



**FACTORS INFLUENCING PERFORMANCE OF WOMEN-OWNED MICRO AND SMALL ENTERPRISES
IN NAIROBI COUNTY IN KENYA**

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FACTORS INFLUENCING PERFORMANCE OF WOMEN-OWNED MICRO AND SMALL ENTERPRISES IN NAIROBI COUNTY IN KENYA

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ABSTRACT

This study sought to establish the factors that have an influence on the performance of women owned micro and small enterprises in Nairobi County. The study primary data was collected using questionnaires through random sampling technique while secondary data was from literature of previous studies. The study covered a sample of 30 drawn from study population of Kamukunji, Kibera, Gikomba and Kangemi markets Nairobi. A semi-structured questionnaire was used to collect primary data. Data was analyzed using both qualitative and quantitative methods. Quantitative data was analyzed using descriptive (mean, percentages and frequencies). Findings of the study were presented in pie charts, bar graphs and frequency tables. The study achieved a response rate of 76.67%. The study revealed that individual characteristics of the entrepreneurs, motivation and goals to start and run the enterprises, the networks affiliations, entrepreneurial orientation of the respondents as well as the management styles of the entrepreneurs had an influence on the business performance of the MSEs. The findings will provide feedback to the government and other stakeholders to help them come up with strategies for improving and enhancing performance in women owned enterprises.

Keywords: *Women entrepreneurs, Medium and Small Enterprises, Performance, Networks, individual characteristics, Goals and Motivations, Entrepreneurial Orientation, Management Styles*

Introduction

It is not an uncommon trend that the number of women entrepreneurs continues to increase steadily worldwide. Women represent more than one-third of all people involved in entrepreneurial activity. Sitterly (2001) further states that 40 to 50 percent of all businesses are owned by women, with an admirable success rate of 75 percent. Mead & Liedholm (1998) further state that in most countries, the majority of MSEs are owned and operated by women (Rao et al., 2012). It is estimated that small enterprises with full or partial female ownership represent between 31% and 38% (8 to 10 million) of formal small enterprises in emerging markets (IFC and McKinsey, 2011). These firms represent a significant share of employment generation and economic growth potential. These small enterprises provide women with opportunity for self-employment which provide them a chance for exploiting their potentials and at the same time giving them flexible capital and skills (Wasihun et al., 2010). Hence it can be seen that women entrepreneurship is a growing phenomenon and has had a significant economic impact in all economies. Women-owned businesses are making a significant contribution to the Kenyan economy. Their businesses account for about one-half (48 percent) of all MSEs, which contribute around 20 percent to Kenya's GDP. The remaining 52% are men-owned. Of the 462,000 jobs created annually since 2000 in Kenya, 445,000 jobs have come from the informal sector, where 85 percent of women's businesses are found (Economic Survey, 2006).

According to an ILO study carried out by Stevenson & St-Onge, (2005), there are three profiles of women entrepreneurs operating

MSEs in Kenya, namely those in Jua Kali micro-enterprises, very small micro-enterprises and small-scale enterprises. These are differentiated by their demographic profiles, extent of previous business experience, needs, access to resources and growth orientation. McCormick (2001) noted significant differences in the performance of women's enterprises vis-à-vis those of Kenyan men. Their enterprises are smaller, less likely to grow, less profitable, and begin with less capital investment than those owned by men.

McCormick (2001) isolated three factors that account for these differences in enterprise performance. The first factor has to do with the level of education. On average, women entrepreneurs are less educated than their male counterparts and twice as likely as men to be illiterate. The second factor has to do with the opportunity to accumulate savings. Because women have lower levels of education and are segregated into lower paying jobs, they have lower savings with which to start a business. Thirdly, women spend less time in their businesses than men because they are expected to carry out their domestic responsibilities, including housework, food preparation and childcare.

Notwithstanding the increasing importance and numbers of women entrepreneurs, few studies have focused on or included women in their research sample (Baker & Aldrich, 1997) and data segregation on their performance are rather scarce and difficult to obtain. This is due to the lack of awareness in both government and among business associations of the importance of women's businesses especially in African countries. From the research perspective, a relatively small number of studies have investigated the factors influencing entrepreneurial performance exclusively among

women (Brush & Hisrich, 1991). Studies on the factors affecting performance of women entrepreneurs' of their businesses are limited in scope, as any existing research most often focuses on individual characteristics and motives as performance predictors. Insofar, the majority of related studies were conducted in Western countries like USA, Canada, United Kingdom, and Europe (Lerner et al., 1997). We can thus make safe conclusion that our present knowledge about this phenomenon is still insufficient.

Literature Review

Lerner and Hisrich (1997) categorized the factors that affect the women business performance into five perspectives, that is, motivations and goals, social learning theory, network affiliation; human capital and environmental influences. Thibault et al., (2002) suggest that factors influencing business performance could be attributed to personal factors such as demographic variable and business factors such as amount of financing, use of technology, age of business, operating location, business structure and number of full-time employees. Theo et al., (2007) states the factors to include: individual characteristics, parental influence, business motivation and goals, business strategies, goals and motives, networking and entrepreneurial orientation.

Fischer et al., (1993) study found that women's businesses tend to perform less well on measures such as sales, employment and growth, but concluded that the determinants of gender differences in business performance were far more complex than had been recognized in earlier studies. Box et al., (1995) suggest that there are 4 elements which have positive relationship with the business performance that is, previous experience as a

member of an entrepreneurial management team, number of previous starts, age and scanning intensity. On the other hand, Hisrich et al., (1997) propose human capital (level of education, years of experience and business skill), personal goals, and strategy to assess the performance of men and women entrepreneurs.

Machado et al., (2003) suggest that women entrepreneur's managerial style with the variables such as a) planning and strategic choices; b) decision style; c) formulation of objectives; d) structure of the company and share of power; and e) human resources policies were linked to and had association with their performance. The performance measures used in their study are turnover, number of employees, profit as well as the largest and the smallest salary paid.

Previous literature seems to suggest that there are five factors, a) individual characteristics; b)management practices; c)goals and motivations; d)networking; and finally e)entrepreneurial orientation, influencing the performance of entrepreneurs. The individual characteristics focus on the influence of resources, in particular the level of education, age, managerial skill, previous entrepreneurial experience and industry experience levels affecting entrepreneurial firm performance. Age and years of formal education have been shown to correlate positively with the business performance of women entrepreneurs Dolinski et al., (1993). At the same time, managerial skills and particular strengths in generating ideas and dealing with people (Brush & Hisrich, 1991) were important for a woman entrepreneur in establishing a business. Box et al., (1995) found that the entrepreneur's years of prior experience in the industry are positively correlated with firm performance. However, Shim and Eestlick (1998)

found that women have less work experience and their firms were younger than men. As a result, they lack of networks or contact, socialization practices and family roles.

Buttner (2001) reports that the management styles of women entrepreneurs was best described using relational dimensions such as mutual empowering, collaboration, sharing of information, empathy and nurturing. According to Heffernan (2003), female negotiating styles have been shown to be different and it has been demonstrated that they are significantly more beneficial to long term business success. According to Porter (1996), the essence of strategy is choosing to perform activities differently from rivals, which requires creativity and insight. Bracker et al., (1988) found that firms which undertook strategic planning performed better financially. He further suggests three elements of business strategies which have significant relationship with performance, i.e. founder's entrepreneurial competence, founder's managerial competence, and strategies applied by the firm. In this regard, women entrepreneurs who focused on strategic planning are likely to achieve higher performance.

An increasing number of scholars believe that the growth of a business is, at least in part, determined by the entrepreneur's motivation (Shane et al., 2000). Psychological motivations such as achievement, independence, and locus of control (pull factors) have received significant research attention to their influence on business start-up but less attention has been paid to their relationship to business performance. The study found that women pulled into establishing their enterprises have more profitable and higher profit margin. According to Brush et al., (1991), individual motivations and goals such as

profitability, revenues and sales growth have been found to be related to performance in women- owned businesses, albeit their tendency to perform less well than their male counterparts (Fisher et al., 1993). Researchers found that women typically are motivated by a more complex set of objectives for starting a business than male counterparts. Factors related to the desire to achieve flexibility between work and family lives are valued differently by the genders. Hisrich and Brush (1986) classified these factors into push and pull factors. Push factors include: frustration, job dissatisfaction, deployment, divorce and boredom in their previous jobs. Pull factors include: independence, autonomy, education and family security.

Networks have long been hailed as essential to the survival of female-run establishment (Shim and Eastlick, 1998). Women value their ability to develop relationships. The study suggested that support systems, mentors, and advisors; business associates and friends; participation in trade associations and women's groups are the significant networks which are positively associated with business performance. However, women are often excluded from social networks or informal networks of information such as male-only clubs, old boys' networks, and business lunches compared to men (Brush, 1990) due to lack of time (Belcourt et al., 1991). According to Zuwarimwe and Kirsten (2010) networks serve as a conduit for information while Sabatini (2006) recognizes social network as lubricant and glue that provide a bridge between the economy and society. Consequently, women entrepreneurs with high growth resources tend to use more formal social networks. (Kamau et al., (1999) share similar views that the presence of good working relationships with customers, financiers and

other constituents to the business has been effective strategies.

This phenomenon seems to be applicable to Kenyan women entrepreneurs. It was reported that women entrepreneurs faced a shortage of peer support networks compared with men even though various women entrepreneurs and industry associations have been formed which generally serve as a platform for women entrepreneurs to establish networks and exchange information and experiences as well as to conduct training programmes, seminars and workshops on motivation, leadership and entrepreneur development and to provide other means of support. This is due to the fact that women may not join these associations as they might be overloaded with business and family responsibilities. This limits the women entrepreneurs' ability to seek informal advice and peer financing as well as the information networks needed for survival and growth. This might pose a challenge to women entrepreneurs in establishing networks which are helpful to the survival of their businesses.

Entrepreneurial orientation is a significant contributor to a firm's success. The concept of entrepreneurial orientation was developed by Miller (1983) as comprising three dimensions; innovativeness, proactiveness and risk taking. Innovativeness is the firm's ability and willingness to support creativity, new ideas and experimentation which may result in new products/services, while proactiveness is the pursuit of opportunities and competitive rivalry in anticipation of future demand to create change and shape the business environment (Lumpkin & Dess, 2001). Relating to risk taking, it is the firm knowingly devoting resources to projects with chance of high returns but may also entail a possibility of high failure Lumpkin &

Dess, (2001). However, risk-taking is also commonly associated with entrepreneurial behavior and that generally successful entrepreneurs are risk-takers. (Birley,1987). Entrepreneurial orientation such as innovativeness, and risk taking are the factors found to determine the success of a woman entrepreneur in her business. Innovativeness enables women entrepreneurs to venture into new things, that is, technology, products and market whereas risk taking is required if women are to venture into relatively large-scale businesses.

Several empirical studies have been conducted determine the relative importance of gender and other socio-economic variables in explaining the performance of micro and small enterprises.. Rosa et al. (1996) note that the relationship between gender and small business performance is complex, but found that gender appeared to be an important factor even after controlling for other factors. McPherson (1996) explores determinants of employment growth among micro and small enterprises and finds that female proprietors grow at lower rates than male owned enterprises and the coefficients were statistically significant in three of the five countries. McPherson (1996) also finds that age, size and location of enterprises are negatively related to firm growth. Daniels and Mead (1998) find that net profits per person per months for female-owned enterprises were significantly lower than net profits from male counterparts or mixed ownership enterprises.

Research Methodology

Research Design

In this study, a descriptive survey was used. The study was based on empirical research which utilized both primary and secondary data.

Primary data was by survey method. The survey was conducted using a structured self-report questionnaire with scaled, dichotomous and open ended questions. Questions were a combination of exploratory, descriptive, causal and evaluative. The questionnaires were hand delivered to the respondents who completed them. If need be a follow up interview was conducted with respondents to clarify certain issues. Secondary data was mainly from the various sessional papers and economic surveys published by the Republic of Kenya and from similar research conducted in Kenya and elsewhere.

Scope of the Study

The study covered Nairobi County Kamukunji, Kibera, Gikomba and Kangemi Market with emphasis on the women owned enterprises due to resource constraints. The enterprises were owned wholly by women or had a share capital of not less than 51 percent as partners/ shareholders/ directors.

Population and Sampling Frame

The population of the study was all the micro and small enterprises operating in Nairobi Kamukunji Kibera, Gikomba and Kangemi market. This study focused on women owned enterprises.

Sampling and Sample Size

One interesting characteristic of Kenyan MSEs is that they are normally not evenly distributed nor are they clustered in one region. There are certain areas that have many of these types of enterprises crowded together. This geographical distribution could be a result of the informal sector's inability to gain access to strategic areas such as the industrial area. It is for this reason that the random method of sampling was used. Due to cost and time constraint a total of 30 enterprises were interviewed.

Data collection

Both primary and secondary data was used in the study. The main instrument for data collection was a structured questionnaire which was administered to respondents for primary data. The main methods of data collection were interviews and direct observation. Primary data was gathered from the enterprises using a questionnaire. The questionnaire consists of both open-ended and closed questions which were administered to managers or owner-managers of the enterprises. Secondary data was taken from surveys and studies made on the sector for instance the 1999 National Baseline survey and management literature and books. This source of data was used to complement the study since they did not provide information adequate for analysis and thus the need to conduct a field survey of the enterprises in the sector.

Data Analysis and Presentation

The analysis was done using the Microsoft excel, In order to achieve the above, the study used both qualitative and quantitative analysis. Qualitative analyses consist of categorizing, tabulating and recombining evidence to address research questions. Quantitative analysis was done using descriptive statistic to provide frequency counts and percentages. The questions were coded in a manner that reduces doubt or ambiguity and the same coding was useful in computer aided analysis. This did assist in determining the pattern of responses to each of the independent variable being investigated. The study conducted a systematic and thorough assessment of various specific objectives by answering the research questions through the application of various independent variables and

their sub categories as set out in the conceptual framework.

performance presented in tables and figures below.

Research Findings and Discussions

Age

Individual Characteristics and Performance

The study found it necessary to determine the respondents’ age categories in order to get an overview of the age distribution among the women entrepreneurs in the study area. The findings of the study are as displayed in table 1 below.

The respondents’ were asked questions about their individual characteristics, in particular the level of education, age and industry experience levels affecting entrepreneurial firm

Table 1 Age of Respondents

Age category	Mean	Std. Dev
21-30 years	1.703	.501
31-40 years	3.752	.473
41-50 years	2.324	.534
Above 50 years	1.002	.632

By the means and standard deviations presented in table 1 above, it was found that majority of respondents fall within the 31-40 years age category, as indicated by the highest mean ($X = 3.752$, $S.D = 0.473$). This is closely followed by those within the 41-50 category ($X = 2.324$, $S.D = 0.534$). The ‘21-30’ and ‘above 50 years’ categories registered the lowest means ($X = 1.703$, $S.D = 0.501$) and ($X = 1.002$, $S.D = 0.632$) respectively) implying the low number of respondents within these categories.

Level of Education

Respondents were also asked to indicate their levels of education. This would serve to show the academic backgrounds of the entrepreneurs in the study area. Findings are as shown in table 2 below.

Table 2 Level of Education

Level of education	Mean	Std. Dev
Primary school	0.703	.4739
High school	1.752	.5013
Diploma college	3.014	.5348
University	2.002	.6329

From the means, it can be deduced that most women entrepreneurs in the study area are diploma holders as indicated by the highest mean ($X = 3.014$, $S.D = .5348$). This was closely followed by the degree holders ($X = 2.002$, $S.D = .6329$). The primary school level recorded the lowest mean ($X = 0.703$, $S.D = .4739$). This goes to show that most entrepreneurs are either diploma or university degree holders.

Whether Respondents have Children

Respondents were further asked to indicate whether they had any children this was meant to determine the levels of responsibility among the entrepreneurs and whether this affected their performance. Figure 1 below presents the findings.

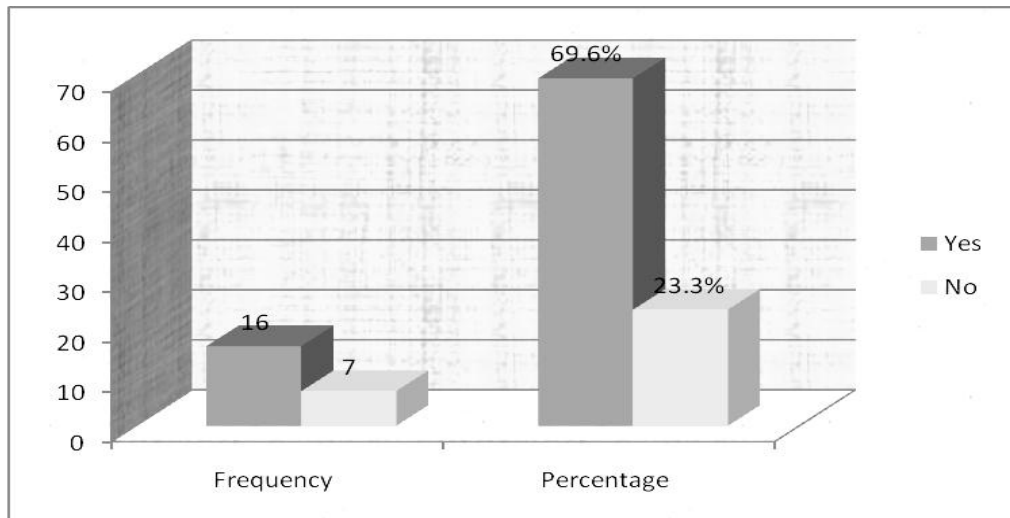


Figure 1 Whether Respondents Have Children

As presented in figure 4.1 above, most respondents 16 (69.6%) were found to have children. Only 7 (23.3%) indicated having no children. This is a key determinant in establishing whether having children inhibits or enhances performance among entrepreneurs.

Number of Children

Respondents with children were then asked to state the number of the said children. Results are as presented in figure 2.

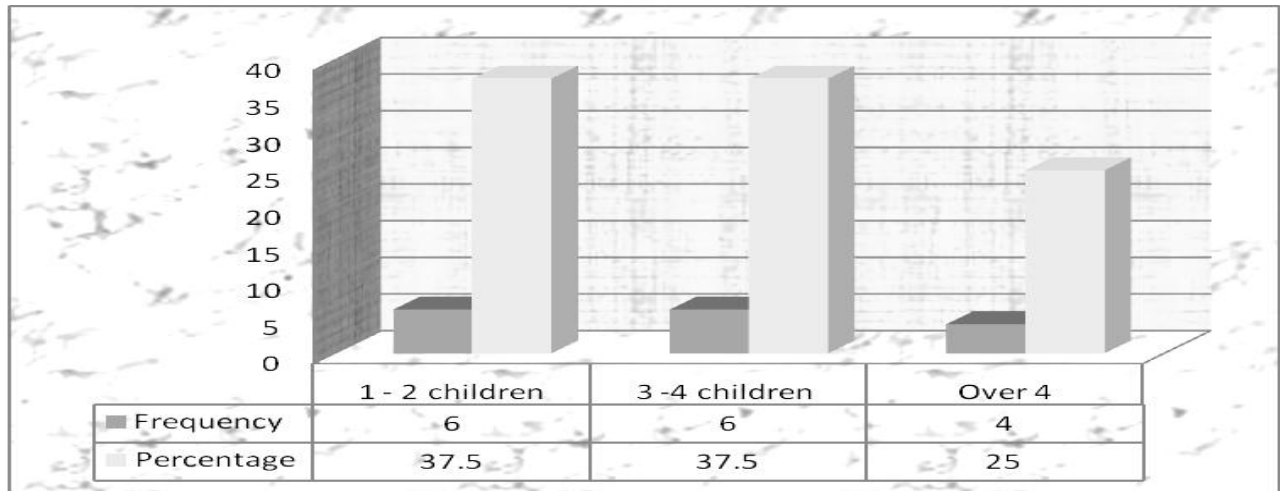


Figure 2 Number of Children

Results in figure 2 above indicate that most entrepreneurs in the study area have between 1 and 4 children as shown by the respective frequencies and percentages. 6 (37.5%) respondents indicated having between 1 and children. An equal number indicated having between 3 and 4 children. Only 4 (25.0%) respondents indicated having only 4 children. This was also a key determinant in the possible

factors influencing women entrepreneurs, from their perceived roles, fending for the children.

Nature of Business Skills Training

The study further sought to establish the nature of business training entrepreneurs engaged in, as whether formal or informal. Figure 3 below presents the findings.

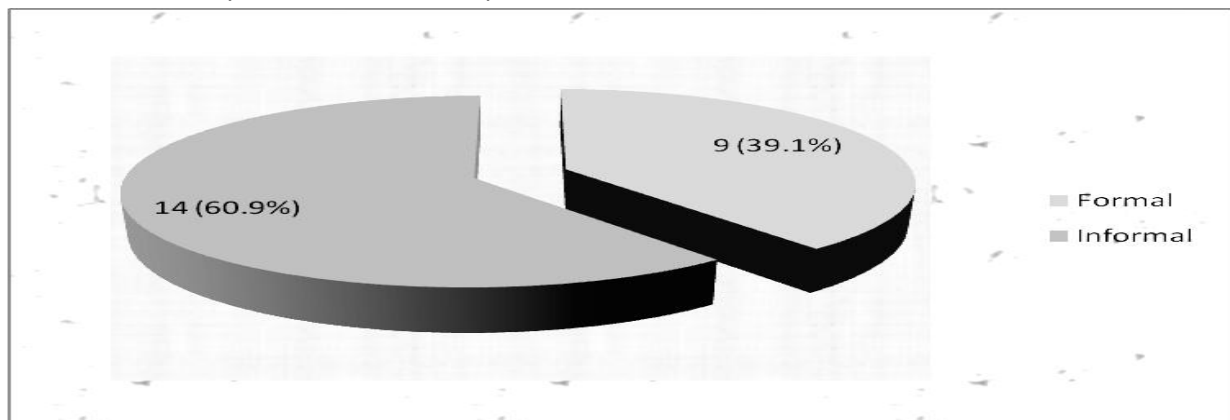


Figure 3 Nature of Business Skills Training

It follows then from the figure 3 above, that most women entrepreneurs in the study area have an informal training background. This implies than only a minority of entrepreneurs has business related academic training. This means that most entrepreneurs went into entrepreneurship either having acquired the training from

experience in similar establishments or learnt entrepreneurship, practicing for the first time.

Number of Years in Business

With some level of working experience necessary in establishing the study objectives,

the study found it necessary to establish the length of time in years, the respondents had

practiced entrepreneurship. Table 4 below presents the findings.

Table 4 Number of Years in Business

Years	Mean	Standard Deviation
1- 5 years	3.546	.5344
6- 10 years	2.425	.6429
10 – 15 years	1.650	.5863
Over 15yrs	1.315	.5713

It was established as indicated in table 4 above that most respondents have been entrepreneurship for between 1 and 5 years as indicated by the highest mean ($X = 3.546$, $S.D = 0.5344$). This was followed by those having been in business for between 6 and 10 years ($X = 2.425$, $S.D = 0.6429$). Only a few respondents indicated having worked for either between 10 and 15 years ($X = 1.650$, $S.D = 0.5863$) or over 15 years ($X = 1.315$, $S.D = .5713$). An adequate level of experience is thus observed among most respondents.

Goals and Motivation and Performance

The respondents were requested to indicate the level of importance of various motivational factors that influenced them into business, on a five point Likert scale. The range was from ‘Very important’ (5) to ‘Not important’ (1).

Respondents were asked to indicate the respective levels of importance of various achievement motivational factors that influenced them into entrepreneurship. Results are as presented in table 5 below.

Table 1 Achievement Motivation

Motivator	Mean	Standard deviation
Status	2.614	.5765
Career	3.961	.4812
Money	3.923	.5408
Power	2.755	.5312

From the table 5 above from the findings, career and money as achievement motivators performed highly, recording means of ($X = 3.961$, $S.D = .4812$) and ($X = 3.923$, $S.D = .5408$) respectively. Status as an achievement

motivator recorded the lowest mean, ($X = 2.614$, $S.D = .5765$), implying that it was the least important achievement motivational factor among the entrepreneurs.

Respondents were also asked to indicate the respective levels of importance of various independence motivational factors that

influenced them into entrepreneurship. Results are as presented in table 6.

Table 2 Independence Motivation

Motivator	Mean	Standard deviation
Independence	5.083	.4498
Job satisfaction	4.185	.5381
Opportunity	2.176	.4732

As indicated in table 6 above, generally, independence motivation influenced the entrepreneurs into venturing into entrepreneurship, to a large extent, going by the means and standard deviations recorded. Independence and job satisfaction ranked highest as independence motivators, recording means of (X = 5.083, S.D = .4498) and (X = 4.185, S.D = .5381) respectively. Opportunity as an

independence motivator only mattered to a small extent.

Respondents were then asked to indicate the respective levels of importance of various necessity motivational factors that influenced them into entrepreneurship. Results are as presented in table 7 below.

Table 7 Necessity Motivation

Motivator	Mean	Standard deviation
Economic necessity	4.110	.5829
Security	4.138	.5623

As shown in table 4.7 above, generally, necessity motivation influenced the entrepreneurs into venturing into entrepreneurship, to a large extent, as suggested by the means and standard deviations recorded. Economic necessity and security as necessity motivators influenced respondents to a large extent, recording means of (X = 4.110, S.D = .5829) and (X = 4.138, S.D = .5623) respectively.

Goals and Performance

Respondents were requested to indicate the level of importance of various goals that influenced them into business, on a five point Likert scale. The range was from ‘Very important’ (5) to ‘Not important’ (1).

Table 8 Goals Influencing Choice to Join Business

Statement	Mean	Standard Deviation
Profitability	4.054	0.9431
Revenues and sales growth	4.334	0.5423
Product/service excellence	3.064	0.8612
Survival of the business	2.675	1.0617
Image of the business with customers	3.285	1.2610
Personal satisfaction of the owner-manager	2.885	0.9745
Contribution to society	3.502	0.6734
Provide high living standard for the owner	2.025	1.0080

From the table 8 above, profitability, revenues and sales and contribution to society ranked as the most important goals as suggested by the respective means and standard deviations, that is, (X = 4.054, S.D = 0.9431) and (X = 4.334, S.D = 0.5423) and (X = 3.502, S.D = 0.6734) respectively.

Networking and Performance

The study further sought to find out whether respondents were members of any business networks and associations.

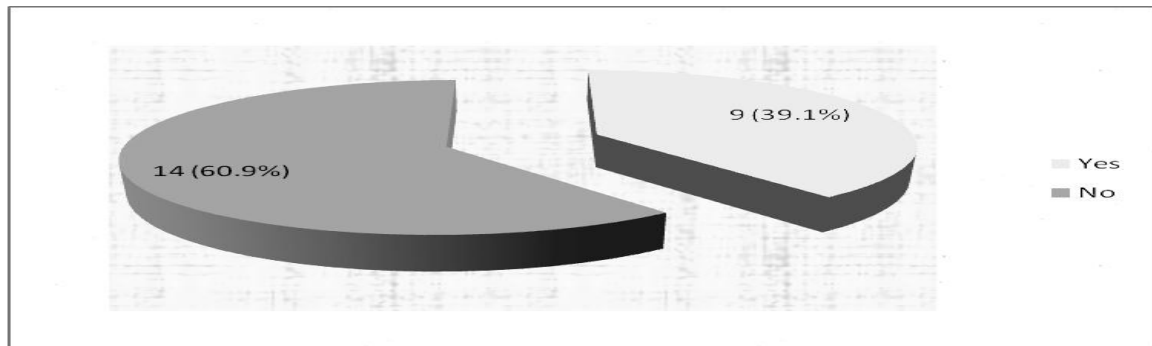


Figure 5 Membership to Networks and Business Associations

As shown in figure 5 above, only 9 (39.1%) of the respondents were affiliated to a business network, while the majority, 14 (60.9) were not. This implies that only a small fraction of the entrepreneurs in the study area have mainstreamed their ventures, indicating possibilities for expansion and growth.

Entrepreneurial Orientation and Performance

The study sought to establish the type of business the various SMEs engage in, by their product range. This serves to give the researcher an overview of the enterprises women entrepreneurs engage in most. Findings are as illustrated in figure 6 below.

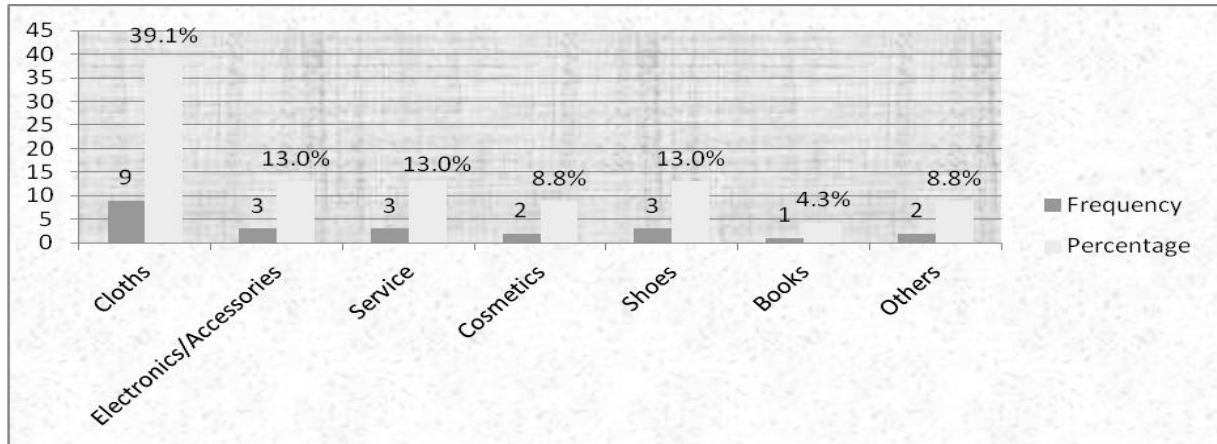


Figure 4 Product Range

The figure above suggests that a majority of enterprises, 9 (39.1%), in the study area engage in cloth merchandise. This is quite distantly followed by electronics/accessories, service and shoes merchandise, each indicated by 3 (13.0%) of the respondents. Books make the least merchandise in numbers with only 1 (4.3%) of the respondents affirming to the category. This finding is reflective of the nature of business

different entrepreneurs in the study area engage in.

Management Styles and Performance

Respondents were lastly asked to indicate the management skills they deemed important in running their businesses. This was on a five-point Likert scale, meant to determine the different perspectives among the entrepreneurs.

Table 3 Important Management Skills in Respondents' Business

Statement	Mean	Standard Deviation
Securing capital	4.201	0.9431
Forecasting	3.913	0.5423
Budgeting	3.576	0.8612
People management	3.413	1.0617
Marketing/sales	2.963	1.2610
Product innovation	4.184	0.9745
Daily operation	2.553	0.6734
Organizing and planning	3.052	1.0080

As presented in table 9 above, most respondents view securing capital ($X = 4.201$, $S.D = 0.9431$); product innovation ($X = 4.184$, $S.D = 0.9745$); and forecasting ($X = 3.913$, $S.D = 0.5423$) as greatly important. Budgeting ($X = 3.576$, $S.D = 0.8612$);

People management ($X = 3.413$, $S.D = .0617$); and organizing and planning ($X = 3.052$, $S.D = 1.0080$) also ranked as greatly important.

Discussion

The study found out that majority of women fall within the 31-40 age category with as indicated with the highest mean ($X= 3.752$, $S.D =0.473$), have a college diploma as indicated with the highest mean ($X = 3.014$, $S.D = .5348$). This was closely followed by the degree holders ($X = 2.002$, $S.D = .6329$). Most women had college education unlike other findings. This could be attributed to the girl child education campaigns of yesteryears. The study also found out that the majority of women had 1-4 children as shown by percentages of 37.5% each. On the other hand the study found out that the women entrepreneurs had informal business training as indicated by 60.9%. Lastly the study found out that the most entrepreneurs had been in entrepreneurship for 1-5 years as indicated by the mean ($X=3.456$, $S.D 0.5344$).

From the findings above deduce that entrepreneurs in MSEs are these women entrepreneurs may have conflicting gender roles such as keeping kids since in our country context most of these responsibilities are left to women. Similarly, most of these entrepreneurs have had informal business training. This shows that the entrepreneurs run their business by common sense than supporting it with proven business principles. This also implies women entrepreneurs in MSEs in Nairobi County are young women and within the productive age that can contribute a lot for their performance. However, the fact that they are less experienced in their areas of work may negatively affect their performance. Regarding their age and experience, it is also possible to deduce that women entrepreneurs in MSEs in Nairobi County are in the age categories of 31-40 and join the business without adequate experiences.

One can reach to the conclusion that women entrepreneurs in Nairobi County are not from a middle or upper class. This is because, had these entrepreneurs be from such a family, they would not have seen starting own business as a last resort as most of the women were motivated to begin their business to get money, to gain financial independence as well as to have financial security. This is shown in the study findings which show that motivation to start a business, money ranked highly with a mean of ($X=3.961$, $S.D 0.4812$), the need to have financial independence ranked at ($X=5.083$, $S.D 0.4498$), economic necessity and security as necessity motivators influenced respondents to a large extent, recording means of ($X = 4.110$, $S.D = .5829$) and ($X = 4.138$, $S.D = .5623$) respectively.

Business networks are vital for the survival and performance of any business. 60.9% of the women entrepreneurs indicated that they are not members to any networks or business associations. Entrepreneurship is embedded in a complex network of social relationships. Within these networks, entrepreneurship is facilitated or constrained by linkages between aspiring entrepreneurs, resources, and opportunities. However, the findings from the study point out the fact that women are often excluded from social networks or informal networks of information such as male-only clubs, old boys' networks, and business lunches compared to men due to lack of time as well as other social commitments such as household chores. In addition, most of women's networks tend to be based upon their support systems such as family, friends and spouses. According to this view, the presence or absence of networks, such as access or membership in associations, play a role in influencing performance. The fact that women entrepreneurs are embedded in different

personal and social networks than men and that division and barriers limit the reach and diversity of their networks has far-reaching consequences for business performance.

Women tend to avoid risky business ventures as well as risky business decisions. The study revealed that most of the women entrepreneurs ventured in low risk businesses which in turn affected their performance. Risk-taking is also commonly associated with entrepreneurial behavior and that generally successful entrepreneurs are risk-takers. The study also found out that women tend to start businesses that are less risky. Majority of enterprises (39.1%), in the study area engage in cloth merchandise. This is quite distantly followed by electronics/accessories, service and shoes merchandise, each indicated by (13.0%) of the respondents. Books make the least merchandise in numbers with only (4.3%) of the respondents affirming to the category. However, women view risk as loss, danger ruin and hurt and they do not see risk as affecting their future.

The study found out that people management was ranked an important management issue by the entrepreneurs. At the same time, managerial skills and particular strengths in generating ideas and dealing with people were important for a woman entrepreneur in establishing a business.

Summary and Recommendations

Summary

The study found out that motivations and goals were found to be a major influence on performance of women owned MSEs. Businesses began due to various push and pull factors. Network affiliations influence performance however, only a small percentage

of the entrepreneurs are members of business associations. Individual characteristics were found to be a major influence of performance. Age, level of education, number of children all showed some influence. Level of education showed some influence. Again women do not venture into manufacturing business due to lack of appropriate skills. Management styles were also found to influence performance. Women tend to operate their businesses using more of the soft skills and this tends to influence performance. Entrepreneurial orientation influences performance as women tend to operate less risky businesses. This could also reason why many women businesses are in the retail and service industry because these industries require little startup capital.

Recommendations

- The policy makers should continue their efforts in nurturing more women entrepreneurs and also to facilitate their success. A policy that is friendly to new firms must be enacted.
- In line with the social learning theory, the parents must be encouraged to motivate their children, particularly daughters to venture into entrepreneurship.
- Many universities have started to offer degree programme in entrepreneurship and/or make the subject of entrepreneurship mandatory.
- The women entrepreneurs should realize that by gaining access to the technical networks and business training that women need to succeed is of great importance. Thus, the women entrepreneurs should utilize this opportunity to the fullest extent by becoming members of these associations.

- In addition, the Kenyan women entrepreneurs need to have an acute understanding of the entrepreneurial orientation in order for them to succeed in their ventures. These orientations, including confidence, courage, strong will power, risk
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taking, creativity and innovativeness, and so on can be embedded within the women entrepreneurs through short courses, training programmes, mentoring or even long-term courses leading to the award of a diploma or degree.

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