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INFLUENCE OF WOMEN ENTERPRISE FUND ON THE PERFORMANCE OF WOMEN OWNED AGRIBUSINESS IN THIKA TOWN SUB-COUNTY, KIAMBU COUNTY

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ABSTRACT

The government of Kenya has been trying to reduce the gender imbalance by providing financial support to women to raise their incomes and reduce the gap in estimated earned incomes between men and women, a strategy that the government is implementing under the Vision 2030. To achieve this, the government has come up with several initiatives such as establishment of the WEF, Uwezo fund, youth fund, encouraging women participation in public tender by establishing a quota of 30% for youth, women and people with disability among other initiatives. This study aimed at assessing the effectiveness of these initiatives by establishing the influence of Women Enterprise Fund on the performance of women owned agribusiness enterprises in Kenya. In particular, it sought to explore the performance of women owned agribusinesses funded by WEF in Thika Town Constituency. The researcher conducted a descriptive research by use of a descriptive survey design. A set of questionnaires were developed and used to collect data from the respondents. The research instruments were administered with the assistance of a WEF officer who guided the researcher to the various women groups. The collected data was presented in charts and frequency tables and then analysed using Statistical package for Social Sciences (SPSS) version 20 by use of descriptive statistics. The study established that, overall WEF had assisted the women groups to improve performance of their businesses, however, there were some areas that WEF still needed to work on to make better impact on the groups' business performance especially on amount of funds allocated per group and grace period for repayment visa vis business needs, quality of training and access to markets facilities.

Key Words: *Accessabilty, Entrepreneurship Training, Women Enterprise Fund*

INTRODUCTION

The greatest social, economic and political challenge in most countries today is that of promoting the living standards of the people through offering realistic means of earning a living especially to the unemployed and the youth. Governments are therefore always confronted with the challenge of creating jobs, developing policies and programs that will promote job creation and give hope especially to the unemployed and the youth graduating from schools and colleges, while at the same time trying to reduce any form of disparities including gender by 'providing support to the venerable and/or disadvantaged groups. Across the globe, women have been identified among the disadvantaged in many societies and countries. The world economic forum (2014) observed that investing in women promotes economic and social development as women reinvest in their communities and homes. They echoed that women were the primary contributors to their country's economic growth. In both developed and developing economies, savings rise and spending shifts toward food, health, and education as women gain power over household income. In many countries, the capabilities of women have remained underutilized despite them being the majority in the population and their increasing levels of education. Governments are seeking to promote female entrepreneurial ventures as a way of gender mainstreaming, job creation and supporting income generation. According to Mary White (2013) no country can achieve its full economic potential when women are left out or left behind. She notes that entrepreneurship is recognized internationally as a key driver of economic growth, playing a critical role in creating employment and fostering innovation, (Mary White, 2013). Across the world, entrepreneurship is emerging today as an avenue for gainful employment, a means of helping women to assert themselves in the world of work, and a way of improving both their economic and social status (Hassan & Mugambi, 2013). In many countries, majority of the women entrepreneurs are excluded from the formal financial services due to the strict requirement needed by the lending financial institutions, thus leaving them to access low funds which make them to operate mainly in the low value market which is highly saturated as it has few barriers to entry, ILO (2008). Those women entrepreneurs, who are able to access finance, get entrepreneurial skill, have access to market information and form network that help them find linkages with other enterprise perform better through increased sales, customer retention, improved business profitability and growth compared to their counterpart.

Across the world, different countries have taken different initiatives to promote women businesses as a way of promoting gender equality. In UK, the government introduced the Start-Up Loans, the Enterprise Allowance and local growth hubs to promote and support women entrepreneurs, (Lorely Burt, 2015). According to the World Economic Forum Gender Gap report (2014), the U.S. has experienced 11 percent growth over the last 40 years as a direct result of the increased participation of women, which has translated into $3.5 trillion.

The report further eludes that if the barriers to female labour force participation were reduced, the Gross Domestic Product (GDP) of a country like Japan would grow by 16 percent.

In a study on four countries, China, India, Indonesia and Malaysia, United Nations ESCAP (Economic and Social Commission for Asia and the Pacific) established that women encounter a range of barriers to their entrepreneurship that include (a) policy & legislation, (b) restriction on access to finance and credit (c) limited opportunity for capacity development and (d) discriminatory social cultural norms. The study recommends gender-responsive policy approaches that support women economic empowerment through entrepreneurship including financing and capacity development in the four countries, United Nations ESCAP (2015)

In developing countries, micro enterprises are largely run by women (Sharma, Sapnadua, & Hatwal, 2012) and they play a significant role in the economy. Consequently, women are enthusiastic about their enterprises but social setup in which they operate present challenges which significantly impact on the growth and performance of their businesses. The International Labour Organization, (ILO, 2007) mentions some of the challenges facing the growth of women enterprises as cultural practices that deny women rights, financial constraints, lack of education and training, lack of social support, lack of managerial experience and absence of supportive policy.

From the study done by different scholars most women from the developing countries do not have access to finance (Iburu, 2009, Igania 2008, Opkpukpara, 2009 and Mulee 2010). This therefore makes it necessary for governments to promote and support women entrepreneurs and their businesses. In Ethiopia the government introduced microfinance regulation focused on reduction of poverty and promotion of service delivery to the poorest especially the rural women, Stevenson *et al,* (2005). In Kenya, the government has taken positive steps to promote gender equality by making it easier for women to start and grow businesses. In the vision 2030 women were identified under the gender, youth and vulnerable groups where the government recognized the need to increase the participation of women in all economic, social and political decision-making processes including improving their access to business opportunities among others. In order to reduce gender disparities, a number of strategies were to be implemented under the Vision 2030. Key among them was to provide financial support to women to raise their incomes and reduce the gap in estimated earned incomes between men and women. This include establishment of the WEF, Uwezo fund, encouraging women participation in public tender by establishing a quota of 30% for youth, women and people with disability among other initiatives.

The Women enterprise fund was established in August 2007 under vision 2030 as a Semi-Autonomous Government Agency in the Ministry of Gender, Children & Social Development and as part of the government commitment to one of the millennium development goals on gender equality and women empowerment to provide accessible and affordable credits to support women expand or start new businesses for wealth and employment (KIPPRA 2010). While there has been considerable increase in the number of credit schemes within the country especially in the private sector, there still remains a perceptible gap in financing credit needs for the poor especially women in the rural areas (Mulee, 2010). Sessional paper No. 2 of 2005 also cites lack of access to credit as a major constraint inhibiting the growth of SMEs and more so for women entrepreneurs. The SMEs rely mainly rely on own savings and reinvested profits to finance their business. Beside finance other factors which also affect performance include entrepreneurial training, access to market information and networking. Namusonge (2006) noted that entrepreneurial education and training play a key role in stimulating entrepreneurship and self-employment. East Africa Conference Centre (2011) recommended that if women-owned enterprises are to grow, they need to be innovative and participate in high value enterprises.

The African women forum identified the need to help the women particularly in agriculture and agribusiness, where women remain largely marginalized GFWA, (2015). They urged that this can be done through equipping the women with entrepreneurial training in areas such as production capacity by informing them on the choice of crops suitable for specific agro ecosystems. Networks have also for long been hailed as essential to the survival of female run establishment (Boyd, 2005). Networking help the women entrepreneurs to build skills, expand network and find markets. Networks also play a huge role in helping entrepreneurs overcome obstacles related to transaction costs, contract enforcement, and regulation. Access to market information is very crucial for a performing business enterprise, Sessional Paper No.2 of 2005 on Development of SMEs for Wealth and Employment Creation for Poverty Reduction.

Statement of the Problem

In Kenya women constitute 50.12% of the total population according to Kenya Demographic Profile (July 2014) and they play a very crucial role in economic development especially in income generation at family level. In developing countries, women entrepreneurs are always faced by social economic barriers that deter their economic success, Inter-American Development Bank (2010). ILO (2010) shares similar observations that women's quest of having successful enterprises has been hindered by cultural, education levels, economic and political drawbacks. The Kenyan government like many other governments across the world have always sought ways of promoting women engage in income generating activities. The women especially those from rural areas face numerous challenges as they seek to engage in business and grow economically. These includes; limited access to finance, inadequate entrepreneurial skills, lack of reliable networks and markets for their SMEs (Wanjohi, *et al,* 2008, IFC 2011).

As a result of these challenges, the Kenyan government established WEF to support and empower women, through provision of affordable credit, equipping the women with entrepreneurial skills, provision of market and its information and linking the business enterprise through networking. However, this has not been achieved after several years since WEF was launched. Studies done have shown that women entrepreneurs are still lacking enough finance (Mulee, 2010), entrepreneurial skills (African women in agribusiness forum, 2015) and access to market and its information (Bwisa, 2010). The government has distributed billions of Shillings to women across the country, (*The Standard, Dec. 18, 2015*) to start, grow and improve performance of their businesses. Despite this effort, the extent to which WEF has contributed to the growth and improved performance of women owned enterprises is not well established and considering WEF is financed from public funds, it is imperative to determine whether WEF is achieving its objectives, and reaching its intended beneficiaries with the right kind of funding and support.

Objective of the Study

The purpose of this study was to determine the influence of women enterprise fund on the performance of women owned agribusiness in Thika Town Sub-county. The specific objectives were:

- To determine the extent to which the accessibility to credit offered by WEF influence the performance of women owned agribusinesses in Thika Town Sub-County.
- To establish how entrepreneurship training and capacity building offered by WEF influence the performance of the beneficiaries doing agribusiness in Thika Town Sub-County.

LITERATURE REVIEW

Theoretical Frame Work

Pecking Order Theory

Pecking order theory was first suggested by Donaldson in 1961 and further modified by Stewart Myers and Nicolas in 1984. It states that companies prioritize their sources of financing (from internal financing to equity) according to the cost of financing, preferring to raise equity as a financing means of last resort. Financing comes from three sources, internal funds, debt and new equity (Abhijit, 2013). Companies prioritize their sources of financing, first preferring internal financing, and then debt, lastly raising equity as a last resort. Hence: internal financing is used first; when that is depleted, debt is issued; and when it is no longer sensible to issue any more debt, equity is issued Mukherjee & Mahakud, (2012). This theory maintains that businesses adhere to a hierarchy of financing sources and prefer internal financing when available, and debt is preferred over equity if external financing is required. Pecking order theory is a financial theory, which is considered in relation to small operated business enterprise financial management (Atiyet, 2012).

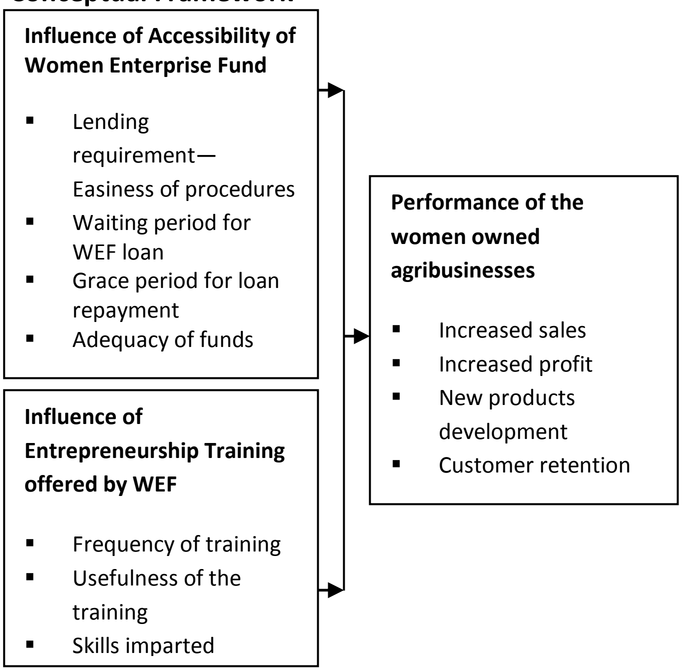
A research study carried out by Palich (2006) found out that 75% of the small enterprises used in a research seemed to make financial structure decisions within a hierarchical or pecking order framework. Stevenson and St-Onge (2005a) admitted that Pecking order theory is consistent with small business sectors because they are owner-managed and do not want to dilute their ownership. Owner-managed businesses usually prefer retained profits because they want to maintain the control of assets and business operations and their source for external financial help as the last resort. This explains why many small women owned businesses do not apply for loans to boost their business operation. According to a study done by Mbugua (2008), many small business entrepreneurs prefer to operate within their means by growing their businesses with resources generated from within the business or from the owners other sources of income. Any debt financing is handled very cautiously because of the fear of not being able to pay back. Many small business owners also lack necessary skills for good business and debt management thus shying away from debt.

McClelland theory

This theory looks at how training and entrepreneurial learning help people to acquire knowledge and enact new behaviors in the process of recognizing and acting on opportunities and organization of managing ventures.

McClelland theory of acquired needs advocates that increasing level of need-achievement in a society through modeling and learning such behavior stimulates entrepreneurship and economic growth Islam and Mamun, (2000). This need is inculcated through child rearing practices, which stresses standards of excellence, material warmth, self-reliance, training and low father dominance, (Saleemi 2009). Entrepreneurial education based on solid learning theory can thus explain the need to develop entrepreneurs by increasing business knowledge, and promoting characteristics associated with entrepreneurs, Leintz and Rea, (2012). This theory is relevant in that it is through training that people are able to acquire new business knowledge which will help them to promote the performance of the business. WEF capacity building would therefore be based on this theory.

Conceptual Framework



Independent Variable Dependent Variable

Figure 1: Conceptual Framework

Empirical Review

Accessibility to Credit

To access credit/finance facility and especially by rural unemployed women it has been a big challenge due to various reasons such as lack of collaterals, unwillingness of the financial institutions to accept household assets as collaterals and negative perception of women entrepreneurs by loan officer (Mahbub, 2000). Finance is key basic factor in any business enterprise irrespective of it size. Financial capital theory suggests that people with financial capital are more able to acquire resources to effectively exploit entrepreneurial opportunities, and set up a firm to do so (Clausen, 2006).

Lack of access to credit has affected business performance; this has been contributed by factors such as low literacy levels which have been found to influence women's access to credit. Low levels of literacy limit women's ability to provide written business plans and loan proposals that are required by banks. Women also have less experience of using banks and financial services, and therefore have less knowledge and understanding of how to approach banks for loans, as well as little awareness of the requirements of the banks. Mutugi, (2008) on the study of barriers faced by SME entrepreneur in accessing credit found out that many respondent lacked the knowledge on how to write a business plan which is a requirement by the financial institutions when lending money. Lack of exposure to banking practice can result to lack of confidence when it comes to making approaches for loans (Abels and Oketch, 2009). Operations of financial institutions are tailored to offer credit services to formally registered business which meet proper maintenance of books of account and verifiable asset base where many small business do not meet such criteria and especially those in rural areas, (Sessional paper 2 ,2005).

Kiraka *et al*, (2012) noted that in most instances, the amount of funds allocated to borrowers fall far below the actual financial needs of a business. The low funds accessed by the women entrepreneurs have made them to do business in low value market which is highly saturated ILO (2008). In most cases these business which have low value market do not perform well since their profit margin is very low and the chance of their survival in a competing environment became minimal. Women entrepreneurs in particular prefer to start micro enterprises related to food vending, hair making, tailoring of garments and running merchandised shop in retail and wholesale. This informal sector is more lucrative to women because less intensive capital is needed to establish the enterprises and no special skills are required, Fuchs and Berg, (2013). East Africa Conference Centre, (2011) recommended that if women owned enterprise are to grow, they need to be innovative and participate in high value enterprises such as manufacturing.

Many women entrepreneurs and especially in the rural areas are facing many challenges in accessing credit, they lack adequate physical capital such as credit and savings for their businesses, (Kuzilwa, 2005). This quest of credit access led to the establishment of Women Enterprise Fund to address the credit gap and support business development for women (KIPPRA, 2010). Women Enterprise Fund was established to empower women so that they are able to engage more in development of themselves, their families and the country, distribute wealth across various social groups – youth, women and children, and allow women to borrow money to engage in businesses and other activities at very reasonable interest rates without the requirements of cumbersome sureties and other bureaucratic requirements.

The government has made it easy to access the fund through the Constituency Women Enterprise Scheme, (CWES) with a loan product known as Tuinuke Loan for women group with no interest and administration fee of 5% repayable within one year, the other type of the loan is through the Financial Intermediary Partners (FIS); The loan product offered is known as Jiimarishe Loan and is given to individual women, Self Help Groups or companies owned by women at an affordable rate of interest of 8% per annum on reducing balance.

Sultana and Hassan (2010) found out that woman who had access to microcredit experienced income rise and were able to save more money as compared to their counterparts. The study also revealed that there was an increase in the women‘s ownership of productive assets (cattle, goat, poultry, etc.) and nonproductive (jewelry, TV/radio, private vehicles and other households goods) as result of accessibility to credits because they could afford such assets through profits generated from their microenterprises. Further evidence from the literature show that adequate access to credit aids in improving performance of an enterprise; Kenya, (Peter, 2001); Tanzania (Kuzilwa, 2005); Uganda (Samihia ,2007). A business with adequate finances which are properly allocated to various activities and well monitored is likely to do well. Therefore women should be willing to form groups and try to access the relevant information which can help them to boost the financial position of their business. In a study conducted by ILO (2008) in Ethiopia, the United Republic of Tanzania and Zambia noted that, women entrepreneurs do not have the same access to networks as men; women entrepreneurs have difficulties accessing premises due to, among other things, lack of property and inheritance rights; women lack of access to titled assets that can be offered as collateral for loans adversely affects the growth of their enterprises; rural women entrepreneurs lack access to formal finance and rely on loans from family and community; women entrepreneurs tend to be grouped in particular sectors, particularly food processing and textiles; business development service providers do not give adequate time or effort to target women entrepreneurs, they do not offer flexible arrangements in respect of the timing and location of service delivery; women also often experience harassment in registering and operating their enterprises.

Entrepreneurship training

Training is an organized activity aimed at imparting information and /or instructions to improve the recipient’s performance or to help him attain required level of knowledge or skill according to Business Dictionary. Studies have reviewed problem pertinent to women entrepreneurs as generally lack of entrepreneurship training and skills development in Kenya where most women entrepreneurs acquire their skills and experience through their family members, friends and previous experiences (Republic of Kenya, 2005). This has greatly affected the performance of businesses and more so the small scale business enterprise which have low survival rate. Other studies on women entrepreneurship have found that women tend to start ventures with little or no managerial knowledge and experience. Many women do not have business management skills (Atkinson & Messy, 2005). Forty percent of women entrepreneurs in a Canadian study reported they had not been trained on management of enterprises and neither did they have experiences in venture management. This lack of managerial skills/knowledge and experience in enterprise management correlated with significantly low profits (Belcourt, 2011).

Entrepreneurial training helps the entrepreneur to acquire business knowledge such that an entrepreneur has thorough understanding of the general business functions and the specific areas under analysis (Martin, 2007). Entrepreneurship training has been highlighted as a key necessity to development and growth of the small enterprise sector in many countries of the world. It imparts people with business knowledge to start new business or expand an existing one.

Entrepreneurial knowledge helps an entrepreneur to identify a viable business opportunity and mobilizes the available resources in order to remain highly competitive. Continuous dissemination of information and education to women and smallholder farmers using various technologies should be explored because a huge majority of smallholder farmers cannot read, Gender Forum on Women in Agriculture, (2015).

Due to high concentration of women in low value enterprise, the market has become saturated and therefore there is need for women to be trained in innovative ways in order to succeed in sectors where there are high barrier to entry. Without innovation through new product development and access to higher value markets, the potential for success for SMEs in these sectors is low, Kantor (2001). East African Community Conference on the Role of Women in Socio-Economic Development held in 2011 noted that women were not actively participating in the growth-oriented areas of manufacturing and technological innovation. They therefore recommended that partner states, regional organizations and the private sector should mobilize resources for training and also invest in programmes focused on enhancing the role of women in these areas. Women-owned enterprises are going to grow, if they become innovative and participate in high value enterprises, (EAC, 2011).

Entrepreneurial education based on solid learning theory can thus explain the need to develop entrepreneurs by increasing business knowledge, and promoting characteristics associated with entrepreneurs, (Leintz and Rea, 2012). Namusonge (2006) noted entrepreneurial education and training play a key role in stimulating entrepreneurship and self-employment. Imparting entrepreneurial education will help the entrepreneur to attract more customers as well as retaining the existing customers, high turnover and increased performance. Entrepreneurship education and skill development can be enhanced by developing entrepreneurial culture in the society through embedding entrepreneurship in formal and informal education, develop effective entrepreneurship curricula , train teachers and finally partner with the private sector through linking business with entrepreneurship education networks, (Sao, 2005).

Women Entrepreneurs

Traditionally, women have been disadvantaged in the society with most wealth and business activities controlled by men. This was recognized by world leaders and in the year 2000, the United Nation (UN) established gender equality and women empowerment as one of the eight Millennium Development Goals (MDGs) following the Millennium Summit of the United Nations in 2000, this followed the adoption of the United Nations Millennium Declaration that were to be achieved by all members of the UN by 2015. Some of these goals have not been achieved (UN, Millennium Development goals 2015)

In Kenya Vision 2030, women were identified as lagging behind their men counterpart in development. The capabilities of women have also not been developed to full potential due to limited access to capital, education, training and health care. The government has taken various initiatives to encourage, support and promote women entrepreneurship. This includes initiatives to encourage, support and finance women to engage in business.

Women entrepreneur may be defined as individual women or group of women who initiate, organize and run a business enterprise, (Schumpeter, 2003). They engage in productive activities in order to empower themselves economically and contribute overall to development in the society. Woman entrepreneurs have an eye for opportunities and are willing to undertake calculated risks. Most of the women engage in MSEs that comprise businesses employing between 1 and 49 workers operating in all sectors of the economy i.e. manufacturing, trade and services subsectors. Most women entrepreneurs are said to be in the low level business which is highly saturated since it requires small amount of capital unlike big businesses mostly owned by men which requires high capital, (ILO, 2008). The businesses range from unregistered informal enterprises, (Jua Kali enterprises) or registered small-scale businesses. The 1999 National MSE Baseline Survey reports that almost two-thirds of all MSEs are located in the rural areas and only one-third are found in urban areas (even when urban areas are defined to include Small rural towns).

Statistics however show that in Kenya, three out of five of these businesses fail within the first three years of operations, (ROK, 2007), and those that continue 80 percent fail before the fifth year and mainly the women owned businesses. This failure of business performance is marked by discontinuance of a business for any reason, or through formal bankruptcy proceedings, (Saleemi, 2009). Women owned business are faced with more challenges compared to men owned business, some of these challenges are marriage institutions which discourage women from investing, and others are the low level of entrepreneurial skills which make them not to perform simple bookkeeping record. The constraints that impede all entrepreneurs such as political instability, poor infrastructure, high production costs, and non-conducive business environment, tend to impact more on businesswomen than businessmen as supported by Stevenson & St-Onge, (2005b). In a conference held by EAC, 2011 it was noted that, women suffer from limited access to opportunities, allocation and use of resources in most sectors, especially agriculture, general education and professional training and that they continue to be marginalized in the decision-making processes and have limited access to information and communication technologies in comparison to their male counterparts.

The Role of Women Enterprise Fund

Women enterprise fund is a scheme which was started by the government to empower women economically by making access to funds easy. In the Kenya Vision 2030, the government identified "increasing participation of women in all economic, social and political decision-making processes as one way of investing in people under the social pillar of the vision to promote the countries development. Economic empowerment helps in creating employment opportunities in the society and therefore creating wealth. In Kenya among the factors that affect entrepreneurship development in the country is inaccessibility to credit, Hellen, (2002). Sessional Paper 2, 2005 cites lack of access to credit as a factor inhibiting business growth and success and especially to women entrepreneurs.

The government established Women Enterprise Fund (WEF) in August 2007 as a Semi-Autonomous Government Agency in the Ministry of Gender, Children & Social Development to provide accessible and affordable credits to support women expand or start new businesses for wealth and employment creation and as part of the government commitment to the third of the millennium development goals (MDGs) on gender equality and women empowerment, (KIPPRA, 2010). The Fund is also a flagship project in the Vision 2030 development road map. The government had identified lack of collateral, lack of capital, high cost of credit, low financial literacy and limited access to markets, high transactions costs, long distances to formal financial institutions, fear of loans, religious and cultural factors as some of the primary causes of women marginalization or financial exclusion. The Fund structure, products, services and processes are deliberately designed to address the barriers that have contributed to marginalization and exclusion of women, (WEF, 2013).

The Fund also provides business support services that include capacity building, marketing of products both locally and internationally, promotion of linkages and infrastructure support. The main goal is to empower women financially and especially those in the rural areas who have difficulty in accessing credit and business information. The government envisioned that this would contribute to the growth of the SMEs, (WEF, 2009). To enable easy doing of business, the fund has a robust ICT infrastructure that supports and enhances efficiency and effectiveness in service delivery in loan processing and repayment of loans, (WEF, 2015). The finance/credit is given to women who are aged 18 years and above, and is disbursed to women groups through loans which are given at an interest rate of 8% on reducing balance from micro financial intermediaries and constituency women enterprise fund scheme managed by Divisional Women Enterprise Committee (GOK, 2006). The funding under the WEF has been growing over the years. In the 2014-2015 financial years, a total of Kshs1.6B was disbursed reflecting a 23% growth in the rate of uptake from the previous year, (WEF report 2015). The fund has five main mandates: Provision of affordable credit for enterprise development, capacity building of women entrepreneurs and their institutions, support and facilitate domestic and international marketing of products produced by women, facilitation of linkages with big corporations and development of infrastructure beneficial to women, e.g. decent market spaces.

Women in Agribusiness

Agriculture is the principal source of livelihoods for over two-thirds of the population in sub-Saharan Africa (SSA). In Kenya, it contributes about 25 percent of gross domestic product (GDP) and provides a livelihood to almost three-quarters of the population besides providing food to the country, raw materials to industries and foreign exchange. Many of those engaging in agribusiness are in primary production with opportunities to add value to agricultural produce remaining largely unexploited. These are mainly small scale farmers and entrepreneurs who engage in farming for various reasons like food production, to earn a living or employment. Small scale farming and small businesses form the backbone of rural communities and also support a significant portion of the urban population. They provide the resources necessary for rural communities to leverage the spirit, creativity and opportunities entrepreneurship creates**.** They help unemployed people, get jobs earn a living, acquire assets and create wealth, (KNBS, 2010).

Although women play a major role in agriculture and agribusiness in the continent, they remain largely marginalized in the sector, Women in Agribusiness Forum, (2015). According to Bwisa, (2010), small scale farmers are poor because they keep on passing over opportunities repeatedly, they do not have an eye for opportunities. He further states that small scale farmers have continually been exploited by the middle men because they are not able to access the market. The Kenyan government started WEF aiming at empowering the women and especially the rural women by assisting them to become more productive and economically independent through training and offering affordable credit to assist them engage in business activities. Many of the women groups and individual women financed under the WEF engage in agribusiness. Agribusiness involves investing in agricultural activities as a business. Such activities include farming and contract farming, seed supply, agrochemicals, farm machinery, wholesale and distribution, processing, marketing and retail sales of agricultural produce, i.e. dairy cattle, poultry farming, bee keeping, rabbit farming and greenhouse among others. In Kenya, 80% of the agricultural production comes from small-scale farmers, who are mostly rural women, (Women in Agribusiness Forum, 2015).This forum identified the high cost of credit and limited markets for small-scale women farmers, whose subsistence production orientation limits their competitiveness. They recommended devolution of services by financial providers and capacity building organizations to better support farmers and women agri-entrepreneurs at county level. They also proposed the need to sensitize young people, especially women on opportunities in agriculture and agribusiness and to promote entrepreneurship education. In a study done by Mutugi, (2008) on barriers faced by SMEs entrepreneurs in accessing credit, it found that many respondents did not know how to write business plans and had no knowledge on preparing books of accounts. These skills are fundamental for entrepreneurs and it is a means of convincing the lending institutions to provide finances for entrepreneurs. Business performance evaluations are important at any stage of a business to assess the business's current state and to help determine the direction it is taking. Unlike in the formal big businesses where assessments and evaluation are regular, small and midsize businesses that include most agribusiness do not undertake business performance assessments. Most of those that engage in agribusiness have no training in agriculture or in business and therefore they do not emphasize on monitoring and evaluation of the business performance. Some of them engage in agribusiness as the only opportunity available with no entrepreneurial skills. They therefore require a lot of support and monitoring to succeed.

RESEARCH METHODOLOGY

The researcher used Descriptive Survey Design. The design allowed the researcher to generate both numerical and descriptive data that was used to measure the correlation of variables. In this study the target population taken was the women groups that were funded by WEF between 2014 and 2016 and which were actively participating and practicing agribusiness in Thika Town Constituency. The researcher developed the frame from data collected from the WEF offices in Thika on various groups. The sampling frame only included the women groups funded by WEF and who are engaging in agribusiness as a group in Thika Town Constituency.

In the study both primary and secondary data were collected. The main instrument used to collect the primary data was a questionnaire while secondary data was obtained from journals, internet and books. Primary data was collected using structured (closed) questionnaires and unstructured (open ended) questionnaires. After developing the research instruments, the researcher visited all the projects and administered the instruments by delivering them personally to the respondents. The respondents were asked to complete the questionnaires themselves. The data collected from the pilot study was analysed for accuracy, consistency and in assisting to achieve the objectives of the study. After the pilot study, the researcher made necessary adjustments on the instruments to address any issues that could have affected the measurements to ensure the questions were getting suitable responses to help answer research questions. The raw data returned from the field was cleaned, edited for completeness and consistency.

FINDINGS

The researcher issued a total of 44 questionnaires to eleven women groups; each group was issued with four questionnaires regardless of the size. The questionnaires were only given to the active groups that had benefited from WEF. The response rate was 88.6%. Some projects did not return all the questionnaires issued and contributed to the 11.4% that were not returned.

The study looked at the bio-data information to try and establish whether it influenced the Performance of the groups. The study looked at the age, level of education and years of experience in business.
On education level, 38.5% of the respondents had college education while 61.8% have high school certificate and below. This indicated that the majority of women who formed or joined the groups in agribusiness had low levels of education and did not have specialized training in business. 33.3% have more than ten years' experience in business while most of the group members, 41%, have less than five years' experience in business. This shows that most of the agribusiness are start-ups and have not reached maturity stage.

Influence of accessibility to WEF funds
The researcher sought to know how the respondents viewed the accessibility of credit facilities offered by Women Enterprise Fund and whether this had any influence on the performance of women owned agribusiness in Thika Town Sub-County. The researcher looked at the process of acquiring, adequacy of amount allocated, the duration taken before loan is disbursed, and the grace period.

From the findings, 82% of the respondents said that they find the process for accessing WEF funds okay, simple and easy to follow with only 15.4% finding it tedious, discouraging, unclear or difficult to follow.

The study also showed that 71.8% had a waiting period of less than three months with only one respondent reporting a waiting period of more than six months. The study showed that the respondents did not agree whether the waiting period affected their projects or not. 48.7% said it did not affect while almost the same number, 43.6% said it affected. 7.7% could not tell whether it affected or not. This showed that many of the respondents do not understand some basic business concepts like giving value to time. They are therefore not able to calculate or give value to opportunity costs. When loans were delayed and they therefore delay in taking a business opportunity like getting new stock or product they were not able to tell and quantify the loss. This concurs with the reviewed literature, Mutugi, (2008) cited that most of the entrepreneurs who engage in agribusiness have no training in business or agriculture and they therefore do not emphasize on monitoring and evaluation of the business performance.

Majority of the respondents, 61.5% felt that the grace period given by WEF was not adequate and they would prefer longer periods. Only 33.3% of the respondents were satisfied with the grace period given. The respondents felt that for them to be able reinvest that money and get any return from it they required longer time, unlike a person who was in a business where stock was bought and disposed-off immediately getting the profit to repay the loan.

Majority prefered grace period of more than 2 Months. Only 20.5% prefered a grace period of less than two months. Some respondent preferred a grace period of up to six months and especially those who were in dairy farming or poultry keeping. They felt that sometimes they were forced to take part of the loan to repay the first installment of the loan and this undercapitalized their business thus affecting its performance.

Almost half of the respondents 46.1% said that to access funds from WEF was easy while only 35.9% found the financing inaccessible. 74.3% of the respondent also felt that the loans and credit facilities given or which they could be able to access were not adequate. This was highly noted in groups which were very active and had several projects running concurrently. This was supported by the reviewed literature by Kiraka *et al*, (2012) who noted that in most instances funds allocated to borrowers fall far below the actual financial needs of a business. Majority of 54% also said they had adequate information on accessing funding from financial institutions, this indicated that many were aware of the services given by WEF on funds.

Influence of training

Respondents were required to indicate the effect of training and capacity building provided by WEF. Training and capacity building is a necessary requirement for the survival of businesses. 94.5% of the respondents said their group had been trained by WEF and that the skills acquired had been useful in operating their group's businesses. 87.2 % of the respondents felt the training that they had received from WEF was useful. However, 92.3% suggested that different training techniques should be used for the trainings. 71.9% also said that more women should be trained and that the training should be conducted more frequently as the projects were implemented. This would help them apply the skills directly in to the projects as they learnt. This was especially important for the groups practicing farming since they needed to apply various methods of planting, attending and handling their crops. WEF needed to train the women more frequently and use different training techniques in order to help the women entrepreneurs improve on their productivity. This concurs with the reviewed literature where EAC, (2011) indicated that, women suffer from limited access to opportunities, allocation and use of resources in most sectors, especially agriculture, general education and professional training and that they continue to be marginalized in the decision-making processes and have limited access to information and communication technologies in comparison to their male counterparts.

Performance of Women owned Business

The researcher sought to know the performance of the women owned businesses by looking at various areas of the businesses like growth in production, increase in profit, customer retention cost reduction and formation of business networks.

From the findings, WEF had assisted the women groups in different areas of their businesses. 38.5% of respondents said that support from WEF has assisted them in cost reduction, 30.8% in increasing profit while 20.5% have benefited from increased production. Only 2.6% were not sure of any benefits from WEF. Majority of the respondents therefore agreed that WEF has assisted their businesses.

71.8% said that their businesses had improved performance arising from working with WEF. The majority said that WEF had greatly assisted their business from the funds allocated. This had helped them to cut down the cost of production and the starting capital.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS.

Summary

From the literature review, the government established WEF in order to empower women economically by making funds accessible. Although the government had disbursed a lot of funds, the study showed that the amount disbursed to the groups was not adequate.74.3% of the respondents felt that the loans were inadequate and that this had affected their business growth. It was observed that the grace period given before the groups started repaying the loans was not favoring the groups in agribusiness since returns from farming takes time before the crops mature unlike other businesses whose returns are realized within a shorter period. The findings of this study agree with the reviewed literature which noted that in Kenya among the factors that affect performance of women enterprises in the country is inaccessibility to credit (Hellen, 2002).

From the study 94.5% of the respondents have been trained by WEF. However, it was noted that training was only done once before disbursing the funds. Most of the respondents, 92.3%, said that there was need for more training on different techniques to equip them with different skills depending on the activities they undertake; 71.9%

said that the trainings should be done more frequently in order to equip them with knowledge and skills for efficient performance. The study therefore identified need for more and diversified trainings, the women farmers and agri-entreprenuers needed to be equipped with both with technical and soft skills such as costing, production management, planning, and quality control, understanding markets, value addition, negotiation skills and many more. This agrees with the reviewed literature that indicates continuous dissemination of information and education to women and smallholder farmers should be explored since a huge majority of smallholder farmers cannot read, Gender Forum on women in agriculture, (2015).

From the study several areas of the businesses were found to have experienced some positive growth influenced by WEF support and initiatives. 38.5% of the respondents said they had been able to reduce the cost of production in their businesses, 30.8% had realized an increase in sales and profit while 20.5% mostly the groups that have business networks had realized an increase in production because they were able to get support and assistance from their networks. In the overall 71.8% of the respondents said they benefitted from WEF.

Conclusion

Kenyan government has continued supporting women entrepreneurs by empowering them for socio- economic development. This has been made possible through WEF which provide affordable credit to start and / or expand business for wealth and employment creation. This vision of WEF has not been achieved since majority of the rural women remain languishing in poverty. From the study majority of the women are not willing to form group while others are ignorant of the services offered by WEF. From the study the women entrepreneurs who received assistance from WEF are performing better than their counterparts.

The study done showed that WEF only give funding to group and not individuals. Therefore women were needed to form groups in order to access funding. However, many women entrepreneurs develop their ideas individually, and thus requiring them to join women groups before accessing the WEF loan was quite a challenge to many. On the other hand, other group members had no entrepreneurial ideas and this made them to be passive in the group activities. This became a hurdle on the performance of the group business and especially to the group which had many passive members.

More so it was established that there was need for improvement on the amount of funds disbursed, the waiting period and the grace period taken before the loan was repaid since this affected the size of businesses or activities the groups could undertake. The waiting period affected the start of new business activities within the groups and the continuity of businesses already started.

Training aims at imparting information to improve on the recipient performance. The study established that training was done only once per group before the funds were disbursed. The training done by WEF was on management skills which was a prerequisite for the loan application. The training was not adequate since majority of the women groups suggested that training should be done frequently and on various techniques based on skill gaps for example plating methods of some plants and their spacing was noted to be very needful for agribusinesses.

Performance of women owned business.

After analyzing the findings, the study showed that WEF had positively influenced the performance of the businesses and assisted the women to participate better in businesses. This was as result of the financial assistance given which helped in cutting down the cost of production. However, the study established that WEF could still influence performance of businesses better by increasing the loan amount, grace period for the loans repayment, increasing training frequency and assisting the women to access markets and in formation of business networks.

Recommendation

Many groups felt that the amount of funds given per group was inadequate and therefore there was need to review the amount of money a group should be given by WEF. More so the respondents said that the grace period given before they start paying the loans was not adequate for agribusiness considering the time required for the crop to mature before they can be able to generate any revenue and pay back the loan.

WEF should ensure more training was done on different techniques so that women entrepreneurs can acquire different skills for efficient business performance. The government through WEF should ensure that women groups are trained on issues that can increase their business productivity such as customer relations, marketing, accessing information and networking in order to acquire knowledge, skills and attitudes.

Further areas

The study established that the rate of uptake of WEF funds was still very low, and therefore there was need for further studies to be undertaken to establish why more women are not going for the funding. A similar study may also be undertaken in another part of the country especially a county with different level of economic development or poverty level for comparison.

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