

**SOCIO – ECONOMIC CHARACTERISTICS AND THE
PERFORMANCE OF WOMEN- OWNED ENTERPRISES IN MUMIAS
TOWN**

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DECLARATION

This Research paper is my original work and has not been submitted for examination in any other University.

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Date.....10/12/2003

This Research paper has been submitted for examination with our approval as University Supervisors.

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DEDICATION

To my parents,
Helen Awinja and David Kweyu,
For their initiative to educate me.

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ABSTRACT

This study examines how socio-economic characteristics affect the performance of women owned enterprises in Mumias town. This study builds upon the premise that differences in socio- economic characteristics affects performance of women owned enterprises. The study utilizes social change theory.

The following were the study objectives; to determine how differences in education levels of women entrepreneurs affect the performance of their businesses; to determine the impact of dependency on the performance of women- owned enterprises; to determine how differences in age affects the performance of women owned enterprises, to determine the impact of marital status on the performance of women- owned enterprises.

Interviews were held with eighty female entrepreneurs selected on a random basis. Five key informants provided detailed information on key areas of the study. The study reveals that socio-economic characteristics affect the performance of women-owned enterprises in different ways. This is manifested by differences in income, the number of workers and the initial capital available to start enterprises. The study has established that education; marital status and age were positively related to the enterprises income. However a large number of dependents have negatively affected enterprises income

The study recommends the government should invest more in education of women, as it is key to better performance of women-owned enterprises. Secondly the government and non-governmental organization should provide more capital to poor enterprenuers. Lastly the government (Local Authority) should provide enabling environment to entrepreneurs for the purposes of development.

LIST OF ABBREVIATIONS

K- REP-----	Kenya Rural Enterprises Programme
I. C.E.G -----	International Center For Economic Growth
C. B. S -----	Central Bureau of Statistics.
U.N.D.P -----	United Nations Development Programme
MSEs -----	Micro And Small Enterprises.
I. L.O -----	International Labour Organization.
I. D. S -----	Institute for Development Studies.
I. P. A. R. -----	Institute of Policy Analysis and Research.
G.D.P -----	Gross Domestic Product.
WEDCO.....	Western Enterprises Development Company.
PRIDE.....	Promotion of Rural Initiative in Development of Enterprises.
MFIs.....	Micro Finance Institutions.
SMEP.....	Small and Micro Enterprises Programme
KWFT.....	Kenya Women Finance Trust

CHAPTER ONE

1.0 INTRODUCTION

The important role of micro and small enterprises (MSEs) as a source of income and employment for poor households in Kenya has widely been acknowledged since early 1970s. This was through the publication of International Labour Organization (I.L.O) report of 1972 on “Employment Income and Equality Strategy for Increasing Productive Employment in Kenya”. However, it was not until the first National Baseline Survey of MSEs sector conducted in 1993 that the magnitude of the sector and its contribution to employment in the country became well known (Parker and Torres, 1995).

The 1993 survey estimated that there were approximately 910,000 MSEs in Kenya at the time of the survey, employing just over 2 million people. In 1995 MSEs contribution to gross domestic product (G.D.P) was 13%, while the 1999 survey found out that there were about 1.3 million MSEs country wide, employing some 2.3 million people (Daniels et al, 1995). According to CBS et al (1999), 26% of the total households in the country are involved in some kind of non-primary business activities. It was also revealed in the 1999 survey that MSEs contributed 18% to 23% of Kenya’s G.D.P.

Looking at the share of income contributed to the household by the MSEs, only 24% of the households in both 1993 and 1995 reported that MSEs provided all or nearly all of the household income (Daniels et al, 1995). Furthermore, comparing urban and rural areas between 1993 and 1995 the survey found out that urban households were more dependent on MSEs income than rural households (Daniels et al, 1995).

For example, 80% and 78% of MSEs in urban areas reported that they provided half or more of the household income in 1993 and 1995 surveys respectively.

Similar surveys conducted in Botswana, Lesotho, Malawi, Eritrea, Swaziland and Zimbabwe underscores the importance of the MSEs sector especially in employment creation and income generation. MSEs are seen as important in contributing to the income available to workers (C.B.S et al, 1999). In Zimbabwe for instance a baseline survey found out that there were 860,000 MSEs outside agricultural and primary production. These MSEs employed approximately 1.65 million persons while a further 420,000 enterprises in agriculture and mining employed an additional 2.2 million person.

Apart from providing employment and income MSEs conserve scarce foreign exchange, require very little capital to create jobs, rely primarily on family savings, often provide their own skills, training at no cost to the government and are prime training ground for future African entrepreneurs (Republic of Kenya, 1986). Sessional paper No. 1 of 1986 on Economic Management for Renewed Growth further noted that MSEs offer unmatched potential as a source of new jobs for the expanding labour force. MSEs also fulfill key functions in the support of agriculture and other local production. This is done by marketing inputs such as fertilizer, making and selling small tools, maintaining vehicles and equipments, marketing produce and providing local inhabitants with a wide range of inexpensive basic consumer goods and services for everyday life (Republic of Kenya, 1986).

In addition, MSEs play an important role in development by strengthening forward and backward linkage among socially, economically and geographically diverse sectors of the economy. MSEs create demand as well as supply, and as it has been established, 90% of the rural enterprises products are marketed direct to rural areas (Republic of Kenya, 1992). MSEs also contribute to the increased participation of indigenous Kenyans in the economic activities of the country. Lastly, MSEs offer excellent opportunities for the development of entrepreneurial and managerial skills, which are vital for economic development.

There is disparity in ownership of MSEs as argued by Daniels et al (1995), women-owned 43.3% of the enterprises, while men owned 40.5% of the enterprises, and 15.7% was multiple ownership. However, the 1999 National Baseline Survey indicated that ownership of Kenyan MSEs was 52% for men, while women accounted for 48%. In addition to accounting for 48% of owners, women also provided 47.4% of the total workforce, while men accounted for 52.6% within MSEs sector. Kenyan women's productive activities are concentrated in micro enterprises, in such ventures as hawking, retail trade, manufacturing and periodic markets (Kinyanjui and Munguti, 1999). Despite the numerical dominance of women in the MSEs sector, there are gender disparities and inequalities between men and women entrepreneurs participating in similar activities. Women are concentrated in MSEs sector that conform to their traditional gender roles, like food processing and garment making.

The dominance of women in the MSEs sector is explained by the fact that women have limited opportunities and access to formal employment. As a result the only other avenue

open to them apart from agriculture and domestic work, is self-employment through MSEs activities (UNDP, 1999). Therefore, no discussion on MSEs can be complete without a presentation of special issues involved in the promotion of women entrepreneurs. In many respects, the problems, challenges and opportunities differ strongly between male and female entrepreneurs (Republic of Kenya, 1989). However, women tend to face a number of constraints due to certain socio-economic characteristics that seem to be unique to women entrepreneurs (Republic of Kenya, 1992).

Certain social attitudes and practices reduce the effective participation of women in MSEs. For instance, both traditional and modern marriages tend to view women as subordinate and dependent on their husbands (Sethna, 1996). Lingering legal and cultural discrimination impedes women's access to property ownership and employment opportunities. These have contributed immensely to the low status of employment among women (I.L.O, 1994). Other socio – economic characteristic such as age of entrepreneurs and management skills also have an effect on the performance of an enterprise. For instance, those entrepreneurs who keep records of their transactions have higher chances of success (Sethna, 1996).

1.1 The Problem Statement

The socio-economic background of women affects the type of investment patterns and performance of their enterprise (Njoka and Njeru, 1998). A study by McCormick (1991) on male and female entrepreneurs in Nairobi found that poor women are forced into precarious and less remunerative positions. In addition, a study by Rono (1998) on women's and men's second hand clothes businesses in two secondary towns of Kenya and a study by Otunga et al (1998) on socio-cultural factors and business performances in Eldoret indicate that socio-economic characteristics affect the performance of women owned enterprises. These socio-economic characteristics include age, marital status, level of education, and number of dependents. The socio-economic characteristics of an entrepreneur are vital in determining the performance of their MSEs. For instance, McCormick (1998) supports this point by arguing that, in MSEs, individual entrepreneurs are closely linked to their enterprise, and therefore there is a need to look at their socio-economic characteristics.

However, there are few studies of this nature carried out in Mumias, which have detailed socio-economic characteristic and performance of women owned enterprises. Studies carried out in Mumias have tended to focus on the effects of farming and other sectors of the economy. For instance, study by Barclay's (1977) focused on the impact of the sugarcane factory to the local community. This study indicated that a number of farmers were making off farm investment with money earned from sugarcane sales. Wegulo and Obulinji (1999) on the other hand focused on the interface between farm and non-farm activities among the sugarcane growers in Mumias.

This study therefore hopes to fill the gap that exists by focusing none- agricultural enterprises owned by women in Mumias town. Consequently the study seeks to answer the question: - is there a relationship between differences in socio-economic characteristic of women entrepreneurs and performance of women- owned enterprises.

1.2 Research Question

What are the effects of the differences in socio-economic characteristics to performance of women owned enterprises?

1.3 Study Objectives

The overall objective of the study was to investigate how the differences in socio-economic characteristics affect the performance of women owned enterprises in Mumias town.

The following are the specific objectives of this study:

1. To determine how differences in education levels of women entrepreneurs affect performance of their enterprises.
2. To determine the impact of dependency on performance of women- owned enterprises.
3. To determine how differences in age affect performance of women- owned enterprises.
4. To determine the impact of marital status on performance of women- owned enterprises.

1.4 Hypothesis

Differences in socio-economic characteristics have significant influence on performance of women- owned enterprises.

1.5 Rationale of the Study

This study is vital because women entrepreneurs and their enterprises deserve special attention. This is due to the fact that although they make up to 46% of the MSEs sector entrepreneurs and 40% of the MSEs sectors total employment, they face constraints (ILO, 1994). Further, given the central role of women in human development in Kenya, it is imperative that special attention is paid to their participation in the MSEs sector (UNDP, 2002)

This study therefore focused on the differences in socio-economic characteristics and the performance of women enterprises. This will contribute to the understanding of how differences in socio-economic characteristics hinder the effective participation of women entrepreneurs in micro and small enterprise. In addition, the study expects to provide information to organizations providing business development services, to understand the socio –economic issues when they are designing and implementing projects to assist women entrepreneurs. The study contributes to data that will be useful in policy formulation about socio-economic factors and entrepreneurship. The study will contribute to academic knowledge in understanding gender issues in entrepreneurship. This will assist in coming up

with policies that will be more practical to the situations facing women entrepreneurs in Kenya.

Mumias town is relevant to this research, because it is the largest town and the only one with a factory in Butere- Mumias district. Due to its status, Mumias town attracts many people who come in search of employment and other economic activities. Consequently, entrepreneurs have established enterprises that serve the large population in the town. People who fail to secure formal employment do also establish some of the enterprises in Mumias town.

1.6 Scope and Limitations of the Study

The study focuses only on differences in the following socio-economic characteristics of women entrepreneurs; age, marital status, number of dependents and level of education. And how they affect performance of women –owned enterprises, performance is looked in relation to the income from the enterprises

The study was limited within Mumias town and to women entrepreneurs who were operating enterprises. Lack of fund to cover larger area also limited the to Mumias town only. In addition, the study was limited by time, three weeks time in the field did not allow testing of the research instruments before they were administered.

Secondly, despite researchers effort to explain the purposes of the study to the respondents some were unco-operative, because they did not understand the benefit of the study to them.

This led to some women entrepreneurs not feeling free to discuss issues related to their enterprises. For instance, issues like income, characteristics of their dependents and initial capital. The researcher overcame this by tactfully talking to entrepreneurs and further probing to verify information from entrepreneurs.

CHAPTER TWO

2.0 LITERATURE REVIEW AND THEORETICAL FRAMEWORK.

2.1 Empirical Literature

Kenya's economy experienced remarkable growth in the period between the 1960s and 1970s. However this declined in the following years. Onjala (1999) argues that between 1966 and 1970, the economy recorded an annual average growth rate of 6.5%. Both the agriculture and manufacturing sectors succeeded in generating an acceptable contribution to GDP, in comparison to other countries. The manufacturing sector recorded a growth of 8.2% and its shares of GDP increased from 9% to 10% over the same period (Onjala, 1999). The argument by Onjala, 1999 is fine however he does not mention the contribution of MSEs to Kenya's economy during 1960s and 1970s.

In the 1970s, it became increasingly clear that economic growth based on the formal sector in itself was of little or no benefit to the population (WB, 1993). For instance, Kenya achieved much of the development targets in the first decade after independence, the subsequent three decades recorded dismal performance culminating into negative 0.3% growth in the year 2000 (Republic of Kenya, 2002). Real per capita incomes have consistently fluctuated. Increased incidences of poverty and unemployment have eroded welfare gained in the early stages of the Kenyan economy.

This led to acknowledgment of MSEs as a strategy to alleviate poverty and unemployment. Mullei and Bokea (1999) argue, that it is widely recognized in Kenya that the MSEs sector is a viable and dynamic way for achieving national goals, which includes employment creation poverty alleviation and balanced development. According to them, MSEs forms the foundation of a strong national industrial base and domestic production structure that is central to the government's vision of achieving industrialized status. Mullei and Bokea, 1999 seems to agree on positive role that MSEs sector play in industrialization, however they do not mention the participation of women in this sector.

The I.L .O report of 1972 underscored the sectors critical needs in promoting growth in incomes and employment. The historical circumstances responsible for the emergence of the informal sector can be traced back to the early 1960s (Mullei and Bokea, 1999). This is period when the independent government introduced trade licenses, work permits and also granted permission to civil servants to operate businesses, all as part of the broad strategy for the indigenisation programme (Njoka and Njeru, 1999).

Micro and small enterprises play a major role in economic activities of third world countries. For instance, during the last decade, 1990-2000, employment in the formal sector slackened, while in the informal sector employment recorded an expansion. Consequently, MSEs share of employment activities rose from 63.6% in 1997 to 74.4% in 2000. This excluded employment in the small-scale farming (Republic of Kenya, 2001).

The national baseline surveys that were carried in Kenya in 1993, 1995 and 1999 also underscore the important role MSEs play in provision of employment and income. The 1993 survey indicated that 16% of the labour force was in MSEs (Parker and Torres, 1993). The 1999 National Micro and Small Enterprises Baseline Survey show that the contribution of the MSES contributes 18-23% of the Gross Domestic Product (GDP). This implies that MSEs are an important source of income to many Kenyan families. Nearly ¼ of the households in Kenya engage in some form of business through MSEs, (K-REP, CBS, ICEG, 1999). The government of Kenya enumerates how MSEs sector provides employment but it is silent on socio-economic characteristics and how they affect performance of women-enterprises.

McCormick and Pederson (1996) notes that over half of all the enterprises are involved in commerce mostly at the retail level. Much of this is trade in agricultural products, especially fresh and processed foodstuff. Trade in imported and locally manufactured goods is also growing. Slightly over 26% of the firms engage in manufacturing, saw milling and carpentry, a third of these firms engage in manufacturing of textiles and leather products. Finally, 13% of the balance of enterprises are in the service enterprises including- restaurant, bars, hairdressing, construction and transport firms (McCormick, 1998).

According to McCormick (1996), women with entrepreneurial talent face much greater constraints in creating micro and small enterprises, than their male counterparts. Therefore, there is enough reason to redress historical imbalances and to ensure more constructive

engagement of women entrepreneurs in the national micro and small enterprises development strategy and programme.

The socio-economic background of an individual determines the kind of enterprise the person will set up. A study of male and female entrepreneurs in Nairobi found out that poor women are forced into precarious and less remunerative occupations like petty trade, beer brewing or even prostitution, while poor men end up in retail work, carpentry and wood carving (McCormick, 1991). Rono (1998) argues that socio-economic characteristics like education, marital status, age, and the number of dependents of women entrepreneurs have a correlation to the type of informal sector activities women engage in. For instance, education on its own does not guarantee successful entrepreneurship. However, it enhances the women's ability to embark on non-traditional entrepreneurial activity, and to link up with technological innovation in production. Additionally, education enables women to penetrate organizations and institutions that contribute to policy or programme development (I.L.O, 1994). Rono, (1998) argues further that women's level of business performance and participation in their day-to-day business activities is affected by the size of the family. This is because, more time and resources are needed to take care of the children, as well as to look for ways and means of meeting their daily basic needs. Therefore, the larger the family, the more time is spent attending to family issues rather than business.

A study by Rono (1998) shows that male-owned businesses experience more growth than those owned by female entrepreneurs. Overall, male-owned businesses experienced a growth rate of 6.5 %, more than double that of their female counterparts which grew at 2.83

percent. This position is supported by Onkunya (1990) who argues that enterprises owned by women are less likely to be successful in Kenya than similar men's enterprises. This is due to the fact that poor women facing double barriers of lack of resources and sex discrimination and are virtually excluded from small-scale manufacturing.

This leads to less profit, while men's ability to amass greater profits relates not only to their easier access to resources, but also to the responsibility women assume for the household, which frees up men's earnings for investment (Njoka and Njeru, 1998).

Sethna, (1996) argues that women are overburdened by the triple roles and thus they lack time to run enterprises. There is no doubt that this constitutes a major constrain to women participation in MSEs. The traditional delineation of labour persists where women assume the entire responsibility of family welfare in the provision of food, water, fuel (wood) and general maintenance of the homestead in addition to other economic activities.

Were et al (1985) argues that women tend to merge their reproductive and productive activities in order to use resources to their fullest, this results into the shifting of resources between enterprises and household and vice versa. These dual reproductive and productive roles result in constraints that tend to keep most women in the informal sector, more so in businesses that have a low profit margin. Consequently, in an attempt to use resources most effectively, women engage in income generating activities that can be integrated with necessary subsistence activities at home (Were et al, 1985) this can be through operating businesses at home. Chutha (1997) supports this point by arguing that women in MSEs are faced with multiple roles, which compete for their available time.

The roles are - reproduction, production and community management. Because of her gender, a woman's reproductive role is paramount. Among things that reproductively active women worry about are basic necessities such as food, clothing, health care, education, accessing enough time for counseling children, household chore and maintenance of the family fabric.

Sethna (1996) argues that these reproductive roles follow women in MSEs. It is not unusual to see women working while their babies strapped on their backs, others have to be contend with regular interruptions, in order to attend to family maintenance chores. On average women in MSEs spend four hours per day on the family and yet they feel that the time is not yet adequate (Chutha, 1997). Women also play a community management role, they are active members of social organizations, religious movements, community work groups and self help initiatives. When it comes to implementing development programmes through the community development approach, it is mainly women who contribute in terms of labour and money. The consequence of being involved in the triple roles is that they cannot perform as well as their male counterparts in the MSEs sector.

Expanding on the social constraints, Chutha notes that the impact of social commitments on business performance necessitates that proceeds from enterprises are put to a variety of uses (Chutha, 1997). These uses include meeting expenses for food, medication, transportation, housing, wages for house helps and community obligation. Sethna, (1996) argues that the level of commitment varies according to marital status. Single women entrepreneurs spend relatively more on basic needs such as food, clothing and school fees than their married

counter parts because of their position as sole breadwinners. Regardless of status, the commitments constitute a withdrawal of from the enterprise an act that inhibits growth. Similarly, because a large proportion of their revenue is committed to family maintenance, women owned enterprises are adversely affected by any increase in the price of basic commodities.

It is generally recognized that the informal sector encounters difficulties in licensing procedures and other constraints such as inadequate resources, lack of markets, exploitation by middlemen, poor business management skills and wanting government policies, (Njoka and Njeru 1998). While such constraints affect both sexes, women are more disadvantaged because they have of limited access to capital, domestic responsibilities that tie them close to home, reproductive responsibilities, social and cultural biases (Kinyanjui and Munguti, 1999). This position is supported by Sessional Paper Number Two of 1992, which acknowledged that gender equity among entrepreneurs in MSEs is undermined by the special constraints that women face; this limits women participation in entrepreneurial activities. The authors appreciate the fact that women do face socio-economic constraints, but they do not relate this to performance of women –owned enterprises.

The Gemini Report on Gender Growth and Dynamics of MSEs in 1990, argues further that women and men employ different management and investment strategies for their portfolios of economic activities, resulting to different growth patterns. According to Gemini (1990), the factors that constrain the growth of women owned enterprises include a concentration in products that lack demand, limited startup capital, limited access to market information, time

taken up by domestic responsibilities, lack of labour and time saving technologies and poor management.

Kinyanjui and Munguti (1999) argue that in Kenya, women's productive activities are concentrated in micro enterprises, in such ventures as hawking, retail trade, manufacturing and periodic market trade. Despite their numerical dominance in micro enterprises, there are marked gender disparities and inequalities between men and women entrepreneurs participating in similar activities. Disparities are found in the business size, product mix, profitability, business age, technological development, markets, finance and business location. In addition, women entrepreneurs exhibit different characteristics in terms of age, level of education, motivation and time spent in running a business.

According to Onkunya (1990), the most important differences between male and female-owned business, is the difference in performance. Okunya attributes this to socio-economic characteristics. These differences are manifested where female owned enterprises are more likely to grow slowly and to be less profitable than male owned enterprises. This implies that women-owned enterprises are generating less income than male-owned. Such differences are critical because they indicate that many households which depend on the whole or in part on income from women's businesses are less well off than they should be.

The I.L.O (1994) supports this position in its report on MSEs in Kibera, which indicates that male-owned enterprises tend to be larger than female owned enterprises, have higher average growth rates and greater longevity. Men dominate manufacturing, construction,

transport and personal services, while women dominate commercial activities. I.L.O (1994) report further argues that women-owned enterprises, start smaller, grow slower and end smaller, use less start up capital and smaller formal credit than male owned enterprises.

The above may explain why the majority of women in MSEs enter into trades. The idea is that these trades call for skills which women often acquired as girls while they were performing their social roles such as knitting, dressmaking and food processing. Women also tend to enter into MSEs trades, which rely on limited capital, as they mainly depend on their own savings and close family sources for start up capital (Sethna, 1996).

The fact that more women lack collateral makes it even more difficult for them to expand their businesses. This is compounded by their limited exposure and underdeveloped marketing skills. Ngahu (1993) argues that women face very real financial constraints, which handicap their ability to start and maintain business. Moreover, low levels of employment among women, and the daily demands of children means, that, savings cannot be accumulated. Lack of title deeds and other tangible securities mean that there is no collateral to act as security when they are borrowing money.

For that matter, it is because of these factors that most women owned MSEs are located in rented premises in the back streets and in the open air (Chutha, 1997). These enterprises are largely one-person operations drawing on unpaid family help whenever there is a need for extra hand.

2.2 Conceptual Literature

Institutions can affect the way MSEs are formed and operated (McCormick, 1998). For example, government regulations concerning licensing or registration of business. Likewise formal and informal procedures for making or enforcing commercial contracts determine how far a business will extend credit. Such economic institutions may or may not have explicit gender content. McCormick (1998) argues that in some places for a married woman to enter into a contract, she must get her husband's approval.

Other institutions affect business indirectly by determining the opportunities open to different players and shaping their ability to take advantage of those opportunities. Education is one of the most powerful institutions, it not only provides specific tools needed for business, but it also affects opportunities by reinforcing societal notions about what occupations are appropriate for whom (Otunga, 1997).

McCormick (1998) argues that there are three groups of institutions that have the potential to produce significant gender difference in MSEs development. The most basic set of institutions concerns marriage and the family. Although the detailed rules of the institutions vary from one ethnic community to another, there are many commonalities (McCormick, 1998). For instance, the incorporation of the wife into the husbands family, the division of labour within the households, division of assets and ownership, the sharing of household expenditure and allocation of resources and educational opportunities have gender dimensions (Ngahu, 1993). The fact that women leave their families to become part of their

husband family has implications for the investment a family is willing to make in their daughter's education. Some families see such investment as a waste of resources, because the daughter will not be in a position to provide a return (McCormick, 1998).

Girl's household responsibilities also limit their study time, affecting negatively reducing their academic performances and forcing many to leave school earlier than boys (Ngahu, 1993). As a result, although boys and girls enroll in school in almost equal numbers, only 40 % of secondary students and 30% of college and university students are female respectively.

Vocational training in form of courses, apprenticeship and on job training is given mainly to those who drop out of the formal education system for financial or academic reasons (Chutha, 1997). The training system until recently has produced sex-stereotyped training opportunities, like sewing for girls and an array of artisan skills for boys. Girls are beginning to have access to higher technology fields such as computers, but even here they tend to learn word processing and other "females courses" (McCormick, 1992).

Other institutions concern business credit McCormick, 1998, argues that credit markets are doubly stratified; the first stratification is by the size of the business. The rules of the financial game are in favour of large business and individuals with collateral to back up their loans. In this case, collateral is defined in terms of physical and immovable assets such as land and buildings, which are preferred. Women are less likely than men to have ownership

of assets; this leads to a lot of difficulties for them when they try to obtain credit from banks (Ngahu, 1993).

Enterprise performance depends on capital, labour and other material inputs as well as on the way in which a firm utilizes these inputs in its activities (McCormick, 1998). However, business activities take place in a context of economic and social institutions. These institutions do affect both the amount of input available to a particular entrepreneur and the way in which the entrepreneur is able to utilize them (McCormick, 1998). Many of these institutions have gender dimensions. That is, they affect men entrepreneurs and women entrepreneurs differently.

Three factors probably account for most of the differences in performance between men's and women's businesses. These are education, capital investment and time investment (Chutha, 1997). Each of these is the result of one or more institutions that create sets of incentives and constraints for women and for men. Entrepreneur's level of education is linked to the size of his/her business (McCormick, 1998). Founders with more education tend to begin their business with more capital (Daniels et al, 1995, Kinyanjui, 1996). As Daniels et al (1995) argue well capitalized firms are more likely to grow than those beginning with minimal capital. Yet on the average, women are less educated than men, a factor may which translate to majority of them starting with minimal initial capital.

Kenyan women aged 25 years and above are more likely to be illiterate than their male counterparts (U.N, 1995). Two institutional factors explain the gender differences in

education attainment (McCormick, 1998). The marriage institution discourages investment in girls' education, while traditional division of labour assigns girls a greater share of household work than boys. Consequently girls having less time for study.

Women educational disadvantage may have a second indirect effect on business performance (McCormick, 1998). Educated entrepreneurs are more likely benefit from various management and technical programme than those with little or without education. (Daniels et al, 1995). In the case of Kenya, given the lower education attainments for women, they are less likely than men to enroll in such courses and are less likely to gain full benefit when they enroll. In addition, women's lower education combined with their segregation in lower paying jobs ensures that, they have a lower level of savings. These translate to women having less to invest in business and in starting up MSEs (Ngahu, 1993).

Labour is a critical input into business performance, however, women spend less time than men working in their businesses and are less likely than men to have hired workers (McCormick, 1998). The institutional explanation here is that women are expected to carry out their full domestic responsibilities, including housework, food preparation and childcare even, when they have to attend to business.

This is one of the reasons why, they are more likely to operate business from the home than men. That is why when they choose a different location, it is often close to home (Sethna, 1996). The need to stay near home and to continue to take care of children while at work limits women's choices of occupation. Also reduces the time that they have available to

attend to business. In addition, women's slightly shorter works period need not always to translate into lower profits, although in many cases it does (Sethna, 1996). Even in cases where they do not have to combine domestic work with business, their choice of occupation is limited by at least two other institutional factors (McCormick, 1998). These prevailing gender divisions of training opportunities and occupations, means that women have a very difficult time breaking into certain types of work.

According to Pearson (2000) society views all activities that are carried out to be based on the social roles and interactions of men and women. There is an assumption of gender roles as dictated by the society. Rono (1998) argues that based on such ideologies and development policy, the society seems to have the ultimate authority on the precise nature of what women and men actually do, and their real contribution to production and reproduction. This turns out to be biased against women. Because of such bias, the performance of men and women in nearly all spheres of life such as business, environmental conservations development projects and so on are bound to vary.

The proponents of the network approach of view MSEs as operating within a specific environment in which there is an interaction between enterprises and their environment (McCormick and Pedersen, 1996). Rono (1998) argues that female entrepreneurs tend to use equitable social support networks (more or less within the family circles or kinship or neighbourhood), Often in the case of women, this leads to redistribution into other outlets, rather than reinvestment in the same enterprises. This negatively affects performance of enterprises. According to McCormick and Pederson (1996), research on MSEs, cannot be

understood in isolation, from the specific environment in which they are operated. They argue further that, the interactions between the enterprises and their environment forms networks based on personal relations, trusts and reciprocity, although pure markets or pure power relations may be involved as well. For instance, common networks among women entrepreneurs are equitable social support networks (often, class or neighbourhood based).

Sethna (1996) argues further that, most Africans do not handle their business in the manner described in western textbooks. This is not because they do not read these books nor is it because their culture instructs them to do it, in another way, The reason is none of the management logic in the book encompasses the practical logic embodied in the socio-economic conditions present for private enterprise in Africa.

The conceptual literature that informs this study, suggests that entrepreneurs operate in a context of economic and social institutions, and this consequently affects the way enterprise perform. Hence, the literature reviewed reveals that there is a conceptual gap that needs to be addressed. The literature has institutional approach, gender approach and network approach in explaining performance of women owned enterprises. However, this study employs the social change paradigm to explain the performance of women owned enterprises in Mumias town.

2.3 Theoretical Framework

This study uses the social change paradigm, which postulates that, economic growth everywhere has occurred while interweaving with political and social factors to bring about

social change in society (Hagen, 1970). According to Hagen is the theory accounts for how a traditional society becomes one in which continuing technical change is experienced (Hagen 1970). The paradigm does not suggest one key factor as responsible for social change independently. It presents a model of society, which deals with interrelationships among elements of the physical environment, social structure, personality and culture. Hagen, (1970) suggests two factors as being responsible for economic growth.

- i) Fairly wide spread creativity which entails gaining problem solving ability and a tendency to use the solutions and
- ii) Attitudes towards manual technical labour and the physical environment such that creative energy is channeled into innovation in the technology of production.

According to the social change paradigm, the modernization process is viewed through economic diversification and differentiation, industrialization and urbanization which results into changes in traditional norms, beliefs, values, family systems and division of labour (Hagen, 1970). In exploiting the social change paradigm, this study was able to investigate how socio-economic characteristics affect performance of women- owned enterprises.

Njeru and Njoka (1998) in their study on the socio-cultural factors influencing investment patterns among informal sector women entrepreneurs used the social change paradigm. Their argument was that prior to modernization, male dominated indigenous cultures denied women critical economic rights in land and other property ownership. They further argued that the onset of the capitalist system maintained similar structural productive relations in the traditional-modern and rural-urban dichotomy. Njoka and Njeru (1995) concur that these

leave 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 have limited benefits (Njoka and Njeru, 1998).

In the context of the change paradigm, behavioral aspects can be understood within the situational approach (Njoka and Njeru, 1998), which stipulate that reality is socially constructed and reconstructed. Njoka and Njeru (1995) argue that the patriarchal system permeating the Kenyan social, political and economic structures creates and perpetuates male chauvinistic investment support mechanism that is inimical to the women's economic independence and empowerment.

The social change paradigm is relevant in this study because it explains social change, which is the main concern of the study, focusing on differences in socio-economic characteristics of women entrepreneurs and how they affect the performance of their enterprises. However, the paradigms weakness lies in its assumption that social change will have positive results for women. Modernization process has contributed to women being more marginalized in various sectors of the economy.

The literature reviewed, informs this study, on issues concerning women entrepreneurs, their socio-economic characteristics and business performance. However, the literature is silent about issues on differences in socio-economic characteristics and how they affect the performance of women-owned enterprises in Mumias town. Studies from other places

indicate that differences in socio-economic characteristics affect performance of women-owned enterprise.

This study will therefore fill the existing gap, by focusing on differences in the socio-economic characteristics of women entrepreneurs and how they affect the performance of women owned enterprises in Mumias Town. The study used social change paradigm to explain the performance of women owned enterprises. This paradigm was used in this study as it captures the social issues in the society.

CHAPTER THREE

3.0 METHODOLOGY AND STUDY AREA

This chapter describes the types of data, sampling process, research instruments, data collection, data analysis and the study area.

3.1 Types and Sources of Data

The sampling population was women entrepreneurs in Mumias town. For ease of data collection, only those operating in one permanent place in the market were chosen. The unit of analysis in this study was individual women entrepreneurs. Primary and secondary data was collected. Primary data was generated from semi-structured questionnaire, interviews of key informant and direct observation. Secondary data was extracted from existing literature on women in MSEs.

3.2 Sample Size and Sampling Procedure

A census of women entrepreneurs in Mumias town market was carried out. Those with stalls in the open-air market and with built structures within the market were enumerated. There were a total of 300 female entrepreneurs in Mumias town market. Stratification of traders was also done, For instance those dealing in maize and beans were put into one group, while those who deal in new clothes and mitumba were grouped in another. The study mainly focused on the female entrepreneurs dealing in these two groups, because they are the majority traders in the market.

The researcher settled on 80 entrepreneurs with emphasis on the two groups. A sample of eighty was chosen because of time and manageability. In addition, it is considered representative of women entrepreneurs in Mumias town. The researcher chose the market in Mumias town because it was easier to access entrepreneurs as they are highly concentrated unlike other areas of the town.

3.3 Methods of Data Collection

A semi-structured questionnaire was used to collect data. The variables included performance of MSEs (business income), marital status, age, level of education, and number of dependents.

In order to capture data from key informants issue based checklist was used. Key informants included two chairladies of Rotating Saving and Credit Associations (ROSCAS), credit Officers from Promotion of Rural Initiative in Development (PRIDE), Small and Micro Enterprise Programme (SMEP) and Western Enterprises Development Company (WEDCO). The area coordinator of Kenya Rural Enterprises Programme (K-Rep) was also interviewed.

Secondary data was obtained from sources such as books, students' research dissertations, and other documents on women participation in the MSEs were also used. The reviews of such works were useful in cross checking and authenticating the primary data.

The researcher did all the interviewing, this enabled the researcher to get responses to questions of especially those that required probing. Prior to the interviews, the researcher

briefed respondent on the purpose of the study and also assured the respondent that their responses would be treated in confidential. Apart from interviews, direct observation was also done in the process of data collection. The researcher was able to observe the activities of the business owners and the type of premises.

3.4 Data Analysis

The study employed statistical tools in analyzing field data. Such tools included descriptive statistic and inferential statistics. Descriptive statistics performs the first function of statistics where it is necessary to summarize the description of units with regard to measurable characteristics. This enables raw data to supply useful information efficiently. This study used mean and percentages to describe socio-economic characteristics of women entrepreneurs.

Cross- tabulations were used to find out the relationship between the two variables. These helped to determine whether a systematic relationship existed between the variables. The idea here was to measures whether something observed differed significantly from something expected. Cross-tabulation was used to get the relationship between income and marital status, education and income, education and type of premises.

Qualitative data was analyzed qualitatively, this was through deduction and induction methods based on observed activities as well as explanations and discussions with respondents.

3.5 Definition of Key Terms

Micro and Small Enterprises are defined as business employing up to fifty workers (CBS, ICEG, K-REP, 1999) However in this study the following concepts are defined as follows: *Micro enterprises are businesses* employing between 1-5 workers and including the working owner. *Small enterprises* are those enterprises employing between 5-10 workers. Medium enterprises are enterprises employing between 11-50 workers. Large enterprises are employing over 50 workers. The term micro and small enterprises therefore, covers a range of establishments, including informal sector activities which employ one or more persons and enterprises in the formal sector employing up to fifty persons (CBS, ICEG, K-REP 1999). The term *Business or Enterprises* will be used interchangeably in the study to refer to an economic unit producing goods or services, (CBS, ICEG, K-REP, 1999).

The Informal sector is defined as unincorporated enterprises owned by households, (CBS, ICEG, K-REP 1999). Informally self-owned enterprises employ family members and other workers on occasional basis. Business in the sector consists of self- owned enterprises and other businesses which are not registered under specific forms of national legislation.

According to I.L.O (1972), the informal sector has the following characteristics, ease of entry, and reliance on indigenous resources, family ownership of enterprises, small scale of operation, labour intensive and adapted technology, skills acquired outside the formal school system, and unregulated and competitive markets.

According to Otunga et al (1998), performance refers to success of business. This includes the following aspects of performance; profit, ability to purchase assets from business earnings, pay school fees for the children, feed the family, number of workers, and the fact that one is able to survive without closing down. However this study will only focus on business income as an aspect of performance.

3.6 Operationalization of Variables

Socio-economic characteristics in this study refer to the following; age, marital status, number of dependants and level of education.

Age: This refers to the number of birthdays celebrated by a respondent at the time of the study and is recorded in years.

Level of education: This the highest level of formal education completed. This study categorized the levels into; None, Primary not completed, primary completed, secondary not completed, Secondary completed and college.

Marital status: Refers to whether the respondent was Married, Divorced, Single (never married before) and widowed at the time of the study.

Number of dependents: this refers to number of people who depend on the respondent. This includes her own family members and any other relatives. Children in this study refer to any

person with less than fifteen years. In addition, to the dependent may refer to any person who does bring any income to the household.

3.7 Study Area

This study was based in Mumias town of Mumias division. Mumias division is one of the divisions that form Butere – Mumias district in Western province. Mumias town is situated about 450 kilometers North West of Nairobi, Kenya's capital city (Barclay, 1977). Mumias Township' covers an area of 9.6 square kilometer. According to Barclay (1977), the surrounding area forms part of the Lake Victoria basin, which is between 4200 and 4000 feet above the sea level. In 1999 Mumias township had a population of 18,473. Of these 9,192 are males and 9,281 are females (Republic of Kenya, 1999).

Small-scale sugarcane farmers surround Mumias Township. A large sugarcane factory was established in this area in the early 1970s by the Kenya government. The factory depends largely on several thousands of small-scale out growers to supply sugar cane.

Barclay (1977) argues that payment to farmers and wages paid to a large labour have dramatically increased the circulation of cash in the area. In my view these has contributed to a change in the socio-economic characteristics of women in the area. Apart from sugarcane, farmers in Mumias Division grow maize and beans as well as raising livestock.

The informal sector is wide spread in Butere- Mumias district, contributing considerably to the growth of the district's economy. According to, Republic of Kenya (1997-2001) it is

estimated that the district has around 500 units of small-scale business enterprises performing various activities and dealing in a variety of goods. Butere-Mumias district has various trading centers, the major ones being Butere and Mumias towns (Republic of Kenya, 1997-2001). Other trading centres include Khwisero, Matungu, Makunga, Shianda, Khumusalaba and Mayoni just to mention a few. Some of the activities in these centres include charcoal dealers vegetables and fruit selling hawkers, second hand clothes sellers, barbers, bicycle repairs and retail shops (Republic of Kenya, 1997-2001).

CHAPTER FOUR

4.0 SOCIO-ECONOMIC CHARACTERISTICS

This chapter presents the socio-economic characteristics of women entrepreneurs from the survey in Mumias town. These are age, level of education, training of entrepreneurs, marital status, and number of dependents. In part two of this chapter, firm characteristics are presented. These characteristics include, year of establishment, initial capital, sources of initial capital, reasons for starting business, nature and types of business, and sources of commodities.

4.1 Age of Women Entrepreneurs

Table one summarizes the age characteristics of women entrepreneurs. From the findings, the mean age of women entrepreneurs is 36 years; where by the maximum age was 60 year, while minimum age was 21year. This is because most of them are not thinking about to establish an enterprise, as they are still very mobile. Table one summarizes the age of women entrepreneurs.

Table 1: Respondent by Age

YEARS	FREQUENCY	PERCENTAGE
21-25	14	17
26-30	16	20
31-35	14	17
36-40	16	20
41-45	5	7
46-50	8	10
51-55	5	7
56-60	2	2
Total	80	100

Source: Research data, 2002.

This confirms to Njoka and Njeru, (1998) who argue that young women do not settle in business, Women in the age bracket of 21-25 constituted only 17%. However, women between age brackets of 26-40 years constituted 57% of the entrepreneurs interviewed. This differ with 1999 National Baseline Survey of MSEs which estimated that the national mean age of entrepreneurs was 35 years, while women's mean age was 33 years (C.B.S et al, 1999). It appears that younger women do not see the need to join MSEs as they are nursing hopes of finding formal employment. They start exploring the MSEs sector when they realize that they cannot get formal employment. This is because most people do not take MSEs as first priority source of income, but rather as a fall back.

HYPOTHESES 1

Differences in age of women entrepreneurs have significant influence on the performance of business. The assumption made was that entrepreneurs in Mumias were of different ages, and these differences in age affect the performance of business owned by women.

The age of women entrepreneurs in Mumias town varied, with the youngest entrepreneur being 21 years of age and the eldest being 60 years, with, the mean age for all entrepreneurs is 36 years. Furthermore, only entrepreneurs between the ages of 30-40 years had employees, while none of those aged over 50 years, had an employee in their businesses.

As women grow older, very few of them are found in MSEs, more so after the age of fifty. As the findings in this study indicate, only nine female entrepreneurs were above age fifty. Only two female entrepreneurs were above sixty years. This can be attributed to having fewer family responsibilities that would force them to aggressively look for a source of income. Furthermore, their children are mature and independent, or they are not in school. Hence older female entrepreneurs does not have a lot of responsibilities. Another argument that can be advanced is that, due to the general decline in performance by age, as it is difficult to perform certain tasks, as one grows older. This conforms to CBS et al (1999), which argue that age of an entrepreneur could have a bearing on experience, health and drive on the dynamism of enterprise.

4.1.1 Level of Education for Women Entrepreneurs

It was established that 20.3% of the entrepreneurs had not gone to school, while 25.4% had not complete primary school education only 20.3% completed the primary level of education. Further, 8.5% had not completed their secondary education, while 22% had completed secondary level of education. It was established that only 3.4% had post secondary education. Table two presents education levels of women entrepreneurs in Mumias town.

Table 2: Respondents by level of Education

LEVEL	FREQUENCY	PERCENTAGE %
None	16	20.3
Primary not completed	20	25.4
Primary completed	16	20.3
Secondary not completed	7	8.5
Secondary completed	18	22
College	3	3.4
Total	80	100

Source: Research data, 2002.

From the in- depth interview and discussion with Margaret, *“it was revealed that many of the women were brought up in poor families, their parents could hardly afford to pay for their education. This coupled with preferences of boys over girls, which leads to the low level of education among women entrepreneurs”*. Illiteracy and low levels of education

among women led to be ignorance about opportunities, credit institutions, and business management, thus limiting the women's ability to take risks through informed investment choices. This is in agreement with the observation by McVay (1989), that micro and small-scale entrepreneurs have difficulties in identifying simple quality improvements and new products to produce, mainly due to low level of literacy and little technical skills. Similarly, McCormick and Pederson (1996) observed that low level of literacy among women in MSEs lead to difficulties in keeping records/accounts or sourcing for credit.

HYPOTHESIS TWO

Differences in the level of education of women entrepreneurs have significant influences on performance of women- owned enterprises.

It was assumed that, there existed differences in the level of education among women entrepreneurs in Mumias. These differences affected the performance of the enterprises they owned. The performance was looked at in terms of number of workers, income from business, start up capital and records keeping. From the study, it has been established that, most of women in the category of retail/wholesale enterprise had secondary school education, while majority of women in retail category had primary level of education.

It was established that majority of entrepreneurs did not keep records at all. 44.1% of the entrepreneurs keep records of their daily transactions; while 55.9% do not keep records at all. This can be attributed to the low levels of literacy among a majority of women entrepreneurs. Other entrepreneurs told the researcher that they keep their records in their

heads. It is not surprising those with secondary school education and above accounted for 61% of those who kept records.

While those with primary level of education accounted for 81% of those who did not keep records. This had negative effects on the performance, as they cannot understand whether they are making profit or not. A chi-square carried out between education and record keeping and the level of significance was 0.623. This means that the level of education has significant effects on record keeping among women entrepreneurs in Mumias town.

The study reveals that women entrepreneurs who lacked information on how much they earned were either illiterate or semi-illiterate. Hence, low literacy levels among women in MSEs sector can lead to difficulties in keeping records and sourcing for commodities. It is therefore clear that education is an important attribute in business performance. However, women without any formal education acquire basic skills through experience, good customer relationship and maintaining customer's loyalty. It follows that people in retail/wholesale trade started with high initial capital.

4.1.2 Training of Entrepreneurs

The study, also investigated the element of training of entrepreneurs. Table three reveals that training which is lacking among women entrepreneurs in Mumias town. The 1999 National Baseline Survey indicated that 85.6% of entrepreneurs were not trained (C.B.S, et al 1999). Table three summarizes the types of training entrepreneurs have received.

Table 3: Types of Training

TYPE OF TRAINING	FREQUENCY	PERCENTAGE %
Not trained	62	78
Tailoring	7	8.5
Business management	4	5
Book-keeping	5	6
Secretarial	2	2.5
Total	80	100

Source: Research data, 2002.

Results reveals that, 78% of entrepreneurs interviewed had not received any training, while only 22% had received training. Women entrepreneurs were trained in the following fields, tailoring 7.8%, business management 5%, bookkeeping 6% and secretarial 2.5%. Those trained in bookkeeping and business management were trained by business development agencies that operate in the area like Kenya Rural Enterprises Programme (K-REP), Western Enterprises Development Company (WEDCO), Small and Micro Enterprises Programme (SMEP), and Promotion of Rural Initiative in Development of Enterprises (PRIDE).

Entrepreneurs who have not received any training cited various reasons for the lack of training. The reasons ranges from lack of money to lack of education as highlighted in table four.

Table 4: Reasons for not Training

REASONS	FREQUENCY	PERCENTAGE %
Lack of money	2	2
Lack of education	14	25.4
Lack of organization	12	20.3
Lack of interest	14	25.7
Total	58	78

Source: Research data, 2002.

Many of the entrepreneurs cited lack of education as the main reason for not being trained, while 20.3% cited lack of organizations that offer training to entrepreneurs, 23.7% cited lack of interest in training. For instance, Merabu, an entrepreneur aged 35 years old, said *“nobody can train me how to operate a business. What I need is capital to expand my business. If it's training then it should be offered by experienced entrepreneurs who have experience. . Because those credit officers training people do not even have or cannot even run a simple business outfit”*. In this case, the entrepreneur was referring to credit officers working for non-governmental organizations in the area offering credit to entrepreneurs. Those who received training relevant to their enterprises admitted that the training had made them successful by offering quality and efficient services.

However, the findings that majority of entrepreneurs did not have any type of training supports McClelland's (1961) theory that they are born entrepreneurs. A number of respondents possessed what McClelland refers to as the 'n' achievement, which made them

highly motivated, innovative, flexible and capable of surviving in the MSEs. This is evident by the fact that majority of women entrepreneurs were not trained but they were able to run to their businesses. These findings indicate that 78% of entrepreneurs were not trained.

4.1.3 Marital Status of Entrepreneurs

During the, research marital status of women entrepreneurs was investigated. The study reveals that 74% of the women interviewed were married, while only 11% were single (never married before). Table 4, presents marital status of women entrepreneurs.

Table 4: Marital Status of Women Entrepreneurs

STATUS	FREQUENCY	PERCENTAGE %
Single	8	11
Married	59	74
Windowed	10	13
Divorced	2	2.5
Total	80	100

Source: Research, 2002.

A study in Kariokor by Ngau and Keino 1993 established that there were no single entrepreneurs in this area. Married entrepreneurs formed 80%, while divorced/, separated entrepreneurs formed 14.3%. It was established that most entrepreneurs who were successful were married. One could attribute this success to support where husbands inject more

working capital to the enterprise. It might also be due to the fact the sharing of household's needs, which reduces the financial burden to women entrepreneurs.

For instance Rose, an entrepreneur selling second hand clothes narrated, "It is my husband who encouraged me to join MSEs. He provided the initial capital of Ksh. 15,000. Later, he injected a further Ksh.20, 000 into the business after harvesting sugar canes. The main reason he did this was to enable me to contribute to the well being of the household". This contradicts the beliefs held in African societies, that women are supposed to depend on their husbands and should not participate in income generating activities. This study reveals that men are moving away from the patriarchy system in African societies and are allowing and supporting their wives to join MSEs.

HYPOTHESIS THREE

Differences in marital status of women entrepreneurs have significant influence on performance of enterprises.

In this study, it was established that most entrepreneurs who started with high initial capital were married. The source of this initial capital was from the husband.

As table eight shows, 35% of entrepreneurs got their initial capital from their husbands. Secondary data also indicates firms, which, start when they are highly capitalized tends to perform better. The primary data reveals that those firms that were operating, as retail as well as wholesale were owned by married entrepreneurs. This group formed 13.7% of the entrepreneurs interviewed in Mumias town. In this case, women owned enterprises were viewed as supplementary sources of income, unlike single women enterprises.

The findings of the study indicate that, single entrepreneurs accounted for 30% of those who got their initial capital from personal savings. Married entrepreneurs accounted for 55% and widows accounted for only 15%. Those whose source of initial capital was from relatives were as follows; single entrepreneurs accounted for none, while married entrepreneurs accounted for 66% and widowed entrepreneurs formed 27%. Divorced women entrepreneurs accounted for 5% while all those who got their initial capital from their husbands were married.

According to Sethna, (1996) the level of commitment to enterprise varies according to marital status. For instance, single entrepreneurs spent relatively more on basic needs such as food, clothing and school fees than married counterparts. This is due to their position as sole breadwinners of their households. As Wangui single status entrepreneur remarked, “ *the main problem I have is finance, because everything including rent, food and fees rest on my shoulders. I have no body to share household financial responsibilities with, unlike married entrepreneurs who are assisted by their husbands*”. This entrepreneur sells second hand clothes in Mumias town and was one of the clients of PRIDE. Although married women were doing quite well, they had their own problems. However, the benefits of being married in this study outweighs the negative aspects of it.

4.1.4 Number of Dependent

Number of dependents in this study refers to number of people who depend on the respondent. This includes her children and any other relatives who depend on her. Children

in this study refer to any person with less than fifteen years. In addition, the dependent may refer to any person who does bring any income to the household.

It was established that 5% of the entrepreneurs did not have any dependent while 3.4% had 10 dependents to support. Table 5 summarizes the dependents of entrepreneurs

Table 5: Entrepreneurs Dependents

NO. OF DEPENDENTS	FREQUENCY	PERCENT %
None	4	5.1
2	8	10.2
3	10	11.9
4	16	20.3
5	8	10.2
6	12	15.3
7	7	8.5
8	8	10.2
9	4	5.1
10	3	3.4
Total	80	100

Source: Research data, 2002.

Further, there exists a negative relationship between the business success and dependents support. Dependents may affect the business indirectly and the effect may be felt in the long

run when the business collapses. Sarah said, *“due to many people who depend on my business income I cannot expand my business. I m having ten mouths to feed. The little I get, I use for food and school fees. This actually drains any income that I would have used to reinvest”*. Sarah is second hand cloth entrepreneur in Mumias.

HYPOTHESIS FOUR

Differences in the number of dependents of women entrepreneurs have a significant influence on the performance of the business. The assumptions here are that there exist differences in the number of dependents of entrepreneurs in Mumias town. These differences affect the performance on enterprise owned by women.

The study established that there was differences in the number of people depend on the entrepreneur. The least number of dependents was two while the highest was ten. It was established that women with a high number of dependents spend a lot of time taking care of their children. Furthermore, when it comes to finances they spend income from business to provide for family basic needs hence no extra capital for reinvestment.

From a discussion with a key informant, it was noted that women with many dependents, and especially young dependent have to wake up very early in the morning in order to satisfactorily perform the household chores before opening their businesses. For similar reasons, they also close earlier in the evening. The larger the family size of a female entrepreneur, the more time and resources are used or required to take care of the family.

This means that available resources are used for welfare rather than for further production activities. This combination of roles as mentioned by key informants is seen as having

negative influence on business performance. The effects are in form of lack of concentration on business activities, fatigue and lateness in opening the business. They're even some cases where entrepreneurs close business in order to go home and prepare lunch for their dependents. Alima, a key informant, said *"Women have to attend to their children during morning hours and even at lunch time, when they have to close their businesses in order to go home to prepare food for the children. In the evenings, they leave early, in order to start preparing for supper. In effect, these activities reduces time women spend in their businesses, consequently there is a bearing on performance"*. Alima narrated these on 28 July 2002.

4.2 FIRM CHARACTERISTICS

4.2.1 Year of Establishment

The findings indicate that very few enterprises were started before 1985, only 11.6% of the entrepreneurs reported that the year of enterprise establishment was before 1985.

Enterprises that were established in the year 1986 – 1990 were only 10%, while those established between the years 1991 – 1995 were 19%. Table 6, highlights the years the MSEs have been in operation.

Table 6: Age of Enterprises

YEAR	FREQUENCY	PERCENTAGE %
Before 1985	9	11.6
1986 – 1990	8	10
1991 – 1995	15	19
1996 – 2001	48	59
Total	80	100

Source: Research data, 2002.

However, majority of enterprises were not more than six years old. Those established between the years 1996 – 2001 accounted for 59% of enterprises. This reveals that women-owned enterprises do not operate for a very long period of time. As summarized in table six, enterprises that have existed for more than ten years accounted for only 21% of the enterprises.

4.2.2 Initial Capital

Start up capital was also investigated so as to find out how much women entrepreneurs started with to operate their enterprise. (The figures for start-up capital in this study have not been adjusted for inflation, however the researcher has used current prices).

Majority of women entrepreneurs started with less than Kshs. 2000, and they formed 49% of entrepreneurs interviewed. While 22.8% started with more than Kshs. 2,000 but less than 4000. Table 7, presents start up capital of entrepreneurs.

Table 7: Start up capital.

INITIAL CAPITAL	FREQUENCY	PERCENTAGE %
2000 and below	28	49
2001 – 4000	13	22.8
4001 – 6000	2	3.5
6001 – 8000	1	1.8
8001 – 10000	1	1.8
10001 – 12000	2	3.5
12001 – 14000	2	5.3
14001 – 16000	3	5.3
16001 – 18000	3	0
18001 – 20000	0	3.5
Over 20000	2	3.5
Do not know	2	5.3
Total	80	100

Source: Research data, 2002.

This is an indication that most women owned enterprise start small as indicated in table nine, only 21% of the women entrepreneurs had started with more than Kshs, 10,000. This confirms the argument that women have problems of getting finance for investment.

The study also analysed the source of the initial capital. This was done so as to understand where these entrepreneurs get their initial capital. Table 8 summarizes the source of initial capital of women entrepreneurs.

4.2.3 Source of Initial Capital

Table 8: Sources of Capital.

SOURCE	FREQUENCY	PERCENTAGE %
Personal savings	26	32.2
From relatives	24	30.5
Husband	28	35
Others	2	1.7
Total	80	100

Source: Research data, 2002.

As noted elsewhere, total of 35% of entrepreneurs interviewed cited husband as source of their initial capital. Further majority of the entrepreneurs stated their spouse financed them. Married women reported fewer difficulties in starting businesses than their single counterparts.

Women own savings accounted for 32.2% while those financed by relatives accounted for 30.5%. The MSEs sector continues to lament that MFIs are not concerned with developing MSEs.

It was established that most respondents did not mention their initial capital source being a loan from Micro Finance Institutions (MFIs) in the area, because such institutions only deal

with already established business. Discussion with the officers from MFIs in the area, which included WEDCO, SMEP, PRIDE and K-REP, attest to the above lament. Indeed as one of the credit officer said on 18/ 7/2002, *“we do not provide loans to entrepreneurs who are not in business, we give to people in business. This is due to the fact that those operating an enterprise have a vision for what they want to do with the credit. Unlike those not operating business who may not have a plan for the money”*.

During the interviews with women entrepreneurs, it was established that some entrepreneurs had wrong the perception of MFIs. One of the respondents explained to the researcher that MFIs are agents' of devil worshippers. The argument was that most entrepreneurs who were beneficiaries of MFIs loans tended to close down their business due to inability to pay the loan. This made some respondents feel that the loan was draining their initial capital, which can only be seen as work of the devil. Selinah said *“I cannot get assistance from MFIs, as they are devil's money. I say this because people who borrow money from MFIs do not survive in businesses for long. This is due to their initial capital being drained by devil's agents. If you walk around this market will see that no entrepreneur has succeeded with money from MFIs.”*

It was noted that some MFIs were discriminating against single women entrepreneurs. MFIs believe that single status women, lack permanence, indeed one of the credit officers said that they only give credit to married entrepreneurs, as it is easy to trace them. A credit officer narrated on 24/7/2002 that, *“we do not lend money to single women entrepreneurs as they*

disappear when they get married, or get employed. It is better to deal with married women entrepreneurs as they have permanent homes and husbands”.

The above suggest that MFIs discriminates against certain categories of women. Their perceptions may be misplaced, but such discrimination persists. If such perceptions are internalized by more MFIs they may demotivate women from seeking credit outside the opportunities available within familial investments.

4.2.4 Reasons for starting business

Major reasons given as to why women ventured into business included the need to supplement husband’s income, which accounted for 27.5%. Family needs accounted for 52% while 15% accounted for lack of job and 6.25% accounted for the desire to be independent. Table 9 summarizes reasons for venturing in business.

Table 9: Reasons for Venturing in Business.

REASONS	FREQUENCY	PERCENTAGE %
To supplement husbands income	22	27.5
Lack of job	12	15
Family need	41	52
To be independent	5	6.25
Total	80	100

Source: Research data 2002.

Thus for many women, business was meant to supplement household incomes at subsistent levels. It is against this subsistence oriented business mentality that women entrepreneurs do get assistance from family members.

This is evident from the following reasons given by respondents; SHEUNDA said, *“I started business so as not to ask for everything from my husband, who was already burdened. She continued that it is not good to ask your husband money for salt and merry go round, when he is struggling to pay school fees”*. Aisha narrated that *“I cannot you cannot just sit at home doing nothing while your husband is busy. You need to get your income so as to participate in certain activities like merry go round without bothering your husband”*. The above interviews were conducted on 1/ 8/ 2002 in Mumias town market.

4.2.5 Nature of Business

The findings of the study indicate that, women in Mumias town ventured mainly in service oriented business such as selling vegetables, fruits, grains, dress making, selling new and second hand cloth, hair care and retail consumer goods. Most of the enterprises have been in existence for less than five years and experienced such constraints as low returns and work pressure due to time offs required to attend to domestic chores. Entrepreneurs felt that business started and closed soon afterward due to frustrating environments especially the fact that a woman’s time is divided between enterprise and domestic duties.

The study explored the type of businesses women operate. This was in an effort to understand which category of business, women entrepreneurs are found. It was revealed

that only 13.7% of entrepreneurs were in both retail and wholesale trade, with retailer entrepreneur accounting for 84.7% of the entrepreneurs. More women are retailers because they lack finances to start an enterprise. This lack of capital is prevalent among women entrepreneurs in Mumias.

As one of the respondent by the name Jane said, *“Even me I would also like to be a large scale business person and open a wholesale shop but I cannot do that, because I’m poor. Hence, I will operate what I can manage now, but nobody would like to remain small forever”*. Jane sells second hand clothes in the town council market in Mumias.

The study examined the type of business premises that women operate from. It was established that 28.8% of the entrepreneurs were selling their goods along the roadside, while 49% were operating from temporary stalls. Those operating from permanent stalls were only 8.5%, while 13.6% were operating from built shops/kiosks. This indicates the pathetic conditions under which women entrepreneurs operate their business. Indeed, over 70% of entrepreneurs operate in insecure places. As a consequence, their goods are destroyed during the bad weather. There is a need for the town council to consider providing better infrastructure and storage depots for commodities.

Another finding from the study was that, 70% of those operating on the roadside, were entrepreneurs with primary school level of education, while those with secondary school level of education and above accounted for 30% of entrepreneurs operating along roads. Those with primary level of education accounted for 57%, while those with secondary education represented 43% of the entrepreneurs operating in temporary stalls in Mumias

town. Those operating in permanent stalls 50% of the entrepreneurs had secondary level of education and the remaining 50% had primary level of education.

4.2.6 Commodities Traded and Their Sources

Most women entrepreneurs in Mumias town are in service MSEs. The commodities traded included are fish, vegetables, maize, beans, cloth and fruits. The cloth trades include both second hand and new clothes. Table ten shows the various commodities that women entrepreneurs in Mumias trade in.

Table 10: Types of Commodities

COMMODITIES	FREQUENCY	PERCENTAGE %
Fish	16	20
Vegetables	8	10.2
Cereals	19	23.7
Soap	10	12
Clothe	24	30
Fruits	3	3.4
TOTAL	80	100

Source: Research data, 2002.

From the table, one notes that most women in Mumias town deal in second hand and new clothes. The category accounts for 30% of the types of business commodities. Cereals

accounted for 23.7% of the commodities sold by women entrepreneurs. Fish accounted for 20% and other commodities accounted for 10%. Majority of women entrepreneurs do sell fish, cereals and clothes because of the availability of the market for these commodities

The source of these commodities was investigated to determine where entrepreneurs get them. It was established that majority of entrepreneurs get their commodities within town. That is, 49% of the entrepreneurs got the goods within Mumias town, while 37.2% got their goods outside their province. They get their commodities from Kisumu, Kitale, Nakuru, Eldoret and Nairobi. Only 5.1% of entrepreneurs get their goods within the district, while another 5.1% got their goods within the province but out of the district. Majority of women entrepreneurs get their products within Mumias town. This may be because they have low initial capital and working capital. This limits their movements and search for cheaper supply.

The study explored how much time entrepreneurs spend in their enterprises. It was observed that time spend in an enterprise had bearing on the performance of the business. The study reveals that 34% of the entrepreneurs spend 3-4 hours in business while 28% of entrepreneurs interviewed spend 5-6 hours, and another 28% spend over seven hours in their business.

It was evident that some entrepreneurs took business as part-time activity, this is evident when one notes the number hours they spent in business. As one respondent selling second hand cloth said that "she sells clothes just to get money to buy salt only". As everything is

provided for by the husband. With this kind of attitude their performance is bound to be poor. Most entrepreneurs cited family responsibilities as taking away time they would have spent in business. Majority of women entrepreneurs combined household tasks and business activities, as culture demands that they take care of the domestic chores as well.

CHAPTER FIVE

5.0 BUSINESS INCOME AND SOCIO-ECONOMIC CHARACTERISTICS

Chapter five present issues on how socio-economic characteristics affect the performance of women owned enterprises. Cross tabulation was done between business incomes by the following characteristics: marital status, education levels, age, and number of dependents.

Table 11 summarizes the business income entrepreneurs. According to Lucey (1996), when the correlation coefficient is below 0.5 the relationship is weak, and when the correlation is between 0.5 and 1 it indicates a strong correlation.

5.1 Business Income

Table 11: Entrepreneurs Income

INCOME	FREQUENCY	PERCENTAGE %
1000 and below	48	61
1001 – 2000	10	12.2
2001 – 3000	5	6.1
3001 – 4000	7	8.2
4001 – 5000	3	4.1
5001 – 6000	0	0
6001 – 7000	2	2
7001 – 8000	5	6
Total	80	100

Source: Research data, 2002.

It was established that 61% of respondents earned Kshs 1000 and below. In this group, some respondents could not say immediately how much they get from the business. As it took a lot of time to inquire from them how much they were earning. They argued that they did not have the exact figures as they do not keep records and whatever they got from daily sales was used immediately. Only 8% of the entrepreneurs interviewed earn over Kshs. 5,000, this means that 92% of entrepreneurs earned less than Kshs. 5,000. This is a good illustration that women entrepreneurs have low earning. It is clear that $\frac{3}{4}$ of entrepreneurs earn less than Kshs. 5000.

The study confirms Sethena, 1996 that marital status has a significant influence on business of women entrepreneurs. In the study the spearman's correlations coefficient value is 0.952, this means that marital status has a positive effect on business income.

As the data from the study indicates, married entrepreneurs have higher incomes than single women entrepreneurs. Table 12, illustrates the relationship between marital status and business income

Table 12: Marital Status By Business Income

Marital Status	Business Income						TOTALS
	0-1000	1001-2000	2001-3000	3001- 4000	4001 - 5000	>5001	
Single	1	4	1	-	2		8
Married	12	14	8	7	10	7	62
Widowed	6	3	1	-	-	-	10
Divorced	-	2	-	-	-	-	2
Total	19	23	16	7	12	7	80
Spearman's correlation 0.952							

Source: Research Data, 2002

This study reveals that education is a key factor in business income. From the data analysis, spearman's correlation indicates the level significance to be 0.716, this means that the higher the level of education of an entrepreneur, the more income she is likely to make from business.

Table 13: Educational Level by Business Income

Level of Education	Business Income						TOTALS
	0-1000	1001-2000	2001-3000	3001- 4000	4001-5000	>5001	
None	12	2	-	-	-	-	14
Primary incomplete	10	2	-	-	1	1	14
Primary complete	5	7	-3	1	1		17
Secondary incomplete	2	1			4	2	8
Secondary complete	4	2	2	3	-	4	15
College	-	-	2	3	-	6	11
Totals	33	14	7	7	6	13	80
Spearman's correlation 0.716							

Source Research Data, 2002

From the study, it has been established that the age of women entrepreneurs has influence on the performance of their enterprises. Indeed, data analysis shows the spearman's correlation to be 0.555. This implies that age has an impact on the way women entrepreneurs perform in their enterprises.

Table 14: Age by Business Income

Age	Business Income						TOTALS
	0-1000	1001-2000	2001 – 3000	3001 – 4000	4001– 5000	>5001	
20-25	7	1	2	3	-	-	14
26-30	6	4	4	2	1	-	16
31-35	2	4	8	2	-	-	14
36-40	-	4	8	2	-	2	16
41-45	3	-	2	-	-	1	5
46-50	5	3	-	-	-	-	8
51-55	2	1	1	1	-	-	5
56-60	-	2	-	-	-	-	2
TOTALS	25	18	24	9	1	3	80
Spearman's Correlation 0.555							

Source: Research data, 2002

The study notes that, the number of dependents has negative influence on the business income. That analysis of data indicates that the spearman's correlation coefficient of significance is -0.977. The coefficient means that the larger the family size, the lesser the income one earns from an enterprise owing many responsibilities entrepreneurs face.

Table15: Number of Dependents by Business Income.

Number of Dependents	Business Income						TOTALS
	0-1000	1001-2000	2001- 3000	3001- 4000	4001- 5000	>5001	
0-5	11	4	8	5	6	7	41
6-10	15	4	3	7	6	-	35
TOTALS	26	7	8	12	6	7	76
Spearman's Correlation 0.977							

Source: Research data, 2002

5.2 Main Results

According to the results, the level of education is positively related to business income. The correlation coefficient of business income and level of education is 0.716. This implies that the higher the level of education of the entrepreneur, the higher the probability she will have a higher income from the business. It was established that most entrepreneur in retail/wholesale enterprises had secondary level of education, while majority of the entrepreneurs in the retail category had primary level of education.

Marital status has a strong positive correlation with business income of women entrepreneurs in Mumias town. From the data analysis, the correlation coefficient is 0.952; this implies the probability of married women entrepreneurs having more income than their single counterparts is high.

Age as socio-economic characteristics of women entrepreneurs had impact on business income. The correlation coefficient between age and business income is 0.555. This means that the older the entrepreneurs becomes, the lesser the income she is likely to make from her enterprise. According to the results, the number of dependents is negatively related to the business income. The correlation coefficient between these variable is -0.977 . This implies that the higher the number of dependents, the lesser the probability of earning more income.

CHAPTER SIX

6.0 PROBLEMS ENCOUNTERED BY WOMEN ENTREPRENEURS

6.1 Problems

Major constraints/problems that women entrepreneurs face in Mumias were many but the main ones are: lack of capital and credit, women complained of the problem of securing capital to start business as most of them did not have income of their own hence starting up a business was a problem. These means that they have to depend on their relatives for initial capital. They cannot access credit to start business as they lack collateral for security, while MFIs mostly target people already in business.

The entrepreneurs face harassment by town council officials; town council officials order the demolition of stalls, claiming that they had been erected illegally. The consequence of such is that there is uncertainty in business operations, as one does not know what will happen next.

Market fees paid to the town council was also cited as a problem. The entrepreneurs claimed that the more one increased their stock, the more fees they had to pay the town council. They felt that the council takes away their profit and sometimes even stock ,as they have to pay even when they have not sold anything.

Entrepreneurs in Mumias town face the problems of infrastructure. The situation is such that many entrepreneurs do not have permanent stalls. A majority of them were selling in open air and temporary stalls. They are affected by bad weather, as they cannot be in business

when it is rainy. They also have to carry their goods in the morning to their site and leave with the goods in the evening. This results in wastage and spillage in the process of transportation, also increases costs of operation, which further reduces the profits they would have gained.

A major constraint to the performance of enterprises is the competing demands of time available for women. These demands relate to household and enterprise operations. The many responsibilities placed on a woman impede her ability to attend to business with all her effort and time is divided between household responsibilities and business responsibilities. Consequently, women entrepreneurs have divided attention.

Some entrepreneurs complained of un-cooperative husbands, who did not support them. This is due to cultural belief that women are not supposed to venture into business. This results into husbands even taking away the little that has been gained in business or taking money given out as credit. As Zainabu one of the respondent complained that her husband had taken away the money she received as a loan from the K-REP.

Entrepreneurs complained of poor demand, as they were unable to make good sales. This was evident when entrepreneurs failed to sell their goods and those who took on credit did not pay in time or not at all.

Key informants, observation and interviews extrapolated the view that the low education of women, had an effect business operations. Many women were unable to utilize available business opportunities in marketing their products. This means that women participation MSEs is poor due to low levels of literacy.

Entrepreneurs face losses in many ways, the lack of infrastructure suggested earlier had impact on the perishability of the commodities. Entrepreneurs lack storage facilities that can minimize their losses when there is low demand for goods.

Problems of insecurity of goods at the market were mentioned, as entrepreneurs complained that they do lose goods at night from their kiosk or shops. This has made some entrepreneurs to close down their business due to insecurity.

6.2 Conclusions

1. MSEs sector in Mumias absorbs large numbers of unemployed women, it is open to all women who are adequately motivated to perform.
2. Women's socio-economic characteristics play an important role in participation and success of enterprise besides conducive business atmosphere.
3. The poor socio-economic backgrounds of many women in MSE handicapped their participation in business and development at large. However, education is key to performance of women –owned enterprises, while a large number of dependents had negative effects on the performance of the enterprises.
4. While many women are found to be unaware of the credit sources and procedures, and in the absence of concerted efforts from the government and formal public institutions to help women in MSEs, many credit organization were also reluctant to give credit to women entrepreneurs, mainly due to the negative and institutionalized attitudes that discriminated against women. For instance not providing credit services to single women entrepreneurs and those without collateral.

5. Women entrepreneurs had developed strong adaptive strategies to cope with the hostile social and institutional male dominated organizational and decision making structures, for instance forming women groups which lent money to their members

6.3 Recommendations

1. The government should channel more funds to education, especially the education of girl child. In addition, the government should carry out awareness campaign about the benefits of education to the society. As indicated in the study education is a key aspect in enterprise development.
2. Due to complaints about town council and insecurity, meeting and seminars should be held to emphasis the importance of MSEs to the local economy and their contribution to national GDP and hence the need to create business relationships that would facilitate MSEs growth in Mumias. The seminar should be attended by town council officials, and representative of women entrepreneurs and non-governmental organization
3. The town council should provide enabling environment due to poor infrastructure of operating shades/kiosks. As it has been indicated in the study, most women operate in poor conditions. For instance they operate in open air and temporary stalls along the road.
4. The government and MFIs should provide more capital to women entrepreneurs to inject into business, as the data indicates that women had problems in accessing

initial and working capital. Yet, the literature reveals that businesses which, are highly capitalized, tend to have high income. However most women entrepreneurs in Mumias town start with very minimal initial capital.

5. The government and MFIs should involve spouses of women entrepreneurs in business development service scheme because from the study husbands do assist their wives. Women entrepreneurs also need to be sensitized on the objectives of the MFIs, as some of the entrepreneurs associated these institutions with devil worshiping.
6. The public sector and credit organizations should be sensitized on the value of gender-balanced participation in the MSEs sector enterprise. A major goal should be to promote social and economic empowerment of women, as they constitute a vulnerable social category that is critical in sustainable development endeavours.
7. There is need for further social research in the area of culture and women's entrepreneurship. Related efforts should go beyond the individual enterprise to penetrate the community and institutional attitudinal or behavioral and structural levels.

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APPENDIX

QUESTIONNAIRE FOR INDIVIDUAL ENTREPRENEUR

1. GENERAL INFORMATION

1.1 Name of respondent

1.2 Age of respondent

1.3 Marital status

1. Single
2. Married
3. Widowed
4. Divorced

1.4 For how long have you been married.....

1.5 Husband's occupation and earnings

1.6 Level of formal education

1. None
2. Primary not completed. Std
3. Primary completed
4. Secondary not completed form
5. Secondary completed
6. College

1.7 Have you received any training?

1. Yes
2. No

1.8 If yes, specify which type of training, where you were trained and for how long

.....

.....

1.9 If no, why have you not been trained.....

1.1.1 Do you provide for daily needs of the household

1. Yes
2. No

1.1.2 How many people depend on you?.....

Characteristics of dependents

Name	Age	Sex	Relation	Level of Education	Occupation

2. ISSUES RELATED TO ENTERPRISE

2.1 How many people own this enterprise?

- 1. Myself.
- 2. Together with a partner.
- 3. Husband
- 4. Others (Specify)

2.2 When did you start operating this enterprise?

2.3 What was the initial capital?

2.4 Where did you get the initial capital?

- 1. Borrowed
- 2. Personal savings
- 3. From relatives and friends
- 4. Loan from bank

- 5. Loan from NGO
- 6. Others (specify)

2.5 What motivated you to start this business?

- 1.
- 2.
- 3.
- 4.

2.6 Before starting this business, were you engaged in any other business/work?

2.7 If yes what was it?

2.8 Did you leave it to start this one or you are still continuing with it?

- 1. Yes
- 2. No

2.9 Reason for answers (2.8)
.....

2.1.1 What type is your business?

- 1. Retail/wholesaler
- 2. Retail
- 3. Hawker
- 4. Others

2.1.2 Type of business premises

- 1. Roadside
- 2. Stalls
- 3. Temporary stalls
- 4. Permanent stalls
- 5. Others specify

2.1.3 What are major commodities you trade / manufacture?

- 1.
- 2.
- 3.

2.1.4 Where do you get these commodities?

2.1.5 Do you operate throughout the year or seasonally?.....

2.1.6 If seasonally, why is it so?

3. BUSINESS PERFORMANCE

3.1 What are the main sources of your personal income?

Sources	Amount in Ksh/month
Paid employment	
Income from business	
Sale from farm produce	
Sale of livestock	
Other sources (specify)	

3.2 What is your monthly income from the business? Approx. between Ksh.to Ksh

3.3 Where do you keep your savings?

1. Bank
2. Lend to relatives
3. With business women
4. Group savings
5. Others (specify)

3.4 Indicate in the given table average time you spent in hours per day in activities shown below

Activities	Hours per day
1. Business/enterprise	
2. Children's care	
3. Farm activities	
4. House work	
5. Social/community affairs	
6. Other activities	

3.5 How many workers do you have?

3.6 How many are members of your family?

3.7 Do you pay salary to everyone who works for you?

1. Yes

2. No

3.8 If yes, how much are they paid? Ksh

3.9 If no, why are they not paid?.....

3.1.1 Do you keep written records?

1. Yes

2. No

3.1.2 If yes which records do you keep?

1. Cash records

2. Invoice/receipts

3. Financial statements

4. Others specify

3.1.3 How was the performance of the enterprise at the beginning in terms of?

1. Number of employees

2. Profit margin per month

3. Sales volume per year

3.1.4 How do you judge performance of the enterprise now, in terms of?

- 1. Number of employees
- 2. Profit margin per month
- 3. Increasing in stock per month
- 4. New business

3.1.5 What are the reasons for this performance?

.....

3.1.6 What problems do women entrepreneurs face in this area?

- 1.
- 2.
- 3.
- 4.
- 5.

3.1.7 What are the causes of these problems?

.....

3.8 How do you think they can be solved?

3.9 Do we have any organizations/associations that assist women entrepreneurs in this area?

3.1.1 What other information can you share regarding the performance of women in business in this area?

Thank you.

SAIT AFRICANA COLLECTION