

THE ROLE OF FINANCIAL ACCESS IN ACCELERATING THE GROWTH OF WOMEN OWNED ENTERPRISES FROM MICRO ENTERPRISES TO SMALL AND MEDIUM ENTERPRISES (A CASE OF WOMEN -OWNED MICRO ENTERPRISES IN NYERI COUNTY, KENYA)

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Abstract: The importance of Micro and Small Enterprises (MSEs) in contributing to job creation and output growth is widely accepted in both developed and developing countries, of particular interest is the process of expansion from micro to small that growth oriented make their most tangible contribution to economic growth and job creation. Women-Owned micro enterprises are a powerful force for growth and development thus making important contributions to the economy as workers and as entrepreneurs to the welfare of their families. The researcher investigated why Women-owned enterprises remain the same way year in year out without, an increase in number of employees or any other sign to indicate graduation from one level to another. The researcher wanted to find out why enterprises owned by women operate under significant constraints which greatly inhibit realization of their full potential. Many developing countries have attempted to put in place various intervention programs to address factors that affect the graduation of women owned micro-enterprises; unfortunately, many of them are policies yet to be implemented. Through the assistance from Nyeri municipal-council, the researcher acquired the target population of Micro-Enterprises within Nyeri town which was the survey under study. The research design that the researcher used was the descriptive survey research design. Financial accessibility was the variable under study. The instruments that the researcher used were the Questionnaires and Interviews. The researcher came up with comprehensive results that can be useful to women in micro-enterprises and the Government at large. Pre-testing procedure was carried out to ensure the validity and reliability of the data to be collected. A descriptive statistic procedure was used to carry out the data analysis. Bar-charts, tables and pie-charts are used for data presentation. Some of the major findings in this research include the fact that many women operating micro-enterprises started their enterprises with personal savings as they could not access loans from formal institutions due to lack of collateral.

Keywords: Micro- enterprises, small enterprises, Entrepreneur, Graduation, Enterprise.

1. INTRODUCTION

Research Background

The definition of a micro and a small enterprise depends on a number of factors such as the purpose of the definition, the nature and activities of the business, the level of development in the country the definition is being used, the interest of the perceiver, the turn-over rate in the enterprise, the annual level of wages or the salary expenditure, the legal structure of the firm and even the amount of energy consumed in the firm.

In the Kenyan context, an enterprise employing 0-9 people is considered as micro and one employing 10-49 is considered a small enterprise, Sessional paper No. 2, (Gok.2005). In developing countries which Kenya is inclusive, there is evidence of slow graduation of women owned micro enterprises to small enterprises. This is generally attributed to hidden and largely in advertent biases the economic policies of these countries that militate against the gradual and organic growth of their enterprises. According to the department of MSE Development, the MSE sector experienced substantial growth from 2000-2002 increasing to 2.8 million enterprises and MSE employment of 5.1 million persons, accounting for 74.2 per cent of total employment in 2002, Economic survey (Gok, 2003).

Women constitute the bulk of players in the micro and small business enterprises despite encountering diverse impediments in their venture. For instance, micro enterprises owned by women in Nyeri town seem stagnant with very minimal signs of growth. (Lois, 2006) acknowledges that women in micro-enterprises have the potential to move into the 'economic grid' but they need support, encouragement, visibility and economic empowerment.

For women owned micro-enterprises to graduate to small enterprise they need operate under supportive environment that encourages them "to go for it". Women in micro- enterprises lack social and cultural support in their role as entrepreneurs they are subject to stereotypes and have few visible role models. They need access to a full range of financial and non-financial support services, (Steven and Onge 2006). According to McCormick, (2001) there is a great significance differences in the performance of women owned enterprises vis-a-vie those of men. Their enterprises are smaller, less profitable and begin with less capital investment than those owned by men. Not only is there great deal of genders segregation by the sector where women mainly dominate enterprises such as food processing, hairdressing, dressmaking and retail of second-hand clothing. Men are more dominate in metalwork, carpentry, vehicle repairs, shoe making, constructions and transport.

According to the world vision, (World Bank.2009), female led enterprises tend to be undercapitalized, have poorer access to machinery, fertilizer extension information and credit than male-led enterprises which hurts women ability to participate in development and contribute to higher living standards for their families. Women led micro-enterprises make significant contribution to the Kenyan economy especially in Agriculture and the informal sector while men tend to dominate formal sector. More than 75% of women live in rural areas (ILO, 2004) where they dominate the agricultural sectors such as floriculture, tea, coffee, vegetable, cereals and poultry.

Of the 1.9 million people who work in the informal economy, is a group of people who are not represented in the MSB sector statistic. Among these "invisible workers" are a number of women who operate micro-enterprises from their home base. The 1999 Baseline survey estimated that as many as 75 percent of these "invisible workers" are women in service who run the unregistered enterprises hence influencing their graduation to the next level. These businesses account for about 20% of Kenya's GDP. According to gender and economic growth assessment in Kenya (Ellis and Jozefina2007) women make a large, although frequently unseen contribution to the country's economy particularly in the informal business sectors.

Women operating micro- enterprises in Kenya are stigmatized (Robin son, 2005). Even those who succeed are still viewed negatively because the society does not expect women to be successful without assistance from men. There is need to cultivate an entrepreneurial culture in the Country as a whole. In Kenya, the entrepreneurial culture is weak. Unlike in the developed countries where one is recognized for trying and failing, the Kenya culture looks at failure negatively and not as an opportunity to improve. The graduation of any enterprise would translate to a wide improved living conditions hence helping in poverty reduction (MDG 2) more jobs would be created and women would be more empowered as well as the community they live in.

Statement of the Problem

Although the government of Kenya can be credited for implementing some of its Policies in favor of women, more still need to be done. The introduction of free Primary education in 2002 which is a response to one of the United Nations Millennium Development Goals, (UNMDG) enabled many initially excluded groups of children to access education. The introduction of the National Commission on Gender and Development which has a task of coordinating and facilitating the implementation of Gender mainstreaming is a positive move.

However, more need to be done especially in sectors such as financial accessibility. The researcher investigated factors that influence the graduation of women-owned micro-enterprises to small enterprises, which is important if the Government is

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to achieve the millennium development goals, such as eradication of extreme poverty and hunger (MDG 1), Millennium Development Goals (United Nations, 2008). In the Government's pursuit to realize the millennium development goals, the inclusion of women and their contribution in economic development is paramount. Women-owned Micro- enterprises are barely surviving to meet the basic needs hence the need to aggressively address their challenges (Gakure, 2003). The research was built on previous work documenting the challenges which women-owned enterprise faced and also highlighted on the methods by which such challenges can be overcome. Many women in micro-owned enterprises do not view their enterprises as viable and feasible employment options. (Ellis 2007). The main purpose of promoting women in micro-enterprises is to motivate them to pursue entrepreneurship as a viable and feasible option. Graduation of an enterprise can be measured by the number of employees it has, acquisition of additional space, adaptation of modern technology, and an increase in consumer base. Women-Owned Micro-enterprises in Nyeri Town do not exhibit these characteristics hence the researcher saw the need to investigate factors that influence their graduation.

The purpose of the Study

The purpose of this study was to investigate factors that influence the graduation of women-owned micro-enterprises to small enterprises with specific focus on enterprises ran by women within Nyeri town. The researcher intended to investigate why many women are 'stuck' running micro-enterprises in the informal sector.

The Objectives of the Study

The objectives of the study included:

To determine how accessibility of finance affects the graduation of women-owned micro-Enterprises to small enterprises.

Research Hypothesis

The researcher used the null and the alternative hypothesis.

H₀: Accessing finance and credit does not significantly affect the graduation of women owned-micro enterprises to small enterprise.

H₁: Accessing finance and credit to women-owned micro enterprises significantly affects the graduation of their enterprises from micro to small enterprises.

Significance of the Study

The information gathered in this research will educate women in micro enterprises on how they can facilitate the graduation of their enterprises as they learn how to overcome the challenges they face as women entrepreneurs. The information will also be useful to the Government and an eye opener to different ministries as they identify the areas to improve on in order to improve the performance of Women-owned Micro enterprises which contributes more than 50% of the Country's GDP. The study identified areas of need to ensure success of Women-owned Micro-enterprises. Financial Institutions will also benefit as they realize the need to offer advisory services and support to women-owned enterprises. It will also form a base on which others can develop their studies.

Research Scope

Nyeri town is about 180 km north of the capital city Nairobi. It lies at the Eastern base of the Aberdare range and on the western side of Mt. Kenya. Until the official formulation of counties, Nyeri town will remain the administrative headquarters of central province. According to information available in the municipal council's revenue office, Nyeri town has more than 300 micro and small enterprises; the town has about 10 banks, 105 beauty salons, 12 Insurance companies and various hotels and restaurants. The scope of the study was the women-owned micro enterprises within Nyeri town. The micro enterprises owned by women were selected due to proximity. The researcher's choice of Nyeri town was due to familiarity with the area which will ease data collection.

2. THEORETICAL REVIEW

The term Entrepreneurship has been defined differently by different scholars. It is the attempt to create value through recognition of business opportunity, management to risk-taking appropriate to the opportunity, through the communicative and management skills to mobilize human, financial and Janitorial resources necessary to bring a project to fruition. (John

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Kao, 1984). It is the purposeful activity of an individual or a group of associated individuals undertaken to initiate, maintain or aggrandize profit by production or distribution of economic goods and services (Cole, 1959). Entrepreneurship is based on purposeful and systematic innovation (Schumpeter, 1949).

International Trends

The contribution of women in micro enterprise in employment, growth and sustainability has been internationally acknowledged. In Australia, there are estimated 2.2 million businesses of which over 98 percent micro-and small enterprises with less than 40,000 medium and large companies. In New Zealand, MSES total 287,000 representing 97 percent of the total employment (Robert *et al* 2008).

Employment

Micro and small enterprises are the most prolific sources of employment in many countries. In Kenya they are prevalent in every corner and have great potential of creating a variety of jobs and income generating Sessional paper No 2. 2005, (Gok 2005)

Finance

Finance is regarded as the "life blood "of any enterprise. Women-owned enterprises suffer from lack of funds on the account that they do not have assets registered under their names hence they cannot access funds from formal financial institutions. Financial Institutions consider women-owned enterprises less credit worthy due to the fear that they can leave their enterprises at any time. Women running Micro- enterprises are therefore left to use their personal savings to start and even run their enterprises (Khanka, 2008).

The need for capital during the early months of the new venture can become one of the most critical factors in keeping a micro-business alive. The ability and opportunities of starting up a micro-enterprise usually varies depending on the form of business the individual wants to start. (Hisrich, and Shepherd 2008). Women in micro-enterprises have always singled out access to finances as the biggest constraints preventing their businesses from graduating. Sessional paper, (Gok, 2005). The main institution that offers credit and especially to women is Kenya Women Finance Trust, Kenya Rural Entrepreneurship Programme, and United Women's Savings and Credit Co-operative Society and the National Association of Self-Employed Women of Kenya, Faulu Kenya among others. However, these institutions want in many areas, for instance besides being allocated in the urban areas, they do not assist women to vertically expand their businesses beyond the micro level (Gok, 2007). Lending Institutions attach their lending to collateral and this is disadvantageous to many women running micro-enterprises, for instance, in the Agricultural sector, women provide 70% of labour and only 1% has registered lands and 5-6% has titles in joint venture. Sessional Paper 2,(Gok 2005) it means therefore, that majority of them lack collateral that they can use to convince the lending institutions to fund them as many of the family collateral is registered under the husband's name. Despite the fact that MFIs have increased in number, there outreach is constrained especially in the rural areas because of their limited resource base and lack of institutional capacity to provide a wide range of financial services this is according Draft Sessional paper, 2003, (Gok, 2004).

Property Ownership

The already passed Kenyan Constitution Article 70 and 82(1) gives equal rights to opportunities in political, social and economic activities for men and women in the bill of rights section as well as equal right to inherit and own property as stated in the new Kenyan Constitution (Gok, 2010). There is hope therefore that if the constitution is implemented to the latter, women will be able to use collateral to access funds. Women in micro- enterprises have the potential to move into the 'Economic grid' but they need support, encouragement, visibility, and economic encouragement (Lois, 2006).

According to the International Finance Corporation's, voices of women entrepreneurs, (IFC, 2006), women who have been able to break the traditional barriers and their enterprise have graduated from micro to small and even to medium they include Mary Okello, owner and founder of Makini schools, Esther Passaris, founder of adopt a light, Tabitha Karanja of Keroche Industries, Winnie Gitau, founder and president of pure Health products and Mary Mwangi, the owner of double "M" transport and Flora Mutahi the CEO of Melvin Marsh International Melvin's tea. The Common characteristics of these

successful Women Entrepreneurs is that they are well travelled, have high Education, they have accommodated modern technology, and have ability to access funds either on their own or through their husbands.

Entrepreneurship Theory

Psychological Trait Theory

Psychological theory argues that entrepreneurs have unique values attitudes and needs that drive them. It argues that personality traits are the main determinants of entrepreneurial behavior. The argument is that people are likely to become entrepreneurs either because of their hereditary or biological relations. This theory argues that entrepreneurs are likely to be influenced by their longing for independence. The need for achievement is the first in the personality trait that brings about entrepreneurship affiliation and has a desire to take personal responsibility to invest and manage a business. (McClelland, 1996). The Psychological trait theory associates' people with high need for achievement to people whose parents had set high standards for them while they were children. It can therefore be argued, according to this theory that entrepreneurs are 'born' and not 'made'. The contradicting factor here is that the environment also influences a person's behavior hence women in micro-enterprise could have ventured in either due to environmental influence or as a result of inherent traits.

Empirical Review

In Africa, women are a powerful force for growth and development, making important contributions to the economy as workers and as entrepreneur to the welfare of their families (World Bank, 2004): however, this is achieved under significant constraints which greatly inhibit the realization of their full potential. Since women constitute the bulk of players in micro and small enterprise, it is important to include their interest in policy formulation and appreciate their contribution in economic growth through creation of an enabling environment. According to studies carried out by Ellis and Jozefina (2007), there's a growing recognition internationally that gender mainstreaming is good for economic growth and essential for poverty reduction.

In the study Gender and Economic Growth Assessment in Kenya (Ellis and Jozefina 2007). Eliminating gender-based inequalities in education and accessing Agricultural inputs in Kenya could result in one of the increases in as much as 4.3 percentage points in GDP growth and a sustained year on year increase 2.0 to 3.5 percentage in growth. There is need to have a coherent micro-enterprise development which take into account the three dimensions of an enterprise in their start-up, survival and growth stage.

According to the International labor organization (ILO, 2006), no economically successful Country can run using less than half of its business resources. Women in Kenya make up half of their business force yet their contribution has not been adequately nurtured. Access to finance is commonly seen as a major limitation for graduation of women-led micro-enterprises. Despite the fact that Kenya has one of the most diverse financial systems in the sub-Saharan Africa, (Comprising of 41 commercial Banks; many insurance companies and credit cooperatives (SACCOS), accessing funds is still ranked as a major constraint to investment after corruption (World Bank, 2005).

According to Financial Sector Deepening journal (2007), a well-delivered micro-finance Institution (MFI) is a great tool in poverty reduction, unfortunately, women business owners who have outgrown the maximum loan limits from microfinance institution have great difficulties obtaining as small as one million Kenya shillings from them, and according to the voices of women, (IFC 2006) Esther Passari notes "we can not all remain in micro-enterprises."

A case revealed by the Ministry of Trade and Industry where a loan was approved by women joint loan scheme at the Ministry but failed to materialize as the husband refused to pledge the family's land and title deed as collateral. Obtaining title deed as collateral to financial expansion is a handle for women entrepreneurs, given that property is not registered in their names (Kenya Gender and Economic Growth, (Ellis and Jozefina, 2007).

Mohammad Yunus, the founder of Grameen Bank in Bangladesh and the brain- child of micro-finance noted that women are better in loan repayment than men. Unfortunately, Kenya's lending institutions lack a credit referring system through which Women's excellent track records in micro finance could be made available to other financing institutions. Since women's main asset is their credit history, the limited availability of basic credit information and lack of an information sharing system for banks impacts women entrepreneurs disproportionately, Institute of economic Affairs (Gok, 2008).

Equity bank initiated a Branch for women in micro enterprises in June 2007. Its main target constituted of community groups with a good history, and group members would act as guarantors. The bank would also undertake six weeks of training the new community groups. Despite this effort, women in micro enterprises do not take full advantage of these provisions since the bank would require a good group history yet majority of MSEs do not keep records due to their level of education and they don't avail themselves for training due to their multiple responsibilities.

Studies carried out by Ellis and Jozefina, (2007) reveals that the dual role played by women denies them adequate time to plan and manage their business leading to dismissal performance or closure of women-owned enterprises. The poor performance of women enterprises can be attributed to their multiple "role conflict". Alila et al (2002) acknowledges that the competing financial needs between family and the business are major constraints to graduation of micro enterprises owned by women. The little income earned from the business is at times used for what would appear to be an urgent family requirement regardless of the reason the money was kept aside. As a result, there's reduction in capital invested hence curtailing the graduation of the enterprise. Studies carried out by Elson, (2008) points out that activities which make a living are recognized by economies as economic activities which in principle should be counted as part of National production. Feminist economies have pointed out that the unpaid, un-marketed caring activities are also critical for the functioning of the "productive economy" since they produce daily an intergenerational labor force which works in the productive economy USAID (2005) notes that women in general have a labor burden (time poor) as opposed to men. Family and community responsibilities take a lot of their time that could otherwise be applied in improving their income generating activities. Women work 18 hours a day juggling in both productive work and their responsibilities at home. The childcare responsibilities limit their mobility and oblige them to generate income in a less conducive environment for business. The fact that there is shortage of affordable childcare facilities and pre-school programmes even in the urban areas does not make it better.

In the new Kenyan Constitution, Article 70 and 82(1), it indicates the right to equal opportunities in political and social and economic activities for men and women as well as the Equal Rights to inherit and own property. There is hope therefore that if the New Constitution is implemented to the latter, then it will assist to break the long wrong perceived retrogressive, traditional and values. Entrepreneurs, management and technical training are important to the development of any enterprise. Business-start-up survival and growth training is offered by Kenyan Government Agencies, private consulting firms, NGOs and even ILOs on how to start and improve business (Gakure, 2003).

The 1999 baseline survey indicated that only 7 percent of women in the micro enterprises received any form of non-financial assistance despite the existence of different types of non-financial assistance. According to Gakure (2003) on "factors affecting women entrepreneurs" found out that 85% of women in micro-enterprise reported no training at all. Only 1.15% had taken any form of training and only 1.9% had received any consultancy or counselling as compared to 4% of men who had received consultancy and counselling services.

Conceptual Framework



Figure 1

Financial Accessibility

Financial hindrances have been ranked second as the main factor that hinders the graduation of women-owned enterprises after corruption in the developing Countries. This is as stated in the Engendering Development through Gender Equality and Rights, (World Bank, 2001). Failure to access funds with ease and the constraining regulations of financial institution has to a large extent affected the graduation of women-owned micro-enterprise as opposed to men. Financial Institutions view women-owned micro enterprises as risk adverse. They find it risky to finance small projects and view small loans as costly to administer.

3. RESEARCH METHODOLOGY

Introduction

Research Design

Research is carrying out a diligent inquiry or a critical examination of a given phenomenon. It is the process of arriving at effective solutions to problems through systematic collection, analysis and interpretation of data. (Mugenda and Mugenda 2003). A research design is the structure of the research. (Orotho, 2003) defines it as the scheme, outline or plan that is used to generate answers to research problems. The research design used in this study was the descriptive survey research design' this research design enabled the researcher to access the degree of the relationship that exists between the variables in the quantitative terms. This design also enabled the researcher to analyze Inter-relationship among a large number of variables in a single study. It also assisted the researcher on how to analyze how several variables singly or in combination affects a particular phenomenon being studied.

The design is good at providing information concerning the degree of relationship between variable being studied. The descriptive research design can be done solely to identify variables worthy of experimental investigation, and also the fact that it is easy to administer.

Population

The target populations were the women-owned micro-enterprises in Nyeri town. According to Nyeri Municipal Council, of the total 206 women-owned enterprises within Nyeri, a sample of 62 was studied.

Sample and Sampling Procedure

A list of 206 registered women-owned enterprises was obtained from the Nyeri Municipal Council. Out of this sample, stratified sampling method was used to generate 62 respondents from the five Industries. The researcher used 30% of the total population to get the sample population as it is the recommended percentage for sample more than 30 responds. (Orotho, 2005). From each stratum, a simple random sampling technique was used to generate, 7 women from services Industry, 6 from Agro-based Industry, 11 from clothing and textile industry, 4 from transport Industry and 34 from trade Industry.

The sample was a good representation of the population. (Dixon and Leach 1984) adequacy and resources should determine the sample size which is big enough to capture variability of responses and facilitate analysis. The simple random sampling method was used as it is useful in obtaining a representative sample. This technique is used because each element of the target population has an equal chance of being selected. According to Cochran (1977), a sample of 30% of the population is sufficient for a study.

The target population had an equal chance of being selected. The table below illustrates the sampling procedure.

Table 3.1: Target Population in Nyeri Town

Type of Industry	Total Population	30% Sample Size
Trade	108	34
Transport	14	4
Agro-based	20	6
Services	26	7
Clothing & Textile	38	11
Total	206	62

Nyeri Municipal Council

Instruments

The research instruments that the researcher used was the questionnaire- The researcher also used one on one interview in order to unearth all the answers that would necessitate the success of the study. On the Questionnaires, structured and semi structured questions were administered. The researcher administered the questionnaires during working days, to ensure high

rate and fast rate of coverage. One of the advantages of Questionnaires is that they can be administered to a large number of respondents at the same time and ensure uniformity.

Data Collection Procedure

Open-ended and closed questionnaires were used by the researcher to collect primary data. The researcher developed and prepared the data collection instrument for the targeted respondents. Face to face interviews were used to allow the researcher to probe for responses and for clarification of any ambiguities. Interviews facilitated the collection of more in-depth information and minimized misinterpretation and inconsistencies. The interview data was analyzed qualitatively by the researcher and the results was used to make the conclusion and the recommendations.

Data Analysis

Data analysis is important because it includes the results of the finding and it's where gaps for future research can be pointed out. (Donald and Deino, 2006). The researcher therefore analyzed data using advanced inferential statistics. The collected data was coded to enable the researcher to carryout statistical analysis. Quantitative data was analyzed using statistical package for social Scientist (SPSS). Bar-Chart, pie charts and tables have been used by the researcher to represent the information. In order to get full results from the data base, inferential statistics that have been used in the Pearson's correlation Coefficient analysis. It has been used to establish the existence of the relationship between the variables and to establish the extent of each relationship.

4. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

Introduction

This chapter presents presentation findings of the data collected from sampled respondents. It covers the descriptive results, financial accessibility, multiple responsibilities, business skills, education and training, technology, data analysis and hypothesis testing. The researcher collected from women in the service sector, traders, transport, agro-based sector textile and clothing. Out of the 62 respondents that the study targeted, 54 respondents participated in the study. This was 87% response rate of the target group.

Type of Industry	Total Population	Sample Size	Responses Rate
Trade	108	34	28
Transport	14	4	3
Agro-based	20	6	5
Services	26	7	7
Clothing & Textile	38	11	11
Total	206	62	54

The data was interpreted according to the research questions. The analysis was done through inferential statistics and the findings of the study were presented in form of tables, bar charts and pie-charts. The discussion was based on the output from SPSS; the study was aimed at investigating factors that influence the graduation of women-owned micro-enterprises to small enterprises in Nyeri town.

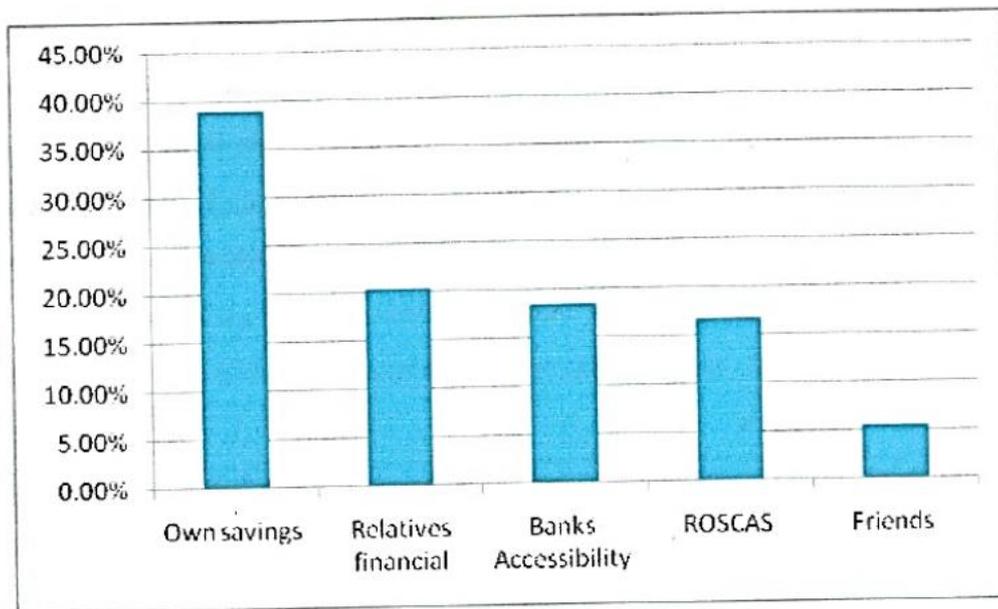
Descriptive Results

This section provides the results of the findings and the data analysis of the study. The Information was mainly from women in micro-enterprises. The discussion was linked to the research objectives and the questions of the study in helping to identify factors that Influence the graduation of women-owned micro- enterprise to small enterprise, and also to identify other factors that have the same influence.

Financial Accessibilities

The respondents were asked where they got their start up initial capital to start up their businesses. The responses indicated that majority of them got it from personal savings as indicated in the figure below.38.9% of women owned MSEs got their initial capital from their own savings, 20.4% from relatives, 18.5% from the banks 16.7% from ROSCAS and 5.6% from

friends. A number of respondents explained the challenges they encounter as they try to access funds especially from formal institutions as they demand collateral which many of them do not have. Former research indicates that financial inaccessibility as a leading factor that hinders growth of women owned enterprises.



Loan Repayment Pattern

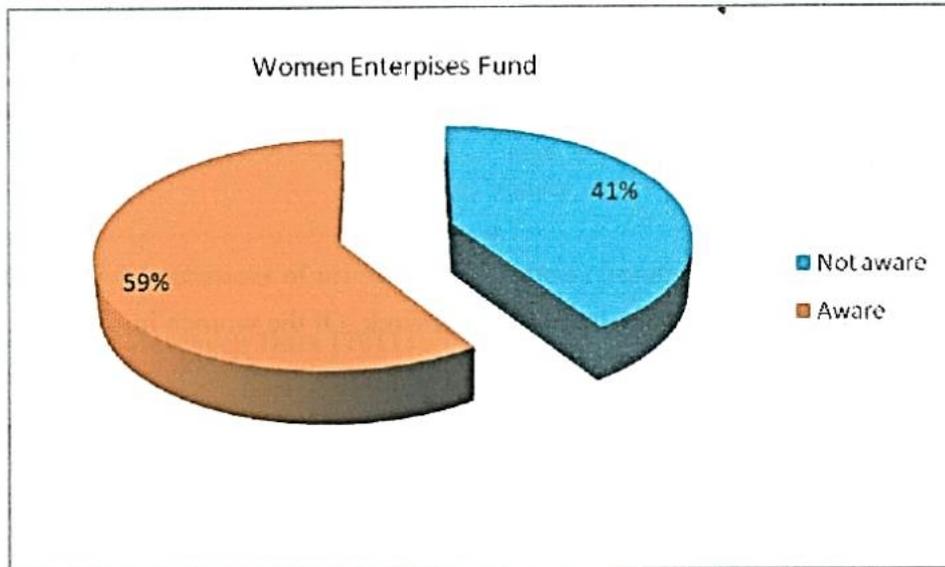
The researcher wanted to test their ability to repay their loans. 35.2% indicated to be good at repaying their loans, 28% indicated they can describe their repayment as fair, 15% said very fair, 17% indicated their repayment was very good and only 6% were bad in their loan repayment. This is as indicated in the figure below:

Loan Repayment Pattern



Research Data

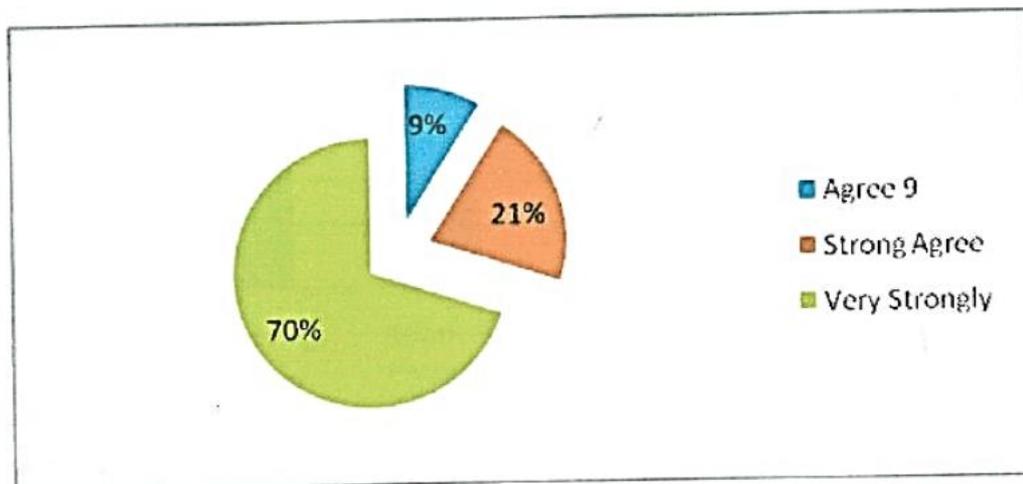
The respondents were asked whether they were aware of women enterprise fund, 59% indicated to be aware of it, while 41% indicated that they were not aware as indicated in the figure below. However, the researcher found out that even those that have heard about the funds are not beneficiaries of the same.



Women Enterprise Fund

Influence of financial accessibility

The respondents were asked how they thought financial accessibility influenced the performance of their enterprises 70.37 very strongly agreed that financial accessibility effects their performance, 20.37% strongly agreed, and 9.26% agreed to the influence of financial accessibility to the graduation of their enterprise. The results are as figure indicated below.



INFLUENCE OF FINANCIAL ACCESSIBILITY

Correlation between financial accessibility and the rate of graduation of women owned micro- enterprises to small enterprises

Financial accessibility

As regards financial accessibility, the researcher found out that most of the women in micro-enterprises had started their business from their own savings as opposed to being funded by financial institutions. This can be explained by the fact that the financial institutions attach their loans to possession of collateral which majority of them don't have. The fact that the few who had loans were good at repayments was a big plus. It is commendable that 59% were aware of women enterprise fund though not many of them have benefited from it. The researcher found out that the graduation of micro-enterprises to small is greatly influenced by financial accessibility since from the findings, 71% of the women very strongly agreed to this fact

5. CONCLUSION

Financial accessibility

Accessing finance, especially from the formal Institutions have always been a hindrance to graduation of women-owned micro-enterprises. Formal financial Institutions consider women-owned enterprises as less credit worth due to the fact that they can close anytime. The fact that these institutions still attach collateral to lending is also inhibitive. Women-owned micro-enterprises are viewed as risk adverse. Financial institutions find it risky to finance small loans as they find them costly to administer.

Despite the fact that women are aware of funds given by the Government, such as Women Enterprise Fund, majority of them do not benefit as they cannot access the same due to the conditions attached to it such as the high interest rates.

6. RECOMMENDATIONS

Financial Accessibilities

Since financial accessibility seems to be a great hindrance to the graduation of micro-enterprises, it would be of importance to consider providing start-up capital. The Government and the private sector should consider investing in the existing businesses to help them become more productive and maximize their financial income.

There is need to promote partnership and collaboration between the Government and private sector. Collaborations between the Government and private sector can result in an affordable programme to women in micro-enterprises. Women in micro-enterprises should be made to realize the importance of networking in getting access to capital, loans and information.

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