

**FACTORS INFLUENCING PERFORMANCE OF WOMEN  
GROUP ENTERPRISES IN LONDIANI SUB-COUNTY,  
KERICHO COUNTY, KENYA**

**BY**

**BEVALINE CHEPNGENO CHUMO**

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## DECLARATION

This research project is my original work and has never been submitted for a degree or any award to any university.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**BEVALINE CHEPNGENO CHUMO**

**L50/78940/2015**

This project is submitted for examination with our approval as University supervisors

Signature \_\_\_\_\_ Date \_\_\_\_\_

**DR. RAPHAEL NYONJE**

**SENIOR LECTURER,**

**DEPARTMENT OF EXTRA MURAL STUDIES**

**THE UNIVERSITY OF NAIROBI**

Signature \_\_\_\_\_ Date \_\_\_\_\_

**MR. JOSEPH O. AWINO**

**LECTURER,**

**DEPARTMENT OF EXTRA MURAL STUDIES**

**THE UNIVERSITY OF NAIROBI**

## **DEDICATION**

This research project work is dedicated to my husband Edwin Rono and my children Valentine, Sharon and Emmanuel and also my parents Mr. and Mrs.Sarah Chumo for the hardship gave me a stronger foundation for my educational goals.

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## **LIST OF ABBREVIATION AND ACRONYMS**

<b>SHG:</b>	Self Help Group
<b>MYWO:</b>	Maendeleo ya Wanawake Organization
<b>ICT:</b>	Information Communication Technology
<b>KEWO</b>	Kipkelion Empowerment Women Organization
<b>NGOs:</b>	Non -Government Organization
<b>NCWK:</b>	National Council of Women of Kenya
<b>FAWE:</b>	Forum for African Women Educationist
<b>NCSW:</b>	National Commission on the Status of the Women
<b>KWFT:</b>	Kenya Women Finance Trust
<b>MFIS:</b>	Microfinance Institution
<b>MDGS:</b>	Millennium Development Goals
<b>NFPP:</b>	Non-Financial Promotion Program
<b>GOK:</b>	Government of Kenya
<b>KNBS:</b>	Kenya National Bureau of Statistics, 2007
<b>WGS:</b>	Women Group
<b>MSMES:</b>	Micro, Small and Medium Enterprises

## ABSTRACT

Women economic empowerment continues to be of major concern all over the world. This is because women and girls constitute 52 per cent of the world's population. The role of women in the world economy has been growing in importance with time. However, they still face a lot of hurdles in trying to attain economic and social freedom. This study was designed to assess the factors that influence the performance of women group enterprises in Londiani Sub-County in Kericho County in Kenya. These factors were categorized into economic, social, infrastructure and ICT. Expectancy theory as advanced by Vroom (1964) is adopted in this study. The target populations were 4,406 women belonging to 279 groups in the sub-county. Stratified random sampling was used to get 2 strata: women group members and women group officials. Simple random sampling based on Krejcie, R.V. and Morgan, D.W. (1970) table of determining Sample Size for Research Activities, Educational and Psychological Measurement was then used to get a sample of 353 women and purposive sampling used to get 262 group officials. In the process of answering the basic questions, a questionnaire that includes demographic profiles and the three categories of factors that influence women group enterprises was designed in a close-ended likert scales and open-ended questions. Moreover, in-depth group's interviews were held with the women group officials representing the 262 selected groups. Pilot testing of the data collection tool was done prior to actual data collection to validate the tool and a Cronbach alpha reliability index of 0.774 was obtained. The collected data was analyzed using simple statistical techniques (tables and percentages) and descriptive statistics (mean and standard deviations) with the aid of Statistical Package for Social Sciences (SPSS) Version 20. The results of the study shows that majority women group enterprises in Londiani sub-county have businesses (66.7%) with their main objective being economical empowerment members (74%) who are fairly farmers (33.4%). Some groups registered yearly profit margin of Kshs. 30,001 - 40,000 (36.7%) in last financial year. Based on the grand mean and standard (Grand:  $X = 2.812$  &  $s.d = 1.215$ ), ICT factors are the most severe influencing women group enterprises. Most roads in the Sub-county are murrum roads that are prone to weather conditions and need attention of the county government to construct culvers (30.2%) and regular maintenance (35.2). The findings of this study are hoped resourceful in development of women enterprises that are sustainable and economically viable in order to address women needs of generating income for themselves and their families.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background of the study**

There is an increasing global acknowledgement of the importance of the role of women group projects in economic expansion (Luo & Tung, 2007). Because of this, governments and researchers have introduced activities promoting women enterprises because they view it as the reason for the attainment of financial and socio-economic goals such as poverty mitigation (Cook & Nixson, 2000).

A research by Fielden and Dave (2004) suggested that lack of management skills and social barriers are responsible for affecting progression of women group projects. According to Rahim (1996), social assistance is negatively related to stress. In addition, a study conducted by Chay (1993) further showed that social sustenance reduces the consequences of stress caused by work. Apart from social sustenance, strong ties in the business help women become successful in their businesses. A study of McClelland et al. (2005) indicated that the women entrepreneurs in Canada and Ireland were using networking as a form of business growth.

Women group projects in the United States have shown features of the invention and have been found to be providing about 55% of manufacturing employment of the United States (Keeble, 2007). Small Medium Enterprises are also considered to be contributing to about 37% to country's GDP accounting to 52% of businesses in US. Britain increased its developmental plan, and female enterprise development as an important step to solve the problems associated to economic activities. Women enterprises as a leading cause of economic growth and economic development has been acknowledged in the area of job creation and poverty alleviation. Women enterprises are greatly directed towards smaller firms, because 98 percent of micro-enterprise businesses are owned by women (King and McGrath, 2012). Due to this, there continues to be an increased reliance on informal

sources of funding for working capital requirements. In Ghana, inadequate finance for women Small Medium Enterprises is affecting their expansion and growth of the nation's economy. Macroeconomic situation in Ghana in 2000 harshly constrained individual based sectors' access to credit. Government borrowing increased interest rates and pushed the private sector out of the financial markets. Looking at the financing challenges being faced by women in Small Medium Enterprises, many inventions have been introduced by the government using its monetary policy and financial sector reforms which have increased banks' lending to the private. On the other hand, inadequate access to credit, increased interest rates and excessive collateral necessities still position substantial constraints to the expansion of SMEs (McGahan and Porter, 2006). One of the Challenges women projects in Kenya face is discrimination. In that when they approach finances from the bank, they end up facing discrimination. According to Diagne and Zeller (2011), inadequate access to credit by the poor may impact negatively on small businesses. It has also been noted that, access to micro-credit facilities improves small businesses leading to overall welfare of the people who are poor.

In developing countries such as Kenya, small enterprises are changing to Micro-finance Institutions for a number of financial services because Micro-finance is acknowledged as a major approach to accomplishing the Millennium Development Goals (MDGs) because access to sustainable financial services empowers small business owners to finance income and decrease their exposure to external shocks (Mahjabeen, 2008). Availing credit to the poor people helps in attaining two purposes as argued by Wydick and Kevan (2001). First, borrowed capital put in small enterprises results in great short-term surplus in domestic spending and wellbeing. In addition, micro finance credit facilities increases economic growth in the non-formal sectors by encouraging the growth in business capitalization, creation of jobs and income growth (McPherson, 2005).

According to (Maguire, 1984; United Nations 1979), 60 per cent of women are uneducated, getting only 10 per cent of the world's income. Further, women contributes to about one-fifth of the formal employment, holding jobs that are not well paid, such as teaching and secretarial positions (National Council of Women of Kenya, 1997). Females

are further not favored by cultures and traditions that determine their capability to gain income, access to information and productive resources.

The Ministry of Gender and Sports also established Women's Bureau with the objective of creating awareness about the potential of women in a country's growth and educating women on the difficulties and trials that they may get into in the process of realizing these developments (World Bank, 1989; Republic of Kenya 1993). Numerous organizations such as the National Council of Women of Kenya, Maendeleo Ya Wanawake Organization, Forum for African Women Educationist, Federation of International Women Lawyers among others are geared towards empowering women. In Kenya, there are documentations that are affirming to the women empowerment other than the ones belonging to the government and they include: World Bank (1989); Malcolm et al. (1998); Musyoka and Gatara (1984); ILO (1985); Mitullah (1994); United Nations (1985); and NCWK (1997). The gender issues addressed in Kenya are the same as the concerns in the African policy for achievement. They comprise of economic empowerment, elimination of illiteracy, health improvement and the legal rights.

To this end, the government has accepted the quest by women for better economic empowerment and due to this, it has formulated policies to mainstream women in every part of economic development. A holistic development and growth of a nation can only be realized if women are seen as equal partners in development with men. Liberation of the female folk is an obligation for all nations' economic development and social improvement. Poverty is the core hindrance to the enhancement of the women. Therefore, the need to empower women is central to human development activities which include poverty alleviation.

However, there is a paradigm shift globally with confirmation that women have taken up entrepreneurial roles and are excelling in many areas including politics, academics, law and business. Women roles in the sphere of the economy of the world has been increasing in importance as time goes by. Women are deciding to initiate enterprises both after career break and transition from salaried employment to self-employed. The deployment

of women in Kenya can be tracked back from women's councils of the Kikuyu in the nineteenth century. During the first half of the 20<sup>th</sup> century, women in Vihiga, Kakamega, Kiambu, Kericho and Machakos designed communal help groups where help was given in cases of birth, disease and even in death.

Maendeleo ya Wanawake, the largest organization for women in Kenya, was formed to improve the advancement of African Women and to advance living standards of the Africans (Maas 1991). From inception, it was the initiative of philanthropic exemplary middle income class women volunteers to assist the rural women's clubs in welfare matters which included; home management, sewing and knitting among others. Mutoro (1997) indicated that creation of women groups, more so the ones with welfare objective was not an original phenomenon in Kericho. However, the formation of registered income-generating groups was a new idea for the women in that area.

An observation made on women groups in Chepseon Division shows that they are more concerned with welfare matters for members which include purchase of water tanks, household items, food stuffs among others. Some of these women groups are involved in income generating activities such as offering catering services and hiring out equipment such as plastic seats and utensils, but their accomplishment and growth is not significant. Again, some of these women groups only operate shortly then they disintegrate. This study is therefore meant to determine the factors that influence performance of women group enterprises in Londiani Sub-County of Kericho County.

## **1.2 Statements of the Problem**

Women Groups are very common among several Kenyan communities and their role in economic development of households has been controversial because some men do not agree with them due to their negative consequences on economic empowerment of women. The 2009 Kenya population census indicated that out of 38,610,097 people, males were 19,192,458 and female were 19,417,639. These shows that the majority were female (G.O.K., 2010). Therefore women are an asset in the aspect of the county's human resource. Creation of women groups, more so the ones with welfare objectives was not new in Kericho County. The part that was new for a number of women was the creation of income-generating groups.

Regardless of the small and medium enterprises being the main causes of economic development and employment in Kenya, about sixty percent of small businesses owned by women do not succeed shortly after start-up (Kenya National Bureau of Statistics, 2007). Kenya as a country has made progress with a number of reforms enabling women to take up roles in the society that were male dominated. Vision 2030 and the New Constitution enacted in 2008 has clearly indicated the role of women. This has led to the Kenyan government conceiving the notion of institutional financing to offer women finances for self-employment and business skills development as a means of combating lack of employment and poverty, which are the main cause of problems for women (GoK, 2009). This research therefore, sought to determine the influencing factors on performance of women group enterprises in Kericho County.

## **1.3 Purpose of the study**

The purpose of this study was to examine the factors that influence performance of women enterprises in Londiani Sub-County.

#### **1.4 Objectives of the study**

- i. To determine the influence of economic factors on performance of women enterprises in Londiani Sub County
- ii. To establish the influence of social factors on the performance of women enterprises in Londiani Sub County
- iii. To determine the extent to which infrastructure influence performance of women enterprises in Londiani Sub County.
- iv. To determine the influence of Information Communication Technology on performance of women enterprises in Londiani Sub County.

#### **1.5 Research Questions**

- i. Do economic factors influence performance of women enterprises in Londiani Sub County?
- ii. Do social factors influence the performance of women enterprises in Londiani Sub County?
- iii. To what extent does infrastructure influence performance of women enterprises in Londiani Sub County?
- iv. What is the influence of ICT on the performance of women enterprises in Londiani Sub County?

#### **1.6 Significance of the study**

The findings of this study would be used to sensitize women groups to find the solution to the development of women enterprises that are sustainable and economically viable. Therefore, this study sought to evaluate women group enterprises in Londiani Sub County and information generated by this study would be important to the government of Kenya and departments addressing women unemployment through entrepreneurship so that the problem of women enterprises failure and stagnation would be addressed. In addition, women would be able to use micro finance, business idea generation, and other advisory services offered and push the investment dreams to fruition.

The findings would add to the available knowledge on the contributions of enterprises on empowerment of women in Kenya as reflected by any change in their living standards at individual, household or enterprise level. The results of the study will provide a framework for strategic initiatives and innovative ideas that will lead to improvement of government's positive impact on the lives of the women and contribute to national development.

The study would enable the government to determine and establish regulatory framework for enterprises in Kenya, which would guarantee the achievement of the economy's main agenda of poverty eradication and best ways to address gender balance issues. Despite government attempts to motivate women into enterprises and contribute to economic development, poverty has not been reduced to the required levels. Hence this study established the economic roles of women, social, infrastructure, training on ICT on enterprises in poverty reduction in Kenya. Other researchers may also use the findings as a basis for further research and development of their individual researches that may want upgrading or not yet done.

### **1.7 Assumptions of the study**

The study anticipated that the target population volunteered information to the researcher, and that they gave accurate information that helped the researcher answer the necessary research questions and achieved the objectives of the research.

### **1.8 Limitations of the study**

This research was limited by language barrier especially for the old women who found it difficult to express themselves in English language. However, since the researcher speaks the native language of most of them, it required interpretation and translation especially on filling the questionnaires. The respondents were unwilling to give information as they were being frightened that it might be used for other reasons; for example intimidation or exposing the information to their competitors. They were assured of the ethics that was

kept throughout this study and on the importance of accuracy of the information, they gave.

### **1.9 Delimitations of the study**

This study was narrowed down to women group enterprises operating within Londiani Sub County, Kericho County. The study was carried out for a period of 4 months; January 2016 to April 2016. The target population was 279 women group enterprises in Londiani town as it was more accessible and convenient for this study. This study was limited to only women group enterprises that had operated within Londiani for 2 year and more. This study did not cover other sub counties in Kericho County due to time and financial resource constrains.

### **1.10 Definitions of key terms as used in the study**

**Factors:** The conditions that stimulate and increase the likelihood of women venturing in business activities.

**Entrepreneurship:** The capability and preparedness of the women to grow and manage business ventures along with any threats that go with them in order to make profits.

**Enterprises:** Businesses employing more than 10 people.

**Women Enterprises:** Businesses started and run by women especially in groups,

**Performance:** Refers to the attainment of carrying out an obligation. It contains all features of an operation such as financial, human and all other activities carried out to meet the business objectives.

### **1.11 Organization of the study**

The study was organized in five chapters. Chapter one divided into the following sections: background of the research study, statement of the research problem, the purpose of the study, research objectives and questions, significance of the study, basic assumptions, limitation and delimitation of the study, definitions of significant terms and organization of the study. Chapter two addressed review of literature, chapter three comprises of the methodology which had research design, target population, sampling procedures, research instruments, data and collection procedures, data analysis techniques and ethical considerations. Chapter four presented the data analysis, presentation, interpretation and discussion by objective which included demographic characteristics of the respondents, economic factors, social factors, infrastructure and information communication technology on performance of women enterprises. Finally, chapter five presented the summary of major findings, conclusions and recommendations per objectives.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

It presents both theoretical and empirical literature on factors influencing performance of women group enterprises. It focuses on the extent of economic, social, infrastructure and ICT as factors influencing women enterprises and also measurement of the performance of women group enterprises.

#### 2.2 Economic Factors and performance of Women Enterprises

Economic factors are the factors that help to influence women group enterprises in a competitiveness of the environment where the organization operates, Nieman (2006). According to Business Dictionary, Economic factors are a set of essential information that affects a business or an investment's value. Baron and Nieman (2006), argues that achievement of a new business is based on the status of the national economy and political stability during the times of the SME launch (Baron, 2004 & Nieman, 2006).

In addition, SMEs have remained recognized to significantly add to economic development worldwide. In a statement printed in the journal of Economic Literature in 2000 on the manufacturing industries in unindustrialized countries, the segment of Small Medium Enterprises in various occupations are greater in those countries, which are naturally fixated on small-scale manufacturing. Hence, policy requirements remain obligatory in boosting these initiatives to achieve self-sustenance and help them realize their full potentials in their provision on economic growth (Hankinson, 2008; Markman & Baron, 2011).

In Kenya for instance, according to Kimuyu (2008), Operation of Small Medium Enterprises cuts across all parts of the economy and endure many households. This was

acknowledged by the 2003, National Budget. Finance Minister noted that Small Medium Enterprises form baselines for businesses and Employees. In addition, they provide employment opportunities. Their processes are greatly labor concentrated than the greater producers. Consequently, providing policies would enhance the operations of these enterprises and the country's economy.

Knowing the challenges of formal funding, the Kenyan government established the Women Enterprise Fund in 2007. The Fund's main agenda was to issue different financial amenities to women who are left out in most financial services (Women Enterprise Fund, 2007). A survey conducted by the National Commission on Gender and Development in 2010, showed that the Fund greatly influenced the lives of women. There was better income, improved and expanded businesses, enlarged access to alternative markets, capacity to make informed decisions and impact on other stakeholders such as community and economy.

Therefore, Women Enterprise Fund encourages the argument that exposure to financial resources is a requirement to enterprise growth. The economic issues are: competition in the market; limited access to the market, limited access to raw material, inadequate finance, inadequate marketing knowledge, inconsistent power supply and lastly inadequate business training. Entrepreneurship as the driver of economic growth and economic development which has been recognized in the area of job creation, revenue production, poverty eradication and wealth creation (Cheston & Kuhn, 2009). It forms the largest business segment in the markets (Miner & Haunschild, 2005).

In Kenya, for instance this realization led to the formation of the Small Enterprise Development which is authorized to create a conducive environment for development of small enterprises with adjustments to the adjusting framework that has been a prohibiting factor to potential SME proprietors. The main agenda of SED revolves around business programs also known as Non-Financial Promotional Programs. SED is also mandated with the responsibility of providing responsive small enterprise credit facilities and an ensuring a gender balance.

Another strategy by the government, through the Ministry for Finance is the creation of Sessional Paper No. 2 Small Enterprises and Jua Kali growth in Kenya of 2005 on creation of Small enterprise for Wealth and Employment Creation to eliminate poverty. This was created with theme of, "Small Medium Enterprises having great capability of creating jobs, while producing great economic benefits. This policy enables attainment of national goals in order to foster economic growth, employment creation, income generation, and lastly industrialization.

Resource availability is mentioned in a number of researches as being one of the main barriers to growth. In a study of NGOs and women small-scale entrepreneurs in the clothing production sector of the textile industry in Nyeri and Nairobi. Macharia and Wanjiru (1998), factors hindering credit access to women include: lack of seed capital; inadequate awareness of existing credit schemes; increased interest rates; lengthy procedures for loan applications; and, lack of collateral security for finance. These factors are the main hindrance to the development of businesses owned by women.

Financial access is an important matter for women. Credit facilities for setting up an enterprise, is particularly one of the factors affecting women businesses. In addition, women have less opportunities as compared to men with regards to getting loans for a number of reasons like, lack of collateral and unfavorable opinions on business women by loaning institutions. In Kenya, women are nearly undetectable when it comes to formal financial institutions they get not more than 10 per cent of commercial credits (Phizacklea, 2003). When women access credit, mostly it is in small amounts and it doesn't matter whether their needs are being met or not.

Entrepreneurs mostly are need of financial help to start their ventures be it a formal bank loan or money from a savings account. Women in unindustrialized nations have limited access to finances, because they are concentrated in rural communities with less opportunities to borrow money (Starcher, 2008). Women businesses face hurdles like lack of enough financial resources and capital. They also miss out on external funds

because of lack of the required acceptable security. Only a few of them have the tangible property.

Further, family requirements also tend to stop aspiring women on successful entrepreneurs in both developed and developing nations. Starcher (2008), avers that because of the responsibility that women have on family members, just a few can devote time and energies to their business. The financial institutions dishearten women entrepreneurs that they can leave their business and become housewives again. Differential access to credit may be a reflection of variances in the selection of sector, educational level or the amount of loan applied for. Nevertheless, as sector choice and educational heights tend to be less or determined by gender, this could be indirectly as a result of gender opinions. Further, women entrepreneurs in developing countries continue to be plagued by reduced assets, ineffective application of financial rights and the availability of difference in inheritance rights and lastly, inadequate access to communal resources. Gender-based challenges as an unadventurous thinking, cultural values, and lack of collateral make up the difficulties faced by women.

Some scholars mention enterprise education and training according to Alberti and Poli (2004) enterprise education is the structured formal communicator of entrepreneurial proficiency in terms of concepts, skills and mental awareness used by individuals during the period of initiating and developing their growth-oriented ventures. Enterprises education and training is about the improvement of personal skills and behavior change.

### **2.3 Social Factors and Performance of Women Enterprises**

The social factors comprise of inadequate social acceptability; inadequate limited contacts outside prejudice and class favoritism; society looking down on women; attitude of other staff; and dealings with the work force. Other than this, Hisrich (2005), ILO (2009) included is Socio-cultural attitude on women entrepreneurs, business education, regulatory framework, business support and obstacles to access technology are very important factors affecting women entrepreneurial success.

Training had positive influence of micro and macro enterprises presentation in Nigeria, Ghana, USA, Tanzania and Canada respectively (Ibru, 2009; Cheston & Kuhn, 2002). Women group enterprises, mostly in emerging countries, missed out on adequate social networks that are the basis of credit and market information (Olomola, 2002), on the other hand, social capital has been identified to have positive influence on the performance of women enterprises (Brata, 2004). The role apportioned to entrepreneurship for economic development more so in the industrialized economies such as USA, Japan and Canada has made most developing economies to amend their developmental model and strategy and it has also helped them recognize new enterprise development as a solution to their economic problems.

Arising socio-cultural gender based disparities and favoritisms weigh seriously against women (Barwa, 2003). According to Uzzi (1997), resources together with knowledge are culturally rooted and affects availability of resource and utilization of capabilities of women entrepreneurship. Ayarudai, discusses that women entrepreneurs in Kenya are faced with absence of confidence, inadequate individual involvement and reluctance in taking risks. Women's fragile social position and mainly in Garissa is exacerbated by missing role models in entrepreneurship and also poverty that increases marginalization of their enterprises. The existence of biased cultural practices among societies in Garissa hinders women aspirations and success in their socio-economic life.

Networks are extremely vital in business for it to develop. The essential principle of networking according to Zuwarimwe and Kirsten (2010) is to act as a channel of information while Tata and Prasad (n.d) asserts that social network offers finances and other profitable opportunities that are lower than market level. Furthermore, Sabatini (2006) also identifies social network as a glue that offers a link between the economy and community. Study on the progression of women enterprises indicate very intensely the formation of networks as a factor that is very vital (Davis and Long, 1999). Subsequently, women entrepreneurs with resources for growth that tend to use extra formal social networks (Kickul, et al. 2007). The existence of respectable working relations with

clients, investors and other components to the business has been effective strategies, Kamau *et, al.* (1999) share similar views.

## **2.4 Infrastructure and Performance of Women Enterprises**

According to Rogerson (2008), access to infrastructure and services such as electricity, water, serviceable roads, all critical for women group enterprises on performance. He also argues that access to public infrastructure and services has a strong relationship with women group enterprises growth and performance. Public infrastructure should therefore be developed with focus on enhancing growth and survival (Darroch & Clover, 2005).

Africa Infrastructure Country Diagnostic (AICD) mentions that tasks are aimed at increasing the world's awareness of physical infrastructure in Africa, because infrastructure has contributed to about half a percentage point to Kenya's yearly per capita GDP in the last 10 years. Infrastructure indicators in Kenya are comparatively good when compared to other low income earning countries in Africa.

From the AICD (2012) report, constraints in infrastructure are liable for nearly 30 percent of the yield handicap encountered by Kenyan firms with the rest being poor because of bad governance and investment constraints. Power is the infrastructure limitation that impact heavily on Kenyan firms followed by transport.

Ejembi and Ogiji (2007) have established that poor infrastructure hinders growth of women group enterprises. Reduced infrastructure comprises of bad roads, low water supplies and irregular supply of electricity. Bowen et al (2009), accepts that infrastructure, as it correlates to the provision of access roads, sufficient power, water, sewerage and telecommunication services, affects the progression of women group enterprises. Mboniyane and Ladzani, (2011) established that Medium Sized Enterprises had to cope with dust and sewerage adjacent to their businesses and also on their business premises. In most cases the operators of MSEs are never educated on disruptions in electricity or water supply that would affect their businesses.

Unsatisfying infrastructures cause a major challenge to small enterprises in Kenya. In Kenya, the establishment of better infrastructures has remained behind for many years. This is confirmed by the fact that; there are poor roads and erratic power supply. Based on the proceedings of the National Investment Conference, (2003, Kenya is still in need of improved infrastructures.

## **2.5 Information Communication Technology and performance of Women Enterprises**

ICT is technology meant to assist in collection of information, analysing, distribution and utilization; as supported by Beckinsale and Ram, (2006). This consist of all devices of technology which include; computers, internet, websites and telephones. In addition, we also have mobile phones, wireless communications devices, networks, broadband and numerous specialized devices (Manueli, Latu and Koh, 2007).

From a number of ICT literature that emphases on women group enterprises. Information, Communication Technology shows a key role in assisting women group enterprises by attaining a low cost structure and obtaining a higher returns on each customer (Marlin and Wright, 2005). This is due to the fact that through ICT initiatives, businesses worldwide have enabled accruing of benefits for instance, lower costs, reduced marketing time and better opportunities for business networking. The application of ICTs amongst women enterprises in Kenya was more in the cities when compared to rural areas. Though, many women entrepreneurs have incorporated the idea of ICT in the running of their businesses. This has issued them with a chance to add essential roles in business administration and have made substantial contributions to nation building (Mahmood & Hanafi, 2013; GOK, 2005).

In a research by Boston Consulting Group (BCG), it is shown that technology experts outdo their colleagues in the marketplace. About 4,000 Small Medium Enterprises were surveyed in a number of countries comprising U.S.A, China, Germany, India and Brazil and established that technology acceptance from 2010 through 2012, through all industry

sectors, produced more jobs than other small businesses. Small and Medium Enterprises that adopted technology likewise enlarged their yearly revenues by 15 percentage points quicker than corporations with lesser levels of technology acceptance.

The Government of Kenya has also identified ICT as a major enabler in the achievement of Vision 2030. There has been unprecedented uptake of wireless networks and mobile communication amenities have enabled SMEs in Kenya to appreciate proficient communication and mobile payment platforms like M-pesa and Airtel Money. According to the Safaricom full year 2014-2015 report, Smartphone users grew by 98% to 3.4m attributed to the availability of low cost smartphones. Furthermore SMEs active customers by 106% to 64,000 customers. The total M-Pesa transactional value was Kshs 4.18trillion in the year ending 2015 which was a 26% growth.

Technological variations have great influence on how women group enterprises are managed both in positive and negative ways, like the arrival of smartphones (Isobel & Lowe, 2009). Marketing outlets utilize site-based advertising to get in touch with the adjacent customers with specific messages, but they must also work with shoppers to compare prices worldwide to identify the greatest deal. Effectively, technology can boost marketing performance and at the same time discouragement outdated ways of running business. Consequently, forcing retailers to adjust to more advanced competitors (Nasser et al, 2011).

The exposure of women to ICT infrastructure means that being part of the helpless group in unindustrialized nation women will not be excepted from the international business movements whereby it has increasingly provided first-hand opportunities for entrepreneurs to access market materials, customers communication and provision of new channel for buying and selling products, for example when we look at OLX buyers and sellers contacted their businesses through it hence, the worldwide outburst in mobile technologies in a number of developing countries which has led to enlarged and more reasonably ways of accessing ICTs.

In Kenya, women entrepreneurs are very essential when it comes to economic growth (Nthuni, 2014). Their business activities are expected to create wealth for families and for the nation (GOK, 2005). Women's undertakings in entrepreneurship allows them to greatly combine their productive and reproductive roles due to flexibility in hours of work which allows them to watch over their children and again contribute to economic growth. This has led to women being considered as a vital focus of economic growth and communal policy fears.

Information, Communication and Technology shows an essential role in empowering women entrepreneurs, combined with policies handling challenges that they face at all levels. In order to gain its complete potential in ICT utilization among women entrepreneurs, Kenya should fully embrace first-hand management and economic developments in ICT utilization mainly in e-commerce. The Kenyan government has gotten involved on placing the internet fibre optic cables in many parts of the country. This is to convince Small Medium Enterprises to accept the Internet as an effective way of doing business and coming up with more business undertakings and revenue. To help in realizing this goal, the government has accepted to issue funds through women group enterprises, upgrade computer systems for effective and efficient usage, training and technology acquisition and adoption, and electronic commerce initiatives.

Modification of technology has created a serious challenge to minor businesses. With revolution in technology, small business entrepreneurs face challenges with the new technologies. The senior management in an organization are often viewed as the least in knowledge about emerging technological advancement. Hence, the out-sourcing of consultants from foreign firms for the acquisition of the technical knowledge. In most African countries, including Kenya, there still persists challenges of connectivity between indigenous small enterprises and foreign investors to speed up technological elevation (Muteti 2005). There exists a wide digital difference amid the individuals living in rural and urban areas in Kenya. Having inadequate power supply in many parts of rural areas, it is a difficult task to realize internet and networks access to information that are important in any enterprise. Hence, technological adoption, though destined to generate

economic change drastically, does not seem to respond to the plight of the rural entrepreneurs.

Chong (2008) exerts that an absence of information technology can decrease customer fulfilment and greatly limit development in small enterprises. It is also said that Medium Sized Enterprises mostly have challenges in obtaining access to acceptable technologies and information on existing techniques (Naidu and Chand, 2012).

## **2.6 Theoretical Framework**

This study was guided by the expectancy theory as advanced by Vroom (1964), which indicates that people have dissimilar sets of objectives and can be encouraged if they have definite prospects. This guiding theory is on choice and it expounds on the procedures undergone by individuals to make choices. Vroom (1964) further posits that for a person to be motivated; determination, performance and inspiration must be connected. He recognized that an employee's performance is founded on individual issues like personality, knowledge and abilities. Characteristics such as employee's perceptions, skills needed for the task, support expected from superiors and subordinates, quality of materials, availability of information and the overall working environment can also be classified as hinged on employee performance.

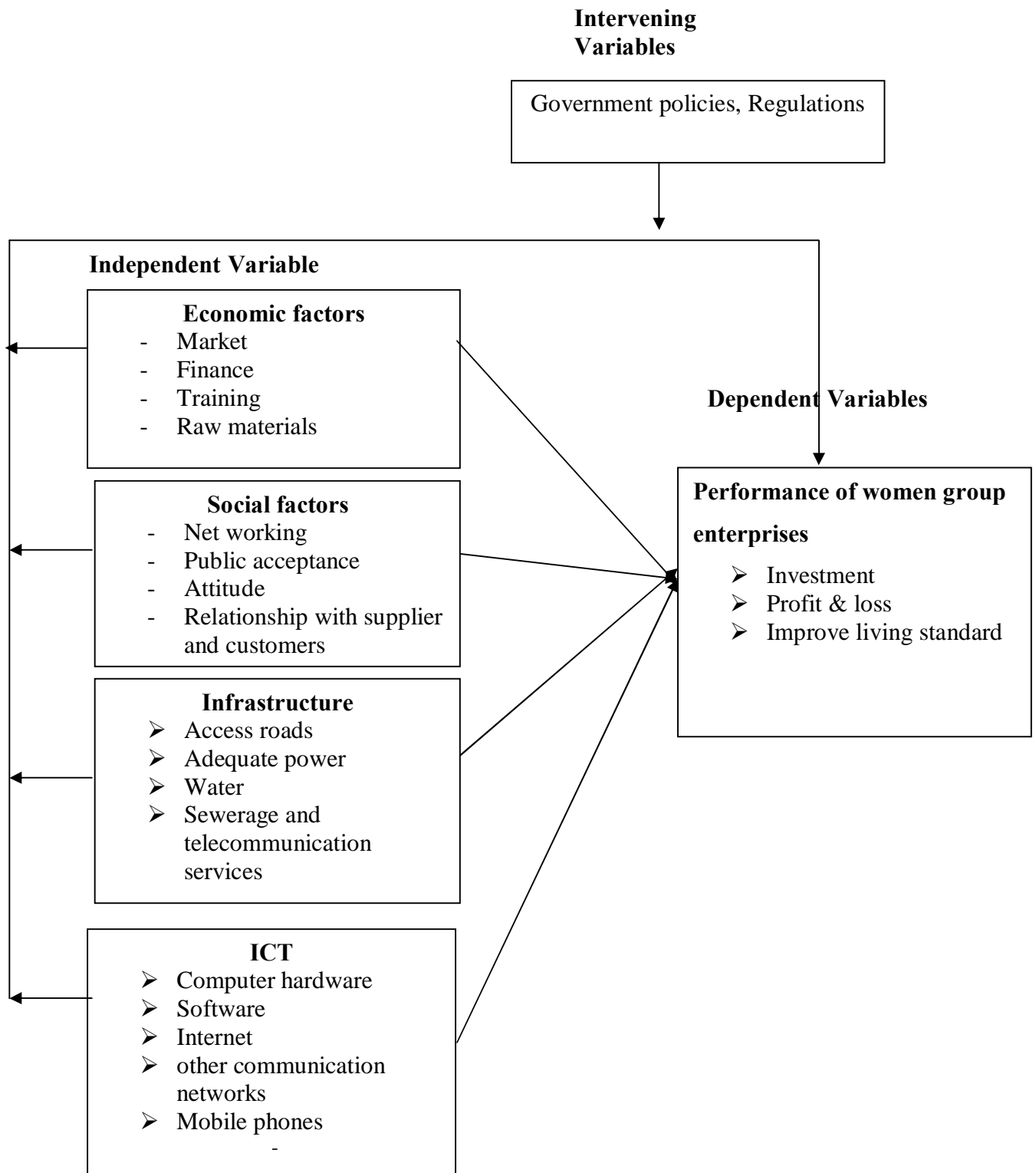
The capacity to pinpoint and tap prospects varies amongst entrepreneurs and depends on their capability to access information and readiness to act on the information based on risk such as their attitude (Shane, 2005). Besides, psychological and demographic features for instance; motives, attitude to risk, education, career experience, age and social status can also be the contributory factors.

Other factors like economic, political, legal, and socio-cultural fundamentals also affect identification of prospects in business environment. Specifically, earning level of the entrepreneur, capital accessibility, political strength, laws regarding private enterprise and property rights could affect unearthing and utilization of chances got for entrepreneurial.

The business location or setting may negatively influence identification of opportunities. In segments such as manufacturing, agriculture and catering services, there tend to be great desirability for entrepreneurs to venture in Brana, (2008). The assessment of the recognized opportunity is an additional step in the entrepreneurial procedure and suitable decision at this stage leads to utilization of the opportunity identified (Shane, 2005). The choice to utilize the chance is based on the plan of the entrepreneur which is mostly regarded as the suitable measure of entrepreneurial decision-making. This ultimately brings in the acknowledgement of entrepreneurial prospects (Shane, 2005). Consequently, the use of the opportunity is based on the entrepreneur's level of education, knowledge acquired, social networks and cost-benefit analysis of the business (Shane, 2005).

## **2.8 Conceptual framework**

A conceptual framework is an idea derived from specific occasions, this is as pointed out by Kombo and Tromp (2009). This section gives a diagrammatic presentation of conceptual framework for achievement of the associated factors influencing performance of women group enterprises. It therefore, enunciates the connection between independent variables, dependent variables and intervening variables.



**Figure 2.1 Conceptual framework**

**Source: Researcher (2016)**

In Figure 2.1, economic factors are those factors that help to influence women group enterprises in their operations. These factors are market, access to funds, and raw materials that have the ability to influence growth, profits and investments within an enterprise. Social factors are those that affect the individuals, business thought and behavior within social setups. These factors are networking, public acceptance, attitudes, relationship within suppliers and customers, hence influence the performance of an enterprises.

The infrastructure referred to is the access of services such as electricity, accessible roads and water, access to public infrastructure and services have a strong relationship with women group enterprises growth and performance. On the other hand, ICT refers to information used to assist in information collection, analyzing, sharing and use. These are computer, internets, websites, phones and communication devices such as network. All these play important role in supporting and achieving high returns per customer.

Availability and utilization of the above factors may influence the performance of women group enterprises. But the government may control how the women group initiative finances is being given to the women group enterprise owners and it can also set the conditions and necessities to be achieved before accepting the finances.

## **2.9 Summary of the Gaps**

Women group ventures or enterprises perform a pivotal part in the financial advancement of societies. However, for a long time these women who initiated ventures have endured poor business performance when compared to their male colleagues and this has been linked to things like inadequate credit, proper avenues for saving, training, and shared capital. Information is still scanty on this front partly due to the fact that most women group enterprises fall within the informal segment. Because of this, it is a challenge to make important scrutiny on the relationship amongst micro and macro enterprises and performance of these businesses for further projections and making of the decisions. Stable economical, social, infrastructure and ICT are common factors influencing performances on women group enterprises by third world countries. Hence, women

group enterprises in most of the unindustrialized countries have to interact with many challenges because of the same reasons (Benzing et al., 2009). This is the gap that this research wanted to address. It focused on the factors influencing on the performance of women group enterprises in Londian Sub-County, Kericho County.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter presents the methodology of the study. It consists of; research design, target population, sample design, data collection, validity of research instruments, and reliability of research instruments, data analysis and ethical issues.

#### **3.2 Research Design**

Kothari (2007), defines a research design as the theoretical structure on which research is carried out. He further adds that the design is needed because of its facilitation of smooth research processes, by creating efficiency that yields a lot of information with reduced spending on money, effort and time. The researcher adopted a descriptive survey design and both qualitative and quantitative approaches used. According to Frankel and Wallen (2000), survey refers to the questioning of a large percentage of a particular group of people about a specific issue. This method was chosen because it enables one to describe and interpret the conditions and relationships as they were. It used to examine the factors influencing women enterprises in Londiani Sub-county.

#### **3.3 Target Population**

According to Mugenda and Mugenda (2003), target population refers to the population from which a researcher could generalize the study results. The targeted population for this research were 279 Women Group Enterprises and 4406 women group members drawn from Londiani Sub County, Kericho County. This was because the study intended determine the influence of various factors on their enterprise performance.

#### **3.4 Sample Size and sampling procedure**

This section discussed sample and sampling procedures for the study.

### 3.4.1 Sample size

The researcher employed Krejcie, Robert V. and Morgan, Darylew W. (1970) recommendation table for determining sample size of women group members and their officials (Appendix IV).

**Table 3.1 Sample size**

<b>Strata</b>	<b>Target population</b>	<b>Sample size</b>
Groups	279	162
Group members	4,406	353
Women group officials	837	262

### 3.4.2 Sampling procedure

Sampling is the method of getting a representative of the entire population to be used for analysis (Kothari, 2003). The sampling procedure refers to the procedures used to draw a representative sample size. The researcher employed stratified sampling technique to come up with two strata: women group members and women group officials. Simple random sampling technique was then applied to choose the two members to participate in the study from the sampled one hundred and sixty two women groups in the sub-county. Further one more member from those sampled groups with more than seventeen members was picked at random to raise the sample size to three hundred and fifty three group members. Purposive sampling was employed to select an individual from each group totaling to two hundred and sixty two individuals.

### 3.5 Data Collection Instrument

This research utilized questionnaires to gather information. A questionnaire can be viewed as a tool or written questions for gathering information on a particular issue of interest. The researcher employed questionnaires made up of likert type of questions, it also had clear instructions on how to answer the questions. The researcher was majorly

geared towards views, opinions, perceptions, feelings and attitudes in relation to women group performance. This information could greatly be gathered by use of questionnaires (Mugenda and Mugenda, 1999).

The questionnaire comprised two sections with the first section used to capture the personal demographic data such as age, main occupation, education level and marital status. The second section contained questions on factors influencing performance of women group enterprises, which included: economic factors, social factors, infrastructure and ICT. The questionnaire contained both closed and open ended questions to allow for adequate collection of information from the respondents.

### **3.5.1 Pilot Testing**

The developed research instruments were pre-tested for appropriate modifications before the final testing. The pilot study was carried out in Chepseon market. The researcher was able to familiarize herself with the expected responses in the final study. The testing was carried out in two stages, two to three weeks after the others and after correcting some of the issues found to be of concern among the tools used. A due diligence was undertaken to ensure that the questions in the questionnaires were not too lengthy with no ambiguity for better understanding by the respondents.

### **3.5.2 Validity of the Research Instrument**

With respect to Mugenda & Mugenda (2003), validity is when outcomes obtained from the data analysis represent the phenomena under investigation. Experts from the Department of Extra Mural Studies and peers were relied to ascertain content validity of the instruments. They requested to read through the tool to ensure its face validity and also to countercheck the objectives against the items of the questionnaire so as to determine its content validity. Their views were then incorporated in the final questionnaire.

### **3.5.3 Reliability of the Research Instrument**

According to Kothari (2003), reliability is the degree to which a research instrument gets similar results after repeated judgements. The researcher endeavored to increase the reliability of collected information by making sure that the questionnaires are tested and retested by getting them administered to women group enterprises in Chepseon Market. The questionnaire was administered to the same women group enterprises twice in a period of two weeks with the same conditions constant. From the two groups, the researcher then computed the reliability for multi-item opinion questions using Statistical Package for Social Sciences (SPSS) to test for Cronbach's reliability index. An index of 0.7 and above was taken to be good for the study.

### **3.6 Data Collection Process**

The researcher first sought an introduction letter from the University of Nairobi, which allow for a research permit to be obtained from the National Council of Science and Technology (NACOSTI). The researcher then administered the questionnaires to the selected group members and the group officials who were issued with the questionnaires and then gave time to respond to the questions. The filled in questionnaires were then collected after one week for analysis.

### **3.7 Data Analysis Techniques**

With regards to Sounders, Lewis and Thornbill (2009), analysis of data is its processing to obtain meaningful information. However, Burns and Grove (2003) defined data analysis as a process of organizing data in order to get findings that needs interpretation by the researcher. The resultant data was analyzed using both quantitative and qualitative method. The quantitative measures were used to generate descriptive statistics and other inferential parameters, while the qualitative methods were used in arranging data from questionnaires. Thereafter, the questionnaires were checked for completeness and then coded. SPSS version 22.0 was used for analysis and then the results were reported using descriptive statistics such as frequency tables, graphs and charts. The questionnaires were

issued to the respondents through informal self-introduction. Qualitative data was analyzed by putting them into themes and then getting their frequencies and percentages.

### **3.8 Ethical Considerations**

Ethical issues as identified by Cohen and Marion (2009) were adhered to in this study. They included; confidentiality, anonymity, avoiding deception, betrayal of respondents and finally privacy. Consent of participants to participate in the study was sought and in case of a respondent did not want to participate in the study, their decision was appreciated and considered. All ethical requirements in research were strictly adhered to.

## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATIONS, INTERPRETATIONS AND DISCUSSION

#### 4.1 Introduction

This chapter presents the findings, interpretations and discussion as per the objectives of the study depending on return rate of the research tools used. Demographic characteristics of the respondents were analyzed and presented by use of frequency tables and percentages. Data related to economic, social, infrastructure, information and communication technology factors that influence performance of women enterprises were analyzed where mean and standard deviation of these factors were utilized.

#### 4.2 Questionnaire Return Rate

The rate of responses was as shown in Table 4.1

**Table 4.1 Questionnaire Return rate**

<b>Strata</b>	<b>Target population</b>	<b>Target Sample size</b>	<b>Return Sample size</b>	<b>Return Rate (%)</b>
Group members	4,406	353	338	95.8
Women group officials	837	262	258	98.3

Source: Researcher 2016

The distributed questionnaires were 353 targeting a population of 4,406 group members. Interviews were administered on 262 group officials targeting a population of 837 officials. The questionnaires and interviews that were properly filled and collected were

338 (95.8%) and 258 (98.3%) of the target sample respondents, which was enough for analysis.

### 4.3 General Demographic Information

This section presents the general demographic information of the respondents.

#### 4.3.1 Demographic Data on Age

The age groups of the respondents were as summarized in Table 4.2

**Table 4.2: Demographic Data on Age**

Age	Frequency	Percentage
18 ó 29 Years	118	34.9
30 ó 39 Years	183	54.2
Over 40 Years	37	10.9
<b>Total</b>	<b>338</b>	<b>100.0</b>

Majority of the respondents are within the age bracket of 30 ó 39 Years old (54.2%) followed by 18 ó 29 Years and over 40 Years respectively.

#### 4.3.2 Demographic data on education level

The highest education level attained by the respondents were as summarized in Table 4.3

**Table 4.3: Demographic data on education level**

Education Level	Frequency	Percentage
Primary	39	11.5
Secondary	95	28.2
Tertiary College	118	34.9
University	39	11.5
No formal Education	47	13.9
<b>Total</b>	<b>338</b>	<b>100.0</b>

Source: Researcher 2016

With regard to education level of the respondents, table 4.1.3 clearly shows 34.9% attained their highest education in tertiary colleges followed by secondary schools 28.2%, with no formal education 13.9% and lastly a tie of 11.5% for primary and university levels.

### 4.3.3 Demographic data on occupation

The researcher sought to establish the occupation of the respondents as this could influence the source of income to the group through contributions. The results are presented in Table 4.4

**Table 4.4: Demographic Data on Occupation**

Occupation	Frequency	Percentage
Employed	93	27.5
Self -Employed	98	29.0
Farmer	113	33.4
Student	34	10.1
<b>Total</b>	<b>338</b>	<b>100.0</b>

Source: Researcher 2016

The main occupation of the women group respondents in Londiani Sub-county were farmers 33.4% which were closely followed by self-employed 29.0% employed 27.5% and students 10.1% respectively

#### 4.3.4 Demographic data on marital status

Researcher sought to establish the marital status of the respondents and the results are presented in Table 4.5

Table 4.5: Demographic data on marital status

Marital status	Frequency	Percentage
Married	174	51.5
Single	118	34.9
Divorced	13	3.8
Widowed	33	9.8
<b>Total</b>	<b>338</b>	<b>100.0</b>

Source: Researcher 2016

Based on their marital status, it is clear that half of the respondents were married 51.5%. Those who were single were 34.9%, widowed 9.8% and last in the pie were divorced 3.8%.

#### 4.3.5 Performance of women groups

The following are summaries of findings on performance of women groups as indicated by respondents.

Table 4.6 Performance of women groups

	1	2	3	4	5
Our groups has continually improved	13	57	28	187	53
Percentage (%)	<b>3.8%</b>	<b>16.9%</b>	<b>8.3%</b>	<b>55.3%</b>	<b>15.7%</b>

Source: Researcher 2016

#### 4.3.6 Demographic data on size and age of the women groups

Table 4.6 summarizes the demographic data on size and age of the women groups that may influence their performance.

Table 4.7: Demographic data on size and age of the women groups

<b>Group</b>	<b>Highest</b>	<b>Lowest</b>	<b>Average</b>
Size	27	4	15
Age	20	2	10

Source: Researcher 2016

The highest number of members per group was 27; the lowest was 4 and registered an average of 15. The highest age of groups was 20 years; the lowest was 2 and an average of 10 years.

#### 4.4 Economic factors influencing performance on women enterprises

The following Table 4.7 summarizes the economic factors that may influence performance of women enterprises

**Table 4.7: Economic factors influencing performance on women enterprises**

Economic factor	Standard	
	Mean	Deviation
There is enough market for our group's products	3.85	0.736
Our group is able to access adequate finance for its activities	3.12	1.269
Group members have received training needed for our business	3.74	1.411
Our group can access raw materials/ stock easily	3.85	1.316
Our group own premises or property registered under the group name	2.27	1.725
<b>Grand Mean/Standard Deviation</b>	<b>3.366</b>	<b>1.2914</b>

Source: Researcher, 2016

As clearly shown in Table 4.7, the respondents generally agreed that there was enough market for their group's products ( $\bar{X} = 3.85$  &  $s = 0.736$ ), they have received training needed for their business ( $\bar{X} = 3.74$  &  $s = 1.411$ ) and their groups accessed raw materials or stocks easily ( $\bar{X} = 3.85$  &  $s = 1.316$ ). They were undecided if their groups were able to access adequate finance for their activities ( $\bar{X} = 3.12$  &  $s = 1.269$ ). Further they disagreed on groups having premises/land registered under their group name ( $\bar{X} = 2.27$  &  $s = 1.725$ ).

Groups with businesses were 66.7%. Some groups registered yearly profit margin of Kshs. 30,001 - 40,000 (37.3%) followed by Kshs. 40,001 - 50,000 (23.1%), Kshs. Below 10,000 (20.7%), over Kshs. 50,000 (10.1%), with losses (3.6%), Kshs. 10,001 - 20,000 (3.6), and Kshs. 20,001 - 30,000 (1.8%). Their main objective were economic empowerment of women 74% followed by benevolent fund for members 13.2%, encourage family planning 6.6% and uplifting religious beliefs of members 6.2% respectively. Majority of these groups 72.1% lack enough market for their products. The main source of groups' funding for their operations were members' savings/contributions 50.8% followed by loans from Micro-financial Institutions 23.6%, table-banking 19% and grants 6.6% respectively. Furthermore, major challenge of the groups were inadequate Funds 37.1%, high default rate 19.4% and lack of Technical and Managerial skills 17.1% among others as clearly captured in appendix VI.

#### 4.4.1 Correlation analysis Economic factors influencing performance on women enterprises

The researcher sought from the respondent on how economic factors influence performance on women enterprises.

Table 4.8.1 Correlation analysis Economic Factors influencing performance on women enterprises

<b>Correlations</b>			
		Economic factors	Performance of women groups
Economic factors	Pearson Correlation	1	.777
	Sig. (2-tailed)		.122
	N	338	338
Performance of women groups	Pearson Correlation	.777	1
	Sig. (2-tailed)	.122	
	N	338	338

Source: Researcher 2016

From a Pearson correlation it is evident that there is a strong correlation between economic factors and performance as indicated by  $r=0.777$

#### 4.5 Social factors influencing performance on women enterprises

Table 4.8 summarizes the social factors that could influence performance of women enterprises.

**Table 4.8: Social factors influencing performance on women enterprises**

Social factor	Mean	Standard
		Deviation
Being in this group has enabled us to network with other organizations/business	3.58	1.421
Being in this group has made us recognized in the society	4.35	0.478
The Society has positively embraced our role in business in the region	4.46	0.499
Customers do not discriminate our products in the market	4.17	1.042
Suppliers work with us well	3.32	1.305
<b>Grand Mean/Standard Deviation</b>	<b>3.976</b>	<b>0.949</b>

Source: Researcher 2016

Although with little variation the respondents agreed that being in a group enabled them to network with other organizations/business ( $\bar{X} = 3.58$  &  $s = 1.421$ ), the group made them recognized in the society ( $\bar{X} = 4.35$  &  $s = 0.478$ ), the Society positively embraced their role in business in the region ( $\bar{X} = 4.46$  &  $s = 0.499$ ) and customers do not discriminate their products in the market ( $\bar{X} = 4.17$  &  $s = 1.042$ ). On the other hand they were almost undecided concerning how well they work with their suppliers ( $\bar{X} = 3.32$  &  $s = 1.305$ ).

The major social impediments influencing their group performance included members misunderstanding (36.4%), dishonest members/officials (44.4%) and unsupportive spouses (19.2%) as hinted out by the respondents.

#### 4.5.1 Correlation analysis on Social factors influencing performance on women enterprises.

The researcher inquiries from the respondent on how social factors influence performance on women enterprises and the findings are indicated in table 4.8.1.

**Table 4.8.1 Correlation analysis Social factors influencing performance on women enterprises**

<b>Correlations</b>			
		Social factors	Performance of women groups
Social factors	Pearson Correlation	1	.742
	Sig. (2-tailed)		.151
	N	5	5
Performance of women groups	Pearson Correlation	.742	1
	Sig. (2-tailed)	.151	
	N	5	5

Source: Researcher 2016

The Pearson correlation indicated that there is a positive correction as shown by  $r= 0.742$ ,  $n 5$ ,  $p=0.151$ . Hence social factors influence the performance of women enterprises.

#### 4.6 Infrastructure factors influencing performance on women enterprises

The researcher sought if infrastructure factors influenced performance of women enterprises. The findings are presented in Table 4.9.

**Table 4.9: Infrastructure factors influencing performance on women enterprises**

Infrastructure factor	Mean	Standard Deviation
There are good access roads in the Sub-county	4.46	0.718
Availability of good access roads enable us to reach to the market	4.34	0.473
Availability of clean water enables our business to go on well	3.46	1.494
There are adequate sewerage services in our area of trading	2.22	0.987
<b>Grand Mean/Standard Deviation</b>	<b>3.62</b>	<b>0.918</b>

Source: Researcher 2016

The respondents generally agreed that there were good access roads in the Sub-county ( $\bar{X} = 4.46$  &  $s = 0.718$ ) and availability of good access roads enabled them to reach to the market ( $\bar{X} = 4.34$  &  $s = 0.473$ ). They trivially agreed on the availability of clean water that enabled their business to go on well ( $\bar{X} = 3.46$  &  $s = 1.494$ ). Conversely they disagreed that are adequate sewerage services in their area of trading ( $\bar{X} = 2.22$  &  $s = 0.987$ ).

The respondents advocated for regular maintenance of their county roads (35.2%), construction of culverts to avoid destruction by heavy downpours (30.2%) and some needed the roads tar-marked (34.6%).

#### 4.6.1 Infrastructure factors influencing performance on women enterprises

The researcher sought from the respondent the infrastructural factors influencing performance of women enterprises and the results was shown in table 4.9.1.

**Table 4.9.1 Correlation analysis on Infrastructure factors and performance on women enterprises**

		<b>Correlations</b>	
		Infrastruct ure factors	Performance of women groups
Infrastructure factors	Pearson Correlation	1	.841
	Sig. (2-tailed)		.074
	N	5	5
Performance of women groups	Pearson Correlation	.841	1
	Sig. (2-tailed)	.074	
	N	5	5

Source: Researcher 2016

The Pearson correlation shows that there is a strong relationship between the infrastructural factors and performance of women enterprise as indicated by  $r= 0.841$ ,  $N= 5$  and  $P= 0.074$ . That is infrastructural factors influence performance of women enterprise.

#### 4.7 Information and Communication Technology Factors

Table 4.10 summarizes the ICT factors that may influence performance of women enterprises in Londiani sub-county.

**Table 4.10: Information and communication technology factors**

ICT factor	Mean	Standard Deviation
Our group make payments through electronic means	2.56	1.110
Group records are kept in electronic device	2.14	1.192
Information is shared about group's business performance through electronic device	3.31	1.172
Our group members are computer literate	2.46	1.287
ICT has increased our group's business performance	3.59	1.314
<b>Grand Mean/Standard Deviation</b>	<b>2.812</b>	<b>1.215</b>

Source: Researcher 2016

Based on the grand mean and standard deviations (Grand:  $\bar{x} = 2.812$  &  $s = 1.215$ ) implied ICT factors were the most severe influencing women group enterprises in Londiani sub-county. The respondents almost disagreed that their groups make payments through electronic means ( $\bar{x} = 2.56$  &  $s = 1.110$ ). They disagreed that group records are kept in electronic devices ( $\bar{x} = 2.14$  &  $s = 1.192$ ) and their group members were computer literate ( $\bar{x} = 2.46$  &  $s = 1.287$ ). They are undecided whether information was shared about group's business performance through electronic devices. Groups with computer literacy members accounted to 60.5%. Only 14.3% Of the groups kept the operation records in electronic devices which were majorly mobile phones 97.3% followed by Computers 1.8% and 0.9% of tablets respectively as clearly tabulated in Appendix VI.

**4.7.1: Correlation analysis between Information and communication technology factors on performance of women enterprises**

The researcher sought from the respondent no how information and communication technology influence on performance of women enterprises and results was shown on table 4.10.1

**Table 4.10.1: Correlation analysis between Information and communication technology factors on performance of women enterprises**

<b>Correlations</b>			
		ICT factors	Performance of women groups
ICT factors	Pearson Correlation	1	.750
	Sig. (2-tailed)		.144
	N	5	5
Performance of women groups	Pearson Correlation	.750	1
	Sig. (2-tailed)	.144	
	N	5	5

Source: Researcher 2016

The Pearson correlation in table 4.10.1 showed that there was a positive correlation between the ICT and performance as reflected by  $r=0.750$ .

#### 4.8 Performance rate of the Women Groups

Table 4.11: Performance rate of the Women Groups

##### One-Sample Statistics

Performance Indicator	N	Mean	Std. Deviation	Std. Error Mean
Being in a group has improved my living standards	338	2.88	.756	.041
My Group make profits	338	2.71	.710	.039
My Group has investments	338	2.38	.554	.030

Source: Researcher 2016

Regarding to performance of Women Group enterprises in Londiani Sub-county, the respondents to some considerable extent agreed to have improved their living standards improved ( $\bar{X} = 2.88$  &  $s = 0.756$ ) and had made some profits in past year with only 3.6% of the groups registering losses. In addition, to a little extent they had groups investments ( $\bar{X} = 2.75$  &  $s = 0.710$ ). It is clear from Appendix VIII that the correlation was both positive and negative stretching from -1 to +1 amongst the four categories of factors influencing the performance of women groups. From the correlation matrix formed by these results ICT factors stand out to be most severe over economic, social and infrastructure factors.

## CHAPTER FIVE

### SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter consists of the research project major findings, conclusions and recommendations. The conclusions arising from the summary of findings pave way for recommendations aimed at improving the performance of women enterprises in Londiani sub-county and finally the suggestions for further research.

#### 5.2 Summary of the findings

This study was aimed to objectively evaluate factors influencing women enterprises in Londiani sub-county. The researcher found out that majority of the respondents were within the age bracket of 30 ó 39 Years old (54.2%) followed by 18 ó 29 Years and over 40 Years respectively. With regard to education level of the respondents 34.9% attained their highest education in tertiary colleges followed by secondary schools 28.2%, with no formal education 13.9% and lastly a tie of 11.5% for primary and university levels. The main occupation of the women group respondents in Londiani Sub-county were farmers 33.4% which were closely followed by self-employed 29.0% employed 27.5% and students 10.1% respectively. Based on their marital status, it is clear that most of the respondents were married 51.5% as the single ones were at 34.9%, widowed 9.8% and last in the pie were divorced 3.8%. The highest number of members per group was 27; the lowest was 4 and registered an average of 15. The highest age of groups was 20 years; the lowest was 2 and an average of 10 years.

The first objective of the study was to determine the influence of economic factors on performance of women enterprises in Londiani Sub County. It was established that the respondents generally agreed that there is enough market for their groups products ( $\bar{X}$  = 3.85 &  $s$  = 0.736), they had received training needed for their business ( $\bar{X}$  = 3.74 &  $s$  = 1.411) and their groups accessed raw materials or stocks easily ( $\bar{X}$  = 3.85 &  $s$  = 1.316).

They were undecided if their groups were able to access adequate finance for their activities ( $\bar{X} = 3.12$  &  $s = 1.269$ ). Further they disagreed on groups having premises/land registered under their group name ( $\bar{X} = 2.27$  &  $s = 1.725$ ). Groups with businesses were 66.7%. Some groups registered yearly profit margin of Kshs. 30,001 - 40,000 (37.3%) followed by Kshs. 40,001 - 50,000 (23.1%), Kshs. Below 10,000 (20.7%), over Kshs. 50,000 (10.1%), with losses (3.6%), Kshs. 10,001 - 20,000 (3.6), and Kshs. 20,001 - 30,000 (1.8%). Their main objective was economic empowerment of women 74%. Majority of these groups 72.1% lack enough market for their products. The main source of group's funding for their operations was member's savings/contributions 50.8%. Furthermore, major challenge of the groups were inadequate Funds 37.1%, high default rate 19.4% and lack of Managerial and Technical skills 17.1%

The second objective of the study was to establish the influence of social factors on the performance of women enterprises in Londiani Sub County. Although with little variation the respondents agreed that being in a group enabled them to network with other organizations/business ( $\bar{X} = 3.58$  &  $s = 1.421$ ), the group has made them be recognized in the society ( $\bar{X} = 4.35$  &  $s = 0.478$ ), the Society positively embraced their role in business in the region ( $\bar{X} = 4.46$  &  $s.d = 0.499$ ) and customers do not discriminate their products in the market ( $\bar{X} = 4.17$  &  $s = 1.042$ ). On the other hand they were almost undecided concerning how well they work with their suppliers ( $\bar{X} = 3.32$  &  $s = 1.305$ ). The major social impediments influencing their group performance included members misunderstanding (36.4%), dishonest members/officials (44.4%) and unsupportive spouses (19.2%) as hinted out by the respondents.

The third objective of the study was to establish the influence of infrastructure factors on the performance of women enterprises. The respondents generally agree that there are good access roads in the Sub-county ( $\bar{X} = 4.46$  &  $s = 0.718$ ) and availability of good access roads enable them to reach to the market ( $\bar{X} = 4.34$  &  $s = 0.473$ ). They trivially agreed on the availability of clean water that enabled their business to go on well ( $\bar{X} =$

3.46 &  $s = 1.494$ ). Conversely they disagreed that they had adequate sewerage services in their area of trading ( $\bar{X} = 2.22$  &  $s = 0.987$ ). The respondents advocated for regular maintenance of their county roads (35.2%), construction of culverts to avoid destruction by seasonal heavy downpours (30.2%) and some needed their roads tar-marked (34.6%).

The third objective of the study was to establish the influence of ICT factors on the performance of women enterprises. The researcher deduced based on the grand mean and standard deviations (Grand:  $\bar{X} = 2.812$  &  $s = 1.215$ ) that ICT factors were the most severe influencing women group enterprises in Londiani sub-county. The respondents almost disagreed that their groups make payments through electronic means ( $\bar{X} = 2.56$  &  $s = 1.110$ ). They disagreed that group records were kept in electronic devices ( $\bar{X} = 2.14$  &  $s = 1.192$ ) and their group members were computer literate ( $\bar{X} = 2.46$  &  $s = 1.287$ ). They were undecided whether information was shared about group's business performance through electronic devices. Groups with computer literacy members accounted to 60.5%. Only 14.3% Of the groups kept the operation records in electronic devices which were majorly mobile phones 97.3%

Regarding to performance of Women Group enterprises in Londiani Sub-county, the respondents to some considerable extent agreed that their living standards improved ( $\bar{X} = 2.88$  &  $s = 0.756$ ) and made some profits in past year with only 3.6% of the groups registering losses. In addition, to a little extent they had groups investments ( $\bar{X} = 2.75$  &  $s = 0.710$ ). It is clear from Appendix VIII that there were both positive and negative partial correlations ranging from -1 to +1 among the four categories of factors influencing the performance of women groups. From the correlation matrix formed by these results ICT factors stand out to be most severe over economic, social and infrastructure factors.

### **5.3 Conclusions**

Many women group enterprises in Londiani sub-county had businesses with their main objective were to economically empower their members who were fairly farmers. Most roads in the Sub-county are murrum roads that are prone to weather conditions and need attention of the county government to construct culvers and regular maintenance. Regarding to performance of Women Group enterprises in Londiani Sub-county, the respondents to some extent experienced improved living standard with some groups registering profits and a little investments. Based on the grand mean, standard deviation and correlation matrix formed by these results, ICT factors were the most severe influencing women group enterprises.

### **5.4 Recommendations**

Based on the findings, the researcher had the following recommendations:

- i. There is need for the government to introduce programs beyond just funding to offer trainings and general guidance on a continuous basis.
- ii. Both the government and NGOø should offer flexible computer trainings to the women group members and sensitize them on the possible sources of funds including international donor agencies offered over the internet.
- iii. Micro-finance institutions should consider lessening their lending conditions as regarding collaterals and prosecution in case of default by accepting to jointly look for market for the women groupsø products. They should post technical microfinance officers to guide the women enterprise both in the rural areas and urban centres in order to mutual perform.
- iv. Women groups need to have strict guiding rules and regulations to avoid dishonest members. Every group should consider having a guiding and counselling team to handle misunderstandings in good time.
- v. Every group needs at least one computer and a mobile phone to save their records electronically that eases retrieval and improves communication for better

networking reaching many market segments and funding. Women groups may consider sponsoring selected member for expert based training to acquire expertise in areas of management and leadership skills geared towards group development.

## 5.5 Contribution to the body of knowledge

<b>Objective</b>	<b>Contributions to the body of knowledge</b>
i. To determine the influence of economic factors on performance of women enterprises in Londiani Sub County	There is inadequate funds to run their enterprises hence default rate is high due to lack of managerial and technical skills.
ii. To establish the influence of social factors on the performance of women enterprises in Londiani Sub County	Have help to network with other organization/businesses hence improved their performance
iii. To determine the extent to which infrastructure influence performance of women enterprises in Londiani Sub County	There is a positive observation of an infrastructure maintenance but much more is needed on the drainage system such as curvetting
iv. To determine the influence of Information Communication Technology on performance of women enterprises in Londiani Sub County	ICT is not impressed fully though society is focused on the same through the vision 2030

## **5.6 Suggestions for Further Studies**

The following are the suggested areas for further study:

- i. A study may be carried out on the influence of Women group enterprises on members' livelihood to enable comparison among different types of women Enterprises.
- ii. Factors affecting the provision of business training and educational programmes by women enterprises and this should be studied with a goal of solving the unsuccessfulness of such programmes by all stakeholder

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## APPENDICES

### APPENDIX I: SUMMARY OF RESPONSES OF THE LIKERT QUESTIONS

Responses	Questions on Economic factors					Responses	Questions on Social factors				
	2.1	2.2	2.3	2.4	2.5		3.1	3.2	3.3	3.4	3.5
1	0	17	65	0	214	1	65	0	0	0	65
2	17	149	0	102	4	2	0	0	0	53	0
3	69	0	0	15	2	3	52	0	0	0	90
4	199	119	165	53	50	4	117	219	181	121	128
5	53	53	108	168	68	5	107	119	157	164	55

Responses	Questions on Infrastructure factors				Responses	Questions on ICT factors				
	4.1	4.2	4.3	4.4		5.1	5.2	5.3	5.4	5.5
1	0	0	65	65	1	54	101	65	118	65
2	15	0	37	203	2	152	172	0	64	0
3	0	0	15	0	3	20	17	37	37	0
4	139	224	119	70	4	112	13	236	119	218
5	184	114	102	0	5	0	35	0	0	55

## APPENDIX II: QUESTIONNAIRE

### Introduction

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This questionnaire is designed to investigate "Factors Influencing Performance of Women Group Enterprises in Londiani Sub-county." Kindly respond to **ALL** questions and **Do Not** write your name anywhere in this questionnaire. Please tick in the appropriate boxes provided to indicate your choice. Where boxes are not provided use the blank spaces provided. The researcher is grateful for the time and effort you will put into responding to this questionnaire.

---

### Part One: Background Information

1. What is your age?

18-29 years       30-39 years       Over 40 years   
Other  (Specify): \_\_\_\_\_

2. What is your highest level of education attained?

Primary       Secondary       Tertiary College   
University       No formal education   
Other  (Specify): \_\_\_\_\_

3. What is your main occupation?

Employed       Self-employed       Farmer   
Student   
Other (please specify) \_\_\_\_\_





**IV. INFLUENCE OF INFORMATION AND COMMUNICATION TECHNOLOGY ON PERFORMANCE OF WOMEN ENTERPRISES**

ICT Factors		Agreement scale				
		1	2	3	4	5
a.	Our group make payments through electronic means					
b.	Group records are kept in electronic device					
c.	Information is shared about group's business performance through electronic device					
d.	Our group members are computer literate					
e.	ICT has increased group's business performance					

Which are the most used electronic devices used by your group??

.....

.....

.....

.....

.....

**V. PERFORMANCE RATE OF YOUR WOMEN GROUP**

Based on tabulated performance indicator, evaluate each in relation to your group and put a tick as appropriate to you.

Performance Indicator		Agreement scale				
		1	2	3	4	5
a.	Being in a group has improved my living standards					
b.	My group has been making profit					
c.	My group has investment					

What is your yearly approximate profit margin?

- [ ] Below 10,000 Kshs
- [ ] 10,001 to 20,000 Kshs
- [ ] 20,001 to 30,000 Kshs
- [ ] 30,001 to 40,000 Kshs
- [ ] 40,001 and above

## **APPENDIX III: INTERVIEW SCHEDULE**

### **Interview Questions with Women Group Officials**

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This interview schedule is addressed to Women Group Officials. It is important that they answer each question carefully so that the information provided reflects the situation in the group.

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1. What is your designation in your group?
2. When did the group founded and registered?
3. How many members do you have in your group?
4. Does your group have a business?
5. What is your group main objective?
6. Is there enough market for your products?
7. How do you finance your operations?
8. Are your group members trained on business skills?
9. How has such trainings affected your business operations?
10. Does your group network with other groups or business partners?
11. What is the view of the public of a women enterprise in your area?
12. How has road network system affected your business activities?
13. Are your members computer literate?
14. Do you keep business records electronically?
15. In your view, has your group enterprise improved the living standards of members?
16. What major problem/challenge do you face as a group?
17. What measures did you take to solve the problem/challenge you faced?

**APPENDIX IV: TABLE FOR DETERMINING SAMPLE SIZE FROM A GIVEN POPULATION**

**APPENDIX IV:**

**TABLE FOR DETERMINING SAMPLE SIZE FROM A GIVEN POPULATION**

<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>
<b>10</b>	10	<b>100</b>	80	<b>280</b>	162	<b>800</b>	260	<b>2800</b>	338
<b>15</b>	14	<b>110</b>	86	<b>290</b>	165	<b>850</b>	265	<b>3000</b>	341
<b>20</b>	19	<b>120</b>	92	<b>300</b>	169	<b>900</b>	269	<b>3500</b>	246
<b>25</b>	24	<b>130</b>	97	<b>320</b>	175	<b>950</b>	274	<b>4000</b>	351
<b>30</b>	28	<b>140</b>	103	<b>340</b>	181	<b>1000</b>	278	<b>4500</b>	351
<b>35</b>	32	<b>150</b>	108	<b>360</b>	186	<b>1100</b>	285	<b>5000</b>	357
<b>40</b>	36	<b>160</b>	113	<b>380</b>	191	<b>1200</b>	291	<b>6000</b>	361
<b>45</b>	40	<b>170</b>	118	<b>400</b>	196	<b>1300</b>	297	<b>7000</b>	364
<b>50</b>	44	<b>180</b>	123	<b>420</b>	201	<b>1400</b>	302	<b>8000</b>	367
<b>55</b>	48	<b>190</b>	127	<b>440</b>	205	<b>1500</b>	306	<b>9000</b>	368
<b>60</b>	52	<b>200</b>	132	<b>460</b>	210	<b>1600</b>	310	<b>10000</b>	373
<b>65</b>	56	<b>210</b>	136	<b>480</b>	214	<b>1700</b>	313	<b>15000</b>	375
<b>70</b>	59	<b>220</b>	140	<b>500</b>	217	<b>1800</b>	317	<b>20000</b>	377
<b>75</b>	63	<b>230</b>	144	<b>550</b>	225	<b>1900</b>	320	<b>30000</b>	379
<b>80</b>	66	<b>240</b>	148	<b>600</b>	234	<b>2000</b>	322	<b>40000</b>	380
<b>85</b>	70	<b>250</b>	152	<b>650</b>	242	<b>2200</b>	327	<b>50000</b>	381
<b>90</b>	73	<b>260</b>	155	<b>700</b>	248	<b>2400</b>	331	<b>75000</b>	382
<b>95</b>	76	<b>270</b>	159	<b>750</b>	256	<b>2600</b>	335	<b>100000</b>	384

Key: -Nø is population size. -Sø is sample size.

**Source:** Krejcie, R.V. and Morgan, D.W. (1970): Determining Sample Size for Research Activities, Educational and Psychological Measurement

## APPENDIX V: RELIABILITY TEST

Generally, a questionnaire with  $\alpha$  of 0.8 is considered reliable (Field, 2009). Hence, this questionnaire certainly is reliable, since  $\alpha$  is 0.774 (see Reliability Statistics table).

Reliability Statistics

Cronbach's Alpha	N of Items
.774	27

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good/reliable
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$\alpha < 0.5$	Unacceptable

## APPENDIX VI: SUMMARY OF INTERVIEW RESULTS

Category		Number	Percent(%)	
6.0	Number of members per group	Highest	27	-
		Lowest	4	-
		<b>Average</b>	<b>15</b>	-
6.1	Age of groups in Years	Highest	20	-
		Lowest	2	-
		<b>Average</b>	<b>10</b>	-
6.2	With group businesses	Yes	172	66.7
		No	86	33.3
		<b>Total</b>	<b>258</b>	<b>100.0</b>
6.3	Group's main objective	Economic empowerment of women	191	74.0
		Benevolent fund for members	34	13.2
		Encourage family planning	17	6.6
		Uplifting religious beliefs of members	16	6.2
		<b>Total</b>	<b>258</b>	<b>100.0</b>
6.4	Enough market	Yes	72	27.9
		No	186	72.1
		<b>Total</b>	<b>258</b>	<b>100.0</b>
6.5	Group yearly profit margin	20,001 - 30,000	5	1.9
		10,001 - 20,000	9	3.5
		Loss	11	4.3
		Over 50,000	29	11.2
		Below 10,000	49	19.0
		40,001 - 50,000	58	22.5
		30,001 - 40,000	97	37.6
		<b>Total</b>	<b>258</b>	<b>100.0</b>
6.6	Group finance operations	Loans from Table-Banking	49	19.0
		Loans from Micro-financial Institutions	61	23.6
		Contributions/Savings	131	50.8
		Grants	17	6.6
		<b>Total</b>	<b>258</b>	<b>100.0</b>
6.7	Members' computer Literacy	All	-	-
		Some	156	60.5
		None	102	39.5
		<b>Total</b>	<b>258</b>	<b>100.0</b>
6.8	Group keep record electronically	Yes	37	14.3
		No	221	85.7
		<b>Total</b>	<b>258</b>	<b>100.0</b>
6.9	Major challenge of the group	Inadequate Funds	96	37.1
		Lack of Managerial and Technical skills	44	17.1
		Poor infrastructure	19	7.4
		Dishonest and uncooperative officials	21	8.1
		High default rate	50	19.4
		Unavailability of labor	19	7.4
		Others	9	3.5
		<b>Total</b>	<b>258</b>	<b>100.0</b>

THIS IS TO CERTIFY THAT:  
MS. BEVALINE CHEPNGENO CHUMO  
of UNIVERSITY OF NAIROBI, 0-20220  
KEDOWA, has been permitted to conduct  
research in Kericho County

Permit No | NACOSTI/P/16/33732/14325  
Date Of Issue : 23rd November, 2016  
Fee Received : Ksh 1000

on the topic: **FACTORS INFLUENCING  
PERFORMANCE OF WOMEN GROUP  
ENTERPRISES IN LONDIANI  
SUB-COUNTY, KERICHO COUNTY, KENYA**

for the period ending:  
**23rd November, 2017**



.....  
**Applicant's  
Signature**

.....  
**Director-General  
National Commission for Science,  
Technology & Innovation**

THE PRESIDENCY  
MINISTRY OF INTERIOR AND CO-ORDINATION OF NATIONAL GOVERNMENT

Telegrams: .....  
Telephone: Kericho 20132  
When replying please quote  
[kerichooc@yahoo.com](mailto:kerichooc@yahoo.com)



COUNTY COMMISSIONER  
KERICHO COUNTY  
P.O. BOX 19  
KERICHO

REF: MISC.19 VOL.II/ (188)

24<sup>th</sup> November, 2016

TO WHOM IT MAY CONCERN

**RE: RESEARCH AUTHORIZATION –CHUMO BEVALINE CHEPNGENO**

Authorization has been granted to Chumo Bevaline Chepngeno by National Commission for Science, Technology and Innovation, as per a letter Ref:No. NACOSTI/P/20/33732/14325 dated 23<sup>rd</sup> November, 2016 to carry out research on "***Factors Influencing Performance of Women Group Enterprises in Londiani Sub County, Kericho County,***" for a period ending 23<sup>rd</sup> November, 2017.

Kindly accord her the necessary assistance.

A handwritten signature in blue ink, appearing to read 'Angela Wanyama'.

ANGELA WANYAMA  
FOR: COUNTY COMMISSIONER  
**KERICHO COUNTY**