

# Challenges Faced by the Women Enterprise Fund in Kenya A Survey of Hamisi Constituency, Vihiga County- Kenya

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## Abstract

Access to microcredit has been identified as a principal element for micro entrepreneurs to succeed in their drive to build productive capacity, to create jobs and contribute to poverty alleviation in developing countries. However access to finance for the rural poor especially women has not been easy. This is because women in Kenya experience social and economic discrimination because of the patriarchal nature of the Kenyan society. The Kenyan government acknowledges that women have not been at par with their male counterparts and therefore special provisions have been made for gender mainstreaming. To stimulate economic activity and growth, and to ultimately reduce unemployment, the Kenyan government has placed emphasis in the development and expansion of microenterprise, more specifically the women run enterprises. This has been made possible with the introduction of the women enterprise fund. This study therefore sought to establish the challenges faced by women who access the women enterprise fund. The survey research conducted in Hamisi constituency used interview schedules to collect data from 145 respondents. The data was analyzed both qualitatively and quantitatively and presented through frequency tables and percentages. The study found out that WEF faced numerous challenges both at the lender and borrower level. This affected the effectiveness of the fund. This study concluded that the challenges faced need to be addressed to enhance the effectiveness of the programme. It recommends the WEF should increase loan sizes, improve staffing, work out ways of providing individual loans through group lending and sensitize men to get involved.

**Keywords:** Constituency women enterprise scheme (C-WES), Microcredit, Microenterprise, Revolving loan fund.

## I Introduction

Women entrepreneurship plays a critical role in the economic development of societies. In its smallest manifestation, it enhances livelihoods within the family while on larger and deeper levels, national wealth accrues. However, for long women entrepreneurs have low business performance compared to their male counterparts. This has been attributed to factors such as lack of credit, saving, education or training and social capital [1]. The introduction of microfinance institutions in the developing countries targeted groups that were poorer and in particular, income generating micro and medium sized enterprises. Kenya is among developing countries which faces similar problems. Microfinance, which emerged in response to the failure of the formal financial system to reach the poor, has been successful in reaching poor women through innovative measures to address gender-specific constraints. Special fund concept that includes microfinance and the women enterprise fund were borne to bridge the gap. Since its inception micro financing institutions who are among special fund agents have disbursed substantial amounts of money in the form of credit to specialized categories of which WEF is part [2].

The Government of Kenya's introduction of the women enterprise fund was geared towards creating affordable access to finance for Kenya's women facing difficulties accessing existing micro finance institutions (MFIs) and banks. It is a step towards ensuring that funds reach the marginalized populations. Women form part of this marginalized population. Microcredit is firmly associated with the poor women who are the principal borrowers and therefore the principal beneficiaries of such programmes. This study was motivated by the fact that despite the creation of access to microcredit for women, it is believed that they still face challenges as they utilize microcredit. It is against this background that this study was carried out.

## II Problem Analysis

Many developing countries are turning to microfinance services institutions for an array of financial services, most common being microcredit. This is because access to sustainable financial services enables enterprise owners to finance income, build assets, and reduce their vulnerability to external shocks. Finding start up finance

for an enterprise is the biggest hurdle that many aspiring entrepreneurs go through [3], [4]. The introduction of the women enterprise fund through joint lending has greatly eased access to microcredit for the rural poor. However, being able to access finance is not an end in itself because the success of an enterprise depends on how the microcredit was utilized. An understanding of the challenges women face in utilizing microcredit accessed from WEF is therefore vital. This study therefore sought to examine the challenges facing women in microenterprise development.

### III METHODOLOGY

The study employed survey research design. Survey research is used 'to answer questions that have been raised, solve problems that have been posed or observed, assess needs and set goals, to determine whether or not specific objectives have been met, to analyze trends across time and generally to describe what exists, in what amount, and in what context,' [5]. A survey is also useful in describing specific aspects of a given population; it uses a selected population from which findings are generalized back to the population. The data collected for a survey research is collected from people and therefore subjective[6]. This study was conducted in Hamisi constituency which also doubles up as a district. This was previously a division of the larger Vihiga District, Western province. Hamisi constituency is a hilly terrain straddling the Equator from East and West. It covers an area of 590.2 square kilometers with a total population of 148,259 people of which 77,790 are females (KNBS, 2010). The majority of the inhabitants are poor peasant farmers who make out a living from a harsh rocky land. The district is rated as one of the poorest in the country due to high population growth and alcoholism among the youth. This study first employed purposive sampling. It is because of this reason that this study chose on only those women who had applied the WEF in Hamisi constituency. With the assistance of the field officer in Hamisi constituency and the field development assistants in charge of the various divisions, names of all loanee applicants were obtained and arranged alphabetically. Thereafter the researcher used systematic random sampling in which the respondents for the study were picked from each division at an interval of four. This was calculated by dividing loan applicants from every division by the total population then multiplying it by the sample size in order to get a representative sample. Both successful and unsuccessful loan applicants A sample of 148 respondents was found to be suitable at 95% confidence level. This study involved the use of descriptive statistics and therefore found a sample size of 148 to be adequate. Data was collected using the interview schedule and questionnaires. Questions were formulated beforehand and asked in a set order and a specified manner. The respondents were traced to their homes or working areas and the interview schedules administered by the researcher. The questions comprised structured and semi-structured, typed with sufficient space left for the responses to be filled in (appendix I). The questions were categorized into three main parts: questions on the background information, enterprise information, constraints, risks and entrepreneurial skills. Interview schedules allow for probing, consequently taking care of the weaknesses of questionnaires. The in-depth interview schedule provided the researcher with an opportunity to probe answers where one wants interviewees to explain or build on their responses. The secondary data collection techniques included a review of information and statistical data from National statistical surveys and the national census, studies reports related to the situation of women in Kenya; micro credit project studies and reports as well as the annual and monthly reports. The internet also provided vital information and cannot be overlooked. The data collected was both qualitative and quantitative. The data collected from the field was edited and coded by assigning numbers or symbols for identification purposes and then classified into categories. Data was analyzed using descriptive statistics. Quantitative data related to characteristics of the applicants namely; age, marital status, levels of education were measured descriptively in terms of percentages. Qualitative data relating to factors influencing access to credit, the constraints experienced in accessing microcredit, household decision making and utilization of credit was also analyzed.

### IV RESULTS AND DISCUSSION

Frequency distribution tables were used to analyze the social and demographic factors such as level of education and age of respondents. Respondents' ages were grouped and tabulated in Table 1 below:

Table 1 above shows the distribution of respondents who had applied for microcredit in Hamisi constituency by April 2012. Most of the respondents were above fifty one years with 57.2%. This was followed by 24.1% of the respondents aged between 41-50 years. It is worrying that older women are the ones accessing this fund contrary to expectations that a younger generation of women would do because they are the most productive. This could be because they bear the burden of having to take care of a family. It could also be a possible indication that women who are past child bearing age find it easier accessing these funds and starting small businesses because the burden of taking care of family has lessened. Distribution of respondents according the highest education attained was summarized and presented in Table 2

Table 2 shows that 12.4% of the respondents had no education, 37.2% had completed primary education, and 32.4 % had completed secondary education, while 17.9% had tertiary level of education. The largest number of

women borrowers interviewed had attained primary education as the highest level of education attained. It is also worrying to note that 12.4% of the women were illiterate yet they have to deal with numbers in entrepreneurship. Only 17.9% of the women interviewed had attained post-secondary education. It can be inferred that small and micro businesses are dominated by people with relatively low levels of education. This is an indication that WEF has to do a lot in terms financial literacy. It also means that with these levels of education, many women are not able to get meaningful employment. This leaves them with very little to do to alleviate poverty. This study investigated the various institutions that lent money to women in Hamisi constituency.

Table 3 shows financial institutions that granted credit to women who were interviewed. The highest percentage (60.7%) identified women enterprise fund as the source of microcredit, 40.0% was provided by both commercial banks and WEF while only 2.1% was their own savings. The role played by WEF in enabling access to credit among women in Hamisi is extremely important though this study found out that most women turned to other microcredit organizations because WEF provides tiny loans that could not meet their needs. Own savings plays an insignificant role as a source of capital. This is an indication that savings level in Hamisi among women is low.

Keeping in mind that this fund was meant to help needy women engage in petty entrepreneurial activities, Information on utilization of credit is important to be able to comment on the usefulness of the fund. Respondents were asked how they utilized the microcredit they received from WEF. Findings were presented in Table 4

WEF is meant to start or expand business. This study established that 55.2% used WEF for the same purpose it was intended that is to start or expand business, 42.1% utilized credit for other purposes. The remaining 2.8% represents those who had applied but did not get the microcredit. It is a worrying trend to note that when asked why they applied for microcredit from WEF 73.1% said it was to start or expand business but later this number goes down to 55.2%. The remaining respondents had diverted all or part of the money to meet household and other needs. This is important for the credit providers, as they need to emphasize on the women entrepreneur living through their intended purpose for credit. This is an area where financial management and training may be of help in Hamisi Constituency

### **Challenges Faced by WEF**

This section outlines challenges at two levels. The first level will be those challenges faced by the borrower and the second level will be lender challenges. This study found that women who had accessed this fund face a number of challenges which hampered enterprise growth. This study investigated these challenges by seeking responses from women who had received this fund and who are respondents for this study. Responses were presented in Table 4

The five major challenges facing petty businesses are: inadequate capital, high competition, insecurity, poor infrastructure and loan diversion. This study found out that the biggest challenge facing women in operating small businesses was inadequate capital (35.2%). They felt the microcredit they received was not enough for the business venture they would have wanted to undertake which resulted in changing the initial investment plan for other options that were totally new. This was followed by high competition from other businesses of the same nature (25.5). Women in the rural areas of Hamisi tend to engage in businesses of the same nature. This duplication leads to high competition.

The third major challenge was insecurity with 21.4%. Most of the structures used for business were semi-permanent and therefore not secure. Some respondents felt they were operating in areas that were not safe. Related to this was poor infrastructure in the area (14.5). Some of the roads within Hamisi were impassable especially during the rainy season which made transportation difficult and at times expensive. The fifth main problem was loan diversion (14.5%). Respondents agreed to have used microcredit from WEF in other purposes other than what it was meant to do. Some used the money to pay school fees, pay medical bills, for domestic use among others. The other challenges also noted were group wrangles especially where the microcredit was invested as a group, inadequate time, illiteracy, perishability of goods, harassment from the council, and dealing with creditors among others. A small number of women felt they did not have adequate time to run the business.

Not all respondents reported they were experiencing challenges. There are some women who used the microcredit for other purposes other than starting or expanding an existing business. A small number of women did not get microcredit and had no business in place. A few businesses did not report any business challenge despite having a business in place.

### **Strategies Adopted in Managing MSE Challenges**

When asked how they handled the challenges faced, respondents reported that they faced different challenges which required different approaches. The table below shows some of the approaches adopted to counter the various challenges. This was presented in Table 7.

Competition was cited as the major challenge by respondents. When asked how they dealt with it, they suggested

a number of strategies employed to counter that. This includes good communication with the customers (11.0%). It was indicated by respondents that buyers tended to avoid places where they were not treated well by the management. The other strategy was selling at a slightly cheaper price than their counterparts (9.7%). Using lower prices to compete may mean lower profits though it may translate into selling bigger volumes. Also to counter competition some respondents gave credit to their customers (6.2%), sold goods of good quality (7.6%), and offered better services to their customers.

Insecurity poses a big challenge to the growth and survival of microenterprises in Hamisi. The owners of these businesses employ a number of strategies to counter this. The first strategy is employing a guard to take care of their business premises at night (7.6%). This means increasing the cost of running the business. Others avoid overstocking as they have to carry the goods to their houses and some close the business early. The other challenge faced was perishability of goods. Respondents who run grocery shops were asked which strategy they employed to counter this and many of them said that they stocked according to demand (10.3%). This means if you have few clients you stock fewer goods. This also spells a death knell to the business because it means making little or no profit at all. Some of them admitted selling on credit rather than have the goods spoil.

Most respondents indicated that the biggest challenge they faced was insufficient capital. When asked what strategies were employed some said they took other small loans from other financial institutions (8.3%). Others did nothing about it (6.9%). There were challenges encountered by the fund as brought out by WEF staff and financial intermediaries. These were conclusions drawn from appendix 2. The officers working with WEF were asked similar questions. Their responses were also similar. They acknowledged that they faced challenges in the disbursement of WEF. Findings were presented in Table 8.

From the data above it can be concluded that the biggest fund level challenge is delays in disbursement (71.4%). Officers from WEF said that there were delays in disbursement of loans from WEF and by extension the ministry of finance to the lending institutions. This made their borrowers to wait for long periods of time. This was closely followed by inadequate field personnel at 42.9%. Field officers were responsible for constituencies while social development assistants (SDAs) were in charge of divisions. These WEF workers were hired on voluntary basis. The WEF managers said that there was a high turnover as they tended to move to better jobs. This means that officers who have developed good working relations with various groups have a higher likelihood of moving away. The other challenge was inadequate field facilitation (42.2%). Field officers covered wide areas of operation and therefore felt that they lacked adequate facilitation especially money to enable them facilitate field facilitation. Other challenges included illiteracy among women borrowers (42.9%) which led to inappropriately filled loan forms (14.3%). The other challenge cited was group wrangles (28.6%) and small loan amounts (28.6%). Respondents indicated that the amounts allocated were small in comparison to the actual credit demanded by women borrowers.

### **Enhancing Access to WEF**

This study sought to find out from WEF officers what they felt could be done to enhance access to WEF in Hamisi constituency. This study found out possible ways of enhancing access to credit from officers working with WEF in Hamisi constituency. One of the ways of enhancing access to WEF was simplifying the loan application process (57.1%). Considering that most of their borrowers only have basic education, simplifying the application process would go a long way in ensuring that more women access the fund. At the moment the field officers assist the women borrowers to fill the loan forms. This is a step in the right direction, however it should also be considered that the respondents already cited that the field officers are not readily available. The other solution is financial education to the borrowers (57.1%). Women should be educated on the availability and the importance of the fund. They should also be encouraged to form self-help groups to enable them access the loan. It was also felt that more women would access the money if they were to get individual loans though still under joint liability lending (42.9). In order for women borrowers to be efficiently reached they felt there was need to increase the number of field officers (42.9%). Increasing loan sizes was another suggestion (42.9). the average amount of money received as microcredit does not exceed Kshs 5000. There are those who received as little as Kshs 1000. While this is appreciated that it's not very small given the socio-economic backgrounds of the women under study, it may not be sufficient for one to gain entry into the MSE sector.

One of the challenges faced was low levels of education among women borrowers. The WEF staff has tried to take care of this by providing training to women. With free training on financial management for the women borrowers it was necessary for this study to find out if the women had taken up the training. This study sought to investigate whether the women who had received microcredit from WEF had been trained on financial management. This is presented in Table 9.

It was ascertained that at least 60.0% of respondents had been trained on financial management while, 40.0% of respondents had not been trained. Training in financial management is crucial in running any business however small. This is because one is able to keep records and is therefore able to tell whether they are making profits or losses. Though it is a requirement that women be trained before they can access microcredit. However women

cannot be forced to attend the training sessions and cannot be denied access to microcredit on this basis. The much that can be done is to encourage them to attend. There are some women who had deliberately not been trained on financial management. There were those who had been trained but felt they would do better with more training. This study therefore sought to investigate who among the women needed training. This is presented in Table 10. This study found out that 64.1% of respondents indicated that they required training on financial management while 34.5% of respondents do not require training in financial management. This is a message to WEF staff to step up training. This training could be carried out in areas close to their homes so that women are not burdened with travel expenses which also eat into their time.

## Discussion

### Challenges Encountered by the Fund

This study found out that WEF faced challenges at two levels: borrower challenges and lender challenges. Women who access microcredit in Hamisi constituency experienced a number of challenges when it came to utilization. The following are the five main challenges cited by respondents.

### Borrower Challenges

Small loan sizes is a challenge that was cited by borrowers and lenders. Women borrowers acknowledged that the amounts loaned to them were much less than what they needed to improve their enterprises. At the time of conducting this study the first loan given to a group was Ksh 50,000, second loan Ksh 100,000 and third loan was Ksh 200,000. If a group had 20 people, this meant that each member got Ksh 2,500. Having fewer members in this case is the only sure way of getting a bigger loan. However even those groups that had the least number of members which is 10 the loan sizes hardly exceeded Ksh 5000. There are also some members who made arrangements so that not all members received microcredit during the initial lending. Previous studies done by [7], and [8] pointed out that even where microfinance institutions have come in to address the issue of access to credit; their focus has largely been on poverty eradication rather than enterprise development. Their loan sizes therefore tended to be too small to support enterprise growth.

Competition is another challenge facing women borrowers. According to this study, women loanees were engaged in similar businesses with services or products which were not differentiated. This is partly because Hamisi being a rural area, there are no wide variety of economic activities for women to choose from. Lack of differentiation meant that switching costs for customers were minimal, therefore increasing competition among the enterprises. [7] in their study on micro, small and medium enterprise growth and innovation in Kenya agree that lack of diversification of products and services made most businesses to stagnate or even decline leading to ultimate collapse. [9], in their study on management of business challenges among small and micro enterprises in Nairobi- Kenya cited competition as the most pressing challenge. This is expected because his study was conducted in an urban area. According to the [10], most SMEs especially small sellers and producers tend to congregate in dense markets and overcrowded cities.

Most of the women who utilised the microcredit as a group said that their main challenge was wrangles within the groups. They confirm that they invested the money as a group because individual loans were too small for members to invest on their own. The group wrangles mostly stem from lack of transparency and accountability among the group members. They also lacked individual choices as members of the group. Women seem to prefer individual loans where they could receive up to Ksh 500,000. However the requirements for accessing these loans were the conventional requirements: collateral, business track record of 3 years, having an account with a bank for at least six months and having a viable business plan.

Women entrepreneurs were faced with multiple responsibilities. Women entrepreneurs do not have adequate time to tend to their businesses due to their many responsibilities. According to [11], the responsibility of providing for the extended family and relatives is a challenge for many women. Most enterprise financial resources are not usually isolated from personal finances and hence these family obligations are met from resources earned from the business. Their demands tend to drain their savings and income made by the business, since such finances would otherwise be used in the enterprise expansion and growth. This study cited insecurity as the third main challenge faced by women in running their small businesses. Most of the structures used as business premises were mostly semi-permanent mud walled structures which are insecure.

Findings from this study indicated that some borrowers used WEF microcredit for other purposes other than starting or expanding businesses. Some respondents admitted to have used the money on school fees, medical bills, and meeting domestic needs. This partly leads to the default cases recorded. Providing entrepreneurial training and education to potential and existing entrepreneurs is one way of enhancing entrepreneurial activity. The results obtained from this study indicated that more than a third of the respondents had no training in financial management. Though it is a requirement before a group can access microcredit, women seeking microcredit cannot be forced to attend training. There are those women who deliberately fail to attend training because some of them have no prospects of starting a business and therefore look at it as a waste of time.

Although education is not mandatory for new venture creation, it does provide one with basic skills, contacts and opportunities vital for a successful business.

### **Lender Challenges**

The officers working with WEF confirmed what the women borrowers had already pointed out that microcredit from WEF was usually delayed. They said that sometimes it was not their making because sometimes the ministry of finance delayed in disbursing the money to the constituencies. At the fund level the fund managers said they had to wait for other women making repayments so as to give the money to other women since it is a revolving loan fund. When women fail to pay on time this is extended to other women who in turn have to wait. These delays caused long waiting periods among women borrowers.

There are women entrepreneurs who did not have basic education. This is the group of respondents who said that the loan application process was difficult. It is difficult for women without any education to keep financial records. They also found transacting businesses at the bank difficult. One KCB staff affirmed that they usually made mistakes when making deposits. In most cases they would fill in their names in the deposit slips instead of filling in the name of the group. These findings are consistent with [7] who affirm that a sizeable proportion of women entrepreneurs lacked basic literacy which incapacitated them in terms of proper record keeping.

WEF faces the challenge of inadequate field personnel. The WEF had officers at their regional offices. Hamisi constituency is within Vihiga County which is within the Western region. These officers usually cover large areas spanning several constituencies. One field officer was in charge of a constituency. Social development assistants were in charge of divisions- one for every division. The field officers and social development assistants were volunteers. Most of the field officers and social development assistants often left when they got better jobs. It takes a lot of time for women to develop good working relations with the field officers. This affects the continuity of work as a new officer will take some time to know his/her clients.

WEF also faced inadequate field facilitation as established by this study. This is because officers working with WEF covered wide areas, it was generally felt that they were not well facilitated to do the field operations. They were not well facilitated to move and reach out to women who are their potential borrowers or those who have received funds in order to monitor their progress. Employees that are not well motivated will not deliver efficient services.

### **Strategies Adopted in Managing MSE Challenges**

Among the respondents who participated in this study, 83% reported that they faced challenges. If these challenges are not managed the result could be business failure. Results from this study indicated that business owners adopted a number of strategies in order to manage MSE challenges. The strategies adopted included; good communication, stocking according to demand, sell cheaper other businesses around them, avoid selling on credit, taking small loans, employing guards, selling quality goods among others. Respondents used in this study used a number of strategies to counter their competitors. This included selling cheaper than their competitors, selling quality goods and stocking according to demand. While some avoided selling on credit because debt collection was a great problem, others offered credit facilities to their customers in order to avoid losing them.

Insecurity was also cited as another challenge which the respondents had to deal with. Most respondents who cited insecurity as a threat had employed a guard to take care of the premise especially at night. Others, because of the size of the enterprise and the expenses to be incurred, had resorted to using other methods such as closing early to avoid thugs, carry stocks to their houses especially where the business premise is not permanent. The implication is high costs of running the businesses most of which were still in the start-up stages.

Other respondents had a difficult time dealing with creditors and so had resolved not to sell their goods on credit. Those who faced perishability of goods as a challenge reported that they stocked goods in small quantities or gave out the commodities on credit before they get spoilt and collect the money later. There is a small group of respondents who reported that they did nothing about the challenges they faced.

### **Enhancing Women Enterprise Fund**

The officers working with WEF felt that the fund could be much better if a number of things were done. This includes simplifying loan application process, financial education to the women, provide individual loans under joint lending, increase number of field officers and increase loan sizes. It is mandatory for all women to be trained before they receive the loan to ensure that individual members had appropriate knowledge and skills to steer their businesses to success [7]. This study found out that women had received training without being trained. This leaves unanswered questions on whether training was indeed mandatory.

### **VI Conclusions and Recommendations**

From the findings of this study, it is concluded that women face constraints in accessing WEF. This includes constraints such as unavailability of WEF staff, long and cumbersome application process, long periods of loan processing and group dynamics. While there is demand for microcredit among the rural population there are

factors that hinder women from accessing WEF. Such factors include fear of loans, inadequate information on WEF, lack of financial ideas and misuse of funds. Findings from gender and utilization of microcredit show that most women make decision regarding utilization of microcredit from WEF. WEF as a fund faces many challenges. The major ones as cited by this study include inadequate personnel, delays in disbursement, inadequate field facilitation and illiteracy among women. Women who access these funds also face challenges like small loan sizes, high competition, insecurity, poor infrastructure, loan diversion and group dynamics. The overall outcome of microcredit greatly depends on how it was utilized. This means that the kind of business venture women get involved in will greatly determine the outcome. Whilst microenterprises are very often the source of innovation, they are especially vulnerable to competition from counterparts who introduce similar products or services making the market to be saturated with the same range of products. This calls for WEF staff to guide women in choosing viable businesses close to their homes. It is also worth noting that people do not necessarily become rich by starting a new business. It is a motivation to think you will make it by observing seemingly wealthy business owners around us. This could as well be misleading because we may be observing the survivors, not the casualties. We are studying a small awards ceremony, not the huge cemetery behind the festivity hall. An aspiring entrepreneur should have a decent business idea, have spotted a genuine gap in the market, an unfulfilled customer need. Entrepreneurs should see “problems” as “opportunities” then take action to identify the solutions to these problems and customers will pay to have their problems solved. Findings from this study also revealed that women who access these funds face challenges as they put the money to use. The main one being small loan sizes. It should be made known that what matters is how microcredit is utilized however small. Training on financial management is important as it equips women loanees with the necessary skills to help them run their businesses. However one would question the logic of training someone without any formal education. Usually the training is on the basics of financial management so that one is able to know how much they invest and how much profit they are able to make out of it. However financial training cannot bear results on its own. It is also necessary that frequent visits be made to know what women have invested in and monitor their progress.

### **Recommendations**

Based on the research findings, this study presents some of the key policy recommendations that could enhance the quality and sustainability of the women enterprise fund. To begin with, this study established that women utilized microcredit in areas of their choice. This included using microcredit to meet their household needs. There is need for WEF through field officers and social development assistants to assist women to invest their microcredit in productive activities. This will make repayment easier and help women avoid default. This study also found group wrangles brought about by misunderstandings within the group to be a challenge to women entrepreneurs. This study therefore suggests that CWES should be restructured to allow women to access individual loans but still under JLL. This will give the borrowers the freedom to invest in business activities of their own choice. Since it is not possible to take into account the interests of every group member when it comes to decision making, individual investment could spur more growth.

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**Tables:**

**Table 1 Age of Respondent**

Age of respondents	Frequency	Percentage
18-30	9	6.2
31-40	18	12.4
41-50	35	24.1
Above 51	83	57.2
Total	145	100

*Source: Field Data (2012)*

**Table 2 Education Level of Respondents**

Level of Education	Frequency	Percent
No education	18	12.4
Primary	54	37.2
Secondary	47	32.4
Tertiary	26	17.9
Total	145	100

*Source: Field Data (2012)*

**Table 3 Funding Institutions**

Funding Institution	Frequency	Percentage (%)
WEF	78	60.7
WEF and other banks	58	40.0
WEF and own savings	3	2.1
Others	2	1.4
Not applicable	4	2.8
Total	145	100

*Source: Field Data (2012)*

**Table 4: Utilization of WEF**

How did you utilize WEF	Frequency	Percent
Start/ expand business	80	55.2
Other Purposes	61	42.1
Not Applicable	4	2.8
Total	145	100

*Source: Field Data (2012)*

**Table 5: Challenges Facing Loanees**

Challenges faced by Loanees	Frequency	Percentage of cases
Inadequate capital	51	35.2
High competition	37	25.5
Insecurity	31	21.4
Poor infrastructure	21	14.5
Loan diversion	20	13.8
Group wrangles	17	11.7
Using proceeds from business	13	9.0
Perishability of goods	12	8.3
Fluctuation of prices	9	6.2
Inadequate time	8	5.5
No proper record keeping	6	4.1
Dealing with creditors	6	4.1
Harassment from the council	5	3.4
Illiteracy	5	3.4
Others	17	11.7
Total	262	

*Source: Field Data (2012)*



**Table 6: Strategies used to solve challenges**

Strategies to solve challenges	Frequency	Percentage of cases
Good communication	16	11.0
Stock according to demand	15	10.3
Sell cheaper than them	14	9.7
Avoid selling on credit	13	9.0
Take small loans	12	8.3
Employ a guard	11	7.6
Sell good quality goods	11	7.6
Do nothing	10	6.9
Sell a variety of goods	10	6.9
Give credit to customers	9	6.2
Offer better services	8	5.5
Employ an assistant	4	2.8
Sell at a higher price	1	0.6
Others	15	10.3
Not applicable	25	17.2
Total	174	

*Source: Field Data (2012)*

**Table 7: Fund level challenges**

Fund level challenges	Frequency	Percentage of cases
Delays in disbursement	5	71.4
Inadequate personnel	3	42.9
Inadequate field facilitation	3	42.9
Illiteracy among women	3	42.9
Group wrangles	2	28.6
Small loan amounts	2	28.6
Inappropriately filled loan forms	1	14.3
Total	19	

*Source: field data (2012)*

**Table 8: Factors that could enhance access to WEF**

Enhancing access to WEF	Frequency	Percentage of cases
Simplify loan application process	4	57.1
Financial education	4	57.1
Provide individual loans	3	42.9
Increase number of field officers	3	42.9
Increase loan sizes	3	42.9
Increase financial intermediaries	2	28.6
Total	11	

*Source: Field Data (2012)*

**Table 9: Whether Respondent has been trained on Financial Management**

Trained on finance management	Frequency	Percent
Yes	87	60.0
No	58	40.0
Total	145	100

*Source: Field Data (2012)*

**Table 10: Whether Respondent Require Training in Financial Management**

Requirement on training	Frequency	Percentage (%)
Yes	93	64.1
No	50	34.5
Invalid	2	1.4
Total	145	100

*Source: Field Data (2012)*

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