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Effects of Women Enterprise Fund's Training on Sales Performance of Women Grocery Micro-Entrepreneurs in Thika Sub-County, Kenya

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Abstract:
There has been a great attention by the government of Kenya on women entrepreneurship over the last nine years. Several policies have been enacted that could support the growth and performance of women entrepreneurship in Kenya. The Women Enterprise Fund (WEF) was established in 2007 to assist women in the development of their enterprises. This study sought to bridge the gap by establishing the effects of WEF's training on sales performance of women grocery micro-entrepreneurs in Thika Sub-County in Kenya. The study examined the effects of WEF's training on sales performance of women grocery micro-entrepreneurs. A cross-sectional descriptive survey research design was used. The sampling technique used was simple random sampling, since it produced the most productive sample to test the research hypotheses. A sample size of 111 women grocery micro-entrepreneurs was used out of a population of 371 women grocery micro-entrepreneurs. Data was collected using structured questionnaires from the respondents. The study was guided by the human capital theory. One sample t-test (before and after comparison) and multivariate regression was used to analyze data collected at 5% significance level with the help of SPSS software. The analysed results were presented using frequency distribution tables, bar graphs and pie charts. Validity of the instruments was achieved through expert judgement of the research supervisors and WEF's officials. Reliability was tested by subjecting the instruments to a pilot study through the test-retest technique. The study established that the type of training (that is, business skills, market access and basic information, communication and technology training) had significant effect on the sales performance of women grocery micro-entrepreneurs than the frequency of training (that is, the number of times a woman micro-entrepreneur has been trained. On the basis of the study results, the researcher recommends for the performance of women micro-entrepreneurs to improve drastically WEF has to focus more on providing quality training especially market access skills. It is therefore, hoped that the outcomes and recommendations of this study will be of help to WEF and other women entrepreneurship stakeholders to address the sales performance challenges in Thika Sub-County and the nation at large.

Keywords: WEF's Training, Sales, Performance, Micro-Entrepreneurs, Grocery

1. Introduction

The Kenyan government introduced the Women Enterprise Fund in 2007, with the aim of supporting women owned enterprises and to enable other women to start micro and small enterprises. This is expected to create employment and empower women entrepreneurs, which is in tandem with, the government economic recovery strategy (ERS) for wealth and employment (2003-2007). The Women Enterprise Fund (WEF) has two components namely:

- The C-WES (Constituency Women Enterprise Scheme): This fund is meant for the women groups in a constituency, who are organized into groups as it gives loans to group projects and not individual.
- Funds channeled through financial intermediary Partners: This is meant for all women owned enterprises in a County and it can be accessed by a women group or an individual.

The Women Enterprise Fund has the mandate to enhance capacity building among women entrepreneurs through training. To enhance and strengthen the knowledge, skills, expertise and capability of women entrepreneurs through; mentorship programmes, training of the Fund beneficiaries and involvement of financial institutions and other partners in training (WEF, 2013). The Fund achieves capacity building of women entrepreneurs through the volunteerism model. The Fund works with volunteers at constituency level whose tasks involve recruiting and training women, evaluating and monitoring their projects and loan repayment.
The volunteers have the duty of enlisting and training the Fund's recipients on a curriculum that is divided into the following thematic areas:

i. Business skills for example financial recording and reporting.
ii. Market Access.
iii. Basic information, communication and technology (ICT) skills.

Capacity building for women is a precondition to lending, this aims at ensuring members of the groups have appropriate knowledge and skills to steer their businesses to success and be in a position to repay their loans (WEF, 2013). WEF has trained 1532 women entrepreneurs in Thika Sub-County, out of this 371 women grocery micro- entrepreneurs have been trained (WEF, 2012). However, the effects of this training on performance of women owned enterprises on various indicators has not been established. Hence, this study aimed to examine the effects of WEF's training on sales performance of women grocery micro-entrepreneurs in Thika Sub-County.

1.1. Statement of the Problem

There has been a great attention by the government of Kenya on women entrepreneurship over the last nine years. The government established WEF to assist women in the development of their enterprises. An important function of WEF is capacity building among the women entrepreneurs through training.WEF has trained several women entrepreneurs in Kenya. The effects of WEF's training on micro - entrepreneurs remains unexplored in Kenya and in particular Thika Sub-County. It is key to note the effect of this training for the purposes of feedback. This study, therefore sought to bridge the gap by establishing the effects of WEF's training on sales performance of women grocery micro-entrepreneurs in Thika Sub-County, Kiambu County**.**

1.2. Purpose of the Study

The purpose of this study was to identify the effects of Women Enterprise Fund's training on sales performance of women grocery micro-entrepreneurs in Thika Sub-County, Kiambu County.

1.3. Objectives of the Study

This study addressed the following two objectives. The hypotheses were developed in line with the independent variable (WEF's training) and dependent variable (sales performance)
  ➢ Hypothesis I: $H_{0\,1}$There are no significant effects of WEF's frequency of training on sales performance of women grocery micro-entrepreneurs.
  ➢ Hypothesis II: $H_{0\,2}$There are no significant effects of WEF's type of training on sales performance of women grocery micro-entrepreneurs.

2. Literature Review

Financial success often depends on the marketing skill. Finance processes, bookkeeping, and other business roles will not truly matter if there is no sufficient demand for products and services so that the company can make a profit. Marketing activities and strategies result in making products available that satisfy customers while making profits for the companies that offer those products (Shiu & Walker, 2007). Marketing means mobility and confidence in dealing with the outside world, which equally women have been disheartened from developing by social conditioning. Moreover, even when in control of a business, they frequently hinge on males of the family in this area.

Entrepreneurship salesmanship is embedded in a complex network of social interactions. Within these connections, free enterprise is facilitated or constrained by linkages between aspiring entrepreneurs, resources, and opportunities (Pelham, 2000). According to this outlook, the having and not having networks, such as access or membership in associations, play a part in swaying performance. The fact that women entrepreneurs are embedded in different personal and social networks than men, and that divisions and barriers limit the reach and diversity of their networks might have far-reaching consequences for business performance (Aldrich, 2007). The importance of support arrangements, guides, and mentors has been recognized in past research. In specific, business associates, acquaintances and friends were acknowledged as being imperative to moral support, while involvement in trade linkages and women's groups was related to business guidance and making excellent sales (Ahuja & Lampert, 2010).

From the scholarly works above by the different authors it is extensively discussed that sales among women entrepreneurs is affected by the marketing skill that an entrepreneur possesses, social interaction networks and mentorship programmes. Nevertheless, a gap still exists on how training (for example; market access training) affects sales among women entrepreneurs. Hence, this study sought to fill this gap by examining effects of WEF's training on sales performance of women grocery micro-entrepreneurs in Thika Sub-County.

2.1. Theoretical Framework

This study was steered by the Human Capital Theory first developed by William (1623) and Smith (1723). The theory postulates that human beings are an investment that generates returns. Human capital arises out of any action able to increase an individual's output. Education and training are taken as the key examples. Individuals investing in human capital resource involves both direct costs as well as costs in foregone earnings (Suvillan& Steven, 2003). Individuals making the investment decisions parallel the appeal of alternative future pay and consumption trends, which some guarantee higher future income, in comparison to present education and training costs and postponed consumption. The study proposed that WEF's training acquired by a woman grocery micro-entrepreneur will affect her sales performance. This through the skills acquired in financial management, market access and basic information, communication and technology skills training.
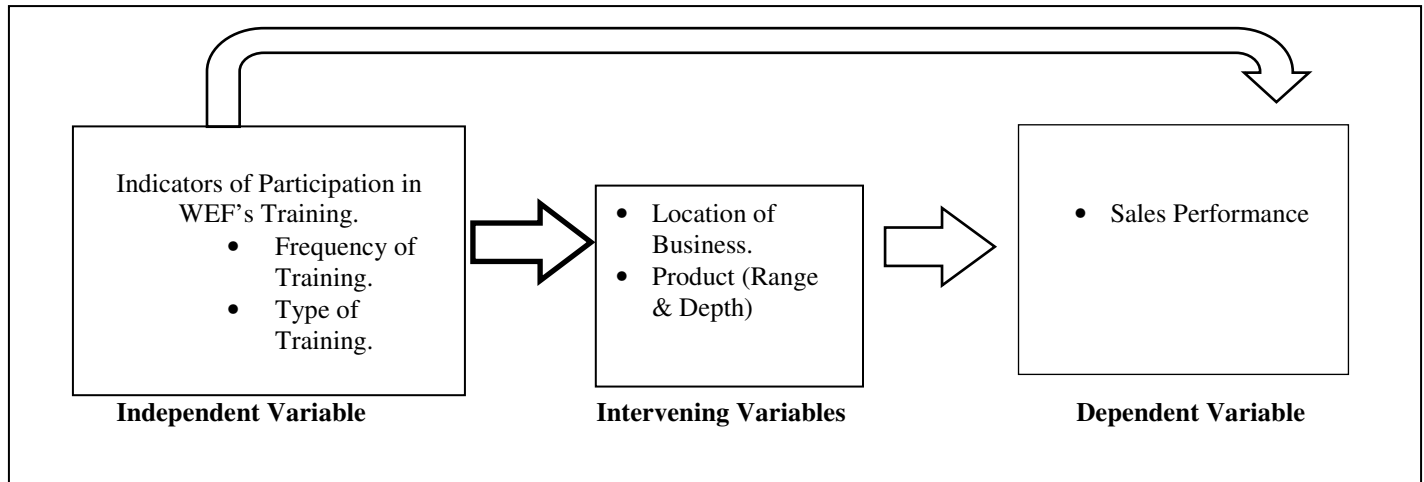
2.2. Conceptual Framework

Figure 1: Conceptual Framework

In conceptualizing this study, three variables were considered. The independent variable as participation in WEF's training; which was measured by the frequency of training that is, how many times a woman grocery micro-entrepreneur has been trained by WEF, and the type of training that is, if she has received training on all the thematic areas of WEF's training. The dependent variable was sales performance which the study sought to identify if WEF's training affects it or not (figure1)

3. Research Methodology

3.1. Research Design
The study was based on a cross-sectional descriptive survey research design to collect data from the respondents in the study area. A cross-sectional descriptive survey is used to describe characteristics / features of a population or phenomenon being studied. It does not answer queries about how / when / why the features occurred (Creswell, 2007). Rather it addresses the "what" question (what are the features of the populace or condition being studied

3.2. Sample Size Determination
Kerlinger, (1983) observes that a sample size of 30% is representative of the population to be studied. Using this as a guide, a sample size of 111 respondents was selected from a target population of 371 women grocery micro-entrepreneurs that have been trained by WEF. These women were drawn from five county assembly wards which are within Thika Sub–County (Table 1).

County Assembly Ward	Population	Percentage	Sample
Township	84	30%	25
Kamenu	68	30%	20
Hospital	76	30%	23
Gatuanyaga	65	30%	20
Ngoliba	78	30%	23
Total	371	30%	111

Table 1: Sampling Grid
Source: The Women Enterprise Fund.

3.3. Sampling Procedure
The study used simple random sampling to get the required sample size of 111 women grocery micro - entrepreneurs, the researcher used excel random sample software to select the sample from the target population of 371 women grocery micro – entrepreneurs

3.4. Data Collection and Analysis
Data was collected using a structured Questionnaire. Data was analysed using inferential statistics one sample t-test (before and after comparison), multivariate regression and descriptive statistics (mean, mode and median) with the aid of STATA (version 13) software. The results were presented using percentages, pie charts and frequencies. The multivariate regression analyses were done stepwise using STATA package so as to know the order of importance of the independent variables (Type of training and frequency of training) in explaining the variations observed in the dependent variable (sales performance). The model was specified as follows:
$$Y = \beta_0 + \beta_1.X_1 + \beta_2.X_2 + \varepsilon$$

Where: **Y** = Sales Performance of women grocery micro-entrepreneurs; X_1=Type of training; X_2= Frequency of training; β_0=Intercept term Sales Performance of women grocery micro-entrepreneurs; β_1= coefficient of type of training β_2= coefficient of frequency of training; ε **=** error term

4. Findings

4.1. The Demographic Characteristics

4.1.1. The Response Rate
The response rate on the questionnaire was by 89 respondents as summarized in table2. The purpose was to help get the correct number of the questionnaires that were returned out of the questionnaires sent out and again to check whether the number was adequate for data processing (Borg & Gall, 2014). The study targeted 111 respondents amongst the women grocery micro-entrepreneurs. Out of the 111 questionnaires sent, only 89 questionnaires were fully completed making a response rate of more than two thirds.

Respondents	Frequency	Response Rate (%)
Actual respondents	89	80.18
Non response	22	19.82
Targeted respondents	111	100

Table 2: Response Rate

4.1.2. Age of the Respondents
As can be seen from figure 2, majority of the respondents were within the age category of 36-45 years (45%) followed by those under the category of 26-35 years (31%) then the age category of 46-55 years (11%). The remaining 8% and 5% of the respondents are under the age category of 18-25 years and above 55 years respectively.
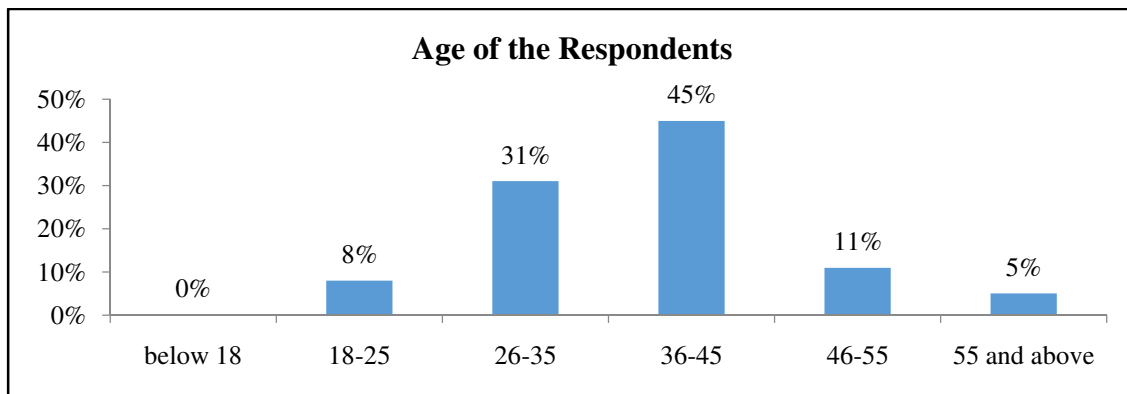

Figure 2: Age of the Respondents

4.1.3. Level of Education
It is clearly seen from figure 3 that most of the respondents had their highest level of education as primary level (52%) followed by secondary school (27%). The respondents with no formal schooling were 12% while those with post-secondary training were 11%. No respondent had university education.
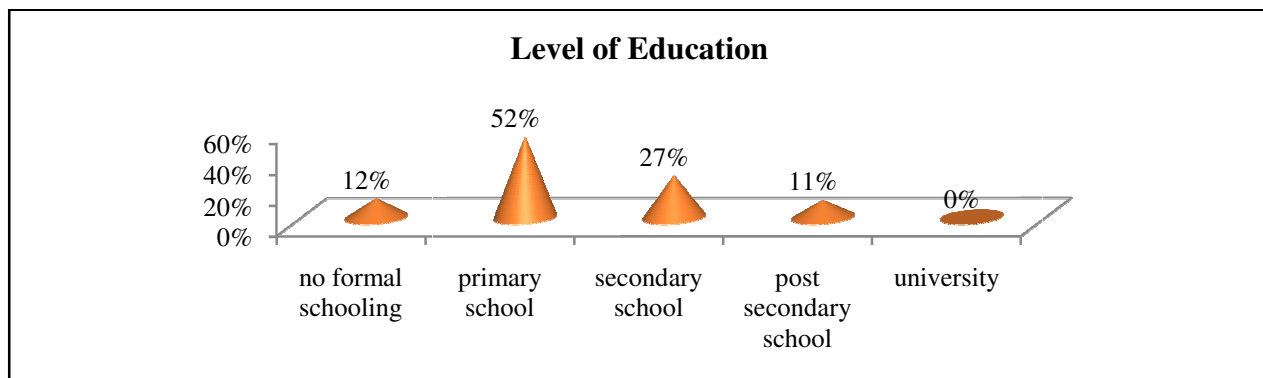

Figure 3: Level of Education

4.2. Training and Performance
The frequency of the training and the type of training that the women grocery micro-entrepreneurs receive is meant to have an effect on the sales performance of their enterprises.

4.2.1. Frequency of Training
The respondents were asked to indicate the length it took them to be trained. The response is as shown in table 3. Majority of the respondents (68.3%) indicated that they received training for less than a day while 25.6% received the training for 1-3 days. The remaining 3.7% and 2.4% indicated that they received their training for a week and more than a week respectively.

Duration of Training	Frequency	Percentage (%)
Less than a Day	56	68.3%
1-3 Days	21	25.6%
1 Week	3	3.7%
More than a Week	2	2.4%

Table 3: Duration of Training

4.2.2. Type of Training
The study also required the respondents to show the type of training that they received. The result is as summarized in table 4. From the findings in table 4, the type of training received by the respondents were marketing (23.2%), financial recording (14.6), financial reporting (13.4%), accounting (12.2) and assessing new markets (9.8%). They further indicated basic ICT skills (7.3%), all the skills (7.3%), inventory control and costing each at 6.1%,

Type of Training	Frequency	Percentage (%)
Accounting	10	12.2%
Marketing	19	23.2%
Costing	5	6.1%
Financial Reporting	11	13.4%
Financial Recording	12	14.6%
Inventory Control	5	6.1%
Accessing new markets	8	9.8%
Basic ICT skills	6	7.3%
All the above	6	7.3%

Table 4: Type of Training

4.2.3. Effects of Training on Sales Performance
Sales performance of an enterprise is the clearest indicator that the business is meeting its target goals as well as showing the likelihood of its future success.

4.2.4. Monthly Sales before and after Training
The respondents were asked to indicate their monthly sales before and after training. Figure 4 shows the performance of the business in sales. As shown in figure 4 more sales (45%) were below 10,000 before training but reduced to 18.4% after training. 10,000-20,000 at 25.6% before training and 39% after training, 15.9% for sales of 20,000-30,000 before and 19.4% after training. The 30,000-40,000 moved from 4.9% to 9.8%, sales on 40,000-50,000 at 3.7% to 7.3% while the sales above 50,000 increased from 4.9% to 6.1%.
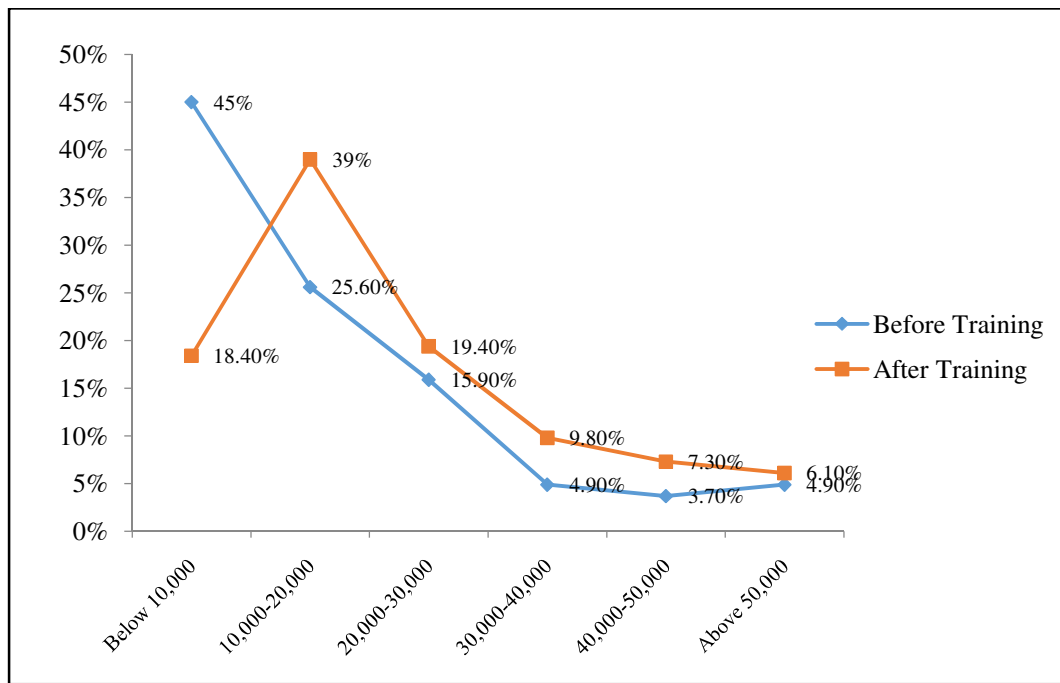
Figure 4: Monthly Sales Before and After Training

4.3. Multivariate Regression

A multivariate regression model was applied to determine the relative importance of each of the independent variables (frequency of training and Type of training) with respect to the dependent variable (sales performance). From the multivariate regression results in table 5, the established multivariate regression equation becomes:

$Y = 0.697 + 0.022 X_1 + 0.574 X_2 + 0.446$

Where all other factors held Constant sales performance of women grocery micro- entrepreneurs is at 69.7 %. Similarly, one unit change in frequency of training results in 2.2% increase in the sales performance of women grocery micro-entrepreneurs. While one unit change in type of training results in 57.4% increase in the sales performance of women grocery micro-entrepreneurs.

The p value for the constant term is 0.029< 0.05 is statistically significant at the 95% confidence level. Likewise, the coefficients p value for frequency of training $p=0.792$ is greater than 0.5 the null hypothesis cannot be rejected therefore X_1 (frequency of training) has no significant influence on Y (sales performance).While on the contrary, the coefficient p value for type of training $p=0.000$ is less than 0.05 hence we reject the null hypothesis and conclude therefore X_2 (type of training) has significant influence on Y (sales performance).The error term for the multivariate regression model was found to be 0.446 indicating that other variables not captured by the model affect the sales performance by 44.6%.

4.4. Hypothesis Testing

Following the results in table 5, where for X_1: $H_{o:}$ $B_{1=}0$, since t=0.264, p=0.792 is greater than 0.5 the null hypothesis cannot be rejected therefore X_1 (frequency of training) has no significant influence on Y (sales performance).

For X_2: $H_{o:}$ $B_{5=}0$, since t=3.913, p=0.000 we reject the null hypothesis and conclude therefore X_2 (type of training) has significant influence on Y (sales performance).

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.697	.315		2.212	.029
	X_1	.022	.082	-.028	.264	.792
	X_2	.574	.147	.396	3.913	.000

Table 5: Multivariate Regression and Hypothesis Testing

 Dependent Variable: sales performance of women grocery micro-entrepreneurs. (Y)

Model Summary   Predicators: Constant), X_1, X_2

R = .660a

Adjusted R Square = .414

Std. Error of the Estimate = .55953

R Square Change = .446

Sig. F Change = .000

4.5. Conclusions from the Study
The following conclusions were made from the study.
The main reason for starting the business was lack of another source of income and most businesses were managed through m-banking. Sole proprietorships were the most common type of business for the women grocery micro-entrepreneurs with majority started by an initial capital of below 10,000. Many women grocery micro-entrepreneurs have been in operation for 5-10 years and operated by owners. Majority of women grocery micro-entrepreneur take a loan from Women Enterprise Funds. The training received is done on a less than a day with the most common type of training being marketing and market access. Monthly sales as well as number of employees increase after training. Performance of the Women Enterprise Fund is moderate. The frequency of training has no significant influence on sales performance of women grocery micro-entrepreneurs. Type of training has significant influence on sales performance of women grocery micro-entrepreneurs.

4.6. Recommendations
Based on the above conclusions, the following policy recommendations are suggested: First, WEF's should endeavour to extend more training on market access to clients to expand their businesses since the results from the study confirmed that the type of training had a positive impact on the sales performance of women grocery micro-entrepreneurs. WEF should provide more training programmes to women in order to improve their entrepreneurial skills and help reduce the hurdles which hinder their access to micro finance. Third, government should consider granting tax exemptions and other incentives to organizations which seek to extend more credit to women as a way of encouraging them to perform.

4.7. Suggestions for Further Studies
The study relied only on samples drawn from women grocery micro -entrepreneurs in Thika Sub-county. It is therefore suggested that further studies should be done in other regions and on other types of enterprises in order to access the nationwide impact of WEF's training on sales performance of women micro-entrepreneurs.

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