

Challenges and Strategies on Allocation of Women Enterprise Fund: Lessons from Elgeyo Marakwet East Sub County, Kenya

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Abstract: - Women entrepreneurship plays a critical role in economic development and in enhancing livelihoods within the family of societies in both developed and developing countries. This paper seeks to establish the contribution of women Enterprise Fund (WEF) to sustainable rural livelihoods of Elgeyo Marakwet East Sub-County. The study was guided by two research questions which include; what challenges are faced in allocation of Women enterprise fund in Elgeyo Marakwet East Sub County? What strategies can be used to ensure effective and efficient allocation of funds in Elgeyo Marakwet East Sub County? The study employed a cross sectional survey research design. It adopted simple random sampling with a target population of 360 beneficiaries of WEF projects. The study was guided by Sustainable Rural Livelihood Framework. Test-Retest technique was used to determine reliability of the instruments results. The data was collected through questionnaire method and analyzed using descriptive statistics. The study established that there was the main challenges faced in allocation of WEF is Lack of security or collateral, lengthy procedure of loan application and processing, high competition from the commercial banks, inadequate funds and fund diversion. The man strategies for effective utilization of Women Enterprise Fund are the reduction of loan disbursement grace period from 3 months to 1 month, good management of the funds by the leaders, reduction of administration fees, training programmes for the stakeholders and increase of loanable fund. The study concluded that inadequate funds; delayed in loan disbursement; lengthy procedure of loan application and processing inadequate funds; high administration cost; lack of security/ collateral; poor infrastructure were the main challenges faced in allocation of funds. The study recommended that women enterprise fund should be increased; capacity building of women entrepreneurs enhanced, policies which will reduce the mismanagement of funds developed and improve dissemination of information.

Key Words: - Challenges, Strategies, Women Enterprise Fund, Sustainable rural livelihoods

I. BACKGROUND TO THE PROBLEM

Women are the backbone of economic development in many developed and developing countries (World Economic Forum, 2014). For instance, in the United States of America women-owned small businesses contribute to about 16% of new jobs in sub-Saharan Africa and South Asia, 75% of agricultural producers are women (Minniti, 2010). In Singapore women Small and medium-sized enterprises

(SMEs) contributes 47% of the country's GDP generating 62% of available jobs (SMU, 2008). In Ethiopia, 30% of the small and medium enterprises are represented by women just to mention a few (Bekele and Worku, 2008). According to a survey conducted by World Economic Forum (2014), the U.S. has experienced 16 percent growth over the last 40 years as a direct result of the increased participation of women, which has translated into \$3.5 trillion. The report further indicates that if the barriers to female labour force participation were reduced, the Gross Domestic Product (GDP) of a country like Japan would grow by 16 percent. Investing in women as observed by World Economic Forum, promotes economic and social development as women reinvest in their communities and homes. In both developed and developing economies, savings rise and spending shifts toward food, health, and education as women gain power over household income (World Economic Forum, 2014).

In India, Nirnaya is a women's fund that was established in 1998 to financially support women's organization developing projects for disempowered and disadvantaged women in India. Funded by International Fund for Agricultural Development (IFAD), Nirnaya helps women through micro-credit schemes and also by sponsoring trainings in the most deprived areas of the country. Nirnaya holds that development is not just about income augmentation but also about building capacities, developing skills and restoring to women jurisdiction over their own lives. It is her conviction that such an approach is fundamental to achieving a more balanced and just society. Nirnaya's purpose is to change the situation of denial, deprivation, violence and invisibility that women face and to create the space for them to articulate their needs and work for change within the localized content (IFAD).

In South Africa, Isivande Women's Fund (IWF) is an exclusive fund that aims to accelerate women's economic empowerment by providing more affordable, usable and responsive finance than is currently available. The IWF targets formally registered 60% women owned and managed enterprise that have been in existence and operating for two or more years. The fund is aimed to improve the lives of women in business and women led households in South Africa and eradicate poverty through lending and investing in women

enterprise with limited access and generating income, which will improve their living standards. The fund targets black women at the bottom of the economic ladder, high potential survivals, professionals skilled women with feasible business ideas and entrepreneurs i.e. women currently running their own business (Department of Trade and Industry, The government of South Africa).

In Tanzania, The Women Fund Tanzania (WFT) is a women's right fund established in 2005 with the objective to empower women in addressing women's right and feminist issues affecting their lives, especially marginalized and vulnerable women at community levels. WFT's mission is to contribute to the building of a strong women's movement in Tanzania through making grants, strengthening women's capacity, building strategic alliances at different levels and mobilizing resources. WFT's vision is to see a Tanzania society where women realize their full potential and engage in transformation for empowerment and social justice. Its overall aim is to become an important source of support for women at local grassroots and national level in the country. Projects include constitutional rights of women, economic rights of women and raising voices of women in addressing climate change, land and water issue (WFT, 2005).

In Kenya, the government of Kenya introduction of the Women Enterprises Fund (WEF) was geared towards creating affordable access to finance for Kenyans women facing difficulties accessing existing micro finance institutions and banks. It is a step towards ensuring that funds reach the marginalized population. Women form part of this marginalized population. Micro credit is firmly associated with the poor women who are the principal borrowers and therefore the principal beneficiaries of such programmes (Kinyanjui, 2006). Women Enterprise Fund was established in August 2007 as a semi-autonomous government Agency in the Ministry of Gender, Children and Social Development to champion poverty reduction, gender equality and women empowerment (Millennium Development Goal 1 and 3) respectively through enterprise development. The fund is a flagship project in the vision 2030 development road map. The fund has contributed to improving rural livelihood through projects such as, capacity building of women, giving loans to self-help groups, creating market linkages for goods produced and mobilizing resources (Kiraka & Katwalo, 2013). The fund has been able to extend loans amounting to KSH 2.6 Billion to over 645,825 women entrepreneurs. Equally, to date the fund has trained 116,373 women in loan management and business skills. Within a span of four years since introduction, the fund emerged the winner of Millennium Development Goals (MDG's) award for outstanding achievement on promoting gender equality and women empowerment (Adhiambo & Ojera, 2013). In Marakwet East Sub County, WEF was adopted in January 2009 under the Ministry of Gender, Children and Social development. The goals of the fund include to initiate programs and projects that contribute towards poverty reduction, to address issues that increase

wealth creation and to develop a greater number of women owned small and Medium Enterprises (SMEs) in which the ministry allocates loans to different women owned projects through the Constituency Women Enterprise Scheme (CWES).

The small business sector in Kenya has both potential and historic task of bringing millions of people including informal economy to the mainstream economy. The Kenyan Government through Kenya Vision 2030 envisages industries of tomorrow by improving SMEs productivity and innovation (MPNDV2030). In Kenya, women constitute 51% of the total population and they play a very crucial role in economic development as small scale entrepreneurs, but face some key challenges like limited access to finance, inadequate entrepreneurial skills, lack of reliable networks and market for their SMEs (Wanjohi, 2008). To address these challenges the Government of Kenya (GOK) established Women Enterprise Fund as a special kit of to empower women in their efforts to become viable small scale entrepreneurs. However, despite the positive effect of women owned enterprises, 78% of businesses fail within the first year of start-up (Wanjala, 2015). This is because women-owned SMEs are particularly disadvantaged in meeting their business growth needs, facing such difficulties as the inability to secure loans from formal lenders like commercial banks, poor managerial skills, low levels of education, and limited access to networking opportunities and information (Stevenson and St-Onge, 2005).

In spite of their contribution to economic development, their freedom to lead, access to finance and make strategic business decisions is greatly hampered by among other things, culture, financial status, and lack of education (Mbaya, 2010). Women entrepreneurs are also thought to have low business performance compared to their male counterparts (Stevenson and St-Onge, 2005). This has been attributed to factors such as lack of credit, savings, education or training and social capital (Matheka, 2015). The introduction of micro finance institutions in the developing countries targeted groups that were poorer and in particular income generating, micro and medium sized enterprises. The Marakwet East Sub-County is predominantly semi-arid to arid with an erratic rainfall pattern which affects crop production. Poverty is thus severe in the region with low household incomes than in high and medium potential agricultural areas. Instability in food production, coupled with low and unstable income has affected the socio economic status of the residents, making them vulnerable to food insecurity (Ministry of gender, children and social development).

Statement of the Problem

Reducing poverty levels at grassroots' is one of the major challenges facing most governments in the world, especially third world countries (IFAD, 2011). A major obstacle faced by countries trying to escape the poverty trap is lack of the human skills and abilities needed to the transition out of poverty and gender inequality is one of the greatest

contributors to this problem. With more than one billion people in the world, the great majority of whom are women live in unacceptable conditions of poverty. The empowerment of women is viewed as a critical factor in the eradication of poverty Beijing Platform for Action (BPFA, 2005). Since 1975, significant knowledge and information have been generated about the status of women and the conditions in which they live throughout their entire life cycle, women's daily existence and long term aspiration are restricted by discriminatory attitudes, unjust social and economic structures, and lack of resources in most countries that prevent their full and equal participation (BPFA, 2005).

According to the International Labour Organization (ILO) 2009, historical, cultural and social circumstances have perpetuated women's inequalities and higher unemployment rates. On top of being overrepresented in the agricultural sector and the informal economics, they also occupy a disadvantaged position in terms of the share of vulnerable employment (Unpaid family workers) in total employment. As a result, their jobs are prone to insecure employment, low earnings and low productivity. Women play an important role in the economic growth of any Country, however, their level of participation in economic activities has been influenced by a number of factors in the past most of which are culturally defined. Culture has been found to influence women's economic participation in that it generally shapes their entrepreneurial behavior. Numbers of global initiatives have been put in place to mainstream gender in all aspects of development and to give women equal playing ground to participate in economic activities. Various campaigns pushing for inclusion of women in the development process have been carried for decades culminating to the development of MDGs of gender equality and women empowerment (Alila 2010). Despite the small and medium enterprises being the major agents of economic growth and employment, in Kenya, over 60% of small businesses of women are estimated to fail each year at start-up (Kenya National Bureau of Statistics, 2007). Thus the Government of Kenya conceived the idea of institutional financing WEF to provide women with access to finance for self-employment activities and entrepreneurial skills development as a way of addressing unemployment and poverty which essentially are women problems (GoK, 2009).

However, despite the introduction of WEF, Kimathi (2009) observes that, business start-up especially among the women is still a challenge and many fail to take off even in the face of financial assistance. The study emphasizes that small businesses were held back by tough local conditions; some of them are unable to raise huge collaterals. Given that the finance constrain among rural women entrepreneurs has been significantly eased by the emergence of group lending mechanism practiced by the WEF, the introduction of the women enterprise fund through joint lending has greatly eased access to microcredit for the rural poor. However, after a long time of operation, the level of income and sustainable livelihoods have not improved as expected and the objective

have not been met despite the effort and use of government financial resources. Therefore, this study seeks to investigate the challenges and strategies used in allocation of Women Enterprise Fund in Elgeyo Marakwet East Sub- County of Kenya for the purpose of improving rural livelihoods using women based enterprise development approach.

Research questions

The study was guided by the following research questions.

- 1) What challenges are faced in allocation of Women enterprise fund in Elgeyo Marakwet East Sub County?
- 2) What strategies can be used to ensure effective and efficient allocation of funds in Elgeyo Marakwet East Sub County?

II. THEORETICAL FRAMEWORK

This study was guided by a Sustainable Rural Livelihood Framework by Scoones (1998). Scoones argued that, a number of livelihood studies have used the livelihood framework particularly the Sustainable Livelihoods Approach, giving it prominence in development thinking. Five interacting elements: given a particular context (policy settings), what combination of livelihood resources (capital assets), and result in the ability to follow what combination of livelihood strategies (livelihood diversification) with what outcome? Of particular interest in this framework are the institutional processes (formal and informal institutions) which mediate the ability to carry out such strategies and achieve sustainable livelihood. The livelihood framework is applied in analyzing the outcomes to the livelihood of the rural households in the rural communities. The five main capital assets: natural capital, financial capital, human capital, social capital and physical capital elsewhere termed as livelihood resources and livelihood assets are recognized as the stock of capital assets, which the household can utilize in the face of the vulnerable context and under the influence of transforming structures and processes to attain viable livelihoods. In order to benefit and promote the participation of the poor, economic growth must incorporate a sound and open macro-economic framework in which resources are used productively and which facilitates the development of income and employment-generating activities and specifically include poor people, particularly women, since the majority of the poor are woman.

III. RESEARCH DESIGN AND METHODOLOGY

3.1 Research Design

Research design is the researchers overall strategy for planning and conducting a study (Crotty, 1998). Research design is a conceptual structure within which research is conducted. It informs the arrangement of the conditions for the collections and analysis of the data in a manner that aims to combine relevance to the research purpose (Kothari, 2003). This study used cross sectional survey research design.

The primary purpose of surveys is to describe and report the way things are and determine smaller samples in depth analysis. It involved collecting empirical data from only one case. Koul (1992) says that descriptive research is the most popular and widely used research method in education and social sciences. This method was viewed suitable and adequate in analyzing, describing and interpreting events in the course of the study. Also the researcher preferred this method because the two main benefits of this research method was being able to use various forms of data as well as incorporating human experience. It gives researchers the ability to look at whatever they studied in so many various aspects and provide a bigger overview as opposed to other forms of research.

3.2 Target Population

The target population of the study was 360 beneficiaries of WEF projects. These comprised of 120 beneficiaries who do crop farming projects, 100 beneficiaries who engage in poultry keeping, 80 beneficiaries from beekeeping projects and 60 beneficiaries who do dairy farming (Ministry of Gender, Children and Social development, Elgeyo Marakwet County).

3.3 Description of the Sample and Sampling Procedures

The researcher employed a simple random sampling technique to pick 4 Women Enterprise Fund projects. A sample size of 30% of the target population from each project as prescribed by Mugenda & Mugenda,(2003) who recognized for population of less than 100 as 100% is used as the sample size, 100-1000 as 30% of the population is used as a sample size, for a population of 1000-10000, 10% is used as a sample size and for a population of 10000 and above 1% is used as a sample size was used as a sample size, group officials were also selected. Therefore, 108 beneficiaries of various projects were selected as a study sample. A sample was taken at random by assigning numbers to the different women enterprise projects to obtain the sampled projects. This helped to achieve the desired representation as it ensured inclusion of sub-groups in the sampling thus giving the projects in Marakwet East sub county equal chance of being selected for the study (Orodho, 2005).

Table 3.1 Sample size Determination

WEF Project	Target population	Sample size (30%)
Farming projects	120	36
Poultry keeping projects	100	30
Beekeeping projects	80	24
Dairy farming projects	60	18
Total	360	108

3.4 Research Instruments Validity and Reliability

The researcher used a questionnaire as the data collection instrument. This involved Questionnaire for beneficiaries and questionnaire for project officials. Validity of an instrument is

the success of a scale in measuring what it sets out to measure so that differences in individual scores can be taken as representing true difference on the characteristics under study (Koul, 1992). Content validity refers to the subjective agreement among professionals that a scale logically appears to reflect accuracy of what it purports to measure (Kothari, 2003). The researcher ensured the content validity of the questionnaire by giving to the supervisors who ensured that the questions and interview guide measured what it was intended. Their suggestions and comments were used as a basis to modify the research items and make them adaptable to the study. According to Borg and Gall (2000), content validity of an instrument is improved through expert judgment. Pilot study was carried in Elgeyo Marakwet District, neighboring Keiyo District to determine the questionnaire internal consistency and to detect any difficulties that the beneficiaries are likely to face when responding to the items. The reliability of research instrument results was tested and ensured through a pilot study, which was carried out in the neighboring Keiyo District, this is because it had the same characteristics as the study area. The Test-Retest technique was used through administration of the questionnaires and interviews. According to Orodho (2005), a correlation co-efficient of 0.6 is considered good enough to judge instruments as reliable for the study. Reliability is the measure of degree to which a research data yields consistent results of data after repeated trials.(Mugenda and Mugenda, 1999).It is the degree of consistency that the instrument demonstrates. Poor reliability degrades the precision of a single measurement and reduces ability to track changes in measurements in the clinic or in experimental studies (Mugenda, 2005).

3.5 Data Collection Analysis Procedures

The researchers obtained permission from National Council of Science and Technology Information (NACOSTI). The County Commissioner and County Director of Education were informed of the study to be carried in the County, further, the Sub county Commissioner and District Education Officer of Marakwet East County. After this, the researchers booked appointment with the group officials to visit and administer the questionnaires. The data collected was organized, analyzed, interpreted and presented using descriptive statistics.

IV. PRESENTATION AND DISCUSSION OF THE FINDINGS

4.1 Challenges Faced by WEF Projects in Allocation of Funds

The research question of the study sought to answer, what are the challenges faced by WEF in allocation of funds in Elgeyo Marakwet Sub County? To achieve this, beneficiaries were asked to indicate their level of agreement/disagreement on the statements below and the findings were analyzed and presented in table 4.1 below.

Table 4.1: Challenges Faced In Allocation of WEF

	SA		A		U		D		SD		Mean	SD
	n	%	n	%	n	%	n	%	n	%		
Inadequate funds	61	56.5	32	29.6	0	0	15	13.9	0	0	4.29	1.02
Funds/loan diversion	45	41.7	46	42.6	0	0	17	15.7	0	0	4.10	1.03
High competition	61	56.5	30	27.8	0	0	17	15.7	0	0	4.46	0.99
Poor infrastructure	61	56.5	17	15.7	0	0	28	25.7	1	0.9	3.45	1.12
Lengthy procedure of loan application and processing	67	62.3	18	15.7	0	0	11	10.5	12	11	4.46	0.94
High administration cost	60	55.8	28	25.6	2	1.6	11	10.1	7	6.9	4.13	0.85
Delayed in loan disbursement	63	58.5	29	26.7	3	2.8	9	8.7	4	3.3	4.27	1.07
Lack of security/ collateral	44	40.5	22	20.6	3	3.1	17	15.7	22	20.1	4.57	0.97

When the beneficiaries were asked whether they get inadequate funds to support the implementation of the projects, Majority 61(56.5%) of the beneficiaries strongly agreed, 32(29.5%) agreed that the funds were inadequate to implement the projects, while 15(13.9%) of the beneficiaries disagreed. From the findings it can be deduced that most the funds were inadequate to support the implementation of projects. Therefore, WEF projects are faced with a challenge of enough funds to implement their projects effectively for improvement of livelihood of beneficiaries. The study also investigate whether the funds given was diverted into other activities other than the intended purpose. The study findings revealed that, majority 46(42.6%) of the beneficiaries agreed to have used microcredits from WEF in other purposes other than what it was meant for. Some used the money to pay school fees, pay medical bills, for domestic use among others, 45(41.7%) strongly agreed while 17(15.7%) of the beneficiaries disagreed. This means that most of the beneficiaries agreed that the funds they get is diverted to other uses. Therefore this could be the reason as to why some projects are less productive compared to the input or take time to be implemented. The finding supported Omwono (2015) finding on the study Effects of Women Enterprise Fund Loan on Women Entrepreneurs a Survey of Small and Medium Enterprises in Eldoret Town, Kenya which highlighted that the main challenge faced by the women was lack of knowledge on how to manage the finance they get form the women enterprise fund. The study findings further indicate that majority 61(56.5%) of the beneficiaries strongly agreed that they face high competition from other businesses of the same nature, 30(27.8%) agreed, while 17(15.7%) of the beneficiaries disagreed. This shows that most of the beneficiaries strongly agreed that beneficiaries of WEF in Elgeyo Marakwet County tend to engage in businesses of the same nature. This duplication therefore leads to high competition in the market.

The study revealed that, majority 61(56.5%) of the beneficiaries strongly agreed that some of the roads in the area were impassable especially during the rainy season which makes transport difficult and at times expensive, 30(27.8%)

disagreed while 17(15.7%) of the beneficiaries agreed. This implies that most of the beneficiaries strongly agreed that the region is faced by poor infrastructure thus affecting how goods produced reach the market leading to perishability of goods. The study further revealed that, majority 61(56.5%) of the beneficiaries strongly agreed that group wrangles was another problem facing the WEF, while 47(43.5%) agreed. This implies that most of the beneficiaries strongly agreed that group wrangles was noted especially where the microcredits was invested as a group, therefore affecting teamwork spirit. The study also sought to investigate whether lengthy procedure of loan application and processing was a challenge to fund allocation of women enterprise fund in Elgeyo Marakwet. The findings indicated that 62.3% of the respondents strongly agreed that lengthy procedure of loan application and processing was a challenge to fund allocation, 15.7% of the respondents agreed, 10.5% of the respondents disagreed while 11% of the respondents strongly disagreed that lengthy procedures affected fund allocation and utilization and therefore affecting the livelihood of the applicant. The study also sought to investigate whether high administration cost affected fund allocation. The findings indicated that 55.8% of the respondents strongly agreed, 25.6% agreed, 1.6% of the respondents were undecided, 10.1% disagreed while 6.9% strongly disagreed. The findings implied that majority of the respondents agreed that high cost of administration was a challenge to the women enterprise fund in Elgeyo Marakwet. The study also sought to investigate whether delayed loan disbursement was a challenge facing women enterprise fund in Elgeyo Marakwet.

The finding indicated that 58.5% of the respondents strongly agreed, 26.7% agreed, 2.8% were undecided, 8.7% disagreed while 3.3% of the respondents strongly disagreed. The findings implied that delayed loan disbursement was a challenge faced by women enterprise funds. The study also sought to investigate whether lack of collateral/ security was a challenge to women enterprise fund. The findings indicated that 40.5% of the respondents strongly agreed, 20.6% agreed,

3.1% were undecided, 15.7% disagreed and 20.1% of the respondents strongly disagreed that lack of collateral was a challenge to women enterprise fund. The findings implied that majority of the respondents agreed that lack of collateral was a challenge to women enterprise fund. Lack of security or collateral, lengthy procedure of loan application and processing, high competition from the commercial banks inadequate funds and fund diversion were identified as the main challenges faced by women enterprise fund in Elgeyo Marakwet County.

TABLE 4.2: STRATEGIES FOR EFFECTIVE AND EFFICIENT ALLOCATION OF WEF

	SA		A		U		D		SD		Mean	SD
	n	%	n	%	n	%	n	%	N	%		
Training programmes for stakeholders	61	56.5	32	29.6	0	0	15	13.9	0	0	4.29	1.02
Good management of funds by leaders	62	57.4	46	42.6	0	0	0	0	0	0	4.57	0.49
Increase of loanable fund	61	56.5	31	28.7	0	0	16	14.8	0	0	4.27	1.04
Follow up exercise on allocated funds	32	29.6	75	69.4	0	0	1	0.9	0	0	4.28	0.57
Reduction of loan allocation grace period	77	70.0	27	26.6	4	3.3	0	0	0	0	4.67	0.39
Removal of collateral/ security for women	53	49.3	25	23.2	0	0.0	17	15.7	13	11.8	3.81	1.14
Reduction of administration cost	63	58	31	29.1	0	0.0	13	11.6	1	1.3	4.31	0.65

When the beneficiaries were asked, whether training programme help them. Majority 61(56.5%) of the beneficiaries strongly agreed, 32(29.6%) agreed while 15 (13.9%) of the beneficiaries disagreed. This implies that most of the beneficiaries strongly agreed that training programs help them. Therefore WEF training programme equip beneficiaries with entrepreneurial skills and knowledge to run and manage their projects. The study findings revealed that, majority 61(56.5%) of the beneficiaries agreed that there is need of good management of funds by leaders. 47(43.5%) strongly agreed. This implies that most of the beneficiaries strongly agree that there is need of good management of funds by leaders. This will prevent corruption and promote equal distribution of resources in the area preventing bias thus equal economic development and improved standard of living.

The study revealed that, majority 61(56.5%) of the beneficiaries strongly agreed that funds need to be equally distributed among the beneficiaries, 30(27.8%) agreed while 17(15.7%) disagreed. This implies that most of the beneficiaries strongly agreed that the funds need to be distributed equally, they feel that because of lack of transparency, some groups are given more funds than others due to unknown reason. This therefore affects the trust of the beneficiaries, thus there is need of WEF adopting a more transparent and accountable way of giving loans. The study further revealed that, 76(70.4%) of the beneficiaries agreed that follow up exercise is important by field officers, while 32(29.6%) strongly agreed. This means that most of the beneficiaries agreed that WEF need to make sure that field officers need to do a follow up exercise to ensure that funds allocated to groups or individuals serves the intended purpose

4.2 Strategies for Effective and Efficient Utilization of WEF

The research question of the study sought to answer, what strategies would ensure efficient and effective allocation of WEF in Elgeyo Marakwet Sub County? To achieve this, beneficiaries were asked to indicate their level of agreement/disagreement on the statements below and the findings were analyzed and presented in table 4.2 below.

that is start or expand existing business. The study further revealed that 70% of the respondents strongly agreed that reduction of loan allocation grace period from 3 months to one month would be ensure effective used of women enterprise fund, 26.6% of the respondents agreed while only 3.3% of the respondents were undecided.

The study also sought to investigate whether removal of collateral would ensure effective allocation of women enterprise fund. The finding indicated that majority 49.3% of the respondents strongly agreed that removal of securities for the poor women in Elgeyo Marakwet would ensure effective allocation of women enterprise funds, 23.2% agreed, 15.7% disagreed while 11.8% of the respondents strongly disagreed. The findings implied that majority of the respondents agreed that removal of collateral while allocation women enterprise fund would work a long way in ensuring effective and efficient allocation of women enterprise fund. This is because majority of the women are known for lack of their own properties and thus has to use other people properties as securities.

V. CONCLUSIONS

Arising from the findings of the study, it was concluded that, the challenge faced by Women Enterprise Fund in implementing projects include: inadequate funds; delayed in loan disbursement; lengthy procedure of loan application and processing inadequate funds; high administration cost; lack of security/ collateral; poor infrastructure. The problems cited above demonstrates that the government is paying less attention to such program yet it is critical in economic development cited in the millennium development goals

agenda 1 and 3. Yet, one would expect that project policy makers and their development partners should recognize the critical role of the target beneficiaries as part of effective project implementation. From the research findings, The strategies needed to ensure effective and efficient allocation of the funds in Elgeyo Marakwet East Sub County include; reduction of loan disbursement grace period from 3 months to 1 month; good management of the funds by the leader, reduction of administration fees; increased training programmes for the stakeholders and increase of loanable fund.

VI. RECOMMENDATION

Arising from the findings and conclusions of the study, it was recommended that, The WEF should invest more in training and capacities building to women entrepreneurs to manage the finance they get from the enterprise fund. There is need for a more strategic approach for women to acquire relevant and timely information from the right sources. New ways of disseminating information to the target recipient need to be explored because the existing ones have been found to be ineffective. Women business owners in Arid and Semi Arid Land (ASAL) areas seem not to be using mainstream communication such as radio, television and newspapers since they are not accessible to the women and they cannot even afford to buy newspaper thus there is need to establish effective way to communicate such as the use of chief “barasa” and church. Women Enterprise Fund (WEF) project should increase the amount of funds to the beneficiaries, increasing funds means increase in projects and also production. This will allow the households to replace their lower paying income sources with a higher paying business. The WEF projects officials should formulate policies which will reduce the mismanagement of funds. This can be done through correct identifying costs in the planning phase.

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