

# DETERMINANTS OF WOMEN PARTICIPATION IN THE LABOUR MARKET IN KENYA: A CASE OF INFORMAL SECTOR IN GIKOMBA MARKET, NAIROBI COUNTY

NEWTON SANG

Jomo Kenyatta University of Agriculture and Technology

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**Abstract:** Gender disparities in employment opportunities and economic investment patterns in Kenya have continued to widen across all sectors of the economy and at various levels of development intervention. This study sort to assess the determinants of women participation in the labour market, a case of the informal sector in Gikomba Market, Nairobi County. The objectives of the study were to assess the influence of economic policies on women participation in the labour market, to evaluate the impact of women empowerment on women participation in the labour market and to assess the influence of gender mainstreaming on women participation in the labour market. The study was guided by human capital theory, feminism theory and glass ceiling theory. The study adopted a descriptive survey research design. The target population for this study was 308 informal businesses from Gikomba market in Nairobi County that were chosen from different sectors of the economy and run by women. Stratified sampling was used to select a sample size of 102 women. Primary data was collected by administering a semi-structured questionnaire. Data collected from the field was cleaned, coded and entered into the computer for analysis using the Statistical Package for Social Sciences (SPSS) version 21. The study generated quantitative data which was analysed by use of descriptive statistics and presented using frequency tables and graphs. The Chi-Square test statistics results revealed p-values that were significant for the influence of economic policies, women empowerment and gender mainstreaming influence on women participation in the labour market. Therefore, the study concluded that economic policies, women empowerment and gender mainstreaming have a significant influence on women participation in the labour market. In order to develop successful economic policies, study recommends that there is a need for nations to understand and pay attention to economic growth strategies, monetary, fiscal, trade and investment policies that are geared towards women empowerment focusing entirely on unequal gender distribution in the labour force. The study also recommends that women need to be sensitized to be more aggressive in pursuing employment opportunities. Their numbers in employment would be enhanced if more women turned up to seek the opportunities. The study finally recommends that gender mainstreaming policies must be institutionalized and mainstreamed in employment through gender policies and in the planning process. This study recommends urgent action on that review process that must make the labour laws gender sensitive and that more flexible working hours for women are proposed.

**Keywords:** Economic policies, Women empowerment, Gender mainstreaming, women participation and labour market.

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## 1. INTRODUCTION

As a result of globalization, most nations supported by initiatives from international organizations such as the United Nations have initiated gender responsive policy making (Krook & True, 2012). For instance, Local and Timeline (2012) states that, in 2001, the United Nations Development Fund for Women (UNIFEM) while collaborating with the Commonwealth Secretariat and the International Development and Research Centre (IDRC) unveiled a four-year plan on

budget initiatives that are gender sensitive with an aim of strengthening governments' capacity to apply gender analysis in planning, monitoring and evaluating the impacts of revenue raising and allocation of expenditure at the national and regional levels. The pillars that guided the four year plan were to enlighten national governments to increase the participation of women in budgetary policies and sensitize on the need for gender equality into economic governance through increased transparency of the budget making processes. In order to strengthen existing monitoring mechanisms since the onset of gender responsive budget making in 2001, there has been an increase on the need to hold international and national actors accountable for their policy sensitivity towards women. As a result, The National Planning Commission (2013) states there is the need to analyse the impact of government revenue and spending on women.

### Statement of the problem

Overall, there is not a significant difference between the sexes when it comes to global unemployment rates but the female rate is consistently slightly higher than the male. The female unemployment rate in 2015 was 7.0 per cent compared to the male rate of 6.3 per cent. Also at the country level, the majority of countries have higher unemployment rates for females than males (113 countries out of 152) and 30 countries showed female rates that exceeded male rates by more than 5 percentage points. Women bear a significantly larger burden of the only currently available measure of underemployment, time-related underemployment, with an overrepresentation in almost all countries with data (Maglad, 2018).

Gender disparities in employment opportunities and economic investment patterns in Kenya have continued to widen across all sectors of the economy and at various levels of development intervention. This trend has led to increased unemployment, under-employment, poverty and powerlessness among many Kenyan women. Part of the reason for the persistent inequity is the slow process of mainstreaming gender into employment creation and poverty eradication policies, programmes and strategies in a coordinated, multi-sectoral and crosscutting way. The other reason relates to the existence of social, cultural and structural barriers to effective female participation in the labour force. These and other factors have jointly contributed to the low pay and productivity of women's labour and to their continued underrepresentation in senior management positions within the public and private sectors (Manda, 2017).

Although Kenyan women have joined the labour force in large and increasing numbers over the last two decades due to increased access to education, the majority of them are still concentrated in traditional "female occupations" and the informal sector. The urban labourforce participation rate for women in Kenya has increased from 30% in the early eighties to 56% in 1995. Despite their growing participation in the workforce, there are still very few women in the top echelons of public decision and policy making positions in Kenya. Most women in Kenya are concentrated in low paying, low status occupations with poor fringe benefits and carried out under poor working conditions and therefore hold very little prospect for poverty reduction and upward mobility. On the other hand, the majority of the women in the rural areas spend a great deal of time on low productivity work which has created major income disparities between men and women.

Data from the 1915-2019 Economic Surveys indicate that men are more heavily involved than women in almost all the key sectoral activities. These data also show that between 2016 and 2018 there was insignificant change in the participation of women in the labor force. The level of female wage employment in most sectors remained at around 25% except in the domestic and education sectors where women constitute about 40% of the total labor force. These two are among the sectors which are traditionally considered as female domains. Women's heavy involvement in domestic work and other forms of non-market production often limits their participation in wage sector employment. This is primarily due to the incompatibility between female reproduction roles and modern wage employment (Saget, 2018).

According to Ongachi (2013), the labour market in Kenya has not been spared either. For instance, employment policies and programmes have bypassed women not as result of adequate attention but as a result of resource allocation for their implementation. Bearing in mind that the bulk of the population are women existing and future policies should be aligned to enhance gender equality in the labour force. In this respect, proper criteria should be developed to assist in identifying disadvantaged sectors in the labour market which will in turn lead to investment by various partners in specific programmes addressing inequality. In addition, the government should mobilize its departments to fund gender based policies that guide women participation in the labour force.

**Objectives**

- i) To assess the influence of economic policies on women participation in the labour market.
- ii) To evaluate the impact of women empowerment on women participation in the labour market.
- iii) To assess the influence of gender mainstreaming on women participation in the labour market.

**2. THEORETICAL REVIEW*****Human Capital Theory***

Though the theory was contemporaneously developed by other scholars, Becker (1962) formalized the human capital theory by stating that the workplace disparities exhibited by men and women are due to variations in experience and skills rather than discrimination and therefore, women experience jobs that are less favourable due to more interrupted careers and different paths of education as compared to men. Human capital theory is applicable in this study as it explains the women empowerment determinants as inputs in human capital for women and thus enhancing their participation in the labour market. According to this theory, the incentive to invest in women empowerment directly through education and training and indirectly through policies is directly proportion to the duration they expect to work over their lifetime, thus

***Glass Ceiling Theory***

The glass ceiling phenomenon was first proposed by Gay Bryant (1985) and then propagated by Hymowitz and Schellhardt (1986) and further advanced in Grout and Park (2009). The phenomenon denotes the scenario where women are continuously underrepresented at upper levels in the employment hierarchy. According to the theory, despite the latest forms of gender equality granted to all workers, women are still less especially when rising in the hierarchy of employment. Glass ceiling theory is applicable in this study as it helps in identifying areas that require gender mainstreaming and how they should be addressed in addition to their influence on women participation in the labour market.

***Research gaps***

Early childcare and maternal employment as one study in Kenya shows that mothers most often cite high user costs as the primary reason for not using centre-based childcare (Murungi 2013). Another study in Kenya finds a negative relationship between the costs of local ECC facilities and maternal employment (Lokshin, Glinkaya, and Garcia 2000). Further research in Kenya suggests that concerns about the poor quality of care may prevent mothers from using centre-based childcare, but direct links between low quality and maternal employment have not been previously examined (Githinji & Kanga 2011).

Another factor is Use of centre-based childcare, use of ECC has increased substantially. Even among mothers who were not given vouchers, more than half (57.7 per cent) had begun sending their children to an ECC centre. Uptake among mothers who received vouchers were even higher, with more than 80 per cent regularly using centre based ECC. There was no difference in use among mothers who were given vouchers for regular or quality-improved centres. These findings reveal a strong underlying demand for centre-based child-care services. Further, they show that the user cost of these services (rather than their quality) is a significant obstacle for many mothers with young children.

Maternal employment is the fact that more mothers receiving subsidised ECC were employed. Most mothers were employed in the informal sector. Access to subsidised childcare significantly increased the likelihood of women finding and keeping a job. Employment was 8.5 percentage points (or 17 per cent) higher among mothers who were given a voucher than mothers without vouchers. Among mothers who used their vouchers for child-care services, the difference was over 30 percentage points. The quality of child-care services, however, did not affect employment. These findings suggest that the lack of affordable ECC discourages women's labour force participation.

Maternal hours worked and earnings among working mothers, those who received vouchers earned about the same amount as those without vouchers, but they worked on average five hours less per week. Most of this reduction in hours came among women working 60 hours or more per week. These extra hours spent not working have an intrinsic value to mothers, who can devote more time on leisure, childcare or other domestic and social activities. It also suggests that when mothers need to combine work and childcare, they spend more time working but work less efficiently.

### 3. RESEARCH METHODOLOGY

A descriptive research design was used for the study in order to produce accurate description on various issues relevant to the problem being studied. The target population of this study was 308 informal businesses from Gikomba market in Nairobi County that were chosen from different sectors of the economy and run by women ([www.nairobi.go.ke](http://www.nairobi.go.ke)). For this study stratified random sampling was used. A sample of 33% was drawn from each stratum from which respondents was selected. This research therefore relied on a sample of 102 women. Both primary and secondary data was collected. Primary data was collected by administering a semi-structured questionnaire. Secondary data on the other hand was collected through review of both empirical and theoretical data from books, journals, dissertations, magazines and the internet. A pilot study was conducted prior to data collection in order to test the reliability of the questionnaire. During the pilot study, the researcher sent 10 questionnaires to some traders who were requested to fill them so that the researcher can specifically know which questions will be relevant to the study. The data processing and analysis was done bearing in mind the objectives of the study. All the data collected was processed and analysed.

#### Model

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where; Y= women participation in the labour market

$\beta_0$ =Constant

$X_1$ = Economic policies

$X_2$ = Women empowerment.

$X_3$ = Gender mainstreaming

$\beta_1, \beta_2$  &  $\beta_3$ = Regression co-efficient

$\varepsilon$  =Error term

### 4. RESULTS

#### Regression Coefficients

The regression coefficients for the regression model in this study are as shown in Table 1 below.

**Table 1: Regression Coefficients Results**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	5.570	.769		7.246	.000
1 Economic policies	.288	.112	.238	2.584	.011
Women empowerment	.437	.123	.324	3.547	.001
Gender mainstreaming	.282	.105	.248	2.686	.008

a. Dependent Variable: women participation in the informal sector

Source: Field Data (2019)

The regression constant is 5.570 ( $p < .05$ ); demonstrate that, when all the factors are zero, women participation in the informal sector is still positive. The regression coefficient for economic policies is 0.288 with a p-value of 0.011 (significant at 0.05). This implies that economic policies have a positive influence on women participation in the labour market, that is, as economic policies increase by a unit, women participation in the informal sector by 0.288. For the case of women empowerment, the regression coefficient is 0.437, with a p-value of 0.001 (significant at 0.05). This means that increasing women empowerment by one unit will lead women participation in the informal sector to change by 0.437. The regression coefficient for gender mainstreaming is 0.282 with a p-value of 0.008 (significant at 0.05), meaning that as gender mainstreaming increases by one unit, women participation in the informal sector changes by 0.282. The regression model for women participation in the informal sector is therefore presented as follows:

$$\text{Women Participation} = 5.570 + 0.288 \text{ Economic Policies} + 0.437 \text{ Women Empowerment} + 0.232 \text{ Gender Mainstreaming}$$

From the regression model, the three variables, that is, economic policies, women empowerment and gender mainstreaming significantly affect women participation in the informal sector and therefore can be strategic interventions in enhancing women participation in the labour market.

### **Hypothesis Test Results**

Chi square test analysis was used to test the null hypothesis in our study. The null hypotheses were:

- i.  $H_{01}$  - Economic policies do not have a significant influence on women participation in the labour market.
- ii.  $H_{02}$  - Women empowerment does not have a significant influence on the on women participation in the labour market.
- iii.  $H_{03}$  - Gender mainstreaming does not have significant influence effect on women participation in the labour market.

Chi-square test analysis tested whether the classifications in women participation in the informal sector depend on the classifications in the DVs. The rejection criterion is that the null hypothesis is rejected for p-values that are less than 5% (0.05). The Chi-Square test results are as shown in Table 2 below.

**Table 2: Chi-Square Test Results for the Hypotheses Tests**

	Value	Df	Asymp. Sig. (2-sided)
<b>Economic Policies</b>			
Pearson Chi-Square	28.907 <sup>a</sup>	12	.004
Likelihood Ratio	29.100	12	.004
Linear-by-Linear Association	3.961	1	.047
<b>Women Empowerment</b>			
Pearson Chi-Square	30.918 <sup>a</sup>	12	.002
Likelihood Ratio	32.295	12	.001
Linear-by-Linear Association	9.149	1	.002
<b>Gender Mainstreaming</b>			
Pearson Chi-Square	34.414 <sup>a</sup>	12	.001
Likelihood Ratio	36.679	12	.000
Linear-by-Linear Association	3.436	1	.064
N of Valid Cases	102		

Source: Field Data (2019)

From the chi-square test statistics results all the Pearson Chi-Square p-values are less than 0.05, that is, the p-values are 0.004, 0.002 and 0.001 for economic policies, women empowerment and gender mainstreaming respectively. Therefore, the null hypotheses are all rejected. Thus it can be concluded that economic policies, women empowerment and gender mainstreaming all have a significant influence on women participation in the informal sector.

## **5. CONCLUSION**

### ***Economic policies***

This study concluded that economic policies had a significant and positive influence on the women participation in the labour market in Kenya. The positive effect shows that there is a positive relationship between the economic policies and women participation in the labour market in Kenya.

### ***Women empowerment***

The study concluded that women empowerment had a significant and positive influence on the women participation in the labour market in Kenya. The positive effect shows that there is a positive relationship between the women empowerment and women participation in the labour market in Kenya.

### ***Gender mainstreaming***

The study concluded that gender mainstreaming had a significant and positive influence on the women participation in the labour market in Kenya. The positive effect shows that there is a positive relationship between the gender mainstreaming and women participation in the labour market in Kenya.

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