INFLUENCE OF CONSTITUENCY WOMEN ENTERPRISE SCHEME ON ECONOMIC EMPOWERMENT OF WOMEN ENTREPRENEURS IN KISUMU RURAL, KENYA

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ABSTRACT

The Women Enterprise Fund (WEF) was a strategic move by the Government of Kenya towards addressing poverty alleviation through socio-economic empowerment of women. WEF provides funding to Kenyan women who are aged at least 18 years; who must have intention of investing in income generating activities, and who already belong to appropriately registered groups that must have been in existence for three (3) months. Constituency Women Enterprise Scheme (C-WES), which is a channel through which WEF disburses funds to women entrepreneurs, has been in existence in Kisumu Rural since 2007, but the extent to which these funds have empowered these group of women has not been established. The purpose of this study was to examine influence of C-WES on economic empowerment of women entrepreneurs in Kisumu rural, with a view to isolating the actual contributions of C-WES so as to recommend on the priorities of C-WES that could create predictable financial practices and avoid haphazard implementation of programmes based on scientific justification. The objectives of this study were to examine influence of C-WES on investment in commercial infrastructure by women entrepreneurs, business engagement by women entrepreneurs, access to subsidized credits by women entrepreneurs, capacity building of women entrepreneurs, and support and facilitation of local and international marketing of goods and services produced by women entrepreneurs in Kisumu Rural. The study sought answers to the research questions as to whether investments in commercial infrastructure, access to credits, marketing facilitation, business networking and capacity building influence economic empowerment of women entrepreneurs in Kisumu Rural. This study tested the hypotheses that there is a statistically significant relationship between investment in commercial infrastructure, access to credits, marketing facilitation, business networking and capacity building, and economic empowerment of women entrepreneurs in Kisumu Rural. The study reviewed related literature on C-WES as an aspect of microfinance, C-WES and economic empowerment of women, investment in commercial infrastructure and economic empowerment of women entrepreneurs, marketing facilitation and economic empowerment of women entrepreneurs, capacity building and economic empowerment of women entrepreneurs, and access to credits and economic empowerment of women entrepreneurs. It is hoped that policy makers at the various Ministries, C-WES managers at district, and divisional offices will base their decisions regarding C-WES management on the findings of this study. The researcher also hopes that students, managers and general readers...
in the field of microfinance and women empowerment would find the document a valuable source of information regarding C-WES management. The study was conducted through an expost facto research design in Kisumu Rural on a sample of 205 women entrepreneurs selected through stratified and snowball sampling techniques. Data was collected by the researcher using questionnaires and interview methods in March 2011 and analyzed through percentages and Analysis of variance techniques by the use of Statistical Package for Social Scientists (SPSS). After data analysis, findings of the study showed that C-WES has not empowered women entrepreneurs in Kisumu Rural. The study recommend that C-WES loans should be made available to women entrepreneurs at their door steps and that loans be given to women entrepreneurs as individuals and not as a group. The study further recommends that funds implementers should initiate businesses for women entrepreneurs and train them on how to run the businesses for self-socio-economic empowerment. The study suggests that a study be carried out to find out factors contributing to low uptake of C-WES credits and on marketing facilitation and economic empowerment of women entrepreneurs to ascertain their contribution to economic empowerment of women entrepreneurs.

**Keywords:** C-WES, Economic Empowerment of women entrepreneurs, Investment in Commercial Infrastructure, Marketing Facilitation.

**1. INTRODUCTION**

**1.1 Background of the Study**

Empowerment is found in the fields of education, social work, psychology, politics, and community development and in the work of feminist and development organizations (Elson, 2003). It is understood in a variety of ways due to its widespread usage (Mikkola, 2005). According to Elson (2003), women empowerment is both an economic participation and economic opportunity. Elson (2003) points out that the quantitative economic participation of women in the workforce is important not only for lowering the disproportionate levels of poverty among women, but also for raising household income and encouraging economic development in a country as a whole. This study is concerned with economic empowerment.

According to Financial Sector Development (2007) and Mikkola (2005), economic empowerment deals with changes in employment or unemployment rates; changes in time use in selected activities, and salary or wage differentials between women and men. According to Mikkola (2005), economic empowerment describes changes in percentage of property owned and controlled by women and men, the average household expenditure of female or male households on education or health, and ability to make small or large purchases independently. It also describes the percentage of available credit, and financial and technical support services going to women. It therefore follows that a woman is economically empowered, if and when, she is gainfully employed (or has an income), can change time used in selected activities, freely owns and controls land, houses, and livestock (she has assets), is educated, has access to credits and when she can make small or large purchases independently (has economic security). Hence income, business development, assets and economic security will be the determinants of economic empowerment of women in this study. These are the variables that C-WES is presumed to positively influence in effort to empower women economically.
In the United States women empowerment occurs in homes, at schools, through women organizations, government policy making and community organizing campaigns (Fletcher, 2005), through community decision making, organizational planning, and education reforms (Smith, 2002). Grameen Bank launched by Professor Yunus in Bangladesh in 1996 provides small loans to the rural poor with an aim of empowering them economically (Yunus, 2006).

In India, organizations like Self-Employed Women Association (SEWA) and others with origins and affiliations in the Indian labor and women’s movements identified credit as a major constraint in their work with informal sector women workers. The problem of women’s access to credits was given particular emphasis at the first International Women’s Conference in Mexico in 1975 as part of the emerging awareness of the importance of women’s productive role both for national economies, and for women’s rights. This led to the setting up of women’s World Banking network and production of manuals for women’s credit provision. Other women’s organizations world - wide set up credit and savings components both as a way of increasing women’s incomes and bringing women together to address wider gender issues. From the mid-1980s there was mushrooming of donor, government and NGO- sponsored credit programs in the wake of 1985 Nairobi Women’s Conference (Mayoux, 1995a).

Women Enterprise Fund (WEF) was conceived by the Government of Kenya in 2006 and officially launched in 2007, with the principal objective of empowering women economically through provision of credits (GOK, 2007), and to aid government’s realization of the third Millennium Development Goal (MDG) on “gender equality and empowerment of women”. Recognizing the critical roles women play in socio-economic development, the WEF has been identified as a flagship project under the social pillar in the Vision 2030, for addressing the perennial challenges women face in their desire to venture in enterprise development (Analytical Report on Population Projection, Volume VII, 2010). According to Analytical Report on Population Projection, Volume VII (2010), majority of Kenyan women have been excluded from the formal financial services, with the rural women being more disadvantaged than their urban counterparts. The Analytical Report on Population Projection, Volume VII (2010) points out that WEF is a strategic move by the Government of Kenya to alleviate poverty through socio-economic empowerment of women. WEF provides funding to Kenyan women who are aged at least 18 years; who belong to duly registered groups, and who have the intentions of investing in income generating activities (Ministry of Gender, Sports, Culture & Social Services (MoGSCSS, 2010). This is the definition of women assumed in this study.

The Constituency Women Enterprise Scheme (C-WES) is a division of the WEF that ensures that all women at the constituency level especially those living in areas not well served by Financial Intermediaries are not disadvantaged in accessing the fund (MoGSCSS, 2010). C-WES targets enterprises of women groups in the divisions; and it is accessible only to women groups operating within the parliamentary constituency. By 2010 a total of Ksh 1.09 billion had been loaned to over 205900 women; Ksh 801 million through Microfinance Institutions, and Ksh 289 million through C-WES. C-WES facilitates investment in commercial
infrastructure beneficial to women enterprise, to support women oriented micro, small and medium enterprises (MSMEs) to develop associations with large enterprises, facilitates local and external marketing of products made by women MSMEs, and support capacity building of the beneficiaries of the fund and their institutions (MoGSCSS, 2010). Hence investment in commercial infrastructure, establishment of business networking, marketing facilitation, capacity building and provision of credits will be the determinants of C-WES in this study.

An investment is a legally recognized organization typically formed to earn profits and increase the wealth of its owners (Andersen, 2006). The objective of an investor is the receipt or generation of financial returns in exchange for work and acceptance of risk (Cullather & Gleijeses, 2006). The C-WES facilitates infrastructural investments through attracting and facilitating investment in MSMEs, establishment of business incubators and involvement of women in income generating activities (C-WES, 2007) to enable women to make sufficient profits and wealth to enable them become independent. C-WES has encouraged women infrastructural investments in Kisumu Rural constituency since 2007. However the extent to which the women of the constituency have actively invested in commercial infrastructure, and the influence of infrastructural investment on their economic empowerment has not been investigated.

Facilitation of marketing of women enterprises products at the domestic and international markets is also one of the main tasks of C-WES. Marketing refers to everything done to get potential customers and product or service together. Facilitating marketing entails supporting such and similar activities (Chattered Institute of Marketing, 2009; American Marketing Networking, 2009). According to the C-WES (2007), C-WES facilitates marketing of women MSMEs through developing and availing women enterprise directories, collaboration with the Ministry of Gender on women enterprise activities and through preferential sourcing from women enterprises in the domestic and international markets in order to empower women economically. Nevertheless, the extent of marketing facilitation provided to women in Kisumu rural has not been established. Consequently, the influence of marketing facilitation provided by C-WES on the economic empowerment of women is unknown. This has made scientific justification of the venture impossible.

The third objective of C-WES is the establishment of business networking for women enterprises with large enterprises. The aim of establishing networking, as Ledgerwood (1998) points out, is to make them strategic, focused, and proactive. C-WES links women MSMEs with large domestic and international firms to enable women generate income, and acquire assets for economic security (C-WES, 2010), to empower them at the grassroots. Such activities have been going on in Kisumu Rural Constituency since 2007 when C-WES was established. However, the extent to which women entrepreneurs in Kisumu Rural Constituency have been associated with other large domestic and international enterprises has not been investigated. As a result the influence of such networking on the economic empowerment of women in Kisumu Rural is unknown. This implies that the venture is being funded without a scientific justification.

Constituency Women Enterprise Scheme also provides credits of up to Ksh 50,000.00 interest free and without collateral to women as a means to economic empowerment. A total
of 18 million shillings have been disbursed in credits to some 635 women in Kisumu rural since 2007 (Kisumu Rural Constituency Office, 2010) to enable women invest in commercial infrastructure, accumulate assets and attain economic security. However whereas the amounts of credits advanced to women and the total number of women that have so far benefited can be easily established, the extent to which the credits have influenced the income, business development, assets and economic security of women of Kisumu Rural has not been empirically established. The influence of C-WES’s credits on the economic empowerment of women in Kisumu rural is therefore unknown.

The above scenario has described the intentions of C-WES and the gaps to be filled to make C-WES more effective. The provisions of credits, encouraging investments in commercial infrastructure, facilitations of marketing, establishment of business networking and building the capacity of women entrepreneurs are sure ways of eradicating poverty and empowering citizens. Efforts to increase income of women, assets, business development by women and increasing economic security are scientifically established yardsticks of empowerment. Nevertheless, to achieve real empowerment, the effect of each activity undertaken to create empowerment should be periodically assessed and moderated. This has not been the case with C-WES in Kisumu rural. This is the rationale of the study.

1.2 Statement of the Problem
Empowerment of the local population and particularly of women, has dominated the agenda of United Nations for a long time, as captured by the Third Millennium Development Goals (United Nations, 2000), and the agenda of regional governments such as Kenya, as captured in Kenya’s Vision 2030 (GOK, 2007). Women empowerment is significant in development and economics; and is one of the major procedural concerns when addressing human rights and development (United Nations, 2010). The Human Development and Capabilities Approach, The Millennium Development Goals, recognize women empowerment as a necessary step in overcoming the obstacles associated with poverty and development (UN, 2008).

Constituency Women Enterprise Scheme is a way to providing economic empowerment for women (Mutua 2007). According to MoGSCSS (2010) the goal of C-WES is economic empowerment of women through providing credits with low interest rates to encourage investments in commercial infrastructure, support business networking between women enterprises and large domestics and international enterprises, facilitate marketing of women enterprises, and build the capacity of women and their enterprises. These activities are intended to economically empower women through increasing their income, encouraging business developments, enabling women to accumulate assets, and increase their economic security at the constituency level. C-WES has endeavored to provide these activities to women in Kisumu rural since 2007, where to date over 600 women have received over 235 million shillings (MoGSCSS, 2010).

1.3 Purpose of the Study
The purpose of this study was to examine influence of Constituency Women Enterprise Scheme on economic empowerment of women entrepreneurs in Kisumu rural.
1.4 Objective of the Study
This study was guided by the following objective.
To establish influence of access to credits as a component of Constituency Women Enterprise Scheme on economic empowerment of women entrepreneurs in Kisumu Rural.

1.5 Research Questions
This study sought answers to the following research question:
How does access to credits as a component of Constituency Women Enterprise Scheme influence economic empowerment of women entrepreneurs in Kisumu Rural?

1.6 Research Hypotheses
This study stated and tested the hypotheses that:
There is significant relationship between access to credits as a component of Constituency Women Enterprise Scheme and economic empowerment of women entrepreneurs in Kisumu Rural.

1.7 Basic assumptions of Study
Individual differences, family, environmental and community related factors can also influence economic empowerment of women. However the researcher could neither control the families where the women come from, nor the communities where the homes are established, yet the researcher was aware that individual differences, the community or the family has some influence on the behavior of its members. This study assumed that individual differences, family, environment and community related factors do not differentially contribute to empowerment of women entrepreneurs in Kisumu Rural in this study. It was also assumed that respondents provided information that was relevant to the study. The researcher took precautions to ensure that the research instruments were well structured for ease of understanding by the respondents in order to minimize any bias that could have arisen thereto.

2. LITERATURE REVIEW
2.1 Introduction
This chapter reviewed literature related to C-WES as an aspect of microfinance, C-WES and women entrepreneurs empowerment, investments in commercial infrastructure and economic empowerment of women entrepreneurs, marketing facilitation and economic empowerment of women entrepreneurs, capacity building and economic empowerment of women entrepreneurs and access to credits and economic empowerment of women entrepreneurs and business networking and economic empowerment of women entrepreneurs. The chapter also covered the theoretical framework, conceptual framework and summary of literature reviewed.

2.2 Constituency Women Enterprise Scheme (C-Wes) As An Aspect of Microfinance
Microfinance is the provision of financial services to low-income clients or solidarity lending groups including consumers and the self-employed, who traditionally lack access to banking and related services (United Nations, 2006). More broadly, it is a movement whose object is "a world in which as many poor and near-poor households as possible have permanent access to an appropriate range of high quality financial services, including not just credit but also savings, insurance, and fund transfers (Wright, 2000). According to Yunus (2008) those who promote microfinance generally believe that such access will help poor people out of poverty. Ledgerwood and Victoria (2006) also point out that microfinance is the provision of financial services to the poor, involving small amounts - hence “micro” - of savings, credit, insurance and money transfer services. They argue that there is significant net demand for financial services in many areas of the developing world, especially in rural areas; and that the formal banking system has so far been unable to fill the gap, even for the core services of safe savings and short-term credit for both productive activities and consumption. As a result a niche microfinance industry has emerged, and innovation and experimentation has led to success that has promoted the renewed interest and involvement of the commercial banking sector.

2.3 Access To Credits And Economic Empowerment of Women Entrepreneurs

C-WES is a form of a microcredit institution. Microcredit is the extension of very small credits (microloans) to those in poverty designed to spur entrepreneurship (Donaldson, 2007; Guttentag, 2007; Kadaras&Rhyne, 2004; Rhyne, 2001; Yunus, 2003). As Yunus (2003) points out, these individuals lack collateral, steady employment and a verifiable credit history and therefore cannot meet even the most minimal qualifications to gain access to traditional credit. According to Donaldson (2007), microcredit is a part of microfinance, which is the provision of a wider range of financial services to the very poor. Kadaras and Rhyne (2004) attribute the modern invention of microloans to St. Louis entrepreneur Menlo Smith who was struck by the abject poverty he saw in the Philippines.

According to Guttentag (2007), micro credits as a financial innovation originated with the Grameen Bank in Bangladesh where it has successfully enabled extremely impoverished people to engage in self-employment projects to generate income and, in many cases, begin to build wealth and exit poverty. Generally the origins of microcredit in its current practical incarnation, with attention paid by economists and politicians worldwide, can be associated to several organizations founded in Bangladesh, especially the Grameen Bank in the 1970s and onward, for which its founder Muhammad Yunus was awarded the Nobel Peace Prize in 2006 (Guttentag, 2007). Microcredit is increasingly gaining credibility in the mainstream finance industry, and many traditional large finance organizations are contemplating microcredit projects as a source of future growth, even though almost everyone in larger development organizations discounted the likelihood of success of microcredit when it was begun (Rhyne, 2001). It was on this principle that The United Nations declared 2005 the International Year of Microcredit.

One concept common among all these types of credits is the fact that loan of whatever type must be repaid (Wood & Sharif, 1997; Yunus, 2003). The most typical loan payment type is the fully amortizing payment in which each monthly rate has the same value overtime.
(Signoriello, 1991; Wood & Sharif, 1997). The fixed monthly payment \( P \) for a loan of \( L \) for \( n \) months and a monthly interest rate \( c \) is:

\[
P = L \cdot \frac{c(1 + c)^n}{(1 + c)^n - 1}
\]

However, the C-WES is an interest-free loan. It does not attract any interest and so this formula does not apply on it.

2.4 Theoretical Framework

This study will be anchored on the psychological theory of microfinance advanced by Sapovadia in 2006. The psychological theory of microfinance relates to the initial funding of the microcredit ventures. This theory states that capital required for establishing private financial ventures come from the equity capital supplied by the main owners of these ventures, and from the share capital collected from the members of the public. Hence microfinance enterprises need assistance from private (mainly non-profitable), and public donor agencies for seed capital as well as for running micro lending operations, especially in the initial stages (Sapovadia, 2006).

![Conceptual Framework](image)

**Fig 2.1: conceptual frameworks for the relationship between C-WES and Economic empowerment of women entrepreneurs in Kisumu Rural.**

2.5 Summary of Literature Review

Literature reviewed on access to credit and economic empowerment of women entrepreneurs indicate that microcredit play a major role in funding entrepreneurs though its success is still minimal. A study done by Ondego and Ochanda (2002) examined factors influencing the establishment of microfinance schemes in Kenya and concluded that adequate access was
one such factors. Even though there is adequate access, it has not been fully exploited by
entrepreneurs.

3. RESEARCH METHODOLOGY

3.1 Research Design

This study was conducted through an expost facto research design. Oso and Onen (2009),
and Amin (2005) refer to expost facto designs as “experiments” in which a researcher, rather
than administer a treatment, examines the results of a naturally occurring treatment after that treatment has occurred. Oso and Onen (2009) point out that expost facto are pseudo
(or false) experimental research designs where a researcher rather than conduct an
experiment, substitutes for the experiment with a naturally occurring condition after the
condition has already occurred. The researcher attempts to relate this after-the-fact-treatment
to an outcome. The researcher looks for a natural cause without having to manipulate an
independent variable. Expost facto design was deemed suitable because the variables which
the study investigated which are the elements of C-WES, investments in commercial
infrastructures, business associations, business networking, provisions of loans and capacity
building for women have already occurred and were only studies as an after the fact. Hence
expost facto was deemed to be the ideal design.

3.2 Target Population

The target population for this study comprised the 432 women entrepreneurs in the 7
locations in Kisumu Rural constituency distributed as indicated in Table 3.1 (GOK Census
Report, 2009).

3.3 Sample Size And Sampling Techniques

3.3.1 Sample Size

The sample comprised 205 women entrepreneurs in Kisumu Rural. The sample was
determined according to Krejcie and Morgan (1970) as cited by Amin (2005). Krejcie and
Morgan (1970) as cited by Amin (2005) recommend that for a population of 432, a sample of
205 would be adequate since a large sample will not make any significant difference in the
study results. Hence guided by this reasoning, this study selected 432 women entrepreneurs
from the 7 locations in Kisumu Rural.

3.3.2 Sampling techniques

This study employed snowball and stratified sampling techniques to select the individual
members of the sample. Stratified sampling was used to determine the proportionate sizes of
women in each location to be included in the sample. Stratified sampling ensured that each
stratum was represented in the sample, and that the subgroup differences were accounted for.

3.4 Research Instruments

This section described the tools which were used to collect data. Questionnaires were used
because the sample size of 205 used in this study was quite large, and given the time
constraints, questionnaires were the ideal tool for collecting data. Self constructed semi-
structured questionnaires were used to enable the study to collect both quantitative data from
the closed-ended sections, and qualitative data from the open-ended sections. The study employed interview schedules to collect qualitative data from women leaders. For women that belong to groups, women leaders of those groups were selected as key informants. The women leaders, by virtue of their position and experience may hold information that other women in the group do not have.

3.5 Data Analysis Techniques

This study collected and analyzed both qualitative and quantitative data. Quantitative data was analyzed through percentages. A percentage is an analysis technique used to simplify data by reducing them to a range of between 0 and 100 with 100 as base to facilitate relative comparison (Kothari, 1990). The percentage distribution technique was used to describe the characteristics of the women on the demographic issues, and to show the face values of the effects of each element of C-WES on the economic empowerment of women entrepreneurs.

4. DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSION

4.1 Introduction

This chapter presents the findings of the study under five themes. It focuses on Questionnaire Response Rate, Demographic Characteristics of Respondents in terms of Age, level of Education, Location, Type of Business, Source of Initial Capital and Average Income. The chapter also presents the findings based on thematic areas in terms of C-WES and the economic empowerment of women entrepreneurs, access to credits.

4.2 Questionnaire Return Rate

Data was collected from all the 150 out of the 205 sampled women entrepreneurs in Kisumu rural. This was 73.17% which was acceptable as it was more than the 50.0% response return rates recommended by Kathuri and Palls (1993), and by Mugenda and Mugenda (1990). Out of the 55 unreturned Questionnaires 15 were spoilt while 35 women entrepreneurs did not spare time to be interviewed either because they were not co-operative or they did not want to disclose information regarding their businesses.

4.3 Distribution of Respondents By Age

The study wanted to determine whether age was linked to economic empowerment of women entrepreneurs in Kisumu rural constituency. This was necessary because of the age limit set by C-WES as a condition for obtaining credits. The respondents were asked to state the age bracket under which they fall, starting from 18-25, 26-29, 30-35, 36-41 and 42 and above. It was also important to find out the age bracket which has benefited from C-WES most. The results are summarized in Table 4.1.

Table 4.1: Distribution of Respondents by Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
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</thead>
<tbody>
<tr>
<td>18-25</td>
<td>21</td>
<td>14</td>
</tr>
<tr>
<td>26-29</td>
<td>37</td>
<td>24.7</td>
</tr>
<tr>
<td>30-35</td>
<td>52</td>
<td>34.7</td>
</tr>
<tr>
<td>36-41</td>
<td>26</td>
<td>17.3</td>
</tr>
</tbody>
</table>
Table 4.1 shows the distribution of the respondents by age. Out of the 150 respondents who participated in the study, 21 (14%) were aged between 18-25 years, 37 (24.7%) were aged between 26-29, 52 (34.7%) were aged between 30-35 years, 26 (17.3%) were aged 36-41 while only 14 (9.3%) were aged over 42 years. It shows that most women entrepreneurs are still within the productive age set and they can be productive if they can be economically empowered through C-WES initiatives. It shows that only 21(14%) of the women entrepreneurs aged between 18-25 years have benefited from C-WES. This means that C-WES has not focused on all women of all ages and this can reduce its overall effect on empowerment of women. The C-WES was meant to benefit women entrepreneurs aged 18 years and above but these findings indicate that the dominant age group is 30-35. This has a negative impact on the economic empowerment of women entrepreneurs as far as C-WES objective is concerned since the earlier one starts venturing into entrepreneurship the better they become economically empowered.

4.4 Distribution Of Respondents By Level Of Education

The study wanted to determine whether level of education was linked to economic empowerment of women entrepreneurs in Kisumu rural constituency. This could help in identifying whether C-WES is reaching out to the rural poor women entrepreneurs or it only benefits well educated women entrepreneurs with knowledge about its existence. The respondents were asked to indicate their highest level of education in terms of primary, secondary, Tertiary, University or none. The results are summarized in Table 4.2.

Table 4.2: Distribution of Respondents by Level of Education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>27</td>
<td>18</td>
</tr>
<tr>
<td>Primary</td>
<td>55</td>
<td>36.7</td>
</tr>
<tr>
<td>Secondary</td>
<td>55</td>
<td>36.7</td>
</tr>
<tr>
<td>Tertiary</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>University</td>
<td>4</td>
<td>2.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 4.2 shows the distribution of the respondents by level of education. It shows that out of 150 women entrepreneurs interviewed, 27 (18%) have no education at all, 55 (36.7%) have only secondary 55 (36.7) have primary education, while only 4 (2.6%) have university education and 9 (6%) have tertiary education. This is not a very good result because education is known to influence the level of almost every activity that a person is involved in because it creates enlightenment and awareness of issues that surround a circumstance. The generally low level of education among women entrepreneurs is likely to reduce their overall economic empowerment. These findings are in line with the report of Central Bureau of Statistics (1999) survey on the national micro and small enterprise on the ability of women to
engage in commercial investments which attributed education as one contributing factor to investment.

4.5 Distribution of Respondents By Type of Business

The study wanted to determine whether type of business was linked to economic empowerment of women entrepreneurs in Kisumu rural constituency. Based on this, the respondents were asked to state whether they owned business as a group, individual or otherwise. The results are summarized in Table 4.3.

Table 4.3: Distribution of respondents by type of business

<table>
<thead>
<tr>
<th>Type of Business</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>56</td>
<td>37.3</td>
</tr>
<tr>
<td>Individual</td>
<td>53</td>
<td>35.4</td>
</tr>
<tr>
<td>Other</td>
<td>41</td>
<td>27.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 4.3 shows the distribution of the respondents by type of business. It shows that out of 150 women entrepreneurs who participated in the study, 56 (37.3%) own their businesses as individuals while 53 (35.4%) own their businesses in groups. Some 41 (27.3%) of respondents are mixed up in type of business. But on the whole, this finding is quite unlike the objectives of C-WES because C-WES provides support to women in groups. So when majority of women who have been supported by C-WES own businesses individually, it means that C-WES is not very effective on the ground. Otherwise, it is time for C-WES to consider dealing with women as individuals. After all empowerment is an individual affair. These findings differ with those of Yunus (2006) that women get loans as groups to start enterprises to empower them economically.

4.6 Distribution of Respondents By Source of Initial Capital

The study wanted to determine whether source of initial capital was linked to economic empowerment of women entrepreneurs in Kisumu rural constituency. Based on this, the respondent were asked to state whether they obtained their initial capital from Family, Personal savings, Banks, Co-operatives or C-WES. The results are summarized in Table 4.4.

Table 4.4: Distribution of respondents by source of initial capital

<table>
<thead>
<tr>
<th>Source of Initial Capital</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family</td>
<td>5</td>
<td>3.3</td>
</tr>
<tr>
<td>Personal</td>
<td>59</td>
<td>39.3</td>
</tr>
<tr>
<td>Banks</td>
<td>49</td>
<td>32.7</td>
</tr>
<tr>
<td>Coop</td>
<td>37</td>
<td>24.7</td>
</tr>
<tr>
<td>C-WES</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 4.4 shows the distribution of the respondents by source of initial capital. It shows that out of 150 women entrepreneurs who participated in the study, 5 (3.4%) obtained their initial capital from family, 59 (39.3%) obtained their initial capitals through their own personal efforts and initiatives. Another 49 (32.7%) obtained their initial capitals through the banks.
and 37 (24.7%) obtained it from the coops. There are no women entrepreneurs who have obtained their initial capitals from C-WES. This is a clear indication that C-WES has not had its intended effects on the women entrepreneurs in Kisumu rural constituency. There is no single business of which C-WES can claim initial and full responsibility for the six or so years it has been in operation.

4.7 Access to C-WES Credits and Economic Empowerment of Women Entrepreneurs

This study investigated influence of access to credits on economic empowerment of women entrepreneurs in Kisumu rural constituency. Access to C-WES loans was conceptualized as easy way of attainment of Ksh 50,000 free of interest and without collaterals. The respondents were requested to indicate their awareness of C-WES, whether they have benefited from C-WES and their views on the general requirements for obtaining loans from C-WES. Their responses are summarized in Table 4.5

Table 4.5: Views of Women Entrepreneurs in Kisumu Rural on the Accessibility of CWES Credits

<table>
<thead>
<tr>
<th>Variable</th>
<th>Yes Frequency</th>
<th>%</th>
<th>No Frequency</th>
<th>%</th>
<th>Not Sure Frequency</th>
<th>%</th>
<th>Cumulative Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aware of CWES</td>
<td>74</td>
<td>49.3</td>
<td>75</td>
<td>50</td>
<td>1</td>
<td>0.7</td>
<td>150</td>
<td>100</td>
</tr>
<tr>
<td>Benefited from CWES</td>
<td>51</td>
<td>34</td>
<td>67</td>
<td>44.7</td>
<td>32</td>
<td>21.3</td>
<td>150</td>
<td>100</td>
</tr>
<tr>
<td>CWES' credit requirement are favorable</td>
<td>5</td>
<td>3.3</td>
<td>58</td>
<td>38.7</td>
<td>87</td>
<td>58</td>
<td>150</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4.5 displays the views of the respondents on the accessibility of C-WES loans. On average, out of 150 respondents who participated in the study, 74 (49.3%) are aware of C-WES, 75 (50%) are not aware of C-WES while 1 (0.7) are not sure. On the other hand, 51 (34%) have benefited from C-WES credits, 67 (44.7%) have not benefited from C-WES credits while 32 (21.3%) are not sure whether they have benefited from C-WES credits. Finally 5 (33%) of the respondents who participated in the study indicate that C-WES credit requirements are favorable, 58 (38.7%) say that C-WES credit conditions are not favorable while 87 (58%) are not sure whether C-WES credit conditions are favorable or not.

4.8 Constituency Women Enterprise Scheme and economic empowerment of women entrepreneurs

The overall objective of C-WES was to empower women entrepreneurs in rural areas. This was characterized by increased income, accumulation of assets and economic security. It was therefore important to assess the extent to which C-WES has empowered women entrepreneurs in Kisumu rural. Based on this, the respondents were asked to state the type of house they own after affiliation to C-WES in terms of permanent, semi permanent, natural stones and mud walled. The results are presented in table 4.6
Table 4.6: Distribution of respondents based on the type of house they own

<table>
<thead>
<tr>
<th>Type of house owned</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent house</td>
<td>2</td>
<td>1.3</td>
</tr>
<tr>
<td>Semi permanent house</td>
<td>22</td>
<td>14.7</td>
</tr>
<tr>
<td>Natural stoned house</td>
<td>5</td>
<td>3.3</td>
</tr>
<tr>
<td>Mud walled house</td>
<td>121</td>
<td>80.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 4.6 presents the distribution of women entrepreneurs in terms of the type of houses they own. It shows that out of 150 respondents who participated in the study, 2 (1.3%) own permanent houses, 22 (14.7%) own semi permanent houses, 5 (3.3%) own natural stone houses while 121 (80.7%) own mud walled houses. From the findings, it can be deduced that C-WES has not economically empowered women entrepreneurs in Kisumu rural. The findings differ with those of Jud (2007) that microfinance offers a way to provide credit for women.

5. SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary Of Findings

The primary objective of this study was to examine influence of C-WES on economic empowerment of women entrepreneurs in Kisumu rural constituency. This was characterized by access to C-WES credits being conceptualized as easy way of attainment of Ksh 50,000 free of interest and without collaterals. Data analysis indicated that there are more women 67 (44.6%) who do not support the C-WES loans condition as compared to 43 (28.8%) who support those conditions. Some 40 (26.3%) of women do not know whether the conditions are favorable or not, and so the accessibility of the C-WES loans cannot be judged on them. Anova analysis confirmed that there is no significant difference in economic empowerment of women entrepreneurs who have accessed C-WES credits at different levels ($F_o = 1.020 < F_c = 2.000; \alpha = 0.441 > .05$). The study therefore established that CWES credits have not had a significant influence on economic empowerment of women entrepreneurs in Kisumu rural.

5.2 Conclusion

The purpose of this study was to examine influence of C-WES on economic empowerment of women entrepreneurs in Kisumu rural, with specific focus on access to loans.

Access to loans has not been effective in terms of increasing the economic empowerment of women entrepreneurs in Kisumu rural. On the balance of probabilities, the study concludes that overall effect of C-WES on economic empowerment of women entrepreneurs in Kisumu rural has been insignificant. This means that women entrepreneurs in Kisumu rural have not been able to accumulate income, develop businesses, accumulate assets or gain economic security as a result of being members of C-WES.

5.3 Recommendations

Based on the findings and the conclusion drawn above, the study makes the following recommendations: Policy makers should make conditions for loan disbursement to women entrepreneurs favorable to allow as many of them as possible access to credits easily.
If possible loans should be made available at their door steps instead of them going to look for loans from C-WES offices.

The amount being loaned should be increased and managed amicably to ensure its impact realized with an aim of empowering women entrepreneurs both in rural and other areas within the country. The findings of this study acts as a benchmark for guiding the disbursement of C-WES funds which should be made available to the intended beneficiaries who are the women entrepreneurs. Funds implementers should therefore initiate the business for women entrepreneurs instead of giving credits to women groups since the impact of such credits on business developments has not been felt.

5.4 Contribution To The Body Of Knowledge

The findings of this study have led to several contributions towards the body of knowledge as summarized below.

**Table 5.1: Contribution to the body of knowledge**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Contribution towards the body of knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to credits and economic empowerment of women entrepreneurs in Kisumu rural.</td>
<td>Conditions for access to credit should be made favorable to the intended borrowers of C-WES funds.</td>
</tr>
</tbody>
</table>

5.5 Suggestion For Further Research

Despite the findings obtained by the study, there are still some areas which may need further research to gain more insight on how best the C-WES funds can be managed in order to meet its intended objective. The study makes the following suggestions.

A study should be carried out to find out the factors contributing to low uptake of C-WES credits for initial start up of enterprises by women entrepreneurs in rural areas with a view to improving on credit disbursements and management as a component of C-WES.

The same study could also be replicated in other provinces of Kenya for comparison purposes. There should be a comprehensive study on marketing facilitation and economic empowerment of women entrepreneurs to ascertain the exact contribution of marketing to economic empowerment of women entrepreneurs.

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