EFFECT OF GOVERNMENT INTERVENTIONS ON THE GROWTH OF ENTREPRENEURIAL WOMEN MICRO AND SMALL ENTERPRISES IN TRANS NZOIA COUNTY, KENYA

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Effect of Government Interventions on the Growth of Entrepreneurial Women Micro and Small Enterprises in Trans Nzoia County, Kenya

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DECLARATION

This thesis is my original work and has not been presented for a degree in any other university.

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DEDICATION

This thesis is dedicated to my beloved wife Terry and our children, Brian, Ian, Joy, Marilyn and John for their prayers and encouragement during the period of my study.

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ACRONYMS

EO	Entrepreneurial Orientation
GDP	Gross Domestic Product
GoK	Government of Kenya
ILO	International Labour Organization
KIPPRA	Kenya Institute of Public Policy Research and Analysis
MSEs	Micro and Small Enterprises
MSME	Micro Small and Medium Enterprises
NGO	Non – Governmental Organization
NGOs	Non-Governmental Organizations
RoK	Republic of Kenya
SDG	Sustainable Development Goals
SMEs	Small and Medium Enterprises
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
USAID	United States International Development
WEF	Women Enterprise Fund

DEFINITION OF TERMS

Business/Enterprise/Firm: The terms business, enterprise and firm are used interchangeably to refer to an economic unit producing goods or providing services. They are entities under whose umbrella an establishment operates. Examples include factories, kiosks, taxis and hawkers (RoK MSME Survey, 2016)

Enterprise growth/performance: Expansion of the enterprise in terms of changes in sales revenue, profit, number of employees, capital employed, record keeping, creation of new products, processes and markets etc(Moreno & Casillas, 2007).

Entrepreneur: An innovator who carries out new combinations to initiate the processes of economic development through introduction of new products, new markets, conquest of new source of raw materials and establishment of a new organization of industry for the sake of profitability (Nteere, 2012).

Entrepreneurial Orientation: Entrepreneurial Orientation refers to the practices that entrepreneurs make to identify and launch competitive ventures. It represents a frame of mind and perspective about entrepreneurship that is reflected in a firm's ongoing processes and corporate culture with innovation, risk taking and pro activeness as the main components (Lumpkin & Dess, 2005).

Government Interventions: Enterprise direct support programme in the form Business Development services (BDS) which include a complete package of policy and regulations, subsidised entrepreneurial credit and entrepreneurial training offered by the Governments to Micro and Small Enterprises nurture growth(Nteere, 2012)).

Huduma centres Kenya: A network of public government offices in Kenya in which Kenyans can transact various businesses/essential services such as driving licence renewal, duplicate identity cards, business names registration, good conduct certificates, seasonal parking licences etc. It's a one stop shop to access and pay for government services electronically in order to cut corruption and bureaucracy. This is a Kenya vision 2030 flagship project captured under the second Medium term plan [2013-2017] (http//www.hudumakenya.go.ke, retrieved on 14 July 2017).

Micro and Small Enterprises: A business engaged either in manufacturing, trade, service or agribusiness employing between 1 – 10 employees (Micro Enterprise) and 11 – 50 employees (Small Enterprises). Therefore, Micro and Small Enterprise is a business in agribusiness, trade, service or manufacturing employing 1 – 50 people (Republic of Kenya, MSE Act, 2012)

ABSTRACT

The objective of this study was to investigate "Effect of Government Interventions on the Growth of Entrepreneurial Women Micro and Small Enterprises in Trans-Nzoia County, Kenya". The Study sought to establish the effect of Government interventions provided to Women owned MSEs through Women Enterprise Fund on growth and whether there was any significant positive relationship between the interventions provided and growth. The study utilised a mixed research design composed of qualitative and quantitative methods. The target population was 700 women owned group MSEs. Questionnaires, interview schedules and observation methods were used to collect data a sample of 254 women MSE owner managers in Trans-Nzoia County who had received Government interventions of entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and government policy and regulations between 2009 and 2014. Growth was measured in terms of change in sales revenue, profit, number of employees, monthly employee earning and capital employed before and after Government interventions. Data was collected between 1st January and 28th February, 2016. The data was analysed using descriptive and inferential statistics of frequency distribution, mean, standard deviation, paired t tests, correlation and multiple regression analyses. Hypotheses were tested and inferences made, from which generalizations and conclusions were drawn. The independent variables of business experience, entrepreneurial training, entrepreneurial credit and Entrepreneurial Orientation had statistically significant relationship with growth of women owned Micro and Small Enterprises. However, business experience had a statistically insignificant relationship with growth in terms of change in number of employees. Government policy and regulations had statistically insignificant relationship with growth of women owned MSEs in terms of increase in sales revenue, profit, number of employees, monthly earning of employees and Capital Employed at 0.05 level of significance. It was concluded that Government interventions have significant positive relationship with growth of women owned MSEs when properly managed from policy formulation to

implementation. It was recommended that the amount of subsidized entrepreneurial credit should be increased to a higher maximum level and be made available to 'growth oriented' individual or group women owned MSEs on graduation basis to facilitate faster growth and graduation of MSEs in to medium and large scale enterprises. The Government in conjunction with County Governments should facilitate continuous learning of the women MSE operators through technology upgrading and exchange visits, provision of modern business infrastructure and reduce bureaucratic regulatory regime to Micro and Small Enterprises. Clustering of Micro and Small Enterprises with subsequent subcontracting arrangements should be facilitated by the Government for easier access goods to National and International markets. The study results would be useful to Government policy makers, NGOs, researchers, County Authorities and Financial institutions in formulating relevant policies to facilitate faster growth and graduation of MSEs in to medium and large scale classification in line with Vision 2030, Sustainable Development Goals and Agenda 2063.

CHAPTER ONE

INTRODUCTION

1.1 Background

Micro and Small Enterprises play a significant role in creating employment opportunities to a large proportion of Kenyans more than any other sector. According to Republic of Kenya [RoK] Economic Survey (2017), 747,300 (89.7%) new jobs were created in the informal MSE sector as compared to 85,600 in the formal sector. This compares with 720,000 new jobs created in 2015 by informal Micro and Small Enterprise sector and 120,000 in the formal sector (RoK Economic survey, 2016).

The MSEs act as incubators for medium and large scale industries which are critical for industrialization (Republic of Kenya [RoK], 2005). The MSEs also contribute significantly to a country's GDP, for example, between 1999 and 2015, the contribution of MSEs to Kenya's GDP increased from 18.4% to 33.8%,   where as total employment created by MSEs increased from 3.7 Million in 1999 to 12.6 million in 2015 (RoK, 2016) and to 13.3million in 2016 (RoK Economic survey, 2017). UNIDO (2010) posits that Micro and Small Enterprises Play a Key role in economic growth and industrial development of a country. They make vital contributions in improving economic and social sectors of a country through stimulating large scale employment, investment, development of indigenous skills and technology, promoting entrepreneurship and innovativeness, enhancing exports and also building an industrial base at different scales.

Due to the importance of MSEs in promoting economic development, it has the potential together with other sectors in the economy to increase the current economic growth rate from 5.8% (RoK, 2017) to 10% by 2022 in line with vision 2030 (RoK, 2012a). The Jubilee government initiative to create one million jobs per year can aptly be achieved through intense promotion of the MSE sector (RoK, 2013). Therefore, focus on MSEs sector should be increased because it has the ability to enhance national growth, create jobs and reduce poverty, which affect 41% of the country's population (RoK, 2016;

MSMEs Survey, 2016). The enterprises are a source of technological change and are therefore pace setters in innovation and maintenance of socio-economic stability. The MSEs have also become the focus of policy makers due to their ability to distribute incomes in both rural and urban areas, and within gender (RoK MSE Baseline Survey, 1999): In 2015, the population of people engaged in MSE sector in rural areas was 64.5% compared to 35.5% in urban areas.(RoK MSME Survey, 2016)

The unequal situation of women versus men in the MSE sector was highlighted in the 1992 sessional paper as cited by RoK (2005). The paper acknowledged that "Gender equity among entrepreneurs was undermined by the special constraints faced by women, including loopholes in the implementation of equitable laws, particularly in employment and inheritance, as well as discriminatory and often negative attitudes and social practices that limit equal participation of men and women in all entrepreneurial activities" (RoK, 2005).

RoK (2005) averred that the recognition of the role played by women in the economy has led to the development of various programmes, projects and interventions aimed at assisting women in enterprise development in line with the Millennium Development Goals. This has been amplified by Sustainable Development Goals No. 5 on gender equality which proposes to achieve gender equality and empower all women and girls by 2030 (United Nations Sustainable Development Goals, 2015). RoK (2012a) posits that the interventions by the Government and NGOs to women MSEs are concentrated on entrepreneurial finance and training due to the fact that women face a multiplicity of constraints in business in terms of poor access to financial services through formal lending institutions and lack of an entrepreneurial culture. Other barriers that inhibit women in business include limited formal education and market information, lack of time due to household responsibilities, socio-cultural, legal and institutional constraints.

RoK (2012a) further posits that women need to be given incentives and interventions to enhance their contribution to National Development. The interventions have been geared towards assisting the women MSEs to acquire enterprise growth in terms of changes in sales revenue, profit, number of employees, capital employed, accumulation of assets, and creation of new products, processes, markets and maintenance of records. Many

Government and NGOs programmes geared towards promoting women owned enterprises exist but the extent to which they have brought positive change to the growth of these enterprises has not been fully documented

International Labour Organization [ILO] (2012) posits that women's entrepreneurship is best promoted through comprehensive policy frameworks that protect, foster and regulate business start-up and development. In ILO's opinion, a policy to improve women's access to markets, control over financial resources and strengthening social protection that enhance social inclusion is of paramount importance. Furthermore, such a policy framework is bound to reduce the risks and vulnerabilities faced by women entrepreneurs through creation of a more supportive enterprising culture and favourable business environment.

Namusonge (2006) averred that women perform less well on quantitative measures such as job creation, sales turnover and profitability since women do not enter business for financial gain but to pursue intrinsic goals (for example, independence, the flexibility to run business and domestic lives). RoK (2005) posit that differences in initial capital and goals explain the poor performance of women in businesses. Republic of Kenya Micro Small and Medium Establishment [MSME] survey (2016) posits that majority of male owned establishments were licensed while female owned establishments were unlicensed. In particular, 47.7% of licensed MSMEs and 31.7% of unlicensed MSMEs were male owned compared to 32.1% of licensed establishments and 61.0% of unlicensed establishments which were female owned. This therefore raises a gender question as to why women are concentrated in unlicensed businesses that are mostly micro and informal in nature compared to men (RoK MSME Survey, 2016)

epublic of Kenya MSE Baseline Survey (1999) as cited by Nteere (2012) found out that 75% of MSEs' fail within the first three years of their operations despite the provision of interventions. According to the survey, 64.3% of the MSEs were in trade, 14.8% in service, and 13.4% in manufacturing while 7.7% engaged in other activities. The Majority of these enterprises (66%) were located in rural areas while women ownership

stood at 48%. Out of the 48% owned by women, 75% were in trade and service subsectors. Nteere (2012) posits that MSEs have high mortality rates with most of them not surviving beyond their third anniversary.

Drucker (2007) avers that innovation is a specific instrument of entrepreneurship, the means by which companies seek to gain competitive advantage in the market place and to increase their capacity to generate wealth. Innovative entrepreneurs view change as a source of opportunity in the market place and continually search for change, respond to it and exploit it as an opportunity through differences in product, process or service. Schumpeter (1999) as cited by Orwa (2012) posits that innovation is the introduction of a new good that consumers are not yet familiar with, or new quality of goods, the introduction of a new method of production, the opening of a new market, the conquest of a new form of supply of raw material or half manufactured goods, or the carrying out of new organization of any industry, like the creation of a monopoly or the breaking up of monopoly position. Mekeown (2008) posits that innovation entails both radical and incremental changes in thinking, in things, in processes or in services which increases producer or customer value. Nteere (2012) avers that the high mortality rate in the first three years of operation of Micro and Small Enterprises has made it difficult for their graduation in to medium and large scale enterprises, thus the "missing middle". This has resulted in a weak base for industrial take off and sustainable development. Wiklund (2006) posits that although much of the published research support a positive relationship between Entrepreneurial Orientation and firm performance, additional empirical evidence is needed before wholesale adoption of Entrepreneurial Orientation effect. While Kenya Government enterprise promotion programmes in terms of subsidized entrepreneurial credit and training have been implemented among women Micro and Small Enterprise owners to the tune of KShs. 10.540 billion since 2008 (Women Enterprise Fund, 2017), the success criterion of these interventions have not been documented and there is no sufficient empirical data to quantify the resultant entrepreneurial growth of women owned Micro and Small Enterprises.

Murphy (2010) avers that entrepreneurial firms herald unique considerations about the emergence and existence of opportunities to create new products and services. Bwisa and Ngirigacha (2013) posit that the utter novelty of entrepreneurial venture offerings affords performance in competitive markets which makes the identification of new opportunities essential. Therefore, the strife for Micro and Small Enterprises is to be more entrepreneurial in order to herald greater growth potential.

Research on the relationship between level of education and profitability of business has received mixed reactions. Mead (1999) as cited by Stevenson and St-Onge (2005) averred that completion of primary level of education has no significant influence on the performance of a business. However, he concluded that despite lack of acquiring small education having no significant bearing on the profitability of a business, going beyond a certain threshold in education is associated with significant difference in profitability.

1.2 Statement of the problem

The contribution of Micro and Small Enterprises in economic development, income generation and poverty alleviation is globally recognized (ILO, 2007). Lukes and Laguna (2010) averred that MSEs create new jobs with significant impact on free market and economic development. The MSE sector contributed about 90 percent of new jobs created in Kenya in the year 2016 (RoK Economic Survey, 2017) and 33.8% of Gross Domestic Product (RoK MSME Survey, 2016). A competitive and innovative MSE sector heralds enormous promise for a developing countries like Kenya in terms of higher income growth, optimal employment for domestic resources, more gainful integration through regional trade, investment and greater equity in access and distribution of development(RoK, MSME Survey, 2016). Republic of Kenya (2012a, 2005) posit that over 60% of MSEs fail before their third anniversary. Nteere (2012) averred that MSEs have high mortality rates with most of them not surviving beyond their third year despite provision of interventions by Governments and NGOs.

Drucker (2007) averred that innovation is a specific instrument of entrepreneurship, the means by which companies seek to gain competitive advantage in the market place and to increase their capacity to generate wealth. Entrepreneurial Orientation enable entrepreneurs to be innovative and view change as a source of opportunity in the market place and continually search for change, respond to it and exploit it as an opportunity through differences in product, process or service. Murphy (2010) avers that entrepreneurial firms herald unique considerations about the emergence and existence of opportunities to create new products and services.

Growth is the second most important goal of a firm, the first one being firm survival. Aversion to growth is the principal reason that causes stagnation and decline of most MSEs (Umar, 2008; Wanjohi & Mugure, 2008; Okpara & Wynn, 2007; Anyadike-Danes *et al*, 2009). Nteere (2012) averred that the high mortality rate in the first three years of operation of Micro and Small Enterprises has made it difficult for their graduation in to medium and large scale enterprises, thus the "missing middle" with the resultant weak base for industrial take off and sustainable development. Namusonge (2006) averred that women perform less well on quantitative measures like job creation, sales turnover and profitability since women do not enter business for financial gain but to pursue intrinsic goals (for example, independence, the flexibility to run business and domestic lives).

Maragia (2008) posits that the failure of Kenyan entrepreneurs is attributed to lack of entrepreneurial skills, education, experience, deficiency in factors that influence entrepreneurial behaviour such as entrepreneurial credit and training, poor policies and regulations. Therefore, it's imperative to fully comprehend what constitutes and drives entrepreneurial behaviour for effective motivation and promotion of entrepreneurial activities.

While Government of Kenya enterprise promotion programmes in terms of policy and regulations, subsidized entrepreneurial credit and training have been implemented among women Micro and Small Enterprises through Women Enterprise Fund to the

tune of KSHs 10.540 billion since 2008 (Women Enterprise Fund [WEF], 2017), the success criterion of these interventions have not been fully documented and there is no sufficient empirical data to show the extent to which these interventions have facilitated entrepreneurial growth of women owned Micro and Small Enterprises. The study therefore seeks to determine, highlight and document, the efficacy of Government interventions on the entrepreneurial growth of women owned Micro and small Enterprises in Kenya, with a focus on Trans-Nzoia County. This is bound to serve as a monitoring and evaluation mechanism in order to institute timely corrective measures for continued provision of the interventions to facilitate faster entrepreneurial growth and graduation of Women owned MSEs in to medium and large enterprises in line with Kenya Vision 2030, Sustainable Development Goals and Agenda 2063 (RoK, 2012a, SDGs, 2015; Africa- Agenda 20639, 2015)

1.3 General objectives

The general objective of the study was to investigate the effect of government interventions on the growth of entrepreneurial women Micro and Small Enterprises in Trans Nzoia County, Kenya

1.3.1 Specific objectives

This study addresses the following five specific objectives:-
1. To determine the effect of business experience on the growth of Women owned Micro and Small Enterprises.
2. To determine the effect of entrepreneurial training on the growth of women owned Micro and Small Enterprises.
3. To determine the effect of access to entrepreneurial credit on the growth of women owned Micro and small Enterprises.
4. To determine the effect of Entrepreneurial Orientation on the growth of Women owned Micro and Small Enterprises.

5. To determine the effect of Government policy and regulations on the growth of women   owned Micro and mall Enterprises.

1.4 Hypotheses

This study was guided by the following five hypotheses:-

1. (H_o): There is no significant relationship between business experience and growth of women owned Micro and Small Enterprises

   (H_1) : There is a significant relationship between business experience and growth of women owned Micro and Small Enterprises

2. (H_0):   Entrepreneurial training has no significant relationship with growth of women

   Owned Micro and Small Enterprises

   (H_1): Entrepreneurial training has a significant relationship with growth of women owned Micro and Small Enterprises

3. (H_0): There is no significant relationship between entrepreneurial credit and growth of women owned Micro and Small Enterprises.

   (H_1): There is a significant relationship between entrepreneurial credit and growth of women owned Micro and Small Enterprises.

4. (H_0): There is no significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises.

   (H_1): There is a significant relationship between Entrepreneurial Orientation and growth of Women owned Micro and Small Enterprises.

5. (H_o): Government policy and regulations has no significant relationship with growth of women owned Micro and Small Enterprises

(H_1): Government policy and regulations has a significant relationship with growth of women   owned Micro and Small Enterprises.

1.5 Justification of the study

Many studies on Micro and Small Enterprise sector have mostly focused on heterogeneous enterprises, without specific attention to women entrepreneurs in particular. They therefore did not consider critically, gender specific problems faced by women entrepreneurs in the Micro and Small Enterprise sector. A competitive and innovative MSE sector holds enormous promise for developing countries like Kenya in terms of higher income growth, optimal employment for domestic resources, more gainful integration through regional trade and investment and greater equity in access, distribution and development (RoK, MSME Survey, 2016). The study is justified in that the information availed would assist the Kenya Government and other stake-holders in policy formulation in the development of appropriate interventions to stimulate the growth of women operated enterprises and the MSEs sector in general. This will enable MSEs to graduate in to medium and large scale enterprises to fill the "Missing Middle" in order to facilitate growth of Kenya in to a Newly Industrializing country status capable of providing high standards of life to its citizenry. Finally, scholars will find this study a useful base for further research work in the dynamic Micro and Small Enterprise Sector.

1.6 Significance of the study

The study will enlighten the entrepreneurs and general public about how Government interventions can positively or negatively affect growth of Micro and Small Enterprises (MSEs). This research study will also serve as a useful guide to Kenya Government and stakeholders in formulating MSE policies and regulations   that would contribute immensely to increased Gross Domestic Product and poverty reduction through income generation and employment creation in line with Kenya Vision 2030 (RoK, 2012a) .

Scarborough (2011) posits that women have been marginalized from economic participation thereby leaving out the greatest percentage of human capital from development. Developing a woman has a great impact on development of the whole society due to the fact that women are more concerned with improving the welfare of their families compared to men. Sustainable Development Goal no 5 on gender equality aims at achieving gender equality and empowering all women and girls (SDG, 20015). Therefore, for any Nation State to alleviate poverty, there should be inclusivity in economic development process encompassing promotion of entrepreneurial capability of women owned Micro and Small Enterprises. Therefore, this research study is geared towards nurturing inclusivity in MSE development process to alleviate poverty among the women folk to enable them live a decent life in line with Global and National conventions (SDG,2015; RoK, 2012a; Africa Agenda 2063).

This study will also facilitate the nurturance of an entrepreneurial culture in Kenya through development of growth oriented MSEs. This is based on the fact that growth and survival of Micro and Small Enterprises depend on their ability to compete globally through nurturance of an entrepreneurial culture (Drucker, 2007: Stevenson & St-Onge, 2005). This study will also serve as a resource base for other scholars and researchers interested in carrying further research in the dynamic Micro and Small Enterprise Sector

1.7 Scope of the Study

The study was carried out in Trans-Nzoia County on women entrepreneurs engaged in Micro and Small Enterprises who had received government interventions of entrepreneurial credit, entrepreneurial training and counselling support between 2009 and 2014 and were still in business in Trans Nzoia County. Entrepreneurial orientation, business experience and government policy and regulations are the other variables that were studied alongside the two direct interventions entrepreneurial credit and entrepreneurial training. This is due to the fact that government policy/regulations and entrepreneurial orientation are very important in facilitating competitiveness of MSEs in

both local and global arena for increased income generation, employment creation and poverty reduction.

1.8 Limitations of the study

The study was limited to women owned group MSEs which had received Government interventions of entrepreneurial training and entrepreneurial credit from Republic of Kenya Women Enterprise Fund between 2009 and 2014 and were still in business in Trans Nzoia County, with current business permits. Entrepreneurial Orientation and Government policy and regulations were the other Government interventions. The study was limited to the stratified random sample size per sub- County in accordance with the business sector and amount of entrepreneurial credit.

Most of the respondents were not willing to divulge sensitive information relating to profit, sales, number of employees, employees monthly earnings and Capital Employed. This limitation was surmounted through use of triangulation method where three instruments of data collection were employed for data collection (questionnaire, interview schedule and observation methods) as propounded by Kothari (2018). The respondents were also reassured that the availed information was for research purpose only and would not be divulged to any third party.

Some respondents were not available in their respective sub-counties despite repeated visits. This limitation was surmounted through use of 10 additional questionnaires to other women owned MSEs in the five Sub-counties to cater for the missing respondents. Therefore, 264 questionnaires were used instead of the actual sample of 254. Some respondents in remote parts of Endebess, Saboti and Kwanza Sub counties refused to engage the researcher despite production of an introductory letter from Jomo Kenyatta University of Agriculture and Technology. This limitation was surmounted through reassurance from the respective Sub county Women Enterprise Fund Manager

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter reviews available literature related to the study focusing on factors affecting growth of Micro and Small Enterprises in general. It is divided in to sub-topics namely:- Theoretical framework, conceptual framework, effect of business experience on MSEs growth, effect of entrepreneurial training on MSEs growth, effect of entrepreneurial credit on MSEs growth, effect of Entrepreneurial Orientation on MSE growth, effect of Government policy and regulations on growth of MSEs, growth of Micro and Small Enterprises, research gaps and summary.

2.2 Theoretical Framework

Cooper and Schindler (2014) posit that theoretical framework of any study is a structure that holds and supports a theory of the research thereby serving as a basis for conduction of research. Sounders, Lewis and Thornhill (2016) avers that a theory mentions its proponents citing the main points emphasized and illustrates the framework through diagrams thereby reiterating the theoretical preposition of the study**.** Entrepreneurs are the seeds of the development of industries. Entrepreneurs play a pivotal role in the process of the promotion and execution of the business. In other words, entrepreneurs are the persons who are responsible for the organizing and managing the business through efficient and effective utilization of the theories of entrepreneurship. The different theories of entrepreneurship are very relevant for business development which facilitate entrepreneurs to perform better. This is aptly pronounced by Chakraborty *et al*. (2014) preposition that the main objective of theories of entrepreneurship is to enhance the skills and knowledge of the entrepreneurs with a view of facilitating their application in the practical world of business. The entrepreneurial theories can be divided into

sociological, economic and cultural aspects. The five theories which affect this study are as outlined below:

2.2.1 Schumpeter's innovation theory

Joseph Schumpeter (1999) as cited by Orwa (2012), pioneered in highlighting the role of innovation in entrepreneurial process. Orwa (2012 posits about Schumpeter's description of the process of creative destruction where wealth creation occurs through disruption of existing market structures due to introduction of new goods or services that cause resources to move away from existing firms to new ones thereby facilitating growth of the new firms. Schumpeter (1942) as cited by Orwa (2012) refers to innovation as the specific instrument of entrepreneurship, the means by which entrepreneurs exploit change as an opportunity for a different business or service Sledzik (2013) avers that Schumpeter stressed the role of entrepreneurs as primary agents effecting creative destruction and emphasized the entrepreneur's need to search purposely for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation as well as their need to know and apply the principles of successful innovation. Deakins and Freel (2009) posit that Schumpeter viewed innovation as the introduction of a new good or a new method of production, the opening of a new market, the conquest of a new form of supply of raw material or half manufactured goods, or the carrying out of a new organization of any industry like the creation of a monopoly or the breaking up of a monopoly position.

The Schumpeterian preposition has been carried forward by successive researchers and scholars, (Clemence, 2009; Drucker, 2007; Wang, 2008; Mckeown, 2008; Murphy, 2010). Orwa (2012) averred that Schumpeterian growth theory expounds that technological progress emanates from innovations carried out by firms with profit motivation. Each innovation therefore, is geared at producing some new products or process which gives its creator a competitive advantage over its business rivals. This is done by rendering obsolete some previous innovation which in turn is also rendered obsolete by future innovations.

Drucker (2007) averred that the entrepreneurs constantly seek new avenues for change and utilize this change as an opportunity. Drucker's preposition is based on innovation and resources; innovation depends on resources and resources gain importance only when perceived to possess economic value. Innovating new ideas as well as new products, processes and service help entrepreneurs to increase productivity and return on investment. Similarly, Simpeh (2011), in agreement with Drucker (2007) posits that resources like capital incorporates new innovations. Drucker (2007) expounds that there is a complex relationship between innovation, resources and the entrepreneurs behavior, concretized in to three main points:

- Entrepreneurs increase the value and satisfaction of the customer through the efficient utilization of the resources.
- Entrepreneurs are responsible for the creation of new values.
- Entrepreneurs must combine the existing materials and the resources (Scholte *et al.*, 2015).

Wang (2008), refers to entrepreneurial orientation strategy as a sub-contract of market leadership, quality leadership, products specialization, cost leadership and manufacturing leadership. Murphy (2010) avers that entrepreneurial firms herald unique considerations about the emergence and existence of opportunities to create new products and services. Mckeown (2008) posits that innovation entails both radical and incremental changes in thinking, in things, in processes or in services which increases producer or customer value. Clemence (2009) averred that Schumpeterian innovation process was divided in to four dimensions: invention, innovation, diffusion and imitation with the dynamic entrepreneur at the middle of the analysis.

Osaze (2003) posits that a proactive company focuses on the past, the present and the future with equal zeal, using history to explain and fully comprehend the present with a view to challenge and create its own proactive future.

2.2.2 Hoselitz Socio cultural theory of Entrepreneurship

This study was based on socio cultural theory of entrepreneurship. The theory was propounded by Hoselitz (1964) based on the assumption that every individual is endowed with social and cultural power. Most of the entrepreneurs hail from a certain socio-economic class. This is based on the concept that the culturally marginal people in the society who are culturally developed and belong to a well-developed society are eligible of being entrepreneurs due to the fact that they have the potential to adjust in variable situations in spite of their ambiguous social and cultural position. In the process of adjustment, they innovate their social behavior. The socio cultural theory of entrepreneurship influences enterprise owners and stakeholders by instilling in their minds the importance of culture with respect to the business excellence (Chatterji *et al*., 2013).

Hofstede (1993) posits that culturally marginal sections of the society stimulate entrepreneurial and economic development globally. Lounsbury and Glynn (2001) avers that the marginal cultural groups of the society include Jews in medieval Europe, Chinese in South Africa, Indians residing in East Africa, samurai in Japan and Christians in Lebanon etc.

The entrepreneurs must possess extraordinary leadership and managerial skills which would drive them to yield profits. Lounsbury and Glynn (2001) emphasized on the fact that the managerial and leadership skills are both necessary for the company as it would not only help to manage the company well but also motivate the entrepreneurs to lead. As it pertains to involvement of specific social classes, Hoselitz (1964) posits that the entrepreneurial talents are prevalent in every country but the persons with strong socio-economic backgrounds for example, the leading social class of Marwaris and the Parsis in India are the ones that shine in the entrepreneurial skill arena (Hofstede, 1993).

In a society where entrepreneurship traits such as innovativeness, creativity, risk taking and competitiveness are promoted and where social processes are not rigid,

personalities become interested in starting and operating their own enterprises (Deakins & Freel, 2009; Khanka, 2012). The socio cultural theory therefore, presents a holistic view of entrepreneurship by considering the influence of factors like managerial skills, social class, leadership skills and personal traits on business performance (Deakins & Freel, 2009; Khanka, 2012).

2.2.3 Resource Based Firm Theory

Nteere (2012) posit that Resource Based Firm Theory explains how entrepreneurs themselves build their businesses from the resources they currently poses or can realistically acquire in order to gain a sustained competitive advantage and growth. Nteere (2012) further avers that according to the resource based firm theory, the choice of the industry and business to enter is not sufficient enough to ensure entrepreneurial growth. It has to be combined with the nature and quality of resources possessed by entrepreneurs Therefore, the entrepreneur as an individual is one of the most important unique resources of a firm that cannot be bought with money (Nteere, 2012)

 Goshal *et al*. (2001) as cited by Bunyasi, Bwisa and Namusonge (2014) averred that a firm consists of differentiated technological skills, complimentary assets and organizational routines and capacities classified as both tangible and intangible assets. Threshold resources are defined as the unique combination of assets and capabilities within a firm that enable firms to develop and implement strategies to meet customers' minimum requirements and to improve its overall performance (Scholes & Whittington, 2008). It can be classified as either tangible or intangible resources. Tangible resources refer to the physical assets that a firm possesses and can be characterized as physical resources. In order to add value, these physical resources must be capable to respond to marketplace changes. Henry (2008) averred that intangible resources comprise of human and organisational capitals. It may be embedded in routines and practices that have developed over time within the organisation and includes knowledge based economy, the tacit knowledge and specialist skills of many employees which are difficult for competitors to imitate.

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The theory proposes that effective and efficient management of a firm's tangible and intangible resources to create value by entrepreneurs on the basis of experiential learning is a source of competitive advantage (Ekanem & Smallborn, 2007). Hartarska and Gonalez-vega (2006) posit that entrepreneurial credit is one of the resources that influence the growth of a firm. Therefore, the internal dynamism of an enterprise is an important consideration of obtaining entrepreneurial credit from a financial institution.

Lore (2007) identifies sources of knowledge based resources as age, education, family business history, entrepreneurial experience, industry specific know-how, training and social capital. Foss (2011) averred that availability and proper management of both tangible and intangible resources facilitates sustained competitive advantage of small enterprises in the market which in turn leads to entrepreneurial growth and eventual graduation in to medium and large enterprises. Foss (2011) further posits that MSEs that accumulate more or superior resources outdo those with fewer or weaker resources in performance. Nteere (2012) averred that resource based theory recognizes six types of resources: financial, physical, human, technological, reputational and organizational. Broadly, the resources include all assets, capabilities, organizational processes, firm attributes, information and knowledge.

Wemerfelt (2007) averred that the resource based theory of entrepreneurship explains why some individuals are successful entrepreneurs whereas others are not. Potential entrepreneurs had inherent capabilities that facilitated recognition of new business ventures and assembling of the necessary resources to facilitate operation of a new enterprise. Foss (2011) posits that resources are more critical for entrepreneurial growth and eventual graduation of MSEs in to medium and large scale enterprises. The MSEs which acquire more superior resources perform better than those with few resources Entrepreneurial credit is very necessary for MSE resource acquisition and therefore, competitiveness.

Bunyasi, Bwisa and Namusonge (2014) averred that Kenya generally has several sources of entrepreneurial credit to MSEs ranging from Micro Finance institutions to

large banks. However, for women in Micro and Small Enterprises, access is limited. Stevenson and St-Onge (2005) posit that the more formal the financing mechanism, the fewer the number of women MSEs accessing them because of lack of collateral which limits them to savings and micro-credit institutions.

2.2.4 Gibb's Micro and Small Enterprise Support Theory

The model as propounded by Gibb (1998) outlined various policies that need to be considered while embarking on Micro and Small Enterprise Development programmes. The model is dynamic in that as the needs of the Micro and Small Enterprises change, policies, institutions and assistance packages for the development of this enterprise sector also change. The needs of MSEs determine the component of the support service programmes. Four kinds of assistance packages for MSEs obtain in this model. First, the policy framework where the impact of policies for Micro and Small Enterprises are measured in various ways and secondly, the assistance frame that is divided in both software and hardware support: the software support includes training , counselling, consulting, transport etc   where as the hardware support includes credit provision, infrastructure and materials. Thirdly is the needs frame model where Gibb (2000a) asserts that th**e** needs can be considered from the point of view of the Nation as a whole, the level of the local communities participation and from requirement of groups or individuals wishing to put up new business. Lastly, there is the institutional framework that consists of various dimensions of institutional capability geared towards promotion of the MSEs. Gibb (2000b) noted that entrepreneurs seeking to start business for the first time needed non-financial assistance packages compared to those already running business.

Smallbone and Welter (2001) posit that in transitional economies, many Micro and Small Enterprises are set up, survive and sometimes even grow on their own despite absence of direct government intervention due to the creativity of individuals in mobilizing resources and their flexibility in adapting to hostile external environments. However, under such circumstances, the number of firms remains small and their

contribution to economic development rather limited. In such a context, governments in transition economies still have to create the framework conditions for private sector development to become embedded and sustaining. Smallborne and Welter (2001) further posit that in countries where market reforms are at a more advanced stage, priorities for governments with respect to the environment for SME development include crafting legislation and regulations in line with EuropeanUnion (EU) standards in preparation for EU accession, leveraging the banking system to adapt and recognize the SME sector as a potential market for a range of financial products, facilitating the development of venture capital funds for that minority of SMEs that seek external equity and working in partnership with the private sector to establish an effective support infrastructure. Although there may be a case for selective interventions in both types of circumstances, direct SME support measures are not the preserve of governments in either case for developed and transitional economies.

In support of Gibb (1998), Smallborne and Welter (2001) aver that for developing economies, more enhanced Government interventions in terms of policy as it pertains to affordable financing mechanisms, business infrastructure and entrepreneurial training are the necessary ingredients to nurture an SME enterprise culture. As it pertains to this study, Gibb (2006) posits that Government support framework model for developing economies expound that the business world of MSEs is beset with different problems at different stages. Entrepreneurial credit and training provision in addition to investor friendly government policies and regulations improves the entrepreneurial capability of MSE owner managers with the resultant improvement of their enterprise performance.

2.2.5 Motivational Theory

Zhao *et al.* (2010) averred that motivation was the totality of factors, both internal and external that stimulate the desire and energy in people to be continually interested and committed to a job, role or subject or to make an effort to attain a goal. Entrepreneurial motivation represents the sum of factors that influence a person to engage in entrepreneurial activities. According to Grigore (2012), motivation energizes, leads and

supports action. Card (2013) posits that a person who was driven by high need of achievement had the following qualities: had orientation towards the future, relied on his own ability, was optimistic rather than pessimistic, had strong task orientation, restlessness, driven and energetic, responsible and persistent in pursuit of aims, willingness to work long and hard when necessary to complete tasks.

Kirkwood and Walton (2010) posit that a society with higher level of motivation had large numbers of active entrepreneurs. The individuals with a high need to achieve were those who liked to solve their own problems and set achievable targets. Kirkwood and Walton further averred that motivational theory is an enabler for individuals with strong need to achieve to become entrepreneurs and to succeed more than others. They therefore concluded that entrepreneurs had the following characteristics: originality and innovativeness, took individual responsibility, planned on long term basis, were aware of the results of their acts and moderate risk takers. Kirkwood and Welton (2013) also argued that social conditions such as potential profit, favorable environmental factors and cognitive conditions such as knowledge and, experience and skills contributed to the calculated decision to be motivated to engage in entrepreneurial actions.. Therefore, motivation paved the way for entrepreneurs to acquire certain knowledge, skills, abilities that were essential for successful outcomes such as their potential for discovering, evaluating and exploiting profitable opportunities to create market, social or monetary value.

Ooi and Ahmad(2012) and Fatoki (2010) identified in their different studies, the obstacles to entrepreneurial intentions as exogenous factors such as high interest rates, high labor costs, strict government regulations, tight labor market, high taxes, lack of government support and strong competition whereas endogenous factors such as stress, fear of failure, lack of business skills, lack of planning , excessive risk, excessive risk, high operating expenses, lack of working capital and lack of good suppliers. Studies by Fatoki (2010), Ooi and Ahmad (2012), Fatoki and Chindoga (2011), Kirkwood and Walton (2010) found out that motivational factors captured the factors behind

entrepreneurial behaviors which were internal within an entrepreneur and external outside an entrepreneur. These motivational factors might be the same ones which influence Kenyan MSE entrepreneurs to start and operate their enterprises for income generation, employment creation and poverty reduction in line with vision 2030 (RoK, 2012a).

2.3 Critique of Theoretical Literature

Several critiques have been levelled against theories used in this study. Schumpeter's innovation theory has been criticized for viewing entrepreneurship as solely innovation and not imitation. Drucker's (2007) imitation as opposed to Schumpeterian innovation, is a clear and concise description of the process of innovation that actually occurs in third world economies. Creative imitation takes place when the imitators of innovation better understand how an innovation can be applied, used, or sold in their particular niche markets than do the people who actually created or discovered the original innovation. Desai (2009) avers that Schumpeterian innovation theory has been criticised as majorly the preserve of large enterprises for disregarding creative imitation obtaining in Micro and Small Enterprises, where a product is adopted to the dictates of the niche market in a much better way than the original innovation..

Hak choi (2008) avers that the innovation process in third world economies is often that of imitating and adapting, instead of the traditional Schumpeterian notion of new product or process discovery and development. Furthermore, in the Schumpeterian innovation theory, the entrepreneur is a capitalist or owner who moves the economy out of the static equilibrium. Drucker (2007) in deviation from Schumpeterian innovation theory averred a contrary views that "an entrepreneur" need not be a capitalist or an owner. Consequently, the holder of a loan in the form of entrepreneurial credit from a bank with resultant allocation in areas of higher yield is very much an entrepreneur even if he is not the owner of the financial resource or capital. Contrary to Schumpeterian equilibrium view of entrepreneurship, the Australian school postulates that disequilibrium rather than equilibrium was the cause of entrepreneurship. Furthermore,

Desai (2009) views an entrepreneur as a speculator eager to use the opinion on the future market to structure the market disequilibrium distinct from equilibrium for business operations promising a profit.

Afiouni (2007) in critiquing Resource Based Firm Theory, posits that it does not place enough focus on human capital management as a component of competitive advantage of a firm. For any organization to be successful in any market, it must create value for its clients. This value can be created using a new strategy, and new technology. However, in order to sustain this value and the resultant competitive advantage, an organization must develop and maintain an engaged, knowledgeable and creative workforce which is conspicuously absent in Resource Based Firm Theory (Afiouni, 2007).

Afiouni (2007) and Luftman and Kempaiah (2007) posit that an organization must endeavor to create an environment that allows their human capital to grow in order to create a workforce that provides sustainable competitive advantage and value creation. This growth is expressed within people as increased knowledge, increased motivation and increased engagement which can be used to create competitive advantage which is very difficult for competitors to imitate. Afiouni (2007) and Schafer (2004) further posit that an organization must have adequate human capital management practices, organizational processes and knowledge.

Although Chatterji *et al.* (2013) posit that entrepreneurs should apply their socio-cultural values within the business environment to nurture an enterprise, there is no existence of a single universal theory of entrepreneurship which can be utilized and applied fully by the entrepreneurs. This is aptly elaborated by Chakraborty *et al.* (2014) aversion that the main objective of theories of entrepreneurship is to enhance the skills and knowledge of the entrepreneurs with a view of facilitating their application in the practical world of business.

A competitive and innovative MSE sector heralds enormous promise for a developing countries like Kenya in terms of higher income growth, optimal employment for

domestic resources, more gainful integration through regional trade, investment and greater equity in access and distribution of development(RoK, MSME Survey, 2016). MSEs are often considered to contribute to a more equal distribution of income or wealth due to the fact that they are spread all over the country in both rural and urban areas (Chinelo & Umaru, 2014). Nteere (2012) posits that MSEs are the focus of policy makers due to their ability to distribute incomes in both rural and urban areas, and within gender **.** In 2015, the population of people engaged in MSE sector in Kenya's rural areas was 64.5% compared to 35.5% in urban areas (RoK MSME Survey, 2016).

Chinelo and Umaru (2014) further posit that the desire of governments to promote MSE in third world economies is often based on social and political considerations rather than on economic grounds. . However, Stephenson and St-Onge (2005) disagrees with Gibbs theory(1998) for Government MSE support based on the needs framework by averring that the "missing middle" of women entrepreneurs are growth oriented MSEs who need further targeting by intervention providers for higher multiplier effect in the economy in terms of income generation, employment creation and poverty reduction. This is based on the fact that Women who make it beyond the micro-enterprise threshold are seen as more able to stand on their own, but often lack sufficient working capital to prepare for a growth in demand. They are therefore unable to fulfil large orders because they do not have the working capital to finance raw materials and work-in-progress inventory.

Stevenson and St- Onge (2005) further posit that women with larger enterprises are more sophisticated, better educated, more experienced, more travelled, and have access to more networks, information and resources compared to those in MSEs. However, they would benefit further from better access to information regarding market opportunities, export procedures, and leadership development. Furthermore, although this group may have greater access to collateral, they still face some barriers to obtaining flexible financing for further development of their enterprises (Stephenson &St-Onge, 2005). Therefore, contrary to Gibbs theory (1998) which advocates overall support to MSEs based on their needs framework, Stevenson and St_Onge (2005) advocates enhanced Government interventions to growth oriented women MSEs in third world economies for higher income generation, employment creation and poverty reduction.

Moyi, Otieno and Mumo (2006) critiques Gibbs theory(1998) which advocates Government support to MSEs based on the needs framework by positing that the market constraint is the principal factor inhibiting MSEs growth. The major MSEs problem is lack of access to the "highly competitive markets" due to undifferentiated products, "too few customers", and "low margins/profitability. MSEs face difficulties in marketing their products due to lack of information on markets and marketing skills, poor and inconsistent quality products due to low level technology, unattractive packaging, lack of knowledge to explore niche markets, and lack of resources to advertise and promote their products. Moyi *et al.* (2006) further posit that despite numerous Government policy interventions in the MSE sector in Kenya, evidence still points to the lack of access to markets as one of the key constraints to their growth and competitiveness. This indicates that the traditional approach to the provision of marketing interventions within the sector has been have been inadequate and ineffective. This calls for newer intervention models to the marketing problem for MSEs in Kenya which should involve active participation of MSE associations and stakeholders (Moyi, 2006).

Motivational theory has been criticized for assuming that workplaces were the only places where human needs and personal development were met, ignoring other aspects of human lives and their impact to human work lives(Salanova & Kirmanen 2010). Wan(2009) posit that motivational theory does not only ignore significance of individual differences, but also fail to recognize that individual needs keep on changing, and consequently, what may be a motivator today might not be a motivator tomorrow. This static nature of motivational theory does not relate to real world situations. Therefore, motivational theory was far too simplistic to account for the complexity of the real world of business and the complex decision making process attributed to individuals in the motivational process (Wan, 2009).

Chakraborty *et al*., (2014) posit that entrepreneurs are considered to be the seeds of the development of industries and play a pivotal role in the process of the promotion and

execution of the business. Therefore, entrepreneurs are the persons who are responsible for the organizing and managing the business through careful and exhaustive utilization of the theories of entrepreneurship. The different theories of entrepreneurship are relevant for the development of the business which helps the beneficiaries to perform better. The objective of these theories is not only to enhance the skills and knowledge of the entrepreneurs but also to help them apply them in the practical world of business. Therefore, all the five entrepreneurial theories were considered relevant during the study about "The Effect of Government Interventions on the Growth of Entrepreneurial Women Micro and Small Enterprises in Trans Nzoia County, Kenya."

2.4 Conceptual Framework

A concept according to Cooper and Schindler (2014) is a generally accepted collection of meanings or characteristics associated with certain events, objects, conditions, situations and behaviour. Oso and Onen (2009) posit that a conceptual framework of any study is a diagrammatic representation of variables and the presumed relationship among them: it identifies variables pointing out the dependent and independent ones, thereby showing the direction of the study. In a nutshell therefore, a conceptual framework is a tool providing clear links from the background information and literature review to the study objectives and research questions.

The study was guided by various variables as shown in figure 2.1. A variable is defined as anything that can take on different values or quantitative expression of a construct usually measured in terms of scores on an instrument and classified in to dependent and independent categories (Cooper & Schindler, 2014; Gall, Gall & Borg, 2007). The independent variable is one that is controlled or manipulated by the researcher and its effects examined. A moderating variable represents a factor or process that alters the impact of an independent variable to a dependent variable: it is a special type of independent variable which highlights or diminishes the relationship between the independent or dependent variable (Mohl *et al*., 2005; Cooper & Schindler, 2014). The five independent variables for this study are business experience, entrepreneurial

training, entrepreneurial credit, entrepreneurial orientation and government policy and regulations.

The dependent variable is measured by the effect of the independent variable. In this study, the dependent variable is growth of women owned Micro and Small Enterprises (in terms of profitability, annual sales, number of employees, employees monthly earning and capital employed). The growth of women Micro and Small Enterprises is a combined measure of the effect of the independent variables of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and government policy and regulations.

This study made a number of assumptions in the process of developing the conceptual framework. It was assumed that there was a direct relationship between the independent and dependent variables of the study. The study also assumed that there were no intervening or moderating variables and even if they were available, their influence was negligible and could not affect the final outcome. Therefore, the study considered only the direct relationship between dependent and independent variables

Correlation and multiple regression analyses were used to test independent and dependent variables. There was only one dependent variable from this study: growth of Women owned Micro and Small Enterprises. Entrepreneurial training was augmented by counselling follow-up. The four independent variables of Entrepreneurial training, Entrepreneurial credit Entrepreneurial Orientation and Government policy and regulations were each individually measured using five likert scale questions/statements of between 1 and 5possible choices. An optimal five variable multiple regression model for this study is as shown in figure 2.1

Independent variables

Dependent variable

Business Experience
- Number of years in similar or related business

Entrepreneurial training
- Number of annual trainings
- Effect on annual profit
- Relevance of Entrepreneurial training to MSE
- Adequacy of Entrepreneurial training
- Effect of training on Entrepreneurial skills

Access to entrepreneurial credit
- Adequacy of entrepreneurial
- Low and relevant interest rate to MSEs
- Effect of entrepreneurial credit on EO
- Effect of Entrepreneurial credit on profitability
- Effect of Entrepreneurial credit on asset acquisition

Entrepreneurial Orientation
- Risk taking propensity
- Product/process innovation
- Ability to find new market
- Market research for performance of products
- Importance attached to profit/investment return
- Market research

Government policy and regulations
- Incubation policy
- Technology upgrading
- Tax and license regime
- Social security and risk mitigation
- Business registration regime

Women owned MSE Growth
- Annual Profit
- Annual Sales
- Number of employees
- Employees monthly pay
- Capital Employed

Figure 2.1: Conceptual framework

2.5 Empirical review of variables

The empirical literature relevant to the study was classified under effect of business experience, effect of entrepreneurial training ,effect of entrepreneurial credit, effect of entrepreneurial orientation, effect of government policy and regulations on MSEs growth, growth of Micro and Small Enterprises, Research gap, Critique of theories and summary.

2.5.1 Effect of Business Experience

Maragia (2008) posits that the failure of Kenyan entrepreneurs is attributed to lack of entrepreneurial skills, education, experience, deficiency in factors that influence entrepreneurial behaviour such as entrepreneurial credit and training, poor policies and regulations. Stevenson and St- Onge (2005) posit that women with larger enterprises are more sophisticated, better educated, more experienced, more travelled, and have access to more networks, information and resources compared to those in Micro and Small Enterprises. McCormic and Pedersen (1996) as cited by Kenya Institute of Public Policy Research Analysis (2006) found out that entrepreneurs with no previous occupation began firms which were relatively small and remained in the smallest category. On the other hand, they found out that the largest enterprises were almost entirely set up by entrepreneurs with previous experiences either in manufacturing or in the retail trade sector. Therefore, previous experience from an entrepreneurial activity or occupation is an incentive for one to become a successful entrepreneur (KIPPRA, 2006).

Chinelo and Umaru (2014) posit that MSEs with longer business experience are more successful and profitable with great management skills compared to those with little business experience. Mohammed, (2012) averred that age is one of the entrepreneur's demographic profile variables for performance which is closely related to business experience. Staw (1991) as cited by Simiyu, Namusonge and Sakwa (2016) asserts that experience is the best predictor of business success, especially when the new business is related to earlier business experiences. Entrepreneurs with vast experiences in managing

business are more capable of finding ways to open new business compared to employees with different career pathways. Lee and Denslow (2005) averred that lack of capital and lack of experience are some of the major factors affecting entrepreneurial performance.

Bwisa (2011) averred that lead entrepreneurs in successful small firms were more likely to have been raised by entrepreneurial parents, had a broader business experience and more prior startup experience, and had less control of their success in business, than unsuccessful entrepreneurs. Bwisa (2011) further posits that lead entrepreneurs in successful firms worked long hours, had a personal investment in the firm, and were good communicators. Furthermore, successful firms were those initiated with ambitious goals, and lead entrepreneurs had a clear and broad business idea. Stevenson and St-Onge (2005) averred that education and prior experience in business are critical success factors for small firms. Namusonge (2010) concluded that managerial experience is one of the key determinants of the growth of SMEs.

RoK MSME Survey (2016) posit that majority of businesses transition from Micro to Small and from Small to medium with increase in age of the business which has a strong correlation with entrepreneurial experience of the owner managers. As the businesses mature, they tend to employ more workers and give better remuneration to the existing workers. Therefore, in order for Micro, Small and Medium Enterprises (MSME) to continue playing their pivotal role of job and wealth creation, they must be supported from their infancy to facilitate their successful transition from Micro to Medium establishments with resultant higher multiplier effect of income generation, employment creation and therefore, poverty reduction.

2.5.2 Effect of Entrepreneurial Training on MSEs growth

Different theories have been used to explain the trigger for performance of enterprises. The human motivation view explains the effect of business owner managers' behavior on enterprise performance. The theory asserts that social and psychological motives can significantly influence business owner managers growth seeking behavior and therefore, eventual growth of their enterprises (Bezing & Chu, 2009). Roomi *et al*. (2009) aver that personal needs of owner managers which are socially generated, sustained or changed motivate them to seek further growth. These factors can be shaped through training and learning from others. Other motivation for growth include completion of challenging tasks, having control over one's own job, upward movement of enterprise activities, learning new skills by working in challenging environments and at times poverty reduction motive(Sing & Bewlwal, 2008; Davidson & Apospori *et al.,* 2005). In this respect owner managers with high need for achievement would work hard in particular work task situations of their choice, while others will perform poorly.

There is global recognition of the importance of entrepreneurial training as a tool of MSEs growth. Several studies have concluded that entrepreneurial training contributes significantly in the growth of Micro and Small Enterprises (Rajonen, 2010; Kuene, 2008; Smith & Perks, 2008). Edgcomb (2002) as cited by Kessy and Temu (2010) established that entrepreneurial training has significant impact on participant characteristics and final enterprise outcomes. Entrepreneurial training is mainly geared to improving entrepreneurial skills and traits of the recipients in order to better their business practices (Roomi *et al*., 2009). Limited access to soft productive resources (particularly basic management and financial literacy) can restrict the capacity of business owners to participate effectively in entrepreneurial activities (Kezzy & Urio, 2006). Furthermore, other researchers advocate that the most important and strategic factor inputs for MSEs are capital and entrepreneurial skills (Gebru, 2009; Kuzilwa, 2005; Kezzy & Urio, 2006). Therefore, provision of credit alone without entrepreneurial skills training cannot midwife optimal enterprise performance. It's possible that the

incessant outcry from MSEs for entrepreneurial credit could be reduced through enhanced business skills due to the fact that the owners get exposed and gain more knowledge on how to manage the limited resources (Gibb, 2006).

Rasmussen and Sorheim (2006) posit that entrepreneurship training has traditionally focused on teaching individuals, but many initiatives are increasingly becoming more action-oriented, emphasizing learning by doing. In their paper they present a number of action-based activities at   five Swedish universities. The cases show that modern entrepreneurship education focuses less on teaching individuals in a classroom setting and more on learning-by-doing activities in a group setting and network context. Peterman and Kennedy (2003) found out that attendance at an entrepreneurial program has positive effect on both the desirability and feasibility of starting a business. Kessy and Temu (2010) examined the impact of training on entrepreneurs in Tanzania and concluded that recipients of business training have higher levels of assets and revenue compared to enterprises owned by non recipients of entrepreneurial training.

 Namusonge (2010) averred that training systems in many countries have had mixed characteristics with the effect that curriculum has been altered to give it greater orientation to work. Whereas formal training has been for urban and rural based formal sector employment, informal training has been provided with the expectations of developing better artisans and agriculturalists as part of a promotion of rural development.

McCormic (2001) as cited by Nteere (2012) pointed out differently that women entrepreneurs succeed less than men do. Many of their business projects start from a desire to build on traditional skills, without assessing the market. The experiences of the leavers from the youth polytechnics indicate that female leavers have been unable to generate income from their training compared to males. One reason attributable to this according to McCormic (2001) is that female trainees have been limited to tailoring, dressmaking and business education, which either needs a larger start-up capital or are not in high demand in the market. Hence in the long term, it's only entrepreneurial

skills training that goes beyond assisting traditional activities or builds upon them at higher technological levels that can help women move into genuine entrepreneurship.

Bowen (2009) affirms that starting and operating a small business include a possibility of success as well as failure. Because of their small size, a simple management mistake is likely to lead to death of a small enterprise hence no opportunity to learn from its past mistakes. Poor finance management has been postulated as one of the main cause of failure on the MSEs (Longeneter *et al.,* 2006). Bowen (2009) averred that there is a strong relationship between business performance and the level of training in the business management especially in entrepreneurial finance record keeping. Germain (2010) avers that Entrepreneurial management entails keeping proper records of the business transactions where knowledge and skills in bookkeeping is especially one major factor that impacts positively on sustainability and growth of SMEs. Failure to record business financial transactions (bookkeeping) leads to collapsing of the business within few month of its establishment and therefore, it is imperative that recordkeeping should not be ignored by any entrepreneur.

King and McGrath (1999) as cited by Bunyasi *et al.* (2014) posit that proper keeping of records of all business transactions is vital for the success of the business. Butler (2009) asserts that without accurate and complete records of business transactions, the business is doomed to fail at its onset. Bowen *et al.* (2009) posits that it's imperative for MSE owner managers to be trained in business record keeping due to the fact that majority of the MSEs in Kenya fail within few months after they are established. Therefore, literacy and numeracy skills are vital to all stages of informal sector employment ranging from production, marketing and obtaining credit. Without literacy and numeracy capabilities, owner managers continually innovate with the resources available, but their skills, knowledge and inventions may remain unrecognized due to lack of visibility in the employment market (Germain, 2010).

Research on the relationship between level of education and profitability of business has received mixed reactions. Mead (1999), in his conclusion as cited by Stevenson and St –

Onge (2005) argued that completion of primary level of education has no significant influence on the performance of a business. However, they stressed that despite lack of acquiring small education having no significant bearing on the profitability of a business, going beyond a certain threshold in formal education is associated with significant difference in profitability. In many enterprises, there is lack of basic qualifications and many opt for cheap labor at the expense of qualified personnel who could implement quality programs in business.

Wawira (2012) averred that majority of MSE operators do not keep complete financial records detailing their business undertakings because of lack of accounting knowledge and the high cost of hiring professional accountants. This has made it difficult for MSE operators to effectively calculate their business profit. Proper keeping of business records is essential for Micro and Small Enterprise growth due to the fact that salaries and other enterprise costs would be incurred accurately for increased profitability. Wawira (2012) further posits that failure to keep accurate business records could be majorly attributed to lack of skills in the field.

Gibb (2006) posits that everyone has some degree of entrepreneurial attributes. The determinant of who becomes an entrepreneur is what triggers the attributes in to action. On the same line, Drucker (2007) argued that entrepreneurship is a form of behavior and can be learned or increased through entrepreneurial training. Therefore, entrepreneurship results primarily from nurture (life experiences and learning) as opposed to nature (the basic personality we are born with). In view of the above arguments, latent forms of entrepreneurship present in Micro and Small scale entrepreneurs can be boosted through entrepreneurial training and counseling intervention. Although training is an important aspect of entrepreneurship, Baseline Survey (1999) as cited by Nteere (2012) found out that it was seriously lacking amongst MSEs since 85% of entrepreneurs investigated in that survey had not received any training. The usual disparities between men and women also existed, albeit in small proportions. These disparities in the lack of entrepreneurial training were at the level of 83.4% for urban and 85.6% for rural areas, 86.9% for

women and 83.4% for men. The most common form of training received was technical in both rural and urban areas for both sexes.The Government of Kenya recognizes that access to entrepreneurial skills development is key to the growth and development of any enterprise and more so the MSEs (RoK, 2005).Skilled entrepreneurs have what it takes to pursue their dreams and acquire their objective. They have a way of surviving the tough situations.

2.5.3 Effect of entrepreneurial credit on MSEs' growth

RoK, MSME Survey (2016) posits that business people face challenges in raising finances to support their entrepreneurial pursuits. Commercial banks reject MSME loan applications at a higher rate than other financial institutions. Therefore, MSME financing framework is weak and works against acceleration and support for business growth. Due to high interest rates and collateral requirements, micro enterprises which are mainly informal experience challenges in accessing entrepreneurial finance. Medium enterprises only constitute 0.7% of the total number of MSMEs in Kenya, thus the 'missing middle' (RoK, MSME Survey, 2016).

Empirical evidence reveals the importance of entrepreneurial finance for SME growth, pointing towards a positive relationship between growth and entrepreneurial finance (Moreno & Casillas, 2007). Nteere (2012) concludes that in cases of insufficient internal finance, access to external finance can be fundamental to encourage company investment and consequently growth. However, insufficiency of internal finance can be a problem, given the greater difficulties faced by MSEs in accessing external finance (RoK, 2005). RoK, MSE Act (2012) averred that most MSEs require financial resources to start and find growth.

Small firms are more informational opaque and, therefore, have less access to external funding than larger firms; financiers are unable to solve problems of asymmetric information and to adequately fund small business expansion (Hartarska & Gonzalez-Vega, 2006). The availability of finance is one of the determinants of small business

growth (Okpara & Wynn, 2007). According to Olawale and Garwe (2010), the growth of new MSEs in South Africa is hindered by restrictions concerning finance and by the shortage of resources of diverse nature. Namusonge (2010) and Nteere (2012) concur that lack of finance constrained the development and growth of small enterprises, as many of them are unable to access the same kinds of growth funding often available to large enterprises.

Nteere (2012) further avers that most financial institutions like banks are very conservative and risk averse and therefore avoid MSEs that are considered risky and with no collateral or dependable track records. Wanjohi and Migure (2008) found out that success in MSEs depends on ability to apply finances appropriately in order to spur growth. Financial constraints remain a major challenge facing SMEs in Kenya (Wanjohi & Mugure, 2008) RoK (2005) posit that the available sources of entrepreneurial finance to Micro and Small Enterprises include their own savings, family sources, retained earnings and borrowing from outside sources such as friends, individual investors, money lenders and banks. Gibb (2006) averred that most Micro and Small Enterprises require cheap source of entrepreneurial credit to be used for enterprise expansion and meeting other financial obligations. However, the emphasis on credit should not be allowed to obscure other factors, which are critical to the success or failure of Micro and Small Enterprises.

Nthuni (2014) posits that majority of women lack capital to operate their enterprises due to the fact that they that they lack collateral to access banks for credit coupled with poor educational background and lack of access to professional careers. Micro and Small Enterprises have a low survival rate due to the fact that less than a third of women enterprises survive the transition from second to third generation ownership (Nthuni, 2014).

Stevenson and St. Onge (2005) averred that MSEs financial services providers majorly include several variants of merry-go-rounds, and Rotating Savings and Credit Association (ROSCAs). They have their roots in the traditional mutual guarantee system

which makes them very popular, with 76% of the group members being women. A variation of ROSCA is the Accumulating Savings and Credit associations (ASCAs). Savings and Credit Co-operative societies are the institutions with great impact on the lives of Kenyans. Their objective is to give group based members access to a convenient savings system and affordable credit. In order to mitigate global poverty and unemployment, Sustainable Development Goal 9 on industry, innovation and infrastructure proposes to increase access of Micro and Small Enterprises to financial services, including affordable credit and their integration in to value chains and markets in developing countries. This is amplified by Goal 8 on decent work and economic growth which strives to promoted inclusive and sustainable economic growth, employment and decent work through achievement of higher productivity and technological innovation (SDGs, 2015). Therefore, promoting policies that encourage entrepreneurship and job creation is an effective measure to eradicate global poverty.

Micro and Small Enterprises Act (2012) posits that MSEs in Kenya play an important role in socio-economic development of the country and provides one of the most prolific sources of employment, income generation, poverty reduction and development of an industrial base. The Micro and Small Enterprise Authority (MSEA), was established by the Micro and Small Enterprise Act No.55 of 2012. The MSE Authority Board which is representative of all sub-sectors of MSEs is committed to actualize the National agenda as prescribed in the constitution of Kenya, Vision 2030 and Sustainable Development Goals (2015). According to the MSE Act (2012), the Government of Kenya endeavours to provide entrepreneurial training and durable, affordable low-interest loans to Micro and Small Enterprise Sector to stimulate their growth into modern enterprises capable of alleviating poverty and economic deprivation that afflict majority of the population.

2.5.4 Entrepreneurial Orientation

Lumpkin and Dess (2005) posits that Entrepreneurial Orientation refers to the practices that entrepreneurs make to identify and launch competitive ventures. It represents a frame of mind and perspective about entrepreneurship that is reflected in a firm's

ongoing processes and corporate culture According to Wiklund and Shephard (2005), an entrepreneurial firm is one which has inbuilt entrepreneurial Orientation in its operations. Frank, Kezzler and Fink (2010) define Entrepreneurial Orientation as a firms strategic orientation which captures the specific entrepreneurial aspect of decision making styles, methods and practices with innovativeness, risk taking and pro-activeness as the principal components. Their analysis indicate a positive connection between EO and business performance only in cases in which a dynamic environment is combined with high access to financial capital and when a stable environment is combined with low access to financial capital. On the other hand, FranK, Kezzler and Fink (2010) aver that EO may have a negative effect in certain configurations.

Drucker (2007) avers that innovation is a specific instrument of entrepreneurship, the means by which companies seek to gain competitive advantage in the market place and to increase their capacity to generate wealth. Innovative entrepreneurs view change as a source of opportunity in the market place continually search for change, respond to it and exploit it as an opportunity through differences in product, process or service. Schumpeter (1999) as cited by Orwa (2012) posits that innovation   is the introduction of a new good, a new method of production, the opening of a new market, the conquest of a new form of supply of raw material or half manufactured goods, or the carrying out of a new organization of any industry like the creation of a monopoly or the breaking up of a monopoly position. RoK, MSME Survey (2016) posits that for MSEs to thrive in the current competitive and dynamic environment, they need to progressively innovate to ensure that their goods and services reach untapped customer needs. They therefore need to introduce new processes, goods and services to survive and grow.

Lumpkin and Dess (2005) posit that organizations and their executives face three types of risk: business risk, financial risk and personal risk. Business risk refers to the risk of entering untested markets or committing to unproven technologies whereas financial risk refers to heavy borrowing or committing a significant amount of resources for growth. Entrepreneurial Orientation facilitates firms to engage in risky activities such as high

leveraging and large resource commitment with the desire of gaining high returns through pursuing opportunities in the market. Personal risk refers to a person in business leadership position, normally an executive who decides to favour a certain strategic course of action. The risk arises from the influence of the executive on the direction of the company which leads to personal consequences in case of failure. Lumpkin and Dess (2005) further posit that all business endeavour entail some degree of risk. However, in the context of Entrepreneurial Orientation, risk taking is moderated and calculated as opposed to business gambling. Therefore, although the consequences of an act cannot be known, risk taking does not refer to extreme and completely uncontrolled risky endeavours (Lumpkin & Dess, 2005).

Wiklund and Shephard (2005) posit that Entrepreneurial Orientation is a strategy making process that provide organizations with a basis for entrepreneurial decisions and actions. Wang (2008) refers to Entrepreneurial Orientation strategy as a sub-contract of market leadership, quality leadership, products specialization, cost leadership and manufacturing leadership. The theory of high need of achievement (McClelland, 1965) is critical to a firm's strategy to attain market leadership by employing innovative market techniques. Wiklund (2006) posits that although there is a positive relationship between Entrepreneurial Orientation (EO) and firm performance, additional empirical evidence is needed before researchers or practitioners can encourage wholesale adoption of positive Entrepreneurial Orientation effect.

Lumpkin and Dess (2005) averred that the concept of Entrepreneurial Orientation consists of five dimensions: autonomy, innovativeness, risk taking, pro-activeness, and competitive aggressiveness. Autonomy is defined as an independent action by an individual or a team aimed at bringing forth a business concept or a vision and carrying it through to completion. Innovativeness refers to the willingness to support creativity and experimentation. Risk taking means a tendency to take bold actions, such as venturing into unknown new markets. Pro-activeness is an opportunity-seeking and forward-looking perspective. The fifth dimension, competitive aggressiveness, reflects

the intensity of a firm's efforts to outperform the industry rivals to generate revenue without considering the net effect to household incomes and employment (Lumpkin & Dess, 2005). High performing, entrepreneurial-oriented firms are successful in recognizing and exploiting business opportunities.

According to Miller (1983) as cited by Mwaura, Gathenya and Kihoro (2015), Entrepreneurial Orientation is demonstrated in firm-level risk-taking, innovative, and proactive behaviors. The Weighted Average Performance scale is a modified version of an instrument developed by Gupta and Govindarajan (1984) as cited by Otieno (2012). Respondents were first asked to indicate on a 5-point Likert-type scale, the degree of importance their firm attaches to sales level, sales growth rate, cash flow, return on shareholder equity, gross profit margin, net profit from operations, profit to sales ratio, return on investment, and ability to fund business growth from profits. The respondents were then asked to indicate on another 5-point likert-type scale, the extent to which they are currently satisfied with their firm's performance on each of the financial performance criteria. In this study therefore, Entrepreneurial Orientation (EO), is the indirect variable.

Schmude (2007) avers that Entrepreneurial Orientation (EO) refers to the mindset of organizations involved in pursuing new ventures and provides a viable framework for researching entrepreneurial activity. These activities include planning, analysis, decision making and various aspects of firm's culture, value systems, and mission. Entrepreneurial Orientation (EO) is a firm- level strategy making process that companies use to achieve their organizational purpose, attain their vision and obtain competitive advantage. Therefore, the influence of Entrepreneurial Orientation on firm's performance needs to be analysed carefully in order to understand the relationship between the two.

Hisrich *et al.* (2006) posit that the concept of Entrepreneurial Orientation is established by identifying five dimensions of the entrepreneurial process: autonomy, innovativeness, risk taking, pro-activeness, and competitive aggressiveness. It also facilitates the investigation and analysis of the relationship between Entrepreneurial Orientation and

firm performance. Companies that continuously innovate and offer new products and services generate more customer interest, sales and profits. Terziovski (2008) averred that an innovative organization culture facilitates a business to enter in to profitable avenues and opportunities in an effective manner which impacts positively on the firm's performance.

A number of researchers (Fairoz *et al.,* 2010; Ylitao, 2010; Delmar & Wiklund, 2008; Jao & Susana, 2007; Wiklund & Shepherd, 2005; Lumpkin & Dess, 2005) found a significant positive relationship between Entrepreneurial Orientation and firm growth. Therefore, a firm with high Entrepreneurial Orientation shows a higher growth rate than that with low Entrepreneurial Orientation. However, Frank *et al.* (2010) found a statistically insignificant negative relationship between Entrepreneurial Orientation (EO) and firm performance. Lundstorm (2008) averred that although there is a positive relationship between Entrepreneurial Orientation and firm performance, other studies found no significant relationship between the two. Lundstorm (2008) further posits that some studies argue to the effect that entrepreneurial strategies could be linked to poor performance. Fayolle and Tederove (2011) drew a conclusion that the degree of impact of Entrepreneurial Orientation on firm performance depends on a number of internal and external factors. Whereas internal factors include techniques, strategies and processes, external factors include state of the economy, growth and trends in the industry, government rules and regulations.

Ireland, Hitt and Sirmon (2003) posit that although a firms entrepreneurial process might help the chase for new entry opportunities that enhance its performance, the adoption of a strong Entrepreneurial Orientation is considered necessary but insufficient for wealth and new venture creation. Chandy and Narasimhan (2011) averred that nearly all firms including start-ups, global partners, alliances and major corporations are determined to make full use of opportunities in product market by means of visionary, innovative and proactive behaviour. Mwaura, Gathenya and Kihoro (2015) carried out a study about dynamics of Entrepreneurial Orientation on the performance of women owned

enterprises in Kenya and concluded that entrepreneurial orientation has a significant relationship with growth of women owned enterprises. Mwangi and Ngugi (2014) did a study on Influence of Entrepreneurial Orientation on the growth of MSEs in Kerugoya, Kenya. They found out that the individual dimensions of Entrepreneurial Orientation-innovation, risk taking, pro-activeness and entrepreneurial management competence have significant influence on growth of MSEs. Otieno (2012) on the influence of entrepreneurial orientation and strategy on performance of Kenya's manufacturing firms operating under East African regional integration concluded that entrepreneurial orientation and strategy have a positive effect on performance of firms.

Lumpkin and Dess (2005) recommended two additional dimensions of Entrepreneurial Orientation competitive aggressiveness and autonomy in addition to innovativeness, risk taking and pro activeness as propounded by Miller (1983). This research used only three dimensions of innovativeness, risk taking and pro-activeness to measure the effect of Entrepreneurial Orientation on women MSE performance. This is was based on Faoroz *et al.* (2010) preposition that pro-activeness competently describes Entrepreneurial Orientation posture of a firm than competitive aggressiveness. Furthermore, some measurement statements of competitive aggressiveness are compatible with pro-activeness dimension.

Lumpkin and Dess (2005) posit that autonomy refers to independent actions as it pertains to postulating an idea or a vision and carrying it through to completion including the concept of free and independent actions and decisions taken. Taken in the context of strategy formulation, two types of autonomy are referred to by researchers and are consistent with the concept of Entrepreneurial Orientation (Lumpkin & Dess, 2005). The first type of autonomy refers to decisive decision making where a vision is driven to implementation through individual leadership where as the second type refers to individual autonomy that facilitates entrepreneurial activities and decision making at lower levels of an enterprise. However, autonomy is also associated with certain negative behaviours, for example, preference in working alone and control over

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workplace environment. Research has shown that excessive autonomy is attributed to individuals with averseness to excessive rules and procedures (Deakins & Freel, 2012; Collaghan, 2009). Porter *et al.* (2009) posits that performance of individuals with a high need of autonomy is contingent on participation in determination of tasks. In this context, the response of individuals with high need of autonomy to external pressure for conformity in terms of group ethos is not positive. Therefore in the MSE set up, the level of autonomy depends on the firm size, management style and firm ownership. In a firm in which the decision maker is the owner manager, autonomy is implied by the rights of ownership (Lumpkin & Dess, 2005; Collaghan, 2009). There is virtual group women ownership of women MSEs in this research and therefore, autonomy was not considered as it pertains to Entrepreneurial Orientation variable due to the fact that it does not foster group ethos.

The effect of the dimensions of Entrepreneurial Orientation on MSE growth can be treated as a single construct comprising the three dimensions of innovativeness, risk taking and pro activeness or separately on the assumption that they vary independently. However, other schools of thought for example, Wiklund and Shepherd (2005) treated Entrepreneurial Orientation as a single construct due to the fact that the dimensions of Entrepreneurial Orientation usually show high correlation and consequently, high multi-collinearity. Therefore, treatment of the dimensions of Entrepreneurial Orientation as a single construct is the dominant approach in examining its effect on growth of firms. This study applied uni-dimensional measure, - the summed up mean of five statements on a likert scale of 1-5 possible choices that represent innovativeness, risk taking and pro-activeness to test the effect of Entrepreneurial Orientation on growth of women owned MSEs in Trans Nzoia county, Kenya. The first statement refer to risk taking whereas the second and fourth refer to innovativeness. The third statement refers to pro activeness. The fifth statement on the likert scale of 1-5 refer collectively to all the three dimensions of innovativeness, risk taking and proactiveness that measure Entrepreneurial Orientation effect on growth of women owned Micro and Small Enterprises.

2.5.5 Government policy and regulations

Nteere (2012) defines Government policy as the principle that underlines the actions that are bound to take place to solve public issues administered through state legislation, regulations and administrative practice. Obi (2001) posits that Government policy reflects theoretical or experiential assumptions about what is required to resolve a particular issue or problem. In the same vein, the Oxford English dictionary defines a policy as a plan of action followed because it is expedient in a material sense. Ireghan (2009) posits that Governments make policies and regulations to tackle a wide range of issue encompassing taxes, import and export duties, investment incentives and subsidies, levies and borrowing rates for Micro and Small Enterprises, immigration and pensions regulations. Basil (2005) averred that Government policies and regulations influence growth of Small and Medium Enterprises.

The significance of MSEs within an economy emphasizes the importance of having government policies that support their growth: this is in terms of regulations that facilitate MSEs to operate efficiently at minimum administrative costs (Harvie & Lee, 2005). Harvie (2005) avers that although there has been an increase in government policies promoting and supporting MSEs in order to achieve economic growth and reduce poverty, there is still lack of laws, administrative procedures and access to assistance packages from government agencies.

Ohphanhdala and Suruga (2010) and Seukasavath *et al.* (2012) aver that appropriate implementation and specific support programs are a precondition to achieve the positive goals and targets of SME promotion. Luxminarayana (2006) avers that strong and progressive support from the public sector including subsidies in the Newly Industrializing Countries is a preamble for the establishment of commercially viable industrial sector in third world economies. Public sector support facilitates entrepreneurs to establish and thereafter take investment risks for growth of their enterprises. Policies and regulations are the cornerstone of Government support to MSEs and entrepreneurs in general. World Bank (2016) and Obi (2001) posits that Government policy reflects

theoretical or experiential assumptions about what is required to solve a particular issue or problem. Government creates the rules and framework in which small and medium scale enterprises are able to compete each other. From time to time, the Government changes the rules and framework forcing Small and Medium Enterprises to change the way they operate (Essien & Udofia, 2006).

Iromaka (2006) posits that some Government policies covering issues such as interest rates, exchange rates and Public Private Partnerships also influence growth of Micro and Small Enterprises. Taxation policy is a key area that affects business costs. A rise in withholding tax has the same effect as an increase in costs. Value Added Tax (VAT) also affects business costs due to the fact that it is paid in advance by the entrepreneurs and latter passed to consumers. Izedom (2011) posits that Micro and Small Enterprises in developing countries often have to continually respond to changes in policy and legal framework. Kenya Association of Manufacturers [KAM] (2016) and Masafo (2009) aver that an overly complex system and tax regime or one opaque in its administration and enforcement makes tax compliance unduly burdensome and often have a distortion effect on the development of MSEs as they are tempted to morph in to forms that offer a lower tax burden or none at all and this results in tax system that imposes high expenses on society.

Although there are several policy measures geared towards MSE growth in Kenya as illustrated in RoK (1992; 1997; 2005; 2012a), the support needs to be increased, actualized and standardized for all MSEs. Iwuji (2003) posits that it is the role of any government to provide an enabling environment and social services that support businesses and persons. This means enhancing the investment climate in Kenya for increased economic growth and subsequent tax contribution from all MSEs which is necessary because a good number of MSEs operate in the informal economy due to the fact that they deem the tax environment within which they operate are unfavorable. These MSEs constitute untapped revenue potential and an even playing field in many countries (KAM, 2016).

Kenya Association of Manufactures (2016) and Tomlin (2008)posit that the resources smaller company es direct towards tax compliance could otherwise be used for reinvestment to facilitate further growth. Consequently, taxes and a complex tax system put financial pressure on smaller businesses. Small taxpayers under the regular system of taxation are discriminated against, since the compliance requirements, cost of compliance and tax rate are the same for both small and large enterprises. Vasak (2008) avers that reduction of compliance costs and tax rate increases the MSE profit margins. It also increases the Government's tax revenue, since the simplified provisions for MSEs reduce the size of the informal economy and consequently the number of non complying registered taxpayers. Furthermore, MSEs usually have to operate in an overbearing regulatory environment with several regulatory agencies, multiple taxes, cumbersome importation procedures and high port charges that constantly exert serious burden on their operations (KAM, 2016).

International Tax Dialogue (2007) avers that many MSEs have to deal with several agencies at great costs. Their heterogeneity also carries differing obligations for record-keeping that affect the costs of complying with alternative tax obligations. This is in contrast to Public corporations which have stronger accounting requirements than do sole proprietorships. Consequently, MSEs with employees are additionally subject to the requirements of withholding labour income taxes and social contributions. Business regulatory constraints pose serious challenges on MSEs development (Kaufmann, 2007). Wanjohi and Migure (2008) posit that licensing and registration requirements, as well as high cost of settling legal claims and excessive delays in court proceedings adversely affect MSEs growth. This implies that while most policies have positive relationship with growth, some policies have a negative effect on growth and development of MSEs.

Policy towards the development of MSE sector in Kenya has varied since independence. The current constitutional frame work and the new MSE Act(2012) provide a window of opportunity in which evolution of MSEs can be realized through devolution frame work. The official stance toward the MSE sector changed only with the publication of

International Labour Organization [ILO] report in 1972. Soon after, official policy documents began to reflect the changes in attitudes. However, there was hardly any concrete programme support for the sector until the publication of Sessional paper no.1 of 1986 (RoK, 1986). The Sessional Paper no. 10 of 1965 (RoK, 1965), advocated a mixed economy approach to economic management. Government policy sought to bring about the indigenization of the Kenyan economy by encouraging private enterprise. The Policy framework traced out in this document envisaged an economy that would be dominated by Africans.

Sessional Paper No. 2 of 1992 on "Small Enterprise and Jua Kali Development in Kenya (RoK, 1992) was hailed as a masterpiece since it filled the policy vacuum for MSE Sector development in Kenya. KIPPRA (2002) posits that the paper was one of the most thorough attempts in Africa to put in place strategies that would privilege the small enterprise world. The Paper outlined several policy recommendations as it pertains to credit, enabling environment and non-financial promotional programmes to enhance the growth of the MSE sector. KIPPRA(2002) averred that inter-firm linkages are paramount if Kenyan MSEs are to benefit from increased decentralization and downsizing in the global arena. Therefore, formation of MSE/SME industrial clusters rich in linkages with large enterprises through subcontracting arrangements is bound to yield production and marketing economies of scale with subsequent use of modern technology.

Kenya's plans for industrialization as envisioned in Sessional paper No. 2 of 1997 on Industrial Transformation to the year 2020 was centred on the MSE sector development because of the labour intensive production techniques and use of locally available raw materials. Sessional paper No.2 of 2005 on Development of Micro and Small Enterprises for wealth and employment creation for poverty reduction recognizes the importance of a well functioning policy on MSEs as critical for attracting and spreading investment in both urban and rural areas. The overall goal of the policy frame work from the sessional paper is to develop a vibrant MSE sector capable of promoting the

creation of durable, decent and productive employment opportunities, stimulating economic growth, and reducing economic disparities, strengthening linkages between firms, diversifying the domestic production structure and industrial base, levelling the playing field between MSEs and large enterprises, improving the sector findings and enhancing institutional collaboration and co-ordination of interventions in the sector. The policy therefore provides an enabling framework to increase the competitiveness of all the MSEs in Kenya.

Republic of Kenya Micro and Small Enterprise act (2012) define the informal sector to include all small scale activities that are semi- organised, unregulated and use low and simple technologies while employing few persons. The sector therefore plays a central role in the economy by being the source of employment opportunities for the mainly youthful   population and persons exiting from the modern sector of the economy. The sector also plays a vital role in the economic development of the nation by increasing competition, fostering innovation, besides generating employment. The inter-linkages between formal and informal sector including government are also crucial in fostering growth in the sector. Majority of the small businesses such as retailers, hawkers and other service providers fall in this sector. The sector has also expanded to cover areas such as manufacturing, information and communication. Some 12,559,600 people were engaged in informal MSE sector economic activities in 2015 compared to 2011 when 9,948,600 were employed in the informal sector (RoK, 2016). The sector therefore, provides necessary employment interface between modern sector and small scale farming and pastoralist activities over time.

Kenya's vision 2030 (RoK, 2012a) aims at transforming Kenya in to a Newly Industrializing country status, capable of providing a high standard of life to its citizens commensurate with the middle income economies through economic, social and political pillars by 2030. The economic pillar has six sectors: Agriculture, Tourism, wholesale and retail trade, Manufacturing, Financial services, and Business process outsourcing. In the manufacturing sector, the first Medium Term Plan of 2008- 2012 (Sessional paper

No.10, 2012b), proposed to build at least five small and medium industrial parks to facilitate incubation of small industries. This would enable the Micro and Small Enterprises to grow in to medium and large scale industries thereby bringing about the envisioned economic transformation, with a projected GDP growth rate of 10% per annum by 2012, which would be maintained up to 2030(RoK,2012a). Kenya Industrial Estates is also earmarked to assist in the construction of small and medium scale industrial parks to incubate Micro and Small Enterprises.

The National Industrialization Policy Framework for Kenya 2012-2030 (RoK, 2012b) is also aligned to the Kenya Vision 2030 which aspires to transform Kenya in to a middle income rapidly industrializing globally competitive and prosperous nation, offering high quality of life to all its citizens in a secure and healthy environment. The vision of the policy framework is: To be the leading industrialized nation in Africa with a robust, diversified and globally competitive manufacturing sector. On the same note, the mission of The National Industrialization Policy Framework for Kenya (2012-2030) is: To promote and sustain a vibrant, globally competitive and diversified industrial sector for generation of wealth and employment through the creation of an enabling environment. The overall policy objective is to enable the industrial sector to attain and sustain annual growth rate of 15% and make Kenya the most competitive and preferred location for industrial investment in Africa leading to high employment levels and wealth creation. Among the specific objectives of the industrial policy are: strengthening the production capacity to increase domestically manufactured goods by focusing on improving the sector's productivity and value addition by 20 percent, raising the share of

Kenyan products in the regional market from seven to fifteen percent, developing niche products through which Kenya can achieve a global competitive advantage, increasing the share of foreign direct investment in the industrial sector by 10 percent, increasing by 25 percent the share of locally produced industrial components, spare parts and machine tools, developing at least two Special Economic Zones and five SME Industrial Parks, establishing an Industrial Development Fund with a minimum of KSH

10 billion for long term financing of manufacturing enterprises, increasing by 20 percent the share of manufacturing in total MSME output, increasing the local content of locally manufactured goods for export to at least 60 percent, increasing the share of industries located outside major urban centres (Nairobi, Mombasa, Kisumu, Nakuru, Eldoret) to at least 50 percent.

The experience from successful economies seems to indicate that having a coherent National Industrialization Policy is a prerequisite for the advancement of industrial development in any country. Hon Kong Industrialization policy, for example consisted of a Foreign Direct Investment strategy and a "non-expert technology" to SMEs: that is: medium level, rather than top level expertise being extended to the SMEs in order to nurture them in to the growth trajectory. On the other hand, Singapore, Taiwan and Korea had a strong push for specialized high skills/technology industries and subcontracting of SMEs. In turn, Korea focussed on the giant private conglomerate-led heavy industry and creation of brands. Thailand's industrialization was based on the export of primary products and on import substitution policies at home (RoK, 2012b).

2.5.6 Growth of Micro and Small Enterprises

Growth is regarded as the second most important goal of a firm, the most important being firm survival. Aversion to growth has been regarded as the principal reason why most MSEs stagnate and decline (Nteere, 2012; Umar, 2008; Wanjohi & Mugure, 2008; Okpara & Wynn, 2007; Anyadike-Danes *et al.*, 2009). Previous research reveals that firm growth is a multidimensional phenomenon but with substantial heterogeneity in a number of factors associated with firm growth and related research (Delmar *et al.*, 2003; Davidson *et al.*, 2006). The commonly used measures of firm growth: (employment growth, sales growth, profit, return on equity [ROE], Return on Assets [ROA]) and entrepreneurs' perceived growth relative to their competitors in terms of increase in company value (Bunyasi *et al.,* 2014).

Monthly pay of employees can   also be used as a measure of enterprise growth. RoK (2017) posits a salary is a form of periodic payment from an employer to an employee which may be specified in an employment contract. Casual staff are paid daily or monthly wages. Salaries and wages are determined by comparing market pay rates for employees doing similar jobs. They are mostly fixed by Government minimum wage guidelines. Salaries and wages can be used to measure enterprise performance just like the number of employees. Employers might decide to motivate existing workers to perform challenging tasks instead of hiring new workers based on cost implications. The income of workers can be used as a growth indicator since MSE owner managers might decide to increase it to motivate employees to do extra or overtime work instead of hiring new workers with high cost implications.

Barkham *et al.* (1996) as cited by Kessy and Temu (2010) aver that there is no general measurement of firm growth and researchers use various growth indicators when researching the field. Delmar *et al.* (2003) identified further growth indicators applied by various scholars such as assets, market share, physical output and profits. However, these indicators are generally not commonly used like sales and employment because of limited applicability. Delmar *et al.* (2003), however supports the importance of using multiple growth indicators when studying firm growth. Barkham *et al.* (1996) as cited by Kessy and Temu (2010) further highlights the importance of using at least one indicator based on changes in turnover when studying firm growth, for example added value as a variable. According to Lind (2005), MSEs in developing countries are often competing in price and consequently do not focus on adding value to products and services. Lind (2005) avers that value addition is important since it makes firms competitive and it's argued that added value is a more accurate measurement of MSE competitiveness than market share, return on investment or profit. This research study principally used change in sales revenue, profit, employment level, capital employed and employee's monthly earning as the measures of enterprise growth.

Saleemi (2010) posits that capital employed is a more accurate estimate of total assets of an enterprise. It is defined as the value of all the assets used in a business minus current liabilities. Current liabilities is the portion debts that must be paid within one year. The value of all assets is obtained through summation of fixed assets and current assets (Saleemi, 2010). Capital employed is used to calculate Return on Capital Employed (ROCE) which is a profitability ratio. Return on Capital Employed compares net operating profit of an enterprise to capital employed and therefore, informs on the amount of money generated with each shilling of capital employed (Saleemi, 2010; Investopedia, 2016).

 Drucker (2007) posits that innovation is a specific instrument of entrepreneurship, the means by which companies seek to gain competitive advantage in the market place and to increase their capacity to generate wealth. Innovative entrepreneur view change as a source of opportunity in the market place and continually search for change, respond to it and exploit it as an opportunity through differences in product, process or service. This is the goal of any growth oriented entrepreneur.

2.6 Research Gaps

Fostering Women entrepreneurship development is critical for the achievement of global and in effect, Africa's broader economic development objectives of poverty reduction and faster economic growth (SDGs, 2015; Agenda, 2063; 2015; Stevenson & St-Onge, 2005). Various studies in Kenya have been carried out on growth of MSEs. Namusonge (2010), studied determinants of growth oriented MSEs in Nairobi. The key determinants in the study were managerial experience, education and training and the psychology of the entrepreneur. He concluded that availability and type of finance is one of the key determinants of the growth of SMEs. Entrepreneurs' attributes also have influence on growth performance. In the study, entrepreneurial training which is a compulsory component of entrepreneurial credit provision was not highlighted.

Mwangi and Ngugi (2014) did a study on Influence of Entrepreneurial Orientation on the growth of MSEs in Kerugoya, Kenya .They found out that the individual dimensions of Entrepreneurial Orientation- innovation, risk taking, pro-activeness and entrepreneurial management competence have significant influence on growth of MSEs. Due to the fact that Entrepreneurial Orientation dimensions are closely related, this study used a summed up index of five statements with1-5 likert scale options that represent three main Entrepreneurial Orientation variables of innovativeness, risk taking and pro activeness   to avoid multicollinearity problem.

Mungah (2010) on determinants of growth of manufacturing SMEs in Kenya established that interest rate, fuel cost, business skills and political instability were major factors found to influence SMEs growth into large business enterprises. Mwania (2011) did a research on the effect of Biashara Boresha Loan on Performance of Micro and Small Enterprises owned by KCB Ruiru branch customers whereas Mugo (2012), carried out a study on Factors affecting entrepreneurs' performance in Kenya, the case of Nairobi women groups in the Central Business District.

Empirical evidence about studies in Kenya's Micro and Small Enterprises sector shows that they have so far dwelt with specific objectives in major towns like Nairobi, Thika, Eldored, Kisii and Mombasa. There is therefore a gap since no studies of such magnitude have been done in majority of the 47 counties, Trans Nzoia inclusive. While Government of Kenya [GoK] enterprise promotion programmes in terms of subsidized interest loans and entrepreneurial training have largely been implemented among women owned Micro and Small Enterprises through the Women Enterprise Fund to the tune of KShs 10.540 billion since 2008 in all counties in Kenya (Women Enterprise Fund, 2017), the success criterion of these interventions have not been fully documented. There is therefore, no sufficient empirical data to show the extent to which these interventions have brought positive change in terms of entrepreneurial growth of women owned enterprises.

The study seeks to fill the gap by determining and documenting the Effect of Government Interventions provided by the Government in conjunction with Women Enterprise Fund on the growth of entrepreneurial women owned Micro and Small Enterprises in Trans-Nzoia County, Kenya. This would serve as a monitoring and evaluation tool to make timely positive corrective measures in the way the Government MSE intervention programmes are implemented in order to facilitate the desired growth trajectory of women owned Micro and Small Enterprises for income generation, employment creation and poverty reduction in Kenya.

2.7 Summary

The chapter reviewed related literature geared towards promotion of the Micro and Small Enterprise sector, starting with theoretical framework to growth. Studies on enterprise growth reveal that it is a function of several factors such as Experience, Entrepreneurial credit, Entrepreneurial training, Entrepreneurial Orientation and Government policy and regulations which are the subject of this study. Therefore, provision of any one intervention measure such as entrepreneurial credit alone may not midwife the desired growth. It has to be combined with Business Development Services. Business Development Services form an important part of market support structure that help build MSEs' competitiveness. Traditionally, government and donors have provided entrepreneurial credit and BDS through public institutions or Non Governmental Organizations [NGOs] often on subsidized rates. However, systematic monitoring and evaluation of actual programme impact in third world economies is rarely done (World Bank 2016). Since MSEs are the emerging indigenous private sector entrepreneurship in developing countries, there was need to study extensively, the efficacy of policy and regulations, entrepreneurial credit, entrepreneurial training and entrepreneurial orientation intervention measures by the Kenya Government. This would determine the contribution of Government intervention measures to the MSE sector with a view of recommendations to justify their continued provision to MSEs in Kenya, tailored to the needs of recipient's growth orientation. Growth of MSEs was dealt with

in this chapter where several measures of enterprise growth that include changes in sales revenue, profit, number of employees, employees monthly earning and Capital Employed were discussed. Five entrepreneurship development theories were also exhaustively discussed and critiqued. Finally, the chapter dealt with research gaps which was the preamble of conducting this study.

Sustainable Development Goal 5 on gender equality avers that empowering women and promoting gender equality is crucial in accelerating sustainable development. This is due to the fact that ending all forms of discrimination against women and girls has a multiplier effect across all other development areas apart from being a basic human rights issue. The Kenya Government acknowledges that the empowerment of women is an effective way to combat poverty, hunger and disease and to stimulate sustainable development. Gender equality and women's empowerment is an important condition for the achievement of the 17 SDG goals that make up the vision 2030 Agenda for Sustainable Development. Therefore, an integrated approach is crucial for progress across the multiple goals. Women and girls still bear the largest and most direct costs of the inequalities which in the arena business inequality are bound to be alleviated by Kenya Government Women Enterprise Fund.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter deals with procedures and techniques, which were used in carrying out the study: - "The Effect of Government Interventions on the Growth of Entrepreneurial Women Micro and Small Enterprises, in Trans-Nzoia County, Kenya". The chapter begins with research design, target population, sample size and sampling techniques, data collection methods, pilot study, data collection methods, data analysis and multivariate regression model.

3.2 Research Design

Research design constitutes the blue print for the collection, measurement and analysis of data. In a nutshell, research design is the plan and structure of the investigation conceived in order to obtain answers to research questions (Saunders, Lewis & Thornhill, 2016). Cooper and Schindler (2014) posit that research design expresses both the structure of the research problem, the framework, organization or configuration of the relationship among variables of a study and the plan of investigation used to obtain empirical evidence on those relationships. Namusonge (2010) averred that a research design was suited for gathering descriptive information where the researcher wanted to know about people or attitudes concerning one or more variables through direct querry

This research study utilised mixed research design where both qualitative and quantitative approaches were used with the aim of determining the relationship between Government interventions and the growth of entrepreneurial women owned Micro and Small Enterprises.

Teddie and Tashakkori (2003) as cited by simiyu *et al.,* (2016) posits that mixed research design is preferred to using either qualitative or quantitative method alone since this may result to a tendency to overlook complexities that may only be revealed when a combination of the two methodologies is employed.

 The growth of Women MSEs was determined before and after Government interventions. The measure of growth before Government Interventions were obtained from forms which the entrepreneurs filled before accessing Government Interventions at the County Women Enterprise Fund office. The study was conducted between 1st January and 28th February 2016. Permission was sought from the County Women Enterprise Fund and County Gender and Social Development offices to carry out the research within the specified days.   Women beneficiaries of Government interventions in Trans Nzoia County of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and government policy and regulations from the Women Enterprise Fund within a timeframe of five years (2009-2014) were identified. The independent variable Business experience was based on the number of years the women MSE operators had spent in similar or related business.

3.3 Target population

Kothari (2018) posits that a target population is a group of people, events or items that the researcher wishes to investigate. The research study was carried out in Trans Nzoia County composed of five sub-counties: Kiminini, Cherangani, Saboti, Kwanza and Endebess. The target population was based on 700 Women owned group MSEs identified by the researcher based on records in County Women Enterprise Fund office and corroborated by Women Enterprise Fund(2017) headquarters to have received Government interventions of entrepreneurial training, entrepreneurial credit, entrepreneurial orientation, Government policy/regulations between 2009 to 2014 and were still in business in Trans Nzoia County. This constituted primary respondents. The secondary stakeholders constituted County Women Enterprise Fund Manager and County Gender and Social Development Officer.

3.4 Sampling frame, Sample size and sampling techniques

Saunders et al. (2016) posit that a sampling frame has properties that the researcher can identify every single element and include any in the samples.In order to decrease possibility of sampling error, establish statistical differences and get a true picture of patterns of variability of specific variables to be tested in an heterogeneous study group, it was necessary to have a fairly large sample: A large sample is useful for its potential in examining specific relationship and since the purpose of any research is to learn about a population, the larger the sample, the more it is likely to be representative of the population (Cooper & Schindler, 2014,). Between 1st January 2009 to 31st December 2014, 700 women groups accessed Government interventions of entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and Government policy/regulations from Trans Nzoia County Women Enterprise Fund Office. As it pertains to this study, the sample size was determined between 1st January 2009 and 31st December 2014 using Fox et al(2009) method of sample determination since the target population of women owned MSEs that received Government interventions in Trans Nzoia county was known(N=700)

$$n= \frac{N}{1 + N(e)^2} = \frac{700}{1+700(0.05)^2} = 254$$

n= sample size

e = Tolerance level/ margin of error= (0.05)

Substituting the formula with N = 700 and e = 0.05% gave a sample size of 254 women MSE respondents. The sample selection was based on Fox *et al*(2009) formula because it gave a larger sample. Stratified random sampling technique based on the intervention provision by Women Enterprise Fund in five constituencies/sub counties that constitute Trans Nzoia County was used alongside the four business sectors of trading, service , manufacturing and agribusiness.

3.5 Data collection methods

3.5.1 Primary data

Primary Data was obtained from the field using a combination of data collection techniques and methodologies that included the following: Questionnaires, interview schedule and observation. Focus on group discussions with group leaders of women groups, key informants such as the County Gender and Social Development Officer and County Women Enterprise Fund Manager were used to enhance the quality of data. The services of one research assistant were used throughout the study.

3.5.2. Secondary data

Secondary data was obtained from previous filled application forms for successful Government intervention applicants, previous research studies, policy documents, documentary review of both published and un-published statistics and from the internet. The information was filled on secondary data collection sheet based on questionnaire shown in appendix A at the end which assisted in enhancing primary data quality.

Table 3.1: Distribution of Women owned MSE Sample by business sector

Business sector	Target Population	Sample Size
Trading	300	109
Service	250	91
Manufacturing	80	29
Agribusiness	70	25
Total	**700**	**254**

Table 3.1 shows distribution of women MSE samples by business sector as, trading 109, Service 91, manufacturing 29 and agribusiness 25, courtesy of stratified random

sampling technique. From the table, trading sector had the highest number of respondents while agribusiness had the lowest

Table 3.2: Distribution of women owned MSE respondents by Sub County

Sub county	Target Population	Sample Size
Cherangani	247	89
Kiminini	206	75
Saboti	107	39
Endebess	74	27
Kwanza	66	24
Total	**700**	**254**

Table 3.2 shows distribution of women MSE respondents by Sub County. Cherangani Sub county had a target population of 247 which corresponds to a proportionate sample size of 89. Kiminini Sub County with a target population of 206 had a proportionate sample size of 75 courtesy of stratified random sampling technique (Cooper & Schindler, 2014). This was followed by Saboti Sub county with a sample size of 39, Endebess with 27 and Kwanza with a sample size of 24 respectively.

3.6 Pilot Study

Nunes *et al.* (2010) that pilot studies are instrumental in the framing of questions, collection of background information, refinement of a research approach or tailoring of efficient research instruments. Saunders *et al.* (2016) posit that   validity is the degree to which the method of collecting data results in accurate information. To maximize on the degree of validity, use of most precise research instrument is critical. As pertains to reliability, Saunders *et al.* (2016) aver that it's the degree to which observation of data

can be maximised by ensuring that the research instruments are accurate and yield consistent results. On the other hand, Cooper and Schindler (2014) posit that internal validity refers to the degree to which extraneous factors have been controlled such that change in dependent variable can accurately be attributed to that of change in independent variable. External validity on the other hand is the degree to which research findings can be generalized to the population and environment outside experimental setting (Cooper & Schindler, 2014; Saunders *et al.,* 2016). Pilot testing of the research instruments was done during a pilot study between 22nd and 23rd December 2015 on 25 women group Micro and Small Enterprises in Trans Nzoia County selected from Tuwan, Hospital and Matisi Electoral Wards in Kitale Municipality. One institutional respondent-Trans Nzoia County Women Enterprise Fund Manager was also included in the pilot study to enhance the quality of data. Kothari (2018) posits that Normally 1-10% of sample size is used for pilot testing of the data collection instruments. Kothari (2018) further avers that pretesting of questionnaires and interview assist in identifying vague questions, getting suggestions, identifying deficiencies and helping to identify suitable data analysis methods for the study. Therefore, the results from the pilot study enabled the researcher to check and validate the research instruments for the actual research. The researcher ascertained that the framed questionnaires are without ambiguity which ensured that results obtained in the pilot study was replicated in a consistent manner throughout the period of data collection.

3.6.1 Reliability

Cronbach's alpha statistic propounded by Cronbach (1951) as cited in Cooper and Schindler (2014) was used to test the reliability of the study. Cronbach's alpha determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability. Cronbatch's alpha is an index of reliability accounted for the true score of the underlying construct- the hypothetical variable that is being measured (Cooper & Schindler, 2014). Alpha coefficient range in value from 0 to 1 and are used to describe the reliability of factors extracted from dichotomous and/or multi-

formatted questionnaires or scales. The higher the scale, the more reliable it is regarded. According to Nunnay (1978) as cited by Namusonge(2010b), when dealing with psychological, social science and behavioral constructs, 0.7 is the minimum acceptable reliability coefficient due to the diversity of the constructs, being measured. Therefore, reliability of the questionnaire in this study was ascertained by Cronbatch Alpha statistics using the data from 25 pilot study filled women group questionnaires in December 2015 who had received Government interventions of entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and policy and regulations. The Cronbatch Alpha reliability value from the pilot data was 0.813 for Business experience, 0.729 for entrepreneurial training and counseling, 0.909 for access to entrepreneurial credit, 0.760 for entrepreneurial orientation and 0.859 for Government policy and regulations variables. The mean Cronbatch Alpha reliability value was 0.814, which was above the minimum acceptable reliability coefficient measure of 0.7 suggesting high reliability of the instrument.

3.6.2 Validity

Validity as it pertains to this study was done by use of triangulation and pilot testing of the instruments. Mugenda and Mugenda (2003) as cited by Simiyu *et al.* (2016) avers that triangulation involves use of the three instruments of data collection, namely questionnaire, interview schedule and observation. The researcher ensured that the three instruments of data collection came up with similar information for validity.

The reliability statistics which was used in this study is Cronbach's alpha (Cronbach, 1951) as cited by Namusonge (2010b). Cronbach's alpha determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability. Cronbatch's alpha is an index of reliability accounted for the true score of the underlying construct- the hypothetical variable that is being measured (Cooper & Schindler, 2014). Alpha coefficient range in value from 0 to 1 and are used to describe the reliability of factors extracted from dichotomous and/or multi-formatted questionnaires or scales. The higher the scale, the more reliable it is regarded. According to Nunnay (1978) as cited

by Namusonge (2010b), when dealing with psychological, social science and behavioral constructs, 0.7 is the minimum acceptable reliability coefficient due to the diversity of the constructs, being measured. Therefore, reliability of the questionnaire in this study was ascertained by Cronbatch Alpha statistics using the data from 25 pilot study filled women group questionnaires in December 2015 who had received Government interventions of entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and Government   policy and regulations. The Cronbatch Alpha reliability value from the pilot data was0.813 for Business experience, 0.729 for entrepreneurial training and counseling, 0.909 for access to credit, 0.760 for entrepreneurial orientation and 0.859 for Government policy and regulations variable. The mean Cronbatch Alpha reliability value was 0.814, which is above the minimum acceptable reliability coefficient measure of 0.7 suggesting high reliability of the instrument.

3.7 Data collection procedures

Data collection for this study was done in two stages. In the first stage, County Women Enterprise Fund Manager, County Gender and Social Development Officer had their data on women owned MSE clients collected through interview schedule. The second phase of data collection involved administration of questionnaires, interview schedules coupled with observation to 254 women group MSE entrepreneurs in each of the five Sub counties of Kiminini, Kwanza, Saboti, Endebess and Cherangani in Trans Nzoia County between 1st January and 28th February2016.

3.8 Data analysis and presentation

Cooper and Schindler (2014) posit that data analysis is guided by the objectives of the study, research questions and hypothesis. Descriptive factor analysis for variables was carried out in this study to ensure the items helped to measure intended constructs. Descriptive statistics such as percentages, frequency distribution mean and standard deviation were used in analysis of data. Inferential statistics of paired t tests, Analysis of Variance (ANOVA), correlation and multiple linear regression analyses were further

employed in determining the statistical significance of the relationships between independent and dependent variables of the study. The hypotheses were also tested based on inferential statistics of t test, correlation and multiple regression analyses. The results were presented in tables, graphs, charts and figures.

3.9 Multiple regressions

Saunders *et al.* (2016) averred that multiple regression analysis as a statistical technique which focuses upon and brings out in bold relief, the structure of simultaneous relationships among three or more phenomena. Multiple regressions helps to determine the overall fit (variance explained) of the model and the relative contribution of each of the predictors to the total variance explained.

3.9.1 Multiple regression Model

A multiple linear regression model was used in determining relationship between six variables that are categorized as independent and dependent as indicated below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + B_5 X_5 + \varepsilon$$

Where **Y** is the dependent variable growth,

β_0 is the Intercept.
X_1 Business Experience
X_2 Access to entrepreneurial training
X_3 Access to credit).
X_4 Entrepreneurial Orientations (EO)
X_5 Government policy and regulations
ε is the Error term.

3.9.2 Assumptions for multiple regression model

The five assumptions of multivariate regression model are as here-below (Cooper & Schindler, 2014);

a. Linear Relationship

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables. Linearity can easily be examined through residual plots. Multiple regressions can only accurately estimate the relationship between dependent and independent variables if the relationships are linear in nature. In essence, linearity means that the predictor variable in the multiple regression have a straight line relationship with the outcome variable(Cooper & Schindler,2014)

b. Normality

The data for the independent and dependent variables have normal distributions.

c. Lack of Multicollinearity

Multicollinearity exists when two or more of the explanatory variables are highly correlated with each other.

d. Heterokedasticity

This is the extent to which the data values for the dependent and independent variables have equal variances. It therefore means that the variance of the residuals should be the same at each level of the explanatory variable

3.9.3 Regression Model Diagnostic Tests

Several assumptions and tests were conducted to ensure sustainability and suitability of the data and the multiple regression model before undertaking the study. These were Multicollinearity, Linearity, Heteroskedasticity and Normality.

Cooper and Schindler (2014) posit that Multicollinearity exists when two or more of the explanatory variables are highly correlated with each other. This is a problem as it can be hard to disentangle which of them best explains any shared variance with the outcome. The regression model will not be able to accurately associate variance in the outcome variable with the correct predictor variable leading to muddled results and incorrect inferences. Multicollinearity exists when two or more of the explanatory variables are highly correlated with each other.. The study therefore sought to test for multicolinearity of the data for the study. Multicollinearity was tested between the independent and dependent variables of this study , where the five Government interventions of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and Government policy and regulations were ran against growth of women Micro and Small Enterprises. This was very necessary to determine if there was similarity between the independent and dependent variables. Multicolinearity was tested using Variance Inflation Factor (VIHF) and the findings which should be below 10 for lack of multicollinearity presented in table 3.3 . Based on the findings on table 3.3, the VIF obtained between five independent variables that constitute Government interventions and growth of women owned MSEs as dependent variables was 6.973 and therefore within the stipulated range of 1-10 confirming that there was no multicollinearity symptoms in the study data'.

Table 3.3: Multicollinearity Test

coefficients[a]						collinearity	
model	Unstandardized Coeffients	Std error	Standardized Coefficients	t	sig	statistics	
	B					Tolerance	VIF
1 Constant	4.623	0.841	3.822	4.323	.000		
Government Interventions	0.292	0.048	0.212	3.527	.002	.1434	6.973
a Dependent Variable , Women MSEs Growth							

The Study sought to test heteroskedasticity between the variables of the study . Government interventions composed of five independent variables were ran against growth of Women owned Micro and Small Enterprises. Heteroskedasticity was useful in the examination of whether a difference exists in the residual variance of the observation period to another period of observation. The findings were presented in table 3.4. The output coefficient from the study analysis gave the value of significance for independent variables of Government interventions of 1.000 . The value of the significance is greater than 0.05(i.e >0.05) and therefore, it was concluded that the problem of heteroskedasticity did not exist for multiple regression analysis of this study.

Table 3.4: Heteroskesdasicity

coefficients[a]

model	Unstandardized Coeffcients B	Std error	Standardized Coefficients Beta	t	sig	collinearity statistics Tolerance	VIF
1 Constant	5.632	0.736		0	.000	1.000	
Government Interventions	0.000	0.342	0.000	3.527 .	1.000	.1223	8.176.

a Dependent Variable , Women MSEs Growth

Linearity tests were also carried out between independent and dependent variables to determine existence of linearity relationship. Linearity test is a precondition in correlation and linear regression analyses. In cases where the value has a significant deviation from linearity >0.05(greater than 0.05), then the relationship between independent and dependent variables is linear whereas if the value has a significant deviation from linearity <0.05 (less than 0.05), then the relationship between dependent and independent variables is not linear. The findings were presented on table 3.5 below :

Table 3.5: Linearity Test

ANNOVA							
Effect of Government		Sum of			Mean	F	Sig
Interventions on the		squares	df		square	9.412	.380
of Entrepreneurial women	Deviation	4001433215	5		8002286643		
MSEs(sales, profit, employees, from	Linearity	824534 66132	249		318353151.1		
Monthly pay & captal [CE]							
employed)							
Total		86454899347	254				

From table 3.5 above, the ANOVA output gave the value of significant deviation from linearity as 0.380> 0.05(i,e, greater than 0.05). It was therefore concluded that a linear relationship exists between the independent and dependent variables of this study.

Table 3.6: Normality Test

One sample Kolmogorov-Smirnov Test		Government Interventions	Growth of women MSEs
N		254	254
Normal Parameters[a]	Mean	9.4530	9.3251
Most Extreme differences	St Deviation	2.04300	2.31721
Kolomogorov-Smirnov Z	Absolute	.312	.1510
Assymp. Sig(2 tailed)	Positive	.242	.0814
a Test distribution is Normal	Negative	-.312	-.1510
Kalomogorov- smirnov Z		2.935	1.202
		0.421	0.393

As shown on table 3.6 pertaining normality test of the data for the study. Data normality test was one of the first steps that was done before processing the data based on the models of the research especially when the purpose of the research was ascertained. The normality test was intended to determine the distribution of the data in the variable that was used for the research. Normally distributed data is good and decent. Based on this study, if the assymp significance is greater than 0.05(i.e > 0.05), then the data is normally distributed.

On the other hand, when the value of the assymp Significance is less than 0.05(i,e< 0.05), then the research data is not normally distributed. The results as presented on table 3.6 based on the output of Kalomogorof-smirnov test assymp significance value was 0.421 for five independent variables that constitute Government interventions and 0.393

for growth of women owned MSEs which are both greater than 0.05(i.e.>0.05) . Therefore, it is concluded that the data was normally distributed.

Table3.7: Measurement of independent variables and their theoretical effect on women owned MSE growth

Independent Variable	Description of Measurement	Effect of independent variable on women owned MSE growth(+-)
Business experience	Number of years in similar or related business	Number of Employees+ employees pay +,annual sales+, annual profit+ and capital employed+
Entrepreneurial training	5 Likert Scale Questions • Number of annual trainings • Effect of training on profit • Relevance of training • Adequacy of training • Effect of training on entrepreneurial skills	Number of Employees+ Employees pay+ Annual sales+ Annual profit+ Capital Employed+
Entrepreneurial credit	5Likert scale Questions • Adequacy of entrepreneurial credit • Entrepreneurial credit interest rate low and affordable • Effect of entrepreneurial credit on EO • Effect of entrepreneurial credit on sales and profit • Effect of Entrepreneurial credit on asset acquisition	Growth+ on profit, sales, number of employees, employees pay and capital employed
Entrepreneurial Orientation	5 Likert scale questions • Risk taking propensity • Product/process innovation • Ability to find new markets • Market research for products/services • Degree of importance attached to profit and Return on Investment	Profit+ , Sales+, Change in number of employees +, employees pay+, capital employed+
Government policy and regulations	Likert scale questions • MSE incubation policy • MSE Technology upgrading • Tax and license regime • Social security and risk mitigation • Business registration regime	Profit+ Sales+ change in number of employees+, employees pay+ capital employed+

Table 3.7 above shows the measurement of five independent variables of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and Government policy and regulations based on their theoretical positive effect on growth of women owned MSEs in Trans Nzoia County, Kenya. The independent variable of business experience was measured based on the number of years of the MSE entrepreneur in similar or related business , whereas the four independent variables of entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation(EO) and Government policy and regulations were each measured based on five linkert scale questions. The Growth of women owned MSEs was based on five parameters of sales revenue, profit, number of employees, employees monthly pay and capital employed.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

The main purpose of the study was to investigate the Effect of Government Interventions on the Growth of Entrepreneurial Women owned Micro and Small Enterprises in Trans Nzoia County, Kenya. The study sought to establish the interventions that had been provided by the Government of Kenya to women owned Micro and Small Enterprises through Women Enterprise Fund, the effect of these interventions on performance and whether there is any relationship between the provided interventions and growth of the women owned enterprises in Trans Nzoia County, Kenya. The study targeted 254 Women owned Micro and Small Enterprises spread in the five Sub-counties/Constituencies of Trans Nzoia County. The respondents had received Government interventions of entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and Government policy/ regulations between 2009 and 2014 and were still in business in Trans Nzoia County at the time of carrying out the research. The effect of business experience on growth of women owned Micro and Small Enterprises was also determined. The data for 254 respondents was collected by the researcher and one research assistant between1st January and 28th February 2016 through a combination of interview schedule, questionnaire and observation methods (triangulation)**.**

The study addressed the following specific objectives**:**

1. To determine the effect of Business experience on the growth of women owned Micro and Small Enterprises.
2. To determine the effect of entrepreneurial training and counselling on the growth of women owned Micro and Small Enterprises

3. To determine the effect of access to credit on the growth of women owned Micro and Small Enterprises.
4. To determine the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small Enterprises
5. To determine the effect of Government policy and regulations on the growth of women owned Micro and Small Enterprises.

The findings were presented in two categories: descriptive results in the form of tables, graphs and figures, and inferential results in the form of t tests, Analysis Of Variance (ANOVA), correlation and multiple regression analyses.

4.2 Response rate

The researcher required a minimum sample of 254 women Micro and Small Entrepreneurs distributed in all the five sub-counties/constituencies of Trans-Nzoia County. This represents 100% of the respondents required for the study. A higher number of 264(254x104%) respondents was targeted to cover for incomplete questionnaires and absent respondents with a view to attain 100% (254) required response rate. Out of 264 questionnaires administered, 258 women owned MSE entrepreneurs responded fully and 6 were not located. The extra four questionnaires were discarded leaving 254 which represented 100% response rate. Saunders *et al.* (2016) aver that a response rate above 70%, is a reasonable representative sample for the population and a good sample size for studies of this nature.

4.3 Reliability results

Cronbach's alpha statistic propounded by Cronbach (1951) as cited by Namusonge (2010b) was used to test the reliability of the study. Cronbach's alpha determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability. Cronbatch's alpha is an index of reliability accounted for the true score of the underlying construct- the hypothetical variable that is being measured Nunnay (1978) as

cited by Namusonge (2010b) posits that when dealing with psychological, social science and behavioral constructs, 0.7 is the minimum acceptable reliability coefficient due to the diversity of the constructs, being measured. The reliability of the questionnaire in this study was ascertained by Cronbatch Alpha statistics using the data from 25 pilot study filled women group questionnaires in December 2015 who had received Government interventions of entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and government policy and regulations. The Cronbatch Alpha reliability values from the pilot and sample data(254 respondents) were similar at 0.813 for business experience, 0.729 for entrepreneurial training , 0.909 for entrepreneurial credit, 0.760 for entrepreneurial Orientation and 0.859 for Government policy and regulations variables. The mean Cronbatch Alpha reliability value was 0.814 which is above the minimum acceptable reliability coefficient measure of 0.7 indicating high reliability of the research instrument.

4.4 Socio-economic characteristics of the respondents

The characteristics are important due to the fact that they determine performance of enterprises. The socio economic characteristics reviewed include age, education level, business type and business experience.

4.4.1 Age of the entrepreneur

The respondents were asked to state their age bracket and all the 254 respondents specified their age brackets. The results of this finding are given in table 4.1 below. From the table, the minimum age of the women entrepreneurs   in Micro and Small Enterprises in Trans Nzoia county was 32 years while the maximum was 52 years. The modal age was 42 years in the 40-44 a/ge group, which is also the median age. The mean age of the women MSE entrepreneurs was 42.36 with a standard deviation of 4.77 on both sides of the mean. This implies that the age of the women MSE entrepreneurs ranged from 37.59 to 47.13. Therefore, most of the women MSE entrepreneurs belonged to middle age with strong entrepreneurial drive. In their study on internet café

entrepreneurs in Indonesia, Kristiansen, Furuholt and Wahid (2003) found a significant correlation between age of the entrepreneur and business success. The older (>25 years old) entrepreneurs were more successful than the younger ones. Mazzarol et *al*. (2009) found that female were generally less likely to be founders of new business than male. Similarly, Kolvereid (1996) as cited by Stevenson and St Onge (20005) found that males had significantly higher entrepreneurial intentions than females. Kolvereid (1996) as cited by Stevenson and St Onge (2005) further found out that individuals with prior entrepreneurial experience had significantly higher entrepreneurial intentions than those without such experience.

Table 4.1: Age of women entrepreneurs in years

Age bracket	Frequency	Percent	Mid point	Minimum	Maximum	Mean	SD
30-34	19	7.5	32	32.00	52.00	42.3550	4.77387
35-39	21	8.3	37				
40-44	161	63.4	42				
45-49	24	9.4	47				
≥50	29	11.4	52				
Total	**254**	**100.0**					

4.4.2 Type of business

Each of the respondents indicated the business type as shown in the table 4.2 below. The distribution in the table shows trading as the major business sector with 42.9 percent of the Women MSE respondents in Trans Nzoia county. The major business sector was followed by service at 35.8 percent, manufacturing at 11.4 and agriculture at 9.8 percent. These findings reflect that trading and service sectors are the leading sectors when compared to agriculture and manufacturing sectors. The findings agree with MSE

Baseline survey (1999) as cited by Nteere (2012) which found out that 64.3% of the MSEs were in trade, 14.8% in service, and 13.4% in manufacturing while 7.7% engaged in other activities. The Majority of these enterprises (66%) were located in rural areas while women ownership stood at 48%. Out of the 48% owned by women, 75% were in trade and service subsectors.

Table 4.2: Respondents business sector

Business sector	Frequency	Percent	Cumulative Percent
Trading	109	42.91	42.91
Service	91	35.83	78.74
Manufacturing	29	11.42	90.16
Agricultural	25	9.84	100.00
Total	**254**	**100.00**	

4.4.3 Education level of the respondents

Each of the 254 women MSE owner managers were asked to state their education level and the response is indicated in table 4.3 below. Majority of the women MSE owner managers had secondary education (67.7%) followed by Primary level at 18.1 percent, while college/university had 14.2 percent of the respondents respectively.

Table 4.3: Education level of respondents

Education level	Frequency	Percent	CumulativePercent
Primary	46	18.1	18.1
Secondary	172	67.7	85.8
College/University	36	14.2	100.00
Total	**254**	**100.00**	

4.4.4 Business experience

When asked about their business experience, the 254 women MSE entrepreneurs responded as indicated in table 4.4 below. Majority of the women MSE entrepreneurs (42.9 %) had business experience of between 6-10 years followed by 11-15 years (40.2%). Those women MSE owner managers with business experience of between16-20 were the least (1.6%). The minimum business experience was 3 years and the maximum 18 years. The mean business experience was 9.412 years with a standard deviation of 4.797. Therefore, the majority of women owned MSEs in Trans Nzoia county had business experience of between 4.6 to 14.2 years respectively.

Table 4.4: Business experience of women MSE operators

Business Experience	Midpoint	Frequency	Percent	Minimum	Maximum	Mean	SD
1-5	3	39	15.3	3	18	9.412	4.797
6-10	8	109	42.9				
11-15	13	102	40.2				
16-20	18	4	1.6				
Total		**254**	**100.0**				

Table 4.5: Correlation analysis between business experience and women MSE growth

Performance measure	Correlation Coefficient (r)	P- Value	Decision
Sales increase	0.415	0.000	Reject Ho
Profit change	0.165	0.031	Reject Ho
Employees Change	0.055	0.473	Accept Ho
Monthly pay	0.189	0.007	Reject Ho
Capital Employed	0.225	0.009	Reject Ho
Correlation is significant at 0.05 level of significance (2-tailed).			

From table 4.5, business experience had positive correlations with sales revenue, profit, employees monthly earning and capital employed with correlation coefficient(r) values of 0.415 0.165, 0.189   and 0.225 respectively which are statistically significant at 0.05 level of significance (p =0.00, 0.031, 0.007,0.009). Change in number of employees as a measure of growth has an insignificant correlation with business experience of the women owned MSEs at 0.05 level of significance(r=0.055,P= 0.473).On the basis of the of the correlation analysis results, H_0 was rejected as it pertains to four growth indicators of profit, sales revenue, monthly employee earning and capital employed thereby accepting the alternative hypothesis(H_1): Business experience has a significant relationship with growth of women owned Micro and Small Enterprises in terms of annual sales revenue ,profit, monthly employee earning and capital employed. However, on account of change of number of employees as a growth indicator, H_0 was accepted; There is no significant relationship between business experience of women owned MSEs and growth of their enterprises in terms of change in number of employees. The results were corroborated with multiple regression standardized coefficient Beta values.

4.4.5 Involvement in other MSE businesses

The women MSE entrepreneurs were asked to state whether they are involved in other businesses activities apart from these group enterprise and they responded as indicated in table 4.6 below. The results reveal that majority of women MSE owner managers (78.8%) were also involved in other business activities. Only 21.2 percent of the respondents indicated that they were not involved in any other MSE business activities. This finding agrees with KIPPRA (2002) assertion that in developing countries like Kenya, many households and individuals engage in multiple productive activities in the MSE sector to increase household incomes. McCormick (1988) as cited by KIPPRA (2002) averred that many of the owners of urban small scale enterprises also own farms in the rural areas in which some members of the household work–a practice termed as "straddling." Straddling is important because it enables modern sector workers to survive on low wages, which effectively acts as a wage subsidy to the sector. It also allows the owners of these businesses to reduce some of the risks associated with dependence on wage employment.

Table 4.6: Involvement in other economic activities/ businesses

Involvement in other businesses	Frequency	Percent	Cumulative percent
Yes	200	78.8	78.8
No	54	21.2	100.0
Total	**254**	**100.0**	

4.5 Government Interventions

All the 254 women MSE respondents indicated they received the government interventions of entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations. Variation in the number of entrepreneurial training and counselling sessions per year was experienced. The women MSE respondents also received entrepreneurial credit between 2009 and 2014. Each of the four Government intervention measures of entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations utilized likert scale statements/ questions with 1 to 5 options. Business experience relied on the number of years in similar or related business by women owned MSE operators

4.5.1 Entrepreneurial training/counselling

All the 254 women MSE respondents accessed entrepreneurial training and counselling sessions offered by Women Enterprise Fund. The response of women MSE entrepreneurs to five likert scale questions with five possible choices was as summarised below.

(a). The annual number of entrepreneurial training sessions

All the 254 MSE respondents received entrepreneurial training and counselling sessions which varied in number annually as indicated on table 4.6 below. Before accessing entrepreneurial credit, all the successful beneficiaries attended two days training session on entrepreneurial related modules to increase their entrepreneurial acumen. Counselling follow-up sessions at enterprise level by Women Enterprise Fund officers differed in number on annual basis. This in effect introduced variability in the number of annual training/counselling sessions to between one and five times annually. Majority of beneficiaries (38.2%) received four training/counselling sessions annually. This was followed by those who received three training/counselling sessions (32.0%). Those women MSE operators who received one training/counselling session per year were the

least (2.9%). Therefore, majority of the successful women MSE entrepreneurial credit beneficiaries (97.3%) in Trans-Nzoia county also received annual entrepreneurial training/counselling sessions of between two and five times annually during the intervention period.

Table 4.7: The annual number of entrepreneurial training sessions

No of training	Frequency	Percent	Cumulative Percent
Once	7	2.7	2.7
Two times	42	16.5	19.2
Three times	81	32.0	51.2
Four times	97	38.2	89.4
Five times	27	10.6	100
Total	254	100.0	

(b). The effect of entrepreneurial training on sales and profit

Table 4.8 illustrates the likert scale responses of women MSE operators on the effect of entrepreneurial training on their annual sales and profit. Majority of the respondents (51.2%) indicated that the training viewed in terms of annual sales and profit was moderately significant. This was followed by those who rated the training sessions in terms of annual sales and profitability as more significant (26.3%). Only 21.2% indicated their response as less significant. Therefore, more than three quarters of the respondents (78.7%) indicated the effect of entrepreneurial training on annual sales and profit as lying between moderately significant to very significant on a likert scale of between 1 and 5 options.

Table 4.8: The effect of entrepreneurial training on annual sales and profit

Response	Frequency	Percent	Cumulative Frequency
Less significant	54	21.3	21.3
Moderately significant	130	51.2	72.5
More significant	67	26.3	98.8
Very significant	3	1.2	100
Total	254	100	

(c). Relevance of entrepreneurial training to Micro and small Enterprises

Concerning relevance of the entrepreneurial training to Micro and Small Enterprise as shown on table 4.9 below, Majority of the women MSE respondents (42.5%) indicated that it was moderately relevant. This was followed by 27.6 percent of the respondents who indicated that the training was more relevant. Only 22.9 percent of the respondents indicated that the training was less relevant to Micro and Small Enterprise set up with no indication of irrelevant response. Therefore, more than three quarters of the respondents (78.2%) were in consensus that   entrepreneurial training was relevant to Micro and Small Enterprise set up since their overall response was between moderately significant to very significant on a likert scale of between 1 and 5.

Table 4.9: Relevance of entrepreneurial training to Micro and Small Enterprises

Likert Scale Rating	Frequency	Percent	Cumulative percent
Less relevant	58	22.8	22.8
Moderately relevant	108	42.5	65.3
More relevant	70	27.6	92.9
Very relevant	18	7.1	100.0
Total	**254**	**100.0**	

(d). The adequacy of entrepreneurial training and counseling course

Table 4.10 illustrates the response of women MSE operators regarding the adequacy of the entrepreneurial training. Majority of the women MSE respondents (39.8%) indicated that the entrepreneurial training/counselling sessions were more adequate. This was followed by 35.4 percent of the respondents who indicated that the training/counselling sessions were moderately adequate and 23.6 percent of the respondents who indicated that the training sessions were less adequate. Only 3(1.2%) of the respondents indicated very adequate rating. There was no response in the less adequate category. Therefore, more than three quarters of the respondents (76.4%) were unanimous in their likert scale rating of entrepreneurial training as ranging between moderately adequate to very adequate.

Table 4.10: The adequacy of entrepreneurial training rating

Response on variable	Frequency	Percent	Cumulative Percent
Less adequate	60	23.6	23.6
Moderately adequate	90	35.4	59.0
More adequate	101	39.8	98.8
Very adequate	3	1.2	100.0
Total	**254**	**100**	

(e). Effect of entrepreneurial training on skills of women MSE owner managers

The 254 Women MSE owner managers were asked about the effect of the entrepreneurial training course on their skills as MSE entrepreneurs and their response is as expressed in table 4.11 below based on a likert scale of between 1 and 5 options. Majority of the respondents (32.3%) indicated that the effect of the entrepreneurial training course to Women MSE entrepreneurs was more significant. This was followed by moderately significant response (27.6%) and less significant (24.0%) in a descending order of importance. Only1.9 percent of the respondents indicated that the effect of the course on skills of the MSE entrepreneurs was very insignificant. Therefore, a greater majority of the respondents (74.1%) were of the collective view that that the effect of the entrepreneurial training course on their skills as MSE entrepreneurs ranged between moderately significant to very significant rating.

Table 4.11: Effect of Entrepreneurial training on skills of women MSE operators

Likert scale rating	Frequency	Percent	Cumulative percent
Very insignificant	5	1.9	1.9
Less significant	61	24.0	25.9
Moderately significant	70	27.6	55.5
More significant	82	32.3	85.8
Very significant	36	14.2	100.0
Total	**254**	**100.0**	

(f). Entrepreneurial training consolidated means and standard deviation.

Table 4.12 below illustrates the consolidated means of responses to five likert scale questions concerning entrepreneurial training independent variable. Question one on entrepreneurial training annual number of times had the highest mean response of 3.37 and standard deviation of 0.478 on both sides of the mean. Question two on the benefit of training on sales and profit had the lowest mean rating of 3.08 on the likert scale of between one and five options with a standard deviation 0.722. The overall consolidated mean of the entrepreneurial training was 3.23 with a standard deviation of 0.558. This represents average to above average approval of the entrepreneurial training independent variable by women MSE operators of between 2.672 and 3.788 on a likert scale of between1 and 5.

Table 4.12: Entrepreneurial training consolidated means and standard deviations.

Entrepreneurial training	N	Min	Max	Mean	SD
Number Entrepreneurial training annually	254	1	5	3.37	0.478
Effect of entrepreneurial training on sales & profit	254	2	5	3.08	0.722
Relevance of training to MSE operators	254	2	5	3.19	0.870
Adequacy of entrepreneurial training rating	254	2	5	3.19	0.807
Effect of course on skills of MSE owner manager	254	1	5	3.33	48
Overall mean of Entrepreneurial training/counselling variable	**254**	**2**	**5**	**3.23**	**0.558**

4.5.2 Entrepreneurial credit

A sample of 254 women MSE owner managers received entrepreneurial credit from Women Enterprise Fund and their response to five scale likert scale questions with five possible choices is as indicated in the sub-sections here below;

(a). Amount of entrepreneurial credit obtained by women owned MSEs

The amount of entrepreneurial credit obtained from Women Enterprise Fund Trans Nzoia office between 2009-2014 ranged from a minimum of Kshs 50,000 and a maximum of Kshs 500,000 as illustrated in the table 4.13 below. Majority of women MSE entrepreneurs in Trans Nzoia County received entrepreneurial credit of Ksh 50,000 (35.4%). This was followed by women MSE entrepreneurs who received entrepreneurial credit of Ksh100,000 (23.6%), KShs 200,000(20.5%) and Ksh 350,000(14.6%). Finally, Ksh 500,000 entrepreneurial credit was received by the lowest number of women MSE respondents (15 or 5.9%).Therefore a greater majority of women MSE operators (79.5%) received entrepreneurial credit of between ksh 50,000 to Ksh 200,000 respectively. However, the Women MSE operators who received between KSh 350,000

and 500,000 were only 52(20.5%) of the 254 respondents which depicts a small number of beneficiaries of reasonable amounts of entrepreneurial credit during the intervention period.

Women Enterprise Fund (2017) posits that the loans were given out in five graduation cycles of ksh50,000, 100,000, 200,000, 350,000 and 500,000 up to 2014/15 financial year respectively. Refinancing was limited to groups with good entrepreneurial credit history demonstrated by complete repayment within the loan tenure. The loans help Kenyan women to start or improve their business in groups. The lending cycles and amounts changed to four in 2015/16 financial year of ksh 100,000, 200,000 , 300,000 and 500,000 respectively with new cycles 5 and 6 of Ksh,750,000 and 1000,000 introduced in 2016/17 financial year respectively(WEF,2017). The introduction of the new cycles was occasioned by demand from groups that had reached cycle four. However, the new cycles five and six are limited purely to project funding. The beneficiaries repay the loans through MPESA, Airtel money and Kenya Commercial Bank (KCB) collection account.

Table 4.13: Amount of entrepreneurial credit obtained by women owned MSEs

Amount (Shs)	Frequency	Percent	Cumulative percent
50,000	90	35.4	35.4
100,000	60	23.6	59.0
200,000	52	20.5	79.5
350,000	37	14.6	94.1
500,000	15	5.9	100.0
Total	**254**	**100**	

(b). Distribution of women MSEs entrepreneurial credit beneficiaries between 2009-2014

Table 4.14 below illustrates the distribution of women owned entrepreneurial credit beneficiaries between 2009 and 2014. The number of beneficiaries of credit intervention was evenly distributed within a six year period and ranged from a minimum of 30 (11.8%) in 2009 to a maximum of 55(21.7 %) in 2014. In 2011, 43(16.9%) women MSE operators received entrepreneurial credit from Women Enterprise Fund. This was followed with another 43(16.9%) in 2012 and 46(18.1%) in 2013. In 2014, a majority of 55(21.72%) women MSE operators received entrepreneurial credit intervention. Therefore, the number of women owned MSE entrepreneurial credit beneficiaries assumed an increasing trend between 2009 and 2014 with the highest number of beneficiaries being posted in 2014 as illustrated in table 4.14 below;

Table 4.14: Distribution of women entrepreneurial credit beneficiaries between 2009-2014

Year	Frequency	Percent	Cumulative Percent
2009	30	11.8	11.8
2010	37	14.6	26.4
2011	43	16.9	43.3
2012	43	16.9	60
2013	46	18.1	78.3
2014	55	21.7	100.0
Total	**254**	**100.0**	

(c) The adequacy of entrepreneurial credit

Table 4.15 below illustrates the distribution of a sample of 254 women MSE respondents as it pertains to question one with likert scale choices of between 1 and 5. Majority of women MSE respondents (49.6%) indicated that they moderately agreed with adequacy of entrepreneurial credit intervention for their enterprises. This was followed by 78 (30.7%) women MSE operators who above averagely agreed that the entrepreneurial credit intervention received was adequate for their enterprises. Those who slightly agreed were 40(15.8%) whereas only 10(3.9%) strongly disagreed. Therefore a greater majority of women MSE respondents (80.3%) ranged between moderately and above average agreement as it pertained to the adequacy of entrepreneurial credit for their enterprises on a likert scale of between 1 and 5.

Table 4.15: Adequacy of entrepreneurial credit for women owned MSE operators

Response	Frequency	Percent	Cumulative Percent
Strongly disagree	10	3.9	3.9
Slightly agree	40	15.8	19.7
Moderately agree	126	49.6	69.3
Above average agree	78	30.7	100.0
Total	**254**	**100**	

(d). Entrepreneurial credit interest rating as low and suitable for women MSE respondents

The 254 women MSE respondents were asked to respond to the statement that entrepreneurial credit interest was low for their operations on a likert scale of 1 to 5 options as shown on table 4.6 below. A high percentage (37.8%) of the respondents indicated that they slightly agreed, followed by 34.7% who indicated moderate agreement with the statement. The women MSE respondents who above averagely

agreed with the statement represented 23.6 percent. Only 3.9 percent of the respondents indicated their strong disagreement with the likert scale statement. On the other hand, no respondent strongly agreed that the interest rate was low and therefore favourable for their MSE operations. Therefore, majority of the women MSE owner managers (58.3%) were unanimous with their rating of interest rate as ranging between moderate and above average on a likert scale of between 1 and 5 options.

Table 4.16: Entrepreneurial credit interest rating as low for women owned MSEs

Response	Frequency	Percent	Cumulative percent
Strongly disagree	10	3.9	3.9
Slightly agree	96	37.8	41.7
Moderately agree	88	34.7	76.4
Above averagely agree	60	23.6	100
Total	**254**	**100.0**	

(e) The positive effect of entrepreneurial credit on entrepreneurial orientation

The 254 women MSE owner managers were asked to rate the positive effect of entrepreneurial credit on creativity and innovation on a likert scale of between 1 and 5 options as indicated in table 4.17 below. A higher number of the respondents (39.4%) had above average agreement with the rating, followed by 33.5 percent who moderately agreed. Some 20.5 percent slightly agreed whereas 3.5 percent had strong disagreement with the likert scale rating. On the other hand, only 3.1 percent strongly agreed that the received entrepreneurial credit had positive effect on entrepreneurial orientation. Therefore, more than three quarters of the respondents (76.0%) indicated between

moderate and strong agreement rating on the likert scale as it pertains to the positive effect of entrepreneurial credit on creativity and innovation.

Table 4.17: The positive effect of entrepreneurial credit on creativity and innovation

Response	Frequency	Percent	Cumulative Percent
Strongly disagree	9	3.5	3.5
Slightly agree	52	20.5	24.0
Moderately agree	85	33.5	57.5
Above averagely agree	100	39.4	96.9
Strongly agree	8	3.1	100.0
Total	254	100	

(f). The positive effect of entrepreneurial credit on women MSE sales and profitability

The women MSE respondents were asked to rate, on a likert scale of 1to 5, entrepreneurial credit intervention as having positive effect on sales and profitability. Their responses are as indicated in table 4.18 below. Over one third of the respondents (33.5%) were in moderate agreement, while 32.9% rated entrepreneurial credit positive effect on sales and profitability as being above average. On the other hand, only 1.6% of the respondents indicated strong disagreement wheras12.2% indicated strong agreement rating. The slightly agree rating option had 19.7% of the respondents. Therefore, majority of the women MSE respondents (78.7%) were unanimous about entrepreneurial credit having positive effect on sales and profitability since their rating ranged between moderate and strong agreement.

Table 4.18: Positive effect of entrepreneurial credit on sales and profitability

Likert scale Response	Frequency	Percent	Cumulative Percent
Strongly disagree	4	1.6	1.8
Slightly agree	50	19.7	21.2
Moderately agree	85	33.5	54.7
Above averagely agree	84	33.0	87.6
Strongly agree	31	12.2	100.0
Total	**254**	**100.0**	

(g) Positive effect of entrepreneurial credit on women MSE asset acquisition

The women MSE owner managers were asked to rate entrepreneurial credit as having a positive effect on MSE asset acquisition and their response is as indicated on table 4.19 below. 103(40.5%) of the respondents indicated moderate agreement followed by above average agreement (30.0%) and strong agreement rating at 5.9%. Only 2.0 percent of the respondents strongly disagreed whereas 21.6 percent slightly agreed. Therefore, majority of the respondents likert scale rating ranged between moderate and strong agreement (76.4%) as it pertains to the positive effect of entrepreneurial credit on women owned MSE asset acquisition.

Table 4.19: Positive effect of entrepreneurial credit on women owned MSE asset acquisition

Response	Frequency	Percent	Cumulative percent
Strongly disagree	5	2. 0	2.0
Slightly agree	55	21.6	23.6
Moderately agree	103	40.5	64.1
Above averagely agree	76	30.0	94.1
Strongly agree	15	5.9	100.0
Total	**254**	**100.0**	

(h) Consolidated means and standard deviation of entrepreneurial credit rating

The overall response pertaining to entrepreneurial credit intervention means and standard deviation on a likert scale of between 1 and 5choices was consolidated on table 4.20 below. As it pertains to entrepreneurial credit adequacy, the minimum response was 1 with the maximum being 4. The mean was 3.06 with a standard deviation of 0.793. The rating of entrepreneurial credit interest rate as low had a minimum response of 2 and a maximum of 5. The mean was the highest at 3.78 and a standard deviation of 0.88. The rating of positive effect of entrepreneurial credit on Entrepreneurial Orientation had a minimum of 1 and a maximum of 5, with a mean of 3.18 and standard deviation of 0.987. The rating of positive effect of entrepreneurial credit on sales and profitability had a minimum response of 1 and a maximum of 5, with a mean of 3.35 and standard deviation of 0.987. The likert scale rating of entrepreneurial credit as having positive effect on MSE asset acquisition had a minimum response of 1 and a maximum of 5, with a mean of 3.16 and standard deviation of 0.895. The consolidated likert scale entrepreneurial credit rating had a minimum response of 1 and a maximum of 5. It gave an overall mean of 3.31 with standard deviation of 0.557. This means that the overall

mean as it pertains to entrepreneurial credit intervention lies between moderate and above average (2.75 to 3.867) on a likert scale of between 1 and 5.

Table 4.20: Entrepreneurial credit consolidated means and standard deviations

Likert Scale credit response	N	Minimum	Maximum	Mean	SD
Credit was adequate for enterprise		1	4	3.06	0.793
Credit interest rate was low	254	2	5	3.78	0.88
Credit had positive effect on EO	254	1	5	3.18	0.912
Credit had positive effect on sales and profitability	254	170	5	3.35	0.987
Credit had positive effect on MSE asset acquisition	254	1	5	3.16	1.895
Overall credit rating	**254**	**2**	**4**	**3.31**	**0.557**

4.5.3 Entrepreneurial Orientation

Each of the 254 women MSE entrepreneurs was asked five likert scale questions with five possible choices on the effect of Entrepreneurial Orientation where innovativeness, risk taking and pro-activeness were the principal components. The response is as indicated on tables 4.20-4.25.

(a) Risk taking propensity of women MSE respondents

The sample of 254 women owned MSE respondents were asked to state the rating of their risk taking propensity on a likert scale of between 1 and 5 .As indicated in table 4.21 below, 42.1 percent of the respondents indicated average rating whereas 34.3 percent of the respondents reported above average rating. Only 16.5 percent indicated low risk taking propensity whereas 7.1 percent selected excellent rating. Negligible

rating did not attract any response. Therefore, a greater majority of the respondents (83.5%) risk taking propensity ranged from average to excellent rating on a likert scale of between 1 and 5 respectively.

Table 4.21: Women MSE operators risk taking propensity

Rating	Frequency	Percent	Cumulative percent
Low	42	16.5	16.5
Average	107	42. 1	58.6
Above average	87	34.3	92.9
Excellent	18	7.1	100.0
Total	254	100	

(b) Degree of importance attached to innovativeness (new products/services)

The 254 women MSE respondents were asked to rate their degree of importance attached to new products / services according to a likert scale of between 1 and 5 options ranging from negligible to excellent and the responses are as indicated in table 4.22 below. Over half of the respondents (51.2%) indicated their degree of importance attached to new products/services as average followed by above average (29.5%) and excellent rating (10.6%). Only 8.7 percent of the respondents rated their degree of importance attached to new products and services as low. Negligible rating did not attract any response. Therefore, a greater majority of the women MSE respondents (91.3%) were unanimous that their degree of importance attached to new products/processes ranged between average and excellent rating on a likert scale of between 1 and 5.

Table 4.22: Degree of importance attached to new products/services

Rating	Frequency	Percent	Cumulative percent
Low	22	8. 7	8.7
Average	130	51.2	59.9
Above average	75	29.5	89.4
Excellent	27	10.6	100.0
Total	**254**	**100**	

(c)Women MSE pro-activeness (market research for performance of products/services)

The women MSE operators were asked to rate their market research for performance of product/services based on the likert scale statement of between one and five possible options. The response is as indicated in table 4.23 below. Average response was selected by 37.8% of the respondents. This was followed by above average (25.6%) and excellent response (13.0%). Low rating was indicated by 22.0 percent of the respondents whereas only 1.6 percent rated their response as negligible. Therefore, majority of the women MSE respondents (76.4%) were unanimous in their rating on market research for performance of products/services as ranging between average and excellent on a likert scale of between 1 and 5 options respectively.

Table 4.23: Market research for performance of products/services

Rating	Frequency	Percent	Cumulative percent
Negligible	4	1.6	1.6
Low	56	22.0	23.6
Average	96	37.8	61.4
Above average	65	25.6	87.0
Excellent	33	13.0	100.0
Total	**254**	**100**	

(d) Ability of women owned MSEs to find market for products/services (market innovation in enterprise)

The 254Women MSE respondents were asked to rate their ability to find new markets for products and services as a measure of innovativeness on a likert scale 1 to 5 and they responded as indicated on table 4.24 below. No respondent rated the ability as negligible while 20.9 percent indicated their rating as low. Majority of women MSE respondents (40.1%) rated their ability to find new markets for products and services as average, followed by above average (30.7%) and excellent rating at 8.3%. Therefore, more than three quarters of the respondents (79.1%) rated their ability to find new markets for their products and services as lying between averages to excellent.

Table 4.24: Ability of Women owned MSEs to find market for products/services

Likert scale EO rating	Frequency	Percent	Cumulative percent
Low	53	20.9	20.9
Average	102	40.1	60.0
Above average	78	30.7	90.7
Excellent	21	8.3	100.0
Total	**254**	**100.0**	

(e). Degree of importance attached to profitability and Return on Investment (innovativeness, risk taking and pro-activeness) by women owned MSEs

The 254 women MSE respondents were asked to rate their degree of importance attached to profitability and return on investment on a likert scale of 1 to 5. This statement is a measure of enterprise innovativeness, risk taking and pro-activeness respectively. Their response is expressed in table 4.25 below. Some 35.8 percent of the respondents indicated average rating whereas above average rating was indicated by 30.7 percent of the respondents. Another 15.8 percent of the respondents rated their degree as excellent and 17.7 percent of the respondents indicated low rating. No respondent indicated negligible rating. Therefore a greater majority (82.3%) of the respondents rated their degree of importance attached to profitability and return on investment ranging between average and excellent on a likert scale of between1 and 5.

Table4.25: Degree of importance attached to profitability and Return on Investment

Rating	Frequency	Percent	Cumulative percent
Low	45	17.7	17.7
Average	91	35.8	53.5
Above average	78	30.7	84.2
Excellent	40	15. 8	100.0
Total	254	100.0	

(f) Entrepreneurial orientation consolidated means and standard deviations

The likert scale means and standard deviations rating responses of the five questions from a sample of 254 women MSE owner manager respondents on Entrepreneurial Orientation were consolidated on table 4.26 below. The five statements collectively represent innovativeness, risk taking and pro activeness as the three main dimensions of Entrepreneurial Orientation. Likert scale question 1 for enterprise risk taking propensity had a mean of 3.23 and standard deviation of 0.760 on both sides of the mean, whereas Question 2 on innovativeness had a mean response of 3.36 and a standard deviation of 0.770. Question 3 on pro-activeness based on market research for performance of products and services had an overall mean of 3.4 and standard deviation of 0.974. Question 4 on innovativeness based on the enterprise ability to find new markets for products and services had a mean of 3.19 with a standard deviation of 0.836. The mean for question 5 which collectively measures women MSE innovativeness, risk taking and pro-activeness was 3.44 with a standard deviation of 0.965. The overall mean for innovativeness, risk taking and pro- activeness components of Entrepreneurial orientation was 3.2877 with a standard deviation of 0.4963 on both sides of the mean. Therefore, the overall rating of the entrepreneurial orientation variable ranged from 2.7914 to 3.784 on a likert scale of between 1 and 5 which indicates average to above average rating.

Table 4.26: Entrepreneurial Orientation consolidated means and standard deviations

Likert scale question	N	Minimum	Maximum	Mean	SD
Risk taking propensity	254	2	5	3.23	0.760
Importance attached to new products/services(innovativeness)	254	2	5	3.36	0.770
Market research for performance of products/services- pro-activeness	254	1	5	3.40	0.974
Ability to find new market for products/services(innovativeness)	254	2	5	3.19	0.836
Importance attached to profitability and return on investment	254	2	5	3.44	0.965
Entrepreneurial Orientation overall	**254**			**3.2877**	**0.49643**

4.5.4 Government policy and regulations.

Each of the 254 women MSE respondents was asked a set of five questions/statements with five likert scale choices and the explanations and results are as indicated in tables 4.27-4.32 below:

(a) Government policy and regulations incubation policy

The 254 women MSE operators were asked to rate Government MSE incubation policy on a likert scale of between1 and 5 options as indicated on table 4.27 below. Most of the women MSE owner managers (39.4%) rated incubation policy to MSEs as average, followed by 25.6 percent who indicated above average rating. Some 23.6 percent of the respondents indicated low rating on the likert scale of between 1 and 5. Only 9.4 percent of the respondents indicated negligible rating whereas 2.0 percent indicated excellent rating. Therefore, two thirds of the respondents (67.0%) were unanimous about government incubation policy rating on the likert scale as ranging between average and excellent.

Table 4.27: Government policy and regulations incubation policy

Rating	Frequency	Percent	Cumulative percent
Negligible	24	9.4	9.4
Low	60	23.6	33.0
Average	100	39.4	72.4
Above average	65	25.6	98.0
Excellent	5	2.0	100.0
Total	254	100.0	

(b) Government policy and regulations social security and risk mitigation

The women MSE respondents were asked to rate Government social security and risk mitigation regime on a likert scale of between 1and 5.Their responses is as indicated in table 4.28 below. Majority of the women MSE respondents (53.1%) rated social security and risk mitigation regime as average while 21.7 percent indicated above average rating. Only 6.3 percent of the respondents indicated excellent rating with 18.9% giving low rating on the likert scale of between1 and 5.No respondent indicated negligible rating.

Therefore, a greater majority of the women MSE respondents (81.1%) were unanimous that their likert scale rating concerning Government social security and risk mitigation regime ranged between average and excellent.

Table 4.28: Government policy and regulations social security and risk mitigation regime

Rating	Frequency	Percent	Cumulative percent
Low	48	18.9	18.9
Average	135	53.1	72.0
Above average	55	21.7	93.7
Excellent	16	6.3	100.0
Total	**254**	**100.0**	**100.0**

(c)   Government policy and regulations MSE business registration regime

The 254 sample of women MSE respondents were asked to rate on a likert scale of between 1 and 5, government MSE business registration regime. The response of the women MSE owner managers is as indicated on table 4.29 below. Above average rating was indicated by 39.0 percent of the respondents while average rating was indicated by 31.9 percent. Only10 percent rated MSE business registration regime as excellent whereas 19.4 percent indicated low rating. There was no response pertaining to negligible rating on the likert scale . Therefore, majority of the women MSE respondents (80.7/%) indicated a response of between average and excellent as it pertains to Government MSE business registration regime on a likert scale of 1 to 5.

Table 4.29: Government policy and regulations MSE business registration regime

Likert scale rating	Frequency	Percent	Cumulative percent
Low	49	19.3	19.3
Average	81	31.9	51.2
Above average	99	39.0	90.2
Excellent	25	9.8	100.0
Total	**254**	**100**	

(d) Government policy and regulations technology upgrading regime

The 254 women MSE owner managers were asked to indicate their likert scale rating of Government policy and regulations-technology upgrading and their response is as indicated on table 4.30 below. Majority of the respondents 130(51.2%) indicated average rating with 26.0 percent choosing above average rating. Some 21, 2 percent of the women MSE respondents indicated low rating while only 1.6 percent gave negligible rating. There was no response pertaining to excellent rating among the women MSE operators. Therefore, more than three quarters of the women MSE respondents (77.2) rated Government technology upgrading regime as ranging from average to above average.

Table 4.30: Government policy and regulations technology upgrading regime

Rating	Frequency	Percent	Cumulative percent
Negligible	4	1.6	1.6
Low	54	21.2	22.8
Average	130	51.2	74.0
Above average	66	26.0	100.0
Total	**254**	**100.0**	

(e) Government policy and regulations tax and license regime

The 254 women owned MSE operators were asked to rate on a likert scale of 1 to 5, Government policy and regulations tax and licence regime. The responses were as indicated on table 4.31 below. A high number of respondents (44.9%) indicated average rating followed by above average (27.1%) and finally excellent rating (20.9%). Only 18(7.1%) respondents indicated low rating whereas no respondent indicated negligible category rating. Therefore, a greater majority of the women MSE respondents (92.9%) were unanimous in their likert scale rating of Government tax and licence regime intervention as ranging between average and excellent.

Table 4.31: Government policy and regulations tax and license regime

Rating	Frequency	Percent	Cumulative percent
Low	18	7.1	7.1
Average	114	44.9	52.0
Above average	69	27.1	7 9.1
Excellent	5 3	20.9	100.0
Total	**254**	**100.0**	

(f) Government policy and regulations consolidated means and standard deviation

The likert scale rating responses for a sample size of 254 respondents based on five statements concerning Government policy and regulations independent variable were consolidated on table 4.32 below. Tax and license regime had a minimum response of 2 and a maximum of 5 on the likert scale of between 1 and 5, with the highest mean of 3.64 and standard deviation of 0.921. This was followed by MSE business registration regime which had a minimum response of 2, a maximum of 5 and mean of 3.39 on the likert scale of 1 to 5. The lowest mean of 2.82 and a standard deviation of 0.938was attained concerning Government   incubation policy. The overall consolidated response had a minimum of 2 and a maximum of 5 with a mean of 3.195 and standard deviation

of 0.52260 on both sides of the mean. Therefore, the effect of Government policy and regulations on the growth of women owned MSEs ranged from a minimum of 2.467 to a maximum of 3.718 which lies between average and above average on the likert scale of 1 to 5 respectively.

Table 4.32: Government policy and regulations consolidated means and standard deviation

Likert scale rating	N	Minimum	Maximum	Mean	SD
Incubation policy	254	1	5	2.82	0.938
Social security and risk mitigation regime	254	2	5	3.11	0.741
MSE business registration regime	254	2	4	3.39	0.912
Technology upgrading	254	1	4	3.01	0.738
Tax and licence regime	254	2	5	3.64	0.921
Total	**254**	**2**	**5**	**3.195**	**0.52260**

4.6 Business performance of women owned MSEs

Business growth of women owned Micro and Small Enterprises which had received Government interventions between 2009 and 2014 as it pertains to number of employees, employees monthly pay, annual sales revenue, profit and capital employed were enumerated for the 254 respondents. The level of growth in terms of the four indicators of sales revenue, profit, number of employees and employees monthly pay before provision of Government interventions was ascertained from forms that the women MSE respondents filled in the County Women Enterprise Fund Office   The women owned MSE level of growth in terms of the five growth indicators was as indicated here below:

4.6.1 Number of workers, mean monthly incomes, and t-test

Each of the 254 women MSE entrepreneurs was asked to state the number of workers involved in their enterprises and their average monthly income before and after Government Interventions as indicated in table 4.33 below: The total number of employees increased from 318 before Government interventions to 742 after interventions. From the paired t-test, there was a significant increase in the number of employees after Government interventions (t=33.212, P = 0.000) with the number increasing from an average of 1 to 3 employees per enterprise. The monthly income of workers also increased from a mean of KSh 2,643.03 to KSh 4,225. The modal monthly income of workers increased from KSh 2500 before interventions to KSh 5000 after interventions, whereas the median income changed from Ksh 2,700 to Ksh 4,500. The change in mean monthly income of workers before and after interventions was statistically significant at 0.05 level of significance courtesy of paired t test (t=4.113, P=0.000) at 0.05 level of significance.

Table 4.33: Number of workers, monthly income, and t test before and after interventions

Workers and their income sign(0.05 LS)	N	Min	Max	Mode	Median	Mean	SD	T
No. of workers before support P=0.000	254	1	2			1.25(318)	.433,t= 33.212	
No. of workers after support	254	2	5			2.92(742)	. 857	
Monthly income before support	254	1500	2700	2500	2700	2643.03	416.903	
Monthly income after support	254	2500	5000	5000	4500	4225	700.574, t= 4.113	
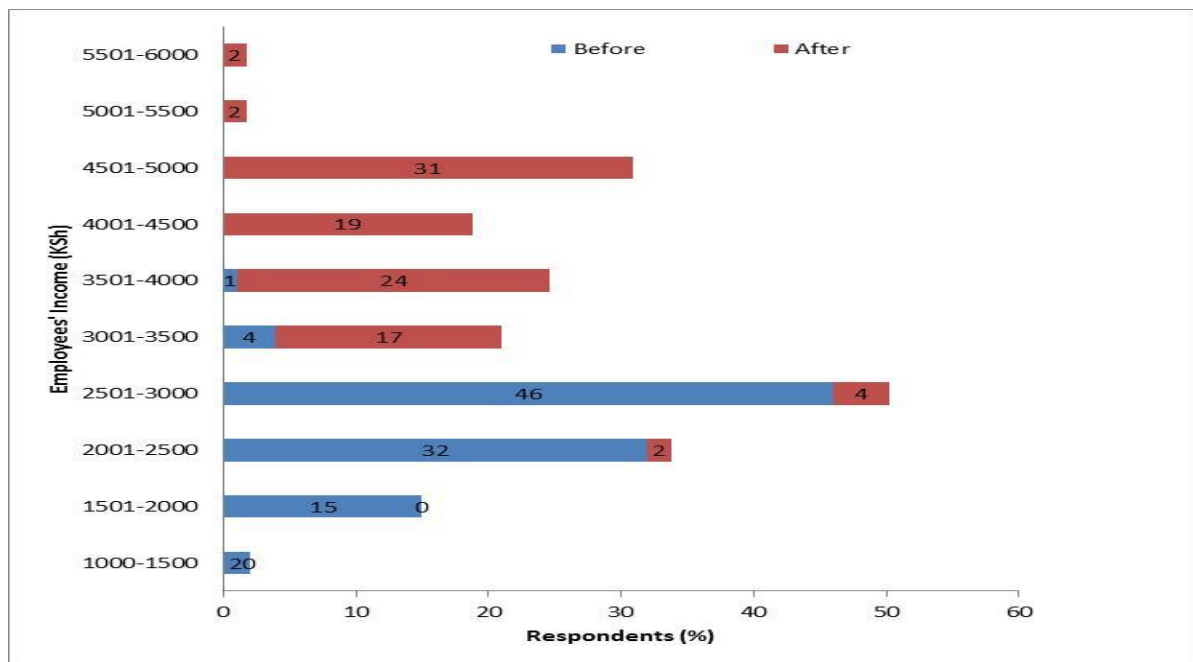
Figure 4.1: Employees monthly income before and after interventions

4.6.2 Monthly income of workers

As shown on figure 4.1 above, the monthly income of workers had a mode of ksh 2500 with median of ksh 2700, mean of Ksh 2643.03 and standard deviation of 416.903before interventions. This increased after Government interventions to a mean of ksh4225, mode of ksh 5000, median, of ksh 4500 and standard deviation of 700.574. The deference between the two means is statistically significant at 0.05 level of significance courtesy of paired t test (t= 4.13, P = 0.000).   Government interventions had a positive effect on MSE workers monthly earnings. However, majority of MSEs pay workers below the government minimum wage guidelines of between KShs 6896.38 to KShs12791.79 for unskilled workers and KShs 25,737.10 to KSh 29,169.01for artisan grade 1 per month(RoK wage guidelines,2017), even after provision of intervention measures. Therefore, intensified intervention measures are still needed to make MSE jobs durable and decent(RoK, 2005).This finding strengthen World Bank(2004) position that some policies and regulations are biased *defacto* in favour of Micro and

Small Enterprises, for example, when they are excluded from Government minimum wage guideline and administration of tax and labour laws. However, World Bank(2016)Posits that infant industry Government Interventions in terms of entrepreneurial credit, entrepreneurial training, Government policy and regulations to improve the general business environment of third world countries for improved performance of all businesses, MSEs included is of paramount importance.

Table 4.34: Annual profit and t test of women owned Micro and Small Enterprises

	Mean	Df	SD	Paired test	Correlation	Significance
Profit before support	263505.882	254	70449.717	t=6.258		P=0.000
Profit after support	503220.245	253	514329.639			

4.6.3 Mean annual profit and t test of women operated Micro and Small Enterprises before and after Government interventions

Table 4.34 shows the mean annual profit of a sample of 254 women owned MSEs before and after Government intervention measures. There was a significant increase of mean annual profit after Government interventions. The mean annual profit was Ksh 265505.9 with standard deviation of 70449.717 before Government interventions. This increased to Ksh 503220.25 with standard deviation of 514329.639 after government interventions and the difference was significant at 0.05 level of significance courtesy of paired t test (t = 6.258, p= 0.00). The difference in mean profit is attributable to Government interventions.

4.6.4 Mean annual sales revenue before and after Government interventions

The 254 Women MSE respondents were asked to state their annual sales revenue before and after Government interventions. Their response is as indicated on figure 4.3 and table 4.35 below. The Women MSE respondents reported significant increase of annual sales revenue with the number of enterprises in the low sales revenue grouped data reducing while those with higher annual sales revenue increasing after Government interventions as seen on figure 4.2 and table 4.35. The mean annual sales revenue increased from KShs 623565 before interventions to KShs 1265312 after interventions as seen on table 4.35 below. The difference between the two means is statistically significant at 0.05 level of significance courtesy of paired t test (t = 30.153, P=0.000).
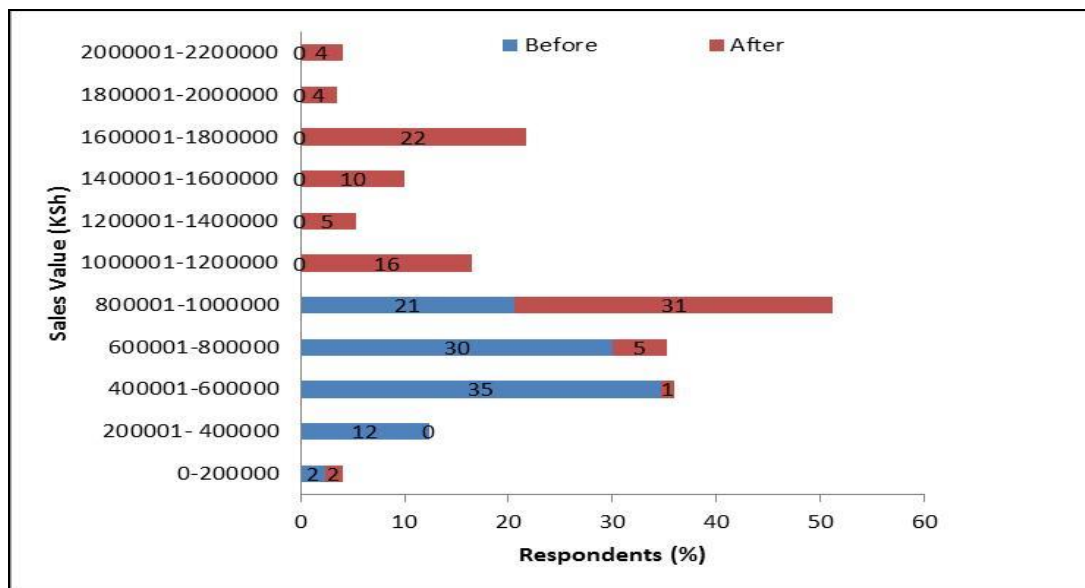
Figure 4.2: Annual sales revenue before and after government intervention

Table 4.35: Mean annual sales revenue before and after Government interventions

	Mean	N	SD	t 0.05 sign	Df	Sign, 2 tailed
Pair1:Salesbefore	623564.705	254	201373.858	30.153	253	0.000
Sales after	1265311.764	254	412463.077		254	

4.6.5 Comparison of capital employed before and after Government interventions

The 254 women MSE respondents were asked to state the amount of capital employed before Government intervention measures and the amount of capital employed at present after Government interventions as shown on table 4.36. They stated the value of all their assets and current liabilities. Current liabilities are debts which must be paid in one year. The difference between two represents the value of their investment or Capital Employed. The mean Capital Employed increased from KShs 379,975.61 and standard deviation of 167831.019 before interventions to KShs 768,829.27 and standard deviation of 399,738.943 after Government interventions. Before interventions, the minimum Capital Employed was KShs 80000 with a maximum of KShs 975000. This increased to a minimum of KShs 150,000 and a maximum of KShs 2,260,000 after intervention measures by the Government. There was a significant increase in Capital Employed courtesy of paired t test since the calculated t value of 20.299 is statistically significant at 0.05 level of significance attributable to Government interventions measures (t= 20.299, P=0.000).

Table 4.36: Paired t test, means and standard deviation of Capital Employed.

Capital	N	Minimum	Maximum	Mean	Std. Deviation	T	Sig 2tailed at 95% C.I
Capital before support	254	80000	975000	379975.61	167831.019	20.299	0.00
Capital at present	254	150000	2260000	768829.27	399738.943		

4.6.6 Cash at Bank, Cash in Hand and Total Cash

The women MSE respondents were asked to state the amount of cash at hand and cash at bank for their MSEs during the intervention period between 2009 and 2014. The results are as indicated on figure 4.3 below. Total cash in the Women owned enterprises increased from zero (0) in 2008 to an average figure of KSH 243981 in 2014. A higher amount of cash deposits to the bank was reported compared to cash at hand. This led to increased amount of total cash over the years 2009 to 2014 which is attributable to Government intervention measures. This is also clearly illustrated in figure 4.4.
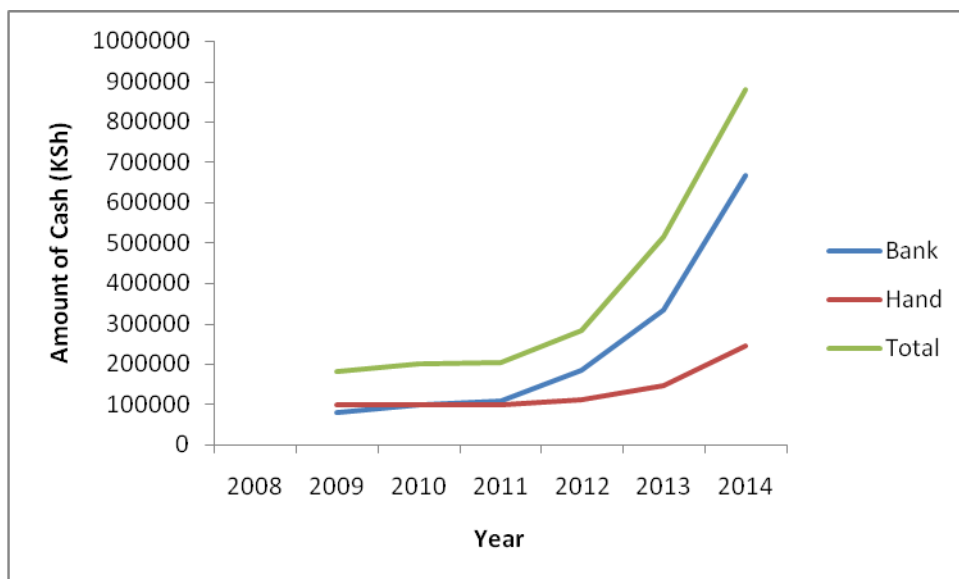
Figure 4.3: Cash at hand, cash at bank and total cash held by enterprises

4.6.7 Mean annual stock volume of enterprises during the intervention Period

The 254 women MSE respondents were asked to state their annual stock volumes in Ksh over the intervention period between 2009 to 2014 and the results were as shown on figure 4.4 and table 4.37 below. There was an increase in the annual stock volume over the years by women owned MSE respondents. From the figure, no stocks were reported in the year 2008 and 2009. However, the stock increased steadily from a mean stock volume of KSh426,666 to KSh 1,416,161 between the years 2010 and 2014. The steady increment is attributable to Government intervention measures.
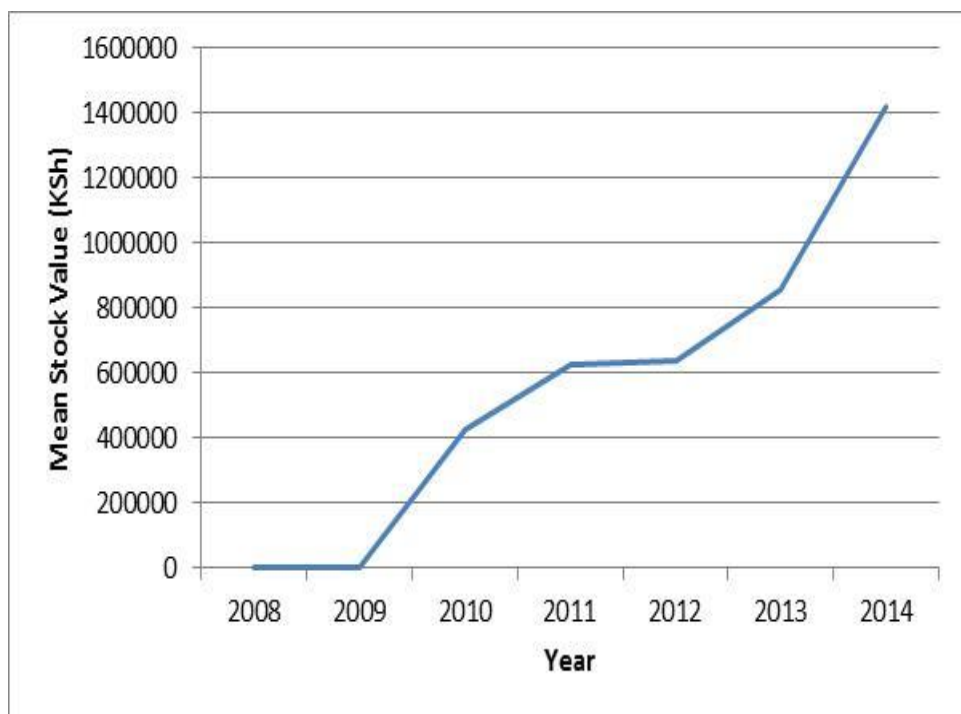
Figure 4.4: Summary of mean stock volume in Ksh per year

Table 4.37: Summary of mean stock volume during the intervention period

Year	No	Minimum	Maximum	Mean	Std. Deviation
2010	33	160000	560000	426666.67	206559.112
2011	45	170000	1314000	628416.67	392450.929
2012	52	170000	1100000	635739.13	212181.624
2013	60	300000	1750000	856601.31	330781.398
2014	64	110000	2250000	1416160.71	480810.962
Total	**254**				

4.6.8 Record keeping capability of women owned MSEs before and Government interventions

Each of the 254 women MSE owner managers was asked to state the type of business records they kept before and after Government interventions from a list of seven records provided, and the results are as indicated in table 4.38 and Figure 4.5 below. Before Government interventions, the mean percentage that all the 254 women MSE respondents kept the seven required business records was 0.4794(47.94%). This increased to 0.9176(91.176%) after Government interventions measures. The difference between the two means is statistically significant courtesy of paired t test at 0.05 level of significance (t=2.923, P= 0.03). This shows a significant improvement in record keeping capability of women owned MSEs as a result of Government intervention measures. The statistically significant result obtained in respect of women owned Micro and small Enterprises as it pertains to record keeping capability before and after Government interventions is encouraging since research has also confirmed that poor or lack of recordkeeping in a business and especially the Small Enterprises lead to their collapsing (Germaain, 2010). Buttler (2009) averred that without accurate and complete records of business transactions, the business is doomed to fail. Bowen (2009) posits that there is a strong relationship between business performance and the level of training in business management especially business finance record keeping. Business management entails keeping proper records of business transactions. Knowledge and skills in bookkeeping is therefore one of the major factors that impact positively on sustainability and growth of MSEs. Germain (2009) asserts that failure to record business financial transactions (book keeping)leads to collapse of the business. Further, according to Howard (2009), many small enterprises fail to keep adequate records which courts failure.   In a nutshell, Sian (2006) posit that MSE owner managers should be personally involved in record keeping for business success due to the fact that they don't have enough financial resources to meet the cost of trained accountants. Therefore, entrepreneurial training facilitated positive change in record keeping capability of women owned enterprises apart from improvement in growth of these enterprises.

Table 4.38: Records keeping of women MSEs before and after government interventions

Records kept	Before government interventions		After government interventions	
	Frequency	Percent	Frequency	Percent
Cash book	235	92.4	251	98.8
Journals	31	12.4	224	89.4
Ledgers	199	78.2	224	89.4
Profit and loss account	19	7.6	222	87.6
Balance sheet	34	13.4	224	88.2
Income statement	212	83.5	247	97.2
Mean	**0.4794**	**47.94**	**0.9176**	**91.76**
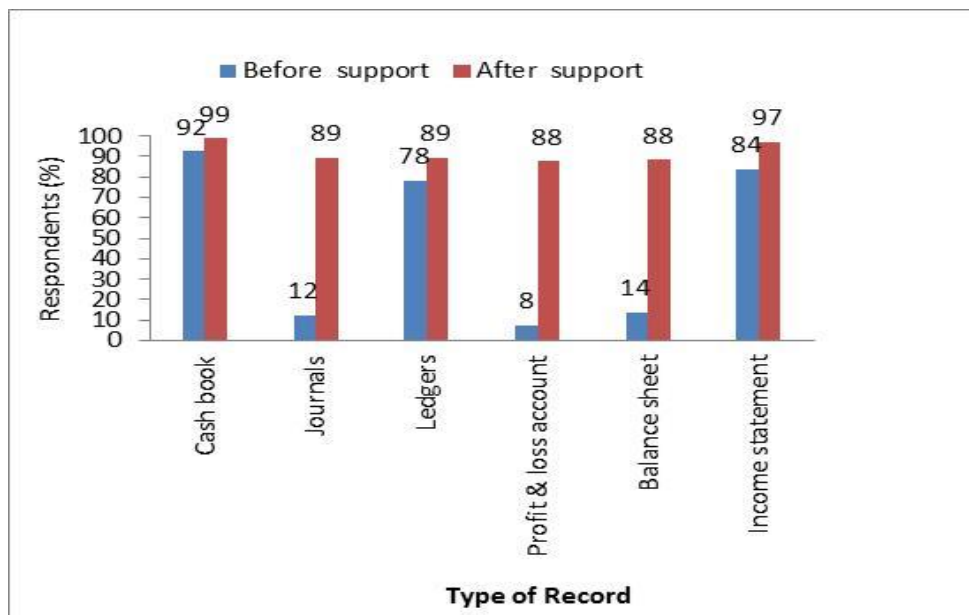
Figure 4.5: Records keeping before and after government interventions

4.6.9 Profit calculation before and after Government interventions

Each of the 254 women MSE entrepreneurs was asked to state the number of times they calculated their profit in a year before and after government interventions and the results are as indicated in table 4.39 and figure 4.6 below. Before Government, only 16.5% of the respondents calculated profit on a monthly basis. On the same note, only 2.9% of the respondents calculated profit on half yearly basis. This increased to 100% for monthly profit calculation and 97% for half yearly calculation. The mean percentage of calculation of profit for all the three indicated categories of monthly, half yearly and yearly increased from 48.5 %(M = 0.4875) before interventions to 98.795(M= 0.98975) percent after interventions. Comparison of the two means show that there was a statistically significant improvement in the frequency of profit calculation following the Government interventions since the calculated t value of 2.875 at 0.05 level of significance (t=2.875, P= 0.04), with majority of the respondents starting to calculate the profit on monthly and half yearly basis in addition to the daily and yearly basis. This is attributable to Government interventions especially entrepreneurial training.

Table 4.39: Calculation of profit before and after Government intervention

Profit Calculation	Before intervention		After intervention	
	Frequency	**percent**	**Frequency**	**percent**
Daily	211	82.9	254	100
Monthly	42	16.5	254	100
Half Yearly	7	2.8	247	97.2
Yearly	233	91.8	251	98.8
Mean	**0.48529**	**48.529**	**0.989975**	**98.975**
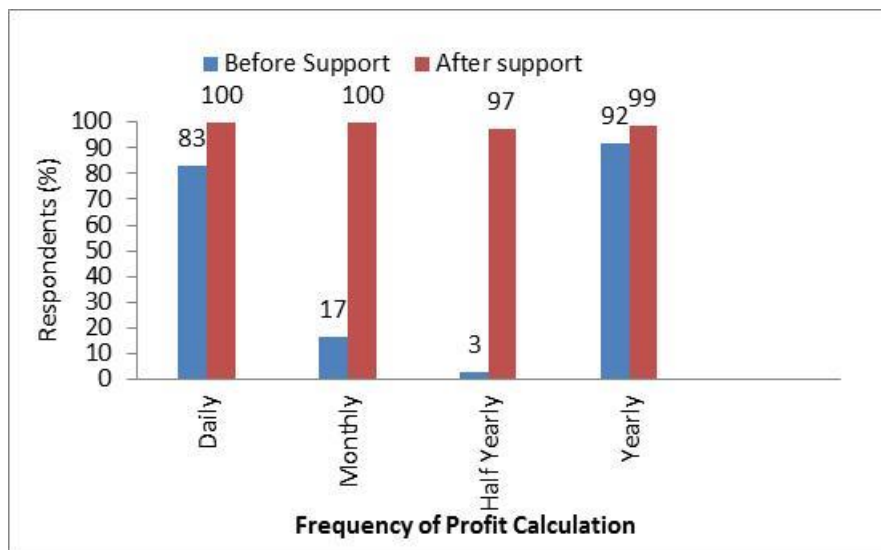
Figure 4.6: Frequency of profit calculation before and after interventions

4.6.10 Introduction of new products or services after Government interventions

Each of the women MSE owner managers was asked to state the number of new products or services established after Government intervention and the results are as indicated in table 4.40 below: From the table, 149(58.7%) women owned MSE respondents introduced new products as compared to 61(24.02%) who introduced new services. Only44 (17.32%) women MSE respondents did not introduce any new products or services respectively. Therefore, a greater majority of women MSE respondents (210: 82.68%) in Trans Nzoia County, Kenya introduced new products or services as a result of Government interventions measures.

Table 4.40: Introduction of new product/ services after Government interventions

	Frequency	Percent	Cumulative percent
New products	149	58.66	58.66
New services	61	24.02	82.68
None	44	17.32	100.00
Total	**254**	**100.00**	

4.6.11 Asset accumulation over the intervention period

The 254 Women MSE respondents were asked to state the type of business assets they accumulated over the intervention period between 2009 and 2015. As indicated in table 4.41 , no assets were accumulated in 2009. However, several enterprises reported assets accumulation between 2010 and 2015. The type of assets accumulated were weighing scales, fridges, bicycles, motorcycles and pick-up trucks. These were assets that facilitated business operations. Only seven pickup trucks were bought during the intervention period. This is indicative of the high costs which could not be afforded by majority of women MSE operators. The number of women MSE operators who accumulated assets during the intervention period stood at 157 which translates in to 61.8 percent of the respondents. This implies that 97(38.2%) Women MSE respondents did not accumulate any business assets during the intervention period.

Table 4.41 Type of Business assets accumulated by women MSE operators

Asset type	Number	Percent	Cumulative Percent	Year of Acquisition
Fridge	15	9.6	9.6	2010-2015
Weighing scale	10	6.4	16	2010-2015
Bicycle	42	26.7.	42.7	2010-2015
Motorcycle	83	52.9	95.6	2010-2015
Pickup truck	7	4.4	100	2010-2015
Total	157	100.00		

4.7 Testing of hypotheses

The logic of testing two types of hypotheses- the null and the alternative is for significance purpose: The null hypothesis(H_0) always denies the existence of real relationship or difference between two variables or groups, while the alternative hypothesis(H_1) accepts that real relationship or difference exists between two variables or groups where it can be directional or non directional: in a non directional alternative hypothesis, a two tailed test is used while one tailed test is used in directional alternative one (Cooper & Schindler,2014; Saunders *et al.,* 2016; Kothari, 2018). Hypothesis testing helps to determine, on the basis of availed sample data, whether its true or false: this leads to acceptance or rejection of the null hypothesis (H_0). Rejection of the null hypothesis facilitates acceptance of the alternative hypothesis. In testing the hypotheses of this study, paired t tests, correlation analysis and multiple regression standardized coefficient Beta value results were used singly or in combination. Cooper and Schindler (2014) aver that it is important to use more than one hypothesis test method for each hypothesis for accuracy of the determination of the statistical significance in order to

conclusively accept or reject the null hypothesis. The six hypotheses were tested as indicated in the subsection here below:

4.7.1 Testing of hypothesis 1

(H_o) 1:There is no significant relationship between business experience of Women owned Micro and Small Enterprises and growth

(H_1)1: There is a significant relationship between business experience of Women owned Micro and Small Enterprises and growth

Table 4.42: Correlation between business experience and growth

Performance measure	Correlation Coefficient (r)	P- Value	Decision
Sales increase	0.422	0.000	Reject Ho
Profit change	0.165	0.031	Reject Ho
Employees Change in No	0.055	0.473	Accept Ho
Employees monthly pay	0.189	0.007	Reject Ho
Capital Employed	0.225	0.009	Reject Ho
Correlation is significant at 0.05 level of significance (2-tailed).			

Table 4.43: Analysis Of Variance (ANOVA) of independent variables and change in number of employees

ANOVA^a

ANOVA^a		Sum of Squares	Df	Mean Square	F	Sig.
Model						
1	**Regression**	12.085	5	2.417	8.156	.000^b
	Residual	61.121	249	.370		
	Total	**73.206**	**254**			

a. Dependent Variable: Employees change in number

b. Predictors: (Constant), independent variables(X_1-X_5)

In testing hypothesis 1, correlation analysis and standardized coefficient Beta values from multiple regression with respect to business experience and five growth indicators of sales revenue, profit, number of employees, monthly pay of employees and Capital Employed were used. The results of analysis of correlation coefficients(r)on table 4.42 above indicate that business experience had positive correlations with sale revenue, profit, employees monthly pay and capital employed with correlation coefficient(r) values of 0.422(P=0.000),0.165(P=0.031),0.189(P=0.007),0.225(P=0.009) respectively which are statistically significant at 0.05 level of significance. Change in number of employees has statistically insignificant correlation with business experience of the women owned MSE operators (r=0.055, P= 0.473) at 0.05 level of significance. Therefore, on the basis of the of the correlation analysis results(Table 4.42), the null hypothesis (H₀₁) is rejected as it pertains to four growth indicators of annual profit, sales revenue, monthly employees pay and capital employed leading to the acceptance of the alternative hypothesis(H₁): Business experience has statistically significant relationship with growth of women owned Micro and Small Enterprises in terms of annual sales

revenue, profit, employees monthly pay and capital employed. However, on account of change in number of employees, as one of the growth indicators, H_0 is accepted; there is no significant relationship between business experience of women owned MSE operators and growth of their enterprises in terms of change in number of employees. The split hypothesis 1 testing result in which the null hypothesis is rejected on account of four growth indicators is further confirmed by standardized coefficients Beta values in respect of business experience and annual sales revenue(Beta = 0.320, P= 0.000), profit(Beta=0.198, P= 0.013), employees monthly pay(Beta = 0.221 , P = 0.048) and capital employed(Beta = 0.185, P = 0.017) which were statistically significant at 0.05 level of significance. Growth in terms of change in number of employees had negative statistically insignificant Beta value (Beta=-0.054, P= 0.516) which agrees with correlation analysis results in accepting the null hypothesis on account of this one growth indicator.

4.7.2 Testing hypothesis 2

$(H_0)2$: Entrepreneurial training has no significant relationship with growth of women owned Micro and Small Enterprises

$(H_1)2$: Entrepreneurial training has a significant relationship with of women owned Micro and Small Enterprises

Correlation analysis results between Entrepreneurial training independent variable and five growth indicators of annual sales revenue, profit, change in number of employees, employees monthly pay and capital employed as shown on table 4.44 below are used to test hypothesis 2. The correlation analysis values with respect to annual sales revenue was 0.450(P=0.00), 0.246 (P = 0.002) for profit, 0.390 (P= 0.000) for number of employees, 0.290(P = 0.000) for monthly employee pay and 0.212(P =0.012) for capital employed which are all statistically significant at 0.05 level of significance. Therefore, the null hypothesis (H_0) is rejected in favour of the alternative (H_1): Entrepreneurial training has significant relationship with growth of women owned Micro and Small

Enterprises in terms of change in annual sales revenue, profit, number of employees, employees monthly pay and capital employed. Standardized coefficient Beta values of entrepreneurial training with growth indicators of change in annual sales revenue (Beta =0.309 , P = 0.004), profit(Beta =0.117, P= 0.05), number of employees (Beta = 0.294, P= 0.02), employees monthly pay(Beta=0.233. P= 0.047) and capital employed (Beta =0.180, P=0.034) were also statistically significant at 0.05 level of significance.

On the other hand, as it pertains to the second set of findings that entail entrepreneurial training on keeping of business records the overall mean of keeping business records before entrepreneurial training intervention was 0.4974 in the first set of records. The mean increased to 0.9176 after entrepreneurial training intervention and the difference between the two means was statistically significant at 0.05 level of significance courtesy of paired t test(t=2.875, P=0.04). Calculation of profit is also a record keeping issue attributable to entrepreneurial training intervention measure. Before entrepreneurial training intervention, only 16.5% of the 254 respondents calculated profit on a monthly basis. Similarly, only 2.9% of the respondents calculated profit on half yearly basis whereas 91.8 percent embraced yearly calculation. This increased to 100% for monthly profit calculation, 97% for half yearly calculation and 98.8% for annual calculation. The mean percentage of calculation of profit for all the four indicated categories of daily, monthly, half yearly and annually increased from 48.75 %(M = 0.4875) to 98.795%(M= 0.98975) after entrepreneurial training. The difference between the two means of profit calculation which is basically a record keeping issue attributable to entrepreneurial training courtesy of paired t test gave a t value that is statistically significant at 0.05 level of significance(t=2.923,P=0.03)

Based on the above analytical tests of correlation, standardized coefficient Beta values from multiple regression and paired t tests, the null hypothesis(H_0)2   was therefore rejected leading to the acceptance of the alternative(H_1)2 as it pertains to the relationship between entrepreneurial training and growth of women owned Micro and Small

Enterprises. (H₁)2-There is a significant relationship between entrepreneurial training and growth of women owned Micro and Small Enterprises.

Table 4.44: Correlation analysis of entrepreneurial training and growth of women owned MSEs

Entrepreneurial training	Correlation Coefficient (r)	P- Value	Decision
Sales increase	0.450	0.000	Reject Ho
Profit change	0.246	0.002	Reject Ho
Employees Change in No	0.390	0.000	Reject Ho
Employees monthly pay	0.290	0.000	Reject Ho
Capital Employed	0.212	0.012	Reject Ho

Correlation is significant at 0.05 level of significance (2-tailed).

4.7.3 Testing of hypothesis 3

$(H_0)3$: Entrepreneurial credit has no significant relationship with growth of women owned Micro and Small Enterprises

$(H_1)3$: Entrepreneurial credit has significant relationship with growth of women owned Micro and Small Enterprises

In testing hypothesis three above, correlation analysis results shown on table 4.45 below were used. All the five growth indicators of change in annual sales revenue, profit, number of employees, employees monthly pay and capital employed have correlation coefficient values of, 0.462(P = 0.000), 0.277(P =0.001) , 0.405(P=0.000), 0.305(P =0.000) and 0.197(P=0.018) respectively which are statistically significant at 0.05 level of significance. The statistical significance of entrepreneurial credit with growth of women owned MSEs was further confirmed from standardized coefficient Beta values for the growth indicators of annual sales revenue(Beta = 0.301,P=0.02), profit(Beta =

0.187,P =0.036), number of employees(Beta = 0.409, P =0.01), employees monthly pay(Beta = 0.275, P=0.045) and capital employed (Beta = 0.172, P= 0.039) . In view of these results, the null hypothesis (H_0) is rejected in favour of the alternative (H_1): Entrepreneurial credit has statistically significant relationship with growth of women owned Micro and Small Enterprises in terms of change in annual sales revenue, profit, number of employees, employees' monthly pay and capital employed.

Table 4.45: Correlation analysis of entrepreneurial credit and growth of women owned MSEs

Entrepreneurial credit	Correlation Coefficient (r)	P- Value	Decision
Sales increase	0.462	0.000	Reject Ho
Profit change	0.277	0.001	Reject Ho
Employees Change in No	0.405	0.000	Reject Ho
Employees monthly pay	0.305	0.000	Reject Ho
Capital Employed	0.197	0.018	Reject Ho

Correlation is significant at 0.05 level of significance (2-tailed).

4.7.4 Testing of hypothesis 4

(H_0)4: There is no significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises

(H_1)4: There is a significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises In testing hypothesis 4 above, correlation analysis of Entrepreneurial Orientation variable with   five   performance

indicators of annual sales revenue, profit, number of employees, employees monthly pay and capital employed were used. As seen on table 4.46 below, the correlation analysis of Entrepreneurial Orientation with sales revenue, profit, number of employees, employees monthly pay and capital employed had correlation coefficient values of 0.402(P = 0.000), 0.266(P= 0.001), 0.242(P= 0.002),0.198(P=0.005), 0.186(P=0.024) respectively. The correlation coefficients in respect to the five performance indicators were all statistically significant at 0.05 level of significance. This was further confirmed by standardized coefficient Beta values in respect of Entrepreneurial Orientation and five growth indicator of change in sales revenue (Beta=0.182, P= 0.043) , profit(Beta = 0.152, P =0.047), number of employees(Beta =0.107, P= 0.049), employees monthly pay(Beta =0.161, P= 0.048), and capital employed (Beta= 0.157, P=0.044) that were statistically significant at 0.05 level of significance; therefore, the null hypothesis(H_0) is rejected in favour of the alternative(H_1)one - There is a significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises

Table 4.46: Correlation analysis of Entrepreneurial Orientation and growth of women owned MSEs

Entrepreneurial Orientation	Correlation Coefficient (r)	P-Value	Decision
Sales revenue increase	0.402	0.000	Reject Ho
Profit change	0.266	0.001	Reject Ho
Change in number of employees	0.242	0.002	Reject Ho
Employees monthly pay	0.198	0.005	Reject Ho
Capital employed	0.186	0.024	Reject Ho

Correlation is significant at 0.05 level of significance (2-tailed).

4.7.5 Testing of hypothesis 5

(Ho)5: Government policy and regulations has no significant relationship with the growth of women owned Micro and Small Enterprises.

(H$_1$)5: Government policy and regulations has a significant relationship with the growth of women owned Micro and Small Enterprises.

In testing hypothesis 5 above, correlation analysis of Government policy and regulations variable with five growth indicators of annual sales revenue, profit , number of employees, employees monthly pay and capital employed were used. As seen on table 4.47 below, the correlation analysis of Government policy and regulations with sales revenue, profit , number of employees, employees monthly pay and capital employed yielded correlation coefficient values of 0.412(P = 0.000), 0.264 (P= 0.001), 0.241(P= 0.002), 0.246(P= 0.002), 0.120(P= 0.075) respectively. The correlation coefficient values in respect of the four performance indicators of change in sales revenue, profit, number of employees and employees monthly pay were all statistically significant at 0.05 level of significance. Capital employed as the fifth measure of growth had statistically insignificant correlation with Government policy and regulations (0.120, P= 0.075). However, using a further hypothesis test of multiple regression standardized coefficient Beta values with respect to Government policy and regulations and five growth indicators, the standardized coefficient Beta values were 0.065(P=0.561) for sales revenue,-0.088(P=0.498)for profit, - 0.052(P=0.472) for change in number of employees,-0.001(P=0.433) for employees pay and 0.111(P=0.378) for capital employed. From the results of standardized coefficient Beta values courtesy of multiple regression analysis, Government policy and regulations had statistically insignificant relationship with all the five growth indicators of annual sales revenue, profit, number of employees, employees monthly pay and capital employed at 0.05 level of significance. Infact the standardized coefficient Beta values for profit, number of employees and employees' monthly pay were all negative. This implies that Government policy and regulations has statistically insignificant relationship with the growth of women owned

Micro and Small Enterprises. The statistically significant coefficient of correlation (r) values were not enough evidence to confer statistically significant relationship to Government policy and regulations with the five growth indicators. The null hypothesis (H_0) was therefore accepted. There is no significant relationship between Government policy and regulations with growth of women owned Micro and Small Enterprises.

Table 4.47: Correlation analysis of Government policy and regulations and growth of women owned MSEs

Government policy And regulations	Correlation Coefficient (r)	P- Value	Decision
Sales increase	0.412	0.000	Reject Ho
Profit change	0.264	0.001	Reject Ho
Employees Change in No	0.241	0.002	Reject Ho
Employees monthly pay	0.246	0.002	Reject Ho
Capital employed	0.120	0.075	Reject Ho
Correlation is significant at 0.05 level of significance (2-tailed).			

4.8 Multiple regression analyses of independent variables with growth of owned Micro and Small Enterprisers

Multiple regression analyses were performed in respect of the five independent variables with growth in terms of change in number of employees, employees monthly pay, annual sales revenue, profit and Capital Employed as indicated in sub sections below:

4.8.1 Multiple regression analysis of independent variables with change in number employees

The five independent variables were regressed against the number of employees in a multiple regression model. The overall multiple regression model with respect to five independent variables (Business experience, Entrepreneurial training, Entrepreneurial credit, Entrepreneurial Orientation, and Government policy and regulations) was statistically significant as seen on tables 4.50, 4.51 and 4.52 below (P = 0.000, R^2 = 16.5 and F = 8.156) at 0.05 level of significance. Therefore the five independent variables contribued16.5% of the performance in terms of   change in number of employees of women owned Micro and Small Enterprises as a result of Government interventions. From standardized coefficients Beta values (table 4.50), Access to entrepreneurial credit contributed a high standardized coefficient Beta of 0.409(P=0.01) of change in the number of employees followed by Entrepreneurial training(Beta = 0.294, P= 0.024) and Entrepreneurial Orientation(Beta = 0.107, P =0.049) respectively.

 Business experience has a statistically insignificant negative relationship (Beta = -0.054,P=0.294)   with change in number of employees. Therefore, as business experience increases, the number of employees decreases and vice versa. Government policy and regulations (Beta = -0.052, P= 0.537) also has insignificant reverse negative relationship with change in number of employees. The overall regression model R^2 value of 16.5% implies that all the five independent variables   combined contributed only 16.5% of the change in number of employees, with a greater majority(83.5%) being accounted for by other independent variables that are not the subject of this study or by chance.

Substituting the multiple regression model with the constant, five standardized coefficient Beta   values in respect of the five independent variables and the error term, the equation relating dependent variable growth through change in number of employees is as here below:

$$Y= \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \varepsilon$$

Model: $Y= 045 - 0.054X_1 + 0.294X_2 + 0.409 X_3 + 0.107X_4 - 0.052X_5 + 0.60863$, $R^2=17$, P=0.000

Where, X_1= Experience, X_2= Entrepreneurial training, X_3= Entrepreneurial credit, X_4 = Entrepreneurial Orientation(EO) , X_5= Government policy and regulations and ε is the is the error term

Table 4.48: Summary of means and standard deviations of employeeschange with five independent variables

Variables	Mean	Std. Deviation
Employees Change in No	1.6765	.658
Business Experience	2.28	.740
Entrepreneurial training	3.32	.540
Entrepreneurial credit	3.38	.548
Entrepreneurial orientation(EO)	3.36	.550
Government policy and regulations	3.27	.552

Table 4.49: Correlation analysis of independent variables with change in numberof Employees

Independent variables	Pearson Correlation(r)	Significance
Business experience	0.055	0.238
Entrepreneurial training	0.390	0.000
Entrepreneurial Credit	0.405	0.000
Entrepreneurial Orientation(EO)	0.307	0.000
Government policy and regulations	0.241	0.002

Table 4.49 above shows correlation analysis of five independent variables and change in number of employees. Entrepreneurial credit has the highest correlation coefficient of 0.405(P= 0.000), Business experience has lowest coefficient of correlation(r= 0.055, P = 0.238) which was statistically insignificant at 0.05 level of significance

Table 4.50: Model multiple Regression summary of variables with change in number of employees

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.406[d]	.165	.145	.60863
d. Predictors: (Constant), Five independent variables(X_1 toX_5)				

Table 4.50 above shows multiple regression analysis between independent variables of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and Government policy and regulations. The overall regression model R^2 =16.5 indicates that the independent variables contributed only 16.5% of the change in number of employees, with other factors that are not the subject of this study contributing the balance of 83.5% of the change in number of employees or by chance

Table 4.51: Analysis Of Variance (ANOVA) of independent variables change in number of employees

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	12.085	5	2.417	8.156	.000[b]
Residual	61.121	249	.370		
Total	73.206	254			
a. Dependent Variable: Employees change in number					
b. Predictors: (Constant), Independent variables,(X_1-X_5)					

Table 4.51 above shows analysis of variance of independent variables with change in number of employees of women owned Micro and Small Enterprises. The model regression has sum of squares of 12.085 with 5 degrees of freedom and a mean square of 2.417. The F value of 8.156 (P= 0.000) which is statistically significant at 0.05 level of significance was obtained. A residual value of 61.121 corresponding to degree of freedom 249(254-5) and mean of 0 .370 is indicated on the table. The summation of the regression and the residual was 73.206.

Table 4.52: Standardized Beta coefficients, t tests, significance of independent variables and change in number of employees

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.045	.144		1.71	0.05.		
Business Experience	-.048	.066	-0.054	-.730	.294	.516	1.938
Entrepreneurial training	.341	.099	0.294	2.143	0.024	.870	1.149
Entrepreneurial credit	.499	.145	0.409	3.448	0.01	.960	1.041
Entrepreneurial Orientation(EO)	.210	.101	0.107	1.84	.049	.713	1.402
Government policy&regulation	-.062	.146	-0.052	-.424	.472	.537	1.861

a. Dependent Variable: Employees change in number

Table 4.52 shows standardized coefficient Beta values of independent variables with change in number of employees. Entrepreneurial credit has the highest standardized coefficient Beta value of 0.409 (P=0.01), followed by entrepreneurial training (0.294, P=0.024), and entrepreneurial orientation (0.107, P=0.049) which are statistically significant at 0.05 level of significance. Business experience and Government policy and regulations have low negative standardized coefficient Beta values of -0.054(P= 0.294) and -0.052(P= 0.537) which are statistically insignificant at 0.05 level of significance. This implies that as business experience and Government policy and regulations independent variables increase, the number of employees decrease and vice versa,

4.8.2 Multiple regression of independent variables with mean monthly earning of employees before and after Government interventions

The five independent variables (Business experience, Entrepreneurial training, Entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations) were regressed against growth in terms of monthly employee earnings. From the standardized coefficient Beta values on table 4.57, the independent variable entrepreneurial credit had the highest standardized coefficient Beta value of 0.275(P=0.045) on growth of women owned Micro and Small Enterprises in terms of employee monthly income, followed by entrepreneurial training and (0.233, P=0.048) and Entrepreneurial Orientation (0.116,P=0.049). Government policy and regulations has a reverse negative statistically insignificant relationship (-0.001, P=0.433) with growth in terms of the monthly income of employees. This implies that as Government policy and regulations variable increases, the monthly income of employee's decreases and vice versa. Substituting the independent variables with standardized coefficients Beta values, the constant and the error term, the multiple regression model equation is as indicated here below:

$Y= 1 \ 2748.194+0.221X_1 + 0.233X_2+ 0.275X_3+0.1160X_4 - 0.001X_5 \ +22.357, \ R^2=10.1$ and $P = 0.002$

Where X_1= Business experience, X_2 = Entrepreneurial training, X_3 = entrepreneurial credit, X_4= Entrepreneurial Orientation, and X_5= Government policy and regulations.

The overall regression model of R^2 = 10.1% with respect to five independent variables is statistically significant at 0.05 level of significance as seen in the above regression equation This implies that as it pertains to employee's monthly income, the five independent variables of business experience, entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation (EO) and Government policy and regulations contributes only 10.1% of the growth of women owned MSEs. Therefore, 89.9% of the growth of women owned Micro and Small Enterprises in terms of employee's monthly income is accounted for by other variables that are not the subject of this study or by chance.

Table 4.53: Summary of monthly employee earning and independent variables means and standard deviation

Variables	Mean	Std. Deviation
Average monthly earning after intervention	4252.12	700.574
Business experience	2.28	.747
Entrepreneurial training	3.33	.543
Access to Entrepreneurial credit	3.38	.549
Entrepreneurial Orientation (EO)	3.36	.553
Government Policy & regulations	3.28	.559

Table 4.53 shows summary of monthly employee earning, means and standard deviations of five independent variables. Entrepreneurial credit has the highest mean of 3.38 among the independent variables followed by entrepreneurial orientation (3.36),

entrepreneurial training (3.33), Government policy and regulations (3.28) and business experience (2.28) respectively.

Table 4.54: Correlations coefficient of independent variables with monthly income of employees

Independent variables	Pearson Correlation (r)	p-value
Business experience	.189	.007
Entrepreneurial Training	.290	.000
Entrepreneurial credit	.305	.000
Entrepreneurial orientation(EO)	.198	.005
Government policy &regulations	.246	.002

Table 4, 54 above shows correlation coefficient of independent variables with monthly income of employees. Entrepreneurial credit has the highest correlation coefficient of 0.305(P=0.000) followed by entrepreneurial training (0.290, P= 0.00), Government policy and regulations (0.246, P=0.002), entrepreneurial orientation (0.198, P=0.005) and business experience (0.189, P=0.007) which are all statistically significant at 0.05 level of significance.

Table 4.55: Overall multiple regression model summary of independent variables and monthly employee earning

Model	R	R^2	Adjusted R^2	Std. Error of the Estimate
1	0.318[d]	0.101	0.079	22.357

d. Predictors: (Constant), Experience, Entrepreneurial training, Entrepreneurial credit, Entrepreneurial Orientation(EO),Government policy and regulations (X_1- X_5)

Table 4.55 above shows the regression model summary of independent variables and monthly employee earning of the women owned Micro and Small Enterprises. The regression model R^2=10.1% implies that the five independent variables combined of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and Government policy and regulations contributed only 10.1% of change in monthly employee earning, with the remaining 89.9% being contributed by other variables that are not the subject of this study, or by chance.

Table 4.56: ANOVA of independent variables with employee monthly earning

ANOVA

Model	Sum of squares	Df	Mean square	F	Sig
Regression	8161445.860	5	1632289.172	4.53	0.002[e]
Residual	72330311.715	249	438,365.52		
Total	**80491747.576**	**254**			

E Predictors: **(Constant), Business experience, Entrepreneurial training, entrepreneurial credit, EO, Government policy & regulations**

Table 4.56 above shows ANOVA of independent variables and average monthly employee earning of women owned MSE operators. The F value of 4 .53(P= 0.02) that is statistically significant at 0.05 level of significance was obtained with a regression value of 8161445.860 a residual 72330311.715 and a total of 80491747.576 respectively.

Table 4.57: Standardized coefficients of independent variables with employees monthly earning

Coeficients[a]	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
Constant	12748.194	278.453		1.95	0.03		
Business experience	109.822	73.307	.221	1.50	0.04	.918	1.089
Entrepreneurial Training	300.666	113.901	.233	1.84	0.048	.924	1.063
Entrepreneurial credit	343.738	128.404	.275	1.92	0.045	.912	1.096
Entrepreneurial orientation	76.490	112.533	.116	.680	0.049	.648	1.543
Government policy and regulations	-1.428	163.669	-.001	-.009	0.433	.530	1.886
a. Dependent Variable: average monthly employee earning.							

Table 4.57 shows standardized coefficients of five independent variables of Business experience, Entrepreneurial training, Entrepreneurial credit, Entrepreneurial orientation and Government policy and regulations. Entrepreneurial credit had the highest standardized coefficient Beta value of 0.275 followed by entrepreneurial training(0.233), business experience(0.221), entrepreneurial orientation(0.116) and government policy and regulations(-0.001) respectively.

4.8.3 Multiple Regression model of independent variables on annual sales revenue

The five independent variables (Business experience, Entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations) were regressed against annual sales revenue average. The standardized Beta coefficients values (table 4.62) indicate that business experience has the greatest effect on sales(Beta = 0.320, P= 0.00), followed by Entrepreneurial training, (Beta = 0.309, P=0.004), Entrepreneurial credit (Beta =0.301, P= 0.005), Entrepreneurial Orientation(Beta =0.182, P=0.043) and Government policy and regulations (Beta=0.065, P= 0.561). Substituting with standardized Beta coefficients for the five independent variables, the constant and the error term yields the overall multiple regression equation on annual sales revenue as here below:

Model: $Y = -339265.211 + 0.320X_1 + 0.309X_2 + 0.301X_3 + 0.182X_4 + 0.065X_5, + 296.326$ $R^2 = 31.6$, P = 0.00, where X_1 is Business experience, X_2 is Entrepreneurial training, X_3 is entrepreneurial credit, X_4 is Entrepreneurial Orientation and X_5 is Government policy and regulations and ε is the error term. From the multiple regression equation model above ($R^2 = 31.6$), the five independent variables of this study contributed 31.6% of the annual sales revenue, with the remaining 68.4% being accounted for by other factors that are not the subject of this study.

Table 4.58: Summary of means and standard deviation of annual sales revenue and independent variables

	Mean	Std. Deviation	N
Sales increase	641747.0588	277499.80674	254
Experience	2.28	.740	254
Entrepreneurial training	3.32	.540	254
Entrepreneurial credit	3.38	.548	254
Entrepreneurial Orientation	3.36	.550	254
Government policy and regulations	3.27	.552	254

Table 4.58 above shows the means and standard deviation of independent variables with annual sales revenue of women owned MSE respondents. Entrepreneurial credit has the highest mean of 3.38 and standard deviation of 0.548 with annual sales revenue. Entrepreneurial Orientation has a mean of 3.36 with standard deviation of.550 whereas entrepreneurial training has a mean of 3.32 and standard deviation of.548. Government policy and regulations has a mean of 3.27 and standard deviation of .552. Business experience has a mean of 2.28 and standard deviation of .740.

Table 4.59: Correlations analysis of five independent variables annual sales revenue

Independent variables	Pearson Correlation r	P
Business experience	.422	.000
Entrepreneurial training	.450	.000
Entrepreneurial credit	.462	.000
. Entrepreneurial Orientation	.402	.000
Government policy &regulations	.412	.000

Table 4.59 above shows correlation analysis of independent variables and annual sales revenue of women owned Micro and Small Enterprises. Entrepreneurial credit has the highest correlation coefficient of 0.462(P=0.000) followed by entrepreneurial credit (0.450, P=0.00) and Business experience (.422,P=0.00). Government policy and regulations has correlation coefficient of 0.412(P=0.00). Entrepreneurial Orientation has the lowest correlation coefficient of 0.402(P=0.000) respectively.

Table 4.60: Model summary of multiple regressions of five variables with annual sales revenue

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	**0.563**[d]	0.316	0.300	296.32585

d. Predictors: (Constant), independent variables(X_1-X_5)

Table 4.60 above shows the regression model summary of five independent variables with annual sales revenue of women owned Micro and Small Enterprises. The overall regression model of R^2 =31.6% implies that the independent variables of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and government policy and regulations combined contributed only 31.6% of the growth of women owned MSEs, with the balance of 68.4% being contributed by other variables that are not the subject of this study or by chance.

Table 4.61: Analysis of variance of five independent variables and annual sales revenue

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4118041056400.268	5	823608211280.054	19.095	.000[e]
	Residual	8895997067129.143	249	53915133740.177		
	Total	13014038123529.410	254			

e. Predictors: (Constant), independent variables(X_1-X_5)

Table 4.61 above shows the Analysis of Variance (ANOVA) of five independent variables and growth of women owned MSEs in terms of annual sales revenue. Sum of Squares 4118041956400,268 for regression and 88959970671129.143 for residual are indicated. The sum of regression an residual was 13014038123529.410respectively.An

F value of 19.095(P= 0.000) which is statistically significant at 0.05 level of significance was obtained**.**

Table 4.62: Standardized coefficients and t tests of independent variables and annual sales revenue

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-33926.211	1312.503		-2.585	.011		
Experience	12023.332	2522.841	.320	4.766	.000	.916	1.091
Entrepreneurial Training	15914.031	5516.166	.309	2.885	.004	.899	1.112
Entrepreneurial credit	**14112**.112	4211.773	.301	2.735	.005	.838	1.193
Entrepreneurial Orientation (EO)	2127.687	846.955	.182	1.893	.043	.713	1.402
Government policy regulations	3246.307	568.176	.065	.583	.561	.697	1.434
a. Dependent Variable: sales increase							

Table 4.62 above shows the standardized coefficient Beta values of five independent variables with annual sales revenue of women owned Micro and Small Enterprises. Business experience has the highest standardized coefficient Beta value of 0.320(P=0.000) followed by entrepreneurial training (0.309,P=0.004), entrepreneurial credit (0.301, P=0.005), Entrepreneurial Orientation (0.182,P=0.043) and government policy and regulations (0.065,P=0.561) respectively.

4.8.4 Multiple regression of five independent variables on annual profit

The five independent variables were regressed against performance in terms of annual profit. The standardized coefficient Beta values as shown on table 4.67 indicate that business experience has the greatest effect on annual profit (Beta=0.198,P= 0.013) followed by entrepreneurial credit (Beta= 0.187, P= 0.036), entrepreneurial orientation(Beta=0.152, P= 0.046) and entrepreneurial training (Beta= 0.117, P =0.05) in descending order. Government policy and regulations (Beta=-0.088, P = 0.498)has a reverse negative relationship with profit level of the women owned Micro and Small Enterprises which was statistically insignificant at 0.05 level of significance. This means that as the Government policy and regulations variable increases, profit decreases and vice versa. The overall regression model with profit as the growth indicator has R^2= 7.2 (P=0.014). The multiple regression model equation in terms of standardized coefficients Beta and annual profit as the dependent variable is as summarized below:

$Y= \beta_0 +\beta_1X_1 + \beta_2X_2+ \beta_3X_3+ \beta_4X_4+ \beta_5X_5 +\varepsilon$ where Y is the enterprise growth in terms of profit, X_1 is Business experience, X_2 is Entrepreneurial training and counseling, X_3 is Entrepreneurial credit, X_4 is Entrepreneurial Orientation,X_5 is Government policy and regulations and ε is the error term. Substituting β_0 to β_5 and ε, the overall multiple regression equation on enterprise growth in terms of profit as the dependent variable is summarized as here below:

$Y = 12932.731 + 0.198X_1 +0.117X_2+0.187X_3+ 0.152X_4- 0.088X_5 + 150.817.$

The multiple regression model on growth of women owned enterprises in terms of profit has a negative insignificant relationship with the independent variable Government policy and regulations(Beta -0.088, P = 0.498) at 0.05 level of significance. This implies that as Government policy and regulations increases, profit decreases and vice versa.

Table 4. 63: Summary of mean annual profit and standard deviation

	Mean	Std deviation	Std. Error Mean
Profit_before	263505.8824	70449.71744	120.24667
Profit_after	503220.2453	514329.63970	180.28264

Table 4.63 above shows the mean annual profit of women MSE respondents in Trans Nzoia County before and after Government interventions. There is a significant increase in profit after government interventions as seen on table above. The deference between the two profit means of KSh 503220.2453 and KSh 263505.8824 before and after interventions is significant at 0.05 level of significance (t=6.258, P=0.000) courtesy of paired t test.

Table 4.64: Correlations analysis of five independent variable with change of profit

Independent	Pearson Correlation(r)	P- value	Decision
Business experience	.165	.031	Reject H_0
Entrepreneurial training	.246	.002	Reject H_0
Entrepreneurial credit	.277	.001	Reject H_0
Entrepreneurial Orientation	.266	.001	Reject H_0
Government policy &regulations	.264	.001	Reject H_0

Table 4.64 above shows correlation analysis of independent variables with profit level of women owned MSEs. All the five independent variables of Business experience, Entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and Government policy and regulations have statistically significant correlation coefficients

values with growth in terms of profit at 0.05 level of significance. Entrepreneurial credit has the highest correlation coefficient with profit of 0.277(P = 0.000) where as Business experience has the least correlation coefficient with profit of 0.165(P= 0.031).

Table 4.65: Multiple regression model summary of variables and annual profit.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.269[d]	.072	.050	150.817
d. Predictors: (Constant), five independent variables(X_1- X_5)				

Table 4.65 above shows the overall multiple regression model summary of independent variables with growth of women owned MSEs in terms of profit. The R^2 = 7.2% indicates that all the five independent variables of business experience, entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations combined contributed 7.2% of the growth in terms of profit with the remaining 92.8% being contributed by other factors that are not the subject of this study or by chance.

Table 4.66: Analysis of Variance (ANOVA) of independent variables and profit

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	3232398264328.954	5	646479652865.80	3.215	.014[e]
Residual	41474013064143.480	249	251357654934.203		
Total	44706411328472.430	254			
a Dependent variable profit					
e. Predictors: (Constant), Five independent variables(X_1-X_5)					

Table 4.66 shows Analysis of Variance of the five independent variables with growth of women owned MSEs in terms of profit. The regression of 3232398264328.954 and residual of 41474013064143.S480 gave an F value of 3.215 (P =0.014) which is statistically significant at 0.05 level of significance.

Table 4.67: Standardized coefficients of independent variables and annual profit

Coefficients[a]							
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	129327.731	2833.565		1.956	.0049		
Experience(X_1)	137468.729	544.684	.198	2.524	.013	.933	1.0718
Entrepreneurial Training (X2)	117123.547	1191.034	.117	1.361	.048	.878	1.138
Entrepreneurial credit(X_3)	126314.427	644.313	.187	2.247	.036	.829	1.206
Entrepreneurial orientation(X_4)	167400.599	830.800	.152	2.016	.045	.788	1.269
Govt policy& regulations(X_5)	-81682.117	1202.039	-.088	-.679	.498	.702	1.424
a. Dependent Variable: Profit							

Table 4.67 shows standardized coefficient Beta values of independent variables with growth of women owned MSEs in terms of profit. Business experience of women owned MSEs had the highest standardized coefficient Beta value of 0.198(P= 0.013) which is statistically significant at 0.05 level of significance followed by entrepreneurial credit(0.187, P= 0.036), then Entrepreneurial Orientation(0.152, P=0.045). Entrepreneurial training had standardized coefficient Beta value of 0.117(P =0.048). Government policy and regulations had the least and negative standardized coefficient Beta value (-0.088, P= 0.498) that is statistically insignificant at 0.05 level of significance. Therefore, as Government policy and regulations independent variable increases, the annual profit of women owned MSEs decreases and vice versa.

4.8.5 Multiple regression analysis between Independent variables and women MSEs Capital Employed

The five independent variables were regressed against women owned MSEs capital employed. The multiple regression model equation between independent variables (Business experience, Entrepreneurial training, Entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations) is of the form: $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$ where Y is Growth of women owned MSEs in terms of capital employed, β_0 is a constant, X_1 to X_5 are the independent variables Business experience, Entrepreneurial training, Entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations, with ε the error term.

Substituting the regression model equation with β_1 to β_5, the standardized coefficients Beta values, the constant and the error term yields the multiple regression model equation as here below:

$Y = 164322.482 + 0.185X_1 + 0.180X_2 + 0.172X_3 + 0.157X_4 + 0.111X_5 + 220.241$

$R^2 = 13.6\%$,, $F = 6.255$, $P = 0.000$

Table 4.68: Correlation analysis of women owned MSEs capital employed.

Independent variables	Correlation Coefficient (r)	P- Value	Decision
Business Experience	0 .225	.009	Reject H_0
Entrepreneurial training	0.212	.012	Reject H_0
Entrepreneurial Credit	0 .197	.018	Reject H_o
Entrepreneurial Orientation	0 .186	.024	Reject H_o
Government policy and regulations	0 .120	.075	Accept H_0
Correlations are significant at 0.05 level of significance (2-tailed).			

Table 4.68 shows the correlation coefficients of independent variables with women owned MSE capital employed. Business experience has the highest correlation coefficient of 0.225(P=0.009) followed by entrepreneurial training (0.212, P=0.012), entrepreneurial credit(0.197, P=0.018) and Entrepreneurial Orientation(0.186, P=0.024) which are statistically significant at 0.05 level of significance. Government policy and regulations has the least correlation coefficient(r= 0.120 P= 0.075) which is statistically insignificant at 0.05 level of significance.

Table 4.69: Women MSEs Capital employed overall regression model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	369[a]	.136	.114	220.241
a Predictors: (Constant), Independent variables(X_1-X_5) averages,				

Table 4.69 shows the overall regression model equation between independent variables and growth of women owned Micro and Small Enterprises in terms of capital employed. The model of R^2 = 13.6% implies that the five independent variable combined contributed only 13.6% of the growth of women owned Micro and Small Enterprises in terms of capital employed, with the remaining 86.4% being contributed by other factors that are not the subject of this study or by chance.

Table 4.70: Standardized coefficients Beta and t values of women MSEs capital employed

Coefficients[a]						Collinearity statistics	
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Tolerance	VHIF
	B	Std. Error	Beta				
(Constant)	164322.482	132799.390		1.888	0.0467		
Business experience	61220.337	25491.811	.185	2.402	0.017	.899	1.125
Entrepreneurial training average	66139.448	35232.527	.180	2.012	0.034	.883	1.132
Entrepreneurial credit average	77884.114	44961.279	.172	1.947	0.039	.861	1.161
EO average	4644.867	1938.067	.157	1.891	0.044	.843	1.1861
Govt. policy average	49033.542	55406.773	.111	.885	0.378	.727	1.375
a. Dependent Variable: Capital employed							

Table 4.70 shows that Business experience has the highest Standardized coefficient Beta value (0.185, P= 0.017) followed by entrepreneurial training (0.180, P= 0.034), entrepreneurial credit (0.172, P= 0.039), then Entrepreneurial Orientation (0.157, P = 0.044) and finally Government policy and regulations (0.111, P = 0.378) in a descending order. The findings show that the four independent variables of business experience, entrepreneurial training, entrepreneurial credit and Entrepreneurial Orientation had statistically significant relationships with growth of women   owned MSEs in terms of capital employed at 0.05 level of significance. However, Government policy and regulations has a statistically insignificant relationship with growth of women owned MSEs in terms of capital employed (0.111, P = 0.378) . The overall regression model R^2 = 13.6% implies that all   the five independent variables   that constitute Government intervention measures contributed 13.6% of the growth of women owned MSEs in terms of Capital Employed, with balance of 86.4% being accounted for by other factors that are not the subject of this study.

Table 4. 71: Correlation between independent variables

	Business Experience (X1)	Entrepreneurial trainingX2	Entrepreneurial Credit(X3)	Entrepreneurial Orientation(X4)	Govt policy Regulations (X5)
Business experience(X1)	1.000				
Entrepreneurial training(X2)	.244	1.000			
Entrepreneurial Credit(X3)	.244	1.000	1.000		
Entrepreneurial Orientation(X4)	.244	.464	.464	1.000	
Govt policy & regulations(X)	.246	.797	.797	.516	1.000

Table 4.71 above shows correlation between the five independent variables of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and government policy and regulations. The correlations between these independent variables gave values that range between 0.244 to 1.00.

4.8.6 Goodness of fit of the regression models

Multiple regression analysis diagnostic tests prior to data analysis as it pertained to multicolinearity, linearity, heterokedasticity and normality were all positively responsive pointing to goodness of fit of the models. The overall results of each of the five multiple regression analysis show that the models were well constructed and represented as reflected in the variables selected. The summary tables and corresponding equations on multiple regression analysis indicated that the respective five R-squares with respect to five growth dependent variables were 16.5% for change in number of employees, 10.1% for change in monthly employee earnings, 31.6% for change in sales revenue, 7.2% for change in profit and 13.6% for change in capital employed. This means that the five

independent variables of Business experience, Entrepreneurial training, Entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations explained 16.5%, 10.1%, 31.6%, 7.2% and 13.6% of women owned MSE growth in terms of change in number of employees, monthly earnings of employees, sales revenue, profit and capital employed respectively . All the five respective tolerance and Variance Inflation Factors (VIF) that obtained from the multiple regression analysis fall within the acceptance range (i.e. Tolerance = 0.1- 1.0, VIF = 1-10). Infact the tolerance ranged between 0.516 and 0.924, whereas the VIF ranged between 1.008 to1.938. The degree of error were relatively low depending on the growth indicator being measured. This implies that there was no multicollinearity, heterokedastcity, linerarity and normality problem in the five regression models used for this study. The histograms indicate that data used in this study were normally distributed and F-values were found to be significant at 0.05% level of significances respectively ($P \geq 0.000$, 0.002, 0.000, 0.014 ,&0.000) for change in number of employees, monthly earning of employees, sales revenue, profit and capital employed. Therefore it is concluded that the regression models used in this study were adequate and/or fit based on multiple regression tests prior to data analysis and the actual resultant multiple regression models.

4.9 Discussion of findings.

Discussion of findings of this research study is based on specific objectives and research hypotheses

4.9.1 Discussion of findings about the effect of business experience on the growth of Women owned Micro and Small Enterprises.

$(H_o)1$: There is no significant relationship between business experience of Women owned Micro and Small Enterprises and growth
$(H_1)1$: There is a significant relationship between business experience of Women owned Micro and Small Enterprises and growth

The results of analysis of correlation coefficient (r)values indicate that business experience has positive correlations with sales, profit, employees monthly earning and capital employed with correlation coefficient values of 0.422(P = 0.000), 0.165(P=0.031),0.189(P= 0.007) and 0.225(P= 0.009)respectively which are statistically significant at 0.05 level of significance.   Growth in terms of change in number of employees has insignificant correlation with business experience of women owned MSEs(r=0.055, P= 0.473).   Therefore, on the basis of correlation analysis results, business experience has statistically significant relationship with growth of women owned Micro and Small Enterprises in terms of sales revenue, profit, Employees monthly pay and Capital Employed.

The significant relationship of business experience with four growth indicators of change in sales revenue, profit, monthly pay of employees and capital employed was further confirmed by standardized coefficient Beta values of 0.320(P=0.000) for sales revenue, 0.198(P= 0.013) for profit, 0.221(P= 0.048) for monthly pay of employees, and 0.185(P= 0.017) for Capital Employed which are statistically significant at 0.05 level of significance. However, change in number of employees has an insignificant negative standardized coefficient Beta value of -0.054(P = 0.294) with business experience. This shows that business experience has   a statistically insignificant reverse negative relationship with growth of women owned MSEs on account of change in number of employees at 0.05 level of significance. Therefore, the null hypothesis was rejected and the alternative accepted as it pertains to the effect of business experience on the growth of women owned Micro and Small Enterprises in terms of sales revenue, profit, employees monthly earning and Capital employed; Business experience has statistically significant relationship on the growth of women owned MSEs in terms of sales revenue, profit, employees monthly earning and Capital Employed.

However, as it pertains to the effect of business experience on the growth of women owned Micro and Small Enterprises in terms of change in number of employees, a statistically insignificant relationship at 0.05 level of significance was obtained.

Therefore, the null hypothesis was accepted:- There is no significant relationship between business experience and growth of women owned MSEs in terms of change in number of employees. This insignificant relationship of business experience with change in number of employees is in agreement with Kessy and Temu (2010) who averred that change in number of employees normally occurs after significant change in the size of other growth indicators of annual sales revenue, profit and asset level. The insignificant relationship of number of employees with business experience also agrees with Liedholm (2001) as cited by Kessy and Temu (2010) who averred that when the change in number of employees is used as a measure of enterprise growth, it provides in most of the cases a lower bound estimate of net enterprise expansion. Kirkwood (2009) posits that net change in real sales has been observed to be twice as much compared to changes in employment thereby concurring with the insignificant relationship between business experience and growth of MSEs. Based on different results as it pertains the effect of business experience and growth of MSEs, Delmar *et al* (2003) posits that it's important to utilize more than one indicator to measure growth of Micro and Small Enterprises.

The statistically significant relationship between business experience with growth in terms of change in sales revenue, profit, employees monthly pay and Capital Employed is in line with McCormic and Pedersen (1996) preposition a cited by Stevenson and St –Onge(2005) that previous experience from an entrepreneurial activity or occupation is an incentive for one to become a successful entrepreneur. The findings also agree with Lee & Denslow (2005) and Namusonge (2010) who posit that financial capital and experience are some of the key determinants that positively influence growth of SMEs. In further agreement with the statistically significant relationship of business experience with growth of women owned MSEs in terms of sales revenue, profit, employees monthly earning and capital employed, RoK MSME Survey (2016) posits that majority of businesses transition from Micro to Small and from Small to medium with increase in age of the business which has a strong bearing with entrepreneurial experience of the owner managers. As the businesses mature, they tend to employ more workers and give

better remuneration to the existing workers. Chinelo and Umaru (2014) further supports the positive effect of business experience on MSE growth by positing that MSEs with longer business experience are more successful and profitable with great management skills compared to those with little business experience.

4.9.2 Discussion of findings about the effect of entrepreneurial training on the growth of women owned Micro and Small Enterprises.

$(H_0)2$: Entrepreneurial training has no significant relationship with growth of women owned Micro and Small Enterprises

 $(H_1)2$: Entrepreneurial training has a significant relationship with growth of women owned Micro and Small Enterprises

Correlation analysis of entrepreneurial training with growth of women owned MSEs in terms of sales revenue, profit, number of employees, monthly earning of employees and Capital Employed shows a statistically significant relationship between the independent variable and growth of women owned MSEs ,with correlation coefficient (r) values 0.450(P=0.000) for sales revenue ,0.246(P= 0.002) for profit,   0.390(P=0.000) for change in number of employees, 0.290(P= 0.000) for employees monthly pay, and 0.212(P= 0.012) for Capital Employed which are statistically significant at 0.05 level of significance. This is further confirmed by standardized coefficient Beta values obtained through multiple regression analysis with growth of women owned MSEs in terms of change in sales revenue(Beta=0.309, P= 0.004),profit(Beta =0.117, P=0.050) , number of employees(Beta = 0.294, P=0.005), employees monthly pay(Beta= 0.233, P=0.047) and Capital Employed(Beta= 0.180, P= 0.034)

Two types of women owned MSEs record keeping data were also used in the second instance, to determine the relationship between entrepreneurial training intervention and record keeping capability of women owned MSEs which have a strong relationship with MSE growth courtesy of paired t tests. In the first instance, each of the seven frequencies of keeping of business records was converted in to category means or ratios by dividing

individual means with the 254 women MSE respondents before and after entrepreneurial training intervention. Paired t test was used to determine the significance of the difference between the two means. In the second set of data, the number of times women MSE respondents calculated profit in a given calendar year- daily, monthly, quarterly, half yearly and annually was also converted to weighted category means and paired t test used to test the significance of the difference between the two summed up means before and after entrepreneurial training intervention measure. The overall mean of keeping business records before entrepreneurial training intervention was 0.4974 in the first set of records. The mean increased to 0.9176 after entrepreneurial training intervention. Paired t tests of the two means to test the significance of the difference between them before and after entrepreneurial training intervention gave a t value of 2.855(t=2.875, P= 0.04) which was statistically significant at 0.05 level of significance. This showed a significant improvement of record keeping capability of women owned MSEs as a result of entrepreneurial training interventions measure.

Calculation of profit is also a record keeping issue attributable to entrepreneurial training intervention measure. Before entrepreneurial training intervention, only 16.5% of the 254 respondents calculated profit on a monthly basis. On the same note, only 2.9% of the respondents calculated profit on half yearly basis. This increased to 100% for monthly profit calculation and 97% for half yearly calculation. For daily profit calculation, the initial percentage was 82.5 before entrepreneurial training and this increased to 100 percent after entrepreneurial training. As it pertains to daily profit calculation, the number of respondents before entrepreneurial training was 211(82,5%).This increased to254(100%) after entrepreneurial training intervention. For annual profit calculation, the number of respondents increased from 233(91.8%) to 251(98.8%) after entrepreneurial training intervention. The mean/ percentage of calculation of profit for all the four indicated categories of daily, monthly, half yearly and yearly increased from 48.75 %(M = 0.4875) to 98.795%(M= 0.98975) after entrepreneurial training. Testing of the two means courtesy of paired t test show that there was a significant improvement in the frequency of profit calculation following entrepreneurial

training intervention since the calculated t value of 2.923(P=0.03) was statistically significant at 0.05 level of significance (t=2.923, P= 0.03), with majority of the respondents starting to calculate profit on monthly and half yearly basis in addition to the daily and yearly basis.

From the findings of this study pertaining to the effect of entrepreneurial training on the growth of women owned MSEs, the null hypothesis was rejected and the alternative accepted.- There is a statistically significant relationship between entrepreneurial training and growth of women owned Micro and small enterprises at 0.05 level of significance. The findings agree with Bowen (2009) who averred that there is a strong relationship between business growth and the level of training in the business management especially in business finance record keeping.. The study findings also agree with Kessy and Temu (2010) who ascertained the impact of entrepreneurial training on MSE operators in Tanzania and concluded that recipients of business training have high levels of assets and sales revenue compared to enterprises owned by non recipients of entrepreneurial training. Roomi *et al.* (2009) averred that entrepreneurial training is mainly geared to improving entrepreneurial skills and traits of the recipients in order to better their business practices. Benzing and Chu, (2009) averred that motivational factors significantly contribute towards the good performance of an enterprise. These motivational elements can be acquired in different ways, one of which is entrepreneurial training. Germain (2010) posits that poor or lack of recordkeeping in a business and especially the Small Enterprises lead to their collapsing. Buttler (2009) , in support of entrepreneurial training to MSEs avers that without accurate and complete records of business transactions, the business is doomed to fail

4.9.3 Discussion of findings about the effect of entrepreneurial credit and growth of women owned Micro and Small Enterprises

$(H_0)3$: Entrepreneurial credit has no significant relationship with growth of women owned Micro and Small Enterprises

$(H_1)3$: Entrepreneurial credit has significant relationship with growth of women owned Micro and Small Enterprises

Correlation analysis of entrepreneurial credit and growth of women owned Micro and Small Enterprises in terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed gave coefficient of correlation (r) values of 0.462(P=0.000) for sales revenue, 0.277(P=0.001) for profit, 0.405(P=0.000) for change in number of employees,0.305(P= 0.000) for employees monthly earning and 0.197(P=0.018) for Capital Employed which are statistically significant at 0.05 level of significance.

The statistically significant relationship between entrepreneurial credit and growth of women owned MSEs was further confirmed by multiple linear regression analysis standardized coefficient Beta values of 0.301 (P=0.005) for sales revenue, 0.187(P=0.036) for profit, 0.409(P=0.000) for change in number of employees, 0.275(P=0.045) for monthly employee pay and 0.172(P = 0.039) for Capital Employed that were statistically significant at 0.05 level of significance. The null hypothesis was therefore rejected and the alternative accepted- Entrepreneurial credit has a statistically significant relationship with the growth of women owned Micro and Small Enterprises. This finding agrees with Bunyasi, Namusonge and Bwisa (2014) who averred that entrepreneurial credit has a significant influence on growth of Small and Medium Enterprises. The statistically significant relationship between entrepreneurial credit and growth of women owned MSEs also agrees with Moreno and Casilas (2007) and Olwale and Garwe (2010) who found out that a firm with access to entrepreneurial finance is more likely to grow than a firm that lacks financial resources.

The study finding pertaining to significant effect of entrepreneurial finance on the growth of women owned MSEs is further supported by Wanjohi and Migure (2008) preposition that success of MSEs depends on the ability to apply finances appropriately in order to spur growth. In further agreement with significant effect of entrepreneurial finance on growth of women owned MSEs, Nteere (2012) averred that lack of finance constrained the development and growth of Small Enterprises, since many of them are unable to access the same kinds of growth funding often available to large enterprises.

4.9.4 Discussion of findings about the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small Enterprises

(H_0)4 :There is no significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises

(H_1)4: There is a significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises.

Correlation analysis of Entrepreneurial Orientation independent variable with three main growth indicators of annual sales revenue, profit and number of employees gave coefficient of correlation values with respect to sales revenue(r=0.402, P=0.000), profit(r=0.266, P=0.001), number of employees(r=0.242, P=0.002), employees monthly pay(r=0.198, P=0.005) and Capital Employed(r= 0.186,P= 0.024) respectively. The correlation coefficient values with respect to the five growth indicators are all statistically significant at 0.05 level of significance. The statistically significant relationship of Entrepreneurial Orientation with five growth indicators is further confirmed by standardised coefficient Beta values of 0.182(P=0.043) for sales revenue, 0.152(P=0.046) for profit, 0.107(P=0.049) for number of employees, 0.161(P=0.048) for employees monthly pay and 0.157(P=0.044) for Capital Employed which are statistically significant at 0.05 level of significance. Therefore, the null hypothesis pertaining to Entrepreneurial Orientation was rejected and the alternative accepted;

Entrepreneurial Orientation has a statistically significant relationship with growth of women owned MSEs at 0.05 level of significance.

The statistically significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises agree with Mwaura, Gathenya and Kihoro (2015) and Mwangi and Ngugi (2014) who concluded that Entrepreneurial Orientation individual dimensions have significant influence on growth of Micro and Small Enterprises. The results also agree with Otieno (2012) who did a study on the influence of entrepreneurial orientation and strategy on performance of Kenya's manufacturing firms operating under East African regional integration and concluded that Entrepreneurial Orientation and strategy have a positive effect on performance of firms. The statistically significant relationship between Entrepreneurial Orientation and growth of women owned MSEs also concur with Wiklund & shepherd (2005) who found significant positive relationship between Entrepreneurial Orientation and firm growth.

4.9.5 Discussion of findings about the effect of Government policy and regulations on the growth of women owned Micro and Small Enterprises

(Ho)5: Government policy and regulations has no significant relationship with the growth of women owned Micro and Small Enterprises.

(H₁) 5: Government policy and regulations has a significant relationship with the growth of women owned Micro and Small Enterprises

Correlation analysis of Government policy and regulations with sales revenue, profit, number of employees, employees monthly earning and capital Employed gave correlation coefficient (r)values of 0.412(P = 0.000)for sales revenue, 0.264= (P= 0.001) for profit , 0.241(P= 0.002) for number of employees, 0.246(P=0.002) for employees monthly earning, and 0.120 (P=0.075) for Capital Employed respectively. Therefore, correlation coefficients analysis values of Government policy and

regulations with four growth indicators of change in sales revenue, profit, number of employees and employees monthly pay were all statistically significant at 0.05 level of significance. Capital Employed had statistically insignificant correlation with Government Policy and regulations (P =0.075). The standardized coefficient Beta values of Government policy and regulations with all the five growth indicators of sales revenue, profit, number of employees, employees monthly pay and Capital Employed were 0.065(P=0.561) for sales revenue,-0.088(P=0.498)for profit, -0.052(P=0.0472) for change in number of employees, -0.001(P= 0.433) for change in employees monthly pay and 0.111(P= 0.378) for Capital Employed. From the results of standardized coefficient Beta values, the null hypothesis was accepted:- Government policy and regulations has no statistically significant relationship with growth of women owned MSEs. In terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed. In fact the standardized coefficient Beta values for profit, number of employees and employees monthly earning were negative. Therefore, Government policy and regulations has statistically insignificant relationship with the growth of women owned Micro and Small Enterprises at 0.05 level of significance.

The statistically insignificant relationship between Government policy and regulations with growth of women owned Micro and Small Enterprises concur with Wanjohi and Migure (2008) findings that licensing and registration requirements, as well as high cost of settling legal claims and excessive delays in court proceedings adversely affect MSE growth. Kenya Association of Manufacturers [KAM] (2016) aver that overregulation of the economy through Government policy and regulations is the driver of informality of enterprises in Kenya: it therefore recommends that the Kenya Government facilitates registration and regulatory compliance coupled with clear proposal of access to supporting services to encourage Kenya to move to a modern economy. KAM (2016) further posits that a lower tax regime is bound to increase formalization of enterprises thereby spreading the tax base for high government revenues with the resultant increased enterprise competiveness in Kenya.

World Bank and International Bank for Reconstruction and Development (2017) posit that taxation policy is a key area that affects business costs in Kenya. A rise in withholding tax has the same effect as an increase in costs. Value Added Tax (VAT) also affects business costs due to the fact that it is paid in advance by the entrepreneurs and latter passed to consumers. Kenya Association of Manufacturers (2016) and Masafo (2009) aver that a high and complex tax regime coupled with high administrative costs makes tax compliance unduly burdensome with resultant negative effect on the growth of MSEs as they are tempted to camouflage in to forms that offer a lower tax burden or none at all. KAM (2016) and Iwuji (2003) posit that it is the role of any government to provide an enabling environment and social services that support businesses and persons. This implies enhancing the investment climate in developing countries like Kenya for increased economic growth and subsequent tax contributions from all MSEs which is necessary because most of these MSEs operate in the informal economy due to the fact that they deem the tax environment within which they operate are unfavorable. These MSEs constitute untapped revenue potential and uneven playing field in many countries

Kenya Industrial Estates [KIE]2013)posits MSE incubation policy started well in accordance with RoK 1992 preposition but over the years, most of Kenya Industrial Estate sheds were sold to private developers unprocedurally. Some of the private developers changed their manufacturing worksites to bars and hotels thereby undermining their original business incubation purpose postulated by RoK 1992 and 2005 respectively. This in a nutshell, explains the statistically insignificant relationship of Government policy and regulations with growth of women owned MSEs in this study. This study finding also agrees with Souksavath *et al.* (2012) who averred that appropriate policy implementation and specific support programmes by Governments are inevitable to achieve the positive goals and targets of the MSE promotion.

The statistically insignificant standardized coefficient Beta values, some with controversial negative coefficients as it pertains to the relationship of Government policy and regulations on the growth of women owned MSEs imply that MSE promotional policies at both National and Sub national levels are not coherently co-ordinated to nurture an enterprise culture through significant MSE growth (RoK, MSME Survey, 2016; Souksavath *et al.,* 2012). Consequently, unless the implementation of MSE promotion policies is sound and serious, satisfactory positive results cannot be realised. RoK MSME Survey(2016) posits that the major constraints of MSEs emanate from overbearing and cumbersome Government policy and regulatory requirements characterised by multiple expensive licenses for the same business, interference from authorities, high taxes and crippling multiple procedures in applying business registration that are hectic and restrictive. Other constraints include lack of markets, stiff local competition, poor infrastructure, insecurity, technological backwardness and corruption which negatively affect MSE growth (RoK MSME Survey, 2016).

CHAPTER FIVE

SUMMARY, CONCLUSSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary, conclusions, recommendations and further research in the area of study about the Effect of Government Interventions on the growth of Entrepreneurial Women Micro and Small Enterprises in Trans Nzoia County, Kenya. The chapter is based on discussion of findings relating to five specific objectives of the study.

5.2 Summary

This section deals with summary of the study results based on discussion of findings pertaining to specific objectives.

Specific objective 1: To determine the effect of Business experience on the growth of women owned Micro and Small Enterprises

The correlation analysis results indicated that business experience had statistically significant correlations with five growth indicators of women owned MSEs in terms of sales revenue, profit, employees monthly pay and capital employed statistically significant at 0.05 level of significance. However, growth in terms of change in number of employees had statistically insignificant correlation with business experience of the women owned Micro and Small Enterprises at 0.05 level of significance.

The significant relationship of business experience with four growth indicators of change in sales revenue, profit, employees monthly pay and capital employed was further confirmed by standardized coefficient Beta values which were also statistically significant at 0.05 level of significance. In concurrence with correlation results, growth

of women owned MSEs in terms of change in number of employees had a statistically insignificant Beta value at 0.05 level of significance.

Specific objective 2: To determine the effect of entrepreneurial training on the growth of women owned Micro and Small Enterprises

Correlation analysis results between Entrepreneurial training independent variable and five growth indicators of annual sales revenue, profit, change in number of employees, employees monthly pay and capital employed were all statistically significant at 0.05 level of significance. The standardized coefficient Beta values courtesy of multiple regression analysis of entrepreneurial training with women owned MSEs growth in terms of change in sales revenue, profit, number of employees, employees monthly earning and capital employed were also statistically significant at 0.05 level of significance thereby concurring with correlation results

On the other hand, the difference in means pertaining to keeping of business records by women owned MSEs before and after entrepreneurial training intervention measure was statistically significant at 0.05 level of significance courtesy of paired t test. Improved keeping of business records by women owned MSEs spirals in to improved growth.

Specific objective 3: To determine the effect of entrepreneurial credit on the growth of women owned Micro and Small Enterprises.

All the five growth indicators of change in annual sales revenue, profit, number of employees, employees monthly earning and Capital employed had statistically significant correlation coefficient values at 0.05 level of significance courtesy of correlation analysis. The statistical significance of entrepreneurial credit on growth of women owned MSEs was further confirmed by standardised coefficient Beta values in respect of the five growth indicators that were all statistically significant at 0.05 level of significance courtesy of multiple regression analysis.

Specific objective 4: To determine the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small Enterprises

Correlation analysis of Entrepreneurial Orientation variable with the five growth indicators of annual sales revenue, profit, number of employees, employees monthly pay and Capital Employed were utilised to determine the statistical significance of the independent variable on growth of women owned Micro and Small Enterprises. The correlation analysis of Entrepreneurial Orientation with sales revenue, profit, number of employees, employees monthly pay and Capital Employed had correlation coefficient values that were statistically significant at 0.05 level of significance. This was further confirmed by standardized coefficient Beta values for the five MSE growth indicators that were also statistically significant at 0.05 level of significance. Therefore, the specific objective that sought to determine the effect of Entrepreneurial Orientation on the growth of women owned MSEs was positively determined: Entrepreneurial Orientation has statistically significant relationship with growth of women owned MSEs at 0.05 level of significance.

Specific objective 5: To determine the effect of Government policy and regulations on the growth of women owned Micro and Small Enterprises.

Multiple regression analysis of Government policy and regulations with growth of women owned Micro and Small Enterprises in terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed yielded standardized coefficient Beta values that were statistically insignificant at 0.05 level of significance. Infact the standardized coefficient Beta values Government policy and regulations with respect to profit, number of employees and employees monthly earning were negative depicting reverse insignificant relationship of Government policy and regulations with growth of women owned Micro and Small Enterprises. It was therefore concluded that Government policy and regulations has statistically insignificant relationship with the growth of women owned Micro and Small Enterprises at 0.05 level of significance.

5.3 Conclusions

The study was concluded based on results of descriptive and inferential statistical analysis of each of the five specific objectives and hypotheses as it pertains to the effect of Government interventions on the growth of women owned Micro and Small Enterprises. The independent variables were business experience, entrepreneurial training, entrepreneurial credit, Entrepreneurial Orientation and Government policy and regulations. Growth of women owned MSEs was measured in terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed. In a nutshell, it was concluded that business experience, entrepreneurial training, entrepreneurial credit and Entrepreneurial Orientation had statistically significant relationship with the growth of women owned Micro and Small Enterprises in terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed at 0.05 level of significance.

However, as it pertains to business experience it was found out based on correlation and multiple regression analyses that it had statistically insignificant relationship with growth of women owned MSEs in terms of change in number of employees at 0.05 level of significance. Government policy and regulations independent variable had statistically insignificant relationship on the growth of women owned Micro and Small Enterprises in terms of all the five growth indicators of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed at 0.05 level of significance.

5.3.1 Business experience

From the findings of this study concerning the effect of business experience on growth of women owned MSEs, it was concluded that business experience has a statistically significant relationship with growth in terms of sales revenue, profit, employees monthly pay and Capital Employed at 0.05 level of significance. However, the relationship

between business experience and growth of women owned MSEs in terms of change in number of employees was statistically insignificant at 0.05 level of significance.

5.3.2 Entrepreneurial training

Correlation and multiple regression analyses revealed statistically significant relationship between entrepreneurial training and growth of women owned Micro and Small Enterprises in terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed. Furthermore, entrepreneurial training had statistically significant relationship with keeping of business records courtesy of paired t test at 0.05 level of significance which translates in to improved growth of women owned Micro and Small Enterprises. It was therefore concluded that entrepreneurial training independent variable has statistically significant relationship with growth of women owned Micro and Small Enterprises at 0.05 level of significance.

5.3.3 Entrepreneurial credit

The study sought to find out find out the effect of entrepreneurial credit on the growth of women owned Micro and Small Enterprises. Based on results of correlation and multiple regression analyses of entrepreneurial credit with growth of women owned Micro and Small Enterprises in terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed, it was concluded that entrepreneurial credit has statistically significant relationship with growth of women owned Micro and Small Enterprises at 0.05 level of significance.

5.3.4 Entrepreneurial Orientation

The study sought to find out the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small enterprises in terms of change in sales revenue, profit, number of employees, employee's monthly pay and Capital Employed. It was found out that Entrepreneurial Orientation has statistically significant relationship with growth of women owned Micro and Small Enterprises at 0.05 level of significance courtesy of

multiple regression analysis. Therefore, it was concluded that entrepreneurial orientation has statistically significant relationship with growth of women owned Micro and Small Enterprises at 0.05 level of significance.

5.3.5 Government policy and regulations

The study sought to find out in its fifth specific objective, the effect of Government policy and regulations on the growth of women owned Micro and Small Enterprises in terms of change in sales revenue, profit, number of employees, employees monthly earning and Capital Employed. It was found out that Government policy and regulations had statistically insignificant relationship with growth of women owned MSEs at 0.05 level of significance courtesy of multiple regression analysis. It was therefore concluded that Government policy and regulations has a statistically insignificant relationship with growth of women owned Micro and Small Enterprises at 0.05 level of significance.

5.4 Recommendations

Two different sets of recommendations were made, namely: Policy recommendations for action by Government authorities and recommendations for further research

5.4.1 Policy Recommendations

(a)Wider consultations and stakeholder/ user inclusivity in MSE policy formulation and validation process

Further policy initiatives by the Kenya government to promote accelerated growth of Micro and Small Enterprises should have user and stakeholders input before being concretized in order to mitigate against negative effects on MSEs to facilitate the much desired growth trajectory. Therefore, for the Government to realize vision 2030 especially as it pertains to job creation and boosting economic growth, the policy design should be more inclusive and sensitive to the needs of the MSE sector. The policy initiatives relate to license, tax, MSE incubation, technology adoption, business

infrastructure development and other regulatory regimes. The Kenya Government should also strengthen its partnership with the private sector, promote higher value added services, increase coordination among various government entities dealing with MSE promotion and set quantifiable targets through frequent monitoring and evaluation of MSE promotion programmes. This is bound to midwife faster growth graduation of MSEs in to modern enterprises with higher multiplier effect to confer a Newly Industrializing Country Status (NIC) to Kenya in line with vision 2030. This is motivated by the fact that the fifth objective of this study which sought to determine the effect of Government policy and regulations on the growth of women owned Micro and Small Enterprises found out that Government policy and regulations had statistically insignificant relationship with growth at 0.05 level of significance.

The literature review was in agreement with the insignificant relationship of government policy and regulations on the growth of Micro and Small Enterprises, where several researchers (World Bank, 2016; Kenya Association of Manufacturers[KAM] , 2016; Wanjohi and Migure, 2008; Masafo, 2009;Tomlin, 2008 & Kaufmann, 2007) posit that tax, licensing and registration requirements, as well as high cost of settling legal claims and excessive delays in court proceedings and other regulatory constraints adversely affect MSEs growth. This implies that while some policies have positive relationship with growth, others like tax, registration, license, social security and risk mitigation regimes have a negative effect on growth and development of enterprises through added costs.

(a) Increased provision of Entrepreneurial training to MSE operators in Kenya

The Kenya Government should provide frequent entrepreneurial training to MSE operators at subsidized rates or free of charge in order to promote faster growth and graduation of MSEs in to medium and large enterprises. Many studies including this one have identified entrepreneurial training as one of the major interventions with significant positive effect on MSEs growth. Entrepreneurial training had statistically significant effect on the growth of women owned Micro and Small Enterprises at

0.05level of significance and should continue to be provided in an organized and accelerated manner to MSE operators. Some MSE growth studies have alluded to the fact that sometimes what appears to be a financial problem might be in fact an entrepreneurial management problem that can be solved easily through training the owner managers in entrepreneurial skills.

(c) Provision of increased amounts of subsidized low interest entrepreneurial credit to growth oriented women owned MSEs.

The Government of Kenya should be continued in an accelerated manner. This is motivated by the third objective of this study that sought to determine the effect of entrepreneurial credit on the growth of women owned Micro and Small Enterprises. The findings of this study showed that there is a statistically significant positive relationship between entrepreneurial credit and growth of women owned Micro and Small Enterprises. However, the subsidized amount of entrepreneurial credit was inadequate due to the fact that only 20.5 percent of the women MSE respondents received between Ksh 350,000 and 500,000. Furthermore, although the minimum credit for beginners has been increased to KSH 100,000, the newly introduced lending cycles 5 and 6 by Women Enterprise Fund [WEF] (2016) of Ksh 750, 000 and 1,000000 is meant for project funding only. Continued provision of subsidized entrepreneurial credit will stabilize the interest rates at low levels for the benefit of most Micro and Small Enterprises in Kenya. However, provision of high amounts of subsidized entrepreneurial credit to Women MSEs and other MSEs in General in group or individual level to the tune of between Ksh 2000,000 and 3000,000 should be based on 'growth orientation' of the selected enterprises. Growth oriented enterprises should be given preference in Government subsidized credit scheme to midwife the attainment of Newly industrialized Country Status as envisaged in Kenya vision 2030. King and McGrath (1999) as cited by Nteere (2012) posit that entrepreneurial credit and training are the major determinants of growth of Micro and Small Enterprises. According to Umaru and Chinelo (2014), the SMEs are often said to contribute to a more equal distribution of income or wealth. The

MSEs owners and workers are in the lower half of the income distribution and therefore promoting their growth is bound to lead to a more equitable distribution of income. In reality, the desire of governments to promote MSEs is often based on social and political considerations rather than on economic grounds (Umaru &Chinelo, 2014).This overall policy of MSE promotion obtains in Kenya today. However, promoting 'growth oriented' MSEs through provision of increased amounts of subsidized entrepreneurial credit is bound to facilitate their enhanced growth and graduation in to the ''missing middle'' coupled with enhanced income generation, employment creation and poverty reduction in line with national and international aspirations (RoK, 2012a; [Kenya Vision, 2030]: Africa Agenda 2063; SDG, 2015).

(d).Experiential learning exposure to MSE owner managers/operators

 The buyer meets seller forums should be facilitated by the Government to boost MSE growth and subsequent graduation in to medium and large scale enterprises. This is due to the fact that a steady internal and external market for MSEs promotes faster growth of these MSEs. The producers and sellers are able to comprehend fully the quality requirements of the buyers during such forums. The forums will enable MSEs establish particular product and market niches for higher income generation and graduation in medium and large enterprise status. Along this line, The 'Buy Kenya Build Kenya' campaign should be re- emphasized to guarantee expanded local and international market for MSE products

(e).Continuous learning and entrepreneurial training exposure

 The fourth objective of this study sought to determine the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small Enterprises. Innovation, risk taking and pro-activeness of MSE owner managers are the main hallmarks of entrepreneurial orientation. The finding of this study was that Entrepreneurial Orientation has a statistically significant effect on the growth of women owned Micro and Small Enterprises. Growth oriented MSEs have high entrepreneurial orientation

capability exemplified by new goods, new services, new markets and reduced production costs. Along this line, technology upgrading courses in National Polytechnics and Institutes of Technology should be subsidized by the Kenya Government to facilitate faster growth of MSEs besides fully sponsored exchange visits between MSEs and medium or large enterprises to facilitate new technology adoption and subcontracting exchanges. Attendance of Kenyan MSE operators in National and International exhibitions also facilitates experiential learning for increased growth. In a nutshell, these prepositions are components designed to spur entrepreneurial orientation of the MSE owner managers for increased growth and graduation in to the missing middle of medium enterprises

(f) Provision of Conducive business environment to MSEs in Kenya.

Government bureaucratic regulatory regime should be reduced to facilitate faster growth of MSEs for example, multiple taxation, multiple licenses and levies in the National and County Governments in Kenya. The tax rate should be reduced to an affordable level for all MSEs to spur growth, increase compliance and reduce their high informality status. The reduction of Government bureaucratic and regulatory procedures will in effect improve Kenya's position on global list of ease of doing business from the current 92 out of 188 to top 50 by 2020 in accordance with World Bank and KAM (2016) preposition. This is bound to propel Kenyan MSEs to the much desired growth trajectory and graduation in to medium and large enterprise status.

(g) Provision of business infrastructure and facilitation of MSE incubation

There should be increased provision of business infrastructure to MSEs by the Kenya Government in collaboration with the 47 County Governments to speed up their growth and graduation in to medium and large scale enterprises. This involves construction of worksites and incubation centers for MSE operators where electricity, water, machinery and other infrastructure requirements are provided to MSES in a pool at Government subsidized rates. This is due to the fact that lack of worksites, incubation centres and

related business infrastructure is still a major problem for MSEs in Kenya based on the statistically insignificant relationship finding between Government policy and regulations with growth of women owned MSEs – The fifth specific objective of this study   The incubates should be given a time frame of up to six years to mature and leave incubation centres for their own personal premises to give room to new MSE entrants. This is due to the fact that construction of worksites and incubation centers has not been fully actualized for the benefit of most MSEs in Kenya.

(h)Clustering and subcontracting arrangements for MSEs.

The MSEs in Kenya need to benefit from economies of scale to reduce operations costs. It is therefore recommended that the Government should create incentives for the formation of industrial structures rich in linkages like clustering of MSEs and subsequent subcontracting arrangements of these MSE clusters with medium and large enterprises. This is bound to enhance outreach of Kenyan MSE products to both local and international markets.

(i)Technology adoption by MSEs in Kenya

 The Kenya Government should develop a technology grants system to link universities, research and technology institutions like Kenya Industrial Research and Development Institute with Micro and Small Enterprises. This will facilitate technology adoption and transfer by MSEs for faster growth and graduation to modern enterprises.

(j) Access of women MSE entrepreneurs to 30% Kenya Government tenders

The Kenya government should facilitate women owned MSEs to access 30% government tenders both in the National government and 47 sub nations. The regulation for access to 30% government tenders by women, youth and people with disability is in existence but it has not been fully actualized for the benefit of majority of women owned enterprises. This will facilitate higher employment and wealth creation among women owned MSEs in Kenya for accelerated poverty reduction and economic growth.

5.4.2 Areas for Further Research

Further research about the effect of Government policy and regulations on the growth of MSEs in Kenya should be conducted with a large sample size to determine clearly and concisely, the relationship between enterprise growth and this independent variable. The large sample size and use of linear regression analysis involving one independent variable on growth is bound to keep multicollinearity at the bare minimum with a view of providing more accurate findings. This will facilitate positive adjustment of Government policies and regulations to spur accelerated growth of MSEs in Kenya on the path to attainment of a Newly Industrialized Country Status by 2030 in accordance with Kenya, vision 2030 resolve. This is motivated by the fact that research in this area has yielded ambiguous results.

Gibb (2006) posits that everyone has some degree of entrepreneurial attributes. The determinant of who becomes an entrepreneur is what triggers the attributes in to action. On the other hand, Drucker (2007) argued that entrepreneurship is a form of behaviour and can be learned or increased through entrepreneurial training. Namusonge (2006) and Rakunga (2003) concur that although Entrepreneurial behaviour is an inherent quality, it can also be acquired or boosted through nurture (experience, education, entrepreneurial training and learning,). Some scholars posit that the most important and strategic factor inputs for MSEs are capital and entrepreneurial skills (Bunyasi *et al.*, 2014; Gebru, 2009; Kuzilwa, 2005; Kezzy & Urio, 2006). Therefore, provision of entrepreneurial credit alone without entrepreneurial skills training cannot midwife optimal enterprise performance.

In view of the above arguments, it is important to determine if latent forms of entrepreneurship or entrepreneurial orientation that obtain in Micro and Small Enterprises currently can be boosted through entrepreneurial credit and training intervention programmes. This research study sought to determine the effect of Entrepreneurial Orientation on the Growth of women owned Micro and Small Enterprises in Trans Nzoia County, Kenya using a mixed research design. In order to

determine clearly and concisely the effect of Entrepreneurial Orientation on the Growth of Women owned MSEs, a longitudinal Research study about the Effect of Entrepreneurial Orientation on the Growth of women owned Micro and Small Enterprises in Kenya is recommended, using an experimental research design composed of both experimental and control group within a time frame of five years. The experimental Group would be composed of women owned MSEs that are on Women Enterprise Fund interventions of entrepreneurial credit and training while the control group would be composed of Women owned MSEs without any form of entrepreneurial credit and training intervention during the time frame of the study.

Further research concerning the effect of business record keeping on the performance of MSEs should be carried out where Business record keeping is a stand-alone independent variable. In most cases, records keeping has been considered as part of entrepreneurial training and its effect on MSEs performance has not been pronounced. This will reduce the negative effect of multicolliniarity on this independent variable. Further research about the effect of business experience on Growth of MSEs needs to done to clearly and concisely determine its effect with a large sample size. Its positive effect on growth based on the five growth indicators of annul sales volume, profit , number of employees, employees monthly pay and capital employed might not have been fully highlighted.

Further research should be done on the effect of independent variables of business experience, entrepreneurial training, entrepreneurial credit, entrepreneurial orientation and government policy and regulations on growth of MSEs while using a large sample size and other enterprise growth measures apart from the traditional three measures of sales, profit and number of employees(capital employed and employees earnings). This is due to the fact that it's important to use several growth measures to ascertain clearly and concisely the level of enterprise growth. These two growth measures have sparingly been used in research, yet they jointly help to determine growth oriented enterprises alongside profit, number of employees and sales revenue.

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APPENDICES

Appendix 1: Introduction letter

Fred Masibo Simiyu
Jomo Kenyatta University of Agriculture and Technology,
Kitale CBD Campus,
P. O. Box 3347-30200
Kitale.

28ᵗʰ December, 2015.

Dear Respondent,

Re: Permission to Administer Research Questions/Questionnaires.

I am a PhD student in Entrepreneurship in the School of Procurement, Entrepreneurship and Management, Jomo Kenyatta University of Agriculture and Technology (JKUAT). I'm undertaking a research about *"The Effect of Government Interventions on the Growth of Entrepreneurial Women Micro and Small Enterprises in Trans Nzoia County, Kenya.*

I am requesting for your assistance by filling in the questionnaires and answering Research Questions to enable me accomplish my research objectives. This research will enable me make recommendations on the best ways of operating Women Enterprise Fund interventions for the maximum benefit of Women Micro and Small Scale Entrepreneurs in Trans Nzoia County and Kenya in general. All responses will be treated with utmost confidentiality. Please kindly collaborate.

Thanking you in advance.

Yours sincerely,

Fred Masibo Simiyu.
(Reg. No: HD 413-C008-2492/2010

Appendix 2: Interview schedule for public institutions

THE EFFECT OF GOVERNMENT INTERVENTIONS ON THE GROWTH OF ENTREPRENEURIAL WOMEN MICRO AND SMALL ENTERPRISES IN THE LAST FIVE YEARS (2009-2015), TRANS-ZOIA COUNTY, KENYA.

PART 1 Profile of Women Micro and Small Enterprises

Name of the institution..,...

1. Which type of Women MSE businesses do you finance?
2. Which area of Trans Nzoia County has the highest concentration of loanees?
3. What is the average capital of businesses you finance?
4. How long does it take for your Institution to respond to loan applications?
5. Why does your Institution finance women MSEs in the county?
6. Are your loanees able to access loans from other sources after repayment of your loan?
7. What is the average cost that entrepreneurs incur before obtaining credit?
8. At what interest rate are the loans issued?
9. What is the repayment period of your loans to women MSEs?
10. Do you consider the current loan amount adequate for women MSE's? **(   ) Yes**
    (   ) No.
    If,yes,why?
    If,no,why?

PART II – Non financial interventions

11. What non – financial interventions accompany entrepreneurial credit intervention to women MSEs?
12. How frequent do you provide the non-financial interventions?
13. Do you think the non-financial interventions you provide to women MSEs are necessary for growth?

Part III: Impact(Effect)

14. What is the overall effect of Government interventions on growth and employment generation of women MSEs?

15. What happens to gross profits, assets etc of women owned MSEs after Government interventions?

16. What are the barriers that hinder some women MSEs growth despite receipt of GoK interventions?

17. Any other comments you may have.

Thank you

Appendix 3: Interview schedule for women group MSE recipients of Government interventions in Trans Nzoia County

THE EFFECT OF GOVERNMENT INTERVENTIONS ON THE GROWTH OF ENTREPRENEURIAL WOMEN MICRO AND SMALL ENTERPRISES

PART 1: Background Information

(i) Please fill as appropriate

Contact persons /owner managers name (optional);

Enterprise name;

Location of enterprise;

 (ii) Type of business (tick as appropriate)

( ) Trading

( ) Manufacturing

( ) Service

( ) Agribusiness

(iii)Age of owner manager in years

( ) 15 – 19

( ) 20 – 24

( ) 25 – 29

( ) 30 – 34

( ) 35 - 39

( ) 40 - 44

( ) 45 - 49

( ) 50 and above

(iv) What is the ownership of your business at present?

 a. sole proprietorship

 b.Partnership(Group)

 C.Co-operative

 d.Family

e.Company Ltd.

(v) Education level fill in the table below (1) None (2) Primary   (23) Secondary   (4) College   (5) University

Level of Education	Tick
None	1
Primary	2
Secondary	3
College	4
University	5

2 What are the major products/services of this business?

3 (a) when was your current business founded?

 1-5 years ago

 6-10 years ago

11-20 years ago

Over 20 years ago

 (b).What other economic activities are you involved in at the moment apart from operating the current business?

PART II: Government Interventions

4.When did you receive your first Government intervention and from which institution?[year]

5. What form of Government intervention did you receive? (Tick where appropriate)

Entrepreneurial Training ☐ Entrepreneurial Credit ☐

Policy, legal and regulatory framework ☐

Other (Specify)

6.If Entrepreneurial training, what were the components you received, when, how long and how many times in a year? (Fill the table below)

Type of Entrepreneurial Training	Tick	Year
Record Keeping		
Marketing		
Entrepreneurship Development		
Customer relations		
Working capital Management		
Sources of business funds		
Business Management		
Creativity and innovation in enterprises		

7.On a Likert scale of 1 to 5 tick the corresponding number in the table concerning the statements about entrepreneurial training below;

Entrepreneurial Training(likert scale)	1. Strongly Disagree	2. Slightly Agree	3. Moderately Agree	4. Above Averagely agree	5. Strongly Agree
1. Number of times entrepreneurial training in a calendar year(1-5)					
2.The effect of entrepreneurial training on sales and profit was significant					
3.The entrepreneurial training course was very relevant					
1.The entrepreneurial training course was very adequate.					
5.The effect of entrepreneurial training course on skills was significant					

8. Have you obtained any entrepreneurial credit support from any Government institution between 2009 and 2014?

(i)No ☐

(ii)Yes. ☐

(iii) If Yes, Specify the following in the table below:

Name of Institution	
Amount obtained	
Year	
Interest rate	
Repayment Period	
Type of Security	
Purpose of Loan	

(iii) On a Likert scale of 1 to 5, tick the corresponding number in the table concerning the five statements about entrepreneurial credit below;

Entrepreneurial credit9(likert scale)	1. Strongly Disagree	2. Slightly Agree	3. Moderately Agree	4. Above Averagely agree	5. Strongly Agree
1.The amount of entrepreneurial credit was adequate for my enterprise					
2.The Interest rate was low, subsidized by GOK to promote faster growth of MSEs.					
3.The Effect of entrepreneurial credit on entrepreneurial orientation was excellent					
4.The Effect of the entrepreneurial Credit on sales and profitability was excellent					

PART (iii) Job creation

9. (a) How many people (including casuals and apprentices) are/were involved in the business?

Before Government institution support

After Government institution support

PART IV: -Business performance /Product/service/pro cess/marketing innovation

10. (i). How many new products have been introduced after government intervention?

    a) None

    b) Between 1 – 5

    c) Over 5

(ii) How many new services have been started after government interventions?

    a) None

    b) Between 1-5

    c) Over 5

11. What channels do you use to advertise products before and after Government interventions? (a)Word of mouth, (b) Billboards, (c) Local radio, (d) notice boards, (e) Discount on sales, (f) Regional /National exhibitions& shows, (g) Business cards, brochures, (h) Mobile phone calls and Sms

12 (a) what is the average monthly income of workers before and after Government intervention? Fill in the blank spaces below

    Before Govt intervention: After Govt Intervention:

    KSH...............   **KSH...................**

    (a) What are / were your average annual sales before and after Government interventions. Fill in the table below

(c) What is the .average annual profit (i) Before GoK support (ii) After GoK support? Fill in the table below

Annual Profit	
Before support (KShs)	**After GoK Support(KShs)**
2008	2009
2009	2010
2010	2011
2011	2012
2012	2013
2013	2014
2014	2015

13. (a). How much was your capital in KShs when you began your present business?

   (b) What is your capital at present (In KShs)?

Part V: Asset Accumulation

14. Please list all the assets you have and when they were acquired.

Types of Asset	Year of acquisition
1.	2009
2.	2010
3.	2011
4.	2012
5.	2013
6.	2014

15. Specify your annual stock values in KSH below

Year	Stock value (KShs)
2008	
2009	
2010	
2011	
2012	
2013	
2014	

16. How much was your annual working capital (money for routine operation (e.g. purchasing new stock)? Fill the table below:

•	• Amount (Total) KShs	• Cash in hand (KShs)	• Cash at Bank (KShs)
• 2008	•	•	•
• 2009	•	•	•
• 2010	•	•	•
• 2011	•	•	•
• 2012	•	•	•
• 2013	•	•	•
• 2014	•	•	•
• 2015	•	•	•

PART VI: Records Keeping

17. Which type of books were you keeping before and after Government interventions? Tick as appropriate:

Type of Book Kept	Before Government Support	After Government Support
Cash book		
Expenditure (Bills) Book		
Ledgers (Sales & Purchases) Book		
Payroll Records		
Assets Register		
Balance sheet (Statement of Financial Position)		
Income statement (Profit and Loss Account)		
Others (specify)		

18. How frequent did you calculate your profit before and after Government support?

Frequency	Before Government support	After Government Support
Daily		
Monthly		
Quarterly		
Half Yearly		
Yearly		
None		
Other (Specify)		

Part VII. Innovation in Enterprise, Periods of Growth and Decline (Annual business cycles)

19. (i) Which of the following changes have taken place since you received Government interventions of credit, entrepreneurial training and counselling? Put tick or x

(a) Established other branches ☐

(b) Changed business location ☐

(c) Opened retail outlet / sales ☐

(d) None of the above ☐

(ii)Changed Products and services

Introduced new products or services

Other (Specify)...

20. (i) Do your business experience periods of fast growth? Yes / No. If Yes ,Month (beginning) to Month (end) of the year.

. (ii) Do your business experience periods when output declines Yes /No. If Yes, from

[Month] to [Month]

(iii) How did you deal with the two contrasting situations above in your business?

Period of fast Growth

1..

2..

3..

Period of decline

1..

2..

3..

Entrepreneurial Orientation (Likert scale of 1-5)

21 Fill the likert scale table below pertaining to Entrepreneurial Orientation

Entrepreneurial Orientation	1.Negligible	2.Low	3.Average	4.Above Average	5.Excellent
1.Rate your risk taking propensity in your enterprise					
2.What degree of importance do you attach to new products/services in your enterprise?					
3.Rate your market research capability for performance of goods / services in the market					
4.Rate your ability to find new markets for your products/services					
5. What degree of importance do you attach on profitability and return on investment ?					

22. On a Likert scale of 1-5, rate Government intervention on Policy, Legal and Regulatory Framework for MSE business? Tick any of the five choices for each of the five disciplines of intervention in the table below

Government Policy Legal and Regulatory Framework	1Negligible	2Low	3Average	4Above Average	5 Excellent
1 Incubation Policy					
2Technology Upgrading					
3TaxandLicence Regime					
4 Social Security and Risk Mitigation Regime					
5 Business Registration Regime					

23. On a likert scale of between 1 to5 below, rate by ticking the appropriate box the overall effect of Government policy, legal and regulatory framework Intervention on MSE Growth and development in Kenya((licence, tax, infrastructure, legal & regulatory environment)

Likert Scale 1-5	1.Negligible	2.low	3.Average	4.Above Average	5.Excellent
Govt policy Legal & regulatory framework					

24. In your opinion, should the Kenya Government continue to provide   interventions to MSEs pertaining to   entrepreneurial credit, entrepreneurial training, government policy and regulations ?

        No   ☐   (b) **Yes** ☐