



## FINANCIAL FACTORS AND WOMEN'S ECONOMIC EMPOWERMENT IN NYALI SUB-COUNTY, MOMBASA COUNTY KENYA

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**Abstract:** Investing in women's economic empowerment sets a direct path towards gender equality, poverty eradication and inclusive economic growth. The main objective of this study was to examine the influence of financial factors on women economic empowerment in Nyali Sub-County, Mombasa County Kenya. The study was guided by the liberal feminist theory. Descriptive survey research designs and mixed approach were used. A purposive sampling technique was used to recruit women engaged in economic activities from the two wards randomly selected for this study. The exact number of women per ward was done through proportionate stratified random sampling considering the total representation of women using the Yamene survey sampling formula of 1967. Questionnaires were used to collect quantitative data from women and interview guides to collect qualitative data from the key informants. After data collection, qualitative data was analyzed using verbatim and presented in narration. Quantitative data was analyzed using descriptive statistics with the help of the Statistical package for social sciences Programme (SPSS) version 23 and presented in tables, pie charts and bar charts. Data was later interpreted to give meaning focusing on the literature reviewed. Data was collected from 398 women respondents from Nyali sub-county and 7 key informants. From the study findings, women agreed to have had control over their income; their assets and control over how to spend their income. The study however established that women's income sources were vulnerable to risk factors like inflation. Further findings established that it was difficult for women to access financial loan services to establish small scale business due to lack of securities. More than half (57%) of the study respondents were self-employed with less than a quarter (23.1%) of the respondents being employed. The correlation between women's monthly income and satisfaction level was 0.094. This indicated very weak positive correlation between monthly income and satisfaction. This implied that an increase in women monthly income narrowly improve women's control of the financial factors. Recommendations: County and National governments to create conducive and enabling environment for investment and business in Nyali Sub-County; different stakeholders to champion for women's financial inclusion for their economic empowerment and the central government to streamline on financial inflation rate issues which adversely affect women led initiatives in Nyali Sub-County.

**Key words:** Financial factors, women's economic empowerment, income generating activities, financial services,

## 1.1 Study background

A household's poverty is determined by its capital endowments, organizational capacity to handle and mobilize resources, labour force status, accessible coping mechanisms, and external or family contingencies. Women are typically assigned the responsibility of managing household incomes and expenses because they have the expertise to effectively prepare and handle household incomes (Hassan et al., 2016). Individuals and households enhance their living conditions by engaging in a variety of activities that increase their assets and/or their capacity to obtain them. Gender inequality and poverty levels are inseparable. According to the World Bank Group (2022), countries with greater gender equality have a lower incidence of poverty. Rising women's income encourages contributions that benefit their families and communities (Hirut, 2015).

Women's access to income and income generating activities is a global problem denying them opportunities for socio-economic inclusion and involvement. Women are denied access to well-paying employment, schooling, property assets and financial services, (Hunt and Summan, 2016). The nature of women led initiatives among women may determine their empowerment level. From a gender perspective, there is always a value in women's contribution at household levels. Women play a critical role in shaping the nation's and families' economic growth. In many countries, such as Bangladesh, women's status still remains primarily domestic. Instead of being active income producers and household managers, women are seen as passive recipients of economic growth (BBS, 2015).

In some countries, accessing formal credit services requires one to have a security. Women often have restricted access to formal credit because they are less likely to have access to the necessary collateral (King et al. 2008). Also, women have less access to the existing labor market and are less likely to seek out entrepreneurial opportunities. Terrell and Troilo (2010) go on to say that, due to patriarchal society's impact, women are less likely than men to hold value in their effort, accomplishment, and respect in the workplace which is closely correlated with income generating activities.

A study from West Africa argues that women seldom hit the stage in which they are willing to participate in high-risk income-generating activities like entrepreneurship (Zulu, 2011). In the developing world, there are numerous and complex barriers to entrepreneurship, especially for women. Despite Schreiner and Waller's (2003) claim that, starting a company in developing world is simpler than in the developed world, women are still 30 percent more likely than men to close a personal business. More than men, women face obstacles that extend beyond obtaining access to property, credit, and the labor market (Bakesha et al, 2009).

An assessment conducted by the Malawi National Aids Commission in 2009 on the effectiveness of existing income generation activities aimed at mitigating the impact of HIV and AIDS on infected and affected adults and children, found that interventions such as small-scale livestock production, vegetable production, and crop production effectively provided significant sources of livelihood for people living with HIV, orphans and vulnerable children and other vulnerable groups like women. A comparison study of two Kenyan communities with savings and loans associations (SLA), where adult participants pooled money, borrowed, and paid back loans with interest, found that participating in the SLA programs statistically improved the diversity of foods in households, frequency of eating foods, and the nutritional status of vulnerable children, as opposed to comparison sites that did not offer SLA programs (Hauya, 2018).

Most female workers in Uganda are either unpaid family farm workers or self-employed in the informal sector. Women account for 80 percent of all unpaid workers. Research suggests that Ugandan women are highly entrepreneurial, contribute significant amounts of labor to the Ugandan economy (much of it unpaid), and are extremely creditworthy (World Bank 2005b; UPPAP 2002; Global Entrepreneurship Monitor 2003).

Tanzania is one of those countries where gender inequality affects women socio-economic empowerment efforts. In Tanzania, Fox (2016) on Gender, economic transformation and women's economic empowerment in Tanzania notes inequality in gender role and economic contribution. Women often face trade-offs between these roles. For example, women who frequently give birth and have large families will have a greater burden of household chores per day, limiting their opportunities to undertake productive work. Young females who marry and start families early lose out on opportunities to deepen their skills. Social norms may limit women's activities in all spheres, reducing opportunities or amplifying these trade-offs. These factors can limit the benefits women gain from economic transformation, reducing the inclusiveness of growth.

Kenya was ranked 103<sup>rd</sup> out of 169 countries in terms of global inequality, making it the world's 66th most unequal country. Inequality in Kenya is embedded in the country's culture, politics, economy, and social structure, manifesting in a lack of access to services, money, power, and agency. Inequality is still fueled by a variety of factors, including social standards, attitudes, and activities that fuel inequality and impede access at the local and/or societal levels; the fact that programs are not reaching those who are most in need due to intentional or unintentional barriers; and the fact that services are not reaching those who are most in need due to intentional or unintentional barriers (Owiti, 2015). According to William and Flora Hewlett Foundation (2015), in women economic empowerment in Mombasa, Kenya, empowerment ensures that women have and can take advantage of full and fair opportunities to earn a living fundamental to social and economic development. Sustainability of women empowerment is determined by the nature of income generating activities assumed by women among other factors. In Mombasa County Kenya, William and Flora Hewlett foundation further narrates a number of economic activities women engage in. These include, selling food and drinks, in the streets, those who collect waste or engage in trash recycling and home based piece or full time works (William and Flora Hewlett foundation, 2015).

## **1.2 Statement of the problem**

In a middle level economy, financial stability may not be possible with one source of income. A need to have diverse sources in these harsh economic times has been the option for many households and especially in Nyali Sub-County, Mombasa County, Kenya. Women have sought both formal and informal initiatives within this study area (William and Flora Hewlett foundation, 2015). There exists however many challenges surrounding the effectiveness of these women led initiatives to cushion families against the hard economic times. Some of these challenges are financial in nature (Ahmed, 2016). Some of the initiatives women are engaged in Nyali Sub-County are small unregistered enterprises and works unregulated by the state which include food and beverage selling in the streets, some collect waste or engage in trash recycling and others do home based piece works. A number of initiatives by women in the study area have not been thriving or even making profits. Most of them also do not survive to celebrate their 5<sup>th</sup> birthday which adversely affects the country's economic position. This study examined how financial factors affect women economic empowerment in Nyali Sub-County, Kenya.

### 1.3 Study objective

- a) To examine the influence of financial factors on women economic empowerment in Nyali Sub-County, Mombasa County Kenya

### 1.4 Conceptual framework

#### *Independent variable*

#### *Dependent variable*

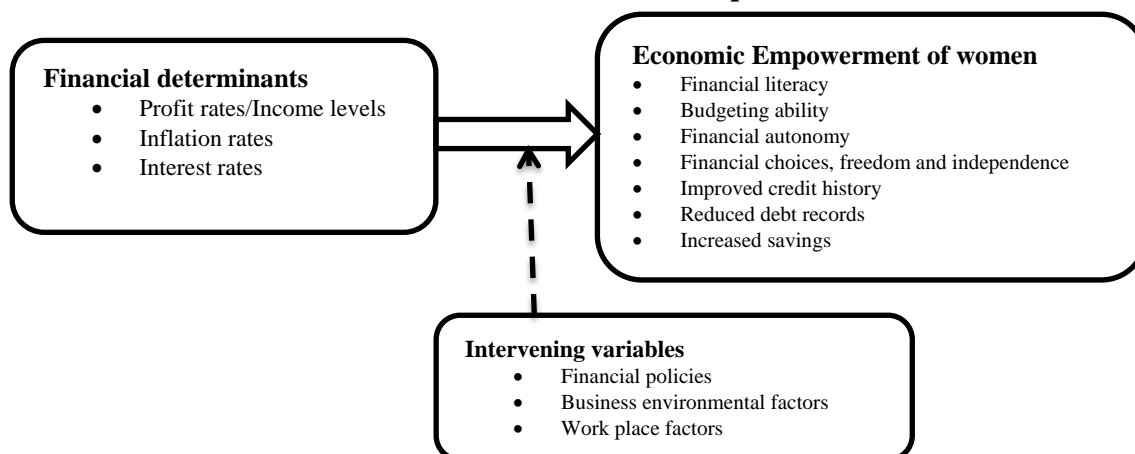


Figure 1: Conceptual framework

Source: Own conceptualization, 2023

### 1.5 Literature review

This section presents, first, a review of relevant theory guiding this study. The second part is a review of empirical studies on related literature.

#### 1.5.1 Theoretical review

##### *Liberal feminist theory*

This proposition is based on liberal political ideology, which includes fundamental beliefs in human equality based on the assumption that all people are rational, self-interested agents. Women are oppressed in many facets of life, and feminists of all types believe that reform must be organized (Mokebo, 2015). Feminist theories analyze culture, organizations, and processes using gender as a method to expose unequal power dynamics between men and women. Women's economic subordination has been linked to ideology in both the private and public spheres. Gender disparities are often attributed to inequalities in power and resources accorded to both genders in society, according to the theory. The theory explains the disparities in achievement between men and women as a result of female's gender lack of fair entrée to labor market resources and resource ownership. Women have been unable to exceed expectations as a result of the lack of gender equality (Mokebo, 2015). Liberal feminists advocate for legislative frameworks to ensure that both sexes are treated equally and that their full potential is realized. Despite these provisions, women in Nyali Sub County cannot compete equally with men as far as establishment of their economic initiatives are concerned due to societal norms which hinder access to credit facilities. Moreover, the nature of women led initiatives confine women to their homes because of the double weight of similarly caring for children and their households. This has made it hard for women in Nyali Sub-County to build their initiatives fully. The

weakness of this theory however is that it does not consider other factors which hinder women from successfully managing businesses such as inflation, poor managerial and financial skills and competition among other factors.

#### **1.4.2 Empirical review**

##### ***The influence of financial factors on women economic empowerment***

Many households in developing countries today are economically surviving due to a number of factors including poor national economic growth and inflation rates. Entrepreneurship is commonly regarded as a viable means of transitioning households from survival to long-term viability (Cukier et al., 2011). Local economies become more competitive and resilient as a result of new business ventures. Furthermore, women businesses are more likely to list social impact as a business target (Terjesen & Elam, 2012). It is critical to understand what urban female-headed households are actually doing to generate an income and what inspires women to participate in those activities over others in order to improve women's current livelihoods, increase female involvement in the field of entrepreneurship, and eventually see the progress of women-headed families. Women need access to a full range of credit, banking, and financial services and facilities in order to fully grow their productive assets, property, and businesses, and to graduate their income-generating activities from subsistence level to strong and viable businesses (OECD, 2011).

When it comes to credit, women face prejudice. Women's lack of access to other essential economic and security assets, such as property and land, exacerbates their economic marginalization. In Afghanistan, Bangladesh, Fiji, India, the Islamic Republic of Iran, Mongolia, Papua New Guinea, and Sri Lanka, women have very limited access to property. In many countries, women have limited access to bank loans and other types of property. Apart from land, women in Afghanistan and Papua New Guinea have no access to land. Women are frequently dependent on their husbands, fathers, or brothers during their lives due to a lack of economic rights in terms of asset access and ownership (FAO, 2011). Such economic marginalization limits their independence in a variety of areas, including jobs and education, as well as reproductive decision-making and the ability to flee abusive relationships (I-PEOPLE, 2011). Women's dominant control over resources, especially land, is limited due to their lack of assets as a result of gender biased property and inheritance practices in many African countries. In Uganda, for instance, woman households reported that they were unable to invest in businesses and trade activities due to a lack of startup resources. The scale, form, and location of income-generating activities are limited due to a lack of both start-up and working capital. Micro-credit institutions have become more prominent in the last decade in filling financial capital gaps for the poor in general and poor women in particular (OECD, 2021). This poses a gap on financial challenges faced by women in Nyali in expanding their businesses.

Gender may play a role in day to day running of income generating activities depending on the type of the initiative. According to Aterido, HallwardDriemeier, and Pagés (2011) estimate a 12 percent gender gap in labor productivity in Sub-Saharan Africa. Costa and Rijkers (2012) investigated on rural nonfarm entrepreneurship in Ethiopia and discovered that male-owned businesses are three times more profitable than female-owned businesses. Some of the performance disparities can be explained by the types of businesses in which women work. The size and sector of the company, in particular, often account for a large portion of the variance in results. In the United States, for example, Hundley (2001) reports that women's concentration in the personal services field accounts for up to 14% of the wage gap. When sector variations are taken into account, De Mel, McKenzie, and Woodruff (2009) find that there is no substantial gap in output between male and female-owned businesses.

Research, however, finds that even when firm characteristics are controlled, there are still variations in results. In Madagascar, Nordman and Vaillant (2014) found that even after adjusting for factor inputs, industries, and the owner's human resources, the approximate gender output difference in value added is 28 percent. Only about a third of the productivity disparity in Sub-Saharan Africa can be explained by discrepancies in the types of businesses women run: small and medium businesses, unaligned businesses, and unregistered businesses (Aterido, HallwardDriemeier, and Pagés, 2011). In Uganda, Campos and Gassier (2015) found that when women enter male-dominated sectors, they earn higher returns than women in female-dominated sectors in a small sample mixed-methods analysis. In other words, returns in male-dominated industries are strong for both men and women. Even if women earn less than men, they still earn more than women-dominated fields. This presents a contextual and target research gap. The researcher in Uganda took a comparative study whereas this research in Nyali Sub-County only focused on women.

Although female-owned businesses appear to exit at a higher rate than male-owned businesses across countries, not every financial distress is a failure (Fairlie and Robb, 2009). Justo and DeTienne (2008) discovered that in the case of women, exit is more likely to be optional than in the case of men. Women are more likely to close their businesses to care for their families, and they are more likely to hand their businesses on to future generations (Kanniainen and Poutvaara, 2007). Liedholm (2002) found that while female-led small and micro businesses were less likely to survive the year in Africa and Latin America, this disparity was primarily due to non-business related factors such as personal reasons. This is likely to have a negative toll on the earnings of their families. Marriage and motherhood can reduce the amount of attention women devote to firm creation (Buttner and Moore, 1997; Reynolds and Renzulli, 2005). DeMartino and Barbato (2003) also found that marital status and the presence of dependent children increased the differences in career motivations between men and women entrepreneurs. Mothers may choose entrepreneurship primarily to pursue a more favorable and flexible balance between work and non-work life (Arai, 2000). Davis and Shaver (2012) found that while on average men desire higher growth than women, these differences are the most pronounced among the youngest group. Manolova et al. (2007) also found that in Bulgaria younger women had higher growth expectations than older women.

Men and women are not equally privileged in terms of returns on capital and returns on time and hours of labour. In Madagascar, Nordman and Vaillant (2014) discovered that while female-owned firms have lower returns on capital than male-owned firms, female-run firms have higher returns on time and hours of labor. This means that if women could dedicate more time to their businesses, economic conditions would increase. Even though women work outside the house, they are nevertheless required to shoulder a disproportionate share of the childcare and care giving responsibilities for elderly and vulnerable relatives. As a result, unlike men, who prefer to concentrate solely on market jobs and devote less hours to household activities, women are required to work a full day. Such double duty will deplete their resources and focus, resulting in lower productivity and earnings (Nordman and Vaillant, 2014). This presents a research gap on how double duties of women impact on the profitability of their initiatives in Nyali Sub County.

## 1.5 Methodology

Descriptive survey research design and mixed methods approach (qualitative and quantitative) were used in this study. A purposive sampling technique was used to recruit women engaged in economic activities from the two wards (Kadzandani and Kongowea wards) randomly selected for this study. The exact number of women per ward was done through proportionate stratified random sampling considering the total representation of women using the Yamene survey sampling formula of 1967. According to Kenya Population and Housing Census (KPHC), (2019), there were a total of 69,948 households in Nyali Sub-County. It was assumed that, women came from households are drawing representatives from the households sufficient to help understand the subject matter in the study area. Questionnaires were used to collect quantitative data from women and interview guides from the key informants. After data collection, qualitative data was analyzed using verbatim and presented in narration. Quantitative data was be analyzed using descriptive statistics with the help of the Statistical package for social sciences Programme (SPSS) version 27 and presented in tables, pie charts and bar charts. Data was later interpreted to give meaning focusing on the literature reviewed. Data was collected from 398 women respondents from Nyali sub-county and 7 key informants.

Quantitatively,

The formula asserts that:

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

Where;

n = sample size

N = total population

e = margin of error

Given: N = 69,948 households; e = 5% or 0.05 and 1 is constant.

$$n = 69,948 / 1 + 69,948 (0.05)^2$$

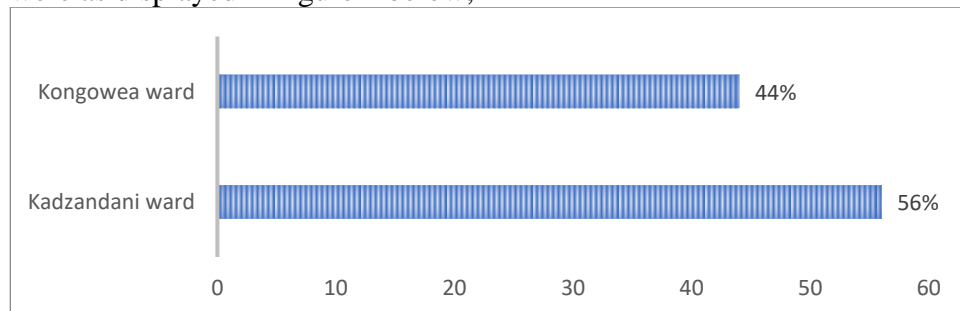
$$n = 398 \text{ households}$$

Sample from each ward was picked proportionately to the target population in each ward according to the total number of households. Basically, Kadzandani ward (56% of the total) has a larger population than Kongowea ward (44% of the total population). From a proportionate perspective, Kadzandani was therefore represented by 222 women and Kongowea ward 176 from their households.

## 1.6 Study Findings

### 1.6.1 Residence

Respondents were asked to state their area residence within Nyali sub-county in Mombasa. Findings were as displayed in figure 2 below;



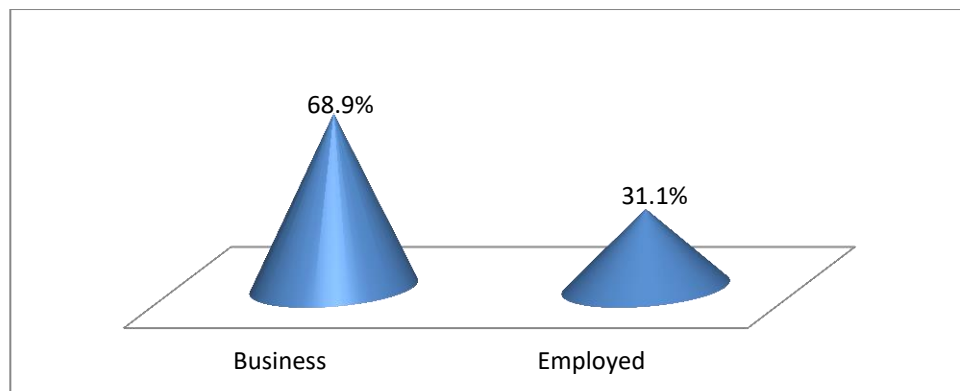
**Figure 2: Area of residence**

Source: Field data, 2022.

It was established that a bigger population of the study participants were from Kadandani ward (56%) while the rest (44%) were from Kongowea ward, in Nyali sub-county. This implies that the study data was gathered from various areas of Nyali sub-county.

### 1.6.2 Income generating activity

The researcher sought to ascertain where women get their income from. Respondents were asked to state their income generating activities. Figure 3 below displays the results.



**Figure 3: Income generating activities**

Source: Field data, 2022.

Majority of the study respondents were found to Small scale business holders (69%) while the rest (31%) were employed. This implied that majority of women in Nyali were self-self-employed with a smaller significant population employed. The researcher assumed that business was the major source income among majority of women.

### 1.6.3 Year the income generating activity started

In order to determine the experience level and knowledge on issues related to women economic initiatives among women, study participants were asked to state the year they started their income generating activity. Findings are shown in table 1 below;

**Table 1:Year the income generating activity started**

Responses	Frequency	Percent
2014	46	11.6
2017	24	6.0
2018	46	11.6
2019	94	23.6
2020	70	17.6
2021	95	23.9
2022	23	5.8
<b>Total</b>	<b>398</b>	<b>100.0</b>

Source: Field data, 2022.

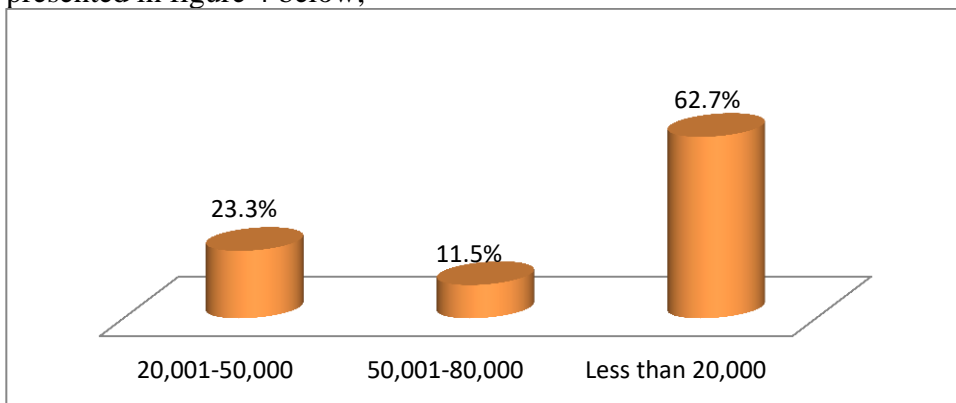
As displayed in table 1 above, different respondents had been in their income generating activities for quite some years.23.9% study respondents had started in 2021with another almost similar group size (23.6%) starting in 2019.The smallest group (5.8%) started in 2022. Despite that the data was gathered towards the end of 2022, only 5.8% of the respondents started their income generating activity in 2022. The researcher assumed that this was due to difficult economic time characterized by increased fuel



prices, inflation and countrywide drought witnessed in the country during the year of data collection hence women could hardly access income generating activities. Nevertheless, the researcher drew conclusion that respondents that respondents had been involved in income generating activities for quite some years hence knowledgeable enough to give quality data about the subject under investigation.

**1.6.4 Monthly income**

Respondents were asked to state their approximate monthly income. Gathered data was analyzed and presented in figure 4 below;



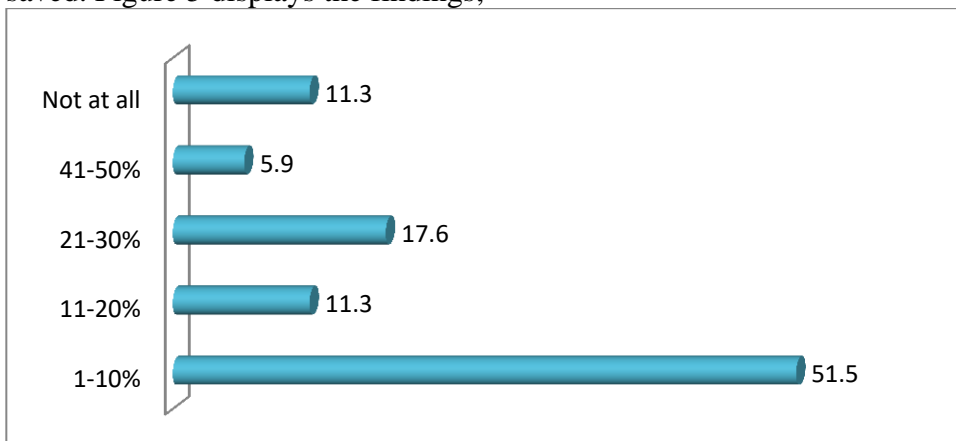
**Figure 4: Monthly income**

Source: Field data, 2022

Findings displayed in figure 4 shows that monthly income for majority (62.7%) of the study participants was less than 20,000. Only 23.3% of the respondents could earn Kes.20,001-50,000 a month. Findings further revealed that only 1 out of 10 women had monthly income of Kes.50,001-80,000. This implied that women monthly income was meagre with minority women population earning more than Kes.20,000 and majority less than Kes.20,000.

**1.6.5 The percentage of monthly income saved**

The researcher sought to establish whether women participants were able to save anything from their monthly income. Respondents were asked to state the approximate percentage of their monthly income saved. Figure 5 displays the findings;



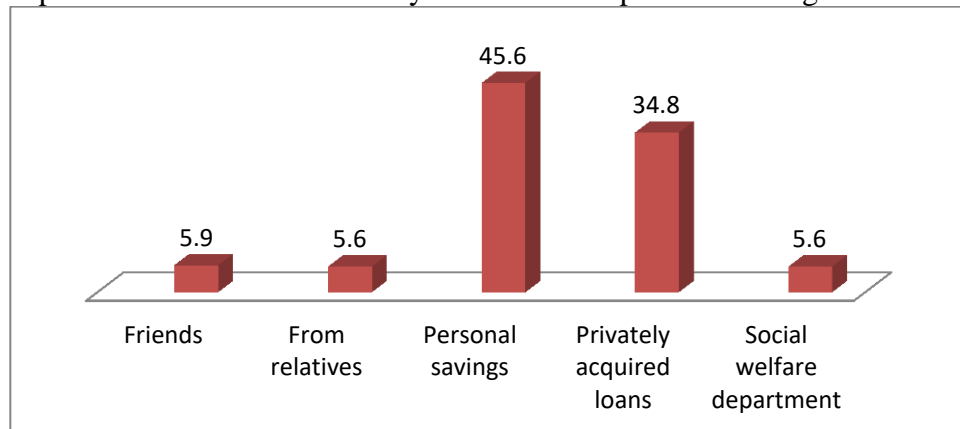
**Figure 5: Percentage of monthly income savings**

Source: Field data, 2022

As shown in figure 5 above, most of the respondents (51.5%) were only able to save 1-10% of their monthly income. Further, 11.3% of the respondents revealed that they are not able to save anything from their monthly income with only 5.9% of the respondents able to save 41-50% of their monthly income. This shows that majority of women earns low income compared to their household expenses hence saving nothing or very little.

**1.6.6 Source of business capital**

Respondents who participated in business as source of income were asked to state their source of capital. Gathered data was analyzed and herein presented in figure 6 below;



**Figure 6: Source of business capital**  
 Source: Field data, 2022

As indicated in figure 6 above, the greatest group (45.6%) of those who participated in business activities depended on their personal savings as source of business capital. Another significantly big group depended on privately acquired loans as source of business capital. The others depended on friends (5.9%), relatives (5.6%) and social welfare department (5.6).

This finding suggests that study respondents’ sources of business capital were meagre with largest group depending on personal savings. As a consequence, women could only start a small enterprise since they lack adequate external source of capital to boost their businesses. This explains why majority of them could earn an income less than Kes. 20,000.00 a months as shown in figure 6. The researcher predicts that with adequate external financial support among women initiatives, they could increase their monthly income.

**1.6.7 The influence of financial factors on women economic empowerment**

The researcher sought to establish the influence of financial factors on women economic stability. The analyzed Likert scale data was presented in table 2 below:

**Table 2: Financial factors and women economic empowerment (1=Strongly Disagree; 2=Disagree; 3=Neutral; 4=Agree; 5=Strongly Agree)**

Financial determinant statement	Likert scale response						Mean	Standard deviation
	SD	D	N	A	SA			
I have a full control over my income	-	11.6%	41.2%	6.0%	41.2%	3.766	1.111481	
I have a full control over my assets	-	23.4%	35.4%	-	41.2%	3.587	1.23935	
I have a total control over the spending of my income	-	11.8%	23.6%	29.6%	34.9%	3.879	1.022717	
I can change the type of work/business any time I want	17.3%	6.0%	41.5%	17.6%	17.6%	3.121	1.275445	
My work/job is not vulnerable to external factors like inflation	29.6%	17.6%	17.6%	17.6%	23.6%	2.824	1.546956	
I am always involved in my household financial planning always	-	6.0%	29.1%	23.4%	41.5%	4.003	0.975712	
I am always a key decision maker in my job/business future's financial investment plans	11.8%	5.8%	23.4%	23.4%	35.7%	3.650	1.329856	
I am totally in-charge of my job's/business growth	5.8%	11.6%	29.4%	29.4%	23.9%	3.537	1.1423	
It is easy to get financial loan services for small scale business establishment in my locality	23.6%	23.6%	17.6%	23.4%	11.8%	2.761	1.356119	

Source: Field data, 2022

Findings displayed in table above presented different respondents feelings regarding financial factors affecting women economic empowerment. Some respondents totally agreed on some items; others somehow agreed; and others totally disagreed on the Likert scale items.

There was total agreement on the following items; I have a full control over my income (3.766); I have a full control over my assets (3.587); I have a total control over the spending of my income (3.879); I am always involved in my household financial planning always (4.003); I am always a key decision maker in my job/business future's financial investment plans (3.650); and lastly I am totally in-charge of my job's/business growth (3.537). These findings revealed that women had influence in number of financial factors perceived to affect women economic empowerment. It was indicated that women had total control over how to spend their income hence freedom over expenditure of their money. The study further revealed that women had control over their income hence no one could dictate to them how to use their money. Women were always involved in their household financial planning hence implying that women were not left out during household financial planning and other related issues. Lastly, from this study, women were found to be in-control of their jobs or business growth. This items shows that a section of women possess positive traits which can sail them towards women financial empowerment. Respondents somehow agreed on following items; I can change the type of work/business any time I want 3.121. This showed that even though women could change the type work or business they were doing, they never had full control when making such decision hence sometimes they could not make such decision entirely on their own. In an interview with one of respondents (R04) who supported these findings, she argued that changing of work or business among women has never been a one man decision. This was because it is perceived that change of source of income would highly affect majorly their household roles. An example was given among a married woman who would want to change a job, or being transferred to a different work location. The husband

must be involved in such decisions to discuss how household roles will be performed in her absence and in some cases; the woman can forgo the work opportunity for the sake of the family.

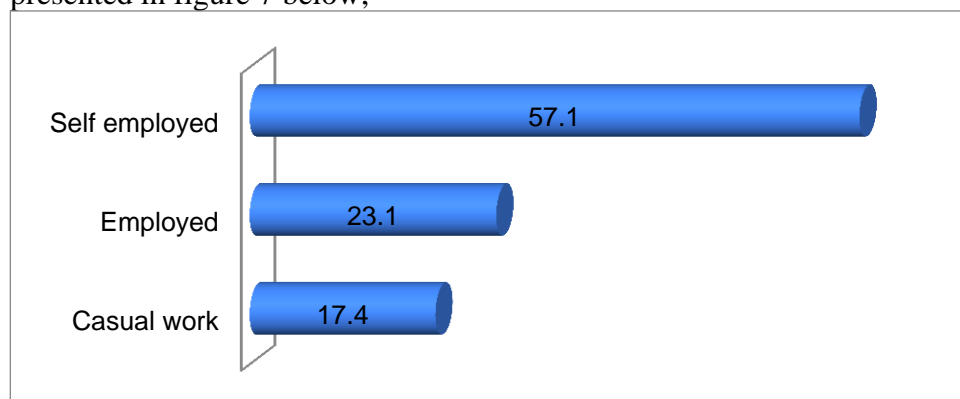
*“Women have the freedom to change their times of income may it be business may it be employment. However, it has not been a one man show for women because majority must consult their husbands, their parents, siblings and other key people before implementing the change. For example a married woman before implementing change of a job or business must discuss with family on how the anticipated change will affect the family and if the impacts are intense she might forgo the job. This can happen to unmarried people as parents and siblings might discourage them from doing some changes in relation to job especially when it might lead to change of location. “*

*Respondent (R04).*

However, there was total disagreement on the following items; my work/job is not vulnerable to external factors like inflation 2.824; and it is easy to get financial loan services for small scale business establishment in my locality 2.761. From this findings, it was evident that women income sources were affected by external factors such as inflation. During the time data collection there was high increase of cost of live making live unbearable among many women in Nyali Sub-county and Kenya at large. Eternal factors such as inflation (8.5% in August; 9.2% in September; 9.5% in October 2022), country wide drought, high cost of fuel and Gas were reported to be key factors to high cost of live. Previous findings in this study as displayed in Figure 4.5 reveled that women monthly income was less than Kes.20, 000.00 hence implying that women were the most vulnerable and very affected by the said external factors. It was further found that access of financial loan services among Small Scale Business Women to boost was meagre. These findings could be related with previous findings which found out that 45% of study respondents depended on their savings to start a business with only 34.8% who sourced their business capital from privately acquired loans. Further, the monthly income of majority of women (less than Kes.20, 000.00) was evident that women they could hardly access loans prom financial institutions because their income was low therefore they could hardly reach the threshold of accessing loans.

### 1.6.8 Nature of income generating activities

Respondents were asked to state their income generating activities. Gathered and analyzed data was presented in figure 7 below;



**Figure 7: Nature of income generating activities**

*Source: Field data, 2022*

Figure 7 above reveals that most (57.1%) of the study respondents were self-employed; 23.1% were employed while 17.4% were casual workers. These findings showed that self-employment was the most common source of income among majority of women. Less than a quarter of women participants were employed (23.1%). The findings indicate that 6 out of 10 women were likely to be self-employed while 2 out of 10 women were likely to be employed. Hence the researcher assumed that employment opportunities among women were meagre leading to few getting employed with majority establishing their own Income Generating Activities to cater for their needs.

### 1.6.9 Financial determinants

The researcher sought to establish financial determinants among women. Respondents rated their level of agreement on statements items related to financial determinants among women. Findings are shown in table 3 below;

**Table 3: Financial determinants (1=Strongly Disagree; 2=Disagree; 3=Neutral; 4=Agree; 5=Strongly Agree)**

Financial determinant statement	Likert scale response					Mean	Standard deviation
	SD	D	N	A	SA		
My job/work is sustainable despite economic hardships	29.6%	5.8%	41.0%	12.1%	11.6%	2.700	1.321281
The future of my job/work is good	24.1%	11.6%	17.3%	29.1%	17.8%	3.045	1.443537
It is possible to change my job or even transform my business in to cash the time I wish to do so	23.6%	23.4%	29.6%	11.8%	11.6%	2.642	1.280397

Source: Field data, 2022

As displayed in table 3 above, respondents totally disagreed on the following; My job/work is sustainable despite economic hardships (2.7); It is possible to change my job or even transform my business in to cash the time I wish to do so (2.642). This shows that women were uncertain with their income generating activities. Their situation was exacerbated by harsh economic situation which had made life unbearable at the time of the study. Further, the study findings reveal that it was not possible for women to change their job or even transform their businesses in to cash. Scary business environment at time of data collection characterized by severe national drought; soaring prices of food and other basic commodities and high inflation rate made it difficult for women to convert their businesses into cash anytime they wished to. Similarly, respondents were unsure whether the future of their work was good (3.045). This was as a result of unfriendly economic situation which had brought almost all businesses into stand still as explained above. One of the study key informants who concurred with the study findings stated the following;

*“Women are not certain about their businesses at all. Even the employed ones are not sure whether they will be in the same position tomorrow. This is because when you look at the economy right now every sector is affected and therefore employers might be overwhelmed by salary expenses hence ends up trimming some workers women being at higher risk since they normally hold low positions. Businesses incomes have become too low because of the hiked cost of goods and services have forced people to change their consumption habit so as to save something. Therefore, the sales are even very low”*

*Respondent, (R02).*

### 1.6.10 The Pearson’s Correlation

Pearson’s Correlation was conducted to establish the correlation between women’s monthly income and women satisfaction level. The correlation between women’s monthly income and satisfaction level was 0.094. This indicated very weak positive correlation between monthly income and satisfaction. This implied that an increase in women monthly income narrowly improve women’s control of the following financial factors: full control of income; full control of assets; total control of income spending; change of work/business any time they wish; protection of their jobs/work from inflation; all time involvement in household financial planning; and all time key decision maker at job/business future’s financial investment plans. This therefore showed that apart from increasing women income (economic empowerment), there is a need to consider other variables to supplement economic factors so as to achieve women’s full empowerment.

**Table 4: Pearson Correlation-Monthly income and women satisfaction level (financial factors)**

Variables		Monthly income	Satisfaction
Monthly income	Pearson Correlation	1	
			0.094
Satisfaction	Pearson Correlation		1
		0.094	

Source: *Field data, 2023*

### 1.7 Conclusion

After analyzing the study findings, it was concluded that financial factors had influence on women’s economic empowerment in Nyali Sub-County. Women income sources were highly affected by external factors such as inflation. During the time data collection there was high increase of cost of live making it unbearable among many women in Nyali Sub-county and Kenya at large. Eternal factors such as inflation, country wide drought, high cost of fuel and Gas were reported to be key factors to high cost of live. Employment opportunities among women were meagre hence very few succeeded in getting employed with majority establishing their own Income Generating Activities to cater for their needs. The largest population of women study participants had their self-employed income generating activities. Residential areas were the most likely location where women could locate their self-employment activities. Women were uncertain with their income generating income generating activities. Their situation was exacerbated by harsh economic situation which had made live unbearable at the time of the study. Similarly, respondents were unsure whether the future of their work was good. This was as a result of unfriendly economic situation which had brought almost all businesses into stand still. Women’s earnings were not the same as the earnings of their male counterparts. The study further revealed that men and women did not have equal chances to participate in the job market. Only 2 out 10 females who were likely to be employed with 8 out of 10 surviving on self-employment, income generating activities and casual jobs; hence these reveals how meagre employment opportunities were to women. Women were found to have no equal opportunities to control resources and assets as compared to males and most of the family assets were owned by the man of the house. The chances for accessing leadership positions were lower among women compared to men.

Accessing business permits was not easy and it took a number of days. This led to delays and even increased expenses related to the business permit as a result of time to time follow up from the concern offices. Taxation cost was not friendly for small businesses. The increased cost of commodities had affected many women and they could barely manage their small businesses with their small income. Increase of prices of commodities had even lowered their daily sales as consumers had also changed their consumption behavior in response to deteriorating economy. The government through concerned bodies does not train women on how to file businesses taxes and returns. Further government do not fulfills her service obligations after tax payment.

### 1.8 Recommendations

After carrying out this study, a number of recommendations were drawn;

- (i) Financial factors such as inflation were reported to highly affect women economic empowerment. The study recommended the concerned government entities such Central bank and other stakeholders to adopt necessary measures in order to reduce soaring inflation rate in Kenya and consequently for the benefit of women undertaking initiatives in Nyali Sub-County. This is because the situation had left majority of women vulnerable and if it persists they are going to more poor and vulnerable.
- (ii) Women to take advantage of the fast growing digital economy in terms of financial access. They need to access the simple trinity of factors:- An account; a phone and a cash –in cash-out (CICO) network for increased financial inclusion in Nyali Sub-County
- (iii) Supporters of financial inclusion like financial institutions (banks), government institutions, need to make a common cause with market facilitators and advocacy groups to remove legal barriers for women who need to access credit facilities like securities in Nyali Sub-County
- (iv) Relevant institutions including the government, civil society organizations, and the private sector to build the capacity of women through training, networks, growth opportunities and improved infrastructure for the women led initiatives in Nyali Sub-County

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