



Journal of International Business, Innovation and Strategic Management

2019: 2 (3): 35 - 50

ISSN: 2617-1805

Factors Contributing to the Growth of Cereals Enterprises Owned by Women in Meru County. A Survey of Enterprises in Nkubu Town

* Arthur G. Rimbere, ¹Eric Mutiria & ²Moses Githinji

^{*1,2}Kenya Methodist University

*E-mail of the Corresponding Author: rimberega@gmail.com

To Cite this Article:

Rimbere, A.G., Mutiria, E. & Githinji, M. (2019). Factors Contributing to the Growth of Cereals Enterprises Owned by Women in Meru County. A Survey of Enterprises in Nkubu Town. *Journal of International Business, Innovation and Strategic Management*, 2 (3): 35 - 50

Abstract

Entrepreneurship growth practices are being witnessed in every country in response to changes in global competitiveness and advancement in technology. It is against this reason that this research was being undertaken to analyze factors inhibiting the growth of cereals enterprises owned by women in Nkubu Town in Meru County. The study was guided by the following specific objectives: To establish whether access to finance, access to infrastructure, and managerial capacity and entrepreneur innovation inhibiting the growth of cereals enterprises owned by women in Nkubu Town in Meru County. The study adopted descriptive research designs with owners of cereals enterprises owned by women in Nkubu Town in Meru County, Kenya 104 owners, managers and employees being the target population. Stratified sampling was used in this study; self-administered questionnaires were used as data collection instruments. The questionnaires were pre-tested for reliability and validity. Qualitative and quantitative data was analyzed by the help of Statistical package for social Sciences software (SPSS) Version 23. Data was analyzed using descriptive and inferential statistics.

1 | Page



This work is licensed under a Creative Commons Attribution Non- Commercial 4.0 International License.

Inferential analysis entailed multiple regression and correlation analysis to assess the strength of the relationships between the specified variables. The result indicated that, collectively access to finance has the highest positive influence on enterprise growth, followed by entrepreneur innovation, managerial capacity and access to infrastructure. The study recommends that financial institutions should be in a position to give loans and other credit facilities and financial advisory services to SME'S in order to equip them with knowledge on financial management to help them expand their businesses.

Keywords: *Access to Finance, Infrastructure, Managerial Capacity, Entrepreneur, SME's*

BACKGROUND OF THE STUDY

Economic growth of any country significantly is linked with Entrepreneurs. These are the persons with problem solving skills, necessary capital and ability to generate new ideas in marketing to promote their products and services and also make the right decisions to ensure that the ideas are profit oriented. However, the achievements and success in business as well as profit are the motivated factors of entrepreneurs Rashid et al., (2015). Successful entrepreneur is always leading their business towards continuous improvement through creativity and innovation in producing new and existing products or services. "Women entrepreneurs are women that can play a noteworthy part to increase the social and economic development, especially in the small & medium businesses" (Ahmed, 2014).

Women owned SMEs in Somalia are greatly increasing in the economies of nearly in all regions of the country. The unknown potentials of women entrepreneurial have progressively been altering with the rising sensitivity to the role and economic status in the society. Women were seemed to be dominated to helping men in financial providing, leadership as well as in social needs in Somalia in an autocratic manner but after that they start various businesses in diverse sectors. Particularly, they are considered as the backbone of country economy as well as for the family and household. Over the last two decades Somali married and unmarried women became major economic providers to the families. Studies have shown that women have continued to play a key role in the economies of their societies globally through micro and small enterprises (World Bank, 2014). A survey of historical studies reveal that women have played significant role in production of goods and their distribution. However, the place of women in the production and distribution process has been undervalued and continues to face structural challenges (Mokebo, 2015). Comparative studies have indicated that women-owned micro enterprises are few in comparison with those owned by men. This is a clear evidence of economic inequality in contemporary times (Mungumi, 2016).

These gender inequalities in micro enterprise and other property ownership in international, regional and local levels has been attributed to structural barriers facing women-owned micro enterprises (Chege, 2014). Studies have revealed that globally, women-owned micro enterprises experience commonalities of structural factors that affect the growth of their micro-enterprises. However, certain factors affecting the growth of women-owned micro enterprises are region, ethnic and historically specific (Balaton-Chrimes, 2015). As indicated by Abdul Ghafour (2014) approximately SR 62 billion is owned by Saudi females in bank accounts and unused funds; in Saudi Arabia there are 23,000 female entrepreneurs (Alshemari, 2015). Women made some very important offerings to Jeddah Economic Forum in 2004. It is also commendable that 10 Muslim women business officials from Middle



East were among those in the 100 Most Powerful in the World in 2008 compiled by Forbes magazine even though they are confronted with so many hurdles and obstacles. In addition, Saudi women have the potential to take part in business and as a result of the recent so called Saudization policy; unfortunately, women are not represented in large numbers in business, especially as owners, operators and managers and executives, which too often makes females secondary in today's Saudi Arabia. In Kenya, SMEs contributed in employment creation, poverty reduction and 18 percent of Kenya's national wealth (Economic Survey, 2010; NGEC, 2016). As a result, Kenya's developmental strategy has been oriented in playing a facilitative role that will enable SMEs to grow (Owino, 2012; National Gender and Equality Commission, 2016). The main challenges faced by SMEs lie on the start-up and early stages of their growth hence this stage of growth is critical for entrepreneurial involvement and risk of failure (Mbungu, 2013).

According to McCormick (2014) and Mumaraki, (2015), women-owned enterprises that started small tend to remain small and very little transformation occurs among them. Existing data shows that women-owned enterprises in the country suffer from high mortality rates, operate informally thus incur the penalties of informality and rarely grow to high value-adding activities (GoK, 2005; Mosioma, 2013; Chege, 2014; NGEC, 2016). These assumptions are relevant in interrogating the factors affecting Nubian women-owned micro enterprises given the suggestion by scholars on the need for detailed analysis on the factors affecting women entrepreneurs at both the national and grass root levels in Kenya (Mosioma, 2015; Mumaraki, 2015).

STATEMENT OF THE PROBLEM

Despite the fact that women comprise the majority of the population and undertake nearly two-thirds of productive work globally, they are marginalized in receiving the world's income and property ownership (Kanja, 2013). The government of Kenya and developmental agencies came up with a number of strategies to enhance the growth of women-owned micro enterprises at both the national and grass root levels (Chege, 2012; NGEC, 2016). However, majority of these interventions were on women entrepreneurs in general or area studies (Malusi, 2012; Balaton-Chrimes, 2015). Women entrepreneurs from marginalized groups have not yet received adequate focus in both intervention and scholarly analysis on the factors affecting the growth of their micro enterprises (Equal Rights Trust, 2014).

It should be noted that as women economic empowerment becomes increasingly of much concern, lack of information on factors affecting the management of WGs MSEs in Kenya is also becoming an increasing concern to the government and stakeholders. It is against this background of failure and lack of sustainability of most WGs MSEs, coupled with lack of enough information about the MSEs management in Kenya, that the need to research in this field was considered important like never before. Within this study, particular emphasis is placed on gender issues that relate to the management of MSEs by women (Makoha, 2012).

The present study addresses these problems by examining structural, cultural, and social factors that affect Kenyan women's abilities to become entrepreneurs. Moreover, the present study tries to fill this gap in research by giving a voice to women in Nkubu town who are already entrepreneurs or who wish to embark on this journey in the near future. This study therefore sought to fill this research gap by examining factors inhibiting the growth of cereals enterprises owned by women in Nkubu Town, Meru County.



LITERATURE REVIEW

Theoretical Framework

Feminists of all persuasions agree that women are marginalized in many aspects of life and that there is need to organize for change (Mokebo, 2015). The feminist theories use gender as a tool of analyzing the society, institutions and structures to uncover unequal power relations between men and women. The subordination of women in economic activity has been associated with the private and public sphere ideology (ibid). The liberal feminist theory is rooted in liberal political philosophy which encompasses basic beliefs in the equality of human beings on the basis that they are all essentially rational and self-interest seeking agents (Mokebo, 2015). The theory further attributes the gender based differences to the variations in power and opportunities accorded to men and women in the society. The theory attributes the differences in the achievement between men and women to the denial of women to equal access to opportunities in the labour market and resource ownership. This denial of equality between the sexes has resulted to the inability of women to explore their full potential (NGEC, 2016).

The entrepreneur is the main driver in economic development (Asen, 2016). The entrepreneur enhances growth of enterprise through employing innovative strategies in economic ventures. On the other hand, the role of institutions in economic development is through playing a facilitative role for instance in provision of funding to the entrepreneur (ibid). Scholars have paused that the key functions of an entrepreneur is to adopt diversification strategies, introduce new production models, sources of acquisition of raw materials or manufactured goods. The entrepreneur is tasked further with creation of monopoly where it does not exist or breaking one where it exists (Crotoru, 2002; Asen, 2016). Additionally, Schumpeter posed that technological change that embraces new production and market designs are embedded in systems of creative destruction to achieve greater development.

The focus of behavioral theory is to explain the relationship between leaders' behaviors, group performance and satisfaction. A number of studies exist on the factors affecting the effectiveness and the effect of the leader on the employees. These studies show that there is a significant relationship between the leaders' behavior, employee satisfaction and enterprise growth (Sikujua, 2014). This view was relevant in assessing how entrepreneurship characteristics affected micro enterprise growth. Grand theory of human development that studies observable behavior describes the laws and processes by which behavior is learned. School of psychology and theoretical viewpoint that emphasizes the study of observable behaviors, especially as they pertain to the process of "learning." Rejected the emphasis on "consciousness" promoted by structuralism and functionalism. Also flatly rejected "Freudian" notions about unconscious influences. Insists that only observable behavior should form the object of study, as this can be witnessed, described, and measured in objective terms

Empirical Literature Review

Finding start-up finance for the business is the biggest hurdle that many entrepreneurs go through. Even after getting started, getting sufficient finance to sustain business growth is another problem. Research findings by McCormick et al (1996), Daniels et al (2003) Kinyanjui (2006) show how SMEs are constrained by finance. Studies undertaken by Kiiru, Mirero and Masaviro (1988) for Kenya Rural Enterprise Programme (K-Rep) confirm that a major constraint within the small business enterprise sector is financing. In the study carried in Nairobi among small manufacturing enterprises, Nyambura (1992) established that finance was rated among the biggest problem. In South Africa Eeden (2014) found finance as cited as one of the most prominent constrains. The



problem related to finance includes lack of information on where to source for finance, restrictive lending offered by commercial banks, lack of access to finance, insufficient financing, lack of track record required by the banks, limited access to collateral, and the fact that financial institutions lack appropriate structure for dealing with SMEs.

Insufficient financing is as much a problem as lack of finance and as a result of scarcity of finance, small enterprises are unable to expand, modernize or meet urgent orders from customers. The profit Margins are usually little to support growth. Harper (2015) notes that businesses like grain millers and tailors are unable to compete with large manufactures of ready-made goods because they have to wait until a customer provides them with raw material or money to buy it. Some may be unable to get started until a customer pays the deposit, which will be used to buy the raw material. Bennet (2014) defines management as concerned with the deployment of material, human and finance resources with the design of organization structure. Haimann (2015) looks at management as a process of getting tasks accomplished with and through people by guiding and motivating their efforts. Cant and Lightelm (2013) in a survey of small business failure maintain. Thapa (2017) found a positive association between education and small business success. The likelihood of failure was also found to be associated with the owner/manager’s work experience prior to business launch and education.

Conceptual Framework

Independent Variables

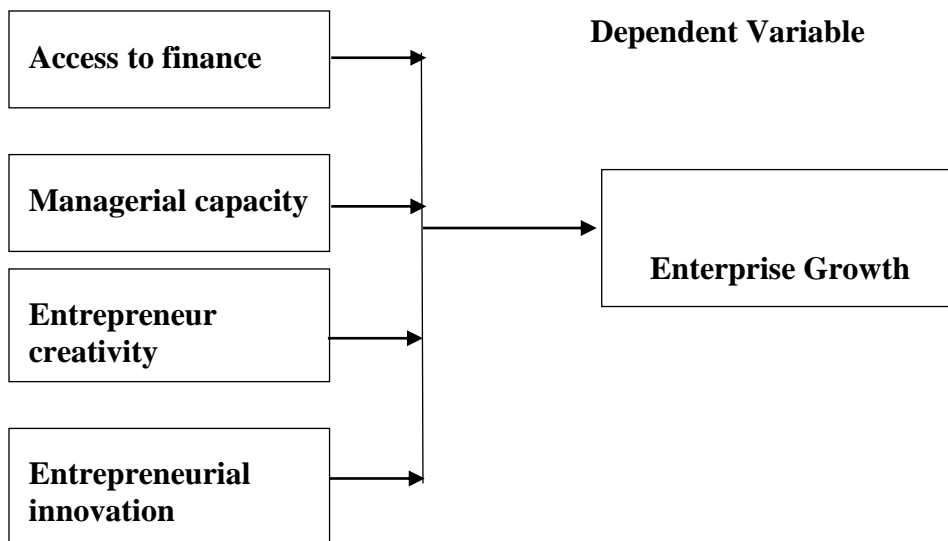


Figure 1: Conceptual Framework



RESEARCH METHODOLOGY

A research design will typically include how data is to be collected, what instruments will be employed, how the instruments will be used and the intended means for analyzing data collected (Kothari, 2014). The target population was enterprise owners, managers, and employees in Nkubu Town in Meru County. A combination of stratified random sampling and simple random sampling will be used in this study. Stratified sampling will be used to ensure representation from the different respondents constituting the strata to arrive at the determined sample size. Individual respondents will be sampled on a stratified random sampling method categorically. Stratified random sampling technique will be employed at all the cereals traders in Nkubu Town in Meru County.

The researcher used questionnaire to collect primary data. The questionnaire as data collection instrument assisted in collection of information from the respondents without affecting their day schedules since they was able to answer the questions at their own free time. Multiple regression was used to help indicate if independent variables have a significant relationship with enterprise growth and to indicate the relative strength of different independent variables' effects on organization growth. The Statistical Package for Social Scientists (SPSS) computer software was used specifically for the purpose of analyzing the quantitative data and presenting it inform of table, figures and graphs. The empirical model to be used is mathematically expressed as:

$$Y = C + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where:

Y = Enterprise Growth

C = Constant

X₁ - X₄ = Co-efficient

X₁ = Access to finance

X₂ = Managerial capacity

X₃ = Entrepreneur creativity

X₄ = Entrepreneurial innovation

ε = Error term

RESULTS AND DISCUSSIONS

The target population was enterprise owners, managers, and employees in Nkubu Town, Meru County. The sample size was 82 respondents. Out of 82 questionnaires administered, being the sample size of the study, a total of 56 questionnaires were filled and returned, this gave a response rate of 68.29%, which is a greater response rate a recommended by Mugenda and Mugenda (2003) prescribed as a significant response at a minimum value of 50%.



Descriptive Analysis

This section presents descriptive analysis findings on the independent (access to finance, managerial capacity, access to infrastructure, entrepreneur innovation) and dependent variables (Enterprise growth) of the study.

Enterprise Growth

The study respondents were requested to show their level of agreement with the statements in relation to enterprise growth. The results are shown in table 1 below

Table 1: Descriptive Statistics for Enterprise Growth

	N	Mean	Std. Deviation
There is constant increase in sales in our business	56	3.80	1.566
Cost reduction measures have improved business performance	56	4.32	.956
Stock value has always been increasing	56	4.50	1.062
Our business have been expanding	56	4.29	1.246
We have many customers as a result of our customer retention strategy	56	4.75	.477
Valid N (list wise)	56		

Source: Researcher (2019)

The analysis in table 1 shows that the majority who scored the highest mean of 4.75 and a standard deviation of 0.477 agreed that they have many customers as a result of our customer retention strategy. This was closely followed by those who too agreed that Stock value has always been increasing mean of (4.50) and a standard deviation of (1.062). Further more respondents agreed cost reduction measures have improved business performance with a mean of (4.32) and a standard deviation of (0.956). Our business has been expanding at a mean of (4.29) and a standard deviation of (1.246), and There is constant increase in sales in our business mean (3.80) and a standard deviation of (1.566).

Influence of Access to Finance on Enterprise Growth

The respondents were requested to show their level of agreement with the statements in relation to influence of access to finance on enterprise growth. The results are as shown in table 2.



Table 2: Access to Finance and Enterprise Growth

	N	Mean	Standard deviation
We do not experience any difficulty in accessing finance	56	4.57	.499
Access to capital exposes my business to better opportunities	56	4.30	.807
Accessibility to capital has led to improved business performance	56	4.39	.493
Access to business information has led to improved business performance	56	3.88	.974
I do attend trainings on how to run business finances	56	4.50	.632

Access to finance has been acknowledged to be one of the factors that influence enterprise growth in Nkubu Town, Meru County. The study wanted to establish the claim. The respondents were therefore required to rate their responses on a likert scale of 1-5 where: 5= Strongly Agree; 4= Agree; 3= Undecided; 2= Disagree; 1=Strongly Disagree. The analysis in table 4.8 below shows that the majority who scored the highest mean of (4.57) and a standard deviation of (0.499) agreed that they do not experience any difficulty in accessing finance. This was closely followed by I do attend trainings on how to run business finances with a mean of (4.50) and a standard deviation of (0.632). Further more respondents agreed that Accessibility to capital has led to improved business performance with a mean of (4.39) and a standard deviation of (0.493), and Access to capital exposes my business to better opportunities at a mean of (4.30) and a standard deviation of (0.807). Access to business information has led to improved business performance at a mean of (3.88) and a standard deviation of (0.974). This finding agrees with Eden (2014) found finance as cited as one of the most prominent constraints. The problem related to finance includes lack of information on where to source for finance, restrictive lending offered by commercial banks, lack of access to finance, insufficient financing, lack of track record required by the banks, limited access to collateral, and the fact that financial institutions lack appropriate structure for dealing with SMEs.

Insufficient financing is as much a problem as lack of finance and as a result of scarcity of finance, small enterprises are unable to expand, modernize or meet urgent orders from customers. The profit Margins are usually little to support growth. Harper (2015) notes that businesses like grain millers and tailors are unable to compete with large manufactures of ready-made goods because they have to wait until a customer provides them with raw material or money to buy it. Some may be unable to get started until a customer pays the deposit, which will be used to buy the raw material.

Influence of Managerial Capacity on Enterprise Growth

The respondents were requested to show their level of agreement with the statements in relation to managerial capacity. The results are as shown in Table 3



Table 3: Managerial Capacity and Enterprise growth

	N	Mean	Standard Deviation
Availability of managerial skills and experience affect my business performance	56	4.59	.496
Training on management skills are required in my business	56	4.11	.623
I get trained on business management skills frequently	56	4.38	.558
Managerial skills is a key determinant in enterprise growth	56	4.25	.769

Managerial Capacity has been acknowledged to be one of the factors that influence enterprise growth in Nkubu Town, Meru County. The respondents were therefore required to rate their responses on a likert scale of 1-5 where: 5= Strongly Agree; 4= Agree; 3= Undecided; 2= Disagree; 1=Strongly Disagree. The analysis in table 4.9 below shows that all the respondents in the category agreed that; Availability of managerial skills and experience affect my business performance, at a mean of (4.59) and a standard deviation of (.496), I get trained on business management skills frequently at a mean of (4.38) and a standard deviation of (.558), Managerial skills is a key determinant in enterprise growth at a mean of (4.25) and a standard deviation of (.769). Training on management skills are required in my business with a mean of (4.11) and a standard deviation of (.623). This finding agrees with Thapa (2017) found a positive association between education and small business success. The likelihood of failure was also found to be associated with the owner/manager’s work experience prior to business launch and education. Human capital is the most critical agent of SME performance. The recruitment of academically qualified employees is a necessary start for sustainable human capital development in all organizations. Human capacity has become a critical index of competition in the world of business to the extent that the development of such capacities through training has become top priority in designing the strategic plan of business organizations.

Access to Infrastructure and Enterprise Growth

The respondents were requested to show their level of agreement with the statements in relation to access to infrastructure. The results are as shown in table 4

Table 4: Access to Infrastructure and Enterprise Growth

	N	Mean	Standard Deviation
There is sufficient light in the allocated working space	56	4.21	.889
Working space allocated is accessible	56	4.02	.904
Good road network is available to us around Nkubu Market to bring stocks	56	4.05	.444
Infrastructure affects performance in our business	56	4.12	.715

Access to Infrastructure has been acknowledged to be one of the factors that influence enterprise growth in Nkubu Town, Meru County. The respondents were therefore required to rate their responses on a likert scale of 1-5 where: 5= Strongly Agree; 4= Agree; 3= Undecided; 2= Disagree; 1=Strongly Disagree majority the respondents agreed that There is sufficient light in the allocated working space at a mean of (4.21) and a standard deviation of (0.889), Infrastructure affects performance in our business at a mean of (4.12) and a standard deviation of



(0.715), Good road network is available to us around Nkubu Market to bring stocks, at a mean of (4.05) and a standard deviation of (0.444). Working space allocated is accessible at a mean of (4.02) and a standard deviation of (.904). This finding agrees with study done by Ombura (2016) points out that infrastructure networks are useful instruments within network economies. Infrastructure and related services help to make things happen, it feeds and it is fed by trade, it fuels foreign direct investment, it backs up the creation and sustainability of industrial clusters, it cuts costs and raises competitiveness. A spatial planning approach ensures the most efficient use of land by balancing competing demands within the context of sustainable development (Roze, 2013). It becomes an ongoing, enduring process of managing change by a range of actors, in the interests of sustainable development. This makes efforts to promote industrial development extremely urgent and rural focused (Kinyua, 2014)

Entrepreneur Innovation and Enterprise Growth

The respondents were requested to show their level of agreement with the statements in relation to entrepreneur innovation. The results are as shown in table 5

Table 5: *Entrepreneur Innovation and Enterprise Growth*

	N	Mean	Standard Deviation
There is constant increase in sales in our business as a result of innovation	56	4.21	.889
Innovative measures have improved business performance	56	4.02	.904
Stock value has always been increasing as a result of value addition	56	4.05	.444
Our business have been expanding	56	4.12	.715
We have many customers as a result of our innovative initiative	56	4.01	.772

Entrepreneur Innovation has been acknowledged to be one of the factors that influence enterprise growth in Nkubu Town, Meru County. The respondents were therefore required to rate their responses on a likert scale of 1-5 where: 5= Strongly Agree; 4= Agree; 3= Undecided; 2= Disagree; 1= Strongly Disagree. Majority the respondents agreed that there is constant increase in sales in our business as a result of innovation at a mean of (4.21) and a standard deviation of (0.889), our business have been expanding at a mean of (4.12) and a standard deviation of (0.715), Stock value has always been increasing as a result of value addition, at a mean of (4.05) and a standard deviation of (0.444). Innovative measures have improved business performance at a mean of (4.02) and a standard deviation of (.904). This finding agrees with study done by Mugo (2015) to investigate factors affecting women entrepreneurs' performance in Central Business District (CBD) of the city of Nairobi, had the objectives, to assess the financial accessibility, assess the effect of record keeping challenges, to establish effect of budgeting on financial factors affecting women entrepreneurs' performance, and to establish the effect of working capital management on the women entrepreneurs' performance.



The study also identifies other factors affecting performance of women entrepreneurs as, lack of entrepreneurial training and education, outdated technology on women, poor access to markets, mismanagement of resources by women, lack of management skills and fraud. The study identifies innovation as the major impediment affecting performance of women entrepreneurs. It recommends that banks should develop a product for women entrepreneurs that are special to allow them access loans. It further recommends that government should offer business training to women and that it should have good policies in support of women entrepreneurs. The study advocates for women education through seminars to help them keep proper records which shows proper business operation, and help them assess the business margins and mark-up to weigh the rate of business returns on their own

Hypothesis Testing

This section of the study presents findings on regression, analysis of variance and co-efficient of determination.

Relationship between independent variables

Table 6: Relationship between independent variables

		Enterprise Growth	Managerial Capacity	Access to finance	Access to infrastructure	Entrepreneur innovation
Enterprise Growth	Pearson Correlation	1				
Managerial Capacity	Pearson Correlation	.581**	1			
Access to finance	Pearson Correlation	.664**	0.136	1		
Access to infrastructure	Pearson Correlation	.504**	0.047	0.121	1	
Entrepreneur innovation	Pearson Correlation	.736**	-0.21	0.152	-0.113	1
	Sig. (2-tailed)	0.007	0.12	0.263	0.406	
	N	56	56	56	56	56

The findings in the Table 6 indicate that there is a positive correlation between managerial capacity and enterprise growth in women enterprises at significant 0.05 level, the strength is average, at 58.1 %. The same findings show that there a positive correlation between access to finance and enterprise growth at significant 0.05 level, the strength is though strong, at 66.4%. The findings continue to signify that there is a positive correlation between Access to infrastructure and enterprise grow that significant 0.05 level, the strength is though average, at 50.4%. The findings postulate that there is a strong positive correlation between information Entrepreneur innovation and enterprise grow that significant 0.05 level, the strength is average at 73.6%.



Relationship between dependent and independent variables

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.787 ^a	.619	.379	.669

a. Predictors: (Constant), Access to finance, Managerial Capacity, Access to infrastructure, Entrepreneur innovation

b. Dependent Variable: Enterprise growth

Referring to table 7 the study establishes the R to be 0.619 implying that 61.9%, of enterprise growth of regulatory parastatals in Nkubu town is explained by Access to finance, Managerial Capacity, Access to infrastructure, Entrepreneur innovation leaving 29.1% unexplained. This implies to some extent that there is strong explanatory power for the whole regression. Therefore future researchers should carry studies to find out other factors(29.1%)influencing enterprise growth other than (Access to finance, Managerial Capacity, Access to infrastructure, Entrepreneur innovation) affecting enterprise growth of women enterprises in Nkubu Town.

Table 8: Relationship between independent variables

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.282	4	4.821	20.780	.003 ^b
	Residual	11.843	51	.232		
	Total	31.125	55			

a. Dependent Variable: Enterprise growth

b. Predictors: (Constant), Access to finance, Managerial Capacity, Access to infrastructure, Entrepreneur innovation

The probability value of $p < 0.00$ indicates that the regression relationship was highly significant in predicting how managerial competence, resource allocation, organization structure, information communication technology enterprise growth in cereal enterprises in Nkubu Market Meru County.



Table 10: Relationship between dependent and independent variables

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.877	1.510		.581	.564
	Managerial Capacity	.447	.202	.293	2.216	.031
	Entrepreneur Innovation	.483	.191	.319	2.534	.014
	Access to infrastructure	.230	.111	.272	2.080	.043
	Access to finance	.614	.191	.410	3.219	.002

a. Dependent Variable: Enterprise growth

Specifically, access to finance has the highest positive influence on enterprise growth, followed by entrepreneur innovation, managerial capacity, and access to infrastructure. Individual significance of the predictor variables was tested using t-test. The findings reveal that Access to finance, Managerial Capacity, Access to infrastructure, Entrepreneur innovation were individually statistically significantly related to enterprise growth-value<0.05.Hence all the hypotheses were rejected.

CONCLUSION

It can therefore be concluded that an increase in the probability of implementing the development concept according to the assumptions is affected by actions taken by managerial competence to reduce the employee's resistance to changes. In this regard, the role of managers may include different levels of employee involvement from an extensive information policy, through participation in strategic projects or budget building, to decision-making powers associated with the manner of influence on strategy implementation. It also appears that an important role is played by operational activities aimed at ensuring a clear delegation of power by appointing a person or a special team responsible for overseeing and coordinating because it affects strategy implementation process.

However, it seems that these are not key elements that determine the success of the process. They perform a rather secondary meaning in relation to other implementation barriers or actions supporting the strategy implementation. The role of managers affect strategy implementation process is complex and involves many aspects both of operational and strategic nature. Therefore it is essential to ensure the consistency of the actions taken. As shown by the results of this study, this is not determined by the knowledge or experience, but rather by the awareness of how the functions performed may contribute to the achievement of a long-term success.

Entrepreneurs should take themselves out of the routine activities by providing the functional heads full authority and control. Functional heads and middle managers should be delegated with the power of decision making at their levels with full responsibility and accountability for their actions. Entrepreneurs should concentrate and focus increasingly on strategic issues, such as, handling policy matters; devising and monitoring strategies and plans;



setting goals for themselves and their functional heads; identifying, acquiring, and allocating resources; monitoring and controlling; overseeing fundraising and making financial arrangements; making negotiations and policies; identifying and implementing new markets and new products; building and strengthening social networks; implementing human resource policies, growth options, and strategies; determining motivational and morale-building aspects of their workforce; and observing and responding to competitors' activities and market trends.

Poor infrastructure and high transport costs are often identified as a key constraint for enterprise development in low-income countries .manufacturing firms are intensive users of infrastructure services, so if such services are poor quality or high cost manufacturing will be at a comparative disadvantage. The study also concludes that an individual's innovativeness affects enterprise growth and development of the business. Through innovations, SMEs are able to deliver quality services to their customers that outperform their competitors. This gives the SMES an added competitive advantage. The study finally concludes that the registration process and policies affected enterprise growth and that licensing was very challenging. Through registration, the SMEs could gain advantages like accessing credit from financial institutions as their businesses could act as security.

RECOMMENDATION

The study recommends that financial institutions should be in a position to give loans and other credit facilities and financial advisory services to SME'S in order to equip them with knowledge on financial management to help them expand their businesses. The financial institutions should assess the entrepreneur's credit worthiness before issuing loans and they should not assess factors as gender and an individual's age. Secondly, Entrepreneurs in the cereals sector should ensure there is a training policy in the organization, and the policy should clearly indicate content of training, time of training, trainer of trainers, training technique, in order to give the employees information of the type of training that will be given to them for the employees to gain knowledge, skills and attitude for efficient business performance. The management of the Small and Medium enterprise's should ensure that their employees are thoroughly trained on issues that can increase the organization's productivity, such as customer relations, marketing, information technology etc., in order for the employees to acquire knowledge, skills and attitudes. The study also found out that an individual's innovativeness affects SME growth and development of the business, it therefore recommends that the stakeholders should provide funds to enable innovativeness.

CONFLICT OF INTEREST

No potential conflict of interest was recorded by the Authors

REFERENCES

- Ambaka, J.B. (2013). An Investigation on the Constraints that affect Performance of Women Entrepreneurs in the Informal Sector (A Case Study of Mathare, Nairobi Province).Master of Business Administration Research Project of Kenyatta University.
- Anyango, J. (2015). Constraints Affecting Women in Micro and Small Enterprises in KaspulKapondo Constituency, Homa Bay County, Kenya.MA Thesis of Kenyatta University.
- Asen, S.A. (2016). Women Entrepreneur's Participation and Poverty Reduction in Bauchi State, Nigeria.PhD Thesis in Business Administration of Kenyatta University.



- Balaton-Chrimes, S. (2015). Ethnicity, Democracy and Citizenship in Africa: Political Marginalisation of the Kenyan Nubians. Ashgate, Aldershot.
- Bernard, H.R and Ryan, G.W. (2010).Analysing Qualitative Data: Systematic Approaches. Los Angeles. London. New Delhi. Singapore. Washington DC: Sage Publications, Inc.
- Bianchi, R.S. (2014). Daily Life of the Nubians. Greenwood Publishing Group. pp. 2, 5.
- Bitutu S.O. (2017). Constraints facing the micro and small enterprises: A case study of selected small enterprises in Mwiki, Kasarani, Kenya. MBA research project of Kenyatta University.
- Bowen, M., Morara, M. &Mureithi, S. (2016). Management of Business Challenges Among Small and Micro enterprises in Nairobi, Kenya. KCA Journal of Business Management 2 (1)
- Central Bureau of Statistics, International Centre for Economic Growth and K-REP Holdings Ltd. (2015).National Micro and Small Enterprises Baseline Survey Nairobi.
- Chaudhary, M. (2015).An Account of Women Entrepreneurship Development in India.Challenges, Opportunities and Future Prospects.
- Chege, J.M. (2014). Factors Hindering Performance of Women Enterprises in Laikipia West Constituency.A Research Project Master of Business Administration of Kenyatta University.
- Cherono, J.A. (2013). Socio-Economic Factors Influencing Rural Women Smallscale Entrepreneurs in Accessing Credit Facilities in Marakwet District, Kenya. MBA research project of Kenyatta University.
- Cooper, D.R. & Schindler, P.S. (2014).Business Research Methods, McGraw-Hill, Irwin, Boston.
- Crotoru, A. (2012). The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest and Business Cycle. Translated from Germany by Redvers Opie, New Brunswick and London: Transaction Publishers Equal Rights Trust (ERT), (2014). In the Spirit of Harambee: Addressing Inequality in Kenya. United Kingdom Pronta Print Bayswater.
- Gakobo, M.J. (2015). Effects of Transformational Leadership and Prior Knowledge on Growth of Women Owned Micro and Small Enterprises in Kasarani Division, Nairobi County, Kenya. PhD Thesis in Entrepreneurship Development of Kenyatta University.
- Gall, D.J, Joyce, P., & Walter, R. (2004). Educational Research: An Introduction. New York: Longman Publishers.
- Government of Kenya (2014).Small Enterprise and Jua kali Development in Kenya.Sessional Paper no.2
Government of Kenya (2015).Sessional paper No.2 of 2005 on Development of Micro and Small Enterprises for Wealth and Employment Creation for Poverty Reduction. Nairobi: Government Printers



- ILO, (2014). Women Entrepreneurs in Kenya and Factors Affecting the Women Entrepreneurs in Micro And Small-Scale Enterprises in Kenya.
- Kamau, P.W. (2012). Micro Finance and Women's Empowerment in Nairobi. Post Graduate Diploma in Gender and Development. University of Nairobi.
- Kanja, G.A. (2014). The Role of Women in Poverty Alleviation Through Entrepreneurship (A Case Study of Laikipia District), Research Project of Master of Arts in Business Administration of Kenyatta University.
- Karanja, M.W. (2015). Factors Influencing the Performance of Women MicroEnterprise: A Case of Lower Kabete Location of Wangigi Division, Kikuyu District Kenya. A Research Project of Master of Arts in Project Planning and Management of the University of Nairobi
- Karo, M.M. (2013). Factors Affecting Performance of Small and Medium Enterprises in Kenya: A Case of SMEs in Thika Municipality. MBA Research Project of Kenyatta University
- Kibas, P.B. (2014). Rural Entrepreneurship in Kenya: Perception of Women on Entrepreneurship in Kenya. Paper Presented at the International Entrepreneurship Conference United States International University, 23rd - 25th April, Nairobi, Kenya.
- King, K. and McGrath, S. (2014). Rethinking Small Enterprises Development between Poverty and Growth Paper in Education No. 13, Centre for African Studies, University of Edninburgh.
- Kinyanjui, W.M. (2015). Constraints to the Growth of Street Women Food Vendors in Nakuru Town. Research Project of Masters of Science Entrepreneurship of Kenyatta University. KNBS, 2010. Kenya National Census Statistics report: Government Printers.
- Maina, W.L. (2012). Performance of Women in Informal Sector Enterprises: A Case of Enterprises Supported with Credit. Master of Business Administration Research Project of Kenyatta University.
- Malusi, A.M. (2014). An Investigation on the Factors Affecting Performance of Women Owned Enterprises in Drought Stricken Arid and Semi-Arid Lands of Kitui District, Kenya. Master of Business Administration of Kenyatta University.
- Mbungu, C.K. (2014). Factors Influencing Growth of MSEs Owned by Women Entrepreneurs in Chuka Municipality Meru South District. Master of Business Administration Research Project, 2011.
- McCormick, D. (2013). Gender in Small Enterprise in Kenya: Institutional Analysis in Samantra P.C. and Sen R.K. (Eds) Realizing African Development, Kokalta, India, CIADs in Collaboration with ID
- Moakebo, Z.J. (2015). Women Political Participation: A Case of Bomachoge Constituency in Kenya, 1963-2013. Masters of Arts Research Thesis of Kenyatta University.



Mosioma, H.O. (2014). Influence of Entrepreneurial Skills in Management on performance of Women Groups Projects in NyaribariChache Constituency, Kenya. Master of Arts in Project Management of University of Nairobi.

