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## FACTORS AFFECTING GROWTH OF SMALL SCALE WOMEN ENTREPRENEURS: A CASE STUDY OF MUTINDWA MARKET IN NAIROBI COUNTY

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### ABSTRACT

**Purpose:** The purpose of this study was to find out the factors that influence growth of women entrepreneurs in Mutindwa market.

**Methodology:** Descriptive survey design was used to conduct the study. The target population was 200 women entrepreneurs who own small business at Mutindwa Market. This study employed stratified random sampling to select 60 women entrepreneurs. Questionnaire was used as the data collection instrument. Questionnaires were self administered where drop and pick later method was applied. Descriptive analysis was done using frequency distribution tables, Mean, Standard deviation and Variance analysis (ANOVA). Inferential statistics that was utilized included regression analysis using Standard Package for Statistical Sciences (SPSS). Presentation of findings was in form of tabular and graphical form.

**Results:** Findings indicated that women attended various seminars and workshops which improved their business management skills and knowledge for betterment and growth of business. Socio- cultural factors was a key determinant of growth of women entrepreneurs, their family and parental responsibilities take much of women's time which deny them enough time to focus on their businesses, access to finance had great influence on growth of women entrepreneurs. Women entrepreneurs belonged to various support groups and chamas that assisted in growth of their business through empowerment.

**Unique contribution to theory, practice and policy:** The study recommended that there is a need for development of women-tailored products. Financial institutions should be encouraged to develop new products and services to target women entrepreneurs taking into account the strengths and weaknesses of women borrowers. A targeted package of asset financing and/or lease hire facilities, for instance, would minimize the diversion of funds from non-business needs - a common problem among women borrowers.

**Key words:** *Entrepreneurs, Growth, market*

## 1.0 INTRODUCTION

### 1.1 Background of the Study

Women's economic activities empower them economically and enable them overall, to contribute more to the development of their country. Recognizing this value and its importance, many governments in the world are paying at least some attention in order to create an environment that is conducive for establishment of women-owned enterprises (ILO, 2014). This initiative supports the millennium development goal 3 (MDG3) which aims at promoting gender equality and empowering women. However, in many countries, gender inequality persists and women continue to face discrimination in access to education, work and economic assets, and participation in government (Maziku, 2012).

One way of empowering women economically is through encouraging their engagement in micro and small enterprises (MSEs). MSEs Definitions used to describe MSEs in Kenya are both qualitative and quantitative, that is, they are based on the number of employees in the enterprises and other non-quantitative factors. A microenterprise is defined as having a maximum of 10 employees while a small enterprise is defined as having a minimum of 11 employees and a maximum of 50 employees (ILO, 2014). The contribution of small and micro enterprises to economic development, income generation and poverty alleviation is widely recognized (Hassan & Mugambi, 2013). MSEs are particularly important to women because they provide opportunity for self employment which represents a chance to exploit their potentials (Nandonde & Liana, 2013).

Despite encouraging remarks about capacities of women enterprises to boost local economy, Maziku (2012) observes that women owned and operated micro enterprises grow less rapidly and are likely to close sooner than male counterparts. Growth is indicated by the increase of revenues over time employing more workers, opening new branches in different geographical locations and increase in the variety of activities that the enterprises engage in (ILO, 2014). Further indicators if growth includes adoption of communications technology and sale of products in markets that were not originally targeted (KIPPRA, 2014).

In 2012, 18.7% of workers aged 18 to 64 were either an owner or manager of an established business or involved in early-stage entrepreneurial activities in the U.S. As of 2013, women-owned businesses which are defined as 50% or more women-owned accounted for 40% of all privately-owned firms, generated \$1.9 trillion in sales and employed 13 million people. High numbers of women want to become entrepreneurs and their ranks are growing at a rate six times faster than the number of self-employed men (Parker, 2014).

According to the World Bank report in the Middle East and North Africa Region in 2011, female-owned firms are as well established as male-owned firms. About 40% of female owned firms are individually owned, even if less than the 60% of male-owned firms. Female-owned firms are hiring more workers in general and also employ a higher share of female workers at professional and managerial levels and the workers are about as educated and as skilled as those in other firms. Male-owned firms employ more women in unskilled positions (Nabli and Chamlou, 2008). Factors inhibiting growth of women owned small businesses in Middle East included cultural values, access to finance, legal factors and caring for family.

In Iran, a study by Arasti, *et al.* (2012) established that despite impressive growth in the number of firms run by women entrepreneurs, most of these businesses continue to remain small and women-owned firms have not grown as fast as those of their male counterparts have. They found that women owned enterprises tend to be smaller, with less capital, have lower revenues and fewer employees, and reside in lower-profit industry services like handicrafts and textiles sectors. Also, companies owned by women are more likely to be sole proprietorships than corporations. This difference in business growth is affected by various individual and environmental factors. Factors inhibiting growth of women owned MSEs included access to financial sources, cultural norms and values, effects of social networks and work-home conflict and legal factors which included banking rules and regulations, tax laws and labor law.

In Tanzania, Nandonde and Liana (2013) observed that there is a growing interest in the women participation in business ventures in the country. The move has seen huge endorsements of capital from donors, governments and private sector to entrepreneurial development among women. Despite these efforts business growth among women entrepreneurs seems to be slower than is the case with their male counter parts. Several initiatives have been taken to support women endeavors of becoming entrepreneurs in Tanzania. Some of the significant initiatives include the establishment of women banks, loan schemes and agro processing clusters specifically for women under various organizations such as Small Industry Development Organization (SIDO). Despite donor agency and NGO support for over 30 years, the expected growth and transition of most of informal sector micro-to- small-scale enterprises have been realized. In Tanzania, various programmes have been introduced to support women at various levels but the growth of such businesses seems to be slow. Women entrepreneurs in Tanzania have faced a number of challenges including access to finance, lack of business skills and limited support from spouses (Maziku, 2012).

In Kenya, women in micro and small enterprises (MSEs) account for 47.4 per cent of the total entrepreneurs in MSEs (KIPPRA, 2014). Additionally, women tend to operate enterprises associated with traditional women's roles, such as hairstyling, restaurants, hotels, retail shops and wholesale outlets. In general, women tend to operate smaller enterprises than men, with the average number of employees in a women-owner or managed MSE being 1.54 versus 2.1 in men-owner or managed MSEs (KIPPRA, 2014). In women-owner or managed MSEs, about 86 per cent of the workers are women owner or managers themselves, 4 per cent are hired workers, with the remainder made up of unpaid family members or apprentices. Whereas, in men-owner or managed MSEs, only 68 per cent of the workers are men owner or managers themselves, 17 per cent hired workers and the remainder made up of unpaid family members or apprentices (KIPPRA, 2014). Moreover, women tend to operate smaller MSEs than men and make less income than them. Mwobobia (2012) observed that women entrepreneurs face serious challenges such as lack of finance, discrimination, problems with the city council, multiple duties, poor access to justice, lack of education, among others, which inhibit their growth potential. However, this study employed desktop research by reviewing relevant texts, websites, journals, magazines and newspapers.

## **1.2 Statement of the Problem**

An analysis by Kenya Institute for Public Policy Research and Analysis (KIPPRA) in 2014 reported that very few women owned MSEs grow beyond their original size. This observation is

reinforced by a previous study by Sagwe, Gicharu and Mahea (2011) which established that 61.3% of women entrepreneurs have less than 50% likelihood of business success. This is seen to explain why 1 in every 3 new businesses owned by women fail within the first 6 months.

This analysis reveals that women owned MSEs have a higher probability of remaining small or collapsing than are male-owned MSEs. This can be explained by presence of factors that inhibit women entrepreneurs from growing their enterprises. This area of research on factors inhibiting growth of women owned enterprises have attracted much attention in research in different contexts. The study by Sherifat (2013) in Nigeria did not find evidence of significant discrimination against women in formal credit markets. The study by ILO (2014) in Somalia established that women were constrained in business due to discriminatory property rights, lack of knowledge on basic business policies, limited access to finance, lack of business skills and low levels of education. Hassan and Mugambi (2013) conducted a study in Garissa which revealed that growth of women businesses was hindered by gender based biases, lack of access to credit and financial resources, financial illiteracy and weak networks. Paul, Nyaga and Karoki (2013) in a study in Embu County established that legal and legislative factors led to poor performance of women entrepreneurs but established that access to credit was not a hindrance. The above studies have contrasting findings. Further, these studies were conducted in areas that have different contextual and environmental factors from Mutindwa. The findings therefore cannot be generalized to Mutindwa. The current study answered the question: what are the factors that influence growth of women entrepreneurs in Mutindwa market?

### **1.3 Objective of the Study**

The study investigated factors that influence the growth of women entrepreneurs in Mutindwa market.

### **1.4 Objectives of the Study**

The study's specific objectives were:

- i. To establish the effect of business management skills on growth of women entrepreneurs in Mutindwa market
- ii. To establish the effect of socio-cultural factors on growth of women entrepreneurs in Mutindwa market
- iii. To establish the effect of access to finance on growth of women entrepreneurs in Mutindwa market
- iv. To establish the effect of empowerment on the growth of women entrepreneurs in Mutindwa market

## **2.0 LITERATURE REVIEW**

### **2.1 Theoretical Framework**

#### **2.1.1 Preference Theory**

This study was based on the preference theory by Hakim (2000) which posits that it is the women's thinking and self efficacy that determines their success and growth in business and entrepreneurship. This theory presumes that a woman's own choices about lifestyles and

business are the key determinants of whether the women will be successful or not in their businesses. This leads to the observation that poor choices of lifestyles and business lead to challenges in business development while good choices lead to enhanced chances of growth and success in business.

The major differences between men and women in business according to this theory mostly come from their plan and other internal factors rather than external factors. This theory suggests that not all women make poor choices in education, lifestyles and business and hence explains why some women are successful as men while others do not grow in their businesses. The theory also suggests that all women do not share similar priorities and preferences about family life and business. The theory further suggests that choices on business and lifestyles that women make have become serious challenges in business development than the external and wider challenges such as cultural, political, social and economical. This leads to classifying women into three groups according to this theory which are; home-centred women, adaptive and work-centred women (Hakim, 2000). The home-centred women are those who prioritize family and their children throughout their lives while adaptive women are depicted as non-business oriented women who strike a balance between work and family and have unplanned businesses. Work-centered women are those women who have work and business as their main priorities in life.

The category in which a woman falls into, therefore affects her growth in entrepreneurial skills which results to her business not growing (Sherifat, 2013). This theory was applied in this study to provide a basis on the factors that can affect a woman in business that emanates from her own choices rather than being affected by external factors. Further, this theory informed the study on how the internal motivations, thinking and preferences of women influence their success in entrepreneurship. The current study tested whether women motivations, business choices and lifestyles have any influence on growth of women entrepreneurs.

### **2.1.1 Backlash Avoidance Theory**

The backlash avoidance theory was developed by Rudman (1998) and it explains the mechanisms, causes and difficulties of women in self promotion which hampers their success in business. This theory suggests that women view self promotion as a male thing since stereotypically women are not expected to show aggressiveness in promoting oneself and competing in male dominated fields. Women therefore view focusing on careers and advancing themselves as a way of stereotype violation. Many women therefore end up not trying to self promote which leads to hindering their business growth.

Women may be less aggressive in starting businesses that are traditionally held as men's domain due to the fear of backlash from the community. The primary aim of the current research is to test the novel backlash avoidance. The fear of backlash has been specifically expected to have a direct negative effect on the ability and desire of women to promote themselves (Moss-Racusin & Rudman, 2010). The inability of women to promote themselves will in turn affect the visibility, self confidence and aggressiveness of the women which are considered to be important in business growth.

This theory is used to guide this study in that it can explain why women may not be motivated as men in following their business goals. The backlash avoidance theory explains how lack of self

promotion or engaging in male dominated growth oriented businesses influences growth of women entrepreneurs (Paul *et al.*, 2013). The study tested whether fear of backlash makes women to focus on businesses that are not growth oriented (such as hair salons) thus hindering their advancement.

## 2.2 Empirical Review

A study in Italy by Cesaroni and Sentuti (2014) analyzed the success of women owned family businesses. The study results revealed that the number of women involved in the ownership, management and direction of family businesses has been growing in the last few years. However, women's presence has been sometimes described as 'invisible', without influence in decision-making, and women's efforts are not always properly recognized and rewarded in terms of job titles and salaries. Women in this type of situation have a marginal role and they are still quite numerous. The study established that women in family businesses were mostly discriminated against. Three women's profiles were described in this study: completely invisible women, figurehead women and manager women. The study showed that the possible roles women can play within their family firms determine how much these women will grow in the business. Those playing completely invisible women roles had the least growth. The study therefore indicated that women are still discriminated against by cultural values in owning and managing businesses.

Sharafzad (2011) conducted a study in Australia on the determinants of business networking behaviour of women in small businesses. The study established that networking is important for small business owners as it can increase the success rate of their business. The study findings revealed that the industry, industry experience, and family responsibilities had direct impact on the networking behaviour of women small business owners, with family and domestic responsibilities being the most significant. Additionally, the study established that the more domestic responsibility the women had, the less likely they were to spend time doing non-core business activities, which networking was often perceived as. Further, the study observed that specific and relevant training programs gave the women more confidence to talk about their business which enhanced their success rate. However, as the educational backgrounds of the participants were often the determining factor behind their chosen industry, it was concluded that educational background does indirectly impact the networking behaviour and success of the owners.

In Kenya, International Labour Organization (2008) conducted a study on the factors affecting Women Entrepreneurs in Micro and Small Enterprises in Kenya. The study established that though women had engaged in various MSEs, they faced low prospects of growth. This was due to various factors which included financial and credit availability and accessibility, legal and regulatory barriers, limited entrepreneurial culture and management skills and women's heavier household financial and time burden. Other factors included lack of risk mitigating mechanisms for women in MSEs and gender disparities in education and training.

Sagwe, Gicharu and Mahea (2011) conducted a study on youth and women entrepreneurs' preparedness in Kenya. This was to access how youth and women were prepared to take advantage of youth enterprise development fund and Kenya women enterprise fund (WEF). The study established that though the support provided to women through WEF had encouraged many to enter and expand their businesses, most of women entrepreneurs were unprepared to

enter into entrepreneurship. On business sector, majority of the women entrepreneurs (86%) indicated that they needed both advice and money. Further, majority (59%) of the entrepreneurs had not developed business plans and only 30% of the entrepreneurs indicated that they had submitted the business plans they developed to investors, bank and support agency. On market sector the respondents responded to growth prospects, level of competition and market existence. Majority (79.5%) of the entrepreneurs indicated that team members are very important as sources of support. The study established that though capital was important, women entrepreneurs needed training and network support to grow their businesses.

### 3.0 RESEARCH METHODOLOGY

Descriptive survey design was used to conduct the study. The target population was 200 women entrepreneurs who own small business at Mutindwa Market. This study employed stratified random sampling to select 60 women entrepreneurs. Questionnaire was used as the data collection instrument. Questionnaires were self administered where drop and pick later method was applied. Descriptive analysis was done using frequency distribution tables, Mean, Standard deviation and Variance analysis (ANOVA). Inferential statistics that was utilized included regression analysis using Standard Package for Statistical Sciences (SPSS). Presentation of findings was in form of tabular and graphical form.

### 4.0 RESULTS AND DISCUSSION

#### 4.1 Demographic Characteristics

##### 4.1.1 Age of Respondent

The study sought to establish the age of the respondents. Results indicate that 45.1% were aged between 26 to 35 years, (33.3%) were aged between 36 to 45 years, (9.8%) were between 18 to 25 years, (7.8%) were above 45 years while the rest (3.9%) were 46 to 55 years. The findings imply that the young people (Youths) are the majority in these enterprises because of the nature of work done and energetic people are most need.

**Table 1: Age of Respondent**

| Age            | Frequency | Percent     |
|----------------|-----------|-------------|
| 18 - 25 years  | 5         | 9.8%        |
| 26 – 35 years  | 23        | 45.1%       |
| 36 - 45 years  | 17        | 33.3%       |
| 46 – 55 years  | 2         | 3.9%        |
| Above 45 years | 4         | 7.8%        |
| <b>Total</b>   | <b>51</b> | <b>100%</b> |

##### 4.1.2 Education

The study sought to find out about the education level of the respondents. Study findings in Table 4.3 indicate that (39.2%) of the respondents had reached certificate level, 23.5% attended secondary level, (19.6%) had attained primary level, (11.9%) did not finish school, (3.9%) had attained diploma level and (2%) had attained bachelors degree. The findings imply that the respondents had low level of education which could have contributed to derailed success.



**Table 2: Education Level**

| <b>Education</b> | <b>Frequency</b> | <b>Percent</b> |
|------------------|------------------|----------------|
| Primary          | 10               | 19.6%          |
| Certificate      | 20               | 39.2%          |
| Secondary        | 12               | 23.5%          |
| Did not finish   | 6                | 11.9%          |
| Diploma          | 2                | 3.9%           |
| Bachelors Degree | 1                | 2%             |
| <b>Total</b>     | <b>51</b>        | <b>100%</b>    |

#### 4.1.3 Years Worked

The study sought to find out the number of years that the respondents had been in business. Table 4.4 indicated that 31.4% of the respondents had been in business for a period of more than 3 to 5 years, (29.4)% had worked for a period between 6 to 8 years, (17.6%) had worked between 9 to 11 years, 15.4% had worked below three years and (5.9%) had worked above 11 years. The finding implies that the respondents were appropriate and may impact positively on the coherence of the data obtained as they had worked long enough for them to be well aware of the factors affecting growth of their enterprises.

**Table 3: Years Worked**

| <b>Years Worked</b> | <b>Frequency</b> | <b>Percent</b> |
|---------------------|------------------|----------------|
| Below 3 years       | 8                | 15.7%          |
| 3 – 5 years         | 16               | 31.4%          |
| 6 – 8 years         | 15               | 29.4%          |
| 9 - 11 years        | 9                | 17.6%          |
| Above 11 years      | 3                | 5.9%           |
| <b>Total</b>        | <b>51</b>        | <b>100</b>     |

#### 4.2 Descriptive Analysis

##### 4.2.1 Business Management Skill on Growth of Women Entrepreneurs

The study sought to establish the effect of business management skills on growth of women entrepreneurs in Mutindwa market. Results in Table 4.5 indicated that majority of the respondents agreed that women entrepreneurs have good inventory management skills that enable them manage the business purchases and materials effectively with a mean of 4.18, the statement women possess effective risk management skills that enable them to measure and control risks that can affect their businesses attracted a mean of 4.33, while the statement on whether women have effective sales and marketing knowledge and skills which have enabled them to seek business customers and market their businesses well attracted a mean of 4.61. Majority of the respondents agreed that women possess strong networking and negotiation skills which have enabled them to build relationships with various business people and individuals for the benefit of their businesses, women attend various seminars and workshops which have improved their business management skills and knowledge and finally the respondent agreed that

to be able to manage their businesses effectively, women attend business related courses with the means of 4.63, 4.47 and 4.33 respectively.

A mean of greater than 1 and less than 1.5 implied that the business management skills influenced business growth to no extent. Means of greater than 1.5 and less than 2.5 implied that business management skills influenced business growth to a little extent. Means of greater than 2.5 and less than 3.5 implied that business management skills influenced business growth to a moderate extent. A mean of greater than 3.5 and less than 4.5 implied that business management skills influenced business growth to a greater extent. A mean of greater than 4.5 implied that business management skills influenced business growth to a very great extent.

The standard deviation on the other hand describes the distribution of the response in relation to the mean. It provides an indication of how far the individual responses to each factor vary from the mean. A standard deviation of near 1 indicates that the responses are moderately distributed, while that near 0 indicates that there is no consensus on the responses obtained. An average of 0.756 for all statements on business management skills indicates that the responses were moderately distributed.

**Table 4: Business Management Skill and Growth of Women Entrepreneurs**

| Statement  | No | Mean | Std. Deviation |
|--|----|------|----------------|
| Women entrepreneurs have good inventory management skills that enable them manage the business purchases and materials effectively   | 51 | 4.18 | 0.74           |
| Women possess effective risk management skills that enable them to measure and control risks that can affect their businesses  | 51 | 4.33 | 0.683          |
| Women have effective sales and marketing knowledge and skills which have enabled them to seek business customers and market their businesses well                                      | 51 | 4.61 | 0.75           |
| Women possess strong networking and negotiation skills which have enabled them to build relationships with various business people and individuals for the benefit of their businesses | 51 | 4.63 | 0.599          |
| Women attend various seminars and workshops which have improved their business management skills and knowledge   | 51 | 4.47 | 0.924          |
| To be able to manage their businesses effectively, women attend business related courses   | 51 | 4.33 | 0.841          |
| Average  | 51 | 4.43 | 0.756          |

#### 4.2.1.1 Inferential Results for Business Management Skills on Growth of Women Entrepreneurs

Regression analysis was conducted to empirically determine whether business management skills were statistically significant determinant of growth of women entrepreneurs. Regression results in Table 4. 6 indicate the goodness of fit for the business management and growth of women entrepreneurs is satisfactory. An R squared of 0.587 indicates that holding other factors constant, 58.7% of the variations in growth of women entrepreneurs are explained by the variations in business management skills .

**Table 5: Regression model fitness for Business Management Skills**

| Indicator                         | Coefficient    |
|-----------------------------------|----------------|
| R                                 | 0.766          |
| R Square                          | 0.587          |
| <b>Std. Error of the Estimate</b> | <b>0.36192</b> |

ANOVA statistics in Table 5 indicate that the overall model was significant. This was supported by an F statistic of 69.709 and p value of 0.000. The reported probability was less than the conventional probability of 0.05 (5%) significance level. This shows that business management skills have a statistically significant influence on growth of women entrepreneurs

**Table 6: ANOVA Results for Business Management Skills**

| Indicator  | Sum of Squares | df | Mean Square | F      | Sig.  |
|------------|----------------|----|-------------|--------|-------|
| Regression | 9.131          | 1  | 9.131       | 69.709 | 0.000 |
| Residual   | 6.418          | 49 | 0.131       |        |       |
| Total      | 15.549         | 50 |             |        |       |

Regression coefficients in Table 4.8 indicate that the relationship between business management skills and growth of women entrepreneurs is positive and significant (beta=0.757, p value 0.000). The findings imply that one positive unit change in business management skills led to a change in growth of women entrepreneurs at the rate of 0.757. This confirms the positive effect of business management skills on growth of women entrepreneurs.

**Table 7: Regression Output for Business Management Skills**

| Variable                   | Beta  | Std. Error | t     | Sig.  |
|----------------------------|-------|------------|-------|-------|
| Constant                   | 0.983 | 0.369      | 2.661 | 0.010 |
| Business Management Skills | 0.757 | 0.091      | 8.349 | 0.000 |

#### 4.2.2 Socio- Cultural Factors

The second objective of the study was to establish the effect of socio-cultural factors on growth of women entrepreneurs in Mutindwa market. Table 4.9 indicates that majority of the respondent agreed that women have attained high education levels which have enabled them to grow their businesses and their family and parental responsibilities take much of women’s time which deny them enough time to focus on their businesses with the means of 4.08 and 4.37. A

mean score of 3.96 was obtained for the statement that women are regularly discriminated against in business dealings due to their being women, while being a woman has denied many women opportunity of owning assets due to the prejudice and discrimination had a mean of 4.49 and women are supported by their families and relatives in their businesses attracted a mean of 4.08.

A mean of greater than 1 and less than 1.5 implied that the socio-cultural factors influenced business growth to no extent. Means of greater than 1.5 and less than 2.5 implied that socio-cultural factors influenced business growth to a little extent. Means of greater than 2.5 and less than 3.5 implied that socio-cultural factors influenced business growth to a moderate extent. A mean of greater than 3.5 and less than 4.5 implied that socio-cultural factors influenced business growth to a greater extent. A mean of greater than 4.5 implied that socio-cultural factors influenced business growth to a very great extent.

The standard deviation on the other hand describes the distribution of the response in relation to the mean. It provides an indication of how far the individual responses to each factor vary from the mean. A standard deviation of near 1 indicates that the responses are moderately distributed, while that near 0 indicates that there is no consensus on the responses obtained. An average of 0.898 for all statements on socio-cultural factors indicates that the responses were moderately distributed.

The finding conquer with those in Ramadani (2014) who conducted a study on growth of women entrepreneurs in Albania, conditions for women entrepreneurship, perspectives for development and an array of problems that women entrepreneurs are facing. The study established that growth of women owned business in Albania was poor. The first ranked problem that women entrepreneurs in Albania face is the difficulty in establishing a balance between family and work. The study results revealed that 56 per cent of surveyed women experience this problem. Additionally, large share of the problems are due to finance (36 per cent). More than 24 per cent are due to insufficient time in order to enhance their skills through various training sessions. Around 36 per cent of women face problems in creating high-quality contact networks that would enable them to successfully run their business. Problems in the collection of quality information are identified by 14 per cent of women in Albania and only 2 per cent of respondents stated that they have a lack of self-confidence. These competencies together with the support provided by NGOs and the government have enabled women owned businesses to flourish.

**Table 8: Socio- Cultural Factors**

| <b>Statement</b>  | <b>No</b> | <b>Mean</b> | <b>Std. Deviation</b> |
|---|-----------|-------------|-----------------------|
| Women have attained high education levels which have enabled them to grow their businesses                              | 51        | 4.08        | 0.977                 |
| Family and parental responsibilities take much of women's time which deny them enough time to focus on their businesses | 51        | 4.37        | 0.774                 |
| Women are regularly discriminated against in business dealings due to their being women                                 | 51        | 3.96        | 1.385                 |
| Being a woman has denied many women opportunity of owning assets due to the prejudice and discrimination                | 51        | 4.49        | 0.612                 |
| Women are supported by their families and relatives in their businesses   | 51        | 4.08        | 0.744                 |
| Average   | 51        | 4.20        | 0.898                 |

#### **4.2.2.1 Inferential Results for Socio-Cultural Factors and Growth of Women Entrepreneurs**

Regression analysis was conducted to empirically determine whether socio cultural factors were statistically significant determinants of growth of women entrepreneurs. Regression results in Table 4.10 indicate the goodness of fit for the regression between socio cultural factors and growth of women entrepreneurs is satisfactory. An R squared of 0.619 indicates that holding other factors constant, 61.9% of the variations in growth of women entrepreneurs are explained by the variations in socio-cultural factors.

**Table 9: Regression model fitness for Socio-Cultural Factors**

| <b>Indicator</b>           | <b>Coefficient</b> |
|----------------------------|--------------------|
| R                          | 0.787              |
| R2                         | 0.619              |
| Std. Error of the Estimate | 0.34774            |

ANOVA statistics in Table 4.11 indicate that the overall model was significant. This was supported by an F statistic of 79.591 and p value of 0.000. The reported probability was less than the conventional probability of 0.05 (5%) significance level. This shows that socio-cultural factors have a statistically significant influence on growth of women entrepreneurs.

**Table 10: ANOVA Results for Socio-Cultural Factors**

| Indicator  | Sum of Squares | df | Mean Square | F      | Sig.  |
|------------|----------------|----|-------------|--------|-------|
| Regression | 9.624          | 1  | 9.624       | 79.591 | 0.000 |
| Residual   | 5.925          | 49 | 0.121       |        |       |
| Total      | 15.549         | 50 |             |        |       |

Regression coefficients in Table 4.12 indicate that the relationship between socio-cultural factors and growth of women entrepreneurs is positive and significant (beta=0.766, p value 0.000). The findings imply that one positive unit change in socio-cultural factors led to a change in growth of women entrepreneurs at the rate of 0.766. This confirms the positive effect of socio-cultural factors on growth of women entrepreneurs.

**Table 11: Regression Output for Socio-Cultural Factors**

| Variable               | Beta  | Std. Error | t     | Sig.  |
|------------------------|-------|------------|-------|-------|
| Constant               | 0.989 | 0.345      | 2.866 | 0.000 |
| Socio-Cultural Factors | 0.766 | 0.086      | 8.921 | 0.000 |

#### 4.2.3 Access to Finances

The third objective of the study was to establish the effect of access to finance on growth of women entrepreneurs in Mutindwa market. Table 4.13 shows that the statement on women in business have been able to access many loans from financial institutions for the last five years attracted a mean of 3.96, while the statement on women in business get loans from financial institutions which have enabled them to expand their business had a mean of 4.16 and a mean score of 4.22 was obtained on the statement that women in business do not encounter stringent loan conditions when accessing loans. In regards to whether the loans repayment conditions women businesses get are friendly and supportive for the business had a mean of 4.55 and the statement that the loans repayment conditions women businesses get are friendly and supportive for the business had a mean of 4.51.

A mean of greater than 1 and less than 1.5 implied that access to finances influenced business growth to no extent. Mean of greater than 1.5 and less than 2.5 implied that access to finance influenced business growth to a little extent. Mean of greater than 2.5 and less than 3.5 implied that access to finance influenced business growth to a moderate extent. A mean of greater than 3.5 and less than 4.5 implied that access to finances influenced business growth to a greater extent. A mean of greater than 4.5 implied that socio-cultural factors influenced business growth to a very great extent.

The standard deviation on the other hand describes the distribution of the response in relation to the mean. It provides an indication of how far the individual responses to each factor vary from the mean. A standard deviation of near 1 indicates that the responses are moderately distributed, while that near 0 indicates that there is no consensus on the responses obtained. An average of 0.744 for all statements on socio-cultural factors indicates that the responses were moderately distributed.

**Table 12: Access to Finances on Growth of Women Enterprise**

| <b>Statement</b>  | <b>No</b> | <b>Mean</b> | <b>Std. Deviation</b> |
|---|-----------|-------------|-----------------------|
| Women in business have been able to access many loans from financial institutions for the last five years               | 51        | 3.96        | 0.799                 |
| Women in business get loans from financial institutions which have enabled them to expand their business                | 51        | 4.16        | 0.809                 |
| Women business do not encounter stringent loan conditions when accessing loans  | 51        | 4.22        | 0.832                 |
| The loans repayment conditions women businesses get are friendly and supportive for the business                        | 51        | 4.55        | 0.577                 |
| Women entrepreneurs have not encountered any form of discrimination when accessing loans from any financial institution | 51        | 4.51        | 0.703                 |
| Average   | 51        | 4.28        | 0.744                 |

#### 4.2.4.1 Inferential Results for Access to Finances on Growth of Women Entrepreneur

Regression analysis was conducted to empirically determine whether access to finances were statistically significant determinant of growth of women entrepreneurs. Regression results in Table 4.14 indicate the goodness of fit for the regression between access to finance and growth of women enterprise is satisfactory. An R squared of 0.53 indicates that holding other factors constant, 53% of the variations in growth of women entrepreneurs are explained by the variations in access to finances.

**Table 13: Regression model fitness for Access to Finances**

| <b>Indicator</b>           | <b>coefficient</b> |
|----------------------------|--------------------|
| R                          | 0.733              |
| R Square                   | 0.530              |
| Std. Error of the Estimate | 0.38339            |

ANOVA statistics in Table 4.15 indicate that the overall model was significant. This was supported by an F statistic of 56.785 and p value of 0.000. The reported probability was less than the conventional probability of 0.05 (5%) significance level. This shows that access to finances have a statistically significant influence on access to finances.

**Table 14: ANOVA Results for Access to Finances**

| Indicator  | Sum of Squares | df | Mean Square | F      | Sig.  |
|------------|----------------|----|-------------|--------|-------|
| Regression | 8.347          | 1  | 8.347       | 56.785 | 0.000 |
| Residual   | 7.202          | 49 | 0.147       |        |       |
| Total      | 15.549         | 50 |             |        |       |

Regression coefficients in Table 4.20 indicate that the relationship between access to finances and growth of women enterprises is positive and significant (beta=0.751, p value 0.000). The findings imply that access to finance has significant effect on growth of women enterprise.

**Table 15: Regression Output for Access to Finances**

| Variable          | Beta  | Std. Error | t     | Sig.  |
|-------------------|-------|------------|-------|-------|
| Constant          | 0.993 | 0.408      | 2.437 | 0.01  |
| Access to Finance | 0.751 | 0.1        | 7.536 | 0.000 |

#### 4.2.4 Women Empowerment

The fourth objective of the study was to establish the effect of empowerment on the growth of women entrepreneurs in Mutindwa market. Table 4.17 indicates that majority of the respondents agreed that women belong to various support groups and chamas that assist in growth of their business with a mean of 4.18, while the statement that women businesses are usually assisted by an NGO, CBO or the women enterprise fund had a mean of 4.24, and the statement that the county government provides support to businesses owned by women and has enabled them to grow their businesses attracted a mean of 4.51. A mean score of 4.48 was obtained for the statement that women businesses receive enormous support from financial and micro finance institutions and the statement that women in business receives support from business mentors, role models and larger corporate organizations had a mean of 4.30.

A mean of greater than 1 and less than 1.5 implied that the women empowerment influenced business growth to no extent. Means of greater than 1.5 and less than 2.5 implied that women empowerment influenced business growth to a little extent. Means of greater than 2.5 and less than 3.5 implied that women empowerment influenced business growth to a moderate extent. A mean of greater than 3.5 and less than 4.5 implied that women empowerment influenced business growth to a greater extent. A mean of greater than 4.5 implied that women empowerment influenced business growth to a very great extent.

The standard deviation on the other hand describes the distribution of the response in relation to the mean. It provides an indication of how far the individual responses to each factor vary from the mean. A standard deviation of near 1 indicates that the responses are moderately distributed, while that near 0 indicates that there is no consensus on the responses obtained. An average of 0.630 for all statements on women empowerment indicates that the responses were moderately distributed.



**Table 16: Women Empowerment on Growth of Women Entrepreneurs**

| <b>Statement</b>  | <b>No</b> | <b>Mean</b> | <b>Std. Deviation</b> |
|---|-----------|-------------|-----------------------|
| Women belong to various support groups and chamas that assist in growth of their business                         | 51        | 4.18        | 0.59                  |
| Women businesses are usually assisted by an NGO, CBO or the women enterprise fund                                 | 51        | 4.24        | 0.815                 |
| The county government provides support to businesses owned by women and has enabled them to grow their businesses | 51        | 4.51        | 0.674                 |
| Women businesses receive enormous support from financial and micro finance institutions                           | 51        | 4.48        | 0.608                 |
| Women in business receives support from business mentors, role models and larger corporate organizations          | 51        | 4.3         | 0.462                 |
| Average   | 51        | 4.34        | 0.630                 |

#### 4.2.3.1 Inferential Results for Women Empowerment on Growth of Women Enterprise

Regression analysis was conducted to empirically determine whether empowerment of women was statistically significant determinant of growth of women Enterprise. Regression results in Table 4.18 indicate the goodness of fit for the regression between women empowerment and growth of women enterprise is satisfactory. An R squared of 0.826 indicates that holding other factors constant, 82.6% of the variations in growth of women enterprise are explained by the variations in women empowerment of women.

**Table 17: Regression model fitness for Women Empowerment**

| <b>Indicator</b>           | <b>Coefficient</b> |
|----------------------------|--------------------|
| R                          | 0.909              |
| R Square                   | 0.826              |
| Std. Error of the Estimate | 0.23471            |

ANOVA statistics in Table 4.19 indicate that the overall model was significant. This was supported by an F statistic of 233.26 and p value of 0.000. The reported growth of women enterprise was less than the conventional probability of 0.05 (5%) significance level. This shows that women empowerment have a statistically significant influence on Growth of Women Enterprise.

**Table 18: ANOVA Results for Women Empowerment**

| Indicator  | Sum of Squares | df | Mean Square | F      | Sig.  |
|------------|----------------|----|-------------|--------|-------|
| Regression | 12.85          | 1  | 12.85       | 233.26 | 0.000 |
| Residual   | 2.699          | 49 | 0.055       |        |       |
| Total      | 15.549         | 50 |             |        |       |

Regression coefficients in Table 4.20 indicate that the relationship between women empowerment and growth of women enterprise is positive and significant (beta=1.013, p value 0.000). The findings imply women empowerment have significant effect on growth of women enterprise.

**Table 19: Regression Output Women Empowerment**

| Variable          | Beta   | Std. Error | t      | Sig.  |
|-------------------|--------|------------|--------|-------|
| Constant          | -0.068 | 0.271      | -0.25  | 0.000 |
| Women Empowerment | 1.013  | 0.066      | 15.273 | 0.000 |

### 4.3 Business Growth

The purpose of that study was to investigate factors that influence the growth of women entrepreneurs in Mutindwa market. Table 4.21 indicates that growth in revenue had a mean of 4.00, increase in number of employees attracted a mean score of 3.51, while increased profits obtained a mean of 4.06 and increase in business branches had a mean of 3.75. The mean score of the response was 3.83 which indicated that the respondents agreed with the statements on growth of women entrepreneurs.

**Table 20: Business Growth**

| Statement                       | No | Mean | Std. Deviation |
|---------------------------------|----|------|----------------|
| Growth in revenues              | 51 | 4    | 0.775          |
| Increase in number of employees | 51 | 3.51 | 0.834          |
| Increased profits               | 51 | 4.06 | 0.81           |
| Increase in branches            | 51 | 3.75 | 0.977          |
| Average                         | 51 | 3.83 | 0.849          |

#### 4.3.1 Bivariate Correlation

Table 21 displays the results of correlation test analysis between the dependent variable (business growth) and independent variables and also correlation among the independent variables themselves. Results indicated that there was a positive and significant relationship between business growth and all the independent variables. This reveals that any positive change in business management skills, socio-cultural factors, access to finances, and women empowerment leads to improved business growth.

**Table 21: Bivariate Correlation**

| Variable                   |  | Growth of Business | Business Management Skills | Social Cultural Factors | Access to Finances | Women Empowerment |
|----------------------------|--|--------------------|----------------------------|-------------------------|--------------------|-------------------|
| Growth of Business         | Pearson Correlation<br>Sig. (2-tailed) | 1                  |                            |                         |                    |                   |
| Business Management Skills | Pearson Correlation<br>Sig. (2-tailed) | .911**             | 1                          |                         |                    |                   |
| Social Cultural Factors    | Pearson Correlation<br>Sig. (2-tailed) | .941**             | .856**                     | 1                       |                    |                   |
| Access to Finances         | Pearson Correlation<br>Sig. (2-tailed) | .853**             | .756**                     | .808**                  | 1                  |                   |
| Women Empowerment          | Pearson Correlation<br>Sig. (2-tailed) | .923**             | .834**                     | .904**                  | .767**             | 1                 |

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

#### 4.3.2 Multivariate Regression

In order to establish the statistical significance of the independent variables on the dependent variable (business growth) regression analysis was employed. The regression equation took the following form.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \mu$$

$$Y = 0.018 + 0.284X_1 + 0.259X_2 + 0.261X_3 + 0.198X_4 + \mu$$

Where

Y = business growth

X<sub>1</sub> = business management skills

X<sub>2</sub> = socio-cultural factors

X<sub>3</sub> = access to finances

X<sub>4</sub> = Woman empowerment

In the model,  $\beta_0$  = the constant term while the coefficient  $\beta_i = 1 \dots 4$  was used to measure the sensitivity of the dependent variables (Y) to unit change in the predictor variables.  $\mu$  is the error term which captures the unexplained variations in the model.

Table 22 shows that the coefficient of determination also called the R square is 95.2%. This means that the combined effect of the predictor variables (business management skills , social cultural factors, access to finances, and women empowerment) explains 0.952 of the variations in growth of women enterprises. The correlation coefficient of 97.6% indicates that the combined effect of the predictor variables has a strong and positive correlation with business growth.

**Table 22: Multivariate Regression Model Fitness**

| Indicator                  | Coefficient |
|----------------------------|-------------|
| R                          | 0.976       |
| R Square                   | 0.952       |
| Adjusted R Square          | 0.948       |
| Std. Error of the Estimate | 0.08073     |

Analysis of variance (ANOVA) on Table 4.24 shows that the combine effect of business management skills , social cultural factors, access to finances, and women empowerment was statistically significant in explaining changes in growth of women entrepreneurs .This is demonstrated by a p value of 0.000 which is less that the acceptance critical value of 0.05.

**Table 23: ANOVA**

| Indicator  | Sum of Squares | df | Mean Square | F      | Sig.  |
|------------|----------------|----|-------------|--------|-------|
| Regression | 6.00           | 4  | 1.5         | 230.18 | 0.000 |
| Residual   | 0.3            | 46 | 0.007       |        |       |
| Total      | 6.300          | 50 |             |        |       |

Table 24 displays the regression coefficients of the independent variables. The results reveal that business management skills, social cultural factors, access to finances, and women empowerment were positive and statistically significant in influencing growth of women entrepreneurs. The findings imply that all the independent variables were strong determinants of growth of women entrepreneurs.

**Table 24: Regression Coefficients**

| Variable                   | Beta  | Std. Error | t     | Sig   |
|----------------------------|-------|------------|-------|-------|
| Constant                   | 0.018 | 0.162      | 0.109 | 0.914 |
| Business Management Skills | 0.284 | 0.064      | 4.456 | 0.00  |
| Social Cultural Factors    | 0.259 | 0.076      | 3.431 | 0.001 |
| Women Empowerment          | 0.261 | 0.078      | 3.351 | 0.002 |
| Access to Finances         | 0.198 | 0.06       | 3.297 | 0.002 |

## 5.0 CONCLUSIONS AND RECCOMMENDATIONS

### 5.1 Conclusions

Based on the objectives and the findings of the study the following conclusion can be made. The study concluded that there growth in business of women entrepreneurs. It was also possible to conclude that business management skills was a strong determinant of growth of women

entrepreneurs ,seminars and workshops which have improved women business management skills and knowledge which has an impact to the growth of business

Socio- cultural factors were key determinant of growth of women entrepreneurs. This was concluded because some roles ascribed to them by culture. For instance, they are responsible for household tasks and raising of children at home and giving birth hence have the mentality that entrepreneur should only be men.

It was possible to conclude that access to finance was a key determinant of growth of women entrepreneurs. Accessibility to loans and credit finance enables women to start up small business and become entrepreneurs. Finally the study concluded that women empowerment is factor that affects growth of women entrepreneurs. Support groups and chamas assist in growth of their business and women groups had high levels of cohesiveness which provided a network of support to members. This network and social support empowered the women to engage in business.

## 5.2 Recommendations

Most of the women entrepreneurs depend on third party opinions to get things done especially in marketing and sales departments. Therefore, advocating for women education through seminars would enlighten most of those whose are not familiar with record keeping. Advocacy bodies and associations of women entrepreneurs need to work together to challenge prevailing cultural norms which result in men having greater (informal) control over resources.

The study further recommends that there is a need for development of women-tailored products. Financial institutions should be encouraged to develop new products and services to target women entrepreneurs taking into account the strengths and weaknesses of women borrowers. A targeted package of asset financing and/or lease hire facilities, for instance, would minimize the diversion of funds from non-business needs - a common problem among women borrowers.

The government should put up in place institutional capacity and structure that are easily accessible for business advice. Relevant institutions should create specialized departments to address women's needs. This would directly enhance the dissemination of information regarding the available services especially in rural areas. The institutions should also take proactive steps towards developing the business skills of women entrepreneurs. This should include the use of specialized programmes with an inbuilt mechanism to monitor the progress of such capacity building initiatives.

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