

Effects of Women Enterprise Fund Loan on Women Entrepreneurs a Survey of Small and Medium Enterprises in Eldoret Town, Kenya

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Abstract

The purpose of the study was to examine the effects of women enterprise fund on women entrepreneurs a survey of small and medium enterprises in Eldoret town. The target population was 740 respondents selected SMES owned by women, the research sampled 74 respondents which is 10% of the target population. The research design used was a survey of small and medium enterprises in Eldoret Town. The study employed census sampling technique. The data collection procedure was done using questioners that help to clarify difficulty questions as data collection instrument. The data was presented using descriptive statistics, organized, analyzed and interpreted and presented in collective data in percentage and frequency table were used to interpretation. The study found that women's income together with households' incomes have improved with credit. Women enterprise fund has a positive effect on women incomes and house hold incomes. The social welfare of women and their households in general improved. The challenges faced by women borrowers in Eldoret Town in acquisition of credit from Women Enterprise fund are: long procedures involved in application and long processing, delay in loan disbursement, requirement that a member must have accumulated savings too many requirements, lack of security/ collateral, requirement that one must be a member of a group first, and high cost of acquiring loan. The recommends that:- Women enterprise fund should reduce processing time and start giving individual loans, Women enterprise fund need to lower interest rates on the loans, Micro finance institution need to consider changing loan repayment terms from weekly to monthly repayment.

Key words: women Enterprise, fund loan and Entrepreneurs

Introduction

1.1 Background to the Problem

Micro credit is part of Microfinance; which is the provision of a wider range of financial services to the very poor. Microcredit has successfully enabled extremely impoverished people to engage in self employment projects that allow them to generate income and in many cases, begin to build wealth and exit poverty. Micro credit is increasingly gaining credibility in the mainstream finance industry and many traditional large finance organizations are contemplating micro credit projects as a source of future growth, even though it had been earlier disguised in its likelihood to succeed (Yunus 2008).

Microfinance, which emphasizes granting small loans to the poorest of the poor without requiring collateral, rests upon the notion that most impoverished people in developing countries typically do not otherwise have access to traditional financial services but that they do possess modest survival skills that make them creditworthy. Credit programs can offer the poor access to small amount of capital, and in turn they use these loans for self employment projects, to generate income and eventually be self reliant (Yunus, 2008).

Moreover, in Africa most women owned SMEs are confronted with the challenges of nurturing their businesses and promoting the tradition of innovation and entrepreneurship (OCED, 2009; Wube, 2010). This could be associated with recent actual business environment which is entangled with force of complex socio-cultural, economic and technological factors creating intricate challenges for owners of SMEs in Africa (Tesfayohannes, 2012; Felicia, 2013). This has led women to make tradeoff between tradition and the kind of business activities to undertake. For instance, most of women in Tanzania tends to undertake business activities that are in harmony with their traditional roles which happen to be least profitable (UDEEC, 2002; Tundui, 2012). In addition, Felicia (2013) specified that, social and cultural values and beliefs regarding entrepreneurship have an important influence on motivational antecedents of entrepreneurial intention and business performance. This may have significant effects on their self-confidence; achievement-motivation and even their willingness to take risk, qualities that are closely linked to success in business (Rutashobya, 1995).

In Kenya, women owned businesses account for over 48% of all SMEs (ILO, 2008). Stevenson & St-Onge (2005) asserts that there are three profiles of women entrepreneurs operating SMEs in Kenya namely; Jua Kali micro-enterprises, very small micro enterprises and Small and Medium enterprises. These are differentiated by their demographic profiles, extent of previous business experience, needs, access to resources and growth orientation. The bulk of women entrepreneurs in Kenya operate enterprises associated with traditional women's roles such as, hairstyling, restaurants, hotels, retail and wholesale outlets (ILO, 2008). Women owned enterprises are making a significant contribution to the Kenyan economy, accounting for 20% of Kenya's GDP. Of the 462,000 jobs created annually since 2000 in Kenya, 445,000 jobs have emanated from the informal sector, where 85% of women's businesses are found (Voices of Women entrepreneurs, Kenya).

Eldoret Town comprises of a high percentage of poor people, who are hardly able to get collateral in order to get credit from the formal banks. A high majority are unemployed and most of them depend on agricultural activities which are hardly enough for their maintenance. MFIs are increasing in number and they are slowly gaining importance among the people in this area. There has been notable improvement in terms of economic activities and living standards of those accessing credit. Micro and small enterprises (MSEs) play a crucial role in strengthening private sector development and overall economic transition. They may generate income and new employment opportunities, de-monopolize the industrial structure, improve the quality and quantity of production and services, and increase entrepreneurship and the movement to a market economy.

1.2 Statement of the Problem

Ideally, Women Enterprise Fund in Kenya was first budgeted for in 2007/08. Its objectives are to promote women's empowerment poverty reduction and national development. To attract and facilitate investment in micro-small and medium enterprises oriented commercial infrastructure such as business markets or business incubators that will be beneficial to women enterprises, To support women-oriented enterprises to develop linkages with large enterprises, To facilitate marketing of products and services of women enterprises in both domestic and international markets, To support capacity building of the beneficiaries of the funds and their institutions Institutional framework of the WEDF. Women have been targeted for their pivotal role in families.

The fund was started with a billion Sh (\$25 million) kitties, with an initial Sh 1 billion (\$12.5 million) allocation. Women entrepreneurs borrow through contracted banks and financial institutions after presenting their business plans to the Women Enterprise Fund. Low ownership of collateral (security) required to secure loans from financial institutions. The fund was motivated by the success of microfinance institutions such as K- Rep, Kenya Women Finance Trust and FAULU Kenya in their lending to women- based enterprises that have been recording over 90 percent repayment and contributing to the improvement of women's wellbeing. Currently in Kenya challenges of empowering the economically marginalized women who constitute a majority of the population in its march from a simple, domestic, agrarian-based economy to the larger competitive global economy in which it seeks to be a major force. There is also lack of knowledge of how to fill in the application forms.

Most of the women groups who got loans did not like doing business as a group and ended up dividing the money equally among them. With between 15 and 50 members per group, the maximum Sh50,000 loan translates into a small figure per individual. The Sh1 million per constituency also leaves out many qualified women groups as the maximum number that can get loans in a constituency per year is 20 women groups, (Business Daily, September, 17th, 2015). Interest rate charged on loans advanced by commercial banks stand at an average of 14.85 per cent. Some banks and other financial institutions charge higher than this, (Business Daily, September, 17th, 2015).

Various studies show such interventions have fundamental impact on poverty reduction and economic betterment globally, study done by Kiraka, N. R, Kobia, M, & Katwalo, M. A, (2013) on Micro, Small and Medium Enterprise Growth and Innovation in Kenya: A Case Study on the Women Enterprise Fund found that although the general indicators reflect positive growth among women owned businesses in terms of total business worth, turnover, gross profit and number of employees, they obscure incidences of stagnation or decline in growth. Incidences of decline or stagnation were significant at between 15 to 30 percent across the four measures.

Another study done by Kimaru, C.(2014) on Effect of micro finance institutions activities on the performance of small and medium scale enterprises owned by women in Mogotio district found that, MFIs face challenges in service delivery such: banks relying on personal profiles and track records in reviewing application the response; and another study by Ismail B. H, & Mugambi, F (2013) on Determinants of Growth for Women Owned and Operated Micro Enterprises: The Case of Garissa, Kenya, found out that government and non state actors provide some financial support and training to women groups but individual women entrepreneurs struggle on their own. This study therefore, examines the effects of women enterprise fund loan on women entrepreneurs: A survey of Small and Medium Enterprises in Eldoret town, Kenya

1.3 Research Questions

The study was guided by the following research questions:

- i. What is the effect of women enterprise fund on empowerment of women who own small and Medium Enterprises in Eldoret Town?
- ii. What is the effect of women enterprise fund on economic welfare of households of women who own small and Medium Enterprises and their households in Eldoret Town?
- iii. What is the effect of women enterprise fund on social welfare of households of women who own of Small and Medium Enterprises in Eldoret Town?
- iv. What are the challenges experienced by women who own Small and Medium Enterprises in Eldoret Town in borrowing and repaying credit?

1.4 Theoretical Framework

The Rational Choice Theory

In rational choice theories, individuals are seen as motivated by the wants or goals that express their preferences. In other words, individuals must anticipate the outcomes of alternative courses of action and calculate that which is best for them that is to say they choose the alternative that is likely to give them the greatest satisfaction (Heath 1976; page 3, Carling 1992; page 27 and Coleman, 1973). Women make rational choices by forming groups with the main aim of not only socializing but accessing micro-credit which they utilize in improving their livelihoods. Under this theory, people are motivated to pursue goals they have chosen. They act rationally by examining alternative choice of all with a view to maximizing benefits from such action.

1.5 Conceptual Framework

The study derived its conceptual framework through definition of relationship between independent and dependent variables.

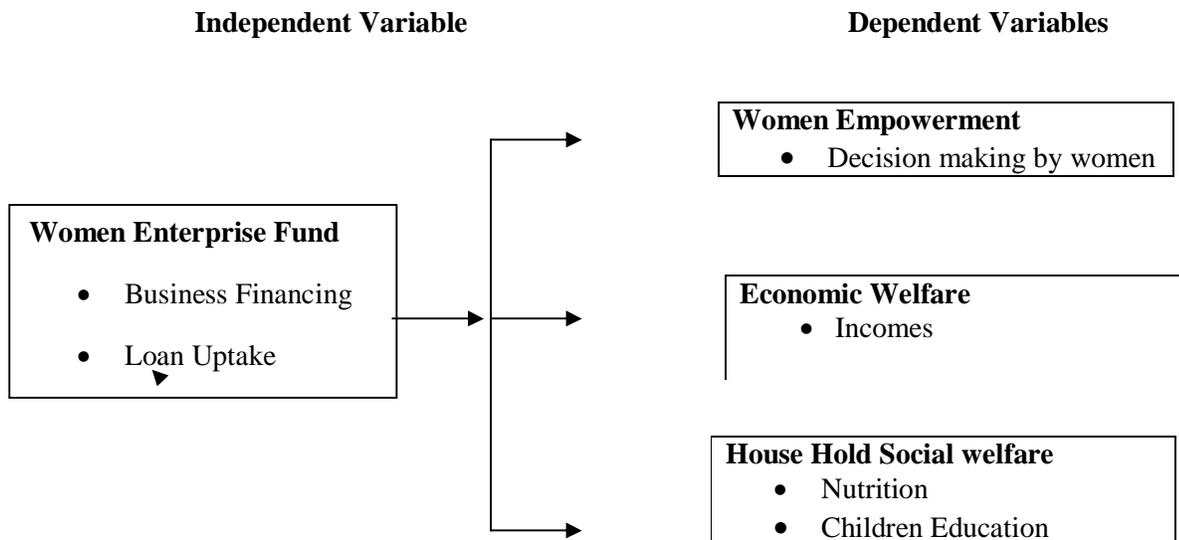


Fig 1.1: Conceptual framework

Source: researcher (2015)

Women Empowerment was assessed by looking at issues such as purchase of assets before and after credit, nutrition and health and education before and after credit provision. Job creation was assessed by examining how many businesses and consequently jobs that have been created by use of credit received. Economic Welfare of the women will be empowered if they get the funds from the women Enterprise fund thus through acquisition of this funds they will be empowered economically. The House Hold Social welfare of women are directly affected by Women Enterprise Fund. Job creation was analyzed by considering the number of businesses started courtesy of the credit provided and consequently the number of employees including the owner who benefit from that business directly. The living conditions was analyzed by looking at whether there has been any change in terms of nutrition, education and the physical assets of the borrowers after credit provision.

Literature Review

2.1 Review of Theories

2.1.1 Systems Theory

A system may be defined as a set of social, biological, technological or material partners co-operating on a common purpose. System theory is a philosophical doctrine of describing as abstract organizations independent of substance, type, time and space. Theories are connected to both ontological and epistemological views, the ontological view imply that the world consist of or integrative levels. The epistemological view implies a holistic perspective emphasizing the interplay between the elements in determining their respective functions. It is thus opposed to more atomistic approaches in which objects are investigated as individual phenomena.

2.1.2 Process Theory

This approach has been extended by Bransford (1979) who suggests that it is not only how the information is processed, but how the information is accessed. When the demands for accessing information more closely match the methods used to elaborate or learn the information, more is remembered.

2.2 Criticism of Theories

2.2.1 System Theory

Theory have been debated and criticized. One argument has been that it escapes from reality and not is productive. Thus Weyer (1994) concludes: theory is thus a view, that emphasis certain perspectives and relatively ignores other perspectives. It is always important to consider what the consequences are of ignoring certain perspectives. In studying libraries, one can apply a perspective and thus ignore the specific attributes and the specific historical circumstances. This may be fruitful for some purposes such as automation and cooperation, but it may be at the cost of loosing, specific experiences in developing special services.

2.2.2 Process Theory

Theoretically, Because of the interaction of social and systemic integration, systemic mechanisms can have perverse effects, disrupting and ‘colonizing’ the domain of cultural reproduction. Methodologically, Habermas argues that action descriptions from the agents’ point of view remain a necessary condition for any social explanation. Normatively, Luhmann’s ‘methodological anti-humanism’ blinds the theory from the start to the possible influence of a society-wide and critical public sphere on complex, institutional processes. (Ryan & Bohman, 1998).

2.3 Empirical Review

2.3.1 Growth and Innovation of Small and Medium Enterprises in Kenya

This study sought to examine the growth and innovation in micro, small and medium enterprises in Kenya by assessing the performance of the Women Enterprise Fund (WEF) on these dimensions. The WEF, a Government of Kenya initiative, aims to develop and grow women-owned MSMEs. Five years since its inception in 2007, it is imperative to establish whether the Fund is achieving its objectives in reaching the intended beneficiaries with the right kind of funding and support. Using a mixed method approach, comprising qualitative and quantitative methodologies, the study examined the performance of the Fund at the micro, meso and macro levels.

Fourteen constituencies in four Counties – Kakamega, Nairobi, Nakuru and Nyeri – were purposively selected. Stratified random sampling (the strata being the borrowing stream) of the entrepreneurs was used to ensure representativeness of the sample. Questionnaires were used in the survey of women owned MSMEs in combination with in-depth interviews and focus group discussions with selected respondent groups. Quantitative data were analysed using SPSS. Descriptive results show the extent of growth and innovation in the post loan period. Multivariate regression analysis sought to empirically establish the determinants of growth and innovation among women owned enterprises. Logistic regression models for the selected measures of growth and innovation were estimated using the maximum likelihood estimation technique. Qualitative data were content analyzed for emerging themes and patterns which formed the basis for discussing study findings.

Study findings show that although the general indicators reflect positive growth among women owned businesses in terms of total business worth, turnover, gross profit and number of employees, they obscure incidences of stagnation or decline in growth. Incidences of decline or stagnation were significant at between 15 to 30 percent across the four measures. The most common form of innovation was observed in the change or addition of new products in the post loan period. Innovations in terms of services, markets and sources of raw materials were, however, less common among women owned enterprises. The study finds no evidence of significant differences in growth and innovation among enterprises across geographical regions, borrowing stream and age groups. Overall, entrepreneur characteristics such as age, marital status, level of education and family size were poor determinants of growth.

Business characteristics such as location, the person who manages the businesses and the age of the loans, were significant determinants of growth in the number of employees. Growth in number of employees is considered a critical proxy for the other forms of growth in terms of total business worth, turnover and gross profit. From the findings, locating an enterprise in an urban area increased the likelihood that the business would either stagnate or decline in its number of employees and gross profit. Urban decline on these indicators was partly attributed to heightened competition among low-end enterprises which characterize most women owned ventures in urban slums and informal settlements. Similar to the case in growth, entrepreneur characteristics of age, marital status, level of education and family size were poor determinants of business innovation.

Only some of the business characteristics, growth factors and innovation factors were found to be significant determinants of innovation. Overall, women owned enterprises in urban areas lack the expected ‘urban advantage’ in terms of growth and innovation. Similar to the case in growth, entrepreneur characteristics of age, marital status, level of education and family size were poor determinants of business innovation. Only some of the business characteristics, growth factors and innovation factors were found to be significant determinants of innovation. Overall, women owned enterprises in urban areas lack the expected ‘urban advantage’ in terms of growth and innovation. The most widely provided complementary service was training which was accessed by one half of women entrepreneurs in the study. Other common complementary services included general education and awareness on how to run business and business progress monitoring.

Although reported in interviews and group discussions, the following complementary services were rarely offered: networking, exhibitions, export promotion and product certification, supplementary loans, mobile banking and overdrafts. From the findings, it can be deduced that besides training, few complementary services were available to the majority of women borrowers of the WEF loans at a level that could meaningfully sustain businesses on the growth path and spur innovations.

The Fund continued to face numerous challenges at the WEF secretariat, lender and borrower levels. The main challenges at the Fund level included inadequate WEF field personnel, inadequate fieldwork facilitation, low loan amounts, delays in disbursements and an inefficient multi-layered Fund structure. High cost of loan administration, competition with commercial bank products, poor dissemination of information, high demand/limited scope of coverage, lack of distinct product branding, lack of individual choices in group lending, high default rates, bureaucratic processes and limited business monitoring were the main challenges at lender level.

For the borrowers, the challenges included limited and shrinking markets/competition, lack of business knowledge, misconception about the purpose of the Fund, diversion of the funds, low literacy among segments of women borrowers, lack of loan securities and domestic interference. To reform the Fund in a way that enhances its quality, service delivery and sustainability, as well as the growth and innovation of the enterprises, the study recommends that there should be: improved field level staffing at WEF, improved business monitoring, allocation of more resources to field teams, provision of individual loans, increase in amounts of loans, enhanced and standardized training, development of legal framework for default recoveries, increased funding to the CWES stream, business incubators for start-ups, enhanced revolving funds, rationalization of administrative costs, increase in the number of loan holding banks, timely disbursement of the funds and simplification of the application process.

2.3.2 Promoting Women Entrepreneurship

Female entrepreneurship represents a vast untapped source of innovation, job creation and economic growth in the developing world. The barriers to women's entrepreneurship are various: Women face greater obstacles in accessing credit, training, networks and information, as well as legal and policy constraints. The World Economic Forum shows little progress in narrowing the economic gap between women and men. Yet not all is lost! Innovative initiatives to promote women's entrepreneurship—driven by both the private and public sectors—are on the rise. This brief provides an overview of the global landscape of women's entrepreneurship. It aims to demystify the challenges that women face in accessing finance, and it highlights some of the typical challenges regarding capacity- building programs targeted at women entrepreneurs.

Above all, this brief focuses on potential solutions and enablers by drawing on practical experiences from the public and private sectors in both emerging and developed markets. It concludes that innovative partnerships, particularly when private and public sector entities are involved, are beginning to make a dent, with the potential for large-scale impact. Those who embrace women's entrepreneurship as an opportunity are likely to reap the rewards in new market opportunities and higher development impact. The Landscape of Women's Entrepreneurship around the World Women's entrepreneurship matters for business and development. Women-owned businesses already contribute significantly to the world economy, and their number has grown over time. These firms represent a significant share of employment generation and economic growth potential.

This contributes significantly to development beyond enterprise growth and turnover numbers. "Women are better at managing the budget and better at making key financial decisions that impact the family such as a child's education," noted MasterCard's group head for Asia, Pacific and the Middle East and North Africa. A recent survey in Asia found that when it comes to home finances, women generally play a leading role. Women's leadership in South Korea, Indonesia and Vietnam was especially apparent when making decisions about their children's education, and women also were the main decision maker when it came to key household purchases. It is estimated that women-owned small and medium-sized enterprises (SMEs) represent 31 to 38 percent (8 to 10 million) of formal SMEs in emerging markets.³ The number of female-owned enterprises is growing at a faster pace than that of male counterparts— with no evidence that women-owned enterprises fail at a faster rate.

New, internationally comparable data on female entrepreneurship from countries belonging to the Organization for Economic Cooperation and Development show that the "birth rates" of female-owned enterprises are higher than those of male-owned ones (see figure 1).⁴

The “ratio of opportunity to necessity entrepreneurship” is typically higher in high-income countries than in low-/middle-income country groups, the effect being significantly greater for women entrepreneurs, according to the Global Entrepreneurship Monitor. In other words, the poorer the country, the more likely that women’s entrepreneurship is driven by necessity. Regardless of gender, entrepreneurial activity is typically higher in low- and middle-income countries than in high-income countries.

2.3.3 Challenges of Women Entrepreneurs in Africa

The ILO’s Programme on Boosting Employment through Small Enterprise Development (SEED) has been able to intensify its support for women’s entrepreneurship development in Ethiopia, Tanzania and Zambia thanks to the support provided by Development Cooperation Ireland. During 2002, the ILO commissioned comprehensive reviews of existing literature on women entrepreneurs in each of the three countries. Based on these reviews, a number of key issues were identified that merited further investigation and research. Between 2002 and 2003, the ILO commissioned a series of three linked studies with a particular focus on issues relating to women entrepreneurs — “Going for growth”. This research in Ethiopia, Tanzania and Zambia involved interviews with more than 360 women entrepreneurs. The research process proved to be invaluable in as far as it identified problems and issues that required immediate attention and action.

The findings shed considerable light on the situations facing women entrepreneurs in trying to start, grow and formalize their businesses. The reports emphasized the significant contribution that women are making to enterprise creation and employment. From the three countries, we find that the women owned enterprises in the sample employed between 6 to 8 workers, and this figure is increasing.

These substantial findings have helped to “debunk” the idea that women entrepreneurs are largely engaged in petty trading. In addition, the findings informed many of the ILO’s support actions in each of the three countries, involving support on issues such as improving market access, strengthening associations of women entrepreneurs, promoting women entrepreneur role models, and generally creating a high profile for the contribution of women entrepreneurs in the national economies. In gathering the background information, the authors identified a large number of resource documents and these have been included as a final section in the report, thus providing a valuable resource for practitioners, policy-makers and academics alike.

2.3.4 Socio-Cultural Factors Affecting Performance of Women Entrepreneurs

Globally, Small and Medium Enterprises (SMEs) play a great role in employment creation, income generation and economic growth. However, in Tanzania women SMEs are faced with a number of factors including socio-cultural factors (SCFs) which hinder their entrepreneurial development. This paper assesses the effects of SCFs on the performance of women SMEs. The study was conducted in Dodoma urban and Chamwino districts in Dodoma region employing cross-sectional and case study research designs in which 80 women SMEs were surveyed using questionnaires.

Data were analyzed using descriptive statistics and binary logistic model. Findings show that women immobility, poor support from society members and ethnicity affect negatively the performance of women SMEs. Conversely, family roles, level of education and role models were important factors in nurturing the performance of women SMEs. The study generally concludes that SCFs have negative effect on the performance of women SMEs. This implies that, women SMEs stressed under such SCFs cannot perform outstandingly. We recommend that the government should formulate policies that encourage women participation in entrepreneurial activities.

2.4 Knowledge Gap

Over the past decades, women entrepreneurship has been studied and several challenges have been noted to affect the performance of their enterprises negatively. Limited access to finance has been identified as the key constraint globally (Minniti, 2009; Jamali (2009) Despite the resources available, from private and public development finance institutions, only few women are able to access them. Studies indicate that many women rely largely on support from husbands, partners and relatives to successfully start and grow business (Jennings & McDougal, 2007).

Majority of the scholars have emphasized on common problems affecting SMEs (King and McGrath 2002, Wanjohi & Mugure, 2008) etc. Very little has been studied on the reasons as to why female entrepreneurs face daunting challenges in accessing business finance in Kenya.

3. Research Design and Methodology

3.1 Research Design.

Survey research design was employed in this study. This design is simple and easy to execute; the design involve measurement, classification, analysis, comparison and interpretation of data.

3.2 Target Population and Sample Size.

The target population under this study was managers, accountants and other employees in the selected SMES. Which comprises of 740, out of which 74 respondents were sampled which has elements representative of the characteristics

Table 3.2 Targeted population sample size

SMES	Population	Sample size	Percentage %
Retailers	300	300 x 0.1	30
Supermarkets	100	100 x 0.1	10
Milk Vendors	200	200 x 0.1	20
Vegetable Vendors	100	100 x 0.1	10
Petrol Stations	40	40 x 0.1	4
Total	740		74

3.3 Description of Research Instruments

Data collection was carried out through use of questionnaires that was given to respondents to respond to the questions provided.

3.4 Description of Data Analysis Procedures

Data from the questionnaires was described and interpreted using computerized analysis where a conversion is made through a computer package known as Microsoft Excel in order to be able to analyze the information. The qualitative data was analyzed in order to identify the effects of women enterprise fund on women entrepreneurs. The stages in the analysis included data preparation, and tabulation of data. Statistical analysis included descriptive statistics which was used to summarize the characteristics of sets of data. It describes data in terms of measures of central tendency.

Results

4.2 General Background Information

4.2.1 Gender of Respondents

The study found it necessary to establish the gender of the respondents. Gender as a variable was categorized as male or female and the specific frequency and percentages accordingly as shown in the following table.

Table 4.1 Gender of the respondents

Gender	Frequency	Percentage
Female	48	60
Male	26	40
Total	74	100

The results indicated that a majority of the staff working at were 45 women (60%). compared to 30 number of male (40%). This implies that the gap between the genders in terms of employment is narrow which is (20%). Findings imply that being male or female does not prevent one from understanding how effect of women enterprise fund on women entrepreneurs a case study of small and medium enterprises in Eldoret town

4.2.2 Age of the respondents

The researcher wanted to know the age bracket of the respondents to ascertain their approach on issues related to effect of women enterprise fund on women entrepreneurs a case study of small and medium enterprises in Eldoret town. Age was grouped in bracket of 20 – 30 years, 31 – 40 years and 41– 50 years. It was established from the study that 27% of the respondents were between 18 – 25 years, 33% were between 31 – 40 years and 40% were between 41– 50 years. This is shown in the following table.

Table 4.2 Age bracket of respondents

Age	Frequency	Percentage
20 – 30 years	20	27
31 – 40 years	24	33
41– 50 years	30	40
Total	74	100

The findings indicate that majority of the respondents are of age between 41 – 50 years which represents (40%). This is a prime age of young and energetic employees and therefore their response reflects highly what is on the ground.

4.2.3 Level of education of the respondents

It was necessary to seek information to establish the level of education which was categorized as Primary, secondary, college and university. It was established from the study that 6% are of Primary, 40% were of secondary level, 27% had college level of education and 27% university level of education. This is shown in the following table.

Table 4.3 Educational level of respondents

Educational level	Frequency	Percentage
Primary	4	6
Secondary	30	40
College	20	27
University	20	27
Total	74	100

4.2.4 Working experience

It was important to seek this information to establish the number of years the respondents have worked to ascertain their experience on issues related to Effect of women enterprise fund on women entrepreneurs a case study of small and medium enterprises in Eldoret town. It was established from the study that 33% of the respondents worked for a 1-2 years, 27% worked for a period between 3 – 4 years and 40% worked for an over 5years. This is shown in the following table.

Table 4.4 Presentation of data on job experience

Years	Frequency	Percentage
1 – 2	26	33
3 – 4	20	27
Over 5years	28	40
Total	74	100

The research indicates that majority of the respondents have worked for a period over 5 years. This is the period long enough to have experience on how women enterprise fund affects women entrepreneurs in Eldoret Town

4.2.5 Departments Respondents work under

It was necessary to seek this information to establish how women enterprise fund affects women entrepreneurs in Eldoret Town. It was established from the study that 18% of the respondents work in management, 28% as Supervisors and 54% in general employees. This is shown in the following table.

Table 4.5 Departments respondents work under

Department	Frequency	Percentage
Managers	14	18
Supervisor	20	28
General employees	40	54
Total	74	100

This implies that majority of the respondents are working as general employees where more work is required.

4.2.6 Effects of Women Enterprise Fund on Empowerment of Women Owners of Small and Medium Enterprises in Eldoret Town

The study sought to establish the effect of women enterprise fund on empowerment of women owners of Small and Medium Enterprises in Eldoret Town. It was established from the findings that 6% of the respondents said that Leads to acquisition of funds by the women groups, 27% said The women get a boost as their businesses are funded, 40% said They get trained on the way to run the business and 27% They get to be on level with their male counter parts thus from the findings it is clear that women enterprise fund leads to empowerment of women owners of Small and Medium Enterprises.

Table 4.6 Effects of women enterprise fund on empowerment of women owners of small and medium enterprises in Eldoret town

Statements	Frequency	Percentage
Leads to acquisition of funds by the women groups	4	6
The women get a boost as their businesses are fundend	20	27
They get trained on the way to run the business	30	40
They get to be on level with their male counter parts	20	27
Total	74	100

This implies that 40% said They get trained on the way to run the business thus from the findings it is clear that women enterprise fund leads to empowerment of women owners of Small and Medium Enterprises.

4.2.7 Effects of Women Enterprise Fund on Economic Welfare of Households of Women Who Own Small and Medium Enterprises and Their Households in Eldoret Town

The study sought to find out effect of women enterprise fund on economic welfare of households of women who own small and Medium Enterprises and their households in Eldoret Town. This shows that 43% of the respondents agreed that Their economic level increases a lot ,13% said Their living standards improve,11% said Their economic standards go up and thus they can afford a better living, 34% They are able to be self dependent. It is therefore implies that women enterprise fund has effects on economic welfare of households of women.

Table 4.7 Effects of women enterprise fund on economic welfare of households of women who own small and medium enterprises and their households in Eldoret town

Statements	Frequency	Percentage
Their economic level increases a lot	32	43
Their living standards improve	10	13
Their economic standards go up and thus they can afford a better living	8	11
They are able to be self dependent	24	34
Total	74	100

4.2.8 Effects of Women Enterprise Fund on Social Welfare of Households of Women Owners of Small and Medium Enterprises in Eldoret Town.

It was necessary to find out the effect of women enterprise fund on social welfare of households of women owners of Small and Medium Enterprises in Eldoret Town and the study shows that 47% of the respondents said Their social life improves as they get to improve their life styles, 27% said that The women are able to interact with other women in business and share ideas, 26% said that The women are able to educate their children and thus their lives become better. Thus the findings shows that there are several aspects of women enterprise fund that affects social welfare of households

Table 4.8 shows Effect of women enterprise fund on social welfare of households of women owners of small and medium enterprises in Eldoret town.

Statements	Frequency	Percentage
Their social life improves as they get to improve their life styles	34	47
The women are able to interact with other women in business and share ideas	20	27
The women are able to educate their children and thus their lives become better	20	26
Total	74	100

4.2.9 Challenges Experienced by Women Who Own Small and Medium Enterprises in Eldoret Town in Borrowing and Repaying Credit.

The study sought to find out the challenges experienced by women who own Small and Medium Enterprises in Eldoret Town in borrowing and repaying credit. This was an open question and it is clear that women have a lot of challenges when accessing credit and they include lack of collateral or guarantors so as to get the loans, lack of advice on how to manage the finance they get from the enterprise fund. Thus the women should be advised on how to manage the funds and also consideration on the collateral aspect be given to women.

5. Discussions

5.1 Summary of the Findings

5.2.1 Gender of Respondents

The study found it necessary to establish the gender of the respondents. Gender as a variable was categorized as male or female and the specific frequency and percentages accordingly. The results indicated that a majority of the respondents were 44 women (60%), compared to 30 number of men (40%). Findings imply that being male or female does not prevent one from understanding how Effect of women enterprise fund on women entrepreneurs a survey of small and medium enterprises in Eldoret town .

5.2.2 Age of the Respondents

The researcher wanted to know the age bracket of the respondents to ascertain their approach on issues related to Effect of women enterprise fund on women entrepreneurs a case study of small and medium enterprises in Eldoret town. Age was grouped in bracket of 20 – 30 years, 31 – 40 years and 41– 50 years. It was established from the study that 27% of the respondents were between 18 – 25 years, 33% were between 31 – 40 years and 40% were between 41– 50 years. The findings indicate that majority of the respondents are of age between 41 – 50 years which represents (40%). This is a prime age of young and energetic employees and therefore their response reflects highly what is on the ground.

5.2.3 Level of Education of the Respondents

It was necessary to seek information to establish the level of education which was categorized as Primary, secondary, college and university. It was established from the study that 6% are of Primary, 40% were of secondary level, 27% had college level of education and 27% university level of education.

5.2.4 Working Experience

It was important to seek this information to establish the number of years the respondents have worked. To ascertain their experience on issues related to Effect of women enterprise fund on women entrepreneurs a case study of small and medium enterprises in Eldoret town. It was established from the study that 33% of the respondents worked for a 1-2 years, 27% worked for a period between 3 – 4 years and 40% worked for a over 5 years. The research indicates that majority of the respondents have worked for a period over 5 years. This is the period long enough to have experience on how women enterprise fund affects women entrepreneurs in Eldoret Town

5.2.5 Departments Respondents Work Under

It was necessary to seek this information to establish how women enterprise fund affects women entrepreneurs in Eldoret Town. It was established from the study that 18% of the respondents work in management, 28% as Supervisors and 54% in general employees. This implies that majority of the respondents are working as general employees where more work is required.

5.2.6 Effects of Women Enterprise fund on Empowerment of women Owners of small and Medium Enterprises in Eldoret Town

The study sought to establish the effect of women enterprise fund on empowerment of women owners of Small and Medium Enterprises in Eldoret Town. It was established from the findings that 6% of the respondents said that Leads to acquisition of funds by the women groups, 27% said The women get a boost as their businesses are funded, 40% said They get trained on the way to run the business and 27% They get to be on level with their male counter parts thus from the findings it is clear that women enterprise fund leads to empowerment of women owners of Small and Medium Enterprises.

This implies that 40% said They get trained on the way to run the business thus from the findings it is clear that women enterprise fund leads to empowerment of women owners of Small and Medium Enterprises.

5.2.7 Effects of Women Enterprise Fund On Economic Welfare of Households of Women Who Own Small And

Medium Enterprises and Their Households in Eldoret Town

The study sought to find out effect of women enterprise fund on economic welfare of households of women who own small and Medium Enterprises and their households in Eldoret Town. This shows that 43% of the respondents agreed that Their economic level increases a lot ,13% said Their living standards improve,11% said Their economic standards go up and thus they can afford a better living, 34% They are able to be self dependent. It is therefore implies that women enterprise fund has effects on economic welfare of households of women.

5.2.8 Effects of Women Enterprise Fund On Social Welfare Of Households Of Women Owners Of Small And Medium Enterprises In Eldoret Town.

It was necessary to find out the effect of women enterprise fund on social welfare of households of women owners of Small and Medium Enterprises in Eldoret Town and the study shows that 47% of the respondents said Their social life improves as they get to improve their life styles, 27% said that The women are able to interact with other women in business and share ideas, 26% said that The women are able to educate their children and thus their lives become better. Thus the findings shows that there are several aspects of women enterprise fund that affects social welfare of households

5.2.9 Challenges Experienced By Women Who Own Small And Medium Enterprises In Eldoret Town In Borrowing And Repaying Credit.

The study sought to find out the challenges experienced by women who own Small and Medium Enterprises in Eldoret Town in borrowing and repaying credit. This was an open question and it is clear that women have a lot of challenges when accessing credit and they include lack of collateral or guarantors so as to get the loans, lack of advice on how to manage the finance they get form the enterprise fund. Thus the women should be advised on how to manage the funds and also consideration on the collateral aspect be given to women.

5.3 Conclusion

The following conclusions were drawn:

Most women are more involved in decision making and execution of decisions in households after receiving credit. Hence Women enterprise fund has a positive effect on decision making by women in their households. Women borrowers' incomes together with households' incomes have improved with credit. Women enterprise fund has a positive effect on women incomes and households' incomes. Credit has led to improvement of children education, nutrition of the family and household assets. Thus the household's social welfare has improved in terms of household nutrition education of children, household assets after getting credit hence improvement of living standards and education.

Women enterprise fund has a positive effect on welfare of borrowers, welfare of their households. Women enterprise fund has a positive effect on empowerment women borrowers' women are able to make decisions concerning how the borrowed money is to be spent, borrowing decisions and being able to make decisions on running their business, Women enterprise fund has reduced the dominance of men in decisions making. Women enterprise fund has empowered women in decision making in their households. The findings show that women's income together with households' incomes have improved with credit. Women enterprise fund has a positive effect on women incomes and house hold incomes.

The social welfare of women and their households in general improved. The challenges faced by women borrowers in Eldoret Town in acquisition of credit are: long procedures involved in application and long processing, delay in loan disbursement, requirement that a member must have accumulated savings too many requirements, lack of security/ collateral, requirement that one must be a member of a group first, and high cost of acquiring loan. The challenges they experienced in repaying the loan are: high interest rate, weekly repayments being cumbersome, high penalty/ fines on default, defaulting members led to accumulation of arrears to the group and guarantors are made to pay amounts defaulted and no grace period allowed, repayment period is too short and low business where challenges they faced in repayment.

5.3 Recommendations

From this the recommendations are:-

- i) Women enterprise fund should reduce processing time and start giving individual loans
- ii) Women enterprise fund need to lower interest rates on the loans
- iii) Women enterprise fund need to consider changing loan repayment terms from weekly to monthly repayment
- iv) Women enterprise fund need to consider reducing the amount of savings required before one qualifies for a loan
- v) Women enterprise fund need to start giving out individual loans also.
- vi) Women enterprise fund should consider increasing the amounts of loans they grant to women borrowers.

5.4 Recommendation for Further Studies

The study recommends further studies in the following areas:

- i) The women attitude and perceptions towards microcredit.
- ii) Factors limiting women access to credit.
- iii) Effect of Women enterprise fund on sustainability of women owned small and medium enterprises.

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