

## **Challenges faced by women entrepreneurs in their efforts towards poverty reduction in Mukuru Kwa Njenga; Embakasi East Constituency, Nairobi, Kenya**

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### **Abstract**

This study explored the challenges faced by women entrepreneurs and their effects on poverty reduction. The study focused on women entrepreneurs living in Mukuru Kwa Njenga, a slum within Embakasi East Constituency of Nairobi County; Kenya. It gave attention to women entrepreneurship as a vehicle towards women empowerment; these two concepts in the development of women were explored. Studies show that the majority of the world's poor people are women and especially those living in the slums. According to a report done on women empowerment by Care International in 2012, of the 1.3 billion people who live in absolute poverty around the globe, 70% are women. The paradox however is that women empowerment efforts, conferences, and declarations have been ongoing since the 1970s with the aim of improving the well-being of women all over the world. Yet women live in poverty. This study sought to address this gap by drawing an understanding as to the challenges that vulnerable women face while enhancing their economic empowerment and that of their households. The study targeted 66 women within five self-help groups in Mukuru Kwa Njenga because these groups bring women together towards the cause of self-empowerment. All 66 women targeted operated small-scale enterprises referred to as *Jua Kali* enterprises that are run by the side of the road, and with no permanent business structure. A mixed methods research design incorporating both qualitative and quantitative research methods was used. Drawing from the research findings, business skills training is not a challenge faced by women entrepreneurs in Mukuru however they lack assets (68%) and business financing (62%) to grow their businesses which tend to have a one year life span. Other challenges include domestic violence, limited access to affordable health care services, poor drainage, and sanitation within the slum, lack of a conducive market space among others.

**Keywords:** Women Entrepreneurship, Women Empowerment, Poverty Reduction, Slums

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## 1. Introduction

This section gives a global, regional, national, and local overview of the research topic. Further, the research problem is discussed

### 1.1 Background of the Problem

Entrepreneurship is recognized for its contribution towards the economic growth of families while at the same time creating job opportunities, generating national revenue, creating wealth and reducing the levels of poverty. It has become a global phenomenon and a sure way of addressing poverty (Ayogu & Agu, 2015). Through Micro, Small and Medium Enterprises (MS&MEs), entrepreneurship has contributed to the national economic development for countries such as Singapore, Taiwan, Thailand and South Korea at percentages ranging at 91-93%. In Malaysia, entrepreneurship has contributed to the development of 84% of its manufacturing sector. The manufacturing industries contribute to employment at 58% of total employment in Paraguay, 54% in Mexico, 53% in Bolivia and contribute to the GDP of Dominica Republic at 31%, 11% in Pakistan, and 13% in Kenya. Further MS&MEs have links with companies in countries such as United States, Japan, Germany, and Canada (Hussain, Bhuiyan, & Bakar, 2014).

Entrepreneurship can therefore be used as a model of transforming the lives of women who form the majority of the poor people in most nations globally (UN-HABITAT, 2013). Sub Saharan Africa is no different despite its rapid economic growth in certain sectors such as communication and mobile money transfer. Sub Saharan Africa has been experiencing rapid economic growth of 5 percent per year. This region has also experienced growth in the information and communication technology over the last decade. However, the region continues to have the lowest human development indicators. Africa continues to have the highest poverty rate in the world with 47.5% of its population living on \$1.25 per day. This accounts to 30% of the world's poorest people (World Bank, 2013). Majority of the people who live in absolute poverty around the globe are women. According to a report done on women empowerment by Care International in 2012, of the 1.3 billion people who live in absolute poverty around the globe, 70% are women.

One of the reasons being, women have higher unemployment rates than men in Africa (ILO, 2008). In addition, United Nations Development Programme (UNDP) records that women and girls account for six out of 10 of the world's poorest people and two thirds of the world's illiterate people. Another factor that could be contributing to women's poverty is their exposure to violence with one third of all women being subjected to violence (UNDP, 2014). In Kenya, the poverty prevalence of men heading households in urban areas in 2006 was 30% compared to 46.2% of their female counterparts (IMF, 2010).

Despite the above mentioned vulnerabilities faced by women, they still play a critical role in the development of a family and a nation. This is because majority of the women will spend their earning on the development of the family and therefore the nation. An investment on women has therefore been termed as a good investment of government resources (Todaro & Smith, 2012). A suggested investment on women is entrepreneurship, which is viewed as an effective model towards poverty reduction among women. A combination of entrepreneurship and poverty reduction are viewed as a marriage that works. According to Ojoo (2006) as quoted by Ayogu and Agu women enterprises contribute to over 50% of the Gross Domestic Product (GDP) in most of the developed and developing nations around the world. According to the World Bank Group's Enterprise Survey of (2007-2012), women own 34% of registered businesses in developing countries. In Kenya, women owned businesses account for over 47.4% of all Small and Medium Enterprises (SMEs).

Women owned enterprises are making an immense contribution to the Kenyan economy accounting for 20% of Kenya's GDP and contributing towards job creation. Of the 462,000 jobs created annually since 2000 in Kenya, 445,000 jobs emanated from the informal sector, 85% of which are driven by women (Makena, Kubaison, & Njati, 2014). With this immense opportunity to rid themselves and their families from poverty, women still face challenges while running their business such as limited access to credit, lack management skills that are appropriate for running their enterprises, and some social-cultural expectations towards women that deter their achievement. Women entrepreneurs unlike their male counterparts undertake numerous risks, have to work extra hard, and make sacrifices to overcome challenges and achieve business success (Ayogu & Agu, 2015).

This research therefore, explored the challenges faced by women entrepreneurs and their efforts towards poverty reduction. The research focused on women entrepreneurs carrying out their businesses in Mukuru Kwa Njenga slum in Embakasi East Constituency; Nairobi Country with an understanding that two thirds of the residents in Mukuru are small-scale entrepreneurs rather than industrial workers (Mutinda & Otieno, January 2015).

## 1.2 Problem Statement

Women in the slums have been termed as being the poorest of the poor in their communities undertaking extreme measures to care for their families while experiencing several inequalities causing them to sink further into poverty (UN-Habitat, 2003). The other side of the scenario is that since 1970s, there have been conferences, conventions, declarations, and initiatives aimed at women empowerment and gender equity. Chapter two of this proposal will shed more light on the declarations of these conferences. Important to note at this stage is that the Kenyan government set up the Women Enterprise and UWEZO Funds which have annual kitties of USD 44 million dollars and USD 70 Million respectively. These funds should go towards improving women's access to enterprise capital. The Women Fund is specifically for women while the UWEZO fund benefits women, youth, and persons with disabilities (Waiguru, 2015). An emphasis on the empowerment of women has been termed as a good investment of government resource because women will use 80% of their resources for the benefit of their families. This includes basic needs, health care, and education (Todaro & Smith, 2012).

In addition to the women empowerment initiatives, the formal financial services in Kenya have improved concerning financing small-scale businesses. This is according to the Governor of the Central Bank of Kenya on the 29<sup>th</sup> October 2015 while launching the findings of the financial access mapping survey. In his words, the Governor said that Kenya had improved its delivery of formal financial services from 64,740 in 2013 to 91,186 in 2015 a 40.8% growth. Further, the proportion of adult population using financial services has been rising steadily with 27.4% of adults using financial services in 2006, 41.3% in 2009 and 66.7% in 2013. That in turn also means that the proportion of adults financially excluded has been falling steadily with 39.3% of adults not accessing financial services in 2006, 31.4% in 2009 and 25.4% in 2013 (Njoroge, 2015). These figures connote great financial development that ought to be celebrated because with it should result into growth and poverty reduction. It would however be interesting to find out through the first objective of this research, if access to business financing through formal financial services is trickling down to the *Jua Kali* woman entrepreneur in Mukuru Kwa Njenga.

The researcher was interested in getting answers towards addressing this gap; the disparity between women being termed as the poorest within communities yet their being initiatives that are specifically aimed at getting the women out of poverty. Initiatives such as women entrepreneurship have not been without challenges. This research therefore sought to determine the challenges affecting poverty reduction among women entrepreneurs and find out ways in which interventions towards poverty reduction can address the challenges determined.

## 2. Literature Review

This section looks at theoretical literature on women entrepreneurship and women empowerment as development concepts geared towards the transformation of women and their households. Women entrepreneurship or the participation of women in business has been termed as a means towards economic growth and a means towards the strengthening of social systems. It will be interesting to explore through this research how entrepreneurship among women influences their empowerment and that of their households.

### 2.1 Women Entrepreneurship

Entrepreneurship is about discovering business opportunities in the market and setting up a business to address the identified gap by offering the required product or service. An entrepreneur therefore is a resourceful, creative, innovative, and original person who surveys potential businesses in their environment, marshals resources and acts to maximize the available opportunity (Ayogu & Agu, 2015). Entrepreneurship is therefore not just running a business that exists. The entrepreneur has to be creative and innovative. On the other hand, the enterprise is designed to generate a profit for use by the entrepreneur (Hussain, Bhuiyan, & Bakar, 2014). This therefore becomes the connection between entrepreneurship development and poverty eradication. Entrepreneurship development contributes to poverty reduction when it creates employment and increases income that results in higher standards of living for the population (Hussain, Bhuiyan, & Bakar, 2014).

Women entrepreneurship is a new area of research, which originated in the mid 1980s. The research on women entrepreneurship can be viewed from three stages. The first stage is the period before the 1970s; before the women conventions when the gender focus was specific on the male position in society. The second stage was from the 1970s; a conventional period that sought to find out how women are perceived in relation to their male counterparts. The third stage is the postmodernist period that began to study the other roles of women including entrepreneurship (Ayogu & Agu, 2015). Female entrepreneurship can be divided into two categories; the first is the traditional generation of entrepreneurial women who carry out businesses that involve household

services and that require less skills and experience. The second category is referred to as the modern generation of women involved in businesses that are oriented towards making a profit and creating new markets. Participation of women in business has been observed as a major contributor in economic growth and the strengthening of the social system.

The latest National baseline survey on Micro and Small Enterprises (MSEs) in Kenya was carried out in 1999. This survey revealed that there were 612, 848 women entrepreneurs in the country which represents 47.4% of entrepreneurs in the country (CBS, 2004). Women enterprises therefore have the potential of creating employment nationally. From the survey, women tend to operate enterprises that perform roles that are traditionally referred to as women's jobs. These enterprises are hairdressing, restaurants, hotels, retail, and wholesale outlets. In addition, women tend to own or manage smaller enterprises as compared to men. For instance, the average number of employees in women owned/managed enterprises was 1.5 employees as compared to 2.1 in men enterprises (CBS, 2004).

The survey also revealed that women owners/managers would run the enterprise themselves as compared to men owners who would delegate this responsibility. According to research carried out by the International Labour Organization (ILO, 2008) a woman's owned/managed enterprise would earn a gross monthly income of Ksh. 4,344 as compared to Ksh.7, 627 for men owned/managed enterprises. The finding above acts as a entry point to examining the challenges faced by small-scale women entrepreneurs specifically living in the slums and the Kenyan nation at large. With the aim of increasing the national income, reducing unemployment, and eventually reducing the incidences of poverty among women.

## **2.2 Women Empowerment as a Post Development Theory**

Empowerment is one of the principles of community development. It is a process of enabling people to manage their lives, attain confidence, strength, and vision with an aim of transforming their lives individually and collectively with others. Empowerment comes from within; it is achieved when people strive to transform their lives and does not come from what others do for them. When the efforts to change do not come from within, then the impact of the change is disempowering, resulting in dependency or white elephant projects. Empowerment also involves influencing the change of public policies that affect the freedom of choice of an individual towards taking charge of their life. Robert Chamber (2003) supports this view by acknowledging the fact that empowerment is appropriate based on who is empowered and how their new power is used. Power enables people to determine whose needs will be met and resources that will be used. Empowerment therefore is about distributing power to the poor and powerless so that they can take control of their lives and thus improve their livelihood. If those who gain are the outsiders who exploit or the local elite who dominate then the poor and the disadvantaged in the society are worse off. If within the empowerment process only men are involved then the women are left worse-off. For true empowerment therefore, all persons within the community including the disadvantaged should be involved (Chambers, 2003).

There is now a realisation that there cannot be development without people's empowerment; a concept now referred to as post-development or post-modernism. People who hold this theory believe that conventional development practice and modernisation have failed to deliver the needed development. True human development in the twenty first century can only come about by people's empowerment, which comes about through their participation (Mulwa, 2010). Haines (2004) on the other hand, states that conventional development prescribed what individuals seeking to transform should do. The practitioners of conventional development told people how to carry out their lives. Alternatively, post-development theories have an open slate where people participate in their development by voicing their concerns and coming up with locally appropriate initiatives towards their transformation. The process of empowerment is complete when people acquire skills, knowledge, and muscle up their strengths, talents, gifts and assets to meet their specific needs (Mulwa, 2010).

This research looks at the empowerment of women commonly referred to as women empowerment, which became popular in the development field in the mid 1980s (Batliwala, 1994). Women empowerment has been identified with economic empowerment of the women ignoring the more multi-dimensional approach to empowerment as highlighted by Mulwa (2010) above. This type of empowerment is not just the ability of women to earn an income, but should also include their ability to make decisions, to make free choices and exercise those choices. Equally, it is about the ability to muscle up their inner power. Empowerment requires the challenging of patriarchal power relations that have resulted into women having less control over material assess and intellectual resources thus not having the ability to make life choices.

The other approach to empowerment is the ActionAid Human Rights-Based approach, which conceptualizes women's empowerment as women's ability to have a strong sense of self-worth and social identity. It is said that women are their own enemy in the sense that they participate in their own oppression thus their empowerment should begin with their own self-knowledge and awareness that will in turn reduce the ideology that legitimizes male domination (Batliwala, 1994). As the researcher, I totally agree with the notion that empowerment comes from within and can only be fully realized if the woman muscles up enough power from within to develop the circumstances around her. I believe that self-worth and self-esteem are critical components towards the empowerment of women. Their willingness and ability to question their subordinate status and identity and renegotiate their relationships with significant others while equally participating in reshaping and transforming their societies will bring about empowerment (Khosla, 2012). Rowlands (1999) also defines empowerment as accessing decision-making abilities while being in a position to change the way people think about themselves (UN-HABITAT, 2013). Empowerment has to come from within the woman who seeks development.

Development workers have also been in a long process of defining empowerment because it takes different shapes and sizes based on the location and population for whom it is designed. One development worker as quoted by Kabeer 2001, says that she likes the term empowerment because no one has defined it clearly yet. This then gives the development worker room to define it in action terms. Kabeer then attempts to define empowerment as a process of change where one who did not have the ability to make choices now acquires that ability (Kabeer, 2001). These choices have to be strategic life choices that are essential towards meeting the basic needs and not just secondary choices. Empowerment thus helps one determine and utilise not only the financial resources but also human and social resources available to them. Empowerment will therefore look into a change in the way resources are acquired and access to them. Empowerment also encompasses agency; the power from within to set goals and act upon them. Power from within also draws upon spiritual strength, which is self-generated. It refers to self-confidence, self-awareness, and assertiveness. It is change from within, which will also challenge power that dominates and intimidates (UN-HABITAT, 2013).

### 2.3 Women and Development

Women empowerment movements and conferences have successfully put women's issues on the development map of nations around the world. The conferences can be traced back to the 1970s starting from the 1975 International Women's Year conference held in Mexico City and building up to the 1995 Beijing conference. The Nairobi conference of 1985 for example developed a blue print of action that ran up to the year 2000. This action plan urged delegates to take constitutional and legal steps to eliminate all forms of discrimination against women and develop national strategies to facilitate the participation of women to promote peace and development. Gender empowerment, health, education, and employment were also identified as strategies towards the advancement of women. Other declarations and conventions articulating the rights of women and girls are the Convention on the Elimination of All forms of Discrimination against Women of 1979, United Nations Declaration on Human Rights in 1993, the Beijing Platform for Action in 1995, the Nairobi Blue Print of Action of 1985 mentioned above, and the Maputo Women's Protocol of 2003.

The Kenyan government has taken critical steps towards enacting laws and policies in line with the conventions and declarations mentioned above with the aim of addressing inequalities among women. In Kenya, each constituency has a woman representative seating in the National Assembly representing women and children in parliament as required by the 2010 constitution. This has therefore increased the percentage of women in parliament from 9.9 percent in 2007 to 22 percent of women representatives in the National Assembly and 31 percent in the House of Senate in 2017. The constitution also requires that no one gender should have a representation of more than two thirds in elective and appointive government positions. The two-thirds rule has definitely spread to the private and civil society sectors as they seek to uphold the constitution. The government has also set up transformative socio-economic programmes to advance the empowerment of women. There is the Preference and Reservation Regulations that provides that at least 30% of all public procurements should be reserved for women, the youth, and persons with disabilities. There is the Women Enterprise and Development Fund and UWEZO Funds that have annual kitties of USD 44 million dollars and USD 70 million respectively; funds that should go towards improving women's access to enterprise capital. The Women Fund is specifically for women while the UWEZO fund benefits women, youth, and persons with disabilities. Despite the milestone made by the Kenyan Government in setting up these two funds, the UWEZO fund stands the risk of collapsing according to a Daily Nation article by Nyambega Gisesa. The fund risks collapse because fictitious groups that received loans have refused to pay back. This therefore means that the funds cannot revolve among groups seeking economic growth. There is however some gleams of hope if all members of parliament (MP) and women representatives who are the patrons of the fund at constituency and county levels respectively can take charge of the fund. The MP of Kiharu constituency ensured that UWEZO funds given to his constituents was

repaid as expected through training group members, following them up and motivating them to repay their loans (Gisesa, 2016).

In reference to the Women Enterprise and Development Fund, the fund was initiated in December 2006 by the government of Kenya (GoK) as an initiative towards reducing poverty through economic empowerment of women. The GoK allocated Ksh. 1 Billion in 2007/2008 financial year for the fund with the aim of enhancing entrepreneurship among women. The fund aimed at allowing women to borrow money to engage in businesses at very reasonable interest rates without the requirements of cumbersome sureties and other bureaucratic processes. The fund was designed to target poor women, single and unemployed mothers, widows and HIV and AIDS widows (Institute of Economic Affairs, 2008). Equity bank in Kenya also showed its interest in the economic empowerment of women when it launched a branch specifically for women in small and medium enterprises (SME) sector in June 2007. The bank gives credit to community groups and members of the group serve as guarantors to the loan. The women groups also receive six weeks business training. Other facilities that provide services to women are Kenya Women Finance Trust (KWFT) and Kenya Rural Enterprise Programme (KReP) (Institute of Economic Affairs, 2008).

It is also clear that the greatest development can be achieved through women who in most occasions will spend on the development of their families if well resourced (Todaro & Smith, 2012). Women will invest 80 percent of their earnings on the family while men will invest only 30 percent (Chant, 2006). Esther Vicente (2005) further adds that because of men's low participation in the labour force or the lack of employment, women are keeping the economy afloat (Vicente, 2005). This is why investing on women has proved to be of a greater competitive advantage. Women empowerment has been termed as a strategy for good governance and economic growth.

In the past, government and commercial banks have not recognised women due to their lack in financing knowledge and business skills. It should however be taken into consideration that women have some management skills, which is evident as they manage their households. Women have instead been beneficiaries of Microfinance institutions (MFIs) and self help groups (SHG) that have boosted them to become entrepreneurs in their own right. MFIs have also helped to improve the social position of women. Through running their own businesses, women have become more mobile meaning that they have the ability to set up their business in a geographic location that is suitable. They have power to make and influence decisions at the household level. They are respected in the community and their opinions valued. They feel less isolated and have a sense of belonging to an informal group that supports and understands them (Boros, Murray, & Sisto, 2002).

Women empowerment has been adopted and translated to mean various things by both government and non-governmental organisations. The adaptations are aimed at addressing new realities in a given context. Initially women empowerment was geared towards addressing structural inequalities and discrimination against women that would then result in their empowerment (UN-HABITAT, 2013). Although many definitions of empowerment lean towards a person's ability to make choices, many poor women are yet to get to this position. This is because empowerment cannot be imposed through interventions or initiatives. Empowerment has to be triggered through psychosocial and political transformation in addition to the material conditions of life (UN-HABITAT, 2013).

## **2.4 Slums**

Slums are the most deprived forms of informal settlements and are characterised by dilapidated housing and located around the most hazardous urban land. Slum dwellers lack security of tenure, supply of basic services and infrastructure such as water and sanitation, public space, green spaces and constantly exposed to evictions, diseases and violence (UN Habitat, 2015). Slums are caused by urban growth through rural-urban migration, lack of proper housing for urban dwellers, poor urban planning by governments, discrimination, marginalisation, economic vulnerability, unpaid work or displacement due to conflict. Since 2003, the United Nation member states agreed to define a slum household as a group of individuals living under one roof and lacking one or more of what they referred to as the '5 Deprivations'. These deprivations are access to improved water and to improved sanitation facilities, sufficient living area-not overcrowded, and durability of the dwelling structure and security of tenure (UN Habitat, 2015).

Of those termed as vulnerable households within the slums are women, children, and the elderly. This group of people enjoy a relatively small share of the household income and yet contribute a lot of time and energy towards household and community management activities. Households living in great vulnerability are poor single member households and single parents who do not have the benefit of an extra income in the midst of caring for their families (UN-Habitat, 2003). This is the reason why this study will focus on women in the slum

of Mukuru Kwa Njenga as they characterise a vulnerable group of people within the slum.

A study of Mukuru Kwa Njenga shows that it is one of the largest informal settlements in Kenya and is divided into two segments; Mukuru Kwa Njenga and Mukuru Kwa Reuben. The population of Mukuru is contested with estimates ranging between 250,000 to 690,000 people of between 52,000 and 150,000 households (Mutinda & Otieno, January 2015). The G-Pange initiative on a HIV free generation recorded 750,000 people in Mukuru. Each of these two segments is further grouped into smaller villages. The name 'Mukuru' literally means a deep valley in Kikuyu. A valley because, the settlement started as an old stone quarry that was dug up and eventually covered with garbage. People then made this damp site their home by building tin and corrugated iron sheet houses. Part of 'Mukuru' is also built on industrial (near a railway line or near oil pipeline land) and private land. The roads around the slum are in bad state that is made worse due to poor drainage and sanitation systems. Illegal electricity connections pose a threat to children and are one of the causes of fires within the slum (Wairutu, 2011). The slum is however, a buzz of activities with *Jua Kali* shops along the roads of the slum.

The study choose Mukuru Kwa Njenga slum within Embakasi East constituency as its location due to some of the slum characteristics mentioned above and secondly due to the number of persons within the settlement engaged in entrepreneurship. Mukuru is a fast growing slum community in Nairobi because it sits on a larger space than the largest slum in Nairobi, Kibera. Like other slum communities, Mukuru is characterised by poor sanitation, poor access to water, congestion, and limited access to land tenure. These characteristics are bound to affect women entrepreneurs in one way or another. Poor access to water may mean that women have to ensure that there is enough water for their household chores before engaging in any business activities. It may also mean that they cannot construct permanent structures for their enterprises due to regular demolitions by government and private landowners as has been witnessed in the Mukuru Kwa Ruben Education Centre and Cooperative Bank of Kenya case.

It is also evident from literature that Nairobi city's poorest persons live in slum communities. Therefore a research on poverty reduction is best placed within an informal settlement like Mukuru with two thirds of its population of 255,094 engaged in entrepreneurship (Mutinda & Otieno, January 2015). This is unlike the norm of other slum communities where the residents provide labour to companies, businesses, and homes within Nairobi city.

## 2.5 Business Finances

Globally women have little access to owning property such as land that can serve as collateral for financing their businesses. Women in North Africa and Middle East have fewer inheritance rights than men. A 2012 World Bank report on Women Business and Law reported that women only own one percent of the world's property and in developing countries, legal rights decline with marriage. Ownership of property by women in Kenya remains a challenge. Although the Kenya's legal framework gives women equal access to land ownership, patriarchal social and customary norms continue to limit women's ability to exercise their right to ownership of land and other property (Gaafar, 2014). Waithira (2013) research also discovered that culture was a hindrance to property ownership especially among widows in Kikuyu town of Kenya (Waithira, 2013).

Even though women may own land, they do not have title deeds in their custody, or control of the land. Further, men are considered the family breadwinner, and thus a woman's collateral and investments are channeled to priorities that the man deems necessary; the man's investments (Makena, Kubaison, & Njati, 2014). Collateral for entrepreneurs is a requirement when seeking business financing from formal institutions. In the absence of collateral women have resulted to joining SHGs through which they pick loans for business financing. Other sources of business financing available to women in Mukuru Kwa Njenga will be explored through this research.

## 2.6 Management Skill

Lack of management skills is yet another challenge facing women entrepreneurs. It all begins with limited access to education. Management skills can only be developed on a strong foundation of basic primary and secondary education. As mentioned earlier, women and girls around the world form the largest number of illiterate persons (Wube, 2010). In addition, women around the world have limited opportunities and are considered not to be well matured for leadership positions. Women could normally come second after their male counterparts (Ayogu & Agu, 2015). They lack the confidence and self-belief to look for new markets and thus develop their enterprises. They lack the experience and competences to manage financial books and records, people management, liquidity problems among other management skills. This research work will consider the following management skills as being essential to entrepreneurship development; marketing, sales, business networking, people management including self-management, access to expert advice, work experience, access to

role models and financial management. According to ILO, a lack of these skills is detrimental for enterprise growth (ILO, 2008).

## 2.7 Cultural Orientation towards women

The African culture ‘places the woman in the kitchen’ and in the caring role for the family. Therefore, a woman is questioned when she comes home late from her business enterprise. She is expected to come home early to take care of her husband and children. This social expectation on the woman will have an effect on what type of economic activity she can get involved in, marketing options, the technology available to her, the people and organisations with whom she can interact, the place she can visit and when and what control she has on the capital for the enterprise. Some socio-cultural settings may restrict the mobility of women thus limiting their access to training, networks and new markets. This leads to limited access to information on financial services and customers for their businesses (Makena, Kubaison, & Njati, 2014).

A patriarchal social authority structure common in most African communities does not favour women in business. Njeru and Njoka (1998) as mentioned in the ILO women entrepreneurship report of 2008 noted that women from a patriarchal system received substantial family support in the start-up stages of their business but later on such support is limited, restricted or withdrawn for fear of husbands losing dominance over their wives. In addition, the patriarchal system socialises girls to feel the need for affiliation to a man rather than achievement. There is need for entrepreneurial training to empower girls to develop their desire for achievement (ILO, 2008).

A more devastating challenge for the woman is gender-based violence. It is detrimental to enterprise management especially because it instills fear in the woman making her lose confidence and self-belief. The Kenya Demographic and Health Survey (KDHS) 2003 survey stated that violence against women would be detrimental to their mental and physical health. The survey also noted that wife beating persists especially in the Kenya community because both men and women agreed that there are situations that warrant wife beating. The survey states that justification of wife beating is not unexpected because many traditional customs in Kenya teach and expect women to be tolerant which is interpreted as wife submission as required by the Christian religion. This custom impedes women’s empowerment and has serious health consequence (CBS, 2004). The survey further states that the most widely acceptable reasons for wife beating are neglecting the children (55 percent of women and 50 percent of men) and arguing with the husband (46 percent of women and 41 percent of men). Justification to wife beating was more acceptable among women of less education levels, women living in the rural areas and poorer women. These background characteristics were also identified in the 2008/09 survey. Women that carry the brunt of violence more than others are those with primary incomplete level of education (KNBS, 2009). Women in Western, Nyanza and Nairobi regions reported higher cases of physical and sexual violence than women from other regions (KNBS, 2015). It is due to the above disempowering conditions that this study has identified women as a focus. The study will further narrow down to women with incomplete primary education and living in slums. The glaring statistics stated above, also led the researcher in finding out if the respondents had experienced physical abuse from their husbands. Respondents will also be asked how this abuse affects their ability to manage their enterprises.

A heavy household financial burden and family responsibilities by women are other challenges that may hinder entrepreneurial development. According to (ILO, 2008) many women are income poor because income generated from their businesses earnings are used to meet urgent family needs some of which should be ploughed back into the business. The result is a reduction in capital investment that curtails further business growth. In addition, women entrepreneurs have husband and approximately six children who are all depending on this woman for basic needs (ILO, 2008). Women are also time poor this is because they have to play dual roles in the household and in the labour market. They have to be mothers, wives, housekeepers and enterprise owners/managers. A lack of time to effectively uphold all these roles would then mean that the enterprise suffers because they will lack adequate time to plan and manage the enterprises. The reverse could also be true that their families suffer at the expense of the enterprise. This dual role conflict results to poor performance of the enterprise and possible closure (ILO, 2008). A summary on the cultural expectations discussed above is outline in Table 1:2

Another dynamic within the slum context is the high proportion of Female Headed Households (FHH) that have a high ratio of non-working members to working members. Economically stated FHH face a greater risk of being exposed to poverty in the presence of size economies and child-adult ratio. Where size economies, refer to the economies of scale that a household can achieve when the household size is large; therefore, the more the number of children, compounded with sickness or disability, the greater the economic burden in feeding and meeting their other basic needs including education and health care. Due to this burden, children in FHH tend to work in order to earn an extra income for the family, a setup that has a long term negative impact on their



development including education. However, this is not the case with children in other households.

Child care has been one of the major deterrents to accessing regular and stable employment among women and as mentioned above, the burden is greater if children are of a younger age, are sickly or suffering some form of disability. To further substantiate this (Katie, 2005) while quoting Dalla Costa (1995) says that access to work as much as it increases income to women, also increases stress and health related problems because women have to combine work and their continued domestic responsibilities. These responsibilities are compounded by the age, number and vulnerabilities of the dependants (Katie, 2005). The dynamics that deter FHH in their efforts towards poverty eradication are elaborated in figure 2: 1.

### 3. Methodology

The used a mixed methods design that combined both qualitative and quantitative methods with the aim of strengthening the study by gaining the benefits of both research methods. The study randomly sampled one of the organizations working in Mukuru Kwa Njenga and developed a sample frame from all the self-help groups that it works with. A total population of 80 women entrepreneurs was used for this study and a sample size of 66 women randomly selected. Qualitative data was collected through focus group interviews of at least 10 women entrepreneurs and Key Informant Interviews with six women and community workers leading or supporting women entrepreneurs in Mukuru Kwa Njenga. Quantitative data was gathered from a selected sample of 50 women entrepreneurs through the use of a closed and open-ended questionnaire. Qualitative data was analysed in form of texts that captured the voices and experiences of the women entrepreneurs. Notes taken through the focus group interview were edited, cleaned, and organized. A thematic analysis of data collected from the qualitative data generated from focus group interviews was used. The quantitative data generated from the questionnaires was processed through SPSS version 20 analysed through the use of descriptive statistics and presented through frequency tables, percentages and bar graphs.

### 4. Findings

Demographically, 26% of women entrepreneurs interviewed are between the ages 25 to 29 years followed closely by women aged between 30 to 35 years and 35 to 39 years who each formed 20% of the sample of respondents that were interviewed. Women aged 25 to 39 years therefore form the majority; 66%. Interestingly, only one respondent had some post-secondary training. Almost half, (46%) had finished primary school but not progressed for their secondary education. On further probing as to the reason why she did not join secondary school, one respondent said, *"I did not progress with my education because my parents did not have the money to pay for my secondary education."*...INTV 024. Only one respondent had some post secondary learning and 16% with some primary education. Those that had some level of secondary education were 36% much lower than the national mark of 49% (KNBS, 2015). Majority (74%) said that they were married. Respondents who had run their enterprises for less than one year comprised of 36% of those interviewed.

When asked to share on the requirements of operating an enterprise in Mukuru Kwa Njenga the women mainly mentioned capital, access to customers, security, business premise, good customer relations, and competition. On issues pertaining to security, the respondents said that they pay men from the Masai ethnic community twenty Kenya shilling to guard their wares at night. On access to a business premise, respondents shared that they have to pay a group claiming to be 'Mungiki' (a local militia group) amounts ranging from Kenya Shillings 5,000 to 10,000 so that they can construct a 'kibanda' or spread their goods on the road. They further shared that if they do not adhere to this arrangements, their goods will be destroyed. This information was also supported by the key informants who highlighted the harassment by 'Mungiki' cartels as one of the challenges faced by women entrepreneurs. However, respondents from one savings group said that this was not their experience because they had beaten up the 'Mungiki' who had been harassing them and the local area leader had issued a stern warning against the 'Mungiki' harassing business entrepreneurs. Further, regarding the issue of competition, respondents in the focus group discussion mentioned that competition is good because it keeps the entrepreneur on their toes.

When asked what challenges they faced in registering their enterprises, respondents said that the government registration fees was high, and that since Mukuru is an informal settlement, there were no plot numbers. This, they explained made it difficult to give an exact location of the business premise during registration. Other responses given were,

*“We don't register small businesses like ours which are mobile, my understanding is that only big businesses should be registered”.....FGD MKN7, “We do not register our businesses here in Mukuru, we just pay county council fees”..... INTV 036.*

On access to financing, 31 out of 50 respondents (62%) said that they had not received any support towards financing their enterprise. Of the 19 (38%) who had received financial support, 10 (20%) had received it through their Self-help groups, 5 (10%) from a family member, 3 (6%) from the bank and 1 (2%) had borrowed from a friend. When asked if they owned an asset that they could use to get financing for their businesses, 68% of the respondents stated that they did not own an asset while 32% said that they did own an asset. On decision making on the growth of their business, majority of the respondents; 90% said they independently made decisions on the growth of their businesses because their husbands did not have to know about their enterprises. One respondent said”:

*“My husband does not know that I have a business, and when he finds me at my 'kibanda' (non formal structure) I tell him that 'nashikilia rafiki' (I am holding shop for a friend)”....INTV 015.*

Another respondent shared:

*“My husband does not like me washing clothes for male clients. This is challenging for me because I know that male clients pay much better than female clients do. I therefore run my washing business behind his back. I wash the clothes and then spread them out to dry at my neighbour's house so that my husband does not see them”...INTV 027.*

In assessing the family burden among women entrepreneurs, the research sought to identify the number of dependants in the household including persons with disability or chronic illness. Majority of the respondents; 42 (84%) said they had between 1 to 4 children under the age of 18 years. Only one (2%) of the respondent said she had over nine children under the age of 18 years. When asked about household members above 18 years, most respondents; 46 (92%) said they had 1 to 4 persons, which included themselves and their husbands plus one or two other dependants. Majority of the respondents have between 1 to 4 children aged below 18 years and a similar number of dependants living in their household aged 18 and above. This fertility rate is in line with the national rate of 3.9 children per family as at 2014 (KNBS, 2015).

Only 10% of the respondents said that they had a member within the household with a disability and 34% had a member with a chronic illness. When asked to give more information about her children's disability, one respondent added;

*“We had to sell our pieces of land to pay for my daughter's hospital bill following a fire that burnt her palm and left her physically challenged”...INTV 005.*

Key informants also highlighted access to health care as issues affecting the women entrepreneurs. They also pointed out that part of the challenge they face as practitioners is the fact that they are ill resourced to address this issue.

In relation to culture and its effects on women, 86% of the respondents had the freedom to make choices that transform their households. Some of these choices were on education and health care of their children. More than half of the respondents; 60% indicated that they lacked time in managing their roles as mothers, wives, and entrepreneurs. However only 26% and 28% respectively had challenges with their husband or their children when they came home late from their enterprise. Coming home late became a challenge when the woman entrepreneur had not prepared an evening meal for the children, did not help them take a bath before sleeping, or did not help them with their homework. The theme of cultural orientation pertaining to gender-based violence was explored further during the focus group discussion. When asked if wife beating happens, the response given was that ‘yes it does and so does husband beating’. During key informant interviews gender based violence was identified as a challenge faced by women. Two organisations were identified as providers of safe haven for battered women. When asked how this affected one's business, respondents answered that they would not open their shop while suffering a black eye from beatings they have received from their husbands. They further emphasised that they would leave home - their location of business - until the marital conflict was resolved. But, one respondent dealt with her situation differently;

*“For me I will open my business and when people ask me to explain my injuries, then I will tell them that it is the normal family issues”....FGD MKN14.*

This response was supported by the explanation below:

*“There is some beating which you can tell people and do not mind others knowing like receiving a slap from your husband. This is because on receiving a slap, life will go on as usual”...FGM MKN17.*

There was however an exemption, as noted in the words of another respondent:

*“However, if I am hit so hard that I lose a tooth or get a black eye, then I can’t tell customers. I will have to wait until I am well to open my business”...FGD MKN12.*

In their responses they highlighted child neglect, not preparing food on time and refusing to give one’s husband his conjugal rights as the main causes of conflicts between them and their husbands. As noted in this data analysis, these conflicts have far reaching effects on the women’s business and thus their livelihoods and that of their family.

Following the focus group discussions with the women entrepreneurs, additional challenges facing the entrepreneurs were shared as being; insecurity, environmental hazards and corruption. Insecurity was in the form of theft of wares for sale that are mainly left by the roadside. Respondents further shared that residents of Mukuru Kwa Njenga experienced poor sanitation due to an inadequate sewerage system and the lack of enough toilets in the community. When asked how poor sanitation affected their business, one woman said;

*“For some time now, I have lacked an appropriate place to set up my milk selling business. I had previously sold the milk by my “kibanda” which was next to a road that has horrible sanitation that deterred my customers”.....FGD MKN5.*

Other group members added that during the rainy season, one’s house or “kibanda” can be carried away due to heavy flooding. Diseases such as cholera can also deter customers if the Kibanda is next to a road with poor sanitation. Corruption was also mentioned as a challenge faced by women entrepreneurs in Mukuru Kwa Njenga as highlighted in Section 4.3.1 above. The women shared that; *“one has to bribe to register your business”...FGD MKN2*, *“when you get your kibanda, someone else can pay the village elders and the kibanda is taken away from you and given to the person who has paid”...FGD MKN8*. In addition to the corruption saga, an illegal tax is solicited from the entrepreneur by illegal militia groups and village elders.

## 5. Summary of the Findings

In relation to the demographic information of the respondents, this study revealed that majority of the women entrepreneurs interviewed were aged 25 to 39 years and 74% of them were married. This is unlike a previous study from IMF that indicated that 46.2% of household in urban areas were female headed households (IMF, 2010). This study also noted that the levels of poverty are increased by having only one breadwinner in the household who has to bear the family financial burden single handed. This research however found out that majority of those interviewed were married and living with their spouses. One would therefore assume that the husbands would be involved in making decisions on the growth of the women enterprises. This was however not the case as discovered through the questionnaires and the focus group discussions. The research team found out that majority of the women are married but do not discuss their businesses with their husbands. Of those interviewed, 80% made decisions by themselves on how access to capital for their enterprises was used and 90% made decisions on the growth of their business. In fact, the women would rather not inform their husbands that they are involved in any enterprise. This is necessitated by the fact that their husbands will abscond from their financial obligations and leave the entire family financial burden on the woman.

As determined from the research, the level of education of the women entrepreneurs interviewed is low with majority of the respondents attaining primary level education and below. It is however interesting to note that despite their low level of education the women have received some form of business skills training. The training these women entrepreneurs have attained is not commensurate with their level of education. This means that, women entrepreneurs have the ability to take up the business skills training, and would have possibly proceeded with their formal education if financial resources were available. It could also mean that low levels of education will hinder quick comprehension of concepts taught. Despite their access to business skills training, the women entrepreneurs interviewed experienced a high level of business failure and closure. This is deduced from the statistics given earlier in this study that 36% of the women had run their businesses for less than a year prior to the interview. This signifies some form of business failure that could be linked to the fact that 62% of the

respondents reported to have not received any support towards financing their enterprise. Linked to business financing is access to an asset that can be liquidated to access business financing. As stated in the earlier analysis of this study, majority of the women; 68% decried the lack of assets that could lead towards business financing. The women therefore have to use their savings to finance their businesses and meet the basic needs of their families. The entrepreneur has to deliberate between increase business stock or taking a sick child to hospital among other basic needs. This means that if the family financial burden is heavy, the enterprise evidently suffers to the point of closure leading to increase in the women entrepreneurs levels of poverty.

Gender based violence is a challenge faced by women entrepreneurs in Mukuru Kwa Njenga. The women allow or tolerate some form of beating such a slap. Notwithstanding, the women are well informed that beating that causes injuries to the body can negatively affect their enterprise. As deduced from their narratives captured in this study, the women acknowledged closing their business for a while until the injuries would heal or until they resolved their marital conflicts. Thus, it is clear from the research that gender based violence is culturally rooted; with women believing that there is room for some level of violence within marriage and the men beating their wives for nagging, child neglect or suspicion of unfaithfulness. In essence, this violence affects women because they cannot open their enterprises either because they have gone to a safe house or are seeking medical attention. However, in some few cases women are braced to face their customers.

Interestingly, from this study it was evident that majority of the respondents have 1 to 4 children aged below 18 years and a similar number of dependents living in their household aged 18 and above. This fertility rate is in line with the national rate of 3.9 children per family as at 2014 (KNBS, 2015). This has a bearing on the levels of poverty among women entrepreneurs because a great number of young dependants can become a burden to the family and so can dependants who are not earning an income and are depending on them. Additionally, a greater family financial burden is experienced when the family has a member with a chronic illness or disability. The considerable number of persons with disability (10%) and suffering chronic illnesses (34%) in the women entrepreneur's households means a depleted income and thus high poverty levels. It is clear therefore, from the narratives of the women that they are experiencing business struggles with more mouths to feed and health care bills to meet.

## **6. Conclusion**

This research found out that access to business skills training is not a challenge to the women entrepreneurs in their efforts towards poverty reduction. However, majority of the women interviewed do not have assets that they can liquidate as capital for their business and neither do they have access to business financing. This would therefore mean that their enterprises have a low potential for growth especially if the entrepreneur is not injecting capital but is instead using what the business generates to meet the family's financial needs, which include education and health care. The limited access to business financing therefore becomes a challenge faced by women entrepreneurs in their efforts towards poverty reduction.

The research also discovered that gender based violence is still a challenge facing women entrepreneurs in their efforts towards poverty reduction. Wife beating is happening resulting into the entrepreneur not operating her business until she has recovered from the beating or has resolved her marital issues. It is the conclusion of the researcher that deep-rooted cultural norms are hard to break. Other challenges affecting women entrepreneurs in their efforts towards poverty reduction are access to affordable health care services, environmental hazards due to poor drainage and sanitation, corruption through community cartels, insecurity, and lack of access to a market premise where entrepreneurs can sell their goods and services in an organised and orderly manner.

## **7. Recommendations**

In relation to challenges faced by women entrepreneurs in their efforts towards poverty reduction, this research found out that married women entrepreneurs seem to be working towards their transformation without the knowledge of their husbands. This would negatively affect the family and society. The researcher therefore recommends that community development practitioners should ensure that transformation efforts benefit the whole society; boys, girls, men and women because no society is disjointed. In reference to objective one of this research, it was discovered that men sometimes become a hindrance to the development of the women and that is why the women prefer not to involve them. To address this situation, the women suggested that the adults living under their care; that is their elder children and husbands be helped to access some form of employment. They

all concurred that this would further reduce the family financial burden which remains a challenge towards poverty reduction.

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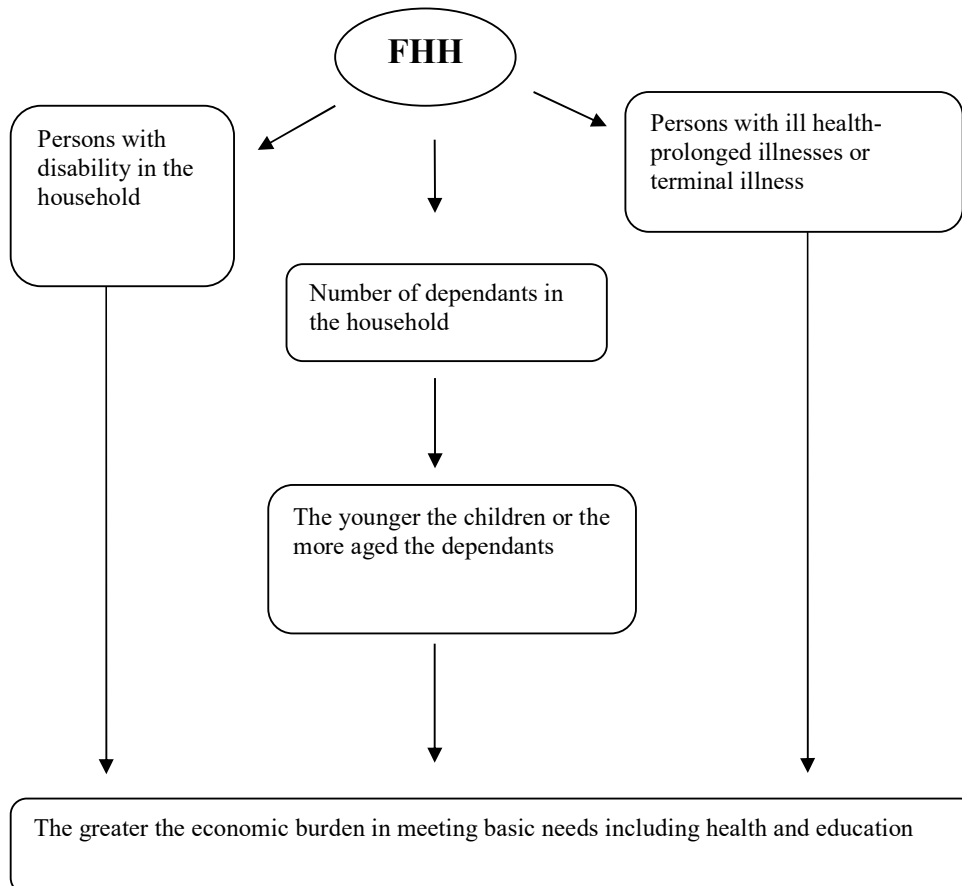
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**Table 1:2: Summary of Cultural Expectations towards women**

Cultural Expectations and socializations	The place of the women is in the kitchen
	The woman adopts a dual role as a mother/wife and as an entrepreneur. The dual role may result in poor time management where the enterprise or the family or both may suffer.
	The patriarchal system of authority would not want to see a husband losing dominance over his wife.
	The woman is socialised to have the need to affiliate versus the need of achievement.
	Gender based violence is tolerated in some cultures for reasons such as child neglect and disagreeing or arguing with one's husband

Source: - Nancy Wanjiku Njagi (2018); Socialization of women

**Figure 1:2: Dynamics that deter FHH in their Efforts towards Poverty Eradication**



Source: - Nancy Wanjiku Njagi (2018); FHH deterrents towards poverty reduction