (1984), Keino and Ngau (1996), Hay and Stitcher (1984) UNECA (1990) have touched on women problems, however giving emphasis to economic forces and failing to address some adverse African traditions that inhibit women's participation in the MSEs.

2.2 The Profile of Kenyan Woman Entrepreneur

Although there is limited available research on the profile of Kenyan women entrepreneurs, there is certainly anecdotal evidence that this profile is not homogeneous, perhaps falling into three segments. Women in each segment differ slightly from those in the others in terms of their demographic profile, extent of previous business experience, capacity, needs, and access to resources (credit, premises, and business development services BDS) and orientation towards growth.

According to Lois Stevenson and Anette St-Onge (2005) the first segment is that of the *Jua Kali* micro-enterpriser. The women who own these enterprises, often registered and in the informal economy, have little education (less than secondary level), and are constrained by their lack of entrepreneurial and business know-how, access to credit, and

awareness of markets and market opportunities. They are further constrained by household responsibilities and the need to obtain permission from their husbands to travel out of town for training or trade fairs. Husbands object to their wives participating in training and counselling services provided by men. Since men make up about 90 per cent of the trainers and business service providers in Kenya, this is particularly problematic. These women start very small enterprises, most likely only employ themselves or a few family members, and operate from a home base or *Jua Kali* sheds. Their enterprises have limited potentials for growth. To obtain credit for her business, a woman is likely to participate in a “merry-go-round” group of five or six women who combine their savings over a six-month period of time and then start lending, on a very short-term basis, to members from the pool. The group is referred to as the grassroots “underclass”. Many *Jua Kali* women have the potential to move into the “economic grid”, but need more support encouragement, visibility and economic empowerment.

The second segment is comprised of women with very small (6-10) employees and small enterprises (over 10) employees; who have a minimum of secondary education, previous experience as an employee in a public or private sector enterprise, and a supportive husband who may be directly or indirectly involved in the business. Their businesses are generally registered and operate from legitimate business premises. Although these women are more likely to be able to access to BDS, training and micro-finance, they are still constrained by access to financing. Once they have surpassed the lending limits of micro-finance organizations (over 500,000), they are still likely below the threshold to be of interest to commercial banks, which prefer to lend to large depositors. Furthermore,

they are unlikely to have title deeds and cannot meet collateral security requirements. Many of the firms owned by these women have growth potential; some already tapping into international markets.

The third segment is made up of women with university education, who came from entrepreneurial family backgrounds, have experience in managerial positions in the corporate world, access to financial means and supportive husbands. This group is referred to as the “elitist class”. These women are amongst the group most likely to have small, medium-sized or larger enterprises with growth potential and the group most likely to be engaged in exporting.

Kenyan women entrepreneurs at the micro, *Jua Kali* level, have great difficulties obtaining finance due to collateral constraints. Most of them are forced to cooperate with other women in small groups to mobilize savings and pool these resources for lending to individual group members. Alternatively, they form into small groups to access micro-credit, through a mutual guarantee system, from a micro-finance organization, such as the Kenya Women Finance Trust (KWFT) or the Women Economic Empowerment Consort (WEEC). Men have an easier time accessing credit because they are more likely than women to have title deeds to offer as loan collateral. This enables them to function on an “individual” basis more so than women, who must use the group to pool resources. Men stand better than women, while women still need to work in groups.

Women who make it beyond the micro-enterprise threshold of more than five employees

are seen as more able to stand on their own, but they often lack sufficient working capital to prepare for a growth in demand, unable to fulfill a large order because they do not have the working capital to finance raw materials and work-in-progress inventory. The interest rates of commercial banks range from 16 to 21 per cent, and they prefer to cater for clients who have large deposits. A scheme is needed to provide credit to those women who are trying to pursue growth objectives – lower interest loans to meet their capital investment and working capital needs.

Women with larger enterprises are more sophisticated, better educated; more experienced, more traveled, and have access to more networks, information and resources. However, they would benefit from better access to information regarding market opportunities, export procedures, and leadership development. Although this group may have greater access to collateral, they may still face some barriers to obtaining flexible financing for the further development of their enterprises.

2.3 Dimension of Women in Business

Women in MSEs are concentrated in enterprises that conform to their traditional gender roles. According to (Mullei, Bokea 1999), women dominate MSEs despite the marked disparities and inequalities between men and women participating in similar activities.

Research on gender has exemplified differences in motives for starting micro-enterprises and attitudes and strategies related to their survival and growth. There are a wide range and circumstances that motivate women to start up business (Broadley 1990).

Women in the urban sector have turned to starting businesses as a direct response to

unemployment coupled with the husband's low level of earnings. There is also a general sensitization of women into a sense of enterprise culture, making women aware of enterprise as an option. Women are re-entering the economy after an absence after discovering their original or current skills are redundant. Such women are reviewing the options open to them as they go back to paid work; one option being self-employment. Carter and Cannon (1988b) identified a woman 'returner' who had been motivated to return to economic activity on favorable terms. The current demographic changes have led to a shortage of skilled labour in the economy. The girl child is being encouraged to learn and by acquiring skills, will become a source of female business owners.

Women headed families are on the increase necessitating the need for women to make a significant contribution to the family income. Part-time work on low wages with minimum security has motivated women to starting business. Holmquist and Sundin (1989) saw the main motivation into business start up and for women as a creation of something, which would allow them freedom to combine responsibilities for the family with a fair income. Goffee and Scase (1987) unidentified this group as 'Conventional' female entrepreneurs, who were motivated by a need for autonomy, to acquire their own money, but only in a way that was compatible with their domestic role.

For women who are underemployed, with little job satisfaction, self-employment becomes a means of creating stimulating work over which they have greater control. This control extends beyond the workplace, enabling women to harmonize economic activity within a valued family environment.

The frustrations of the 'glass ceiling effect' (Hymounts 1986) have also motivated women to look towards business creation. Women often reach an invisible but unyielding promotional barrier within the managerial hierarchy of larger organizations, and self-employment is seen as a vehicle through which their personal needs can be satisfied. Carter and Cannon (1988a) identified such a group of 'high achievers' who he described as older women who had successful careers and desired independence because of gender related career blocks. Such women may also desire for the flexibility to have a family, which may not be possible while in formal employment.

2.4 Performance of Women's Enterprises

Mc Cormick (2001) noted significant differences in the performance of women's enterprises vis-à-vis those of Kenyan men. Their enterprises are smaller, less likely to grow, less profitable, and begin with less capital investment than those owned by men. Not only is there a great deal of gender segregation by sector (with women dominating in food processing, beer brewing, hairdressing, dressmaking, and retail of second-hand clothing, while men dominate in metalwork, carpentry, vehicle repair, shoe making, construction and transport), but women and men operate from different locations. Men are twice likely as women to locate in trading centers, commercial districts or roadside locations; women are almost twice as likely to be operating from the home. Women are three times as likely as men to belong to some type of business association, although there are indications that women's networks have less power to assist their businesses.

Mc Cormick (2001) isolated three factors that account for these differences in enterprise performance. The first factor has to do with the level of education. On average, women entrepreneurs are less educated than their male counterparts and twice as likely as men to be illiterate. The major reasons for this difference are institutional in nature. Marriage institutions discourage investment in women's education and the division of labour assigns a greater share of household responsibility to girls. Because they have lower educational attainment, they are also less likely to benefit from management and technical training programmes. The second factor has to do with the opportunity to accumulate savings. Because women have lower levels of education and are segregated into lower paying jobs, they have lower savings with which to start a business. The third factor is to do with how women spend less time in their businesses than men because they are expected to carry out their domestic responsibilities, including housework, food preparation and childcare. This also explains why women are more likely to operate their business from the home. Mc Cormick concludes that gendered patterns of business operations are supported by five institutions – the incorporation of the wife into the husband's family, the division of labour within the household, the division of asset ownership (the tradition that vests ownership of land in males remains strong, even though women can purchase and inherit land), the sharing of household expenditures, and the allocation of educational opportunities. The larger the group of enterprises, the fewer women entrepreneurs one will find. Over 85 per cent of the enterprises owned by women do not have any employees except the owner. Of the 9,041 small enterprises (1999) with 11-50 employees, it is estimated that women own fewer than 20 per cent; this amounts to less than 0.3 per cent of all women-owned MSEs.

Throughout the developing world, low income women micro entrepreneurs tend to work in same types of businesses – vegetable/commodity trading, food kiosks, catering, beauty salons and tailoring. This is because these enterprises are familiar to them, are relatively easy to start, with low capital and minimal skill. Women often get their business ideas when they see other women make money by selling a particular good or service. However, when too many women start similar businesses, the market becomes saturated and everyone's income suffers. A high percentage of low-income women lack the skills, ideas, or ability for innovation needed to respond to threats in the market place. When one business closes, they often begin another one that requires similar inputs, but is in a different sector. The poor in all circumstances will be ill placed to take advantage of economic growth unless deliberate interventions are put in place to increase their opportunities and access to the resources, skills, and services required for them to rise out of the poverty trap. As female-headed households constitute significant proportion of the urban poor, any intervention must be gender sensitive, (GOK, Interim Poverty Reduction Strategy for 2000-2003). Women entrepreneurs are expected to make a significant contribution to economic development and industrialization of the country by the year 2020 (GOK, 1986).

Dondo (1990), noted that most projects providing assistance to women have taken a welfare approach, without much success in promoting women's economic independence and growth. The projects are often incorporated in programmes that are usually very broad, encompassing such other components as family planning, maternal and childcare,

and home based appropriate technologies. Some structural and gender focused efforts, such as those manifest in Women and Development programmes have, for instance supported participation of women in basic income generation activities through informal sector programmes which are largely welfare oriented, operating at subsistence level of production and designed to cater more for enhanced confidence and awareness, than to create sustainable profit centers (McCormick, 1998).

The performance of small businesses, determined in terms of their economic contribution to job and wealth creation through business start up and growth, has become an important area of policy and academic debate. However, little rigorous and in-depth research has been undertaken on the issue of gender and business performance. Although many studies have made some mention of it, many have shied away from direct examination of quantitative performance measures, preferring instead to engage in discursive debate concerning gender differences in quality assessment of success.

These studies show that women perform less well on qualitative measures, such as job creation, sales turnover, and profitability. (Cliff, 1998). This, its often argued, is usually because women are faced with structural disadvantages, and their consequent lack of human, social and financial resources constrains their business performance from the outset (Marlow and Strange, 1994). Carter et al (1977)s analysis, based on the US retail sector found that women were more likely to exit business, and related this to the low level of initial start up resources and the founding strategies of the owner. The importance of the initial business strategy was reinforced in a recent study of Gundry and

Welsch (2001). Kamunge (1990) asserts to this when he highlights poor project identification, selection, planning and implementation as difficulties encountered by women in business.

2.5 Constraints Facing Entrepreneurship

A review of literature on a study done in Tanzania entrepreneurs reveals two types of hypotheses that attempt to explain entrepreneurial development and constraints. The first hypothesis focuses on entrepreneurship as an environmentally determined phenomenon. That is, entrepreneurship is influenced by social, legal, economic and political factors. The second hypothesis focuses on the individual personality and therefore emphasizes the importance of individual traits to the formation of the business.

Morris and Lewis (1991) model provides the best insight to the understanding of environmental factors of entrepreneurship. They look at entrepreneurship traits as strongly influenced by political and economic systems (the infrastructure), rapid and threatening change (environmental school and work environmental turbulence) and one's family, school and work environmental (life experience). At national level, policy makers can have an effect by redesigning the infrastructure and facilitating innovation and change. At company level, management can create organizational environments, which tolerate and support creativeness, autonomous and risk taking behaviors while at the level of individual the educational system has great potential for helping develop characteristics associated with entrepreneurship. Education shall encourage individual initiative, conceptual thinking, conflicting ideas and unstructured problems solving.

Morris and Lewis saw these factors as determining the level of entrepreneurship in different countries. Thus, a country with conducive policies, organizational environments and educational systems is expected to have a high level of entrepreneurship. Other studies by Papanek (1971), Gasse (1990); Harris (1971); and House et al. (1993) emphasize the importance of a conducive economic and legal environment for entrepreneurship development. Supporters of trait theory of entrepreneurship see attitudinal and behavioral factor differentiating entrepreneurs from non-entrepreneurs and successful entrepreneurs from unsuccessful ones. This approach emphasizes the importance of the individual entrepreneur to the formation of business. In agreeing with this view, Palmer (1971) considers that areas, which possess capital and resources while suffering from a scarcity of entrepreneurs, a lag in economic development is expected.

A lot of the literature on trait approach has been developed from McClelland's work. The literature views a successful entrepreneur as the one who sees an opportunity by understanding the marketing environment – the current and future needs, wants and varying habits of the consumer – and takes advantage of this opportunity by executing a business activity. Supporters of trait theory, agree that the entrepreneur is not necessarily motivated by the money but rather by high needs to achievement. This type of motivation makes a better entrepreneur (McClelland, 1969). Other entrepreneurial characteristics include: innovation, risk taking, self-confidence, proactiveness, people and future orientation (EL Namaki, 1985; Gibb 1990; Kao 1990; Knight, 1921; Mancuso,

1974; McCaelland, 1961,1962,1969,1971; Miller, 1983; Palmer,1971; Patel, 1986; Hornaday and Aboud,1971) Hornaday and Aoud revealed other personality traits such as support, independence and leadership.

The two schools of thought have come to one conclusion that: entrepreneurship is not a biological trait. More so, entrepreneurs can be developed, and that even the much-advocated entrepreneurial traits can be learnt. For example trait approach accepts that characteristics of the entrepreneurs are related to certain sociological factors in the entrepreneur's childhood, and then molded by personal experiences in adult life. Entrepreneurial competencies may therefore be developed by training and education (Gibb, 1990; Romijn, 1989).

Literature review of earlier studies of less developed countries (where Kenya belongs) distinguished three approaches: -

- The psychological and sociological theories of entrepreneurship supply (McClell and Hagen 1962), consider individual personality to influence entrepreneurship. Entrepreneurial behaviour is seen as resulting from attitudes, which in turn are affected by the social environment (parental guidance, religion belonging to marginal groups etc).
- The economic approach exemplified by Papanek (1971) and Harris (1971) emphasizes the importance of the economic importance of the economic environment which is either conducive or repressive to entrepreneurial activity. According this view, entrepreneurial activity responds to a

change in “demand” for entrepreneurs.

- Finally, is the functional approach supported by Kilby (1971). Kilby maintains that “it is the quality of entrepreneurship that is vital” rather than the supply and demand issues that are the concern of the first two approaches mentioned above. His analysis of empirical studies on this subject concludes that it is “managerial skills that are in short supply in developing countries.

From the view, the importance of quality and quantity entrepreneurship is evident. The studies stress the importance of a conducive environment and the quality of management to entrepreneurship development. The paper on urban self-employment in Kenya, House et al. (1993) identified resources, market and legal variables as factors that hinder entry into self-employment. Other studies have cited management as the main obstacle to entrepreneurship in Africa.

2.6 Factors Affecting The Growth Of Women-Owned Mses

In general operators of MSEs encounters difficulties in licensing procedures and other such constraints as inadequate resources, lack of markets, management skills and defective government policies as reflected in the lack of macro-economic discipline and poor and uneven enforcement of laws and regulations. While such constraints affect both sexes, women are often more disadvantaged than men (K-Rep, 1991).

The difficulties encountered by women micro- small entrepreneurs include inadequate working capital, small unviable, duplicated projects, poor technical and management skills few marketing opportunities, poor marketing opportunities, poor marketing skills a lack of work-site security and basic infrastructure, limited access to resources (especially land and credit), hostile business environments, poor reading and writing skills. The latest draft sessional paper on development of MSEs acknowledges need to be addressed if the MSE sector is to realize its full potential. These constraints can be classified into internal and external constraints though in some cases the constraints may not be distinct.

Few female entrepreneurs manage to enlarge their scale of their operations. There are a number of factors that could explain this behaviour:

Firstly, the familial responsibilities and family ties, which are taken to be a woman's first duty, to bear many children and to rear them. This puts women in a disadvantaged position in entrepreneurial venture reflected in their multiple responsibilities (e.g. care of children and household etc). To release some of their time from familial responsibilities, women have to rely for support on the members of their extended family. The stronger a woman entrepreneur is embedded in a wider kin network the less time she has to spend on her domestic duties, which enables her to spend more time on directly productive activities. The extended family and the need for strong traditional co-operation and reciprocity place enormous pressure on anyone with case at hand to aid a needy kinsman or co-ethnic (Lewis 1976:140). Shortage of capital and lack of appropriate and unsecured credit represents one of the major obstacles to the expansion of female enterprises, women lack the three most common forms of collateral required for credit: land title,

cattle or co-operative membership.

A study (Food and Agriculture organization undated: 5) shows that 30 per cent of household heads only 7 per cent of women receive credit. Low levels of education of technological know how are other factors affecting female entrepreneurship out of the estimated 700 million people in the world people are illiterate, two thirds are female – lack of time, fatigue, husbands disapproval, child care and domestic chores, and lack of transportation severely limit women's opportunities to participate in non-formal and life-long education programmes (Mand 1980:30). Female entrepreneurs are restricted in traditionally operated activities, such as food production, nutrition, health and child care, little technological changes have taken place in these areas. Generally women lack access to technical skills training as well as marketing or business training, which limits their business activities.

Women are faced with a narrow market horizon and hence are unlikely to diversify their entrepreneurial activities due to their unawareness of demand patterns prevailing in the wider society. This narrow market horizon is a function of their low education levels as well as their multiple responsibilities, which restrain their partial mobility.

2.7 Critical Review

Participation of women entrepreneurs would benefit greatly from a supportive environment that encourages women to "go for it". From the literature review it is explicit that women lack social and cultural support for the role of women as

entrepreneurs; women are subject to stereotypes and have a few visible role models for them at any level. Gender barriers need to be addressed at all levels, from legal system to the domestic system. Women entrepreneurs need more access to a full range of financial and non-financial support services. Participation of women micro-small entrepreneurs is restricted by a lack of collateral and flexible finance options. Women micro-small entrepreneurs experience inadequate access to training and are faced with limited opportunities to avail themselves for external, formal managerial capacity-building support. In addition they have difficulties in finding land premises for operation and acquiring up-to-date technology. Women micro-small entrepreneurs would benefit from the strength of numbers that would be gained through representation by women entrepreneurs' association that would provide a collective "voice" for the needs and concerns of women entrepreneurship in the country.

Internationally MSEs have played an important role in economic development and in Kenya, they are seen as the step to industrialization by the year 2020. The government considers the sector as a source of future generation of employment as reflected in the increased policy focus on MSE development. This is exemplified by its commitment to foster the growth of MSEs as one of the key strategies in the Paper No. 1 of 1986 on Economic Management for Renewed Growth.

The paper applauds the important role of small -micro enterprise sector, and the strategies to be put into place for its development. The 1989 Report, 'The Strategy for Small Enterprises Development' towards the year 2000, set out the mechanisms for removing constraints to growth of the MSE sector. The policy was reviewed in 2002 providing for a balanced focus to MSE, in line with national goals of creating 500,000 jobs annually in

the next four (4) years. However the latest draft Session Paper on Development of MSE acknowledges that a number of constraints need to be addressed if the MSE sector is to realize its full potential. Government support is therefore a necessary condition to foster micro-small enterprise development. Economic development will not come to us we have to struggle from where Japanese started until we make a 'break through'.

A Paper on review of government policies for the promotion of MSE in Kenya noted, that the support framework pursued since 1986 had been characterized by unsustainable subsidies and stop-go policies. Such policies emanate from an inadequate understanding of the sector and its relationship with the rest of the economy. The result being a mismatch between policy pronouncement and resource allocation - capital financial and human – bringing about poor implementation of policies. No wonder then the persistence of problems that inhibit growth of MSE sector three decades after they were recognized. In the paper of Winnie V. Mitullah MSEs are seen as a major source of livelihood for a large Kenyan majority, especially those living below the poverty line. The government has not managed to implement major policy provisions geared for the development of the sector. During the last three decades, the emphasis has been on private formal sector as opposed to the private informal sector. The Economic Strategy Paper considers the two sectors to be basically the same. The current government objective is to promote the growth and competitiveness of employment in MSEs by reducing the cost of doing business and generally creating an enabling environment for economic activity.

A Special Report by Mrs Lindiwe Hendrics states that South Africa embarks on a process that structurally transforms South African economy by enabling the citizens to participate in the mainstream of the economy. She affirms that a stable social, political and economic policies and a consensus approach to democracy create an environment and framework for business – including those of women – to flourish and grow. This has contributed to a growth of the economy of South Africa by approximately 3% per year over the past eight years. She comments that in spite of the remarkable growth, the need for development programmes targeting women to overcome business - specific constraints still exists.

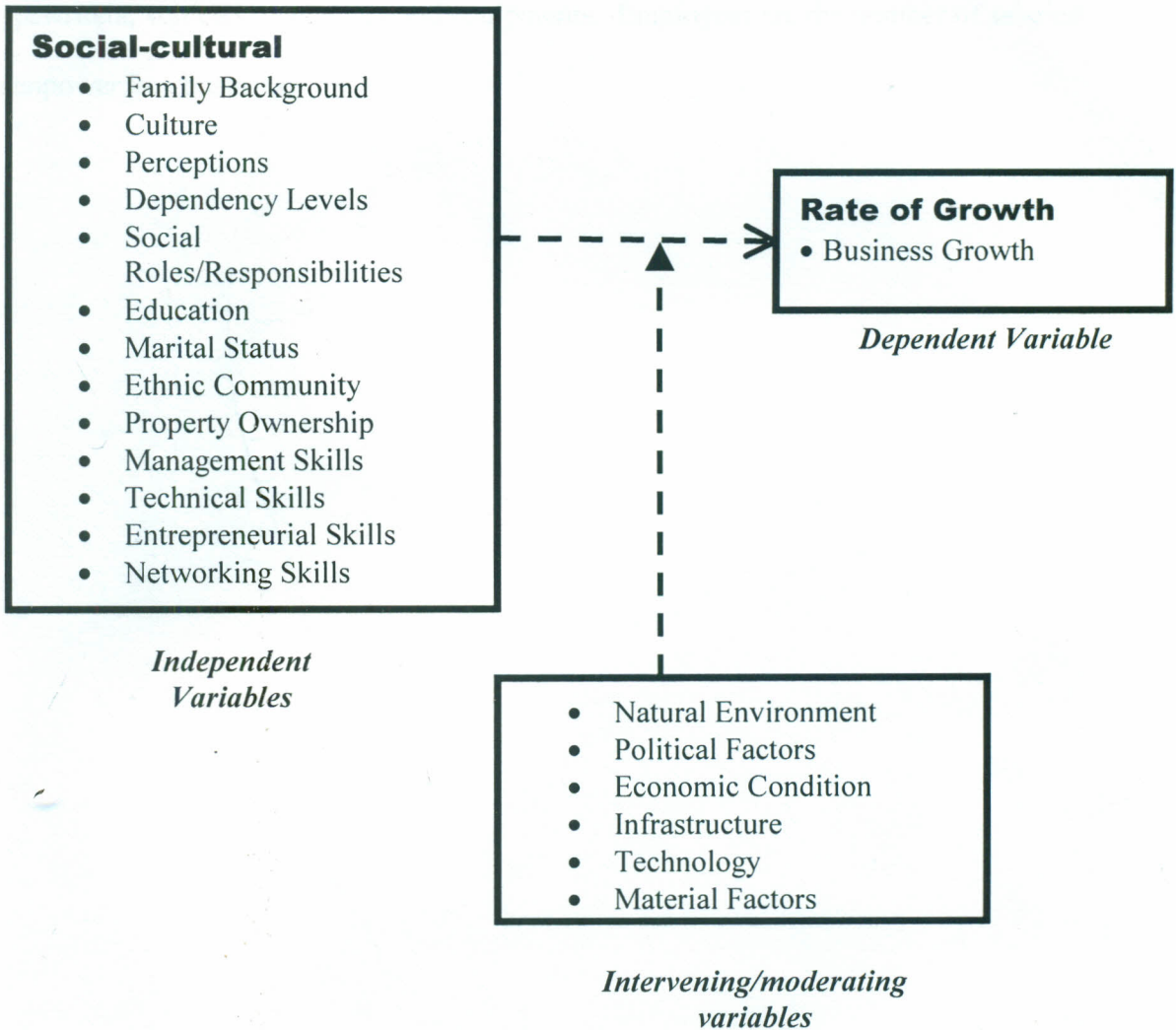
Among the enterprise owned by women, the literature review indicates that the enterprises are not performing well, resulting in almost no growth. There is frequent birth and death of businesses. Women are faced with the general constraints that are faced by all entrepreneurs. However, there are constraints that are specific to women such as, credit and collateral facilities, social cultural constraints, education and technical skills, legal regulations are but a few of the constraints to women micro and small entrepreneurs.

Findings also indicate that most programmes for women have a welfare approach, aimed at enhancing confidence and awareness, than to create sustainable profits (McCormick, 1998, Dondo 1990).

2.8 Conceptual Framework

The variables of the study are social-cultural, as presented below affecting the business growth.

2.8.1 Conceptual Framework



Source: Author (2008)

Business growth is influenced by the independent variables as given above. There are also intervening variables, which affect business growth indirectly. Indicators of business growth would include profits, assets and employees. Profits refer to excess of sales over all expenses. Assets are the things a business owns, such as working capital, buildings, typewriters, vehicles, machinery and equipments. Employees are the number of salaried manpower in a business.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

The research was an explorative one, which sort to investigate the factors affecting the growth of micro-small enterprises owned by women.

3.1 Research Design

This study utilized the descriptive and exploratory research design. It was analytical in nature and the researcher used archival search and analysis, coupled with survey methods. The archival search and analysis was useful in providing background information on the performance of the women owned enterprises. According to Jankowicz (1995), one carries out a survey in order to establish what people think, believe, value or feel, in order to discover their views for their own sake, or to support an argument that you are presenting, sampling a population of potential respondents in order to generalize conclusions more widely. More over it explores status of two or more variables at a given point in time. The descriptive research was used because it sought accurate profile of personal factors, events and situations. This phenomenon was applicable to the causal of factors affecting the growth of women micro-small entrepreneurs. The researcher collected data from 60 members out of a population of 600 women, and described the outcome. It explored the status of the variables and drew some observations on their trends.

3.2 Target Population

The target population, which the researcher covered, consisted of women owned micro-small enterprises in Nairobi. The study targeted women in three selected markets, Wakulima, Gikomba and Kangemi Harambee Market. Samples of sixty (60) women were selected to represent the women MSEs.

3.3 The Sample and Sampling Technique

Purposive sampling was used to select three markets within Nairobi. This is because the women entrepreneurs exhibited relatively homogeneous characteristics in form of types of business, investment decisions, and reasons for entering into business and their lifestyles. A random sample of 60 women was studied, representing a ten percent of accessible population. According to Gay L. R. (1981), a ten percent sample size of the accessible population is adequate in descriptive studies. The choice of this technique was to facilitate assessment of data collected in terms of business turnover. In turn, it also helped in making generalization that is more sensitive to the type of businesses.

Table 3.1: Distribution of the Target Group

Market	Population	Sample Size (%)
Gikomba	200	20
Kangemi	200	20
Wakulima	200	20
Total	600	60

Source: Author 2008

3.4 Data Collection Procedures

The study relied primarily on survey method.

3.4.1 Questionnaires

In the survey, a simple questionnaire with structured and open-ended questions was personally administered to the chosen sample of women entrepreneurs. This aided in capturing both quantitative and qualitative information on business performance

The open-ended questions ensured that in-depth qualitative data that is descriptive of the variables under study were obtained. It also took care of the human nature of the respondents, of wanting to express their personal views, and feeling important as participants of the research. The closed and multiple system questions aided in gathering quantitative information that were easy to interpret.

The questionnaire, besides capturing background information provided details on enterprise, the volume of their business vis a vis sales, profit and capital, as well as constraints inhibiting their performance. The choice of the structured questionnaire is due to its ease of administration, analysis and time saving. It was important to make field visits to the respondent's business sites, for impact in enhancing confidence in collecting the data. The interview provided an opportunity to observe certain variables that may not necessarily be captured through questionnaire, such as size of stock, physical size of the premises and location of enterprises.

3.5 Data Analysis and Presentation

After all the primary data was collected, it was classified in accordance with the variables. The data was analyzed using descriptive statistics. Measures of central tendency and dispersion were compiled. The data was also presented using frequency distribution tables, pie charts and graphs. Simple regression and correlation analysis was used to determine the relationship between the various variables. A computer package SPSS was used.

3.6 Anticipated Output

A report on the findings of the study, and recommendations emanating from the study, indicated the factors affecting the growth of women owned MSCs. This report will be availed to the Policy Makers, NGOs, Academia, Women Entrepreneurs and other interested persons.

CHAPTER FOUR

4.0 DATA ANALYSIS, INTERPRETATION AND SUMMARY

4.1.0 Introduction

The purpose of this chapter is to present the analysis, interpretation and discussion of the data collected from the respondents. In pursuit of the stated objectives, the data was analyzed from the questionnaires from the sample of 60 micro-small businesswomen who participated in the study with 100% response. Findings are presented in graphs, tables and pie charts.

4.1.1 Demographic Characteristics of Women Micro-Small Entrepreneurs

4.1.2 Age

The results showed that the respondents were in the ages between 24 to 55 years. Majority of the women were in the young age bracket, which is explained by the generally young population of Nairobi and other urban areas, given high birth rates and selective urban-ward migration involving mainly the young and middle-aged.

4.1.3 Marital Status

Table 4.1: Marital Status

Women Status	Frequency n = 60	Percentage Respondents
Married	48	80
Single	9	15
Widowed	2	3.3
Divorced	1	1.7

Source: Author 2008

The findings in table 4.1 shows that 80.0% (n = 48) of the respondents were married, 15.0% (n = 9) single, 3.3% (n = 2) widowed while one woman (1.7%) was divorced.

The dominance of the business by married women can be explained by support from their spouses.

4.1.4 Level of Education

Table 4.2: Education

Women Status	Frequency n = 60	Percentage Respondents
Primary	27	45
Secondary	30	50
Others	3	5

Source: Author 2008

In reference to their education background most of the respondents 50.0% (n = 30) had secondary education while 45.0% (n = 27) had primary education. Social rates of return to lower levels of education in developing countries are quite high as supported by United Nations (1995). The level of education is found to be important to the entrepreneurs as it provided them with basic skills of communication and numeracy both in English and Kiswahili that are important in business operations. Education also helped them in socialization and predicting the business environment.

4.1.5 Number of Children

Table 4.3: Number of Children

Women Status	Frequency n = 60	% Respondents
One	9	15.8
Two	27	47.4
Three	13	22.8
Five	2	3.5
Six	1	1.7
Missing systems	7	8.8

Source: Author 2008

The findings in table 4.3 shows that 47.4% (n=27) of the women respondents had two children, 22.8% (n = 13) had three, 15.8% (n = 9) had one child, 3.5% (n = 2) had five children while one respondent had up to six children. There is an inverse relationship with the number of children and the level of education. This could be explained by the fact that they have a better understanding and access to modern family planning methods.

4.2.0 Business Information

4.2.1 Work Experience

The findings showed that most respondents had done business for over five years, 58.3% (n = 35). The respondents with experience of 1 year to 5 years, ranged from 9% to 12%.

Source: Author 2008

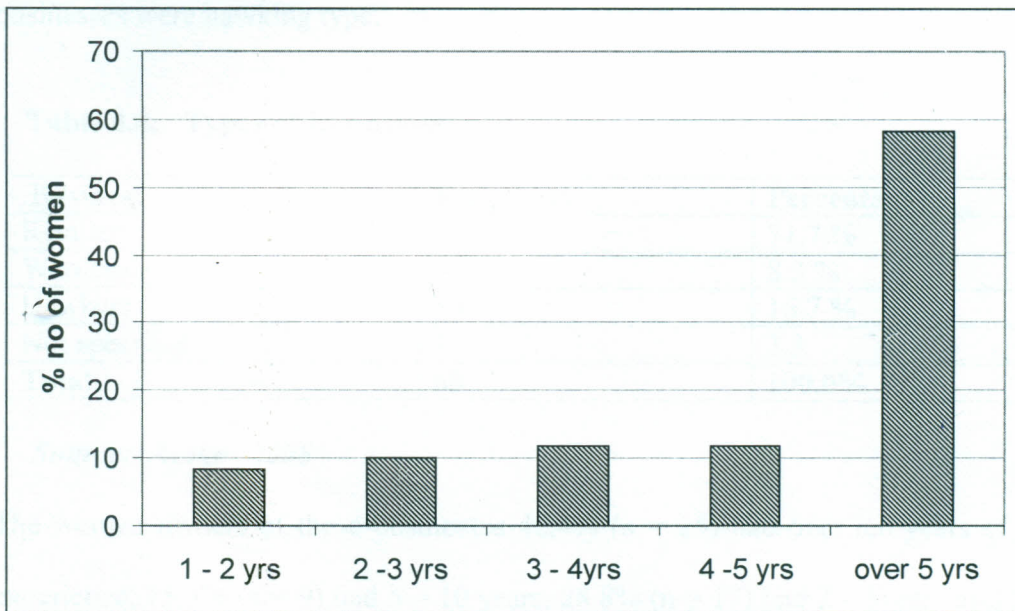


Figure 4.1: Duration of Being in Business

A correlation analysis established a significant moderate positive relationship, ($r = 0.437$, $P < 0.05$) between the ages of the respondents and the experience in business.

Older women had been in the MSE business for a longer time than their younger counterparts (**Appendix VI**).

The study also established that larger number of women with secondary level of education were from Wakulima market, 90% (n = 18), 50% (n = 10) of the respondents from Gikomba market and 75% (n = 15) from Kangemi market had primary level of education. Those women entrepreneurs with secondary level of education had relatively fewer children than those with primary education, $r = -0.187$. There is an inverse relationship between the number of children and level of education (**Appendix VII**).

The information gathered on MSEs, showed that, majority of the businesses sampled, 71.7% (n = 43) were retail, 8.3% (n = 5) wholesale whereas 16.7 % (n = 10) of the businesses were hawking type.

Table 4.4: Types of Businesses

Business	Frequency	Percentage
Retailers	43	71.7 %
Wholesalers	5	8.3 %
Hawkers	10	16.7 %
Not specified	2	3.3
Total	60	100.0%

Source: Author 2008

The women owners of these businesses 42.4% (n = 25) had over ten years of business experience, 15.3% (n = 9) had 5 – 10 years, 28.8% (n = 17) had 2 – 5years and 11.9% (n = 7) of the women had 1 – 2 years while only one respondent had less than one year experience in the business.

Source: Author 2008

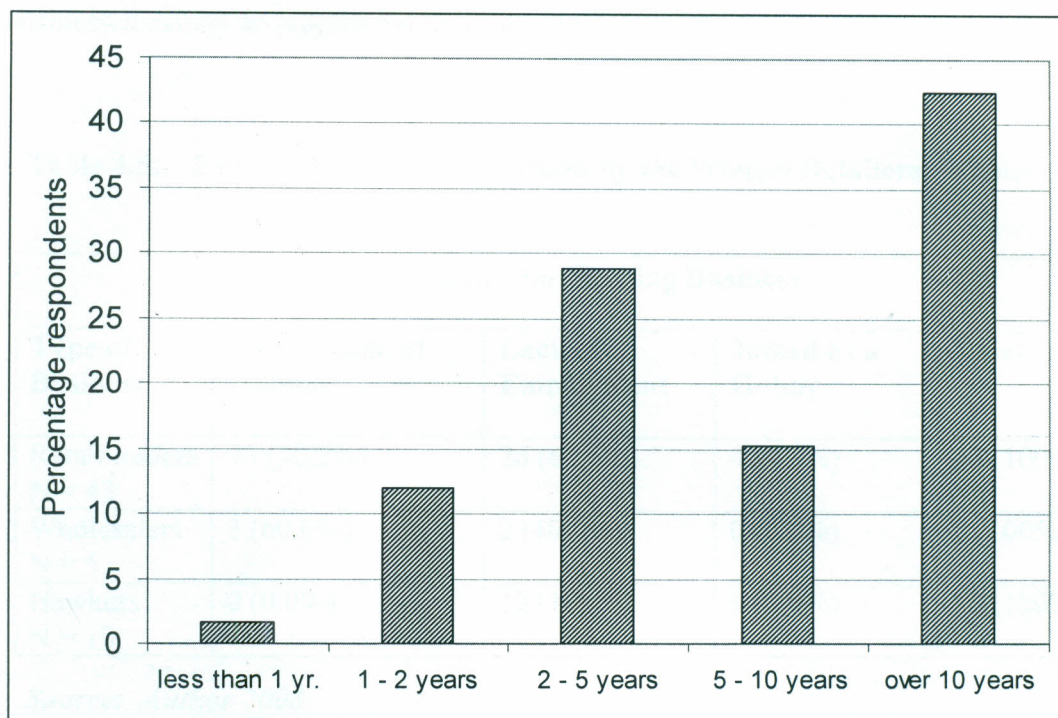


Figure 4.2: Duration of Operation of the Current Business

Details of how long the women had operated their current businesses showed that 38.6% ($n = 22$) had operated the current business for a period of over ten years, 8.8% ($n = 5$) for 5 – 10 years, 28.1% ($n = 16$) for 2 – 5 years, 21.1% ($n = 12$) for 1 – 2 years and 3.5% ($n = 2$) for only less than 1 year.

4.2.2 Reasons for Venturing Into Business

Women ventured into business mainly because of lack of employment. 63.8% ($n = 37$) of the women started businesses because they were not employed, 27.6% ($n = 16$) to supplement their income while 8.6% ($n = 5$) ventured into business as a hobby. All respondents operating hawking business and the retailers venturing into business 60.5%

(n = 26) started because of lack of employment. Some entrepreneurs started wholesale businesses mainly to supplement their income.

Table 4.5: Reasons for Starting Business by the Women Retailers, Wholesalers and Hawkers

Type of Business	Reasons for Starting Business			Total
	To supplement Income	Lack of Employment	Joined as a Hobby	
Retail traders N = 43	13 (30.2%)	26 (60.5%)	4 (9.3%)	43 (100%)
Wholesalers N = 5	3 (60.0%)	2 (40.0%)	0 (0.0%)	5 (100%)
Hawkers N = 10	0 (0.0%)	10 (100%)	0 (0.0%)	10 (100%)

Source: Author 2008

4.2.3 Mode of Selling

The findings showed that the purchases bought were paid for in cash and on short-term credit. All wholesalers and hawkers sold their goods in cash, however most retail traders sold their wares in cash 95.2% (n = 40) and 4.8% (n = 2) in short-term credit.

4.2.4 Problems Encountered While Carrying out Business

When carrying out their business, 98.1% (n = 53) of the women experienced various problems, which were peculiar to the businesses operated. The problems were highlighted as lack of adequate capital to run their businesses, failure to collect payments from debtors and in some cases realization of bad debts, inadequate stock, lack of

steady customers, poor quality goods, scarcity and high prices for supplies and scarcity of goods, difficulties of paying business loans in time, competition from other businesses and perishability of goods. In the literature review, social, cultural and household responsibilities were cited as factors disadvantaging women in business. Property ownership denied them credit facilities due to lack of collateral security.

4.2.5 Business Start Up

It was established that 55.9% (n = 33) of the businesses were started with capital ranging between Ksh.5001 – 10,000, and 8.5% (n = 5) started with over 10,000 Ksh, 6.8% (n = 4) started with Ksh.2000 – 5000 while other businesses 28.8% (n = 17) were started with less than Ksh.2000. The study established that to start a hawking business, one requires as little as less than Ksh.2000 only. However, starting a retail business requires between Ksh.5001 and 10,000 as was experienced by 69.0% (n = 29) of the retail traders. To start a wholesale business 60% (n = 3) indicated responded that one needed well above Ksh.10,000.

Table 4.6: Amount of Capital Used to Start the Business.

Capital Used to Start Business	Frequency	Percentage
Less than Ksh. 2000	17	28.3
Ksh. 2000 – 5000	4	6.7
Ksh. 5001 – 10000	33	55.0
Ksh. Over 10,000	5	8.3
Missing system	1	1.7
Total respondents	60	100%

Source: Author 2008

The money used to start a business was mainly borrowed from relatives and friends.

Source: Author 2008

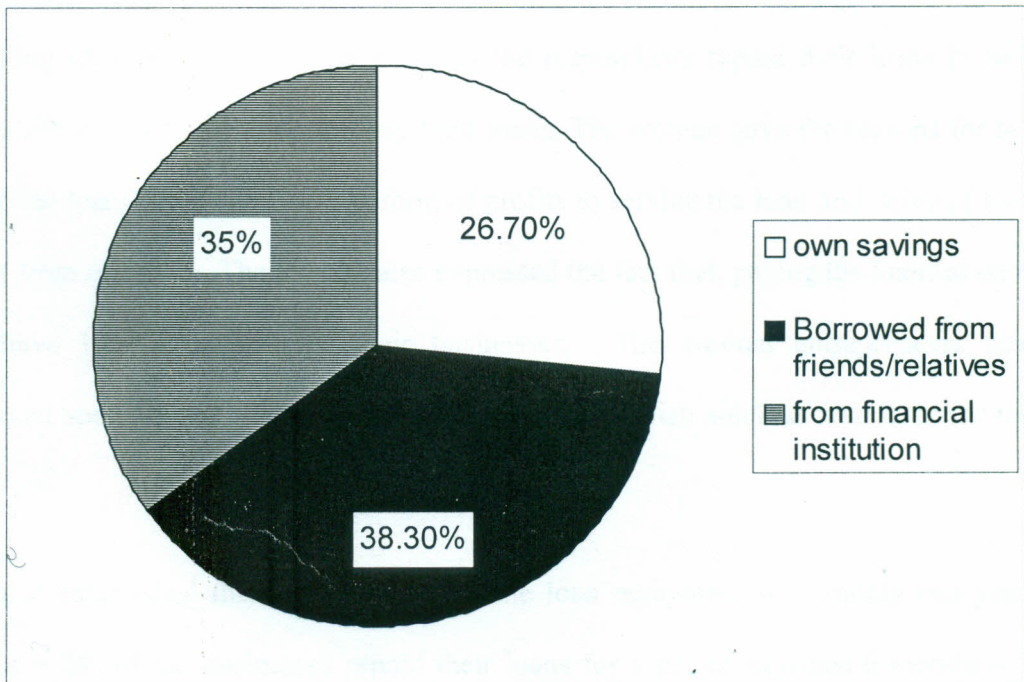


Figure 4.3: Sources of Finance Used to Start Business

56.5% (n = 26) of the respondents had borrowed between Ksh. 5001 – 10000, 15.2% (n = 7), borrowed Ksh. 2000 – 5000, 21.7% (n = 10) had borrowed less than Ksh. 2000 while merely 6.5% (n = 3) of the women had borrowed as much as Ksh. 10000. It was noted that the amount borrowed by the individuals determined the amount used to start their business ($r = 0.596, P < 0.05$). 70.6% (n = 24) of the retail business borrowed between Ksh. 5001 – 10000, while those doing hawking business started by borrowing Ksh.2000 – 5000. For wholesale businesses, 50% borrowed as much as over Ksh. 10000. The amount used in starting a business was significantly related to the women experience in business, $r = 0.343, P < 0.05$. Those with more years of operation started their business with more money. There is moderate positive relationship between the amount borrowed and the type of business (*Appendix VIII*) and (*Appendix IX*).

4.2.6 Loan Repayment

The finding showed that 65.0% (n = 26) of the respondents repaid their loans in full. However, 35.0% (n = 14) did not repay their loans. The women gave the reasons for not repaying the loans as, lack of fund in form of profits to service the loan and delay of loan payment from relatives. The women also expressed the fact that, paying the loans at once would have led to collapse of their businesses. The women entrepreneurs also experienced spoilage and therefore lacked money to replenish stock as well as repay the loan.

It was also established that grace period for the loan repayment was mainly one year. 77.4% (n = 24) of the businesses repaid their loans for a period between 6 months – 1

year. 22.6% (n = 7) of the businesses repaid their loans for a longer period of up to 2 years. Those who borrowed more money repaid the loans in full, $\chi^2 = 58.974$, $P < 0.05$.

Table 4.7: Loan Repayment Against the Amount Borrowed

Loan repayment	Amount borrowed			Total
	Less than Ksh. 2000	Ksh. 2000 - 5000	Ksh. 5001 - 10000	
Repaid the loan in full	1 (50%)	0%	21 (95.5%)	22 (88%)
Did not repay the loan in full	1 (50%)	1 (100%)	1 (4.5%)	3 (12%)
Total	2 (100%)	1(100%)	22 (100%)	25 (100%)

Source: Author 2008

The data also showed that after their first loans 68.8% (n = 33) of the respondents took other loans, while 31.3% (n = 15) of the respondents did not take any other loan. For the respondents who took a second loan, the loan taken was bigger, (93.8%) than the first one. The ability to pay the first loan gave the entrepreneurs confidence in taking a bigger loan in order to expand their business.

4.2.7 Skills Required to Run a Business

The skills the respondents preferred to acquire were 46.6% required record keeping, 27.6% marketing, 24.1% planning and 1.7% technical skills.

Table 4.8: Skills Required by the Respondents to Run a Business

Skills Required	No. Respondents (n = 58)	% Age Respondents	Rank (1-“Most Required”)
Record keeping	27	46.6	1
Planning	14	24.1	3
Marketing	16	27.6	2
Technical skills	1	1.7	4

Source: Author 2008

The findings showed that some skills had been acquired in the course of running their businesses. The skill gained through experience possessed by most of the women was marketing. 28.3% (n = 15) have marketing skills, 18.9% (n = 10) had gained record keeping skills, 18.9% (n = 10) possess technical skills and 7.5% could plan their businesses. 26.4% of the respondents had other skills which enabled them run their businesses. These skills had been gained over a lengthy period and were inherited by specific individuals. The women who had acquired skills through experience, their survival depended on this experience and good customer relations.

Source: Author 2008

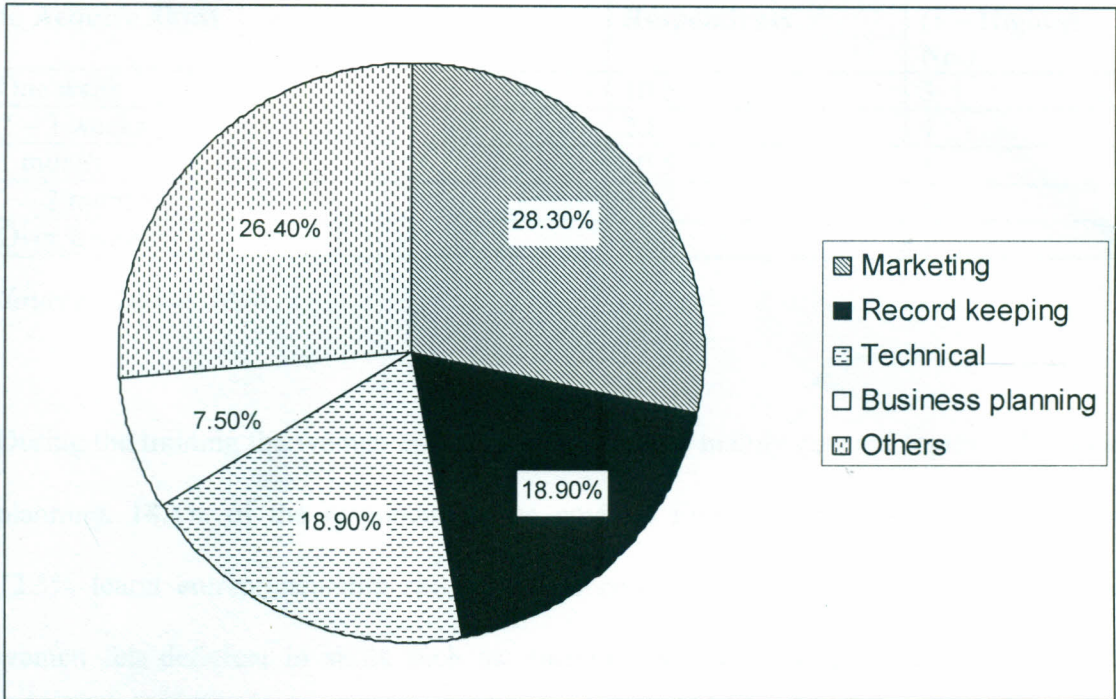


Figure 4.4: Skills Acquired by the Women in the Course of Running Their Business

4.3.1 Courses Attended

When asked if they had taken some professional courses, the response was; 56.9% (n = 33) of these women entrepreneurs had attended other professional courses. The women who felt that the skills acquired from these courses were satisfying was indicated by 65.2% (n = 30) of the respondents. To acquire these skills, majority of the women 63.2% (n = 24) took over two months period.

Table 4.9: Duration Taken to Acquire Business Skills

Duration Taken to Acquire Skills	Number of Respondents (n = 38)	% Age Respondents	Rank (1 – Highest No.)
One week	4	10.5	3
2 – 3 weeks	1	2.6	4
1 month	4	10.5	3
1 – 2 months	5	13.2	2
Over 2 months	24	63.2	1

Source: Author 2008

During the training the women entrepreneurs said they mainly covered topics in business planning, 18.8% of the respondents also covered finance and record keeping, while 12.5% learnt entrepreneurship skills. In the course of performing their business, the women felt deficient in skills such as: finance and record keeping, entrepreneurship, business planning, sales and marketing, financial management and public relations.

Source: Author 2008

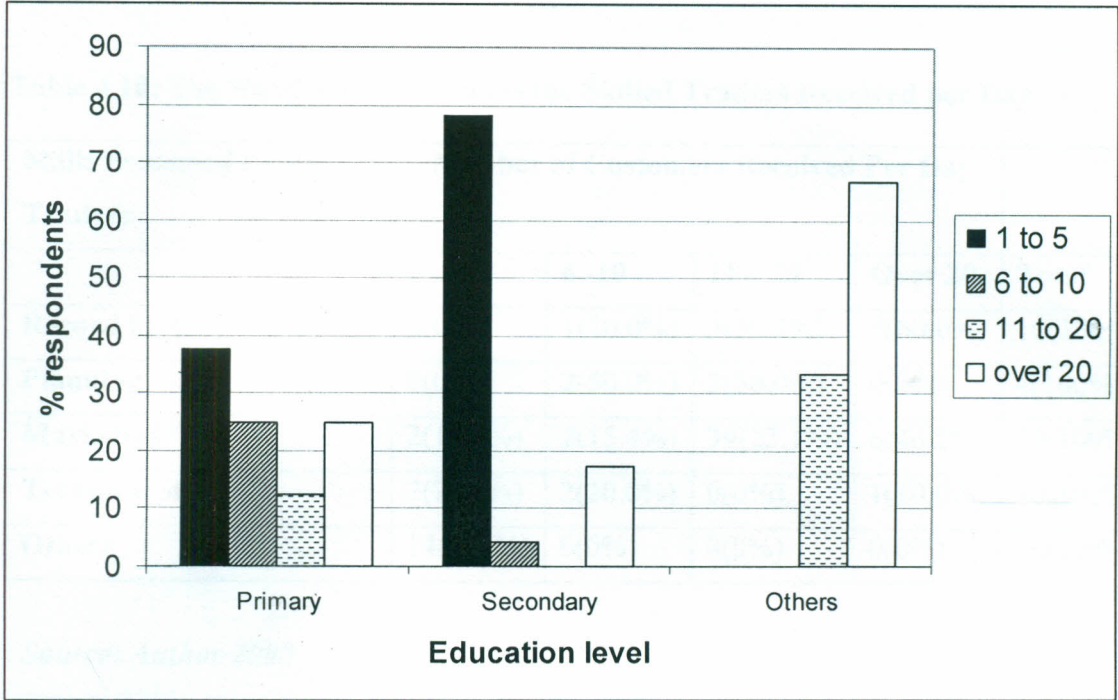


Figure 4.4: Number of Customers Received Per Day

The results further showed a significant relationship in the education levels with the way they maintained their customers, $r = 0.357$, $P < 0.05$. Majority of the respondents maintained their customers by offering fair prices and in some cases discounts.

The results indicated a strong relationship in skills possessed by the women entrepreneurs and the number of customers received per day, $r = 0.774$, $P < 0.05$. Women traders with record keeping skills received more customers per day than those with the other skills. This shows that training in the relevant field enabled the women entrepreneurs to offer quality and efficient services. However, the findings that some entrepreneurs did not have any type of training support McClelland's theory (1961) that they are born entrepreneurs who do not need any form of business training to become entrepreneurs.

*Table 4.10: The Number of Customers the Skilled Traders Received per Day

Skills Possessed by the Traders	Number of Customers Received Per Day				Total
	1 -5	6 -10	11 – 20	Over 20	
Record keeping	0(0%)	1(10.0%)	3(30.0%)	6(60.0%)	10(100%)
Planning	0(0%)	2(50.0%)	2(50.0%)	0(0%)	4(100%)
Marketing	2(15.4%)	2(15.4%)	39(23.1%)	6(46.2%)	13(100%)
Technical skills	7(70.0%)	2(20.0%)	0(0%)	1(10.0%)	10(100%)
Others	14(100%)	0(0%)	0(0%)	0(0%)	14(100%)

Source: Author 2008

4.3.2 Performance

The findings on business performance showed that women entrepreneurs' years of experience in business were positively related to the number of customers they received in per day, $r = 0.621$, $P < 0.05$. Those with more years of business experience tended to get more customers per day as compared to the women with fewer years. This study further revealed that, the most experienced traders tended to retain their customers through good customer relations.

Table 4.11: The Number of Customers Attended by the Women with Various Experiences

		Number of Customers				
		1 – 5 Customers	6 -10 Customers	11 – 20 Customers	Over 20 Customers	Total Respondents
Years of experience	Less than 1yrs	0	0	0	1	1
	1 – 2 yrs	0	1	0	0	1
	2 – 5yrs	2	1	0	4	7
	5 - 10yrs	0	1	1	2	4
	Over 10 years	19	0	0	1	20
Total respondents		21	3	1	8	33

Source: Author 2008

4.12: Mode of Getting Customers

		Mode			Total respondents
		Wait for passersby	Taking goods round	Other	
Years of experience	Less than 1 year	1	0	0	1
	1 – 2 yrs	0	0	1	1
	2 – 5yrs	6	1	0	7
	5 -10yrs	3	1	0	4
	Over 10 years	1	0	18	19
Total Respondents		11	2	19	32

Source: Author 2008

*4.4.0 Marketing

Business performance is measured by the number of regular customers received per day and the average amount they spend in the business. In each day, 43.1% (n = 26) of the business got 1 – 5 customers, 15.5% (n = 9) get 6 – 10 customers, 17.2% (n = 10) got 11 – 20 customers while 24.1% (n = 15) have more than 20 customers. On average 50.0% of the customers spent between Ksh. 30 – 50 each. 28.3% of the customers, however, spend over Ksh. 100 per day.

To get their customers, 52.6% (n = 30) of the businesses mainly waited for passersby, 8.8% (n = 5) take their goods round and only one business (1.8%), relied on the neighbors. The study established that, to maintain their customers, 36.0% (n = 18) of the respondents sold slightly cheaper than the others, 12.0% (n = 6) gave discounts, 52.0% (n = 26) and sold quality goods to maintain their customers. The women also sold fresh and good quality commodities at fair prices. In the last two weeks, the number of customers in a day had been 3 to 5 for 69.0% of the businesses, 6 to 10 customers per day for 5.2% of the respondents, less than two people in 13.8% of the businesses and above 10 customers for 12.1% of the businesses. The undercutting of prices created competition and resulted in less successful businesses closing down. In the literature review, it came out clearly that the SMEs hardly grew to maturity.

Table 4.13: Number of Customers per Day

Number	Frequency n = 60	Percentage respondents
1-5	26	43.1
6 - 10	9	15.5
11 - 20	10	17.5
More than 20	15	24.1

Source: Author 2008

Table 4.14: Customers Average Expenditure

Expenditure (Ksh)	Frequency n = 60	Percentage respondents
30 - 50	30	50
100	17	28.3
Missing numbers	13	21.7

Source: Author 2008

Source: Author 2008

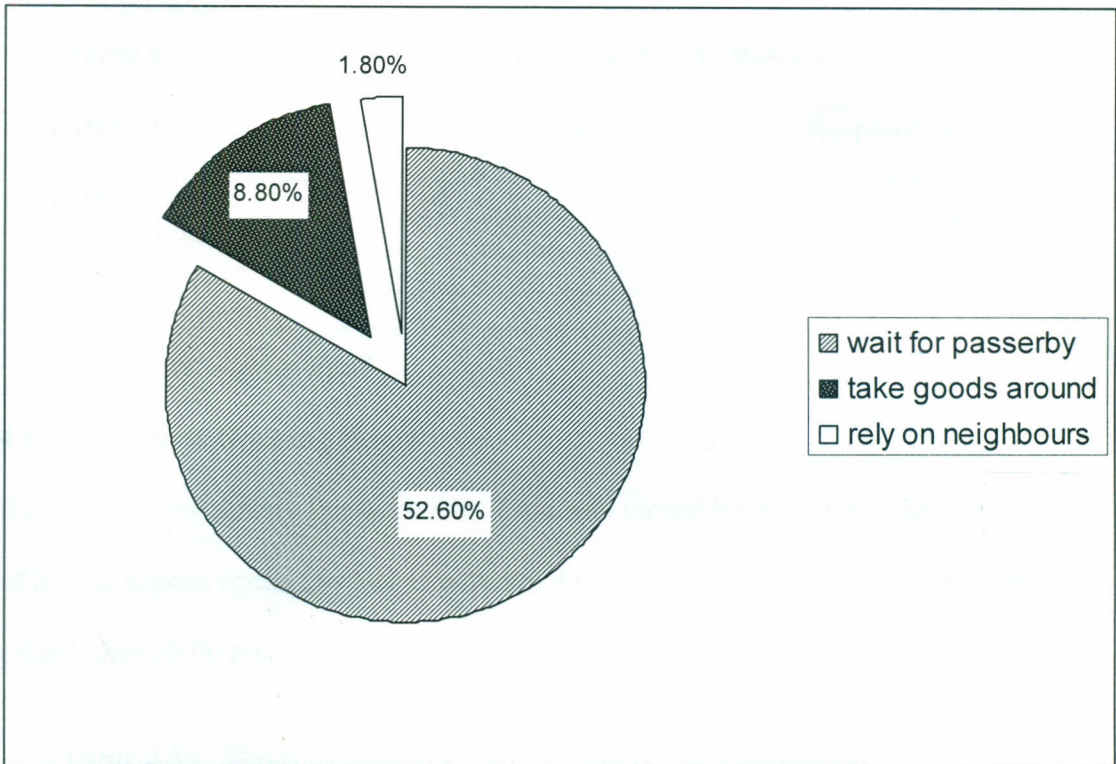


Figure 4.5: Operational Techniques Used by Businesses to Get Customers

4.4.1 Business Organization

Most respondents indicated that they purchased goods mainly from wholesalers 87.3% (n = 48), 10.9% (n = 6) from other retailers and one respondent (1.8%) got goods from other traders in their networks. To purchase their stock, 77.8% (n = 42) paid cash while 22.2% (n = 12) purchased goods on credit. Those who bought goods on credit had up to 1 week to repay.

Table 4.15: Duration of Credit Repayment by the Respondents

Duration of Repayment	No. of Respondents N = 17	% Age Respondents
Up to 1 week	10	58.8
Up to 2 weeks	1	5.9
Up to 1 month	3	17.6
Beyond 1 month	3	17.6

Source: Author 2008

4.4.2 Business Opening Hours

Businesses were mainly opened before 7 am. and closed before 7 pm. However, 12.5% of the businesses opened as late as between 9.00 am and 10.00am. Only 1 business, closed after 10.00 pm.

Table 4.16: Times of Opening and Closing of the Businesses.

	Time	No. of Respondents	(%)
Opening time	Before 7 am	31 (n = 56)	55.4
	Between 7 and 8 am	18 (n = 56)	32.1
	Between 9 am and 10.00am	7 (n = 56)	12.5
Closing times	Before 7 pm	26 (n = 57)	45.6
	Between 7 pm and 8 pm.	25 (n = 57)	43.9
	Between 9 pm. and 10.00pm.	5 (n = 57)	8.8
	After 10.00pm.	1 (n = 57)	1.8
Total		60	100

Source: Author 2008

It was established that, even though some of the businesses closed as late as 10.00pm, 41.8% (n = 23) of the businesses sold most in the morning and 36.4% (n = 20) sold most in the afternoon. Only 10.9% sold most of their items during lunchtime and in the evening.

The time of opening the business had a significant relation with the number of customers received in a day, $\chi^2 = 32.418$, $P < 0.05$. 67.7% (n = 21) of the businesses opening before 7.00 am got between 1 – 5 customers, 44.4% (n =8) of those opening between 7.00 and 8.00am received over 20 while 71.4% (n = 5) of the businesses opening between 9.00 and 10.00am only got between 11 – 20 customers. This showed that the best opening time for most businesses to get more customers was between 7.00am and 8.00am.

Table 4.17: Number of Customers Received per Day

	Customers Received per Day				Total	
	1-5	6-10	11-20	over 20 customers		
Time of opening business	Before 7 am	20	2	0	4	26
		76.9%	7.7%	.0%	15.4%	100.0%
	Between 7 and 8 am	1	0	2	4	7
		14.3%	.0%	28.6%	57.1%	100.0%
Total		21	2	2	8	33
		63.6%	6.1%	6.1%	24.2%	100.0%

Source: Author 2008

Table 4.18: Number of Customers Received in Various Opening Hours

Time of Opening	Number of Customers Received				Total
	1 - 5	6 - 10	11 - 20	Over 20	
Before 7.00 am	67.7% (n = 21)				31
Between 7.00 and 8.00am				44.4% (n = 25)	56
9.00 and 10.00 am			71.4% (n = 40)		56

Source: Author 2008

4.4.3 Profit from Business

Profits received by the business exemplify how well the business was doing. Results from this study established a significant effect of skills possessed by the women on the profit made from the businesses, $\chi^2 = 38.262$, $P < 0.05$. 66.7% (n = 6) of the women keeping records, 50% (n = 1) those with planning skills, 76.9% (n = 10) with marketing skills and 22.2% (n = 2) having technical skills made an average of Ksh.150 profits per day.

Table 4.19: Profits Made Against Skills Possessed

	Skills possessed				Total
	Record keeping	Marketing	Technical skills	Others	
Profit made per day upto ksh.50	0	0	2	0	2
	.0%	.0%	100.0%	.0%	100.0%
Ksh.50 - 75	0	0	6	22	28
	.0%	.0%	21.4%	78.6%	100.0%
Over ksh.150	12	6	0	0	18
	66.7%	33.3%	.0%	.0%	100.0%
Total	12	6	8	22	48
	25.0%	12.5%	16.7%	45.8%	100.0%

Source: Author 2008

Source: Author 2008

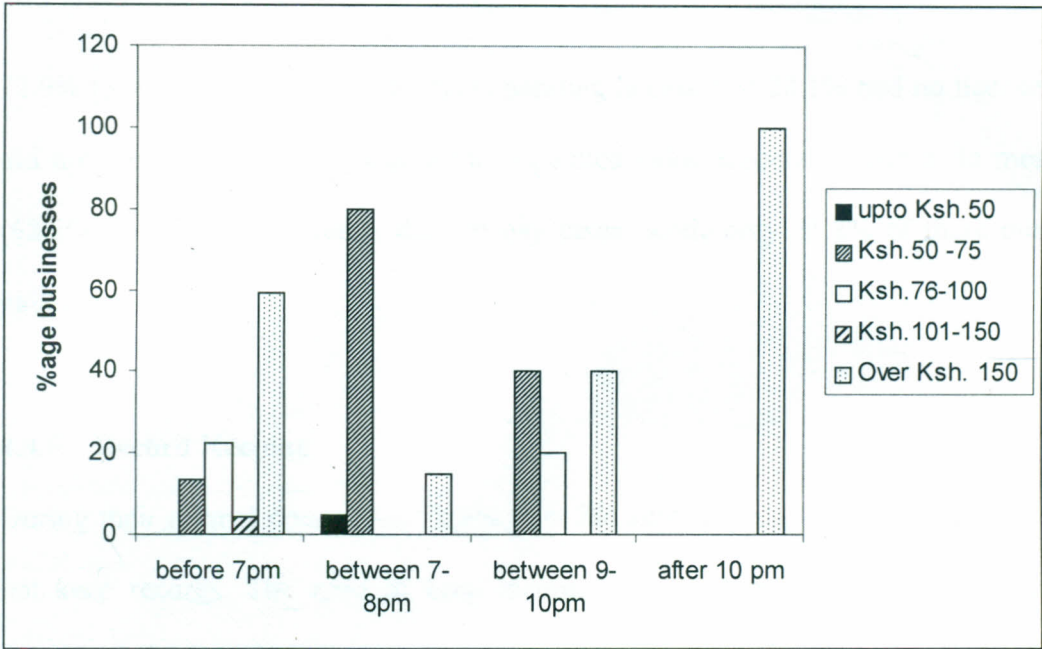


Figure 4.6: The Profits Got by the Businesses Closing at Different Times

Major constraints faced by the businesses were insufficient finances and lack of marketing skills, 48.9% (n = 22) and 13.3% (n = 6) respectively. Keeping records was noted to be important factor in business. 50.0% (n = 13) Of the businesses where records are properly kept made profits of over Ksh.150 each day were realized.

4.4.4 Savings From the Businesses

The findings showed that women maintained some savings, 81.8% (n = 45) of these businesses saved and had personal savings accounts. Those without savings account saved by keeping their money at home or through merry-go-round with the other businesswomen. Most of these accounts 79.5% (n = 35) were opened long after the

Source: Author 2008

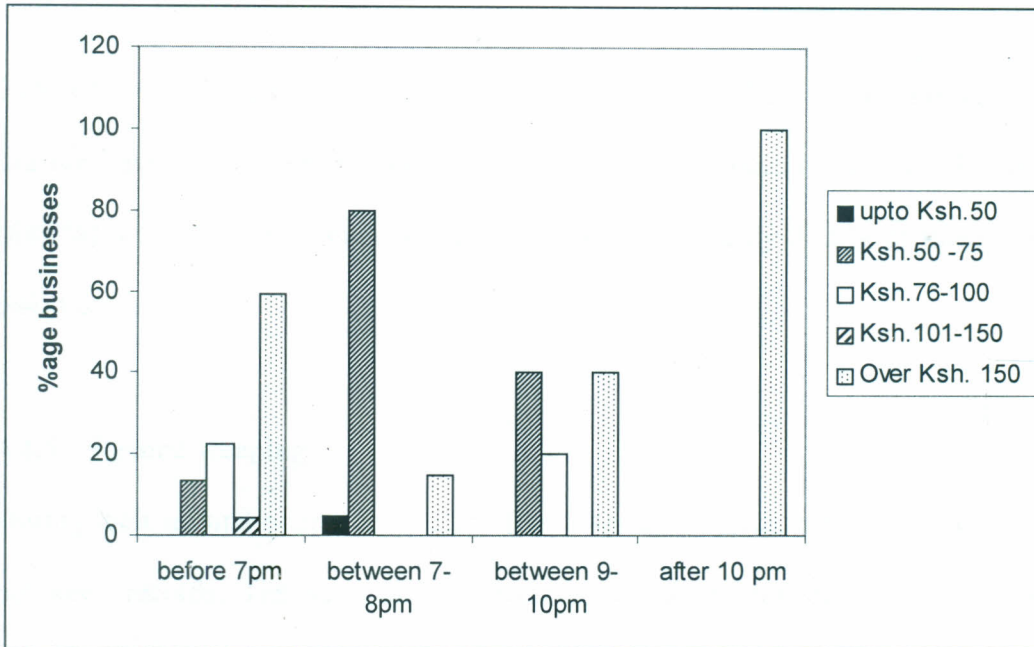


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business developed. However, 9.1%(n = 4) and 11.4% (n = 5) were opened before and at the time of opening the business respectively.

71.9% (n = 41) of the businesses had operating license and 28.1% had no licenses. They did not have the licenses because they operated using association name. In most cases (68.2%), of the entrepreneurs did not pay taxes, while only 31.8% of these businesses paid taxes.

4.4.5 Record Keeping

During their normal operations, 71.8% (n = 28) kept records, while 28.2% (n = 11) did not keep records. The need to keep records was seen immediately the business was opened and after employment of an extra one person. Keeping records enabled the women to know when they made profit or loss and to know when to replenish the stock. It was noted that the women would like to acquire skills of keeping records. 56.8% (n = 21) of the businesses had not received any support service where as 43.2% had been supported mainly by their market associations, 'Faulu Kenya' Ltd., K – Rep. Bank and 'Tujijenge Women Group'.

4.4.6 Business Assets

Most businesses started with mainly furniture and fittings as their fixed assets. 16.7% (n = 7) had buildings and 4.3% (n = 2) had machinery and equipments at the start. 52.0% (n = 13) of them started with fixed assets of about Ksh.5000. Today, 56.7% (n = 17) of the businesses had furniture and fittings and 23.3% (n = 7) had buildings.

Table 4.20: Number of Businesses with Fixed Assets at the Start and Today

Fixed Assets	No. of Business With the Asset at the Start	No. of Business With the Asset at Current Period
Land	0	3
Machinery and equipments	2	3
Buildings	7	7
Furniture and fittings	16	17

Source: Author 2008

There were no businesses indicating to have had land at the start of businesses whereas at the current state businesses had land. This showed an improvement in the business performance. The estimated value of the fixed assets at the beginning and at present showed that, there was a strong positive relationship in the number of businesses assets at the start with current state $r = 0.577$, $P < 0.05$. Businesses showed an improvement in their fixed assets.

Table 4.21: Number of Businesses with Fixed Assets Valued at the Start and Current State

Estimated Value of Fixed Assets	No. of Business With the Value of Assets at the Start	No. of Business With the Value of Assets Currently
Up to Ksh. 5,000	13	9
Ksh. 6,000 – 10,000	4	6
Ksh. 11000 – 20,000	7	9
Over Ksh. 20,000	1	1

Source: Author 2008

The number of businesses with stock of up to Ksh.5, 000 reduced from 11 to 3 businesses while those who started with Ksh.20, 000 increased from 4 at the start to 14 businesses currently.

Table 4.22: Number of Businesses with Stock Valued at the Start and Current State

Estimated Value of Fixed Assets	No. of Business With the Value of Stock at the Start	No. of Business With the Value of Stock Today
Up to Ksh. 5,000	11	3
Ksh. 6,000 – 10,000	3	7
Ksh. 11000 – 20,000	7	5
Over Ksh. 20,000	4	14

Source: Author 2008

Some of the businesses had up to between 3 –5 employees. 61.5% (n = 32) had up to 2 employees, 23.1% (n = 12) had no employee and 15.4% (n = 8) had 3 – 5 employees. Those businesses without employees had families as volunteers and were run as a family business. Even though they had fewer employees, 80.6% (n = 29) did not need more staff.

On average, most businesses, 53.8% (n = 28), made sales of Ksh.200 – 300, 40.4% (n = 21) sell Ksh.100 – 200 and 5.8% (n = 3) up to Ksh.100 per day. From the sales made, 42.9% (n = 21) of the businesses made profit of Ksh.50 – 75 each day.

Table 4.23: Profit Made From the Businesses per Day

Profit in Ksh. Per day	Number of businesses n = 49	Frequency of respondents 100%
Up to Ksh.50	1	2
Ksh.50 – 75	21	42.9
Ksh.75 – 100	6	12.2
Ksh.101 – 150	1	2
Over Ksh.150	20	40.8

Source: Author 2008

In 55.4% of these businesses, the owners did not draw any salaries from the businesses. Majority of the businesses, 27.3%, drew salaries of up to Ksh.50 per day. 36.4% allocated themselves salaries of Ksh.50 – 100 per day. This study established that 74.5% (n = 38) of the businesses had not made any investment from their returns. Merely 25.5% of these businesses sampled had invested from their returns. The major challenge faced by the businesses was mainly “insufficient finances”.

Source: Author 2008

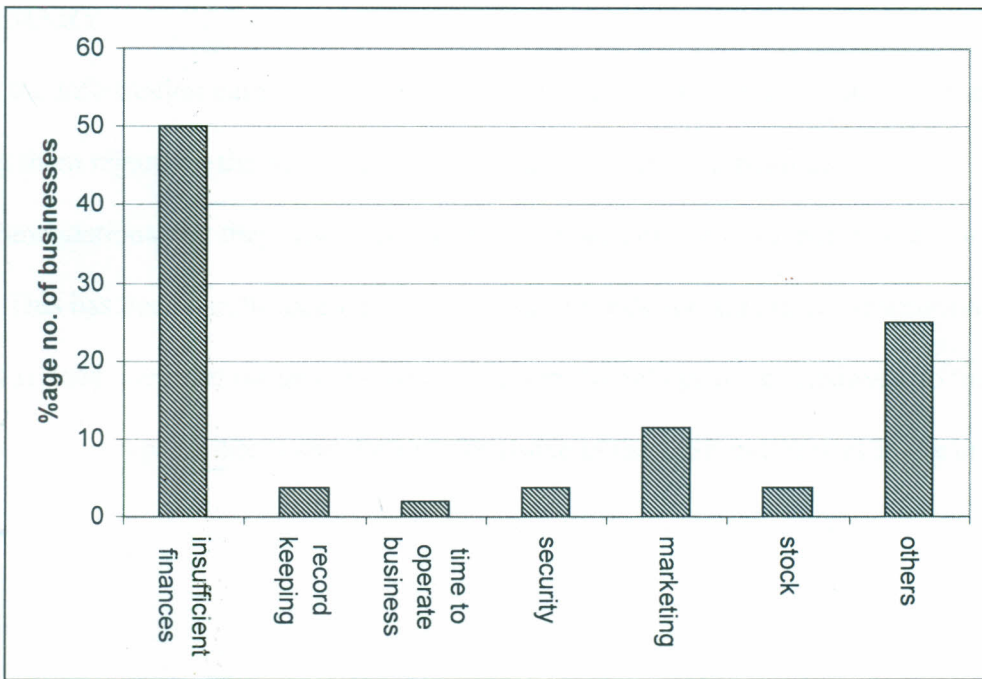


Figure 4.7: Number of Businesses Facing the Constraints in their Operations

4.4.7 Entrepreneurs Long Term Objectives

When asked what the entrepreneurs long-term objectives for the businesses were, they responded: to expand the business and make it commercial, to become a wholesaler,

change the business, manage and maintain the business in order to make profit, save and open up a bigger shop, open other branches and save and buy a piece of land.

4.4.8 Respondents' Recommendations

When operating a business, the women entrepreneurs recommended that, one should not give up and loose hope even during times of losses, there is a need to train on how to run a business, it is necessary to keep records and that to succeed, it is important to work harder to achieve the objectives

SUMMARY

From the information gathered from the MSE women entrepreneurs on the challenges facing them regarding the small size of businesses, it is evident from their recommendations that they would like to see their business grow to maturity, and even in size. This has been handicapped mainly by lack of funds and supportive institutions. There is need therefore for gender-specific policies to help provide sensitivity to the needs of female participants and their performance in the MSE enterprises in the urban areas.

CHAPTER FIVE

5.0 SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The purpose of this study was to investigate the factors that affect the growth of micro-small women enterprises in three selected markets in Nairobi. The markets were purposively selected in view of their vicinity to Nairobi city. The 60 women micro-small entrepreneurs were randomly sampled amongst the women associations. The women entrepreneurs exhibited similar characteristics and the findings from sample represented the larger population of women entrepreneurs. The research was carried out through physical visits to the entrepreneurs premises, face to face interviews and filling of questionnaires.

5.2 Summary

5.2.1 Demographic Characteristics of Women SME Entrepreneurs

Most women who carried out the MSE businesses as a sole source of income and only few did business to supplement their incomes. The women ages were mainly in the 24 to 55 years. Most of them were in steady marriages. Half of the sampled women had secondary education. The number of children ranged from two to three with a very small number having more than three children. The level of education showed an inverse relationship of the number of children a woman had. Higher educated women had fewer children. The research showed that the senior women in age had done business for a long time being more than five years.

5.2.2 Women Participation in Business: Motivating Factors

Generally the economic crisis has led to many household difficulties in the families, especially in the urban areas. The declining real wages and inflation coupled with structural adjustment policies reflect a difficult position in Kenya. The rising costs of consumer items in the country and subsequent widening gap between incomes and expenditure has necessitated the need to close the gap through sideline incomes. This crisis has been greater on women who are the main breadwinners, making it an eye opener for women to take up income generating activities. The SMEs have an easy entry and exit characteristic, hence the reason for majority of the women venturing in them. The start-up capital is small and there are minimum legal formalities. A number of the entrepreneurs were able to start their businesses with their own savings. Majority of the women operate business along their familial responsibilities and the fact that they could operate within their homestead is an advantage to them. Inevitably, their investment has been on horizontally growing sectors rather than on those activities with vertical growth potential. Women have therefore not exploited the advantages of specialization. Enabling the women entrepreneurs will go a long way in alleviating poverty in the country by generating meaningful employment for them, considering that they are the majority in the Kenyan population.

5.2.3 Factors Affecting Growth of Women MSEs

The findings showed that limited finances were the main hindrance to business growth. Most respondents said that financing limited the growth of their businesses. The MSE financing was by a variety of “merry-go-rounds” and rotating saving credit associations.

services. However, some entrepreneurs performed well from experience in the business. This is supported by McClelland's theory (1961) that there are born entrepreneurs who do not need any form of business training to become entrepreneurs. The previous jobs did not have any significant relationship in carrying out business; probably due to lack of skills, which would be relevant in the current business. This means the entrepreneurs should therefore be equipped with necessary skills, to be able to develop business information schedule. The research showed that women with some type of training are better entrepreneurs and training programmes should be developed and facilitated at all levels and in specific fields.

5.3 Conclusions

After the study and analysis of data collected, the researcher arrived at the conclusions that women owned small micro enterprises are faced with challenges which inhibit their growth. Most women were ignorant of credit sources and procedures of accessing credit. Many credit organizations require references and collateral security to facilitate credit, which the women entrepreneurs lacked. The women entrepreneurs hardly kept reliable records to support their possibility of growth from start up. Coupled with lack of minimal training in business skills, the women could not attract capital accessibility in their present status. On the other hand some credit organizations normally are reluctant to give credit to women entrepreneurs, due to negative and institutionalized attitudes that discriminate against women. The women then supported one another through merry-go-rounds.

The poor social and economic backgrounds of the women entrepreneurs also handicapped their business growth. The women were satisfied with feeding the family and the cyclical routine of survival continued where they hardly re-invested back to expand their businesses. Training and education in business related fields could make women better entrepreneurs since the women with some training were doing better than their counterparts. Social cultural outlook and share of household workload, limited the ability of women entrepreneurs to fully participate in business. Their divided attention therefore inhibited their business growth.

The other challenges affecting the growth of women entrepreneurships included: poor communication network, lack of supportive services, legal policies, poor business sites, high transport costs, etc. However, women are a source of economic development whose efforts if tapped can make a remarkable difference in the economic growth and offer employment opportunities.

5.4 Recommendations

Most of the respondents in the MSE sector started their business out of necessity – there were no employment alternatives – rather than because of the opportunity they perceived in doing so. Promotion of women entrepreneurship is daunting and when one talks about a woman entrepreneur, the image goes to the woman selling vegetables in the market. The woman entrepreneur has experienced stigmatization in Kenyan society. Women are viewed negatively by society and are not expected to succeed on their own without male assistance. Challenging these stereotypes is an important starting point for creating a

more favorable environment for women entrepreneurs. A strategy of promoting women's entrepreneurship should adopt objectives such as: -

- To increase the level of visibility of women as entrepreneurs and the role their collective and individual enterprises play in the economy.
- To promote credible role models as a way of inspiring other women to pursue entrepreneurship as an employment/career option, as well as the growth potential of their existing enterprises, and to recognize the contributions of individual women entrepreneurs; and
- To create awareness of the barriers faced by women entrepreneurs in the process of starting and growing enterprises and the strategies required in overcoming them.

The strategy to promote entrepreneurship among, and in favor of women, should be done within the context of fostering a stronger entrepreneurial culture in the country as a whole.

The government should put in place a mechanism of delivering the policies in support of women MSEs, for example the establishment of department of Women Affairs as a focal point/office to handle Women's Enterprise Development, (WED). The works undertaken within the Ministry of Labour Human Resource Development (MLHRD) and other Ministries may not do it effectively in the absence of a focal point. The government should put in place an integrated framework for support of women in MSE 'vis a vis' policy/programme co-ordination and leadership, promotion, access to credit, entrepreneurship training, business support and information, associations and networks

and research. This will necessitate the need for conducting location – specific resource and market surveys. The surveys will assist in identification of specific needs.

The government should also set up programmes that will inspire women to pursue entrepreneurship as a viable and feasible include option. This would include production of multi-media success profiles of women at various stages of enterprise development, a high profile of “women entrepreneur of the year awards” and recognition programmes, video documentaries on the nature of women’s entrepreneurship, and organization of regional and national conferences on and for women entrepreneurs.

Financing women owned MSEs is a major challenge. Financial institutions operate inadequate funding as well as funding capacity. There is need for new mechanisms to release more capital to women entrepreneurs and to respond better to their growth needs. The government should establish a Women Entrepreneurs Fund Programme with a view to having a Kenya Women’s Bank. A mechanism to work with existing financial institutions through loan guarantee facility should be established targeting women with growth firms.

The women associations should also be encouraged to grow to National membership and register with other networks for a wider market niche. Merry-go-round level is limiting in finances, business experiences and know-how. Unification of MSEs facilitates an institutional framework for a government - Private sector partnership. The women’s entrepreneur associations will also form a channel for provision of business support and

information to women entrepreneurs. To obtain continuous information on business performance, there is need to engage in comprehensive research in MSE sector, as a source of information for policy action, to create awareness of this segment.

5.5 Recommendations for Further Study

There are a number of serious gaps in the state of knowledge about women entrepreneurial ability in Kenya. The available data is limited on the number, make-up, size and economic/social contributions of women in MSE. The data is lacking in information on business entry, survival and growth rates. There is also no comprehensive demographic profiling on women who own enterprises or on the enterprises they own. Lack of such data made it difficult to get started and made it expensive where physical visits to markets had to be made to sample some respondents.

The study dealt with factors affecting the growth of women-owned small-micro enterprises in selected markets in Nairobi. A comparative study in a rural set up would give overall effect index. This would shed light as to whether factors affecting growth of MSE in the urban sector are the same as those in the rural sector. A comparative study of factors affecting the growth of women and men MSEs in the two sectors could also indicate the level of participation of women MSEs in the economy. Further research is necessary on the women MSEs both to inform policy actions and create awareness of this segment among donor groups, service providers and the public at large.

There were limitations to the study where respondents failed to turn up on an agreed day, due to other commitments. Caution had to be exercised not to push for more information than they were willing to give. The women also felt the knowledge was not beneficial to them. There is need for mutual understanding between the researcher and the respondents for better results. In this research, the monetary figures are within tens, hundreds and thousands; in some cases they could have been more than this, but due to the sensitivity of personal earnings the researcher and respondents had to agree on minimal working figures, as actual earnings are held secret.

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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION

Rachel Njeri Karanja
Kenyatta University
Department of Business Administration
P.O. Box 43844
NAIROBI.

Dear Respondent,

RE: A QUESTIONNAIRE ON INVESTIGATION INTO THE FACTORS AFFECTING THE GROWTH OF WOMEN-OWNED MICRO AND SMALL ENTERPRISES IN KENYA

I am a postgraduate student in the department of Business Administration at Kenyatta University. I am carrying out a study on the **“Factors Affecting the Growth of Women-Owned Micro and Small Enterprises in Kenya”**.

The purpose of the research is to gather information that will be important for the promotion of women entrepreneurs in Kenya. I will be grateful if you answer the questionnaire and also share your experiences with me. Your responses will be kept in confidence, and will be used only for the purpose of the study.

Kindly complete all sections of the questionnaire. Please do not indicate your name on the questionnaire.

Thank you.

Yours faithfully

Rachel N. Karanja

APPENDIX II: QUESTIONNAIRE

This questionnaire seeks to survey the responses of women who are micro and small enterprises in Nairobi (Wakulima, Gikomba and Kangemi) markets. The women trading in the above markets will be interviewed. This information in this questionnaire will be treated confidentially and will be used only for academic purposes..

Date of Interview _____

Name of Enumerator _____

Area of Enumeration _____

Location: _____

SECTION A: BACKGROUND INFORMATION ON THE INTERVIEWEE

Name (optional).....

Age: Marital Status [Married, Single, Divorced, Widowed]

Level of education attained: Primary Secondary Others

No. of children Other dependants

Where do you carry out your business? Gikomba [] Kangemi [] Wakulima []

How long have you done business?

0-1 [] 1-2 [] 2-3 [] 3-4 [] 4-5 [] Over 5 years []

Others specify

SECTION B: BUSINESS INFORMATION

1. What type of business do you operate?
Retail [] Wholesale [] Hawking []

2. How many years of business experience do you have?
Less than one year [] 1-2 years [] 2 yrs – 5 yrs [] 5 yrs – 10 yrs []
Over 10 years []

3. For how long have you operated this current business?
Less than one year [] 1-2 years [] 2 yrs – 5 yrs [] 5 yrs – 10 yrs []
Over 10 years []

4. Why did you venture into this business?
To supplement income [] was not employed [] As a hobby []

5. What is the mode of payment of the products you sell in your groceries?
Cash [] Credit [] Others []

6. Do you experience problems in carrying out your business? Yes [] No []
If the answer above is yes, please specify
.....

- 7(a) How much capital did you start this business with?
Ksh less than 2000 [] Ksh.2000-5000 [], Ksh.5001-10,000 [] over 10000.

- (b) Where did you get the money to start?
Own savings [] Borrowed from friend/relatives []
Borrowed from a financial institute [] Others (please specify)
.....

(c) How much did you borrow? Ksh less than 2000 [] Ksh.2000-5000 []
Ksh.5001 – 10000 [] over 10000.

(d) Did you repay the loan in full? Yes [] No []

If No, Why

If yes, what was the grace period what was the interest rate..... How

long did you repay the loan? 6months – 1 year [] 1 year [] 2 years []

3 years [] Any other please specify

(e) Have you taken any other loan since then? Yes [] No []

If yes, was it a bigger loan than the previous one? Yes [] No []

SECTION C: SKILLS

8 (a) What kind of skills do you require to run your business?

Record keeping [] Planning [] Marketing []

Technical skills (e.g. tailoring, hairdressing) []

Others []

(b) Which one of the above skills do you possess?

Record keeping [] Planning [] Marketing []

Technical skills (e.g. tailoring, hairdressing) []

Others []

9. Have you attended any other professional course? Yes [] No []

10 (a) Are you satisfied with the skills you acquired? Yes [] No []

(b) How long did you take to acquire the above skills

1 week [] 2-3 weeks [] 1 month [] 1-2 months []

Over 2 months [] Any other -----

(c) What areas did you cover?

The Entrepreneur and Entrepreneurship []

Business Planning [] Finance and Record Keeping []

Organization []

11. What other skills do you feel deficient in?

SECTION D: BUSINESS PERFORMANCE

Marketing

12. How many customers do you get per day?

1-5 customers [] 6-10 customers [] 11-20 customers []

Over 20 customers []

13. On average, how much does one customer spend?

Upto Ksh. 10 [] Ksh.11-30 [] Ksh.30-50 []

Kshs. 51-100 [] over Kshs.100 []

14 (a) How do you get your customers?

Rely on neighbour's [] Wait for passerby's []

Taking my goods round [] Any other

(b) How do you maintain your customers?

Give them discounts [] Sell slightly cheaper than the others []

Other gifts []

Others

15. In the last two weeks, how many new regular customers have you had in a day?

Below 2 [] 3-5 [] 6-10 [] Above 10 []

Business Organization

16. Where do you obtain your goods?

From wholesalers []

From other retailers/hawkers []

Others []

Please (specify)

17. How do you buy your stock? In cash [] On credit []

If on credit, what is the duration of repayment?

Upto one week [] Upto two weeks []

Upto one month [] Beyond one month []

18(a) What time do you open your business?

Before 7 am [] Between 7 am and 8 am []

Between 9 am and 10.00 a.m. [] After 10 am [] In the evening []

(b) What time do you close?

Before 7.00 p.m. [] Between 7p.m. and 8 p.m. []

Between 9 p.m. and 10.00 p.m. [] After 10.00 p.m.

(c) When do you sell most?

Morning [] Lunch time [] Afternoon [] Evening []

19(a) Do you have a Personal/ business savings account? Yes [] No []

If no, how do you save?

(b) At what stage did you open your account?

Before starting the business [] Shortly after opening the business []

Long after the business developed []

When I needed to source for funds []

20. Do you have operating licenses? Yes [] No []

If yes, which ones

When did you obtain them

If No, Why?

21. Do you pay any taxes? Yes [] No []

Record Keeping

22(a) Do you keep business records? Yes [] No []

If yes, when did you start keeping records?

What effect has keeping of records brought in your business?

.....

If not, would you like to acquire skills of keeping records? Yes [] No []

(b) Have you received any support service? Yes [] No []

If yes, give the name of the organization

Business Assets

23(a) Which fixed asset, did your business start with?

Machinery and equipment [] Buildings [] Furniture and fittings [] None []

What was the estimated value of these assets?

Upto Ksh.5,000 [] 6000 to 10000 [] 11,000 to 20,000 [] over 20,000 []

What was the value of stock then?

Upto Ksh.5,000 [] 6000 to 10000 [] 11,000 to 20,000 [] over 20,000 []

(b) Which fixed asset does your business have now?

Land [] Machinery and Equipment [] Buildings []
Furniture and fittings []

What is the estimated value of these assets now?

Upto Ksh.5,000 [] 6000 to 10,000 [] 11,000 to 20000 [] over 20,000

What is the value of your current stock?

Upto Ksh.5,000 [] 6000 to 10,000 [] 11,000 to 20,000 [] over 20,000 []

24(a) How many employees do you have?

None [] Upto 2 [] 3-5 [] 6-10 [] Above 10 []

If none, why?

If you have some employees, would you need more? Yes [] No []

(b) On average how much sales do you make per day?

Upto Kshs. 100 [] Kshs. 100-200 [] Kshs. 200-300 []

On average how much profit do you make per day?

Upto Kshs. 50 [] Kshs. 50-75 [] Kshs. 75-100 []

✓ Ksh.101-150 [] Over Ksh.150 []

(c) Do you draw any salary from your business? No [] Yes []

If your answer is yes, how much per day?

Upto Kshs. 50 [] Kshs. 50-75 [] Kshs. 75-100 []

Ksh.101-150 [] Over Ksh.150 []

(d) Have you made some investments from your business returns? Yes [] No []

If your answer is yes, please specify

.....

25. What constraints/challenges do you face in your business operations

Insufficient finances [] Record keeping [] Time to operate business []

Security [] Marketing [] Stock [] Others (specify).....

26.(a) What are your long-term objectives for yourself?

.....
.....

(b) What are your long-term objectives for your business?

.....
.....

27. What recommendations do you have on business operations in future?

.....
.....

APPENDIX III: WORKPLAN/TIME SCHEDULE

Calendar 2008

Activity /Time	August	September	October	November
Pilot study				
Field data collection				
Data coding and editing				
Data analysis				
Report writing				
Submission of effort				

APPENDIX IV: BUDGET

PROPOSAL

ITEM	UNIT COST	QUANTITIES	TOTAL COST
Reams of Paper	300	2	600
Typing & Printing	30	60	1,800
Photocopying	3.00	360	1,080
Binding	60	6	360
SUB-TOTAL			3,840

PROJECT

Transport			13,000
Editing /printing/Photocopying			10,000
Report binding	600	10	6,000
Meals and entertainment			7,000
Miscellaneous			3,000
SUB-TOTAL			39,000
GRAND TOTAL			42,840

APPENDIX V

A LIST OF MICRO-SMALL WOMEN ENTREPRENEURS WHO BELONG TO WOMEN ASSOCIATIONS FROM THREE SELECTED MARKETS IN NAIROBI.

KANGEMI HARAMBEE MARKET

	NAME	ITEMS SOLD
1.	Lucy Wambui Kiiri	Clothes
2.	Lucy Wanjiru Wachira	Clothes
3.	Jane Muthoni Wachira	Clothes
4.	Salome Wanjiru Ngaruya	Tomatoes
5.	Trigger Kali Julius	Clothes
6.	Hannah Njeri Nganga	Clothes
7.	Lucy Waithira Kamau	Green Vegetables
8.	Esther Nyaguthii	Potatoes
9.	Mary B. Machani	Potatoes
10.	Rose Amagome Juma	Vegetables
11.	Hannah Wanjiru Muthara	Cereals
12.	Eddah Wanjiru Karanja	Clothes
13.	Alice Waringa Mathara	Clothes
14.	Sabina Njambi Chege	Tomatoes
15.	Consolata Nduta Mwangi	Tomatoes
16.	Sarah Nyambura	Tomatoes
17.	Nancy Wanjiru Mwaura	Tomatoes
18.	Selina Atieno Amano	tomatoes
19.	Esther Jeptoo	Onions
20.	Christine N. Kithuku	Totatoes
21.	Salome Wanjiru	Clothes
22.	Eunice Jumba Malongo	Bananas
23.	Elizabeth Muthoni Njuguna	Bananas
24.	Hannah Wambui Wainaina	Bananas
25.	Jedidah Mugure	Clothes
26.	Monicah Wanjiku	Clothes
27.	Serah Waithiru John	Clothes
28.	Joyce Wambui Nderi	Clothes
29.	Lucy Nyambura	Clothes

30.	Jane Wambui	Clothes
31.	Joyce Waitherero	Clothes
32.	Alice Muthoni	Clothes
33.	Anne Wamahiga	Cereals
34.	Jane Njeri	Tomatoes
35.	Margaret Wangari	Vegetables
36.	Lucy Wangui Mwaniki	Potatoes
37.	Mary Wangari Mburu	Potatoes
38.	Sarah Kimuto	Potatoes
39.	Ruth Lulia	Potatoes
40.	Beth Wanjiru	Clothes
41.	Mary Gichuru	Clothes
42.	Monicah Waithira	Tomatoes
43.	Mary Wayiea	Cereals
44.	Alice Njeri Maina	Cereals
45.	Rachel Wambui Komu	Cereals
46.	Jane Njeri Nganga	Cereals
47.	Martha Wangari Kamau	Cereals
48.	Janet Wamaitha Kungu	Tomatoes
49.	Mary Muthoni	Tomatoes
50.	Nancy Wanjiku Ngaruya	Tomatoes
51.	Margaret Waigoko Maina	Household Utensils
52.	Joyce Muthoni Njenga	Tomatoes
53.	Jane Wangeci Komu	Tomatoes
54.	Jane Wanjiru Kamau	Tomatoes
55.	Margaret WanjikuMbatia	Potatoes
56.	Irene Wanjiku Kariuki	Cereals
57.	Serah Wanjiru Njenga	Clothes
58.	Lydia Wamburi Githuhi	Clothes
59.	Mary Nyokabi Migwi	Clothes
60.	Anastacia Waiyua	Clothes
61.	Faith Wanjiku	Tailoring Clothes
62.	Jane Nyakio Ndungu	Clothes
63.	Mary Nyamburu Erick	Clothes
64.	Belita Peter Muya	Clothes
65.	Lucy Njeri Kaigua	Clothes
66.	Rachael Wambui Kamau	Clothes
67.	Salome Wanjiru Kungu	Tomatoes
68.	Lucy Njeri Kaigura	Tomatoes
69.	Jane Nyambura Kariri	Tomatoes
70.	Lucy Waithira Kamau	Tomatoes
71.	Peris Wanjiku George	Tomatoes
72.	Jancinta Wangechi	Tomatoes
73.	Agnes Kimuto Ongote	Tomatoes
74.	Beatrice Njoki Maina	Tomatoes

75.	Janet M. Muhonja	Salon
76.	Susan Njeri Chege	Salon
77.	Julia Waithira Kihanya	Salon
78.	Esther Nyaguthii	Green Vegetables
79.	Nancy W. Mwaura	Green Vegetables
80.	Hannah Njeri Ndungu	Tomatoes
81.	Margaret Wambui Kimani	Clothes
82.	Secundah W. Muongi	Tomatoes
83.	Lucy Wanjiku Wachira	Clothes
84.	Christine Nduku Kithuku	Clothes
85.	Nkaabu M. Muriuki	Tomatoes
86.	Selina Atieno Odhiambo	Tomatoes
87.	Consolata Nduta Migwi	Clothes
88.	Jane Wanjiku Migwi	Clothes
89.	Serah Nyambura	Clothes
90.	Alice Warigia Kungu	Clothes
91.	Eddah Wambui Kienja	Clothes
92.	Monicah Wanjiku David	Salon
93.	Elizabeth Muthoni Njau	Salon
94.	Rachel Wambui Kariuki	Cereals
95.	Anne Merisa	Clothes
96.	Elizabeth Muthoni Kungu	Clothes
97.	Margaret Wangu	Salon
98.	Joy Njambi	Grocery
99.	Dorcas Wangari	Vegetables
100.	Lucy Kanana	Dry Cereals

GIKOMBA MARKET

S/NO	NAME	TYPE OF BUSINESS
1.	Florence Kagotho	Grocery
2.	Esther Ngethe	Service
3.	Charity Mathenge	Potatoes
4.	Esther Githua	Upholstery
5.	Ann Karanja	Potatoes
6.	Regina Kimita	Hardware
7.	Jane Thuku	Paints
8.	Millania Wanjira	Upholstery
9.	Catherine Kahure	Greens/vegetables
10.	Hannah Kimani	Upholstery
11.	Muringi Mwai	Hardware
12.	Ann Muringe	Upholstery
13.	Violet Njoroge	Vegetables
14.	Salome Waithira	Vegetables
15.	Salome Wangui	Vegetables
16.	Florence Ngang'a	Tomatoes
17.	Gladys Gathoni	Vegetables
18.	Winfred Gitau	Upholstery
19.	Jane Mwangi	Materials
20.	Wandia Gachugi	Maize
21.	Jane Gachambi	Bananas
22.	Teresa Ngigi	Chicken
23.	Elizabeth Wachira	Oranges
24.	Lydia Mwai	Mangoes
25.	Esther Muhito	Maize
26.	Alice Miring'o	Hardware
27.	Jane Muigai	Grocery
28.	Wangui Gichuki	Oranges
29.	Mary Wairimu	Cabbages
30.	Wairimu Gitumbi	Upholstery
31.	Naccisir Wanjiru	Furniture
32.	Wanjiru Muchiri	Maize
33.	Murugi Muturi	Hardware
34.	Wahito Gacheru	Bananas
35.	Monicah Njoroge	Maize
36.	Esther Wakarima	Upholstery
37.	Rose Wairimu	Tomatoes
38.	Zipporah Nduta	Maize
39.	Roseline Njeri	Maize
40.	Agnes Njeri	Maize

41.	Margaret Wanjiru	Maize
42.	Mary Wairimu	Maize
43.	Margaret Njoki	Maize
44.	Hottenesin Waithira	Maize
45.	Mary Nduta	Beans
46.	Elizabeth Wamaitha	Beans
47.	Nancy Nyambura	Hotel Service
48.	Esther Mwihaki	Maize
49.	Joyce Wambui	Salon
50.	Grace Njeri	Tailor
51.	Tabithah Njoroge	Cabbages
52.	Julian Njeri	Oranges
53.	Joyce Njoroge	Bananas
54.	Esther Kioi	Potatoes
55.	Jane Nduti	Maize
56.	Esther Wangui	Maize
57.	Mary Kabecha	Vegetables
58.	Juliah Wanjiru	Vegetables
59.	Rose Muthoni	Hardware
60.	Muthoni Kingori	Upholstery
61.	Purity Kabare	Tomatoes
62.	Mumbi Maina	Bananas
63.	Pauline Muchiri	Hawking
64.	Pauline Mumbi	Hotel Service
65.	Wangui Gachecha	Maize
66.	Kaiganaine Edith	Upholstery
67.	Lucy Gaita	Upholstery
68.	Gladys Kariuki	Hardware
69.	Patricia Maingi	Paints
70.	Monicah Njoroge	Upholstery
71.	Jane Wangui	Hardware
72.	Mary Wanjiku	Service
73.	Gladys Karinge	Upholstery
74.	Jane Wangeci	Upholstery
75.	Eva Wamunyu	Salon
76.	Milka Njeri	Maize
77.	Pamela Atieno	Fish
78.	Mary Anyango	Butchery
79.	Njeri Ngugi	Tailor
80.	Esther Wangui	Mattresses
81.	Irene Mumbi	Upholstery
82.	Anne Mwai	Hardware
83.	Njeri Ndava	Maize
84.	Hannah Mbugua	Vegetables
85.	Jane Macharia	Clothes

86.	Eunice Muthwii	Clothes
87.	Eunice Kamoche	Upholstery
88.	Jane Wanjiku	Hawker
89.	Mary Waruguru	Hawker
90.	Mary Kamau	Material
91.	Elizabeth Wangeci	Vegetables
92.	Perris Maitha Kariuki	Cosmetics
93.	Mary Magondu	Boutique
94.	Nancy Wambui	Clothes
95.	Mary Mueni	Fish
96.	Elizabeth Wayua	Button Maker
97.	Mary Nderitu	Clothes
98.	Mary Karondu	Wakaba Shoes
99.	Rachel Njambi	Groceries
100.	Regina Ngima	Maize

WAKULIMA MARKET

S/NO	NAME	ITEM SOLD
1.	Margaret Wangari Mwangi	Services
2.	Cecilia Njeri Njuruga	Potatoes
3.	Jane Njeri	Potatoes
4.	Aisha Suleiman	Potatoes
5.	Irene Mumbi Kamau	Potatoes
6.	Mercy Wanjiru	Chicken
7.	Jane Muthoni	Chicken
8.	Freshia Nyambura	Chicken
9.	Belta Wanja Kibe	Chicken
10.	Teresia Wairimu Wangiri	Gunny Bags
11.	Mary Wambui Ndungu	Transport
12.	Jacinta Wangari Mbugua	Vegetables
13.	Jacinta Nyawira Gatumbu	Hawking
14.	Loise Wahome	Services
15.	Anastasia Thuku	Services
16.	Monicah Wambui Ndigirigi	Gunny Bags
17.	Cicilia Wangui Muthee	Hawking
18.	Catherine Chege	Clothes
19.	Margaret Wangari Mwangi	Services
20.	Benson Kmani Gitau	Potatoes
21.	Timothy Waweru	Potatoes
22.	Stephen Njoroge	Potatoes
23.	Fanciscah Gaiti	Services

24.	Cicilia Njeri Njuguna	Potatoes
25.	Belta Wanja Kibe	Chicken
26.	Mary Njeri Muritu	Services
27.	Mary Wambui Ndungu	Transport
28.	Cecilia Wangui Muthee	Hawking
29.	Monicah Wambui Ndiringi	Gunny Bags
30.	Margaret Wangari Mwangi	Services
31.	Anastasia Wambui Thuku	Services
32.	Asha Suleiman	Potatoes
33.	Jacinta Nyawira Gatumbu	Hawking
34.	Belta Wanja Kibe	Chicken
35.	Mary Wanjiku Kimani	Grains
36.	Rebecca Wanjiru Kamau	Services
37.	Frasia Wambui Chege	Clothes
38.	Lydia Njeri Kigo	Groceries
39.	Cecila Njeri	Potatoes
40.	Jane Njeri Githuci	Oranges
41.	Mary Muthigo	Tomatoes
42.	Alice Wang'ang'a	Tomatoes
43.	Jacinta Wangari Mbugua	Vegetables
44.	Jane Wanjohi	Groceries
45.	Margaret Wamundi	Vegetables
46.	Esther Njoki	Groceries
47.	Alice Njambi	Tomatoes
48.	Monica Mutuku	Fruits
49.	Wamuyu Njeru	Greens
50.	Beatrice Nyumbu	Groceries
51.	Hannah Osale	Fish
52.	Kanini Muya	Dry Grains
53.	Zipporah Mumbi	Tomatoes
54.	Philomena Wamalwa	Tomatoes
55.	Lily Naboto	Vegetables
56.	Linda Ochieng	Groceries
57.	Pamela Mueni	Vegetables
58.	Fridah Muthomi	Groceries
59.	Lilian Makokha	Tomatoes
60.	Debra Aruya	Fruits
61.	Lisa Wanjiru	Greens
62.	Nancy Kanana	Gunny Bags
63.	Maurine Moibei	Transport
64.	Phanice Wamukota	Vegetables
65.	Rose Wanjiku	Hawking
66.	Hannah Wairimu	Services
67.	Nancy Waithera	Services
68.	Betty Ahenda	Gunny Bags

69.	Debbie Amunga	Hawking
70.	Angela Tamiru	Clothes
71.	Buzunesi Amollo	Services
72.	Moraa Teresiah	Potatoes
73.	Mwende Mutua	Potatoes
74.	Beatice Kawira	Maize
75.	Dorcas Kaari	Peas
76.	Jackie Kageni	Onions
77.	Eva Njeri	Peas
78.	Mercy Naipei	Clothing
79.	Flora Kipchumba	Potatoes
80.	Jane Nyakiana	Oranges
81.	Berinda Karimi	Potatoes
82.	Edah Odiek	Services
83.	Ann Wahu	Hawking
84.	Angela Nasike	Paper bags
85.	Elizabeth Wafula	Vegetables
86.	Christine Wanjau	Potatoes
87.	Lucy Wanja	Carrots
88.	Betty Karegi	Hawking
89.	Beth Nduta	Clothing
90.	Rosalind Kamau	Vegetables
91.	Lydia Kamene	Tomatoes
92.	Lilah Mutisya	Eggs
93.	Prisca Muya	Services
94.	Esther Njoki	Honey
95.	Janet Mutiso	Cereals
96.	Amina Salim	Hawking
97.	Maryanne Mbeyu	Chicken
98.	Dorothy Mwihaki	Oranges
99.	Valentine Odhiambo	Fish
100.	Horida Khamati	Vegetables

APPENDIX VI: RELATIONSHIP BETWEEN THE RESPONDENTS AGES WITH THEIR STAY IN BUSINESS

		Age	How long have you done business
Age	Pearson Correlation	1	.437(**)
	Sig. (2-tailed)	.	.004
	N	41	41
How long have you done business	Pearson Correlation	.437(**)	1
	Sig. (2-tailed)	.004	.
	N	41	60

** Correlation is significant at the 0.01 level (2-tailed).

APPENDIX VII: RELATIONSHIP BETWEEN THE RESPONDENTS LEVEL OF EDUCATION WITH THEIR NUMBER OF CHILDREN

		No. of Children	Level of Education
No. of children	Pearson Correlation	1	-.184
	Sig. (2-tailed)	.	.170
	N	57	57
Level of education	Pearson Correlation	-.184	1
	Sig. (2-tailed)	.170	.
	N	57	60

APPENDIX VIII: RELATIONSHIP OF AMOUNT OF MONEY USED TO START BUSINESS AGAINST MONEY BORROWED.

			How much capital did you start this business	How much did you borrow?
Spearman's rho	How much capital did you start this business	Correlation Coefficient	1.000	.596(**)
		Sig. (2-tailed)		.000
		N	59	45
	How much did you borrow?	Correlation Coefficient	.596(**)	1.000
		Sig. (2-tailed)	.000	
		N	45	46

** Correlation is significant at the 0.01 level (2-tailed).

APPENDIX IX: THE AMOUNT OF MONEY BORROWED BY THE BUSINESSES AGAINST THE AMOUNT INVESTED IN THE BUSINESS

		How much did you borrow?				Total
		less than ksh 2000	ksh2000 - 5000	ksh 5001 - 10000	over ksh 10000	
How much less than capital did you have to start this business	Count	8	0	0	0	8
	% within How much capital did you start this business	100.0%	.0%	.0%	.0%	100.0%
Ksh 2000 - 5000	Count	0	3	0	0	3
	% within How much capital did you start this business	.0%	100.0%	.0%	.0%	100.0%
Ksh 5001 - 10000	Count	0	4	24	2	30
	% within How much capital did you start this business	.0%	13.3%	80.0%	6.7%	100.0%
over Ksh 10000	Count	2	0	1	1	4
	% within How much capital did you start this business	50.0%	.0%	25.0%	25.0%	100.0%
Total	Count	10	7	25	3	45
	% within How much capital did you start this business	22.2%	15.6%	55.6%	6.7%	100.0%