

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

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Abstract: Training is a vital micro credit strategy for spurring the growth of Small and Micro Enterprises (SMEs) world wide. SMEs need to develop skills and core competencies in order to gain a competitive advantage in the dynamic market environment. Training is therefore a major determinant in the performance of SMEs. Investment in business skills and knowledge enhances productivity of enterprises. The government of Kenya was prompted to establish Women Enterprise Fund (WEF) in 2007 as a micro credit to enhance the growth of women owned SMEs in the country by providing training. Despite this, most women owned SMEs have high rates of failure resulting from poor and inadequate training in entrepreneurial activities. The purpose of this study therefore was to identify the influence of training strategy on the growth of SMEs in Kenya. This study's objective was to establish the influence of training strategy of WEF on the growth of small and micro enterprises in Kenya. The independent variable of this study was training strategy while the growth of SMEs was the dependent variable. This research used a descriptive survey based design. The study's target population was composed of female group leaders' beneficiaries of Constituency Women Enterprise Scheme (CWES). Both cluster sampling and simple random sampling were used to select a sample size of 335 respondents for the study. Quantitative primary data was collected by use of structured researcher administered questionnaires. Data collected was sorted out and coded according to the research objectives. The study utilized both inferential statistics and descriptive statistics to analyze the quantitative data, by the aid of SPSS version 24 computer software. Both Analysis of Variance (ANOVA) and Linear Regression Analysis were computed to find out the correlation between the study's variables. The study established a positive relationship between training strategy and growth of SMEs. The findings of this study will help the government of Kenya in formulating and implementing training strategies that would boost the growth of SMEs in the country. The study recommends that the government of Kenya provides frequent training services to WEF clients in order to equip them with a variety of business skills. The knowledge and skills will assist loan beneficiaries to manage their business effectively.

Keywords: Training Strategy, Small and Micro Enterprises, Women Enterprise Fund, Entrepreneurs, Constituency Women Enterprise Scheme, Government of Kenya.

1. INTRODUCTION

1.1 Background Information

The SMEs form the largest segment of commercial enterprises in the informal sector. These business enterprises provide economic opportunities to marginalized groups, particularly in the rural areas, by providing access to entrepreneurs to create jobs and generate revenue (Hassan & Mugambi, 2013; Capital Market Authority, 2010). In the USA, the poor economic conditions have compelled most individuals to abandon formal jobs and seek self-employment in the SMEs

sector. The number of females establishing SMEs has consequently 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 in the USA (Buchanan, 2015). In china women owned SMEs are significant contributor of the Chinese economy but their performance is turning out to be poor as reflected by the slow growth rate (Canbin, 2013; Yulanda, 2014). In India women owned SMEs are vital components of the nation's economy. Despite this, the SMEs have been faced with several challenges leading to high early close up rates. Among the challenges facing the SMEs are lack of business management skills (UNESCO, India; World Bank, 2012).

In Malawi poor growth of women operated SMEs is a common phenomenon. Women businesses remain deprived mostly in agribusiness activities than male entities. The women entrepreneurs in many parts of the country continue to experience difficulties in operating the SMEs (Zidana, 2014; Sunita, 2003). In Ethiopia the SMEs are active in the economic development of the country. The enterprises have uplifted the status of many small scale traders but the numbers of the SMEs are slowly declining. This is a clear manifestation of the collapse of the sector in the country notwithstanding its significance to the economy of Ethiopia (Asmamaw, 2014).

In Kenya the SMEs sector is outstanding in economic development of the nation. The sector employs about 14.9 million people and contributes to around 28.5 per cent to the economy. However reports indicate that majority of the SMEs in Kenya have closed down and collapsed due to lack of adequate business skills. A survey by National Bureau of Statistics of 2016 shows that about 2.2 million SMEs have shut down in the last five years leaving the sector with about 7.8 million enterprises. Majority of the collapsed businesses are located in the rural areas and this has been attributed to low levels of literacy (Kangethe, 2016).

Training has been identified as an important strategy to empower the growth of SMEs globally (Edgomb, 2002) because it provides entrepreneurs with the ability to acquire business management skills and the ability to adapt to business environment. Training enables many businesses to operate and sustain their commercial activities in the market (Kiruja, 2013). Many nations like USA, Latin America, Poland, India, and Iran have embraced training of the SMEs in order to empower the management of their business activities (Rispa, 1998). As noted by Tylor (2002) the U.K government is in the forefront of sponsoring training for the owners of the SMEs. The government has therefore instituted strong measures to support capacity building of small business growth (Kirby, 2004).

In the republic of South Africa, the government has insisted and emphasized on training the owners of the SMEs with the intention of enhancing performance of these economic enterprises (Perks & Smith, 2008). These initiatives have also been witnessed in Rwanda where the government has embarked on measures to train and develop small and micro traders. This has been done in most parts of the country (Bosire, & Nzaramba, 2013; Rwanda Development Board, 2011). The most successful SMEs are those that embrace more training. However, most SMEs encounter pressure due to dynamic changes of the business environment resulting from globalization, and changes in technology that necessitates the need to acquire necessary skills and competencies (Natul, 2011; Storey, 2002).

In Kenya the government introduced WEF as a micro credit to promote the growth of women SMEs. Training is a vital component of WEF. According to WEF, training services are offered to the clients of CWES to enhance business management skills. A training fee of Ksh. 100 is charged for each member. Group member beneficiaries of CWES are given training services on general business management skills as a condition for loan application. Reports indicate that most women clients do not have entrepreneurial skills to utilize the loans effectively. Some group members are not able to select viable business opportunities due to lack of knowledge. Additionally, low illiteracy levels among women beneficiaries of CWES, render most clients unable to understand business plans especially those framed in English language (WEF, 2015). Despite the implementation of training strategy by WEF women continue to face challenges in utilizing the loans from the agency. This forms the background against which this study was conducted.

1.2 Statement of the Problem

The government of Kenya recognizes the enormous contribution of SMEs in the economic development of the nation. Kenya's vision 2030 identifies SMEs to be vital in the development of the nation. Consequently WEF was initiated as a micro credit geared to stimulate the growth of SMEs. Training is an integral part of WEF micro crediting strategies aimed at imparting entrepreneurial skills and knowledge to boost the growth of women owned SMEs. Group member beneficiaries of CWES are given training services on general business management skills as a condition for loan application (WEF, 2019).

The growth of the SMEs is quite slow in most parts of the country. This has negatively affected the country's GDP. Most of the SMEs have a high infant mortality, collapsing a few years after start up. A survey by National Bureau of Statistics of 2016 shows that about 2.2 million SMEs have shut down in the last five years leaving the sector with about 7.8 million enterprises. Majority of the collapsed SMES are located in the rural areas and this has been attributed to low levels of literacy of the operators of the SMEs (Kangethe, 2016). Most women clients do not have entrepreneurial skills to utilize the loans effectively. Some group members are not able to select viable business opportunities due to lack of knowledge. low illiteracy levels among women beneficiaries of CWES has made most clients unable to understand and interpret business plans especially those framed in English language (WEF, 2015).

Despite the implementation of training strategy by WEF, most women SMEs continue to perform poorly in utilizing the loans. The persistent poor growth of SMEs in most parts of the country is the concern of this study. There is need to carryout a comprehensive study to determine the extent to which training strategy has influenced the growth of SMEs in Kenya. Furthermore, literature reviews on SMEs reveal inadequate empirical findings that evaluate the relationship between training strategy and growth of SMEs. Most studies have focused on the impact of credits on business performance. This study was intended to fill these gaps by establishing the influence of training strategy on the growth of SMEs in Kenya.

1.3 Objectives of the study

The specific objective of this study was to establish the influence of training strategy on the growth of SMEs in Kenya.

1.4 Hypothesis of the Study

The study focused on both null and alternative hypothesis

H₀. There is no significant relationship between training strategy of WEF and the growth of small and micro enterprises in Kenya.

H₁. There is a significant relationship between training strategy of WEF and the growth of small and micro enterprises s in Kenya.

2. LITERATURE REVIEW

This study was based on both theoretical and empirical review

2.1 Theoretical Review

According to Kombo and Tromp (2006) a theoretical framework explains a phenomenon. This study was based on the Human Capital Theory and how it influences training strategy adopted by WEF in Kenya.

2.1.1 Human Capital Theory

This theory was propounded by Horace Mann. The proponents of this theory identify the importance of educational training and experiences in order to come up with informed decisions concerning establishing a business venture and operating it successfully. Educational training is has a direct linkage to the success of an entrepreneur (Garry, 1975; Cooper, 1981). This theory emphasizes on knowledge and skills that are gained through educational training and experience. As Anderson and Miller (2003) confirmed, these resources enable people to carry out well articulated identification of business opportunities and eventually proper utilization of these opportunities.

The theory of human capital is crucial in commercial entities' productivity. This implies adding together a firm's resources to attain a competitive advantage over others (Wickham, 2001). The execution of quality educational programs can increase the effectiveness of empowering business enterprises. The absence of education and training can be a major hindrance to establishment of business entities (Birley, et al, 1987). The management of an organization is therefore viewed to be significant in creating and providing a good working environment, in which employees can work as a team to meet the goals of the organization (Koonz & Weinrich, 2006). The presence of skilled and competent managerial staff is necessary for the growth of the organization.

This theory is important in explaining how training strategy is fundamental in attaining the growth of SMEs owned by women in Kenya. The training offered to women groups, through WEF, is assumed to generate prerequisite business skills to improve performance and growth of the SMEs.

2.2 Empirical Studies

This section provides important empirical studies which have been done by different scholars on training strategy and the growth of SMEs in Kenya.

2.2.1 Training Strategy and Growth of SMEs

Studies by Olawale and Garwe (2007) were carried to establish the relationship between training and the growth of SMEs. The studies found out inadequate management experience to be a great contributor of failure of the SMEs sector. These findings show that that knowledge and training in business related concepts assists business owners to manage business transactions hence reducing operational costs. Lack of adequate sales and marketing skills leads to the failure of most SMEs. Research studies by Ibru (2009) and Kuzilwa (2005) observe that the use of crediting and training strategies needs to be adopted simultaneously to spur the growth of SMEs. Skills in business management provide an entrepreneur with the needed entrepreneurial skills while business management training provides managerial competence needed for making business decisions (Cunha, 2007; Jill et. al., 2007). Educational training provides skills that help to enhance the growth of SMEs globally (Ibru, 2009; Akola & Heinonen, 2006).

Stevenson and St. Onge (2005) argue that entrepreneurial trainings focus on developing the market, discovering market opportunities, enhance promotional tactics and target on business growth. Training helps to provide knowledge on how to deal with financial creditors mainly on the mechanisms of obtaining credit. However, the suggestions of this study are focused on big business organizations but not on SMEs. Training improves entrepreneurial skills and change in behavior of the trainees (Alberti & Poli, 2004). Training makes an entrepreneur to create more business opportunities and maintain full control of a business enterprise. The educational training given to traders enables them to successfully conduct their businesses, acquire new business skills and open up new opportunities for business growth. Investment in human assets results leads to higher production, creation of more jobs and higher wages (Kessy & Temu, 2010).

Peterman and Kennedy (2003) established a positive significant correlation between training and business creation. Traders who undergo entrepreneurial training are more effective in managing their enterprises though they may have difficulties at the startup stage. Entrepreneurial skills promote good maintenance of business records although they may experience challenges on making high profits. Equally attendance at an entrepreneurial training program enhances the desire and feasibility of starting a business. As Krishna (2003) argues, training assists an individual to make good informed choices and be in a position to convert these choices into desired actions for improved results. The resultant is improved organizational efficiency and high production. Entrepreneurial training improves the desirability and feasibility of starting a business. Training has a lot of bearing on small scale traders and overall business growth (Peterman & Kennedy, 2003).

Training helps a person to obtain desired knowledge for the business (Wang, 2008). In relation to customer base, training services improve business development (Muteru, 2013). According to Mwarari (2013) improved business skills, through venture development services, assist women micro creditors to improve their marketing strategies and target more customers. As a result of this, there is increment in the customer base. Further studies by Akanji (2006) confirm that training has significance effect on the development of small enterprises. However as Ibru (2009) notes, most female entrepreneurs lack this. Women have less experience of using formal banking services; have less knowledge on crediting of bank loans, and have less awareness of the bank requirements.

Training empowers growth of women enterprises on several aspects of capacity building, especially on decision making, political involvement and making purchases. According to studies by IFAD (2009), training women improves the ability to make decisions, express personal feelings and attain societal respect. According to Kay (2003) training improves self-confidence as well as the ability of women to control productive assets. Apart from increasing the ability to make decisions, educational training affects female status in the family, especially the reduction in women related conflicts. Training skills given to trainees help them to keep business records and business documents. They are also able to manage sales even though they fail in profit management. Acquiring business skills are important because they enable an entrepreneur to develop the much needed competence (Akanji, 2006).

Porteous (2004) noted that training in business related matters provides room for a micro trader to enhance creativity and innovation and as such develop desirable management skills of the investment. Porteous argues further that training is necessary for any business person to possess useful business skills. When adequate business training is offered, the resultant feature is enhanced managerial skills as well as good business performance. Ferrand, et al (2004) noted that the

operators of small businesses but are not well trained in business management matters, tend to suffer from unclear business vision, lack of knowledge and business experience.

Entrepreneurial competence encompasses good business skills and desirable knowledge that are key elements for business growth. Training in entrepreneurship develops the mindset of a trader hence enabling the entrepreneur to be productive in the business market. Studies have shown that big firms have good management skills compared to small firms. These skills make big firms to be competitive in the market resulting to high business growth rate. There is adequate evidence to show that there is a strong relationship between management training skills and performance of micro enterprises inform of more profits, more workers, sustainability and survival of a business (Kickpatrick & Maimbo, 2002).

A study carried in developed countries such as USA, established that a strong relationship do exist between training services provided and the nature and size of the firm. In big firms, managers use some of their time frequently to train their staff (OECD, 2002; Kotey & Folker, 2007). In countries such as Canada, studies carried out reveal that there a strong relationship between the size of the firm and training. In such countries, firms with adequate training services tend to perform better in terms of quality of products, generation of high income, creation of more profits and business viability (Gonzalez, 2001).

Gardner, et al (2003) established that firms that are focused on training of the human resource are more significant than others, in terms of income generation. Further studies conducted in the United Kingdom by Carter, et al (2002) noted a significant correlation between training and development of small business enterprises. Business training lowers turnover and increase the size of a business. On the same vein, Rogerson (2002) reports that training received by an entrepreneur leads to better performance of SMEs in third world countries, especially South Africa.

Ndambiri (2002) adds more weight to these segments by asserting that training strategy is key to growth of business due to skills and economic growth it produces. Entrepreneurs who have adequate skills stand a good chance of providing employment opportunities and can easily uplift their business status. Business skills obtained become a cornerstone of dealing with joblessness in a nation (Egdecomb, 2002). The business environment is quite dynamic and as such there is need for the micro traders to be trained in order to make them relevant. The expansion, growth and development of a business, are directly related to the training of the human resources. Studies on training and growth of SMEs show that any training that is provided emanates from the organizational effort (Meyer, 2001).

Training by nature is influenced greatly by several factors that can be either internal or external to the firm. GOK (2003) observed that SMEs need training to make them grow and develop into big business entities. Similarly, studies have shown that adequate and relevant training enhances SMEs competencies and raise the rate of expansion. Entrepreneurs have certain essential motives that they derive from training and these include experience, accessibility to funds and social capital (Demic & Reilly, 2000). Fischer (1993) measures business growth on SMEs in terms of high sales turnover, revenue generated, profits, high employment levels as well as capital investment on business. GOK (1999) viewed growth of business in terms of size as well quantity of workers.

King and Mcgrath (2008) cite training to be a major factor influencing the growth of SMEs. Micro traders who possess adequate human training skills are capable and flexible enough to adopt changes in business environment. Training and acquisition of skills remains outstanding in the growth of a business enterprise. Inadequate skills and advice are cited to be major causes for poor performance of SMEs .Most female owned SMEs remain stagnant or struggle to develop as a result of inadequacy in business training. The success of any business entity depends very much on the amount of skills possessed by the operating person (Brush, et al, 2009). Entrepreneurial capacity building results in competence hence growth and sustainability of a business enterprise. Training equips a trader with business skills and makes an enterprise adaptive to turbulent business environment. For women entrepreneurs to be equal to men in terms of productivity, they need much training (Hookomsing & Essoo, 2003).

Researchers have identified training to be an essential variable that influences an enterprise. This is because creativity, ability to innovate and make the right judgment as well as knowledge and skills are needed to manage SMEs (Natul, 2011). Entrepreneurial training assists a trader to adapt to harsh condition more efficiently. Furthermore studies that were conducted by Rodriquez, et al (2003) reveal that the age of micro trader is significant in determining the growth, expansion and development of SMEs. This study shows that middle aged entrepreneurs are able to adjust well to drastic dynamics of the market forces of demand and supply.

More studies by Burns (2011) observed that social cultural factors tend to hinder adoption of new technology and the spread of western ideas. Educational training and any gained business experiences are very much significant to the growth and development of a business venture. Furthermore the duration taken by a trader to obtain training before establishing a business enterprise, determines the level at which the business will perform. It has been noted that majority of the enterprises started by females have been focused on entrepreneurship. This explains why most female traders have taken up disciplines in the arts subjects while leaving scientific subjects to males (Hisrich, 1989). SMEs are occasionally prone to collapse due to their small size. Following the smallness of SMEs, a small managerial error can lead to business distinct. Poor financial facilities, planning and management are the most hindrances of facing SMEs. Poor management skill therefore is a major cause of poor performance by business (King & Mcgrath, 2008)).

Chemin (2004) observes that small business enterprises are unlikely to offer adequate external training services. Most SMEs don't have proper channels of communication that can enable them to be aware of the significant role training plays in the growth of SMEs. High employees' turnover rates amongst SMEs tend to affect the benefit accrued from training. According to KIPPRA (2009) majority of the Kenyan laborers lack educational training and as such are deficient of technical skills that are required for competitiveness. This research indicates that most of the Kenya population, almost eighty percent, has only attained basic educational level. This scenario prompted the government of Kenya to start technical training in entrepreneurship at all levels of learning.

A report by the GOK (1999) established that the amount of training given to the SMEs sector is quite low despite the essential roles this informal sector plays in the Kenyan economy. From the findings of this study, training has not been fully utilized by SMEs even though the government of Kenya has continued to advocate for entrepreneurial training. Most of the SMEs operated by women do not have adequate management skills (UNECE, 2014). SMEs are operated through trial and error management style. This has made some of the SMEs to focus on short term day to day affairs instead of focusing on long term issues. As majority of the SMEs, especially those under women, are managed with poor educational backgrounds, they are not well organized to carry out their operations effectively. SMEs need business training skills in order to operate well (Ewoh, 2014). However majority of the SMEs are managed by business persons who do not possess adequate academic training. This study observed that the success of SMEs is significantly related with training skills possessed by the operator (King & McGrath, 2002).

Literature review shows that females have little access to training because the number of women enrolment in educational training is lower compared to men. This has led to a reduced amount of skills for most women entrepreneurs. For SMEs to grow and expand, it requires sufficient knowledge and skills of the manager (Kickpatrick & Maimbo, 2002). All sectors require adequate expertise, which are insufficient for most female entrepreneurs leading to poor growth. Professional training is essential for the growth of SMEs. However, most females operating SMEs have a lot of responsibilities curtailing them from acquiring skills (Ewoh, 2014). The current market needs adequate business skills in order to make micro entrepreneurs adaptive to dynamic business atmosphere. However in less developed nations, young girls and women in general, lack exposure of obtaining business skills. As the business environment keeps on changing, women entrepreneurs need constant on going skills, innovation and creativity. Scarcities of training and poor skills are major obstacles facing the growth and development of SMEs (Mwania, 2015).

UNECE (2004) indicated that access to market by SMEs needs adequate skills and knowledge. Most female micro traders don't have enough training on marketing and as such they face hurdles in marketing their products. Majority of the female operated SMEs don't have the ability to produce and market their products effectively. Lack of market exposure to foreign markets is therefore a noticeable feature among most local SMEs owned by women. This report argues that more expenses are incurred when opening new business networks and marketing in general. Additionally, female traders encounter social prejudice as well as sexual harassment which restrain their movements and social networks. According to Desta (2010) most females are not educated compared to males although this low level of training allows them to manage SMEs. Accessibility to educational training in the informal sector is quite low even though several stakeholders have strived to offer training opportunities to most SME operators. Guidance on SMEs operations is quite poor in most parts of Africa. Most SMEs are not in apposition to get information about entrepreneurship from external agencies. Entrepreneurial training services are inflexible and irregular to many females operating SMEs. This research also argues that most of the training is offered to men yet female entrepreneurs need their fellow women to be their trainers. Nchimbi (2002) argues that lack of proper training coupled with poor business experience; negatively affect the growth of SMEs operated by women.

Research conducted has shown that females who possess lower business experience and operating business enterprise tend to perform poorer than their male counterparts. This research shows that female entrepreneurs acquire more knowledge and skills when they run and control productive resources these women stand a better chance to add up their level of business skills, gather business information and are capable to solve and overcome business problems (Eshetu & Zeleke, 2008). Studies by ILO (2006) have identified inadequate of competence skills and low business management skills to be a major facing women SMEs in Ethiopia. Lack of market knowledge and scarcity of time are hindrances to growth in Ethiopia.

Most entrepreneurs in Africa don't have the necessary competencies and knowledge to penetrate the market and carryout productive processes (UNECE, 2014; Fjose, Gruntfeld & Green, 2010). On top of this, most females encounter gender exclusion. Ewoh (2014) noted that training is a necessity of attaining good business outcome. However some scholars have shown that female are less knowledgeable in business management skills and perform poorly. Household duties deny females the opportunity to acquire training. This renders most women to stay without desired expertise and experience to excel in their business endeavors. Despite the positive correlation between training and growth of SMEs, Stoney (1994) does not see any direct link between training and business growth.

Research conducted observes that most countries, including Kenya, do not have a well-coordinated policy on entrepreneur training. This in essence affects the growth and development of SMEs in a negative way. Literature reviews on SMEs reveal inadequate empirical findings that evaluate the relationship between training strategy and growth of SMEs. It is not clear whether training has significantly influenced business growths (KIPPRA, 2009). Carter, et al (2002) noted a positive and significant relationship between training and growth of micro business. Majority of female micro traders in less developed nations don't have adequate knowledge on business matters that is a significant component of entrepreneurship process (IFC, 2007). As Roomi and Parrot (2008) and Porter and Nagarajan (2005) argue the impact of training on the effectiveness of female owned SMEs in less developed nations needs to be addressed fully; as seen in many situations where most women continue to have low educational levels and face a lot of inequalities.

2.3 Knowledge Gap

From the reviewed literature, the influence of training on SMEs is debatable. It is not clear on whether training has significantly influenced business growths (KIPPRA, 2009). Literature reviews on SMEs reveal inadequate empirical findings that evaluate the relationship between training strategy and growth of SMEs on the African context. Furthermore, the micro credit model replicated globally was established in Bangladesh. Researches on the strengths and weaknesses of micro crediting strategies such as training are measured along this context. Women enterprises are contextual hence change from place to place but micro crediting strategies are applied used uniformly in many parts of the world. Most researches conducted on the performance of SMEs focus much on the economic variables and not much attention is given to social dimensions. This study was destined to fill these gaps.

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, 2004). 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, 2005). 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 2015. A sample size of 335 was used for this study, constituting women group leaders who had benefited from CWES between 2013 and 2015 in all constituencies of Nyamira, Kisii and Migori counties. The study selected women group leaders from a population of 2032 by using Yamane (1967) sampling frame formula:

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

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 (2008) suggests 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 and Mugenda (2003), 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 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 0.79 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 ANOVA and 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

training strategy was a predictor of growth of SMEs.

Where Y =dependent variable (growth of SMEs)

X_1 = independent variable (**training** strategy)

α = constant

β_1 =the coefficient of the independent variable

u = the error term.

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 and Mugenda (2003) and Kothari (2004) observe that a response rate of 50% is adequate for a study. Sekaran (2000) and Cooper and Schindler (2003) confirm 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 Descriptive Analysis of Training Strategy and the Growth of SMEs

To determine the influence of training strategy on the growth of SMEs, the respondents were requested to respond to a set of statements on a five-point Likert scale. Firstly, the respondents were asked whether the training offered by WEF agents improved business skills. The outcome shows that most respondents agreed to this statement as reflected by a mean score of 2.1092. On the same note some respondents disagreed with this statement as indicated by a standard deviation of 0.74501. Opinion was sought to establish whether the training offered by WEF agents was done frequently. A large proportion of the respondents agreed with the statement as indicated by a mean score of 2.9415 while a standard deviation of 1.84700 shows a high variation from the mean, suggesting that some respondents disagreed with the statement.

The respondents were equally asked on whether the training offered by WEF agents was relevant to business management. The results show that most of the respondents agreed with the statement as reflected by a mean score of 1.8540. A standard of 0.64483 indicates a high variation from the mean suggesting that some respondents disagreed with this statement. The respondents were asked to respond on whether training offered by WEF agents improved savings from business of the loan beneficiaries. A mean score of 1.9010 indicates that most of the respondents were positive to this question, and therefore agreed that training services offered by the officials of WEF was significant in promoting their business savings. The standard deviation of 0.8118 signifies that some of the respondents were not in agreement with the statement. This response shows high variation from the mean.

In regards to the question of whether training offered by WEF agents increased ability to make profits in the conduct of business, the table below shows that majority of the respondents agreed on statement and were positive that the training they received from the fund's agents had given them sufficient skills to manage their business effectively and were able to make proceeds as reflected by a mean of 1.9609. The standard deviation 0.86230 indicates high variation from the mean. This implies that some of the respondents did not agree on the statement.

Further, the respondents were asked to respond to whether training offered by WEF agents improved business growth from which a mean of 1.9026 shows that most of the respondents agreed with the question while the standard deviation of 0.82525 indicates high variation from the mean. This shows a mixed opinion on the relationship between training strategy and business growth, with majority of the respondents remaining positive about the influence of training and growth of business. In conclusion on matters pertaining to training strategy and the growth of SMEs, the study established a positive relationship between training strategy and growth of business.

Table 1: Respondents' Opinions on Training Strategy and Growth of SMEs

Statement	Observations	Mean	Std. Deviation	Variance	Min.	Max.
Training offered by WEF agents improves business skills	308	2.1092	0.74501	0.4320	1.00	5.00
Training offered by WEF agents is done frequently	308	2.9415	1.84700	1.2430	1.00	5.00
Training offered by WEF agents is relevant to business management	308	1.8540	0.64483	0.5692	1.00	1.00

Training offered by WEF agents improves savings from business	308	1.9010	0.8118	0.659	1.00	5.00
Training offered by WEF agents increases ability to make profits	308	1.9609	0.86230	0.744	1.00	5.00
Training offered by WEF agents improves business growth	308	1.9026	0.82525	0.681	1.00	5.00

Source: Field Data (2018)

4.3 Regression analysis of training strategy and the growth of SMEs

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

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

Where Y =dependent variable (Growth of SMEs)

X_1 = independent variable (Training Strategy)

α = constant

β_1 =the coefficient of the independent variable

u = the error term.

The table below represents a regression model on training strategy and the growth of SMEs. As represented in the table below, the coefficient of determination R square is 0.052 and R is 0.228, at 0.05, significance level. The coefficient of determination indicates that 4.3% of the variation on training strategy influences growth of SMEs. It means that 4.3% of the variation in the business growth is explained by training strategy. This implies that there is a significant relationship between training strategy and growth of small and micro enterprises.

Table 2: Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.228 ^a	.052	.043	1.19460

Dependent Variable: Growth of SMEs

Independent Variable: Training Strategy

Source: Field Data (2018)

The one way ANOVA results shown in the table below confirms further that the model fit is appropriate for this data. The calculated 0.001 p value being smaller compared to the less critical value of 0.05, it implies a positive correlation between training strategy and growth of small and micro enterprises. The F-statistics of 5.445, reflects that the results are highly significant ($P < 0.001$) but it is very unlikely that they are computed by chance. It is therefore prudent to argue that the results show that the model fit is significant and improves the ability to predict the outcome variable.

Table 3: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.310	3	7.770	5.445	.001 ^b
	Residual	423.839	305	1.427		
	Total	447.150	308			

Dependent Variable: Growth of SMEs

Independent Variable: Training Strategy

Source: Field Data (2018)

The results in the table below indicate further a significant positive correlation existing between training strategy and development of small and micro enterprises. This is through the fitted model $Y = 0.705 + 0.113 \text{ Training Strategy}$ which implies that any unit change in training strategy results to increase in growth of SMEs by the rate of 0.113.

Table 4: Coefficients Optima Regression Model

Model		Unstandardized Coefficients		Standardized Coefficients t	Sig.
		B	Std. Error		
1	(Constant)	.705	.138	5.113	.000
	Training strategy	.113	.052	.133	.031

Dependent variable: Growth of SMEs

Independent variable: Training Strategy

Source: Field Data (2018)

4.4 Hypothesis testing

To determine whether training strategy influences business growth of SMEs, (H_{02}) stating that “There is no significant relationship between training strategy of WEF and the growth of SMEs” was tested.

Decision rule: If the calculated p value is found to be smaller than the critical value of 0.05, then the null hypothesis is not accepted.

ANOVA results shown in the table 4 above confirms that the calculated 0.001 p value is smaller than 0.05, critical value. This implies the existence of a significant positive correlation between training strategy of WEF and the growth of SMEs. This led to the rejection of the null hypothesis (H_{02}) and the alternative hypothesis, which states “There is a significant relationship between training strategy of WEF and growth of small and micro enterprises”, is accepted.

5. CONCLUSION

The findings of the study revealed that there was a positive and significant relationship between training strategy provided by WEF and the growth of SMEs. The overall implication is that, providing women clients with sufficient training services lead to improved growth of SMEs in terms of business growth, profit making and improved savings. From the findings, it is therefore important to conclude that offering training strategy to WEF clients helps to increase the growth of SMEs.

5.1 Recommendations

In relation to influence of training strategy on the growth of SMEs, the study recommends the provision of frequent training services to WEF clients in order to equip them with a variety of business skills. The knowledge and skills will assist loan beneficiaries to manage their businesses effectively and therefore promote savings, profit making and ensure overall business growth.

5.2 Suggested areas of further study

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

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