Factors that Influence Entrepreneurial Success among Women Groups: A Case Study of Makuyu Division

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Abstract

Women groups are a common phenomenon in most parts of the country but their role in economic growth is both misunderstood by many and also scantily documented. Women have for a long time been segregated by the society to the role of child bearing and home making. Women have formed women groups to enhance their wellbeing in the society. Once we recognize the role of women in wealth creation we shall begin to appreciate their immense contribution to the economy of the country hence become more supportive to their economic activities.

The general objective of this project was to identify the factors that influence entrepreneurial success among the women groups and specifically to measure the level of group cohesiveness as well as the level of entrepreneurial success among women groups in Makuyu Division of Murang’a County. The target population was the 55 women groups in Makuyu division of Murang’a County. Simple random sampling was used to identify a sample of 20 women groups. The methods used to gather data were interview, focus group discussion and observation while data was analyzed by among others content analysis in which the key themes were identified, as well as statistical representations such as percentages, and tables.

The research revealed that the women groups had high levels of cohesiveness as par the parameters used to measure this variable. The society held women groups with high esteem and appreciated what the women groups were doing to improve welfare of members of the society. This research recommended that the women groups needed entrepreneurial training to empower them, as well as more support especially from policy formulation for enhanced entrepreneurial success.

Keywords: Women groups, Cohesiveness, Entrepreneurial success
1.0. Introduction

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. Emancipation of women is a pre-requisite for nations’ economic development and social improvement. Poverty is the main obstacle for the improvement of the women. The role of women and the need to empower them are central to human development programs including poverty alleviation.

In India, rapid progress in Self Help Group formation has now turned into an empowerment movement among women across the country. Economic empowerment has resulted in women’s ability to influence or make decision, increased self-confidence, and better status and role in households. The empowerment of women through SHG is giving benefit not only to the individual women but also for the family and community as a whole through collective action for development (Hardeep Kaur and Navkiranjit Kaur 2012). In Gambia, women groups are the core of developmental activities. The role of women in micro financing for poverty alleviation has long been recognized as vital approach to household welfare and donor agencies and NGOs are promoting micro-finance through women’s groups (Saikou E. Sanyang & Wen-Chi Huang, 2008).

Ziyambi M.N. (1997), notes that the earliest women's groups in Zimbabwe were linked to missionary activity and the church. The Wesleyan Women's Groups and the Media in Zimbabwe Methodist Church women's Ruwadzano (fellowship) movement had taken hold in the then Southern Rhodesia by 1919. Other denominations soon followed suit. The primary aim of these groups was to teach African women about God (Ziyambi M.N. 1997)

The origin of women’s groups in Kenya is very varied. A detailed analysis is given by Were (1985). The mobilization of women in Kenya can be traced as far back as the women’s councils of the Kikuyu in the nineteenth century. During the first half of the 20th century women in areas like Vihiga, Kakamega, Kiambu, Murang’a and Machakos formed mutual assistance groups. Neighbors and relatives helped each other in birth, disease and death. In the late forties women’s clubs appeared as formalized and were the first to be organized in 1951 under the National Women’s Organization ‘Maendeleo ya Wanawake’ (Progress for Women) (Maas, 1991). MYWO which is the largest women’s organization or association in Kenya was set up by a small group of European women in the early 1950s to promote the advancement of African Women and to raise African living standards. It was organized following philanthropic model where white, middle-class women volunteers provided assistance to rural women’s clubs in welfare-oriented matters such as teaching home management, child care, sewing and knitting, embroidery and music among others. Mutoro (1997) observed that formation of women groups, especially with welfare objective was not a new phenomenon in North Maragoli. The aspect that was new for many women in that area was the formation of income-generating groups and the formalization of groups through registration.
The Timmons Model of Group Entrepreneurship considers opportunities, teams, and resources as the three critical factors available to an entrepreneur. The entrepreneur searches for an opportunity, and on finding it, shapes the opportunity into a high-potential venture by drawing up a team and gathering the required resources to start a business that capitalizes on the opportunity. The success of a business venture depends on the ability of the entrepreneur to balance these critical factors (Nayab, 2011).

A casual observation of women groups in Makuyu Division shows them to be more concerned with welfare matters for members such as purchase of water tanks, household items, food stuffs, paying own dowry locally called ‘Kamweretho’, paying school fees for members’ children among others. Some few of the women groups are involved in income generating activities such as offering catering services and hiring out equipment such as plastic seats and utensils, but their success and growth is not meaningful. Some of the women groups operate for a short period of time then disintegrate. This research was intended to investigate the factors that influence entrepreneurial success among the women groups in Makuyu division of Murang’a County.

1.1 Problem Statement

Women Groups are a common phenomenon among most Kenyan communities and their role in economic improvement of households has been controversial for long because some men have viewed them with suspicion due to their effect of economic empowerment of women. The 2009 Kenya population census revealed that the total population was 38,610,097. The number of males was 19,192,458 and females was 19,417,639. The total population of females was more than that of males by 225,181 (G.O.K., 2010). Women therefore are an important aspect of the country’s human resource. According to Mutoro (1997) formation of women groups, especially with welfare objective was not a new phenomenon in North Maragoli. The aspect that was new for many women in that area was the formation of income-generating groups.

Many men think that the role of women is still largely child bearing and home making and not active participation in wealth creation for their families. In some communities where traditions are held strongly, women are just one of the many properties that a man owns such as livestock and land. People have failed to notice, however that the empowerment of women through SHG is giving benefit not only to the individual women but also for the family and community as a whole through collective action for development (Hardeep Kaur & Navkiranjit Kaur, 2012). Once we understand the role of women in wealth creation through the women groups we will begin to see the answer to the problem of abject poverty and dependency on men that is prevalent among women in Kenya.
2.0 Literature Review

2.1 Theoretical Framework

This research work was informed by the Timmons model of Group Entrepreneurship which considers opportunities, teams, and resources as the three critical factors available to an entrepreneur. The entrepreneur searches for an opportunity, and on finding it, shapes the opportunity into a high-potential venture by drawing up a team and gathering the required resources to start a business that capitalizes on the opportunity. The success of a business venture depends on the ability of the entrepreneur to balance these critical factors Nayab (2011). Women groups basically draw their strength upon the team/group interactions among the members. But for this to happen, the leadership plays a key role in mobilizing a cohesive team of members towards adopting certain actions and decisions for the group to realize entrepreneurial success.

Conceptual Framework

![Diagram showing the relationship between Degree of group cohesiveness and Entrepreneurial success]

2.2 Degree of Cohesiveness

Cohesiveness refers to the bonding of group members and their desire to remain part of the group. It also refers to the degree of attraction of the group members for each other and the ‘we-feeling’ among the members. Luthans (2005). Plowman (2010) says that the first factor to consider in a group is how cohesive members are with one another. Once a team is highly cohesive, a member’s commitment and willingness to strive for excellence thrives. Team cohesion affects the extent to which members like one another, get along with each other, and trust and respect one another’s abilities and opinions.

Smaller groups and those who spend considerable time together tend to be more cohesive. Small groups of two to ten are thought to be more cohesive and effective because each member has ample opportunity to participate and become actively involved in the group. Generally speaking, the more difficult it is to obtain group membership the more cohesive the group. This can be indicated by the level of members turn-over hence a group with a low members turn-over within a given period of time like one year indicates strong cohesion and the converse applies. Level of attendance to meetings by members show how committed they are to the group hence low absenteeism is an indicator of strong cohesiveness in the group. Timeliness in attendance to group meetings shows how committed members are therefore lateness shows lack while being on time shows high level of cohesiveness.


2.3 Entrepreneurial Success

This was evaluated on the basis of the following factors: Profitability which was the degree to which the women groups perceived themselves as making profits as well as indebtedness/loan the groups were repaying, Social recognition which was the extent to which the women group members perceived themselves and how the society and own families considered them as capable persons or worthy citizens. Capacity utilization was the level of identification and utilization of available resources such as money, equipment and skills or knowledge among the women groups. Diversification was in terms of the number of main products and services offered by the women groups to the customers.

2.4 Critique Of Literature Relevant To This Study

Among the developing world, women’s groups have a long history from the pre-colonial, through the colonial and now post-colonial times. Saikou (2008) points out that in Gambia, women groups are the core of developmental activities. Donor agencies and NGOs are promoting micro-finance through women’s groups. According to Hardeep et al (2011), in India, rapid progress in Self Help Group formation has now turned into an empowerment movement among women across the country. Economic empowerment has resulted in women’s ability to influence or make decision, increased self-confidence, better status and role in household etc. In Kenya women’s group have their origin in the pre-colonial times Were (1985). Women Councils were formed in different communities. Their main preoccupation initially was housing improvement. After the houses were improved, the women undertook other activities according to their felt needs. Such other activities include purchase of building materials for water tanks construction, construction of rental houses and conducting sewing and knitting classes. A research carried out by Mutoro (2007) in North Maragoli revealed that formation of women groups, especially with welfare objective was not a new phenomenon. The aspect that was new for many women in that area was the formation of income-generating groups and the formalization of groups through registration. According to IFAD (2011), in Peru there is a women group called 'Maria Parada Bellido' which began its activities with support from the NGO, CARE and focuses on traditional handicrafts and bread baking.

3.0. Research Design

The research design adopted in this research was the exploros-descriptive. This was the intermarriage between descriptive and exploratory research designs. Descriptive research design was used to identify and obtain information on the characteristics of the women groups in relation to aspects of group entrepreneurship and in particular group cohesiveness. The presence and levels of these aspects were investigated as they appeared in the women groups using methods such as focus groups discussions, interviews with leaders of women groups and opinion leaders such as chiefs, church leaders and councilors. The women groups were studied and described as they were. Exploratory research design was used due to scarcity of previous researches conducted on the women groups in Makuyu Division. This was of help to identify
patterns and ideas concerning performance of the women and also in assessing applicability of the Timmons Group Entrepreneurship Theory. The explore-descriptive research design was instrumental in gathering both qualitative and quantitative data on the women groups for analysis.

The target population was the women groups in Makuyu Division of Murang’a County in the Republic of Kenya. The division covers approximately 335.9 square kilometers with a total population of 98,036. Males were 48,326 and females were 49,710. (G.O.K. 2010). The total number of registered women groups was 1,900. This research only dealt with the active women groups and activity in this context was determined by having renewed their registration for the year 2012 since very many of them appeared in the registration books but very few were on the ground. Under this category then the total number of women groups was 55. Simple random sampling technique was used to identify a suitable sample size of 20 women groups. The following tools were used to collect data: Structured interviews with leaders of women groups such as the chairpersons, treasurers and secretaries as well as with opinion leaders such as church pastors and local administrators; focus group discussions with members of women groups and lastly direct observation.

Pilot testing was undertaken by interviewing leaders of two women groups, one pastor, and one local administrator. Focus group discussions were conducted with members of the two women groups whose leaders had been interviewed. Observation guides were used to obtain data on the two women groups at the same time when interviews and focus group discussions were taking place. When data collection exercise was ended the raw data was thoroughly inspected for completeness. The qualitative data was analyzed by coding, and content analysis in which main themes that emerged were identified from responses to questions and summaries made. The quantitative data was analyzed through descriptive statistics so as to compute various statistics.

4.0 Research Findings And Discussions

4.1. Cohesiveness

This variable attempted to measure how cohesive the groups were. The key indicators for cohesiveness that were being evaluated were the size of the group, the level of members loving group activities, rate of members turn over and lastly the level of meeting set group targets. It was the view of this research that the greater the cohesiveness the greater the entrepreneurial success for the women groups.
Table 4.1. Size of the group

<table>
<thead>
<tr>
<th>No</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-10</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>11-20</td>
<td>14</td>
<td>70</td>
</tr>
<tr>
<td>More than 20</td>
<td>5</td>
<td>25</td>
</tr>
</tbody>
</table>

n=20 100

Out of the 20 women groups investigated, 1(5%) had membership between 1 and 10, 14 women groups had membership between 11-20, while 5 (5%) had membership of more than 20. The researcher attended some of the groups’ meetings during data collection and observed that most of the members attended most of the meetings without failure. Records from the secretaries of the groups also revealed that absenteeism was very low. However, discussions with individual group members revealed that apart from members attending the meetings in order to participate in group discussions, there were fines for lateness or absenteeism in cash which discouraged such acts from members.

Table 4.2. Level of members loving group activities

<table>
<thead>
<tr>
<th>Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>Moderate</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>High</td>
<td>14</td>
<td>70</td>
</tr>
</tbody>
</table>

n=20 100

On average, members from 3 women groups representing 15% never liked what their groups were involved in and would have preferred that their groups changed what they were doing, a similar figure applied for group members that sometimes liked what their groups were involved in and a majority, 14 women groups representing 70% always liked what their groups were involved in. Focus group discussions with members of the women groups revealed that majority of the members really liked what their groups were doing. Observations by the researcher also revealed that the group members were enthusiastic in their group activities, attended the group meetings on time and were actively involved in decision making.
Table 4.3. Members who had left in the past 6 months

<table>
<thead>
<tr>
<th>No</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>15</td>
<td>75</td>
</tr>
<tr>
<td>1</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>10</td>
</tr>
</tbody>
</table>

n=20 100

Group records kept by the secretaries of the women groups indicated that during the 6 months period prior to the time of data collection, 2 women groups representing 10% had 2 members leaving their groups, 3 women groups or 10% had 1 member each leaving and the vast majority, 15 women groups or 75% had not experienced any member leaving. On this account, the groups were highly cohesive.

Table 4.4. Level of meeting set group targets

<table>
<thead>
<tr>
<th>Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>Sometimes</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Always</td>
<td>15</td>
<td>75</td>
</tr>
</tbody>
</table>

n=20 100

From the above presentations, 3 women groups were never meeting their set targets which represented 15%, 2(10%) were sometimes meeting the set targets while the majority, 15 women groups representing 75% were always meeting the set group targets. The scenario was prevalent because of active participation of the group members during decision making. Records availed to the researcher by group leaders showed that the groups were meeting their targets for example the loans given to members and non-members were being repaid as expected most of the times.
4.5. Entrepreneurial Success

This was the dependent variable. This was the variable that was investigated on how it was influenced by the independent variables previously in this project. It was measured on the basis of the following parameters: members feeling to profit from the group activities, product success, social recognition and duration of operation.

Table 4.5. Members’ perception of benefiting from group activities

<table>
<thead>
<tr>
<th>Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Sometimes</td>
<td>17</td>
<td>85</td>
</tr>
<tr>
<td>Always</td>
<td>2</td>
<td>10</td>
</tr>
</tbody>
</table>

\( n=20 \quad 100 \)

Women groups were investigated on the basis of whether the members were feeling that they were benefiting from their group activities and the responses were that one group representing 5% was never feeling that they were benefiting, 2 women groups (10%) were sometimes feeling that they were benefiting and a massive 17 women groups or 85% were of the opinion that they were always benefiting from their group activities. Opinion leaders such as the chiefs, counselors and pastors who were contacted for their opinion were in praise for the women groups. They were of the opinion that the women groups were of great benefit to the society and hence needed to be encouraged.

Table 4.6 Products success

<table>
<thead>
<tr>
<th>Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Moderate</td>
<td>7</td>
<td>35</td>
</tr>
<tr>
<td>High</td>
<td>11</td>
<td>55</td>
</tr>
</tbody>
</table>

\( n=20 \quad 100 \)

Women groups were investigated on the basis of their products being successful in the market by way of being accepted by their consumers, their sustenance of a market niche and
profitability to the groups among others. On the basis of these indicators, 2 women groups were not successful representing 10%, 7 were sometimes successful while 11 women groups were successful representing 55%. Actual visits to women group income generation activities revealed that consumers of the products on offer were satisfied with the products. For example, children in one primary school where a women group was offering meals were very enthusiastic about the meals, and the school administration hinted that the school had recorded lower absenteeism from the pupils. Another visit to a water dispensing kiosk showed that the women group had many customers from the neighbourhood.

Table 4.7 Social recognition

<table>
<thead>
<tr>
<th>Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Moderate</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>High</td>
<td>17</td>
<td>85</td>
</tr>
</tbody>
</table>

n=20 100

Women were interrogated on the basis of being recognized by the society due to their involvement in the group activities. Opinion leaders were also asked whether they recognized activities of the women groups. On this basis, it was found out that on average 2 women groups representing 10% were not receiving social recognition, 1 women group or 5% was sometimes being recognized while a massive 17 women groups or 85% was highly respected and recognized by the society. Discussions with members of women groups also revealed that the women were now being held with high esteem by their spouses and the society at large. Opinion leaders also said that women who participated in activities of women groups tended to fare well in their homes, they contributed to wealth creation, some helped their husbands to begin family businesses while others assisted their husbands in paying fees for their children.
Table 4.8  Duration of operation

<table>
<thead>
<tr>
<th>Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Up to 18 months</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td>More than 2 years</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td><strong>(n=20)</strong></td>
<td></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Duration that the specific income generation activities had been in operation was used in this category. 5 women groups or 25% had been in operation for periods less than 1 year, 10 women groups had been operating their projects for periods up to 18 months while 5 women groups or 25% had been operating their activities for periods more than 2 years. On this account, it was evident that the women groups were relatively successful in their entrepreneurial endeavours.

5.0 Summary, Conclusions And Recommendations

5.1. Summary

5.1.1 Degree Of Cohesiveness

According to the findings of this research, 70% of the women groups had members loving very much their group activities and only 15% of the groups had members not liking what they were involved in. Group members attended group meetings without fail most of the times. There was low member turn-over among the groups since 75% of the groups had not lost a single member within 6 months prior to undertaking of this research. The groups were also relatively small in membership since 70% of them had membership of between 11 and 20. On meeting group targets, 75% of the groups were scoring highly while 15% were not meeting the set targets.

5.1.2. Entrepreneurial Success

This research measured success in terms of social recognition groups members were receiving, duration of operation of income generation activity, product success and level of members feeling to be benefiting from group activities. On the basis of social recognition, 85% of the groups were being held with high esteem by the society which meant they were doing the right thing. And this was consistent with findings by Hardeep Kaur & Navkiranjit Kaur, (2012) as well as those by IFAD (2011) in Peru. 25% of the groups had been operating specific income generation activities for periods more than 2 years while 50% had been in operation for periods of up to 18 months. Product success was high among 55% of the groups and low among 10%.
On the basis of women considering themselves as benefiting from their group membership, 85% of them considered themselves as sometimes benefitting and only 5% considered their membership as not of benefit to them.

5.2. Conclusion

The research findings revealed that women groups in Makuyu Division of Murang’a County were having high levels of group cohesiveness which is essential for entrepreneurial success. Women groups had relatively manageable memberships and the group members really liked their group activities and hence the rate of member turn-over was low. The society recognized the role played by the women groups in improving wellbeing of the communities hence the opinion leaders were in high praise of the women groups and pointed out that they supported activities of the groups and encouraged women in their areas of jurisdiction to join women groups. The women groups were relatively successful in their entrepreneurial endeavors but they could perform much better. Members of the groups considered themselves to be benefiting from group activities. The Timmons’ theory of group entrepreneurship that informed this research considered three important factors for entrepreneurial growth and success which are opportunities, teams and resources. In the light of this, the research revealed that the women groups in Makuyu Division of Murang’a County were recording high levels of cohesiveness which was contributing to their entrepreneurial success.

5.3. Recommendations

Based on the findings and conclusions in this research, the following were recommended:
ii) The government, society and particularly men need to be more supportive to activities of women groups.
iii) Women groups require appropriate entrepreneurial training so that they can experience more success and hence avoid obvious mistakes that were identified during this research.

The researcher recommends as areas for further research the following:
ii) The role the society plays in success/failure of organized groups such as the women groups.
iii) Influence of other factors that were found to play a role in entrepreneurial success of women groups such as leadership styles of leaders of women groups, age and marital status of group members as well as the educational background of the members.

Acknowledgment

God made me make the right decision to study Entrepreneurship and in JKUAT. Many people were influential during my study: my supervisor, Professor Henry Bwisa was always so kind and helpful. He responded to my mails within minutes which made it possible for me to progress very fast and really enjoy my work. My spouse, Martina Zighe Mwawughanga decided to take me back to school and made sure all fees were paid in good time as well as creating a conducive environment for study, hence I was her project. My children always reminded me to complete my ‘homework’ in time and insisted I must excel now that I had ‘repeated’ college. A good
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