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Training and Credit Intervention on Performance of Women Operated Enterprises in Nakuru, Kenya

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Abstract:
In the traditional society, women were confined to the four walls of houses, performing household activities. However, in the modern society, they have come out of the four walls to participate in business activities including obtaining loans from financial institutions and investing in business. The purpose of this study was to determine the effect of training and credit offered by Small and Micro Enterprise Program SMEP on performance of enterprises owned and operated by women entrepreneurs in Nakuru Municipality. Specifically, it aimed at determining whether credit and training in budgeting and bookkeeping, marketing techniques and risk management offered by SMEP have led to a significant influence on the performance of women-owned enterprises in Nakuru Municipality. The study used survey research design targeting 2064 women entrepreneurs who had received credit from SMEP between January 2008 and December 2012. A random sample of 336 was selected for the study. Data was analyzed using both descriptive and inferential statistics. Based on the Z-test analysis, findings revealed that all the variables in the study individually were statistically significant to the performance of the women owned businesses in Nakuru Municipality ($z > 1.960$; $\alpha<.05$; $df = 309$; $p = 0.000$). It was established that the marketing techniques of the women entrepreneurs significantly improved after receiving training and credit. Findings also showed that credit and training had significantly reduced the underperfomance of the women owned businesses in the area and, therefore, it is recommended that training frequency need to be increased by SMEP, with more coverage in marketing techniques and risk management; and that credit should be packaged together with training.

Keywords: ***C****redit and training, women-operated enterprises, performance, Kenya*

1. Introduction

Women constitute almost half the total population in the world and are thus regarded as the better half of the society (Khanka, 2010). According to EkpeI, Mat, and Razak (2010), women play an important role in the economic wellbeing of their families and communities yet certain obstacles such as poverty, unemployment, low household income and societal discriminations common in developing countries have hindered their effective performance of that role. In the past, they were confined to the four walls of houses, performing household activities in the traditional society. However, in the modern society, they have come out of the four walls to participate in all sorts of entrepreneurial activities including getting into industry and running their own enterprises to support their families.

The move by women towards business has attracted a number of financial institutions. Microfinance institutions are providing small loans without collateral, collecting deposits, and, increasingly, selling insurance, all to customers who had been written off by commercial banks as being unprofitable (Aghion and Morduch, 2005). Africa as a continent is comprised of many third world countries where majority of the population can be greatly assisted economically by microfinance facilities. Consequently, many microfinance banks have developed over time in Africa.

In Kenya for example, women have received support from Small and Micro Enterprise Programme (SMEP), among other financial institutions, in form of training and credit for start-ups and expansion of their businesses. SMEP began operations as a small project of the National Council of Churches of Kenya (NCCK) in 1975. It began as a relief arm of NCCK providing the poor in the slum areas in Nairobi with food and later small business grants. It later recognized that it could not continue the feeding program indefinitely and therefore ways and means had to be sought to make people participate in meeting their daily needs and avoid dependency. Thus, the microfinance opted to providing loans to entrepreneurs to start and expand their businesses and enable them raise their own source of income. In 2010 SMEP was licensed by Central Bank of Kenya as a nation-wide Deposit Taking Micro Finance. Loans are advanced to micro and small entrepreneurs who have registered with a self-help group and have complied with SMEP and group rules and regulations.

Like most Microfinance Institutions, SMEP encompasses the provision of financial services and the management of small amounts of money through a range of products and a system of intermediary functions targeted at low income clients. This include loans, savings, insurance, and transfer services among other financial products and services (Otoo, 2012). Specifically, SMEP supports entrepreneurs with credit facilities and also train them on how to operate their businesses. The average size for initial loans to individuals is shillings 25,000 and the maximum size is shillings 3 million, and these loans are not secured by conventional collateral such as land, title deed, vehicle log-books and largely go towards financing small businesses operated by low income people.

1.1. Statement of the Problem

Women's performance in business is generally poor compared to their male counterparts despite their crucial role in the economic development of their families (Akanji, 2006). This can be attributed to such factors as lack of credit, savings, education or training, and social capital (Shane, 2003). Training could be viewed as an important component of micro-finance intervention for women entrepreneurs as it would provide the skills and experience needed for business. Whether this holds true for women entrepreneurs that receive such services is a subject of inquiry. It is against this background that this study sought to determine the effect of training and credit offered by SMEP on performance of women-operated enterprises in Nakuru Municipality.

1.2. Specific Objectives

The study sought to address the following specific objectives

i. To determine whether credit and training offered by SMEP had influenced the usage of budgeting and bookkeeping in the women-owned enterprises.
ii. To determine whether credit and training offered by SMEP had influenced the usage of marketing techniques in the women-owned enterprises.
iii. To determine whether credit and training offered by SMEP improved risk management practice in the women-owned enterprises.
iv. To establish whether obtaining credit and training offered by SMEP had improved the performance of the women-operated businesses.

1.3. Research Hypotheses

From the objectives, it was hypothesized that:

- H1: Obtaining credit and training offered by SMEP has contributed significantly to the usage of budgeting and bookkeeping in the women-operated businesses.
- H2: Obtaining credit and training offered by SMEP has a positive contribution to the usage of marketing techniques in the women-operated businesses.
- H3 Obtaining credit and training offered by SMEP have not significantly improved risk management practice in the women-operated businesses.
- H4: Obtaining credit and training offered by SMEP have not significantly improved the performance of the women-operated businesses.

2. Literature Review

Enthusiasm for promoting microfinance as a strategy for poverty alleviation grew in the 1990s. The microfinance sector blossomed in many countries, with multiple firms providing financial services to serve the needs of micro entrepreneurs and poor households. In the mid-1990s, the term "microcredit" was expanded to include not only credit, but also savings and other financial services. The term "Microfinance" was chosen to refer to a range of financial services to the poor, that included not only credit, but also savings and other services such as insurance and money transfers (Global Envision, 2006).

The model of microfinance was developed by Muhammad Yunus founder of Grameen bank. In this model, the movement to expand financial services for the poor as a grassroots development strategy is a relatively recent phenomenon (Aghion and Morduch, 2005). It was argued that, microfinance, which emphasizes granting small loans to the poorest of the poor without requiring collateral, rests upon the notion that the most impoverished people in developing countries typically don't otherwise have access to traditional financial services, but that they do possess modest survival skills that make them credit-worthy.

Dunford (2012) discussed the classic microfinance theory of change which simply points out that a poor person goes to a microfinance provider and take a loan to start or expand a microenterprise which yields enough net revenue to repay the loan with major interest and still have sufficient profit to increase personal or household income enough to raise the person's standard of living. He noted three steps a poor person must take to make this theory true: take a loan from a microfinance institution (or similar entity), invest the money in a viable business and manage the business to yield major return on the investment.

Training as an element of credit adds to the skills of enterprise owners, change their minds on how they perceive and conduct their business and in turn perform better. Bridge, O'Neill and Cromie (2003) pointed out that it is not just finance that most businesses lack but also management skills. Mostly small businesses are managed by the owners who are unlikely to be fully conversant with marketing, production, financial, legal and human resource aspects of business. Cromie (2003) examined the problems owned by male- and female-owned young businesses and discovered that the problems experienced did not really vary by gender. In his study, he realized that women recorded more difficulties in terms of lack of time, having to perform a myriad of duties, working too hard, being too conservative, lacking interpersonal skills, and not being taken seriously. This, he suggested is especially true with respect to a lack of self-confidence and not being taken seriously which, when applied by the providers of funds have led to the undercapitalization of their businesses.

Karlan and Valdivia (2006) pointed out that the goal of the business training intervention is two-fold: to improve business outcomes and overall welfare for clients and to improve institutional outcomes for the microfinance institution. Stronger businesses may demand more services, and clients may be less likely to default if they are satisfied. They also found out that training increased the likelihood that individuals reinvested profits in their business by four percentage points, maintained sales records for their business, and maintained withdrawal records from their business by seven percentage points. They further discovered that sales in the month prior to the training were 16% higher.

Kessy and Temu (2010) carried out an analysis using t-test on those clients supported by microfinance institutions to find out whether there was a significant difference between the growth indicators of enterprises owned by recipients of the training against those owned by those who had not received the training. In their study, out of 225 respondents, 97 had received training while 128 had never received training. They found out that, assets, average revenue and number of employees were higher for enterprises owned by those who attended training as compared to those of who did not attend training. This study, therefore, hypothesizes that: *There is a positive relationship between the credit and training offered by SMEP and the performance of women-operated enterprises.*

SMEP train their customers on various topics which include: business planning, book keeping, budgeting, risk management and marketing after verifying their eligibility for the credit. They are trained also on the management of loan and repayment so as to meet their business objectives. The customers in turn apply the credit and training received into their business for better performance. The independent variables thus are training and credit offered by SMEP whereas the dependent variables are those performance indicators of women-operated enterprises which include sales volume, number of employees, new products introduced and number of customers.

3. Methodology

The study utilized descriptive survey design by comparing the performance of women-operated enterprises before and after training and credit were offered. This was done to determine whether there is a significant difference in the performance of the businesses after the credit and training were offered. The target population was the 2064 SMEP's women customers who operate enterprises in Nakuru Municipality and received training and credit from January 2008 to December 2012. A stratified random sampling was employed where each stratum consisted of women customers who received credit and training each particular year. The sample size was given by;

$$n = {}^{N}/_{1 + N(e^2)}$$

Where N is the population and e=0.05 is the level of precision (Yamane, 1967). The number of women who received credit in these years was 312 in 2008, 184 in 2009, 359 in 2010, 474 in 2011 and 735 in 2012. They sum up to 2064 women customers. Therefore, the sample was given by $n= 2064/1+2064(0.05)^2=335.065$. This was rounded off to 336 women.

Data was collected by administering previously compiled questionnaire to respondents face-to-face and recording the latter's responses. The questions included both open-ended and closed-ended. To determine reliability of the findings, the same measuring instrument was administered twice on a pilot group separate from the sample for which the instrument was intended. The two sets of scores were then correlated by calculating correlation coefficient which is an index of reliability. A score of 0.7643 Cronbach's Alpha Coefficient was obtained and was considered high enough for the instrument to be used in the study. Cronbach's α (alpha) is a coefficient of internal consistency and an α= 0.7 is generally accepted as reliable. It is commonly used as an estimate of the reliability of a psychometric test for a sample of examinees. It is given by $\alpha = \frac{K\bar{c}}{(\bar{v} + (K-1)\bar{c})}$ where K is the number of components; $\bar{v}$ is the average variance of each component (item), and $\bar{c}$ the average of all covariance between the components across the current sample of items, that is, without including the variances of each component.

4. Results and Discussions

The number of respondents targeted was 336 out of which 310 questionnaires were valid giving a response rate of 92 percent. The findings showed that women of ages 20-30 and 31-40 were 35.5% each, an indication that most of the respondents were young women below age 40. Most of the respondents were married (62.9%) suggesting that they could be in business to support their families or augment the income of their spouses.

4.1. Industry by Training Frequency

The findings in Table 1 revealed that a bigger proportion (49%) of the respondents that had received most of the trainings were in the food industry. The results indicate that most of the women owned businesses were in the food and textile sectors.

		Types of Industries of the SMEs					
Frequency of training	Food	Textile	Agricultural	Energy	Others	χ^2	P-value
	f (%)	f (%)	f (%)	f (%)	f (%)		
Once	30 (45)	25(37)	0	2 (3)	10(15)		
Twice	74(49)	36(24)	9(6)	13(9)	19(13)		
Thrice	37(51)	21(29)	9(12)	2(3)	4 (5)	26.997	0.042
Four times	4(50)	4(50)	0	0	0		
Five times or more	6 (55)	2(18)	1(9)	2(18)	0		

Table 1: Industry by Training Frequency

4.2. Effects of Training on Budgeting and Bookkeeping

The study first sought to determine the extent to which training offered by SMEP influenced Budgeting and Bookkeeping of women-owned enterprises in Nakuru Municipality. This objective was realized by asking the women entrepreneurs who had received credit and training to respond to several statements describing the usage of various aspects of budgeting and bookkeeping prior to and after receiving credit and training from the organization. The status of training in Budgeting and Bookkeeping were rated on a 5 point Likert scale ranging from; 1 = very poor to 5 = very good. The results are summarized in Table 2.

Areas of book keeping and budgeting			**Paired Differences**				**t**	**Sig. (2-tailed)**
			Difference	Std. Error Mean	95% Confidence Interval of the Difference			
	Period	mean	Mean		Lower	Upper		
Income projection	After	4.34						
	Before	2.52	1.82	0.049	1.723	1.915	37.301	0
Anticipated expenses	After	4.25						
	Before	2.36	1.89	0.051	1.79	1.99	37.131	0
Financial goals	After	4.23						
	Before	2.48	1.75	0.067	1.616	1.881	26.024	0
Petty cash book	After	4.54						
	Before	2.79	1.75	0.06	1.631	1.866	29.33	0
Records of assets & liabilities	After	4.11						
	Before	2.24	1.87	0.057	1.762	1.987	32.73	0
Profit & loss account	After	4.12						
	Before	2.43	1.687	0.067	1.555	1.819	25.162	0

Table 2: Status of Budgeting & Bookkeeping before & after Receiving Credit &Training

The results in Table 2 indicate that the status of income projections was poor (mean = 2.52) as a result of poor anticipation of expenses (mean = 2.36) or hidden expenses and unrealistic setting of financial goals for the businesses (mean = 2.48) prior to training and receiving credit from SMEP. The findings also indicate that the petty cash books were poorly kept (mean = 2.79) prior to training and credit and the keeping of records of assets and liabilities was also rated as poor (mean = 2.24) while the entrepreneurs were not also able to rightly appraise their profit and loss accounts (mean = 2.43). However, it is evident from the results that there was a marked improvement in the situation to a good status in terms of income projections (mean = 4.34) after receiving credit and training from SMEP as the respondents were now able to correctly anticipate expenses (mean = 4.24) and realistically set financial goals (mean = 4.23). The training received had also enabled the entrepreneurs to improve management of their petty cash books (mean = 4.54), their management of records of assets and liabilities (mean = 4.11) and also their profit and loss accounts (mean = 4.12). The results also suggest that all the differences in the means of the performance of the predictors of this variable both before and after receiving credit and training from the organization lied within the confidence intervals and, therefore, were significant. These improved responses after receiving credit and training imply that the credit terms offered by SMEP to the women entrepreneurs were manageable and could also mean that the training methods were generally effective.

4.3. Effects of Training in Marketing Techniques

The second objective sought to determine the effectiveness of training in marketing techniques on women-owned enterprises. In order to achieve this objective, the respondents were asked to respond to various questions describing the application of their acquired marketing techniques on their businesses before and after the training. The responses of this variable were rated on a 5 point Likert scale ranging from; 1 = very low to 5 = very high. These results are presented in Table 3

Area of marketing Techniques			**Paired Differences**					**t**	**Sig. (2-tailed)**
			Difference Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference			
	Period					Lower	Upper		
Customer support	After	4.31							
	Before	2.52	1.79	1.168	0.066	1.66	1.921	26.99	0
Rating after sale service	After	3.87							
	Before	2.22	1.655	1.199	0.068	1.521	1.789	24.31	0
Customer retention	After	4.23							
	Before	2.49	1.745	1.489	0.085	1.579	1.912	20.64	0
Pricing	After	4.79							
	Before	2.6	2.197	3.184	0.181	1.841	2.553	12.15	0
Promotional sales	After	4.23							
	Before	2.53	1.703	1.451	0.082	1.541	1.865	20.67	0

Table 3: Training in Marketing Techniques before and after credit and Training

From Table 3, many of the respondents had poor approaches to customer support (mean = 2.52 before training and credit with SMEP. This was evidenced by the poor after sales services (mean = 2.22) and customer retention techniques (mean = 2.49). The findings also indicate that product pricing prior to receiving training was poor (mean = 2.6) as was promotional sales (mean = 2.53). The results further reveal that training and credit access from the organization dramatically impacted on the marketing techniques of the respondents. This was adduced by the improvement in customer support (mean = 4.31), the high means indicating that most respondents agreed that their customer support was now very good as a result of the training. However, there was some slight improvement in sales services (mean = 3.87). Training and credit had also improved after and customer retention techniques (mean = 4.23) and pricing techniques (mean = 4.79) as a result of improved product presentation comparatively. Promotional sales had also improved as a result (mean = 4.23). The differences in means all paired values were significant implying that there were indeed challenges in marketing and that providing credit and training had significantly changed the situation for the better.

4.4. Effects of Training in Risk Management

In a similar way, the study also sought to determine whether training had influenced risk management of women-owned enterprises in the area. This objective was measured by asking the respondents to give their opinions on how they handled business risks before and after receiving credit and training from SMEP. The responses of this variable were rated on a 5 point Likert scale ranging from; 1 = very poor management to 5 = very good management. The results on these are summarized in Table 4

Areas of Business Risk			**Paired Differences**				**t**	**Sig. (2-tailed)**
Management				Std. Error Mean	95% Confidence Interval of the Difference			
			Difference Mean					
	Period	Mean			Lower	Upper		
Credit risk credit	After	4.63						
	Before	3.81	0.816	0.065	0.689	0.943	12.621	0
Market risk	After	4.51						
	before	3.92	0.594	0.066	0.463	0.724	8.977	0

Table 4: Status of Women-Owned Enterprises before and after Training in Risk Management

The findings in Table 4 reveal that prior to receiving credit and training, majority of the women entrepreneurs were not sure about their credit risk management practices in their businesses (mean = 3.81). Similar results were obtained in terms of market risk assessment by the entrepreneurs most of who said they were uncertain about managing market risk (mean = 3.92) prior to the training and receiving of credit from the organization. The findings, however, show that there was a marked improvement in credit risk management (mean = 4.63) after they had received credit and training from SMEP and also in market risk management (mean = 4.51). The mean difference of the situation before and after receiving credit and training in terms of managing credit risk and market risk were significant and within the confidence limits. These findings suggest that majority of the women entrepreneurs had no risk appreciation in their business operations prior to receiving training and this could have led to several losses and underperformance of their businesses.

4.5. Performance of Women-Owned Enterprises after Receiving Training and Credit from SMEP

Finally, the study sought to establish how the women owned enterprises had performed as a result of the training and credit advanced to them from the organization. The findings on this are as discussed as follows; first, the study sought to determine whether there had been an improvement in the sales output and number of customers served. The findings on this are given in Table 5

		Status			
Performance	Increasing	Static/same	Decreasing		
Determinants	f (%)	f (%)	f (%)	χ2	P-Value
Annual sales	237(76.4)	48(15.5)	25 (8.1)	136.16	0
Customers served	231(74.5)	40(12.9)	39(12.6)	291.224	0

Table 5: Status of Performance of Women-Owned Enterprises after receiving Training and Credit from SMEP

The findings in Table 6 suggest that there had been an improvement in the annual sales output volumetrically. Most (76.4%) of the respondents claimed that their businesses had registered increases in sales volumes. This could be as a direct consequence of the increase in the number of customers served (74.5%). The increasing sales and number of customers that needed to be served was expected to have a direct influence on the staffing requirements of the enterprises. The study findings on this are given in Table 6.

		Status				
Number of	0 (owner)	1 – 2	3 - 4	5 or more		
Employees	f (%)	f (%)	f (%)	f (%)	χ2	P-Value
Before	243(78.4)	41(13.2)	18 (5.1)	8(2.3)		0
After	75(24.2)	199(64.1)	16(5.1)	18(5.6)	83.436	0

Table 6: Status of Employees' Addition in Women-Owned Enterprises after Receiving Training and Credit from SMEP

The findings in Table 6 indicate that there had been an improvement in the number of employees after training and credit. Most of the businesses relying on the owner as the sole employee (78.4%) had dropped after training to 24.2% while those that now had employees had increased from 13.2% to 64.1%. this implies that the training had in a way enlightened the entrepreneurs on the need to bring employees as a way of reducing the work load.

4.6. Z-Tests Results and Hypothesis Testing

The study used the z -tests to compare the differences in the means of the determinants of the variables before and after the training and receiving credit. The significance level was measured at 5% and one tailed in all cases and the rejection region was right handed.

- H1: Obtaining credit and training have significantly influenced budgeting and bookkeeping in women-operated businesses in Nakuru Municipality.

The study first sought to test whether obtaining credit and training have significantly influenced budgeting and bookkeeping in women-operated businesses in Nakuru Municipality. These results are shown in Table 7

	Credit and training		
Apects of Bookkeeping	Before	After	
and Budgeting	Mean	Mean	z-statistic
Income projection	2.52	4.34	17.52
Anticipated expenses	2.36	4.25	18.62
Financial goals	2.48	4.23	16.98
Petty cash book	2.79	4.54	5.575
Records of assets and liabilities	2.24	4.11	14.27
Profit and loss account	2.43	4.12	-2.27

Table 7: Z-Tests Results on the Status of Bookkeeping and Budgeting Before and After Training and Credit

The results in Table 7 indicate that budgeting and bookkeeping improved in the businesses as a result of receiving training and credit. The z-tests reveal that $z > 1.960$; $\alpha<.05$; $df = 309$; $p = 0.000$ which shows that bookkeeping was statistically significant to the performance of women owned enterprises in the area. The results also indicate that the z-values for all the means of the indicators of the status of this variable save for the one for profit and loss both before and after the interventions were greater than the critical valuefor a one tailed test leading to the rejection of the null hypothesis. This implied that obtaining training and credit from the organization did improve the women business operators bookkeeping and budgeting skills. This suggests that more training in budgeting and bookkeeping could reduce the underperfomance of the businesses and, therefore, needed to be emphasized as majority of the women enterpreneurs interviewed in this study had only trained for a maximum of two sessions and obtained credit twice from the training organization. However, the findings on the management of profit and loss account ($Z = - 2.27$) indicate that there was need for more training focus in this area as it appears that the enterpreneurs had not fully grasped the concept. These findings agree with those of Karlan and Valdivia (2006) pointed out that the goal of the business training intervention is two-fold: to improve business outcomes and overall welfare for clients and to improve institutional outcomes for the microfinance institution. In the latter sense, the implication is that the credit risk significantly reduced when dealing with trained clients especially those who knew how to budget and keep their books. It also agrees with Edgcomb (2002) who also found out that training increased the likelihood that individuals reinvested profits in their business by four percentage points.

- H2: Obtaining credit and training have not significantly influenced marketing techniques in women-operated businesses in Nakuru Municipality.

The study then sought to test whether obtaining credit and training have significantly influenced marketing techniques in women-operated businesses in Nakuru Municipality. These results are shown in Table 8

	Credit and Training			
Apects of Marketing	Before		After	
Techniques	Mean		Mean	z-statistic
Customer support	2.52		4.31	16.86
After sales service	2.22		3.87	16.01
Customer retention techniques	2.49		4.23	15.197
Pricing	6.63		11.01	19.66
Product presentation	8.45		14.45	21.37
Sales promotion	10.40		12.96	14.78

Table 8: Z-Tests Results on the Status of Marketing Techniques before and after Training and Credit

The results in Table 8 indicated that there was a significant improvement in the status of marketing techniques after training and receiving credit. The z-tests reveal that the means were greater than $z > 1.960$; $\alpha<.05$; df = 309; p = 0.000which hence support for hypothesis 1. This meant that a positive relationship existed between obtaining credit and training and marketing techniques in the women-operated businesses in the area. This suggests that training in marketing techniques were important aspects of business training and could significantly improve the performance of these businesses. These findings support those of Kessy and Temu (2010) who found out that, assets, average revenue, number of employees and market outreach were higher for enterprises owned by those who attended trainings as compared to those of who did not attend training. Hence, training in marketing techniques and consequently obtaining credit was a significant element of the performance of the women-owned business in the area and needed to be given priority.

- H3: Obtaining credit and training have a significant influence to risk management in women-operated businesses in Nakuru Municipality

The study further sought to test whether obtaining credit and training have significantly influenced risk management in the women-operated businesses in Nakuru Municipality. These results are shown in Table 9

	Credit and Training		
Apects of Business	Before	After	
Risk Management	Mean	Mean	z-statistic
Credit risk	2.60	4.79	15.045
Market risk	2.53	4.23	16.093

Table 9: Z-Tests Results on the Status of Business Risk Management before and after Training and Credit

The findings in Table 9 suggest that risks management improved after the training with $z > 1.960$; $\alpha<.05$; df = 309; p = 0.000 for a one tailed test, leading to the support of hypothesis 2. These findings show that the ability of the women entrepreneurs to handle risk improved significantly as a result of the training and credit from SMEP.This meant that the approach to training by SMEP was actually improving the risk management practices in the women operated businesses. This suggests that more training in risk management could be instrumental in reducing the underperfomance of the businesses and, therefore, needed to be emphasized as majority of the women enterpreneurs interviewed in this study demostrated that prior to training they were unable to manage their business risks successfully. These findings agree with those of Bridge et al., (2003) who pointed out that it is not just finance that most businesses lack but also management skills risk management being one of them. Hence, this study finds the training in risk management significantly reduced the underperformance of the women-owned businesses in the area and, therefore, should not be overlooked during training.

- H4: Obtaining credit and training offered by SMEP have significantly improved the performance of women-operated businesses in Nakuru Municipality

Finally, the study carried out a z-test on the status of the performance of the enterprises prior to and after intervention. The results on this are as shown in Table 10

	Credit and Training		
	Before	After	
	Mean	Mean	z-statistic
Performance	2.46	3.95	23.34399

Table 10: Z-Tests Results on the Status of Business Performance before and after Training and Credit

The findings in Table 10 indicate that there was a significant change in the performance of the business before and after the training and credit. The z-statistic, $Zc = 23.34399 > Z\alpha$ 1.960; $\alpha<.05$; df = 309; p = 0.000, leading to support of hypothesis 4. Consequently, this led to the conclusion that training and credit has a significant positive impact on future performance of the enterprises. This implies that more training and credit interventions could lead to better perfomance of the businesses. These findings are consistent with those Kessy and Temu (2010) who carried out a similar study involving respondents who had and those who had not received credit and training support from microfinance institutions to establish whether there was any significant difference between the growth indicators of enterprises owned by recipients of the training against those owned by those who had not received the training. Their study found that, assets, average revenue and number of employees were higher for enterprises owned by those who attended training as compared to those of who did not attend training implying that credit and training interventions significantly improved the performance of the businesses.

5. Conclusions and Discussions

The z-test showed that there was a significant improvement in budgeting and bookkeeping after receiving training and credit from the organization. It can be concluded that training and credit intervention made a positive impact on the performance of women-operated businesses. However, there was need to focus more on the profit and loss aspect of training as this area was underperforming. Thus, more training in budgeting and bookkeeping could improve the performance of the businesses.

The study found that though marketing was significant to the performance of the businesses, it was not covered well during the trainings resulting in a not so strong performance. This suggested that training in marketing techniques was an important aspect of training that has a positive bearing to performance of the businesses. However, most of the businesses were concentrated in the food and textile industry resulting in much competition. It was also observed that the eneterprises locations did not change much. This had the effect of lowering their competitiveness.

The study also found that the women entrepreneurs who had received credit and training from SMEP had generally improved their risk handling capabilities. The z-test showed a significant relationship between the status of training in risk management before and after receiving training and credit. Thus, majority of the women enterpreneurs interviewed demostrated that prior to training they were unable to manage their business risks successfully. The areas covered in risk management were mainly concerned with the repayment of credit and appraising the market as opposed to other business risks. These findings agreed with those of Bridge et al., (2003) who found a positive association between management training and performances of small businesses.

Finally, the findings on effects of the interventions on the performance of the women-owned enterprises revealed that the interventions had significantly improved the performance of the enterprises. The z-tests indicated that there was a significant change in the means of the businesses before and after the interventions. This implied that more training and credit interventions raised the perfomance status of the businesses and, therefore, were necessary. However, there was need to strengthen and broaden the scope of these interventions to add more value to the businesses. These findings were found to be consistent with those of other similar study by Kessy and Temu (2010) who found that, assets, average revenue and number of employees were higher for enterprises owned by those entrepreneurs who attended training as compared to those that did not implying that credit and training interventions significantly improved performance of the businesses.

5.1. Recommendations

In line with the study findings above it is recommended that training frequency be increased as majority of the women entrepreneurs interviewed in this study had only trained for two sessions and obtained credit twice from the organization. This was deemed insufficient. More coverage should be enhanced enhanced in marketing techniques as most of the women entrepreneurs had not fully grasped the concepts and it was affecting their growth prospects. More emphasis in aspects of risk management would give women entrepreneurs adequate skills to deal with risk related failures. As a standard practice, it is recommended that micro finance institutions package credit with trainng as one bundle and that training should take cognisance of the dynamics of business environment.

5.2. Recommendations for Further Research

The study thus recommends that further research be done in the following areas: The effect of technology adoption in the performance of women owned enterprises and; the effect of capital management training on the performance of women owned businesses. This is informed by the growing need for technology adoption in business management and value addition of products. Use of technology in the business will competitively position the women-owned enterprises in the market. Also as much as there has been training in business by the organizations the issue of capital management needs a more detailed coverage and, hence, further investigation in this area through research first is important.

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