

Assessing the Effects of Access to Finance on Performance of Women Owned SMEs in Eldoret Town CBD, Kenya.

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Abstract

Achieving strategic objectives is very important to many business including SMEs owned by women in that it ensures that the business survives which is the goal any entrepreneur who starts a business. studies have shown that there are list of factors within the business environment that affects the performance of the women owned SMEs. This includes lack of market accessibility among others. These factors have led to the collapse of many women owned businesses or making them stagnate at one point for so long. The study was guided by the following objective; to, assess the effects of access to finance on performance by women owned SMEs in Eldoret, The study was guided by the resource based view theory. The study further employed the use of survey research design. The study targeted seven hundred and thirty eight SMEs in Eldoret town that are owned by women. of this, three hundred and three were sampled. Simple random method was used to pick identified SMEs. The research used primary data that was collected using questionnaires. Validity was checked using expert opinion while reliability was tested using the test-re-test method. Data collected was coded and analyzed using descriptive and inferential statistics. Simple regression analysis technique was used to determine the relationship between the independent variables and the dependent variable. The results of regressions indicated that access to finance had a significant relationship at five percent confidence with performance. The study concluded that source of finance is an important component to accessing finance, acquisition of relevant vocational training, technical skills and business skills is generally regarded as one of the critical factors for success in women owned SMEs. The study recommended that policies should be developed to support women access finance from formal financial institutions.

Keywords: Access to finance, financial performance and women owned small and medium Enterprises in Eldoret CBD town.

1. Introduction

Businesses performance ensures the growth or stagnation of the enterprise. Growth can be described in terms of revenue generation, expansion volumes and value addition. It can further be measured in qualitative features such as market position, customer's good will and product

quality (Cassia & Minola, 2012). Throughout their life cycle, firms must grow in order to sustain their position in a competitive environment (Isenberg, 2011a). Growth is seen as a reliable evidence of the entrepreneurs return on investment and as a security against failure (Coad, Frankish, Roberts, & Storey, 2013). Enterprise growth can be viewed in different theoretical perspectives, among them are: the resource-based perspective, strategic adaptation perspective, motivation perspective and the configuration perspective (Gupta, Guha, & Krishnaswami, 2013). Achieving the strategic objectives of a business among women owned SMEs has become very important as it ensures the survival of the business. Ideally the goal of any business venture is to achieve the strategic objectives and to survive. This has forced many women entrepreneurs to strive hard to inject all the required resources into their businesses. There has been consensus among researchers and the business industry experts that enabling conducive environments is key to ensuring that the women owned SMEs can perform well (McGrath, 2010).

Despite the importance of achieving strategic objectives to business survival, there are many factors that hinder the achievement of the objectives, studies have shown that there are list of factors within the business environment that affects the performance of the women owned SMEs. This includes lack of market accessibility among others. These factors have led to the collapse of many women owned businesses or making them stagnate at one point for so long.

Studies including McGrath (2010), Robinson, (2010) and Rogerson, (2001) have identified the challenges women entrepreneurs face in accessing capital. This studies however have not identified the innovative strategies that the women can employ to access adequate capital. This was filled in this study. Further, studies by Hannan and Freeman, (2008), Alila, (2011), and Morris, (2006) noted that women have fewer business training, less knowledge of how to deal with the governmental bureaucracy and less bargaining power, all of which further limit their growth. These studies however have not provided a solution as to what can be done to empower women to have the right knowledge and competencies to be addressed in this study. Studies by Goetz and Sen Gupta, (2010), Chesten and Kuhn, (2009) and Brana, 2008 noted that lack of adequate infrastructure, particularly in the fields of power, water, telecommunications and road access affects production, its cost, delivery and finally market competitiveness of any enterprise irrespective of its size have been issues affecting women SMEs. Solutions as to how women could better cope with this challenges were not addressed in this studies and hence this gap is to be addressed in the study.

There is a knowledge gap on the factors that affect the achievement of strategic objectives of the women owned SMEs, this study will aim at filling the existing gap by assessing the determinants of strategic objectives attainment and their effect on performance among women owned SME's in Eldoret CBD, Kenya.

2. Literature Review

2.1 The Concept of Resource based View Theory

2.1.1 Resource-Based View Theory

The study was guided by the resource based theory. The theory was developed by Wernerfelt, (1984). The competitive strategy view and the resource-based view are the two major perspectives or determinants of strategic position and firms' performance (Harrison and Mason, 2007). The competitive strategy view, rooted in industrial organization literature, maintains an outside- in perspective where the firm's performance is determined primarily by environmental factors such as the industry structure. In contrast, the more recent resource- based view argues that firm-specific resources and capabilities are the factors determining firm performance.

Industrial organization literature emphasizes the role of industry structure as the primary determinant of firm performance so that the unit of analysis is inevitably the industry. Porter (1991) relaxes this condition, allowing firms to choose their strategic position to gain sustainable rents, although individual firms cannot change industry structure. This change in the assumption allows the firm to be the unit of the analysis. Thus, the outside-in perspective represents a view where a firm performance is primarily determined by outside factors such as industry structure and the way the firms can secure positions to exploit that structure (Lumpkin and Dess, 2008). Companies formulate their strategic position by finding the best defensive position against competitive forces, by swaying the balance of the forces to enhance the company's position, and by choosing a strategy for competitive balance prior to opponents' movement (McCormick, 2006).

Strategic positioning is thus the output of a complex understanding of market structure and conditions that determine the sustainability of a firms' performance (Ram, 2009). The competitive strategy view maintains that resources are the results obtained from the implementation of strategy and/or purchase from the environment. Consequently, resources cannot achieve an independent status in relation to firm performance. The importance of resources is understood only in conjunction with the capability of those resources to support the strategy pursued or the fitness of those resources for a particular industry's structure (Robinson, 2010). When resources fail to support a strategy or enhance a company's fit for an industry, they are useless. While in the aforementioned competitive strategy view, industry structure determines sustainable firm performance, resource heterogeneity is the basis of firms' competitive advantage in resource-based theory. A firm's resources characterized as valuable, rare, difficult to imitate, and difficult to substitute create distinct strategic advantages that the firm could exploit in order to improve its market position (Carter. and Cannon, 2009). While this view acknowledges that outside factors affect firm performance, internal resources are the core factors determining firms' sustainable competitive advantage (Bruna, 2008). According to Stevenson (2003) positional and performance superiority is a result of the relative superiority in the skills and resources a company utilizes. The superiority of the skills and resources is the consequence

of former investments made to improve the competitive position. And in order to make the positional advantage sustainable, the company must continue to invest into the sources of advantage (Stevenson, 2003).

The main criticism of the theory is that the central idea of the Resource Based View of the firm is that it's the ability of the firm to exploit its core competencies that provide the competitive advantage (Wernerfert, 1984), and not the forces at play in the external environment as Porter (1979) suggests. However, for many firms, the model proves difficult to use because of the difficulties in being able to identify a firm's resources and capabilities to begin with. For example, whilst a firm would have access to its financial accounts, they do not take into account the value of their people's skills and expertise and other intangible resources, which Grants remarks 'are probably the most strategically important resource to the firm' (Grant, 1991). But maintaining a resource base in order to maintain sustained competitive advantage could be difficult to achieve (Grant, 1991). However, it is not simply enough for a firm just to have possess these resources, the firm has to understand what it can do with a collection of resources and have the right organizational capabilities in order to execute their strategy.

There are primarily two assumptions of the resource-based view that all the resources of the organization should be heterogeneous and immobile. This is the first primary assumption of resource-based view theory. Heterogeneous refers to the variation in capabilities and skills from one organization to the other. This assumption states that if all of the companies have the same amount and the same type of resources, different strategies will not be employed by different companies. And this way, competitive advantage cannot be achieved by any company. The second is immobile. This assumption states that the resources cannot move from one organization to another for the short term. Because of this, companies are unable to copy similar strategies like their competitors and implement them in the market.

In relation to this study, resources are classified into tangible and intangible resources, this study concentrates on the intangible resources, these resources include, training of the women on entrepreneurship, access to finance, access to business information. These resources greatly affect the performance of business as the resources are required to ensure that the business achieves its strategic objectives. The resources play an integral part in the business environment and have been identified as part of the factors that hinder the performance of SMES owned by women.

2.2 Empirical Literature Review

2.2.1 Access to finance and Performance of SME's

Several studies around the world have been carried out which throw light on the financial factors affecting women entrepreneurs (Stevenson, 2007). Though the three major stages in the entrepreneurial process of creating, nurturing and nourishing are the same for men and women, there are however, in practice, problems affecting women who are of different dimensions and magnitudes, owing to social and cultural reasons. The gender

discrimination that often prevails at all levels in many societies impact the sphere of women in industry too, and a cumulative effect of psychological, social, economic and educational factors act as impediments to women entrepreneurs entering the mainstream.

A study by McGrath (2010) found out that the number of women entrepreneurs in the western world, proposed that three factors influence entrepreneurship – antecedent influences (i.e., background factors such as working capitals and genetic factors that affect motivation, skills and knowledge), the incubator organization (i.e., the nature of the organization where the entrepreneur was employed just prior to starting a business; the skills learned there) and environmental factors (e.g., economic conditions, access to venture capital and support services, role models). Research from the rest of the world indicates that women and men differ on some of the above factors. While several of these financial factors are inherent to many countries, some of them are more severe in Kenya (Alila, 2011).

In Kenya, women are almost invisible to formal financial institutions they receive less than 10 per cent of commercial credits (Robinson, 2010). When women do have access to credit it is often in small amounts, whether this suits their needs or not. Women entrepreneurs usually require financial assistance of some kind to launch their ventures be it a formal bank loan or money from a savings account. Women in developing nations have little access to funds, due to the fact that they are concentrated in poor rural communities with few opportunities to borrow money (Jones, McEvoy and Barret, 2008). The women entrepreneurs are suffering from inadequate financial resources and working capital. The women entrepreneurs lack access to external funds due to their inability to provide tangible security.

Very few women have the tangible property in hand. Women's family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business" (Jones et al., 2008). The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business and become housewives again. Differential access to credit may of course be a reflection of differences in the choice of sector, educational level or the amount of loan requested.

Sometimes, credit may be available for women through several schemes but there are bottlenecks and gaps, and the multiplicity of schemes is often not adequately listed nor is there networking among agencies. As a result, clients approaching one institution are sometimes not made aware of the best option for their requirements. A general lack of experience and exposure also restricts women from venturing out and dealing with banking institutions. Those who do venture out often find that transaction costs for accessing credit are high, and cannot be met by the cash available to them. Because of this, they are dependent on the family members for surety or collateral and hence restrict the

money they borrow. This results in lower investments. Alternately they tend to find working capital at higher rates of interest. The availability of finance and other facilities, such as industrial sheds and land for women entrepreneurs are often constrained by restrictions that do not account for practical realities. All these in turn affect the enterprise and its survival (Hannan and Freeman, 2008).

Women in business are a recent phenomenon in Kenya. By and large they had confine themselves to petty business and tiny cottage industries. Women entrepreneurs engaged in business due to push and pull factors, which encourage women to have an independent budgetary occupation and stands (Alila, 2011).

However, as sector choice and educational levels tend to be limited or influenced by gender, one could say that any differential access based on this motive is indirectly caused by gender perceptions. In addition to this, women entrepreneurs in developing countries continue to suffer from poor overall assets, poor enforcement of financial rights and the existence of unequal inheritance rights and consequently poor access to community and social resources. Gender-based obstacles conventional thinking, cultural and social values, and lack of collateral all aggravate the difficulties affecting women. High transaction costs, the rigidity of collateral requirements and heavy paperwork are further impediments to women entrepreneurs (Stevenson, 2007).

Women entrepreneurs give more emphasis to family ties and relationships. Married women have to make a fine balance between business and home. More over the business success is depends on the support the family members extended to women in the business process and management. With support that is expected at home, women tend to use their finances on the family which hinders their power to have sufficient capital to inject into their businesses to ensure that they have achieved their strategic growth (Stevenson, 2007).

Institutional finance for micro-entrepreneurs is fairly new, but informal financing schemes have a long history in Africa. The most common source of enterprise start-up funds is usually from own savings which are supplemented by either gifts or informal loans from friends and relatives. The development of financial services for the small enterprise economy has proven a major challenge across Africa. The formal financial institutions find offering services to this economy risky, costly and unprofitable. The access to finance is one of the key factors for development of SME (Fairtlough, 2000).

New innovations in credit financing have focused on the extended provision of credit to the poor. There have been certain attempts in Africa to replicate the success of Grameen Bank through a host of group lending programmes. One of the closest replicas has been the Malawi Mudzi Fund (MMF), which modeled virtually all their systems and approaches on the Grameen Bank. The Malawi experiment has produced a disappointing performance which. was attributed to falling into the trap of uniform replication rather than seeking to

adapt and modify the structures and systems of the Bangladeshi model to the local conditions in Malawi (Fairtlough, 2006).

Another attempt was made in Kenya and they chose a minimalist approach based on the structures of Grameen Bank. Even they had some problems but overall it was a success and enabled economies of scale (Rogerson, 2001). Another popular way of financing small businesses in Africa, particularly among the women is rotating savings and credit associations, so called ROSCAs (Rogerson, 2001). Bouman (1994) describe ROSCAs as such: They have three main functions; security or insurance, economic and socializing. The security function covers rites of passage, spiritual ceremonies and education. Voluntary associations insure members and their next of kin against consequences of illness, accidents and other possible mishaps. The economic function is the provision of safekeeping facilities and loans in collective investments and community development. The socializing function is meetings, discussions and also taking part in recreational activities.

The entrepreneurial process is dependent on resources. Financial capital is crucial to the establishment and expansion of a business. Access to finance is a recurring research topic in entrepreneurship literature, and is considered as the leading obstacle facing women entrepreneurs (Brush 1992; Hisrich et al (1999:123); Van Steel and Thurik (2004:14); Kantor. (2001:6-7); OECD 1997; O'Neill et al (2001:39)). These studies have established that most of the women entrepreneurs face difficulties when it comes to obtaining adequate capital and at affordable rates to start new ventures or to expand their business. First of all, women have significantly less personal tangible and intangible assets in comparison to men. This implies that since women have less capital, they must seek extra resources compared to men in order to pursue a business opportunity.

3.0 Research Methodology

The study employed descriptive research design which is a systematic approach to collecting data from a sample of respondents using standardized questionnaires or interviews to gain insights into various aspects of a research topic, such as opinions, attitudes, behaviors, and demographics. This method allows researchers to gather information and draw conclusions from a representative subset of a larger population. Babbie, E. R. (2016).

The study employed a descriptive research design to effectively describe and analyze the effects of access to finance on performance of women owned SMEs in Eldoret town Central Business District, Kenya. This approach was crucial as facilitated the comprehensive collection of data from respondents on all relevant variables.

The population of interest in the study consisted of SMEs owned by women in Eldoret town CBD. 1,612. businesses within Eldoret town CBD formed the target population of the study. (County Government of Uasin Gishu, department of trade, 2013). The sample size of 320 which was determined by Yamane's formula at a confidence level of 0.05 was randomly chosen to fill the questionnaire items. The structured questionnaires proved sufficient to gather data from

many respondents. It also gave the participants enough time to fill it at their own convenient time. Questionnaires facilitate quantitative analysis and maintain respondent anonymity and confidentiality (Mugenda&Mugenda, 2003).

4. Results and Discussion

320 questionnaires were distributed to respondents, 278 were filled, picked and returned. This represented 77% of the response rate. Noted by Saunders et al., (2013) is that a response rate of 70% and above is considered applicable for the study.

4.1 Correlation results

Table 4.1 shows the relationship between access to finance and performance of women owned SMEs in Eldoret town CBD.

Table 4.1 Correlation analysis

Correlations						
		Access to Finance	Entrepreneurial Training	Market Access	Business Information	Performance of WoS
Access to Finance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	278	0			
Entrepreneurial Training	Pearson Correlation	0.756**	1			
	Sig. (2-tailed)	0.00				
	N	278	278			
Market Access	Pearson Correlation	.688**	.506**	1		
	Sig. (2-tailed)	0.000	.			
	N	278	278	278		
Business Information	Pearson Correlation	.655**	.501**	.690**	1	
	Sig. (2-tailed)	0.000	0.000	0.000		
	N	278	278	278	278	
Performance of WoS	Pearson Correlation	.760**	.681**	.651**	.579**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	278	278	278	278	278

** . Correlation is significant at the 0.01 level (2-tailed).

This table shows that the Pearson Correlation between performance of women owned SMEs and access to finance is 0.760, which is statistically significant with a p-value of 0.000 and is based on a sample size of 278. The correlation outcome revealed a strong, positive, and significant relationship between access to finance and performance of women owned SMEs in Eldoret town CBD.

4.2 Regression Analysis

The study sought to assess the effects of access to finance on performance among women owned SMEs in Eldoret town central business district (CBD). The study predetermined that access to finance does not have a statistically significant influence on the performance of women owned SMEs in Eldoret town central business district. A simple regression model was employed to establish the relationship between access to finance and performance of women owned SMEs.

$$Y = \beta_0 + \beta_1 X_1 + \epsilon \dots\dots\dots i$$

- Y – SMEs Performance
- β_0 .Regression Intercept
- β_1 – Coefficient of Access to Finance
- X_1 – Access to Finance
- ϵ - Error Term

Model summary for access to finance on organizational performance of women owned SMEs is shown in table

A Table Showing the Model Summary for Access to Finance on Performance of Women SMEs in Eldoret town CBD

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	..760 ^a	.089	.055	.85072

a. Predictors: (Constant), Access to Finance

Source: Field Data, (2023)

Inspirational motivation had R squared ($R^2 = 0.089$), meaning that access to finance explained 8.9 % of the variance in performance of women owned SMEs in Eldoret town

Table 4b: A Table Showing the ANOVA ^a for access to finance on performance of women owned SMEs in Eldoret town CBD

ANOVA^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	6.317	1	6.317	8.729	.003 ^b
1	Residual	154.877	286	.724		
	Total	161.194	287			

a. Dependent Variable: Performance of Women SMEs

b. Predictors: (Constant), Access to Finance

Source: Field Data, (2023)

The ANOVA findings show the model fitness for influence of access to finance on performance of women owned SME was statistically significant, F calculated = 8.729, p value 0.05. Given that the calculated F=8.729 is more than the critical value 3.84 (1,286) at 0.05, the conclusion is that access to finance is an important predictor of performance of women owned SMEs in Eldoret town CBD. The null hypothesis (H₀₁) was rejected. The conclusion was arrived that access to finance statistically and significantly influenced performance of women owned SMEs in Eldoret town CBD.

ATable Showing the Coefficients for Access to Finance on Performance of Women Owned SMEs in Eldoret Town CBD

Coefficients^a						
Model		Unstandardized		Standardized	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.406	.163		15.422	.000
	Access to Finance	.139	.046	.760	2.956	.003

a. Dependent Variable: Organisational performance

Source: Field Data, (2023)

The results in table 4c shows the $\beta_0 = 2.406$, meaning that if all other factors were kept constant performance of women owned SMEs in Eldoret town CBD would be 2.406. In addition, coefficients of access to finance was 0.139, meaning that a unit increase in access to finance having other factors at zero, would lead to 0.139 increase performance of women owned SMEs in Eldoret town CBD, the results indicated that access to finance predicted performance of women owned SMEs $\beta_1 = 0.760$, p value of 0.03, which means that a unit increase in access to finance yielded a 0.760 change in of performance of women owned SMEs in Eldoret town CBD. The influence of access to finance was greater than 2 times the effect attributed to the t-test of 2.956, p value = 0.003 against a significance level of < 0.05. Access to finance was statistically

significant in changing the results of performance of women owned SMEs. On the basis of the above results, the simple regression model was developed as shown below;

$$Y = 2.406 + 0.139 AF.$$

4.3 Pilot results

Factor analysis was conducted on all the nine items responses of access to finance. Factor Loading of seven of the nine items had factor loading of over 0.5 hence were retained. Two however two item responses including; my loan repayment was flexible (AF9) and any collateral was acceptable when taking a loan (AF5) had factor loading of -0.016 and 0.009 and hence were expunged as illustrated in table 4.5

Table 4.5: Pilot results on Access to Finance

Rotated Component Matrix^a			
		Component	
		1	Comment
AF7	I received 100%of loan requested	0.869	Retained
AF6	Collateral value had to be over loan taken	0.845	Retained
AF2	I have received a loan from a MF1	0.761	Retained
AF3	I have received a loan from women group	0.726	Retained
AF1	I have received a loan from a bank	0.644	Retained
AF8	I received top up amount in loan requested	0.637	Retained
AF4	I have been required to give collateral for loans	0.622	Retained
AF9	My loan repayment was flexible	-0.016	Expunged
AF5	Any collateral was acceptable when taking a loan	0.009	Expunged
Extraction Method: Principal Component Analysis.			
Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 5 iterations.			

The Cronbach’s coefficient alpha results before factor analysis for the nine items was 0.787 and after factor analysis it improved to 0.883. This was considered reliable and hence seven items were used for the study.

4.4 Descriptive Results

Access to Finance Descriptives

		SA	A	UD	D	SD	Mea	Std
I have received a loan from a bank	Fre	154	63	21	34	6	4.17	1.14
	%	55.4	22.7	7.6	12.2	2.2	83.4	
I have received a loan from a MF1	Fre	137	85	27	20	9	4.15	1.07
	%	49.3	30.6	9.7	7.2	3.2	83	
I have received a loan from women	Fre	139	80	26	23	10	4.13	1.11
	%	50	28.8	9.4	8.3	3.6	82.6	
Source of Finance	Aggregate Mean						4.15	83%
I have been required to give collateral	%	37.4	25.9	18.7	10.1	7.9	75	
	Fre	88	93	37	41	19	3.68	1.25
Collateral value had to be over loan	%	31.7	33.5	13.3	14.7	6.8	73.6	
	Collateral	Aggregate Mean						3.72
I received 100%of loan requested	Fre	108	95	30	37	8	3.93	1.13
	%	38.8	34.2	10.8	13.3	2.9	78.6	
I received top up amount in loan	Fre	119	71	27	39	22	3.81	1.33
	%	42.8	25.5	9.7	14	7.9	76.2	
Flexibility of Loan Amount	Aggregate Mean						3.87	77.4%
Access to Finance	Overall Aggregated Mean						3.91	78.2%

Overall the study findings indicated that 83.4% (mean=4.17) of the respondents were of the opinion that they have received a loan from a bank , 83% (mean=4.15) of the respondents were of the opinion they have received a loan from a MF1, 82.6% (mean=4.13) of the respondents were of the opinion that they have received a loan from women group , 78.6% (mean=3.93) of the respondents were of the opinion that they received 100%of loan requested , 76.2% (mean=3.81) of the respondents were of the opinion that they received top up amount in loan requested, 75% (mean=3.75) of the respondents were of the opinion that they have been required to give collateral for loans while 73.6% (mean=3.68) of the respondents were of the opinion that Collateral value had to be over loan taken.

Table 4.16: Access to Finance Summary of Descriptives

Access to Finance Variables		Mean	% Mean
Source of Finance	Aggregate Mean	4.15	83.0%
Collateral	Aggregate Mean	3.72	74.4%
Flexibility of loan amount	Aggregate Mean	3.87	77.4%
Total access to finance	Overall Aggregated Mean	3.91	78.2%

Study findings indicated that source of finance contributed 83% (mean = 4.15) to access of finance followed by flexibility of loan amount which contributed 77.4% (Mean =3.87) and

collateral which contributed 74.4% (mean 3.72). Overall, women entrepreneurs were of the opinion that access to finance is practices that affect performance of women entrepreneurs to an extent of 78.2% (mean = 3.91).

The findings that source of finance is an important determinant of strategic objectives relating to source of finance for women owned enterprises is interpreted to mean that Institutional finance for micro-entrepreneurs is fairly new, but informal financing schemes have a long history regionally. The most common source of enterprise start-up funds is usually from own savings which are supplemented by either gifts or informal loans from friends and relatives. The development of financial services for the small enterprise economy has proven a major challenge across the country. The formal financial institutions find offering services to this economy risky, costly and unprofitable. The access to finance is one of the key factors for development of SME.

5. Conclusions and Recommendations

Hypothesis testing

Coefficients ^a					
Model	Unstandardized B	Std. Error	Standardized Beta	t	Sig.
1 (Constant)	0.35	0.275		1.273	0.205
Access to Finance	0.077	0.044	0.097	1.758	0.003
Entrepreneurial Training	0.299	0.049	0.374	6.124	0.000
Market Access	0.147	0.079	0.109	1.857	0.005
Business Information	0.388	0.062	0.364	6.264	0.000

a. Dependent Variable: Performance of WoS

The study sought to test the hypothesis in the study and the results were presented

H₀₁: There is no statistically significant relationship between access to finance and performance among women owned SMEs in Eldoret

The results of multiple regressions indicated that access to finance had a significant relationship ($p = 0.003$) at 5 percent confidence with performance. Therefore, the null hypothesis was rejected.

Study findings indicated that 83.4% (mean=4.17) of the respondents were of the opinion that they have received a loan from a bank, 83% (mean=4.15) of the respondents were of the opinion they have received a loan from a MF1, 82.6% (mean=4.13) of the respondents were of the opinion that they have received a loan from women group, 78.6% (mean=3.93) of the respondents were of the opinion that they received 100% of loan requested, 76.2% (mean=3.81) of the respondents were of the opinion that they received top up amount in loan requested, 75% (mean=3.75) of the respondents were of the opinion that they have been required to give collateral for loans while 73.6% (mean=3.68) of the respondents were of the opinion that Collateral value had to be over loan taken.

Study findings indicated that source of finance contributed 83% (mean = 4.15) to access of finance followed by flexibility of loan amount which contributed 77.4% (Mean =3.87) and collateral which contributed 74.4% (mean 3.72). Overall, women entrepreneurs were of the opinion that access to finance is practices that affect performance of women entrepreneurs to an extent of 78.2% (mean = 3.91).

The study recommended that policies should be developed to support women access to finance by formal financial institutions. This can be done by the government providing funds for women to be accessed through SACCOs, providing incentives for MFIs and banks to provide loans to women owned enterprises and also NGO support for women owned enterprises

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