

Linkage between Social Cultural Factors and Growth of Small and Micro Enterprises Funded By Women Enterprise Fund in Selected Counties in Kenya

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Abstract:

Small and Micro Enterprises (SMEs) remain fundamental in economic growth of many nations. Despite this significance SMEs face tremendous challenges in their operations. The purpose of this study was to examine the influence of social cultural factors on the growth of SMEs funded by women enterprise fund in Kenya. This study used a descriptive survey based design. The study's target population was composed of 2032 women group leaders' beneficiaries of Constituency Women Enterprise Scheme (CWES) between 2013 and 2017. Cluster sampling and simple random sampling were used to select a sample size of 335 respondents. Quantitative primary data was collected by use of structured questionnaires. The data collected was edited and analyzed according to the research objectives. The study used descriptive statistics and inferential statistics to analyze data. Regression and ANOVA analysis were used to determine the relationship between independent and dependent variables. The hypothesis was tested at a confidence of 0.05. The study established that social cultural factors significant positive relationship on the growth of SMEs. The findings of this study will be helpful to female entrepreneurs in planning and managing their operations. The study recommends the government to initiate policies that would empower and boost women SMEs in the country.

Keywords: Social cultural factors; Small and Micro Enterprises; Women Enterprise Fund; Entrepreneurs

1.0 Introduction

SMEs remain strong pillars in achieving the global developing goals. They are undisputed promoters of employment creation, creativity as well as industrial growth. For all these to be successful there is need to have a favorable business environment (OECD, 2017). External factors have hindered smooth operations of SMEs especially in this era of Covid pandemic worldwide. OECD June (2020) Outlook had projected a big decline of GDP of about eight percent. This would greatly affect the SMEs sector of many countries due to massive loss of jobs and unstable business environment. SMEs are prone to face a total collapse (International Trade Centre, 2020). The International Finance Corporation (2010) had observed that about eleven to seventeen million SMEs in developing lack access to adequate credit jeopardizing their operations. Studies by the World Bank showed that female entrepreneurs from less developed nations lack opportunities to obtain credit for their business activities. Deficiency of credit to establish SMEs compel women traders to apply for loans from the lending agencies (World Bank Report, 2019).

In Europe, SMEs have continued to play a key role in the economy of many nations. They provide almost 2/3 of employment (European Commission, 2019). There is low demand for goods and services across Europe necessitated by the Covid pandemic. Service based SMEs are hard hit most. Closures have been witnessed in many nations. European SMEs have experienced liquidity and financial challenges resulting to cash flow problems. Revenue collection has almost been halted (Juergense, Guimon & Narula, 2020; International Trade Centre, 2020).

In Asia, SMEs remain the pivot of many nations. They contribute more than ninety eight percent of the enterprises in this region. SMEs contribution to the economy of many nations in Asian-Pacific region is quite immense (Ata, 2020). The onset and continued existence of Corona virus has indeed hit the economy of many nations, including China. There have been disruptions in the supply chain of Asian nations. Financial hurdles have been witnessed even in the Tiger nations of Asia (Lu, Wu, Peng & Lu; 2020). SMEs are struggling with insufficient cash flow. Acute shortages of labor faced during curfew and lockdowns have had a strong impact on SMEs activities (Magzter, 2020).

The continent of Africa owes its economic growth on the SMEs sector. This is because they offer employment opportunities and generate a lot of revenue to the governments. Entrepreneurship is the backbone of many nations. Africa needs a flourishing environment to spur the growth of SMEs (World Economic Forum, 2015; IFC, 2020). However the SME sector in Africa continues to face many challenges in the 21st century, including the latest Covid 19 pandemic. The SMEs are facing devastating financial hurdles resulting from poor economic conditions. The World Bank has projected economic recession in sub Saharan Africa (PROPARCO, 2020). This would really affect the growth of SMEs in the continent.

The Kenyan economy largely depends on the SMEs. They form the largest segment of the commercial entities in the country. The sector has employed millions of Kenyans. The government earns a lot of revenue from their activities. This has helped the government in reducing the nation's poverty index. This aforementioned benefits motivated the government of Kenya to introduce Women Enterprise Fund (WEF) in 2007 to spur the growth of women operated SMEs in the country (WEF, 2009). Thirteen years have elapsed since the inception of this micro credit strategy. Women SMEs have not empowered women entrepreneurs as it was envisaged. Most of these SMEs collapse at the infancy stage. The SMEs have been affected so hard by poor economic conditions coupled with covid pandemic. This has led to job losses, poor marketing and insufficient of capital to revamp their activities ((Adhiambo, Okelo & Ojera, 2013; Policy Briefs, 2020). it is against this background that this study sought to establish the influence of social cultural factors on the growth of SMEs in Kenya.

1.1 Statement of the Problem

Kenya's vision 2030 recognizes the significance of SMEs in the country's economic growth and development. The vision identifies women entrepreneurs' contribution to the nation's economy. Based on this reality, the government initiated WEF as a micro credit to boost SMEs in the country. WEF strategies were meant to give women clients affordable and accessibility to credit, provide necessary business management skills, link them to market and accord them the opportunity to form social networks in the course of conducting their entrepreneurial activities. If properly executed, WEF strategy would boost women SMEs and consequently lead to job creation and revenue collection (WEF, 2009).

Many years have passed since the formation of WEF in 2007. Most women SMEs continue to face challenges of accessing loans and lack business managing and incur cultural barriers. The growth of women based SMEs remain poor in many parts of the nation (WEF, 2015) the borrowing and repayment of WEF loans is quite discouraging (Kiraka et al, 2012; Mutai, 2018). The motive of strengthening women economically has not been satisfactorily met. Poor growth of SMEs is eminent in many parts of country. The persistence poor performance of SMEs is a threat to the government. If this continues, women will continue to remain poor and marginalized in Kenya. The purpose of this study therefore was to examine the influence of social cultural factors on the growth of women operated SMEs in Kenya.

1.2 Research Objective

This study's objective was to assess the influence of social cultural factors on growth of Small and Micro Enterprises in Kenya.

This study was based on this null hypothesis: **H₀**. There is no significant relationship between and social cultural factors on growth of small and micro enterprises in Kenya.

2.1 Underpinning Theory

This study was based on socio-cultural theory. This theory was propounded by Max Weber in 1976. This theory presupposes the effect of culture on the performance of entrepreneurs. Weber explains that certain people have cultural beliefs, norms and traditions that enable them to be successful in business in any environment. Based on this, Jaja (2009) argues that such people include the Chinese, Japanese, Lebanese and Ibo-Jews. According to this social cultural theory the social cultural system affects peoples' thinking and consequently influences a

person's entrepreneurship spirit. On the same note, Conchran (1965) argued that the environment determines the entrepreneurial urge and ability of the person. He explains further that societal expectations and individual attitudes drive an individual to entrepreneurial activities. This study used this theory as a basis to establish the extent to which social cultural factors influence the growth of SMEs operated by women beneficiaries of women enterprise fund in Kisii, Migori and Nyamira constituencies of Nyanza region in Kenya.

2.2 Societal Culture and Growth of SMEs

Findings by Boden and Nucci, (2000) observed that societal norms constrain women business growth. Most micro traders lack the opportunity to operate their enterprises because of several domestic duties. Research findings by ILO (2008), showed that women micro traders have several duties to perform since they act as traders, parents and home makers. As a result women fail to utilize resources fully for wealth creation due to limited opportunities. Gender division of labor often results to gender stereotyping of jobs that sets women business activities as distinct from those of men. The gender division of labor renders women with little time to dwell on business. Such women have limited freedom to travel, lack self-confidence, and are not willing to handle administrative duties of the enterprise (Kylo, 2016)).

According to ILO (2003) social cultural beliefs and practices especially domestic division of labor, influence heavily the kind of training offered to both genders. Majority of the parents invest a lot on the boy child than girl child on the assumption that girls have less demand for money. This has significant influence on girls' occupation. Consequently, this type of thinking affects female entrepreneurs when making decisions to invest in business. Societal beliefs and practices therefore affect women significantly when selecting the kind of business to invest their fund in (Kings & McGratch, 2002). Legislation and traditional beliefs deny women the opportunity to own productive resources which they can use as security to obtain credit.

Hellen (2002) observed that most women entrepreneurs in marginalized areas are not able to access loans since formal financial institutions don't cover these areas. More researcher findings indicated how most females have no opportunity to obtain funds to establish their businesses. These scholars argue that formal banks are discriminatory when choosing where to operate and in most cases tend to deny women in rural areas the opportunity to access credit (Stevenson & St-Onge, 2005). According GoK (1999) most banks do not respond in time to women demand for credit and this hinders women entrepreneurship. Due to patriarchal social authority structures, women are not given adequate family support in their business activities because men fear losing their authority to women. Mutuku (2006) noted that most women don't have a good social background on enterprise development. A prospect in business is however thwarted by social cultural beliefs that limit women full devotion to business activities. Societal norms constrains women efforts for business growth.

Studies conducted indicate how special females feel incapable and unworthy to venture into enterprise development. Women experience socio-economic barriers such as fear to take risks; lack of awareness and skewed ownership of traditional resources in favor of men. Women carrying out micro enterprise activities in developing countries therefore face several gender based problems, especially lack of inheritance to productive assets, a lot of domestic duties and lack of time to manage business (Maziku, Majenga & Mashene, 2014). In the same vein, women in Kenya face many socio-cultural barriers that finally impede the growth of their enterprises. As observed by Stevenson and St-Onge, (2005) the effect of social structures on Kenyan women influence the performance of business entities.

Studies have shown that social cultural factors make it hard for female traders to establish and operate SMES effectively. This is because they play a lot of roles in the society. Majority of women face poor social attitude that negate their involvement in business. The society seems to discriminate women entrepreneurs when they operate SMEs. In some instances, women are left to carter for the family needs. The society is experiencing high cases of single motherhood. As a result of many cases of single families, the means of earning livelihood is a big challenge and therefore resort to self reliance. Self employment has compelled the society to accord

women the necessary respect in their communities. Most females are able to create enough capital through the SMEs without the full support of the husbands (Nomusa & Terasa, 2016; Olomi & Sinyamule, 2007; Boden & Nucci, 2000).

Majority of men fear the dominance of women entrepreneurs in the economy. Women mostly depend on family satisfaction as an indicator of their business success most females lack access to productive property, they can use as collateral for acquiring loans. Majority of the women entrepreneurs are overburdened with family duties and responsibilities, which hinder them from participating actively in SMEs activities. The obligation of taking care of the young ones, older members of the society and general care of the homestead, denies women a lot of time to devote themselves fully to SME activities. Financial institutions perceive women as temporary clients who can easily abandon business activities in preference to family obligations (Cheston & Kuhn, 2002).

Brush, et al. (2009) established that females, who are given financial assistance by their spouses, succeed in doing business than those women who are not supported by their husbands. Family members assistance can help women traders to establish operate and manage SMEs at the early stages of the business cycle. However, this study observes that family members are ready to render their support towards men than women. As noted by Mahbub (2000) even though females may have adequate family support, high interest rates discourage them from accessing credit to venture into business ventures. Social cultural variables influence the enterprise market a lot. In this regard micro trader's attitude has been sited to bear a great influence on the development and expansion of small firms (Hisrich, 2005). Research conducted reveals that the educational level determines the rate of growth of an SME. Adequate training tends to increase the level of business participation by people. It has been observed that the ability to pass information has a great positive bearing on business growth (Wanjohi & Mugure, 2008).

Women position influences their participation in business matters through decision making (Wolf, 2001). A family as reference group has a great bearing on the success of an enterprise. Women entrepreneurs who are aligned to such groups tend to perform better in business. Family members, friends, and staff mates constitute a reference group, who offer support and advice, and can contribute significantly to expansion of SMEs (SBS, 2012). The role an individual plays in the community has a positive influence on business. In this case, social status influences the marketing of SMEs products to a great extend. This is enhanced with social networking that takes place in the society. The outcome of all these is the creation of a good public image for the SMEs owner. The way an entrepreneur relates with other people determines a lot the marketability of the business products (Wolf, 2012).

Social cultural factors have a straight linkage with the growth of SMEs. Most of the cultural values and norms are inheritable and passed on from one generation to another. However, there are inadequate studies done focusing these areas, especially on impact of societal variables on the development and growth of SMEs. Culture is composed of shared beliefs and practices in the society. According to Gries and Naude (2009) the practices of micro enterprises are strongly affected by the societal way of life. Pereira (2012) noted that the attitude of business manager influences the way an enterprise would respond to technology and the utilization of new skills, ideas and knowledge. Most female traders establish business ventures mainly due to poverty in household revenue, scarcity of jobs and deficient total satisfaction in the job sector. Such negative factors influence the decision by women to engage SMEs activities. On the other hand Habib, Roni and Haque (2005) strongly observed that social cultural factors influence the start, growth and development of SMEs. Most female micro traders from rural areas engage in business activities mainly to generate revenue and uplift the family standard of living.

Brush, et al (2009) noted that household set up plays a significant influence on SMEs operated by women. Members of the family are important in setting up business ventures and parental influence has been noticed to contribute greatly towards the growth of SMEs. In relation to this, more studies have observed that

entrepreneurs with parental role models perform better than those who don't have. Most female micro traders who have succeeded in business have always recognized one of the parents as being the motivating as well as inspiring factors behind their business success.

As reported around 30 percent of females had done well in business recognized and were motivated by their male parents. However, the societal attitude towards women seems to be influence their role in SME sector. Educated women participate actively in the labor force by establishing their own operated and managed SMEs (Radipere & Dhiwaya, 2014).

Literature reviewed revealed that male traders get much support from their wives more than women do. Motherhood affects the role of women plays in business activities. Family obligations tend to hinder female traders' prospect in business. In India, for example, societal expectations are that women who have recently wedded take part in extended family duties that involves sharing domestic duties, hence leaving them with little time to engage in economic activities (Brush, et al. 2009). In spite of this, D'cruz (2003) reported that female entrepreneurs desperately engage in SMEs activities as the last means of earning family revenue. This study observed that family support and encouragement motivate female traders to engage in micro trading activities.

A report by ILO (2006) indicated that female entrepreneurs have no inheritance rights and don't have collaterals in form of productive assets that they can use to obtain credit from banks. This has a great impact on business development of female traders. Women have no flexible time for their SME activities. Jennings and McDoughlas (2007) noted that females are overburdened by household duties. As such they lack adequate time for engaging in business activities hence affecting their performance. In developed countries, the success of female owned business depends a lot on the number of time set aside for child care. This has necessitated women SMEs to be located close to their homes against the expectations of most of the clients. Growth of SMEs is signified by entrepreneurs having secure means of livelihood, control over decision making on buying habits decisions, movement of workers and participation in family matters. All these indicators reflect on female economic empowerment and proper management of micro loans in the SME operations. In some societies such as India, female take the full responsibilities of making buying decisions of the offspring. It has been noted that when females have access to micro loans they end up having control over ownership of assets under their names, they become aware of political and other societal legislations, and take full control of making buying decisions in the family. However, decisions on medical matters and educational issues are left under the control of the husbands (Maziku, Majenga & Mashere 2014).

The growth of SMEs has been cited as one of the means of creating women economic empowerment (Hassan & Mugambi, 2015). According to Kabeer (2005) the international community has emphasized the relationship between growth of SME sector and economic autonomy of women entrepreneurs. Female enterprise development is however faced with rigorous legislations, poor educational background and rigid traditions. All these conditions discriminate women from potential economic opportunities. Acquisition of MFIs funds enable women to establish strong SMEs and as a result take full control of making economic decisions than was the case before. Vani (2011) noted that the effect of micro loaning strategy on development of SMEs has drawn a lot of debate in the academic and policy arena. Some scholars argue that micro loaning strategy leads to sustainability of SMEs, economic autonomy and empowerment and overall poverty reduction. Micro crediting strategy further promotes gender equity by providing accessibility to funds. This economic autonomy enables female entrepreneurs to have a high purchasing power within the family. Growth of SME sector is easily measured through increased confidence, respect, ability to make choices, and reduction of gender inequality.

Study findings by IFAD (2009) noted that females, who receive credits and are active in the SMEs sector become influential in deciding issues pertaining to expenditure of their personal wealth, could air their views and get maximum respect from the society. As noted by Kay (2002), educational training offered to women through micro crediting strategy increased their ability to be respected by members of the wider society and are

in a position to be self confident in discussing matters pertaining to economic, social and politics. More studies by Zaman (2001) have shown that micro crediting strategies through self help groups promote female in controlling capital and consequently raise their worth, skills and power. Additionally, exposure to micro loans boosts female entrepreneurs on how they relate within the family and helps them to avoid any form of household injustice. This finding is quite significant owing to the type of societal practices that discriminate against women. Micro crediting raises the position of women in the society and creates a good balance with their spouses in making family decisions (Simanowitz & Walker, 2002).

More studies argues that when the society practices sexual discrimination against women it leads to poor growth of SMEs in terms of poverty and lowering standards of life (World Bank, 2001). Societal beliefs and customs influence the responsibilities of women in the society and not only do they determine the type of training to be given to women but also amount of revenue they can receive. The assumption that women don't have more needs than males, make parents to invest more on men. Consequently the boy child gets exposed to better training opportunities than the girl child who ends up with inferior jobs with poor incomes. Eventually these results to poor economic development of women compared to men since majority of female in entrepreneurship cannot choose and identify commercial skills, ideas and opportunities available in the market. Most women end up with poor utilization of resources mechanisms for the growth of SMEs (ILO, 2003).

According to Stevenson and Jarillo (2003) most of the women populations, especially in remote parts of the country, do not have a good work balance between enterprise and family obligation. The society expects females to do more of the homestead duties like preparing meals, washing, and taking care of the young ones. At the end of the day they have no time left to engage in SMEs activities. Traditional roles bar women from actively engaging in any form of business, including SMEs. Majority of women in Kenya, give more preference to family duties and responsibilities than business. In most cases such women would only succeed in business if they are given adequate support from family members. The success of women SMEs therefore depends much on the family support that is given to them. A research done in India by Canadian Imperial Bank of Commerce (CIBC) shows that modern women practice a variety of duties, both traditional and non-traditional. For example, Indian women conduct several duties in their family, including caring for the entire family, managing the household and providing societal services. Additionally, these women have duties over their personal health and hygiene. In developed countries such as Canada, women entrepreneurs have work balance than those who are employed. However, there are a few studies conducted in this area, both in developed and developing countries (CIBC, 2004).

3.0 RESEARCH METHODOLOGY

3.1 Research Design

Descriptive survey research design was adopted in this study to collect and analyze the opinion of women beneficiaries of WEF on their experience on social cultural factors and growth of SMEs. A research design is a conceptual structure within which research is conducted (Kothari, 2014). Descriptive research design studies all the design information to obtain pertinent information concerning the status of the phenomena and draws conclusions from the facts discovered (Kumar, 2014). Using this design, the researcher attempted to find answers to questions by assessing how social cultural factors influenced the growth of SMEs. The target population consisted of all groups' leaders beneficiaries of Constituency Women Enterprise Scheme (CWES) from all the constituencies of Migori, Nyamira and Kisii Counties. In the current study, the target population was 2032 respondents, and this included all women group leaders from a total of 2032 groups. The group leaders were selected purposively because they easily accessible and had detailed information concerning WEF strategy. The researcher targeted women group leaders who benefited from the CWES between the year 2013 and 2017 in all constituencies of Nyamira, Kisii and Migori counties as shown below:

Table 1: Target Population

County	Number of constituencies	Women groups	Target population
Kisii	9	1205	1205
Migori	8	479	479
Nyamira	4	348	348
Total	21	2032	2032

Source: Women Enterprise Fund Report (2018)

A sample size of 335 was used for this study, constituting women group leaders who had benefited from CWES between 2013 and 2017. The study selected women group leaders from a population of 2032 by using Yamane (1967) sampling frame formula:

$$n = \frac{N}{1+Ne^2}$$

Where

n= sample

N= population

e² = margin error (0.05).

$$n = \frac{2032}{1+2032(0.05)^2}$$

$$n=335$$

Women respondents were selected in a random manner from each site proportionally. Cluster sampling was ideal for selecting women group leaders. A list of all beneficiary women groups was selected from each case study site by the use of simple random sampling, using random numbers through computer programs. The researcher then selected women group leaders from each cluster as respondents. All the women group leaders' of the selected clusters then became units of observation and were included in the sample.

Table 2: Sample Size

County	Number of constituencies	Women groups leaders	Cluster sampling of women group	Sample size
Kisii	9	1205	199	199
Migori	8	497	79	79
Nyamira	4	348	57	57
Total	21	2032	335	335

Source: Author (2019)

Gupta (2008), suggested that a sample is regarded as large if it exceeds 30 and therefore 335 was an appropriate size. The duration of credit was considered an important ingredient to track the impact after a long period. This gave a better understanding if WEF had any influence on the growth of women SMEs.

Structured questionnaires were used to collect primary data from the respondents. According to Mugenda & Mugenda (2012), structured questionnaires are research tools used to collect information from the study population. The structured questionnaires had closed-ended questions that were simple to analyze and aided in obtaining quantitative data. Likert scale with 5 response categories was used to measure research variables. Piloting of the research instruments was done to ensure content validity, correct wording, clarity of expression and understandability. Piloting was done on a sample of 10% of the respondents from cluster groups that were

excluded from the final study. Cronbach alpha coefficient method was used to test the reliability of the research tools. The research tools were administered twice to the same group of respondents in an interval of one week. The questionnaires that were used in the pilot study were coded, and their responses tested to generate their reliability coefficient by use of SPSS Version 24.

A reliability of 0.81 was obtained and considered significant for this study. The research instruments were tested and pretested on the randomly selected respondents to ensure that the research tools were accurate and would be correct to be used by others. Content validity was used for this purpose. The quantitative data in this research was analyzed by descriptive and inferential statistics with the aid of Statistical Package for Social Sciences (SPSS version 24). In this study, descriptive statistics included measures of central tendencies, measures of dispersion, frequencies, and percentages. The study used one way ANOVA and linear regression analysis to establish the relationship between the independent variable and dependent variable. The model $y = \alpha + \beta_1 X_1 + u$ was subjected to a test using linear regression to establish whether social cultural factors were a predictor of growth of SMEs.

Where Y =dependent variable (Growth of SMEs)

X_1 = independent variable (social cultural factors)

α = constant

β_1 =the coefficient of the independent variable

u = the error term. (Mugenda & Mugenda, 2012)

Thereafter results from data analysis procedure were tested to establish if they were statistically significant in order to decide on whether to reject or accept the null hypothesis hold at 0.05 confidence level. The researcher endeavored to maintain ethics while carrying out this research. The researcher sought ethics approval from MKU Ethical Research Committee and NACOSTI. The researcher did not provide details of the informants. The participants were therefore assured of their anonymity.

4.0 Findings

The study identified the following findings:

4.1 Response Rate

Three hundred and thirty five (335) respondents were expected to respond to research questions, out of which only 308 respondents answered, representing a response rate of 92 %. Mugenda & Mugenda (2012) and Kothari (2014), observed that a response rate of 50% is adequate for a study. Sekaran (2000) and Cooper & Schindler (2003), confirmed that a response rate above 70% is very good for a study. The total sample size of 308 was therefore adequate to generalize the sample results to the entire study population.

4.2 Descriptive Analysis of Social Cultural Factors and Growth of SMEs

The study sought to find out whether social cultural factors have an influence in growth of SMEs. On the first instance respondents were asked to respond on whether women responsibilities in the family influenced business growth. The Table 3 shows that most of the participants agreed with the question as reflected by the mean score of 1.5010 and standard deviation of 0.9181 shows a high variance from the mean, signifying that some respondents disagreed with the statement. The findings established a positive relationship between women responsibilities and business growth.

On the question on whether lack of control over family productive resources by women affected business growth the mean of 1.609 shows that many respondents agreed with the question statement while a standard deviation of 0.9623 reflects much variance from the mean, implying that some respondents disagreed with the statement. The study outcomes reflect a significant correlation between control of family resources and business growth.

On the statement on whether women had adequate time to operate their businesses, most of the respondents agreed as reflected by a mean of 2.0754. On the other side a small fraction did not agree with this statement as shown by a standard deviation of 0.2950. The results imply that majority of the respondents, especially single women and widows, had sufficient time to run their businesses and were not barred by family obligations or any other activities.

On the question of whether women had collaterals that they could use to obtain credit to start a business; a mean of 2.8864 shows that most of the participants agreed with the question while a standard deviation of 1.3470 reflects much variability from the mean. The standard deviation indicates that some women beneficiaries, especially those from families with skewed ownership and patriarchal social authority, lacked their own collaterals that they could use as security to obtain credit to start their own business. Such women could not be in a position to obtain finance from the formal banks and might have relied entirely on WEF to finance their business.

On the last statement whether social cultural factors helped to improve business growth, the mean of 1.3026 indicates that respondent agreed with this question while a standard deviation of 0.9525 reflects much variation from the mean. The deviation implies that some of respondent disagreed with the statement. These findings established positive relationship between social cultural factors and business growth.

Table 3: Respondents' Opinions on Social Cultural Factors and Growth of SMEs

Statement	Observations	Mean	Std. Deviation	Variance	Min.	Max.
Women responsibilities in the family influence business growth	308	1.5010	0.9181	0.559	1.00	5.00
Lack of control over family productive resources by women affect business growth	308	1.609	0.96230	0.644	1.00	5.00
Women have adequate time to operate their business	308	2.0754	0.2950	0.754	1.00	5.00
Women have collaterals that they can use to obtain credit to start business	308	2.8864	1.3470	0.657	1.00	5.00
Social cultural factors help to improve business growth	308	1.3026	0.9525	0.581	1.00	5.00

Source: Field Data (2019)

4.3 Regression Analysis of Social Cultural Factors and Growth of SMEs

The findings indicated in the Table 4, is a regression model on social cultural factors and growth of SMEs. As represented in the table, the coefficient of determination R square is 0.049 and R is 0.222 at significance level of 0.05. The coefficient of determination indicates that 4.0% of the variations on social cultural factors affect the growth of small and micro enterprises. This implies the existence of a significant positive correlation between social cultural factors and growth of small and micro enterprises.

Table 4: Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.222 ^a	.049	.040	1.20321

a. Dependent Variable: Growth of SMEs

b. Independent Variable: Social Cultural Factors

Source: Field Data (2019)

The one way ANOVA results indicated in Table 5 confirm that the calculated P value of 0.000 value is much small compared to the critical value of 0.05. This implies the existence of a significant positive correlation between social cultural factors and growth of SMEs. The F-statistics of 57.118, reveals that the results are highly significant ($P < 0.001$) and that it is very unlikely that results are computed by chance. It can therefore be argued that model fit significantly improves our ability to predict the outcome variable.

Table 5: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	57.429	3	28.715	57.087	.000 ^b
	Residual	148.302	305	.503		
	Total	205.732	308			

a. Dependent variable: Growth of SMEs

b. independent Variable: Social Cultural Factors

Source: Field Data (2019)

Table 6 results indicate that social cultural factors positively and significantly influence the growth of SMEs, through fitted model $y = 1.860 + 0.011 \text{Social Cultural Factors}$ which implies that any unit change in social cultural factors has an effect on the growth SMEs by the rate of 0.011.

Table 6: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
	(Constant)	1.860	.225	8.266	.000
	Social cultural factors	0.011	.070	.157	.877

a. Dependent Variable: Growth of SMEs

b. Independent Variable: Social Cultural Factors

Source: Field Data (2019)

4.4 Hypothesis Testing Social Cultural Factors and Growth of SMEs

To determine whether social cultural factors influence growth of SMEs, (H_0) hypothesis which states that “There is no significant relationship between social cultural factors and the growth of SMEs” was tested.

Decision rule: The rejection of the null hypothesis if calculated p value is smaller than the table value of 0.05.

From the analysis of variance computations shown in Table 5, the calculated p value of 0.000 is much smaller compared to the critical value of 0.05. This implies existence of a significant positive correlation between social cultural factors and growth of SMEs.

The null hypothesis which states that: “There is no significant relationship between social cultural factors of women clients of WEF and the growth of SMEs” was rejected and the alternative hypothesis which states that:

“There is a significant relationship between social cultural factors of women clients of WEF and the growth of SMEs” was accepted.

4.5 Discussion of Findings

The findings of this study concur with Boden and Nucci, (2000), Stevenson and St-Onge (2005) and ILO (2008) who claimed that legislation and traditional beliefs deny women the opportunity to own productive resources which they can use as security to obtain credit, most women entrepreneurs in marginalized areas are not able to access loans since formal financial institutions don't cover these areas and that most women have no opportunity to obtain funds to establish their businesses. These scholars argue that formal banks are discriminatory when choosing where to operate and in most cases tend to deny women in rural areas the opportunity to access credit. The study findings are also in line with research Mutuku (2006) whose study showed that most banks do not respond in time to women demand for credit and this hinders women entrepreneurship and that most women don't have a good social background on enterprise development.

The findings of this study are similar with those by World Bank (2001), Hassan & (Mugambi, 2015), who observed that large proportion of females, especially in from remote; do not have a good work balance between enterprise and family obligation. The society expects females to do more of the homestead duties like preparing meals, washing, and taking care of the young ones in the family. At the end of the day they have no time left to engage in SMEs activities. Traditional roles bar women from actively engaging in any form of business, including SMEs. Majority of women give more preference to family duties and responsibilities than business. In most cases such women would only succeed in business if they are given adequate support from family members. The success of women SMEs therefore depends much on the family support that is given to them (Kabeer, 2005).

The results of this research further are similar with the studies by Jennings and McDouglas (2007), Brush, et al (2009), and Kylo (2016) which noted that females are overburdened by household duties. As such they lack adequate time for engaging in business activities hence affecting their performance. In developed countries, the success of female owned business depends a lot on the number of time set aside for child care. This has necessitated women SMEs to be located close to their homes against the expectations of most of the clients. Motherhood affects the role of women plays in business activities. Family obligations tend to hinder female traders' prospect in business. Female entrepreneurs desperately engage in SMEs activities as the last means of earning family revenue.

These studies observed that family support and encouragement motivate female traders to engage in micro trading activities. Female entrepreneurs have no inheritance rights and don't have collaterals inform of productive assets that they can use to obtain credit from banks. This has a great impact on business development of female traders. Women have no flexible time for their SME activities. The perception of the society towards female owned enterprises affects most potential micro traders as well as practicing entrepreneurs. The balance between household roles and work activities outside the family influences a lot the way females get involved in SMEs activities. As such the real balance between times to be set aside for work and time to be utilized for household activities seems to affect females' participation in SMEs (ILO, 2003).

The role an individual plays in the community has a positive influence on business. In this case, social status influences the marketing of SMEs products to a great extend. This is enhanced with social networking that takes place in the society. The outcome of all these is the creation of a good public image for the SMEs owner. The way an entrepreneur relates with other people determines a lot the marketability of the business products. The study findings concur with those noted by Wolf (2012), who found linkage existing between growth of SMEs and the position of a woman in the society. Women position influences their participation in business matters through decision making. A family as reference group has a great bearing on the success of an enterprise. Women entrepreneurs who are aligned to such groups tend to perform better in business. Family members,

friends, and staff mates constitute a reference group, who offer support and advice, and can contribute significantly to expansion of SMEs.

These research findings of this study are agreeable with those by Olomi & Sinyamule (2007), and Gries & Naude (2009) who established that social cultural factors make it hard for female traders to establish and operate SMES effectively. This is because they play a lot of roles in the society. Majority of women face poor social attitude that negate their involvement in business. The society discriminates women when they operate SMEs. In some instances, women are left to carter for the family needs. The society is now experiencing high cases of single motherhood than was the case previously. As a result of many cases of single families, the means of earning livelihood is a big challenge and therefore resort to self reliance. Majority of men fear the dominance of women entrepreneurs in the economy.

5.0 Conclusion

The study's findings established a significant relationship between social cultural factors of women clients of WEF and growth of SMEs. The general implication is that, social cultural factors influenced the growth of small micro enterprises. From the study findings, it can be concluded that social cultural factors of women clients have positive effect on the growth of SMEs.

5.1 Recommendation

In relation to the influence of social cultural factors on the growth of SMEs, the study recommends that the government implements fully the constitution and other legislations on gender parity to enhance property ownership. This will empower women economically by giving them rights on property and assets that can be used as collateral for obtaining business credit.

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