Asian Journal of Economics, Business and Accounting

13(1): 1-17, 2019; Article no.AJEBA.52748
ISSN: 2456-639X

Influence of Crediting Strategy on Growth of Small and Micro Enterprises in Kenya: A Case of Women Enterprise Fund

Tom Ongesa Nyamboga[1*], Edwin Odhuno[2] and Walter Okibo Bichanga[3]

[1]School of Business and Economics, Mount Kenya University, Kenya.
[2]School of Business and Economics, Mount Kenya University, Kigali Campus, Kenya.
[3]School of Business and Economics, Jomo Kenyatta University of Agriculture and Technology, Kenya.

Authors' contributions

This work was carried out in collaboration among all authors. Author TON designed the study, performed the statistical analysis, wrote the protocol and wrote the first draft of the manuscript as well as the literature searches. All authors read and approved the final manuscript.

Article Information

DOI: 10.9734/AJEBA/2019/v13i130160
Editor(s):
(1) Dr. Gerasimos T. Soldatos, American University of Athens, Athens, Greece.
Reviewers:
(1) R. Shenbagavalli, India.
(2) Joseph Mukuni, Virginia Tech University, USA.
Complete Peer review History: http://www.sdiarticle4.com/review-history/52748

Original Research Article

Received 01 November 2019
Accepted 12 November 2019
Published 15 November 2019

ABSTRACT

Effective implementation of crediting strategy is paramount to the growth of Small and Micro Enterprises (SMEs) worldwide. Crediting provides adequate amount of initial capital needed by entrepreneurs to establish and operate their businesses. The government of Kenya having realized this scenario initiated the formation of Women Enterprise Fund (WEF) in 2007 as a micro credit to provide financial credit to women entrepreneurs throughout the country. Despite this, many women micro traders have inadequate access to credit to start and expand their SMEs. The specific objective of this study was to assess the influence crediting strategy on the growth of SMEs in Kenya. This research used a descriptive survey based design. The study's target population constituted 2032 women group leaders from which a sample size of 335 respondents was selected randomly. Primary data was collected by use of structured researcher administered questionnaires. Data collected was analyzed by use of both descriptive statistics and inferential statistics, by the aid of SPSS version 24. Both Analysis of Variance (ANOVA) and Linear Regression Analysis were computed to correlate the study's variables. The study established a positive

**Corresponding author: E-mail: ongeshtosh@yahoo.com;*

relationship between crediting strategy and the growth of SMEs. The findings of this study will help the government of Kenya in formulating and implementing crediting strategies that would make credit accessible and therefore boost growth of SMEs in the country. The study recommends that the government establishes policies that will necessitate accessibility of credit to SMEs in the country.

Keywords: Crediting strategy; small and micro enterprises; women enterprise fund; entrepreneurs; constituency women enterprise scheme; Government of Kenya.

1. BACKGROUND INFORMATION

Effective implementation of crediting strategy is fundamental in the growth of SMEs globally (Hussein [1]. In the USA, the poor economic conditions have compelled most individuals to abandon formal jobs and seek self-employment in SME sector. The number of females looking for micro credits has gone up in the USA as the country has been undertaking major changes in the formal sector. However current trends show major decrease of the SMEs (Buchanan [2]). In china, most women SMEs continue to perform poorly despite government interventions, through crediting strategies. Women constitute about 50 percent of poor population reflected by slow growth of women operated SMEs (Canbin [3]); Yulanda [4]).Similar studies have been reported in India where women SMEs continue to perform poorly despite government initiatives of implementing crediting strategies to promote these enterprises. Women involvement in SMEs activities has been low due to lack of finance. Consequently, women workers' involvement in labor and SME activities in general, has been limited (World Bank [5] and Salman, Bell, & Gillette [6]).

In Malawi poor growth of women operated SMEs is a common phenomenon. Women businesses remain deprived mostly in agribusiness activities than male entities (Nyamboga,et al. [7]. Even though the number of institutions offering micro crediting strategies is high, female borrowers lack affordable access to credit (Zidana [8]). The same is experienced in Ethiopia where poor growth of women SMEs is noticeable. Women borrowers in the country are continuously reducing in number influencing the growth of women small and micro enterprises. There are high numbers of women borrowers of micro credits though the figures are continuously dropping (Asmamaw [9]).

SMEs are important business ventures for improving the economic welfare of poor women. These micro enterprises provide opportunities for poor women to exploit their economic potentials through self-employment (Hassan & Mugambi [10]). The SMEs create favorable conditions for the generation of income and creation of job opportunities. The SMEs face several challenges in accessing credit. Most managers of these enterprises do not have adequate financial management knowledge (Capital Market Authority [11]). As noted by Munoz [12], most African counties are not able to reach out to SMEs because of the challenge of processing and the procedure involved in accessing loans and high rates of loan defaulting. The limited access to credit has negatively affected the growth of SMEs in many countries (Suryadevara [13]).

The provision of credits is the backbone to the growth and expansion of SMEs. The SMEs use credit to grow and expand business activities (Wambui [14]). Lack of credit is a global challenge. In certain instances entrepreneurs have difficulties in accessing credit because of collateral requirement. Inaccessibility to credit has compelled SMEs to depend on costly short-term capital. The formal banking sector is too expensive to many SMEs (Mokua [15]). Lack of adequate financial resources is a big blow to the SMEs growth in Kenya (Suryadevara [13]). Further studies reveal that women SMEs perform poorly compared to those operated by men. This is because women have inadequate access to credit facilities (Adhiambo, Okelo & Ojera [16]). According to Straus [18], most crediting strategies adopted are insignificant in boosting the growth of women owned SMEs.

In Kenya, the informal sector, through the SMEs, plays a significant role in the growth of the nation's economy. The economic contribution of SMEs sector to the GDP rose from 13.8 per cent in 1993 to about 40 percent in 2008. The SMEs provide a great number of jobs in the country of about 80 percent (GoK [17] and Kenya Bureau of Statistics [18]). Despite these positive contributions of the SMEs to the Kenyan economy, WEF [19]), pointed out very significant hindrances faced by SMEs including lack of credit. As noted by Mburu & Guyo [20], the Constituency Women Enterprise Scheme (CWES) channel indicates poor performance because more than 33 percent of the total amount set aside for loaning, have not been issued to clients since only Ksh. 308 m has been issued out of the total allocation of Ksh. 465 m (Kiraka, Kobia, Katwalo & Oliech [21]). The CWES provides loans to women beneficiaries as shown in Table 1.

Women in most counties in Kenya have access to WEF credits yet there is slow growth of women SMEs (WEF [19]). In Kisii county women beneficiaries of WEF incur challenges in loan repayment due to group membership, financial hurdles, legal constraints, and lack of collaterals (Omaywa & Muturi [22] and Osoro, et al. [23]). In Nyamira County women SMEs face hurdles in form of inaccessible credit, complicated loan procedures and requirement of collaterals (Momanyi, Muturi & Munene [24]). Despite the implementation of WEF crediting strategy most women continue to face challenges in utilizing the fund in many parts of the country (WEF [19] and Mutai [25]). The purpose of this study was therefore to assess the influence of crediting strategy on growth of SMEs in Kenya.

1.1 Statement of the Problem

Women play significant roles in Kenya's informal sector through the SMEs. The economic pillar of Kenya's vision 2030 identifies SME development as important strategy to propel the country into a middle level economy by the year 2030 through equity and poverty reduction. Consequently, the government introduced WEF as a micro credit whose crediting strategy would promote the growth of SMEs in Kenya. WEF initiated crediting strategy to give women clients affordable and access to credit, in order to promote the growth of SMEs in the country. WEF crediting strategy, if well implemented, can provide women entrepreneurs the ability to improve their businesses by increasing revenue generation and creating employment (Kenya vision 2030 [26]; WEF [19]; WEF [27]).

Twelve years have elapsed since the inception of WEF. Most of the women entrepreneurs have difficulties in accessing credit to support and uplift their SMEs. The growth rates of the SMEs have therefore been poor in most parts of the country WEF [19]. As such the idea of empowering the growth of women owned SMEs remain a pipe dream as most women SMEs' continue to perform below the expectations. Women's economic positions continue to remain low due to poor growth of women SMEs nationally. The persistent poor growth of SMEs in most part of the country remains is eminent in most constituencies of the country. Inadequate credit has been cited as a major barrier to growth of women owned SMEs in Kenya (WEF [27]; Omaywa & Muturi [22]; Osoro, et al. [23])).

The borrowing trend from the CWES is currently low with high default rates. The application process to obtain loan from the CWES is a major failure. Statistics show that only Shs.71M out of Shs.256M loaned to women groups since 2007 had been repaid by May 2010 putting to doubt recovery of the credit balances. Some constituencies have not yet utilized fully their loan allocations. The performance of CWES channel is poor in terms of loan disbursement. The Auditor General Report of 2016/2017 financial year indicates many disparities in the uptake of the constituency loans. Some constituencies in Kenya have low uptake of CWES loans while others have shown a significantly high uptake rates by 2017/18 financial year. These variations in the uptake of WEF loans are the concern of this study (Kiraka, et al. [21]; Mburu & Guyo [20]; Mutai [25]).

Following the several challenges facing the performance and growth of the small and micro enterprises, it was imperative to carry out this study in order to assess the influence of crediting strategy adopted by WEF on the growth of SMEs in Kenya. This study will shade more light

Table 1. Constituency women enterprise scheme loan cycles

Cycle	Amount (Ksh.)	Repayment
First	100,000	12 Months
Second	200,000	12 Months
Third	350,000	12 Months
Fourth	500,000	15 Months
Fifth	750,000	24 Months

Source: Women Enterprise Fund Report (2019) on the variations surrounding the performance of WEF crediting strategy and its subsequent effect on the growth of SMEs.

1.2 Research Question

This study was based on the question: How does crediting strategy influence the growth of small and micro enterprises in Kenya?

1.3 Hypothesis of the Study

This research study was based on the following then null and alternate hypotheses:

H_0: There is no significant relationship between crediting strategy of WEF and growth of small and micro enterprises in Kenya.

H_1: There is a significant relationship between crediting strategy of WEF and growth of small and micro enterprises s in Kenya.

2. THEORETICAL REVIEW

According to Kombo & Tromp [28], a theoretical framework explains a phenomenon. This study was based on the Resource Based Theory and Diamond theory of national advantage and how they influence crediting strategy adopted by WEF in Kenya.

2.1 Resource Based Theory

This theory was propounded by Wernerfelt in 1984. According to this theory resources are crucial to an organization. The theory asserts the need for a business enterprise to examine the organization's resources in regards to the firm's competitive advantage (Barney [29]; Barney & Clark [30]). Proponents of this theory argue that a firm's competitive advantage is dependent on the resources at the disposal of a firm. As Barney [29]) further argued, organizations in a particular industrial sector are differentiated on the amount of resources they posses and therefore resources become a priority in determining the competitiveness of a firm. Barney and Clark theory of resource based put much emphasis on the resources available to a business entity. The focus is the internal organization of a firm as being essential focus prior to acquiring funds from the lenders. This is essential to ensure proper control and planning of funds that can lure creditors and promote efficient proper execution of business interventions that would lead to better output of an organization.

Proper utilization of resources would make an organization to perform well than others in the market (Mahoney & Pandian [31]). Lending institutions need to make a critical evaluation of their resources before lending financial credit to the customers. Good planning and control of resources must be undertaken to enhance the execution of strategies of the organization. Resources are accorded a key role of enabling firms to achieve high performance and attain competitive advantage over others. This is because resources give a firm a strategic direction compared (Black & Boal [32]). From the resource based theory, Grant [33], developed three categories of resources: intangible, tangible and personnel. Tangible resources comprise the items that can be physically touched in terms of machines, equipments and buildings while intangible resources includes skills, competencies, knowledge and technologies that are significant in the performance of an organization. The personnel resources are merely the human resources and organizational capabilities needed to operate an organization both efficiently and effectively (Russo & Forts [34]).

Barney [35], observed that resource endowment was useful for an organization to deliver its products effectively. Foss [36], found out that resources help an organization to create and maintain a sustained competitive advantage. A firm is therefore able to create and appropriate more value in a sustained basis rather mere competition. Alvarez & Busenitz [37], extended the concept of resources to include various individual cognitive abilities possessed by an individual entrepreneur to create and combine the heterogeneous resources. Given that the resource based theory addresses the resources and capabilities of the firm as underlying factor of performance, it was found to be more appropriate to use in this study. This theory provides a strong foundation of assessing the influence of crediting strategy of WEF on growth of women owned SMEs in Kenya.

2.2 Diamond Theory of National Advantage

This theory was propounded by Porter. According to Porter [38], any nation is in a position to establish productive variables like expertise of manpower, technical knowhow, government support, organization culture and a strong knowledge base. This theory identified key variables that are necessary and can make a nation to have a competitive advantage over other countries. The variables include adequate skills and innovation, resources, information, and effective company goals. On the same note, a firm requires adequate tangible resources such as loans and other physical assets like machines and equipments (Nothnagel [39]. The provision of credit to women groups is significant in creating capital required to establish and expand a business entity such as SMEs. This theory provides a strong basis upon which a firm would assess the influence of crediting strategy on growth of SMEs in Kenya.

2.2.1 Crediting strategy and growth of SMEs

Hussein [1] undertook a study on influence of crediting strategy and performance of SMEs. They established that adequate crediting aid entrepreneurship performance and development. The study found out that those offering traders with micro credits lead to high growth of SMEs. More studies established that availability of small loans to entrepreneurs' influences the growth of SMEs in Kenya. Growth of SMEs is directly linked to possession of adequate funds (Mayabi [40]).

Poor growth of SMEs operated and owned by women is related to inaccessibility of financial credits (Ojeifo [41]; IFC [42]). Crediting is an important strategy for uplifting SMEs. Proper implementation of crediting strategy empowers women SMEs and is an important element for achieving the United Nations Millennium Development Goals, especially promotion of SMEs (Vani [43]). It has been established that micro loaning strategy is an essential indicator for promoting the growth of SMEs since if it is applied appropriately it can lead to improved standards of living of the beneficiaries (Ogbe [44]).

A study by Annim [45], observed that most SMEs do not have direct access to credit from the lending institutions. The micro crediting sector was initially established to provide SMEs with capital in form of micro loans. A survey conducted SMEDAN and NBS [46] indicate that up to around 90 percent of industries in Nigeria are composed of SMEs. This informal section of the economy has continuously remained pivotal in the high growth rate of industrialization in Nigeria. This has been evidenced in its contribution to Nigeria's growth domestic product, making Nigeria a leader in the informal sector ahead of South Africa (Deutsche Bank Research [47]).

Suryadevara [13]), argued that credits are borrowed from the MFIs with definite prescribed loan duration. Most beneficiaries of these loans are basically extremely poor with low income opportunities. Some of the MFIs offer financial credit and other facilities such as savings (NBS [48]). The credits given to the local beneficiaries usually assist them to uplift their ways of life in terms of employment, investment, and revenue creation (Maenge & Otuya [49]). A business organization depends very much on the efforts of the trader to achieve its objectives. This entails careful utilization of the available resources. This signifies that the growth and development of any SME depends so much on the resources at its disposal. Without adequate funds, most firms strive to flourish.

A study by Phrah [50], observed that credit is necessary source of business growth. This study notes that resources are critical in supporting entrepreneurial activities because such capital is used for establishing and improvement of existing businesses. Gyimah & Boachie [51], noted that many SMEs don't grow to large enterprises because they lack credit. International Finance Corporation [52], argued that there is high percentage of women willing to participate in SMEs in African countries but lack financial ability. A study by Hussein [1] to assess the influence of credit and the growth of small enterprises found that most SMEs that had access to adequate funds from financial institutions, especially MFIs, were able to expand their sales and acquire more profits. These findings are further supported by UNDP [53], which established that SMEs are in capable of obtaining more technology as well as physical equipment by use of credit facilities from micro financing agencies. This research found a significant correlation between the loan size and attainment of objectives of the SMEs. Credits from MFIs that are regular with fair interest rates and immediate repayment periods make SMEs sustainable (Welter [54]).

Research findings indicate that credits lend to women SMEs increases revenue and promote enterprise saving ability (IFC [55]). Small loans granted to women can help them to build capital base which are can be used for investment in small scale businesses. These views are shared by Khanam, Mohiuddin & Weber [56], who argued that small loans given to women bring financial autonomy and empowerment resulting possession of power and control in the household decisions. Micro loaning strategy can help poor women to overcome their deprivation. Micro loaning empowers women to have more medical as well as education services. Enough financial capital improves the growth of SMEs. As noted by Gathogo [57], access to micro financial capital has a significant role on SMEs growth in Kenya.

Studies by the World Bank showed that female entrepreneurs from less developed nations lack opportunities to obtain credit for their business activities. Deficiency of credit to establish SMEs compel women traders to apply for loans from the lending agencies (World Bank Report [58]). Women SMEs in developing nations experience difficulties in obtaining credit for enterprise activities even though the number of female entrepreneurs' engagement is high. Most SMEs therefore fail to expand due to limited financial credit. Studies conducted indicate that credit is major component of SME's growth globally (Gonzalez [59]). A survey by Ferdousi [60], on the availability of crediting and growth of SMEs shows that credit has a great effect on income generation of a business venture as well as the amount of assets a business owns.

A study by KIPPRA [61], recognized the central role played by credits enhancing better economic conditions of entrepreneurs. The government of Kenya realized the significance of credits to empowerment of women SMEs, and as such established WEF to promote women informal sector. Sultana, et al. ([62], established that giving women SMEs the opportunity to access credit cultivates a fertile ground for female micro traders to generate more income and consequently improve their ability to save and own productive resources as well as fixed assets. Olowale, et al. [63], observed that business ventures need capital to commence trading activities and to aid other business activities.

A report by Kisaka & Mwewa [64], noted that micro credits rendered to the women clients help to increase savings and lead to generation of more revenue. The small amount of credit given to women entrepreneurs in developing nations promotes the capital base upon which business investment. These views are shared by Wambui [14], who observed that the credits that are offered to female traders enable them to have total control over their finances, especially by playing a big role in making decisions on household's income and expenditure. A micro credit empowers women clients to improved standards of living. The execution of micro loaning strategy enables more involvement of women in the SMEs sector to link with the lending agencies in the process of repaying their credits (Suryadevara [13]).

According to Sivchou, et al. [65], crediting of small loans provide funds that promote the welfare of SMEs even though in some cases the provision of micro credits cause more challenges to the borrowers inform of stress as the beneficiaries get worried on to repay their loans instead of thinking on suitable investment opportunities. As a turnaround strategy, micro loaning helps beneficiaries to accrue income that can be used to improve the living standards of the poor women in the informal sector. Idowu & Salami [66], carried out a study to identify indicators that signify the growth of SMEs and identified high revenues, creation of jobs and acquisition of assets.

According to the studies carried out by Ademu [67], Aremu & Adeyemi [68] as well as Adewale & Afolabi [69], the SMEs continued to face an acute shortage of funds despite the role this informal sector plays in the economy. However the study noted that frequent loan repayment affected negatively the growth of SMEs in Nigeria. As Salman, et al. [70], Annim [45] and Culpeper [71], noted the growth of SMEs in developing nations has regularly suffered from access to adequate financial resources. The International Finance Corporation [55], observed that about eleven to seventeen million SMEs in developing lack access to credit.

A study by CBN [72], reported that majority of the poor people are normally excluded from accessing the source of credit. To emphasis on the same, a report by Turana [73], noted that lack funds is a big blow to development of SMEs in many parts of the globe, including the developing nations. The main obstacle to credit is the repayment of loans by entrepreneurs and the poor perception of MFIs in the course of loan defaulting by the borrowers (International Initiative for Impact Evaluation, [74]). Females are not good at negotiating for credit and consequently they have few chances of obtaining for credit from financial institutions, compared to men (Thuku [75]).

As revealed by ILO [76], inadequate crediting strategy is a major obstacle facing SMEs inmost nations, affecting around 55 percent of total business in the world. Kenyan SMEs are experiencing hardships in obtaining credit. Inadequate finances affect the growth of SMEs most. Most female entrepreneurs have limited finances to establish SMEs hence perform poorly in their business endeavors (International Finance Corporation [42]). As observed by Kung'u [77], female SMEs encounter a lot of hindrances as a result of poor sourcing and technology compared to male owned SMEs.

Majority of female entrepreneurs in arid and semi-arid areas are excluded from the formal sector creating a large disparity in accessing credit (WEF [19]). The procedure of obtaining credit from lending agencies, especially through group borrowing, is quite complex. This leads to unnecessary delays in acquiring loans for establishing and operating SMEs. Momanyi, Muturi & Munene [24] and World Bank Report (2009), noted that high repayment rates in developing nations pose a challenge in obtaining funds for the SMEs. In the same vein Desta [78], noted that female micro traders depend on informal sources to finance the SMEs activities.

SMEs can obtain funds from both within as well as outside sources (Hassan & Mugambi [10]). Obtaining credit from formal banks has not improved the growth of SMEs in both industrialized and industrializing nations. As a result of this incident, deficiency of funds is a major blow to the growth of most SMEs globally (World Bank [79]). High interest rates by commercial banks block majority of the small scale SMEs from accessing loans, in favor of large business organizations. This leaves SMEs to depend mainly on credit facilities from the suppliers (Government of Kenya [80]).

Despite the presence of micro loaning, it has been established there is a lot of cash out flows from the local communities instead inflows. This in essence affects local investment (Milford [81]). In Kenya, women SMEs don't find it easy to access loans from the formal banking sector because such loans attract high interest rates. Additionally, SMEs without adequate previous business records lack not only necessary business knowledge and skills but also official documents needed for business evaluation purposes (Muguchu [82]). AgbaOchemi & Nkpoyen [83], examined the influence of crediting strategy on poverty reduction by use of micro loaning and micro saving strategies. The study established that accessibility to micro loans improved the growth and development of SMEs.

Studies conducted by scholars show that a significant correlation between crediting strategy and the growth of small and micro enterprises, particularly in developing economies of Africa (Olowe, et al. [84]; Bagagana [85]; Ogunrinola [86]). However other studies have shown a negative correlation between crediting and growth of SMEs. A study by Babajide [87], established that the amount of crediting given to beneficiaries, duration of the loan and the loan repayment period did not influence positive growth of SMEs. Studies by Nwosu, et al. [88]; Emmanuel and Mneji [89]; revealed lack of consistency on the influence of crediting on the growth of SMEs. It has been found out that the micro loans are rather used for subsistence instead of promoting the growth of business enterprises (Dichter [90]). Today unsustainable credit indebtedness is pronounced in many developing countries (Kevany, [91]; Cain [92]). According to Ghokale [93], the implementation of crediting strategy leads to further engagement with the local loaning agencies by the poor beneficiaries in order to clear the micro loans.

2.3 Knowledge Gap

From the studies conducted, there is mixed evidence about the influence of crediting strategy on growth of SMEs. The studies show a lot of controversy surrounding crediting strategy and its influence on growth of SMEs. Some studies argue that the amount of credit at disposal help to promote the success of SMEs (Lawal, et al. [94]) while other studies indicate that crediting does not have significant contribution on growth of SMEs (La Porta & Schliefer [95]; Kevany [91]; Bateman [96]; Cain [92]). The variation in conclusions could be as a result of varied approaches used to determine the influences. A study that comprehensively assesses the effectiveness of crediting strategy on growth of SMEs is quite necessary. Due to the varied study findings, this study sought to shed light on the influence of crediting strategy on growth of SMEs in Migori, Nyamira and Kisii Counties in Kenya.

3. RESEARCH METHODOLOGY

3.1 Research Design

Descriptive survey research design was adopted in this study to collect and analyze the opinion of women beneficiaries of WEF on their experience on crediting strategy and growth of SMEs. A research design is a conceptual structure within which research is conducted (Kothari [97]).

Descriptive research design studies all the design information to obtain pertinent information concerning the status of the phenomena and draws conclusions from the facts discovered (Kumar [98]). Using this design, the researcher attempted to find answers to questions by assessing how crediting strategy influenced the growth of SMEs. The target population consisted of all groups' leaders beneficiaries of CWES from all the constituencies of Migori, Nyamira and Kisii Counties. In the current study, the target population was 2032 respondents, and this included all women group leaders from a total of 2032 groups. The group leaders were selected purposively because they have experience and detailed information concerning crediting strategy and its influence on SMEs. The researcher targeted women group leaders who benefited from the CWES between the year 2013 and 2017 in all constituencies of Nyamira, Kisii and Migori counties as shown in Table 2.

A sample size of 335 was used for this study, constituting women group leaders who had benefited from CWES between 2013 and 2017. The study selected women group leaders from a population of 2032 by using Yamane [99] sampling frame formula:

$$n = \frac{N}{1+Ne^2}$$

Where,

n = sample
N = population
e^2 = margin error (0.05).
n = $2032/1+2032(0.05)^2$
n = 335

Women respondents were selected in a random manner from each site proportionally. Cluster sampling was ideal for selecting women group leaders. A list of all beneficiary women groups was selected from each case study site by the use of simple random sampling, using random numbers through computer programs. The researcher then selected women group leaders from each cluster as respondents. All the women group leaders' of the selected clusters then became units of observation and were included in the sample.

Gupta [99], suggested that a sample is regarded as large if it exceeds 30 and therefore 335 was an appropriate size. The duration of credit was considered an important ingredient to track the impact after a long period. This gave a better understanding if WEF had any influence on the growth of women SMEs

Structured questionnaires were used to collect primary data from the respondents. According to Mugenda & Mugenda [100], structured questionnaires are research tools used to collect information from the study population. The structured questionnaires had closed-ended questions that were simple to analyze and aided in obtaining quantitative data. Likert scale with 5 response categories was used to measure research variables. Piloting of the research instruments was done to ensure content validity, correct wording, clarity of expression and understandability. Piloting was done on a sample of 10% of the respondents from cluster groups that were excluded from the final study. Cronbach alpha coefficient method was used to test the reliability of the research tools. The research tools were administered twice to the

Table 2. Target population

County	Number of constituencies	Women groups	Target population
Kisii	9	1205	1205
Migori	8	479	479
Nyamira	4	348	348
Total	21	2 032	2 032

Source: Women Enterprise Fund Report (2018)

Table 3. Sample size

County	Number of constituencies	Women groups leaders	Cluster sampling of women group	Sample size
Kisii	9	1205	199	199
Migori	8	497	79	79
Nyamira	4	348	57	57
Total	21	2032	335	335

Source: Author (2019)

same group of respondents in an interval of one week. The questionnaires that were used in the pilot study were coded, and their responses tested to generate their reliability coefficient by use of SPSS Version 24.

A reliability of 0.83 was obtained and considered significant for this study. The research instruments were tested and pretested on the randomly selected respondents to ensure that the research tools were accurate and would be correct to be used by others. Content validity was used for this purpose. The quantitative data in this research was analyzed by descriptive and inferential statistics with the aid of Statistical Package for Social Sciences (SPSS version 24). In this study, descriptive statistics included measures of central tendencies, measures of dispersion, frequencies, and percentages. The study used one way ANOVA and linear regression analysis to establish the relationship between the independent variable and dependent variable. The model $y = \alpha + \beta_1 X_1 +$ u was subjected to a test using linear regression to establish whether crediting strategy was a predictor of growth of SMEs.

Where,

Y =dependent variable (Growth of SMEs)
$X_1 =$ independent variable (Crediting strategy)
α = constant
β_1 =the coefficient of the independent variable
u = the error term. (Mugenda & Mugenda [100])

Thereafter results from data analysis procedure were tested to establish if they were statistically significant in order to decide on whether to reject or accept the null hypothesis hold at 0.05 confidence level. The researcher endeavored to maintain ethics while carrying out this research. The researcher sought ethics approval from MKU Ethical Research Committee and NACOSTI. The researcher did not provide details of the informants. The participants were therefore assured of their anonymity.

4. FINDINGS

The study identified the following findings:

4.1 Response Rate

Three hundred and thirty five (335) respondents were expected to respond to research questions, out of which only 308 respondents answered, representing a response rate of 92%. Mugenda & Mugenda [100] and Kothari [97] observed that a response rate of 50% is adequate for a study. Sekaran [101] and Cooper & Schindler [102], confirmed that a response rate above 70% is very good for a study. The total sample size of 308 was therefore adequate to generalize the sample results to the entire study population.

4.2 How Does Crediting Strategy Influence Growth of SMEs in Kenya?

This study sought to determine the influence of crediting strategy on growth of SMEs in Kenya. The respondents were requested to respond to a set of 8 questions based on a five-point Likert scale.

a. Is the Loaning Procedure Adopted by WEF Officials to Give Credit to Women Beneficiaries' Simple?

The feedback obtained from this question indicates that most of the respondents agreed that the procedure of obtaining loans from WEF was simple as evidenced by a mean score of 1.9180. A standard deviation of 0.8520 shows a high variation from the mean, signifying that a good number of respondents disagreed with this question; suggesting that they found the loaning procedure of WEF officials to be complex.

b. Is the Loan Repayment Period of WEF Loans Sufficient to the Women Beneficiaries?

The response obtained from this question shows that most of the respondents agreed that the repayment period of WEF loans was suitable to them as evidenced by a mean score of 2.144. A standard deviation of 1.20101 shows a high variability from the mean, suggesting that some respondents disagreed with the question and found the duration of loan repayment to be insufficient.

c. Is the Loan Amount Given by WEF Officials to Women Beneficiaries Adequate for Business Growth?

The results from this question show that a large number of the respondents agreed that the amount of loans they received from WEF was adequate for business growth as evidenced by a mean score of 2.040 while a standard deviation of 1.2077 indicates that some respondents did not agree with question. The standard deviation indicates a high variation from the mean, signifying that the amount of credit received from WEF officials did not have significant influence on the growth of businesses undertaken by the SMEs.

d. Does the Loan Provided by WEF Officials Promote Sales Turnover of Beneficiaries' Business?

The findings of this study established that most of the loan beneficiaries improved their business sales turnover after obtaining credit from WEF as reflected by a mean score of 2.0957 and a standard deviation of 0.85394. This deviation shows some variability from the mean score depicting that some respondents were not in agreement with this question as they did not find the impact of WEF loans on their business. However, this response signifies a significant positive relationship existing between women enterprise credits and sales turnover of the businesses managed by the women beneficiaries of the fund.

e. Does the Loan Provided by WEF Officials Improve Savings from Business?

The results show that a large number of the respondents agreed that the loans they received from WEF officials assisted them to create savings from their businesses as reflected by a mean score of 2.0651. These respondents were convinced that the loans they received helped them to improve on their savings from the business activities. A standard deviation of 0.88321 indicates that some of the respondents of this study did not agree with the question hence had divergent views on this statement. They felt the loans they received from WEF officials were inadequate to make any meaningful savings from their businesses. This suggests low profit margin of the SMEs.

f. Does the Loan Provided by WEF officials Promote Employment Creation in Business?

The response obtained from this question shows that most of the respondents agreed that the loans they obtained from WEF officials helped them to create employment opportunities in their SMEs as witnessed by a mean score of 2.51132. However a standard deviation of 1.22635 signifies much variability from the mean score, indicating that some of respondents did not find provision of WEF loans to be a source of employment creation in their SMEs. Some SMEs did not provide employment to the public.

g. Does the Loan Provided by WEF Officials Improve Family Consumption?

On the issue of whether the loan obtained from WEF eventually increased family consumption of the loan beneficiaries, a mean score of 2.1765 indicates that most of the respondents remained

Table 4. Respondents' opinions on crediting strategy and growth of SMEs

Statement	Observation	Mean	Std. deviation	Variance	Min.	Max
The loaning procedure of WEF loans is simple	308	1.9180	0.8520	0.644	1.00	5.00
The loan repayment period of WEF loans is sufficient	308	2.144	1.20101	0.533	1.00	5.00
The loan amount given by WEF is adequate for business growth	308	2.040	1.20770	1.459	1.00	5.00
The loan provided by WEF improves sales turnover	308	2.0957	0.85394	0.729	1.00	5.00
The loan provided by WEF improves savings from business	308	2.0651	0.88321	0.780	1.00	5.00
The loan provided by WEF promotes employment in business	308	2.5113	1.22635	1.504	1.00	5.00
The loan provided by WEF improves family consumption	308	2.1765	0.84634	0.716	1.00	5.00
The loan size given by WEF promotes business growth	308	2.0422	0.90322	0.816	1.00	5.00

Source: Field data (2018)

positive with the question and were therefore in agreement that the loans they obtained helped them to meet their basic needs in the household. The standard deviation of 0.84634 shows that some of the respondents did not agree with this question. The loans they obtained from WEF did little to uplift their standards of living in regards to meeting their basic needs.

h. Does the Loan Size/Amount Given by WEF Promotes Business Growth

A large number of the respondents agreed and were optimistic that indeed the amount of credit they obtained from WEF officials had significant effect on business growth. This is reflected by a mean score of 2.0422. A standard deviation of 0.90322 shows that some respondents did not find the loan sizes from WEF officials to be adequate to promote business growth. Some SMEs therefore collapsed, stagnated or were not sustainable. This response shows some variation from the mean.

In conclusion the results from the mean and standard deviation in the Table 4 show that there is a positive and significant relationship between crediting strategy of WEF and growth of small and micro enterprises owned by women.

4.3 Regression Analysis of Crediting Strategy and Growth of SMEs

The model $y = \alpha + \beta_1 X_1$ + u was subjected to a test using linear regression to establish whether crediting strategy was a predictor of growth of SMEs. Algebraically the model as follows:

Growth of SMEs $y = \alpha + \beta_1 X_1$ +u

Where,

Y =dependent variable (growth of SMEs)
$X_{1=}$ independent variable (crediting strategy)
α = constant
β_1 =the coefficient of the independent variable
u = the error term.

Table 5 represents a regression model for crediting strategy and the growth of SMEs. As shown in the table, the coefficient of determination R square is 0.369 and R is 0.608, at 0.05, significance level. The coefficient of determination indicates that 36.3% of the variation in crediting strategy influences the growth of SMEs. This means that 36.3% of the variation in the business growth is explained by crediting strategy. This implies that there exists a positive relationship between crediting strategy and the growth of SMEs.

The one way ANOVA results indicated in the Table 6 confirm further the appropriateness of the model fit for this data. The calculated figure of 0.000 p value is quite small when compared to the table/critical value of 0.05. This computation implies a significant and positive correlation between crediting strategy and the growth of small and micro enterprises. The F-statistics of 57.610, shows that the results are highly significant ($P<0.001$) and it is very unlikely that they are computed by chance.

The results further indicate that crediting strategy positively and significantly influences the growth of small and micro enterprises. The fitted model Y= 0.881+0.196 Crediting Strategy implies that any unit change in crediting strategy results to an increase in growth of SMEs by the rate of 0.196.

Table 5. Model summary

R	R square	Adjusted R square	Std. error of the estimate
0.608[a]	0.369	0.363	.66691

Dependent Variable: Growth of SMEs
Independent Variable: Crediting Strategy

Table 6. ANOVA

Model		Sum of squares	df	Mean square	F	Sig.
1	Regression	76.868	3	25.623	57.610	.000[b]
	Residual	131.205	305	0.445		
	Total	208.074	308			

Dependent Variable: Growth of SMEs
Independent Variable: Crediting Strategy

Table 7. Coefficients

Coefficients	Std. error	t	Sig.
0.881	.140	6.309	.000
0.196	.039	5.023	.000

Dependent Variable: Growth of SMEs
Independent Variable: Crediting Strategy

4.4 Hypothesis Testing

To determine whether crediting strategy influences business growth of SMEs, a null hypothesis (H_{01}) which states that “There is no significant relationship between crediting strategy of WEF and the growth of SMEs” was tested.

The ANOVA results shown in Table 7 confirms that the model fit is appropriate for this data since the calculated p-value of 0.000 is less than the critical value of 0.05. This implies that there is a significant positive relationship between crediting strategy and the growth of SMEs. The null hypothesis is rejected and the alternative hypothesis which states that “There is a significant relationship between crediting strategy of WEF and growth of SMEs” is accepted.

4.5 Discussion of Findings

The findings of this study are similar to those obtained by Kisaka & Mwewa [64], Wambui [14], (Suryadevara [13], Ogbe, [44] and Ferdousi [60] who established that micro credits rendered to women clients help to increase savings and lead to generation of more revenue. The small amount of credit given to women entrepreneurs in developing nations promotes the capital base upon which business investment. The credits that are offered to female micro traders enable them to have total control over their finances, especially by playing a big role in making decisions on household’s income and expenditure. Microfinance crediting empowers women clients to lead improved standards of living. The micro loans therefore improve business performance of women entrepreneurs as well as their wellbeing. Providing women with micro credits provide suitable conditions for women to venture in business resulting to high income and general improved business performance.

These findings are similar to those obtained by study Maenge & Otuya [49], Hussein [1], Khanam, Mohiuddin & Weber [56] and Phrah [50]. These scholars argue that availability of credit facilities promotes performance of SMEs. They claim that the amount of credit given to women leads to increased revenues, job creation and better general living standards of the micro traders. The micro loans therefore improve business performance of women entrepreneurs as well as their wellbeing. Providing women with micro credits therefore provides suitable conditions for women to venture in business resulting to high income and general improved business performance. These findings have observed that crediting strategy has the capability of creating immediate impact on the growth and development of SMEs. SMEs growth and development is linked to increased wealth creation. Micro loaning is mainly focused on developing individual entrepreneurs in order for them to promote their wellbeing in terms of social and economic development. Development of SMEs leads to reduction in the rate job losses, more revenue and ability to save. It also means creating conditions that promote suitable healthcare, better feeding habits, good hygienic standards as wells as gender balance. These research findings have shown that SMEs that with adequate and reliable micro loans are generally stable and sustainable. They argued that adequate crediting strategy helps to improve the lives of SMEs operators by empowering their economic status. They further argued that there is a significant positive correlation existing between micro loaning strategy and employment creation, creation of wealth, and reduction of poverty.

5. CONCLUSION

The findings of the study revealed that there was a positive and significant relationship between crediting strategy provided by WEF and the growth of SMEs. The general overview is that, providing women clients with microloans results to the improved business growth of SMEs in terms of improved sales turnover, business savings, and employment opportunities. From the findings, it is therefore prudent to conclude that the provision of credit to women clients of WEF helps to increase the growth of SMEs.

6. RECOMMENDATIONS

From the study findings, in regards to the influence of the crediting strategy on the growth of SMEs, the study recommends that the government provides a suitable environment for SMEs to access credit to finance their business activities. The current minimum amount of Ksh. 100,000 and a maximum of K.sh 750, 000 are insufficient for the groups, whose maximum number is unlimited. Adequate loan sizes will ensure the growth of SMEs by enhancing savings, sales turnovers, increasing profits, and create more jobs.

7. SUGGESTED AREAS OF FURTHER STUDY

The researcher recommends other studies to be undertaken on the influence of crediting strategy on the growth of women operated SMEs by focusing on Financial Intermediary Scheme of WEF in Kenya.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

REFERENCES

1. Hussein MH. The Relationship between credit accessibility growth of small and micro enterprises in Langata constituency. Published MBA project; 2015.
2. Buchanan L. American entrepreneurship is actually vanishing: Issue of INC magazine; 2015.
3. Canbin H. Poverty Alleviation through Community Participation, China; 2013.
4. Yulanda W. Poverty reduction of rural women in China — General situation and expectation; 2014.
5. World Bank. The effect of women's economic power in Latin America and the Caribbean. World Development Report; 2012.
6. Salman AY, Oyebiyi GT, Emenike OA. Influence of financial inclusion on small and medium enterprises growth and development in Nigeria. International Journal in Management and Social Sciences. 2015;3(4):390-401.
7. Nyamboga, Bichanga, Odhuno. Evaluation of government micro crediting strategy on the growth of small and micro enterprises: Case of women enterprise fund in Kenya. Case Studies Journal. 2017;1-15(6):12.
8. Zidana R. SMEs Financing and Economic Growth in Malawi. Measuring the Impact between; 2014.
9. Asmamaw YC. The impact of microfinance on living standards, empowerment and poverty alleviation of the poor people in Ethiopia: A case study in ACSI, Research Journal of Finance and Accounting. 2014;5:13.
10. Hassan IB, Mugambi F. Determinants of growth for women owned and operated micro enterprises: The case of Garissa county. International Journal of Business and Commerce. 2013;2(7):45-55.
11. Capital markets authority. Capital raising opportunities for SMES: The development of micro-cap securities markets in Kenya. Nairobi: Capital Markets Authority; 2010.
12. Munoz in Nabutola J. Factors Influencing Performance of SMEs in Central Business District Bungoma County, Kenya; 2010.
13. Suryadevara SS. The effect of micro finance credit on the performance of small and medium enterprises in Nairobi. Published MBA Project, United States International University, Africa; 2017.
14. Wambui MD. The effects of micro finance services growth of small and medium enterprises in Kajiado County. Published MBA Project; 2015.
15. Mokua K. Factors influencing credit of small scale business enterprises, in Kisii County, Kenya. Unpublished MBA project, UON; 2013.
16. Adhiambo R, Okelo MS, Ojera PB. Literature Review on the Relationship Africa Region. Volume 3 of Mediterranean report Geneva: ILO; 2013.
17. GOK. Kenya Economic Survey Highlights; 2009.
18. Kenya National Bureau of Statistics. Economic survey and highlighs. Nairobi; 2012.
19. WEF Report.
Available: www.wef.coke
(Accessed on 20th June, 2015)
20. Mburu C, Guyo W. Influence of women enterprise fund on the growth of women owned enterprises in Kenya: A case study of Dagoretti North constituency in Nairobi. International Journal of Social Sciences Management and Entrepreneurship. 2015;2(1):185-201,
21. Kiraka RN, Kobia M, Katwalo AM, Oliech D. Micro, small and medium enterprise

growth and innovations: A case on the performance of the women enterprise fund in Kenya; 2012.
22. Omaywa BT, Muturi WM. Factors affecting loan repayment by women entrepreneurs: A case of Kisii County, Kenya. International Journal of Economic, Commerce and Management. UK. 2015;3(4).
23. Osoro K, Mokoro A, Nyamoyo D, Areba J. Constrains Facing Women Owned Enterprises. International Journal of Social Sciences and Entrepreneurship. 2013;1(5): 351-371.
24. Momanyi RM, Muturi D, Munene EC. Effects of social-economic factors on growth of butchery enterprise in Nyamira Town, Kenya; 2014.
25. Mutai E. Economy: Women fund fails to hit target despite 7bn loaned out. Business Daily, Monday; 2018.
Available: www.businessdailyafrica.com
26. Kenya Vision 2030. A Globally Competitive and Prosperous Kenya; 2007.
27. WEF Report
Available: www.wef.ke
(Accessed on 1st April, 2019)
28. Kombo KD, Tromp DLA. Proposal and thesis writing - An introduction. Paulines Publication Africa, Nairobi Kenya; 2006.
29. Barney JB. Firm resources and sustained competitive advantage. Journal of Management. 1991;17(1):99-120.
30. Barney JB, Clark DN. Resource based theory: Creating and sustaining competitive advantage. Oxford University Press; 2007.
31. Mahoney JT, Pandian JR. The resource based view within the conversion of management. Strategic Management Journal.1992;15(5):363-380.
32. Black JA, Boal KB. Strategic resources: Traits, configurations and paths to sustainable competitive advantage. Strategic Management Journal. 1994; 15(52).
33. Grant RM. The resource based theory of competitive advantage: Implications for strategy formulation; 1991.
34. Russo MV, Fouts. Resources-based perspective on corporate environmental performance and profitability. Academy of Management Journal. 1997;4:534-559.
35. Barney JB. Gaining Competitive Advantage. 4th Edn, Harlow: Pearson Education Limited; 2011.
36. Foss NJ. Entrepreneurship in the context of the resource based view of the firm. SMG Working Paper No.8/2011; 2011.
37. Alvarez S, Busenitz LW. The entrepreneurship of resource based theory. Journal of Management. 2001;27(6).
38. Porter ME. The competitive advantage of nations. New York, Free Press, Macmillan; 1990.
39. Nothanagel K. Empirical research within resource based theory. A meta analysis of the central proportion: Springer science and business media. 2008;1-308.
40. Mayabi HK. Effect of access to credit on growth of small and micro enterprises in Kenya: Case of boutiques in nairobi central business district. Published Thesis, University; 2015.
41. Ojeifo SA. The paradox of poverty in Nigeria: What an irony. Research Journal of Finance and Accounting. 2014;5(4).
Available: www.iiste.org
42. International Finance Corporation. Women owned SMEs: A business opportunity for institutions. A market and Credit Gap Assessment and IFC's Portfolio Gender Baseline; 2014.
43. Vani SK. Women's empowerment and microfinance an Asian perspective study: IFAD warnings Wall Street Journal. Keynes, UK: Open University; 2011.
44. Ogbe AA. Relationship between micro finance banks and financing of small scale enterprise in Lokongoma District of Kogi State, Nigeria. Research Gate; 2013.
45. Annim SK. Microfinance efficiency: Tradeoffs and complementarities between the objectives of microfinance institutions and their performance perspectives. European Journal of Development Research. 2012;24(5):788-807.
46. SMEDAN & NBS. Survey report on Micro, Small and Medium Enterprises (MSMEs) in Nigeria. 2010 National MSME collaborative survey. Collaboration between National Bureau of Statistics (NBS) and the Small and Medium Enterprises Development Agency of Nigeria; 2012.
47. Deutsche Bank Research. Nigeria: The no. 1 african economy. Research on emerging markets (Oliver Masetti). Deutsche Bank Research; 2014.
[ISSN 2193-5963]
48. NBS. Economic Survey; 2012.
Available: www.knb.or.ke
(Accessed 20th April 2019)

49. Maenge JO, Otuya WI. A critical review on micro financing of small businesses in Kenya. Pyrex Journal of Business and Finance Management Research. 2016;2 (2):006-011.
50. Prah S. Microfinance credit facilities and growth of small and medium scale enterprise in the cape coast metropolis of Ghana. International Journal of Economics, Commerce and Management. 2014;6(12).
51. Gyimah P, Boachie WK. Effect of Microfinance Products on Small Business Growth: Emerging Economy Perspective. Journal of Entrepreneurship and Innovation. 2018;5(1).
52. International Finance Corporation Scaling Up SMEs and Access to Financial Services in the Developing World. G 20 Seoul Summit; 2010.
53. UNDP. Micro and small enterprise development for poverty alleviation in Thailand: International best practice in micro and small enterprises development work. Paper No.2, Edited by Gerry Finnegan; 2000.
54. Welter F. Sustainable microfinance: The balance between financial sustainability and social responsibility. Edamba Summer Academy, Soreze, France; 2010.
55. International Finance Corporation. Scaling Up SMEs Access to Financial Services in the Developing World. World Bank Group; 2010.
56. Khanam D, Moiuddin M, Weber O. Financing micro entrepreneurs for poverty alleviation: A performance analysis of micro finance services offered by BRAC, ASA and Proshika from Bangladesh. Journal of Global Entrepreneurship Research; 2018.
57. Gathogo KP. The effect of microfinance institutions on growth of small scale enterprises in Kiambu County. Published Master's Project; 2014.
58. World Bank Report. Understanding poverty: Small and medium enterprises finance. IBRD-IDA; 2019
Available: www.wolrdbank
(Accessed on 1st November 2019)
59. Gonzalez A. How does gender affect the participation of SMEs in International trade? International Trade Centre; 2016.
60. Ferdousi F. Impact of microfinance on the sustainable entrepreneurship development. An open Access Journal. 2015;2(1).
61. KIPPRA. Growth, poverty and income inequality in Kenya: Suggested Policy Options. Kenya institute of public policy and research analysis, Nairobi, Kenya; 2010.
62. Sultana S, Momen MA, Hassan MK. Online marketing in Bangladesh: A distinctive study in the context of some selected click and mortar business: Journal of Business and Technology. 2010; 5(2):150-165.
63. Olowale F, Garwe D. Obstacles to growth of new SMEs in South Africa: A case of principal component analysis approach. Africa Journal of British Management. 2010;4(5):729-738.
64. Kisaka SE, Mwewa MN. Effects of micro credit, micro savings and training on growth of SMEs in Machakos County, Kenya. A Research Journal of Finance and Accounting; 2014.
65. Sivchou T, Sokhak P, Nara M, Bunhor L. Impacts of micro-credit on household economics. IJERD– International Journal of Environmental and Rural Development. 2011;2–1.
66. Idowu A, Salami AO. Impact of microfinance bank on standard of living of in Ogbomoso North Local Government of Oyo State, Nigeria. Journal of International Business Management. 2011;5.
67. Ademu W. Finance for the poor: An Assessment of the Performance of Microfinance Institutions in Nigeria; 2012.
68. Aremu MA, Adeyemi SL. Small and medium scale enterprises as a survival strategy for employment generation in Nigeria. Journal of Sustainable Development. 2011;4(1):200-206.
69. Adewale AA, Afolabi B. Nigeria deposit money banks' credit administration and the incidence of bad loans: An empirical investigation. Babalola: Afe Babalola University; 2010.
70. Salman AY, Oyebiyi GT, Emenike OA. Influence of financial inclusion on small and medium enterprises growth and development in Nigeria. International Journal in Management and Social Sciences. 2015;3(4):390-401.
71. Culpeper. The role of G20 in enhancing financial inclusion. Heinrich Boll Stiftung publication; 2012.
72. CBN. Amended revised regulatory and supervisory policy and guidelines for

microfinance banks in Nigeria. Published by the Central Bank of Nigeria; 2012.
Available: cenbank.gov.ng
73. Turana OJ. Lack of access to credit stunts growth of SMEs. Business Daily; 2010.
74. International initiative for impact evaluation. Effects of microcredit on women's control over household spending. A 4 Systematic Review; 2013.
75. Thuku GA. Factors affecting access to credit by small and medium enterprises in Kenya: A study of agriculture sector in Nyeri County. Published MBA Project; 2017.
76. ILO. Factors affecting women entrepreneurs in micro and small enterprises in Kenya, Addis Ababa: ILO Regional Office for Africa; 2008.
77. Kung'u GK. Factors influencing SMEs to finance: A case study of Westland divison, Kenya. Published MBA Thesis; 2011.
78. Desta S. Desk review of studies conducted of women entrepreneur in Ethiopia. Swedish International Development Corporation (SIDA); 2010.
79. World Bank. World Development Indicator Database; 2006.
80. Government of Kenya. Session paper no 2 of 2005 on development of SMEs, Nairobi, Government printer.
Available: http://worldbank.org/accessed
(Accessed on 10th October, 2015)
81. Milford B. Microfinance as a development and poverty reduction policy: Is it everything it's cracked up to be? ODI Research Fellow; 2011.
Available: m.bateman@odi.org.uk
82. Muguchu M. Relationship between access to credit and finance performance of small and medium enterprises in Nairobi, Kenya. MBA project, University of Nairobi; 2013.
83. Agba AM, Ocheni S, Nkpoyen F. Microfinance credit scheme and poverty reduction among low income workers in Nigeria. Journal of Good Governance and Sustainable Development in Africa. 2014;2 (1):1-13.
84. Olowe FT, Moradeyo OA, Babalola OA. Empirical study of the impact of microfinance bank on small and medium growth in Nigeria. International Journal of Academic Research in Economics and Management Science. 2013;2(6).
85. Babagana SA. Impact assessment of the role microfinance banks in promoting small and medium enterprise growth In Nigeria. International Journal of Economic Development Research and Investment. 2010;1(1):42-53.
86. Ogunrinola O. Social capital land earning distribution among female micro entrepreneurs in rural Nigeria. African Journal of Economic and Management Studies. 2011;2(55):94-113.
87. Babajide A. Effects of Microfinance on Micro and Small Enterprises, SMEs, Growth in Nigeria. Asia economic and Financial Review. 2012;2(3):463-477.
88. Nwosu EO, Antony OI, Vivian N, Nwankwo UC. Is there Discrimination against Women Entrepreneurs in Formal Credit Market in Nigeria? 2015.
89. Emmanuel SA, Nneji ID. Contribution of microfinance banks to the development of small and medium scale enterprises in Nigeria. Research Journal of Business Theory and Practice. 2015; 3(2): 139-158.
90. Dichter T. Hype and hope: The worrisome state of the microcredit movement; 2006.
Available: www.microfinancegateway.org/content/article/detail/31747
(Accessed on 20th June 2015)
91. Kevany S. Debt trends in Peru's personal, microfinance sectors spark', Warnings Wall Street Journal. Keynes, UK: Open University; 2010.
92. Cain P. Microfinance Meltdown in Bosnia', Al Jazeera (English); 2010.
93. Ghokale K. As microfinance grows in India, so do its rivals'. Wall Street Journal. Thesis, Universidad Austral De Chile, Chileglobal Economy: Towards a More Responsible and Inclusive Globalization; 2009.
94. Lawal JO, Omonona BT, Ajani OIY, Oni OA. Effects of social capital on credit access among cocoa farming households in Osun State, Nigeria. Agricultural Journal. 2009;4(4):184-191.
95. La Porta R, Shleifer A. The unofficial economy and economic development. Brookings Papers on Economic Activity (fall); 2008.
96. Bateman M. Microfinance as a development and poverty reduction policy: Is it everything it's cracked up to be? Overseas Development Institute, a Background Note; 2011.
97. Kothari C. Research methodology: Methods and techniques. 2nd edition; New Age International Publishers, New Delhi, India; 2014.

98. Kumar R. Research Methodology: A step by step guide for beginners (2nd Ed.) New Delhi: Sage Publication; 2014.
99. Gupta S. Statistical methods. Sultan Chand & Sons Publishers, New Delhi. 2008.
100. Mugenda OM, Mugenda AG. Research methods: Quantitative and qualitative approaches. Act Press, Nairobi; 2012.
101. Sekaran U, Bougie R. Research methods for business: A skill building approach. West Sussex, UK: John Wiley & Sons Ltd; 2010.
102. Sekaran U, Bougie R. Research methods for business: A skill building approach. West Sussex, UK: John Wiley & Sons Ltd; 2010.
103. Cooper DR, Schindler PS. Business research methods. 8th edition, MacGraw-Hill Irwin, Boston; 2003.

Peer-review history:
The peer review history for this paper can be accessed here:
http://www.sdiarticle4.com/review-history/52748