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EFFECTS OF FINANCIAL SOURCES AND SOCIO-CULTURAL FACTORS ON PERFORMANCE OF WOMEN-OWNED MANUFACTURING ENTERPRISES IN KISUMU CITY COUNTY, KENYA

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Abstract:
Women-owned enterprises play a significant role in contributing to a country's Gross Domestic Product (GDP) by creating employment opportunities. However, the manufacturing sector in Kisumu City County, has witnessed poor performance, coupled with less than 10 percent of the women participating in this sector. Despite this poor performance and low participation rate, there has been limited exploration into the factors influencing the performance of women exclusively within this sector. Therefore, the study aimed to determine the effects of financial sources and socio-cultural factors on the performance of women-owned manufacturing enterprises. The study employed a descriptive research design. Data was gathered through a questionnaire administered to 48 women selected using a simple random sampling technique. Descriptive and inferential statistics were applied to analyze the data using Excel and STATA Software. The results of multiple regression analysis established that women who secured funding from banks during shortages and initial capital depicted high performance. Additionally, factors such as household size, spousal decision-making regarding property utilization, and spousal control over the enterprise earnings had a negative effect on the performance of women-owned manufacturing enterprises in this County. The study recommends that policies need to be formulated to finance informal sectors such as *Chamas* where the majority of women prefer to increase the amount of loan accessed. Additionally, women should acquire more advanced entrepreneurial skills that are instrumental in making independent decisions and having better control over productive resources without utterly relying on their spouses.

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JEL: L60; M10

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1. Introduction

Socio-cultural norms play a pivotal role in shaping both formal and informal beliefs, rules, and attitudes within a society. These norms define the acceptable behaviors for individuals based on their gender within the societal framework. For instance, traditional aspects of these norms dictate attitudes towards women's role in business ownership, restrictions on their mobility, property rights, and decision-making power (Eliana, Chandra & Inessa, 2018).

In this context, women often find themselves in subordinate positions to men, often yielding to their authority. The prevalent dowry culture further entrenches male dominance in household decision-making. Traditionally, women have been excluded from land ownership and the management of significant assets, which usually fall under the purview of their spouses. Consequently, women are tasked with family responsibilities and farming while their spouses pursue job opportunities elsewhere (Ondiba & Matsui, 2019). The control over communal land is typically vested in men, leaving women with limited ownership rights (Kyalo, 2016).

A notable aspect of these norms is the geographical restriction imposed on women's movements. Venturing far from their families not only reduces their social standing but also hampers their ability to fulfill caregiving duties. Consequently, women are often compelled to stay close to home to manage their domestic responsibilities. Moreover, women-owned enterprises are frequently undervalued within many cultures, as economic activities are predominantly perceived as male domains (Eliana et al., 2018). The perception of women in business extends to the types of enterprises they operate, where activities with lower profitability, such as handcrafting and salons, are often pursued. Household orderliness is expected of women, constraining their exploration of alternative economic avenues. The conflict arises when these responsibilities clash with the operation of their enterprises, potentially leading to misunderstandings within the household (Kenya Association of Manufacturers, 2018), thereby limiting women's economic engagement.

Access to financing is a significant challenge for women entrepreneurs, both from internal and external sources. Internally, women might rely on personal savings, familial support, or friends, while external sources encompass commercial banks, investors, and government funding. The preference for external financing could stem from the scale of women-owned enterprises. However, these entrepreneurs often face difficulties when attempting to access external funding due to their business size. Consequently, women entrepreneurs tend to rely on internal sources, which poses its own set of challenges (Harash, Al-Timimi & Alsaadi, 2014). Their smaller enterprises generally do not demand

substantial capital, thus leading to reliance on informal funding channels. Additionally, women's reluctance to secure significant loans further drives them towards informal borrowing, despite its limitations in providing substantial capital. Frequent rejections from commercial banks contribute to women's reservations about seeking formal financing (Eliana et al., 2018).

Financial access is a key impediment to the success of women-owned enterprises. Due to perceived risk, lending institutions often discriminate against women, leading to their preference for internal financing. Stereotypes regarding women's ability to repay loans and the susceptibility of their businesses to failure contribute to this discrimination (Eliana et al., 2018). Commercial banks have been observed demanding collateral and imposing high-interest rates, which deter women from borrowing (Wawire & Nafukho, 2010; Itonga, Waweru & Huka, 2016).

Numerous studies have delved into the interplay of socio-cultural factors and financial access on the performance of women-owned enterprises. In the realm of finance, Harish, Al-Timimi, and Alsaadi (2014) emphasized its significance despite the financial challenges faced by these enterprises, which hinder their growth. Similarly, Singh and Dash (2021) underscored the importance of financial access to the success of women's enterprises. Factors like immobility, societal support deficits, and negative attitudes have been identified as hindrances to the performance of women-owned enterprises (Maziku, Majenga & Mashenene, 2014). Sikolia, Mathenge, and Ntale (2020) further highlighted the detriments of property ownership disparities, restricted decision-making roles, and negative perceptions of enterprise growth. However, the majority of these studies have overlooked women in the manufacturing sector, where performance remains low and participation is below 10 percent (Kato, Litondo & Ntale, 2016). Thus, the study sought to establish the effect of financial sources and socio-cultural factors on the performance of women-owned manufacturing enterprises.

2. Literature Review

Maziku et al. (2014) conducted research in Dodoma, Tanzania, aiming to identify sociocultural factors influencing the success of enterprises owned by women. Employing a combination of case study and cross-sectional research methodologies, the team gathered data from 80 participants by administering a questionnaire. The collected data underwent analysis using descriptive statistics and binary regression. The findings revealed that the lack of mobility and societal support detrimentally affected the performance of women-owned enterprises. Additionally, the study highlighted the significance of education levels and family roles in fostering the performance of such enterprises. Notably, the study's assessment of performance centered on changes in employee numbers over a specific period, which constrained the examination of enterprises with a constant number of employees. Consequently, the current study aimed to establish the relationship between sociocultural factors and enterprise performance, as gauged by profitability.

In determining factors affecting the performance of women-owned enterprises, Gichuki, Mulu-Mutuku, and Kinuthia (2014) conducted a study in Nakuru town, Kenya. The factors that were focused on included dividend and credit from table banking, experience, and education level. A cross-section research design was adopted for the study. A questionnaire was administered to 225 women identified through a systematic random sampling technique. Data was analyzed using descriptive statistics and the ordinal logit model. The results showed that loans accessed from table banking, dividends received and education level had a positive impact on the performance of women-owned enterprises. The study focused on table banking which was one of the sources of capital. The current study sought to evaluate further on how different sources of capital impact on the performance of enterprises owned by women.

Mbiti, Mung'atu, and Kyalo (2015) carried out a study in Kitui County, Kenya to determine sociocultural factors that influence the growth of women's enterprises. A descriptive research survey was employed for the study and data was collected by administering a questionnaire to 194 respondents identified through proportionate sampling technique. The data collected was analyzed through descriptive and inferential statistics. The researchers established that socio-cultural factors had an impact on the growth of women's enterprises. Women still faced the stigma of being painted as traditional women where they are viewed as belonging to the kitchen, having to seek consent from spouses before borrowing or starting an enterprise, and local traditions having an impact on their power relation in society. However, the result did not give an explanation of how the sociocultural factors impacted the performance that the current study analyzed.

Khan, Salamzadeh, Shah, and Hussain (2021) undertook a study in Pakistan to establish how entrepreneurial support influenced rural business performance. A purposive sampling technique was used to identify 132 rural entrepreneurs. Regression analysis revealed that entrepreneurial training and financial support had a negative impact on the profitability of the enterprise. The inverse relationship between training and performance was due to inadequate training. Financial support negatively impacted on the performance since they were associated with high costs of borrowing and tedious documentation proposes. The researchers also identified that network-to-market opportunities also enhanced the performance of rural entrepreneurs.

The studies conducted by Maziku et al. (2014), Gichuki et al. (2014), Mbiti et al. (2015), and Khan et al. (2021) have highlighted several factors that influence the performance of women-owned enterprises. These factors include women's mobility, societal support, education level, family roles, access to table banking loans, dividends, entrepreneurial training, and financial support. However, these studies did not comprehensively analyze how different financial sources affect the performance of women's enterprises. Notably, there has been poor performance among women in the manufacturing sector which has not been exclusively analyzed. The current study sought to establish the effect of financial sources and socio-cultural factors on the performance of women-owned manufacturing enterprises.

3. Material and Methods

A descriptive research design was adopted in analyzing the effects of financial sources and socio-cultural factors on the performance of women-owned enterprises in the manufacturing sector in Kisumu City County. It was the best design for analysis since it involved observing the variables without manipulating their behaviour. Cross-sectional data on financial sources and socio-cultural factors was obtained from 48 respondents to establish the performance of enterprises. Out of 55 women identified through a simple random technique, 48 consented to participate in the study. Prior to data collection, a study was conducted in Kiambu County to test for clarity and identify gaps in a questionnaire to ensure the objectives were addressed. Thereafter, primary data was collected in Kisumu City County by administering a one-on-one questionnaire. The questionnaire contained both closed and open-ended questions capturing demographic information, financial sources, socio-cultural factors, and performance variables. Data collected was transferred to Excel and STATA software for clean-up and further analysis.

In understanding how financial sources and socio-cultural factors affected the performance of the women-owned enterprises, a multiple regression model was adopted. Prior to the regression analysis, diagnostic tests on normality, heteroskedasticity, and multicollinearity were conducted using Shapiro Wilk test, Breusch Pagan's test, and Variance Inflation Factor (VIF), respectively. The tests were significant in ensuring that there was no violation of Ordinary Least Square (OLS) assumptions, thus the validity of the model. The equation that follows was used in analyzing how financial sources (initial source and source during shortages) and socio-cultural factors (household size, land ownership, freedom of movement, attitude towards women owning enterprises, decision on use of property and control on enterprise earning) affect the performance of women-owned enterprises in the manufacturing sector

$$ln\pi = lnA + Educ + lnSE - lnHS + LO + FM - AT - DP - CE - IF - SS \quad (1)$$

Where,
lnπ = Log of Enterprise Monthly Income,
lnA = Log of Age,
Educ = Education Level,
lnSE = Log of Size of Enterprise,
lnHS = Log of Household Size,
LO = Land Ownership,
FM = Freedom of Movement,
AT = Attitude towards Women Owning Enterprises,
DP = Decision on Use of Property,
CE = Control of Enterprise,
IF = Initial Source of Finance,
SS = Source of Finance during Shortages.

The definition and measurement of the variables are specified in the table that follows.

Table 1: Definition and Measurement of Variables

Variables	Definition	Measurement
Dependent Variable		
Profit (π)	Monthly income obtained from the enterprise after paying all the expenses.	Monthly Income (KES)
Independent Variables		
Age (A)	The business owner's age	Number of years the owner has lived (years).
Education Level (EL)	Highest education level attained by the entrepreneur.	Measured as a categorical variable: 1 – Primary, 2 – Secondary, 3 – Tertiary, 4 – University.
Size of the Enterprise (SE)	Number of workers employed by the enterprise.	Number of workers.
Household Size (HS)	Individuals under the care of the respondent.	Number of children under the care of the respondent.
Land Ownership (LO)	Refers to whether the respondent has a title deed for a given piece of land.	Dummy variable: 1 – Yes, 2 – No.
Freedom of Movement (FM)	The ability of women to move to other geographical areas for the sake of enterprise without restriction.	Dummy variable: 1 – Yes, 2 – No.
Attitude (AT)	Refers to society's behaviour towards women in ownership of enterprises.	Dummy variable: 1 – Positive, 2 – Negative.
Decision on Use of Property (DP)	The person responsible for making decisions on property such as land.	Measured by a categorical variable: 1 – Spouse, 2 – Self, 3 – Joint.
Control on Enterprise Earnings (CE)	The person in charge of income generated from the business enterprise.	Measured by a categorical variable: 1 – Self, 2 – Joint, 3 – Spouse.
Initial Source of Finance (IF)	Refers to where an entrepreneur obtained the funds for starting the enterprise.	Measured as a categorical variable: 1 – Self saving, 2 – Chamas/SACCOs, 3 – Bank loans, 4 – Business partner, 5 – Family 6 – Donors.

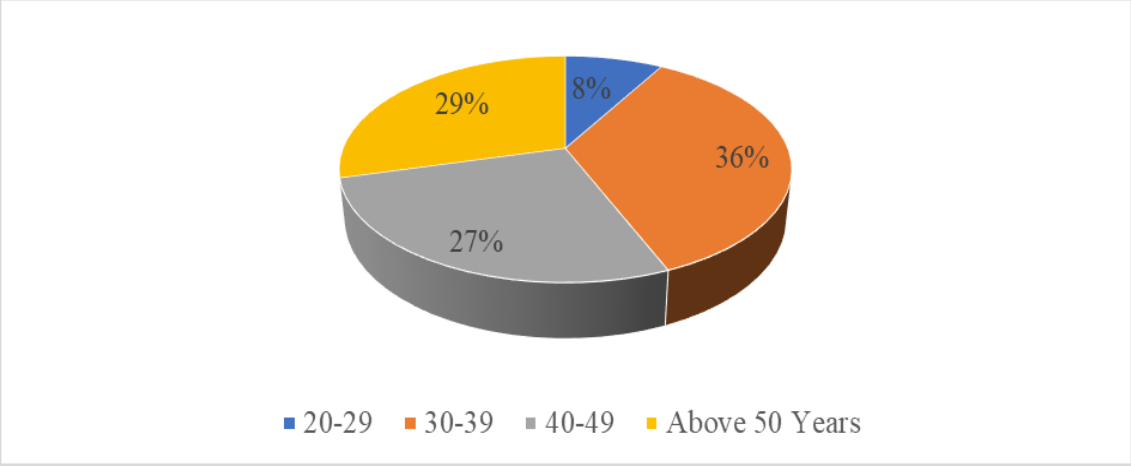
Source of Finance during Shortages (SS)	Refers to where entrepreneurs obtain capital during shortages.	Measured as a categorical variable: 1 – Self saving, 2 – Chamas/SACCOs, 3 – Bank loans, 4 – Business partner, 5 – Family, 6 – Donors.

Source: Author (2023).

4. Results and Discussion

Collecting demographic information was crucial for comprehending the characteristics of women who owned manufacturing enterprises. The results revealed a breakdown of age groups: 8 percent of respondents were aged 20 to 29, 36 percent were aged 30 to 39, 27 percent were aged 40 to 49, and 29 percent were above 50 years old (Figure 1). These findings made it evident that the majority of respondents involved in the manufacturing sector fell within the 30-49 age range. This observation can be attributed to the labor-intensive nature of the manufacturing industry, which likely led to the concentration of respondents in the productive age brackets. Additionally, Maziku et al. (2014) emphasized that women between the ages of 30-49 often bear significant family responsibilities, driving them to participate in economic activities to support their families.

Figure 1: Age Category

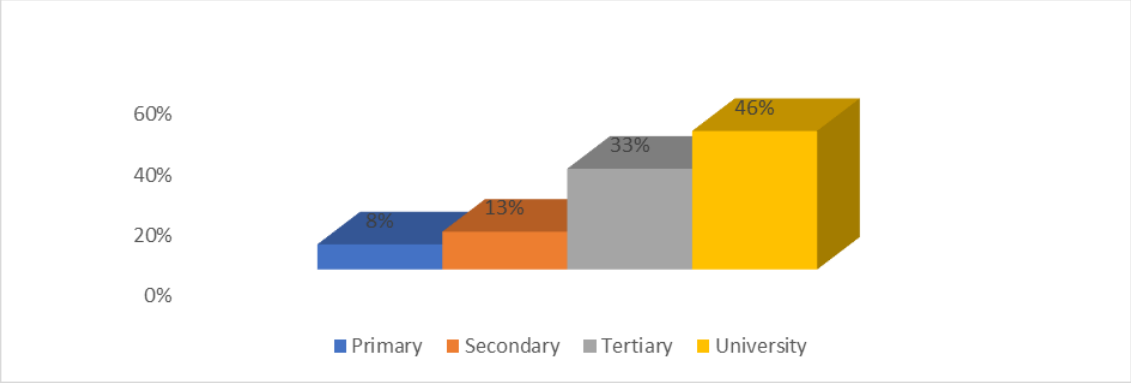


Source: Author (2023).

Education is a vital element in enhancing the performance of the enterprises. Individuals are able to gain management skills, knowledge, best strategies used to enhance the productivity of the enterprise. Vasan (2020) supported this by finding a positive relationship between performance and education. The study identified that the majority of women owners 46 percent had attained a university education level. A high literacy level was observed among the respondents with 79 percent having obtained more

than a secondary education level (Figure 2). It implied that the majority of women had acquired skills that were important in enhancing performance.

Figure 2: Education Level

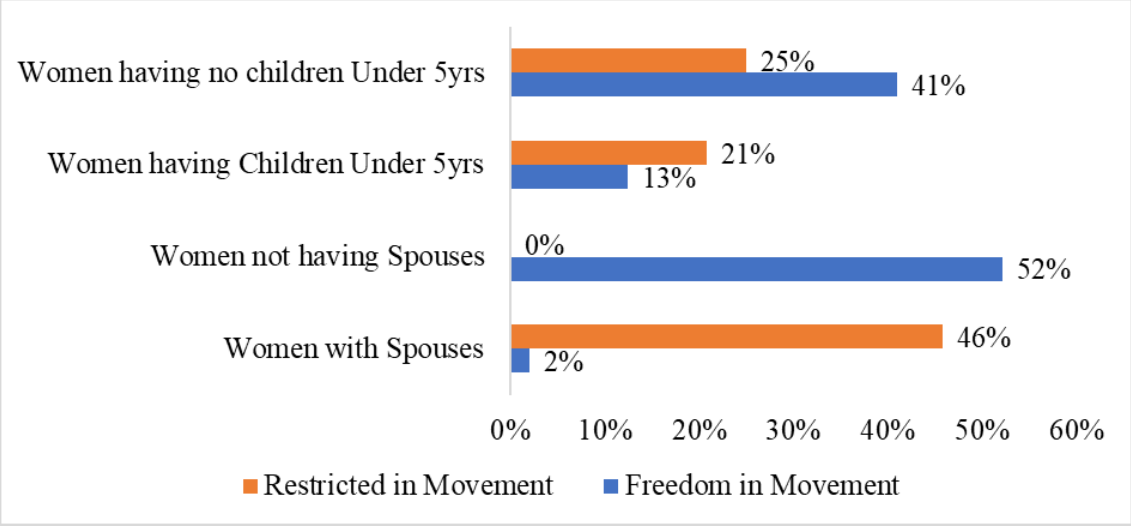


Source: Author (2023).

4.1 Financial Sources and Socio-cultural Factors on Performance of Women-owned Enterprises

The success of women-owned businesses heavily relies on their ability to move freely. Societal norms often restrict women from participating in public interactions. Factors like marital status and childcare play a crucial role in determining how much women can travel to pursue their enterprise growth objectives (Eliana et al., 2018). The degree of freedom of movement for women was linked to whether they were married and the limitations posed by taking care of children below the age of 5. The graphical representation of these findings can be seen in Figure 3.

Figure 3: Freedom of Movement among Respondents

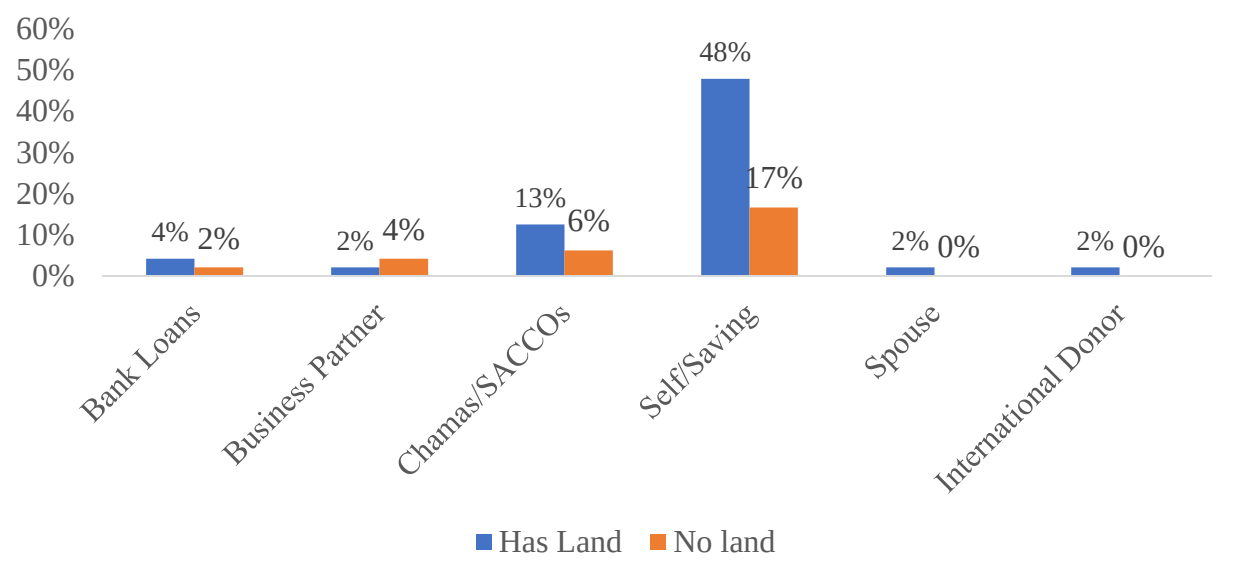


Source: Author (2023).

With regard to caring for children under the age of 5 years, who are home-seated and have not yet started nursery education, a higher proportion of respondents had no children in that category, out of whom many were free to move (41%) even though others

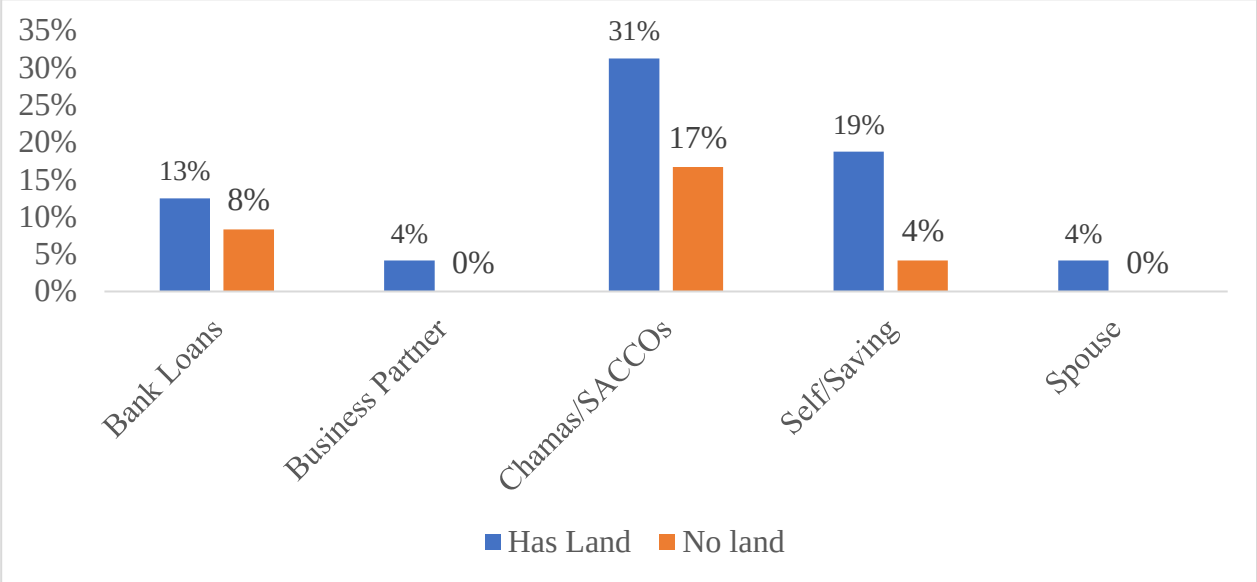
had movement restrictions (25%). Among the respondents who had children below 5 years, the majority had movement constraints (21%), which suggests that childcare is indeed a factor influencing movement among women entrepreneurs in the manufacturing sector. However, Chi-Square test revealed no association between freedom of movement and children under the age of 5 years (p=0.101). Based on marital status, the majority of the women respondents had no spouses and were all free to move (52%). Conversely, among women who had spouses, a greater proportion had movement restriction (46%), with a negligible proportion being married and free to move (2%) (Figure 3). A further interrogation using the Chi-Square test revealed an association between marital status and freedom of movement (p=0.000). The findings recapitulated that of Maziku et al. (2014), who noted that women entrepreneurs faced movement constraints due to spousal restrictions. As a result, profits that could have been realized through exploiting other markets are jeopardized. In determining whether freedom of movement affected the performance of women-owned enterprises, the category of women who had spouses and were free to move (1 respondent, 2%) and individuals without spouses and restricted to move (0%) was excluded from the analysis. T-Test conducted in comparing the mean performance of women with spouses who are restricted to moving and those without spouses who are free to move unveiled no significant difference in their income generation (p=0.3803). The finding was dissimilar to that of Estrin and Mickiewicz (2011) who established that restriction in movement limited the growth of the enterprises and access to a wide variety of markets where they could sell their products. Thus, translation of low performance among women with immobility issues.

Figure 4: Initial Source of Capital and Land Ownership



Source: Author (2023)

Figure 5: Source of Capital during Shortage and Land Ownership



Source: Author (2023)

The land is important for women in the growth and sustenance of the enterprise. It can be used as collateral when accessing capital from lending institutions (Nkatha, 2016). Analysis was done to establish preference of source of initial capital and source of finance during shortages for individuals who had land and those who did not have land and the result is presented in Figure 4 and 5.

The majority of women entrepreneurs (48 percent) who possessed land as an asset obtained their initial capital from self-savings. Similarly, a significant proportion of women (17 percent) without land also sourced their capital from self-saving methods (Figure 4). This trend underscores the prevailing preference for self-savings as the primary source of initial capital, regardless of land ownership. Figure 5 illustrates that, in times of financial shortages, a substantial portion of women entrepreneurs (31 percent) with land turned to group savings schemes like Chamas/SACCOs. Interestingly, a similar pattern emerged among entrepreneurs (17 percent) without land, indicating a consistent preference for Chamas/SACCOs as a source of finance during periods of scarcity. This distinct preference for Chamas/SACCOs among women entrepreneurs during financial shortages stands in contrast to the conventional practice of leveraging land as collateral for securing loans from formal financial institutions such as banks. Notably, Mugyenyi, Nduta, Ajema, Afifu, Wanjohi, Bomett, Mutuku, and Yegon (2020) emphasize the significance of land as collateral in formal borrowing arrangements. The observed inclination away from formal borrowing, even when land is available, could potentially be attributed to the perceived high borrowing costs associated with these formal lending institutions.

The association between the performance of women-owned enterprises and their initial source of capital was examined using Analysis of Variance (ANOVA), revealing a statistically significant association ($p=0.0166$). Notably, women who acquired their initial capital from banks exhibited the highest average performance, likely attributed to the

substantial capital obtained from this source. However, a T-test demonstrated no statistically significant variation between performance and land ownership (p=0.5311). This finding contradicts the observations of Alene (2020), who found out a positive relationship between land ownership and enterprise profitability. The researcher established superior performance among women entrepreneurs with land ownership compared to those without.

The study examined how respondents managed decision-making and controlled productive resources, whether individually, collaboratively, or solely by their spouse. According to Table 2, a significant portion of female entrepreneurs (56 percent and 83 percent) independently made choices about resource allocation and maintained control over their businesses.

Table 2: Decision on the Use of Property and Control of Enterprise

Type	Decision on Use of Property Frequency	Control on Enterprise Frequency
Self	27 (56%)	40 (83%)
Spouse	5 (11%)	1 (2%)
Joint	16 (33%)	7 (15%)

Source: Author (2023)

A smaller subset of participants (2 percent and 11 percent, respectively) indicated spousal involvement in resource control and decision-making. The effectiveness of resource control is crucial for optimizing enterprise performance, as highlighted by Ajzen (1991). When resources are controlled by spouses, women's operational capabilities are restricted, potentially leading to low performance. The analysis of variance (ANOVA) test underscored performance disparities among women-owned enterprises based on type of control (p=0.0155). Notably, enterprises where spouses assumed control exhibited the lowest mean performance.

In ensuring that there was no violation of OLS assumptions, normality, heteroskedasticity, and multicollinearity tests were conducted. Shapiro Wilk test was used to test for normality and the P-value was 0.242 which was greater than 0.05 thus accepting the null hypothesis and concluding that there was normal distribution. Breusch Pagan's test revealed that there was no heteroskedasticity since the P-value was 0.264 which was greater than 0.05. Multicollinearity was tested using Variance Inflation Factor. The mean VIF was 1.94 while VIF of all variables was less than 3. VIF greater than 10 indicates multicollinearity, thus there was no multicollinearity.

The regression output shows that the independent variables (age, education, size of the enterprise, household size, land ownership, freedom of movement, attitude, the decision on the use of property, control of earnings, initial source of capital, and sources of capital during shortages) explained 51.32 percent variation in the performance of women-owned enterprises. The explanatory variables were best fit in explaining the performance of women-owned enterprises in the manufacturing sector since the P-value (0.0002) was less than 0.05. The variables whose coefficients were statistically significant were age, education, size of the enterprise, household size, decision on the use of

property, control on earnings, initial source of capital, and sources during shortages. However, the coefficients of land ownership, freedom of movement, and attitude was statistically insignificant.

Table 3: Regression Results

Log Income	**Coefficients**	**Standard Error**	**P-value**
Log of Age	1.189*	0.586	0.051
Education (University)	0.644*	0.334	0.062
Size of the Enterprise	0.398***	0.138	0.007
Household Size	-0.477**	0.218	0.036
Land Ownership	0.113	0.310	0.718
Freedom of Movement	0.069	0.312	0.825
Attitude	-0.489	0.376	0.203
Decision on Property Use (Spouse)	-1.220***	0.265	0.000
Control Earning (Spouse)	-1.163***	0.412	0.008
Initial Source of Capital (Chamas/SACCOs)	-0.592*	0.343	0.094
Sources during Shortages (Spouses)	-1.139*	0.663	0.095
Constant	2.738	2.178	0.218
Number of Observations = 48 F (14,33) = 4.54 Prob>F = 0.0002 R-Squared = 0.6582 Adjusted R-Squared = 0.5132 ***, ** and *indicate that the coefficients are statistically significant at 1 percent, 5 percent, and 10 percent level respectively.			

Source: Author (2023)

The coefficient of age exhibited a positively significant relationship at a 90 percent confidence level, implying that age affected the performance of women-owned manufacturing enterprises. An increase in women's age by one percent translated to an increase in performance by 1.189 percent holding other factors constant. An increase in the level of experience as a person advances in age could explain the reason for a positive relationship between performance and age. The finding contradicted to that Vasan (2020) who found that there was no relationship between the performance of women-owned enterprises and their age.

Education affected the performance of women-owned enterprises positively since its coefficient was statistically significant at a 10 percent level. The performance of women who had attained university education level was 0.644 percent higher than those who had attained primary, secondary, and tertiary education levels, maintaining other factors constant. As an individual advances in education, the person is equipped with skills such as management, and innovation which are instrumental in enhancing productivity. The finding aligns with that of Salia (2017) and Vasan (2020) who found that education positively affected the performance of the enterprises. Women who had attained higher education levels made long-term investment decisions in purchasing business assets that positively impacted performance. There is an acquisition of skills as women advance in education thus positively affecting performance.

The coefficient of the size of the enterprise was positive and ` significant since its P-value (0.007) was less than 0.05, indicating that the size of the enterprise affected

performance. An increase in the size of the enterprise by one percent translated to an increase in performance by 0.398 percent holding other factors constant. The positive relationship between performance and the size of the enterprise could be due to the productivity associated with each worker. Enterprises with many workers tend to have high output due to the marginal output realized by each employee. The finding is in agreement with that of Mwathi (2018) who noted that limited workers were associated with low output. Thus, there is a positive relationship between the size of the enterprise and the performance of women-owned enterprises.

The coefficient of household size (-0.477) was negative and statistically significant at a 5 percent level (p=0.036) implying that household size negatively impacted on the performance of the enterprises. An increase in household size by one unit translated to a decrease in performance by 0.477 percent, *ceteris paribus*. The decrease in performance could be associated with an increase in the number of household chores in taking care of young ones. The time that could be used in running the enterprise is directed toward caring for the young ones which limits the profitability that could have been realized. The findings contradicted that of Bula (2012) who found that family responsibility did not have an impact on the performance of enterprises.

The land coefficient (0.113) was positive and statistically insignificant since its P-value (0.718) was greater than 0.05. It implied that land did not affect the performance of women-owned enterprises in the manufacturing sector. The land is a valuable asset that can be used as collateral when accessing large amounts of loans which are instrumental in enterprise operations. However, the majority of the respondents relied on the informal sector which did not require collaterals which could explain why land did not have an impact on the performance of the enterprise. Conversely, Brixiová, Kangoye & Tregenna (2020) found out that land was instrumental in enhancing performance. The researchers noted that land could be used as security when securing loans. Furthermore, they highlighted that women who did not have land resolved to use internal sources of capital that were inadequate in facilitating their enterprises.

The coefficient of freedom of movement (0.069) and attitude (-0.489) were statistically insignificant since their P-values (0.825 and 0.203 respectively) were greater than 0.05. It indicated that the freedom of movement of women in various places for enterprise purposes did not affect the performance of the enterprise. Moreover, society's attitude towards women in ownership of enterprises did not affect the performance of women-owned enterprises in the manufacturing sector. The finding contradicted that of Maziku et al. (2014) who found that negative attitudes and immobility of women in various places negatively impacted their performance. The study highlighted the importance of positive support and mobility of women in exploring wider markets to enhance the performance of the enterprises.

The decision on the use of property negatively affected the performance of women-owned enterprises since its coefficient (1.22) was statistically significant at a 5 percent level (p=0.000). The performance of women whose spouses made decisions on behalf of the use of property such as land was 1.22 percent lower than those who either

made decisions on their own or jointly, maintaining other factors constant. Effective ideas are instrumental in enhancing performance and are shared through joint decision-making. When spouses make decisions on behalf of women, they are unlikely to incorporate views on the best strategy. As a result, it translates into poor decision making which leads to poor performance. Mwathi (2018) highlighted the importance of joint capacity building in enhancing better decisions among women in order to realize high performance.

The coefficient of control in productive resources (1.163) was negative and statistically significant since its P-value (0.008) was less than 0.05. The performance of women whose productive resources were controlled by spouses was 1.163 percent lower than those who either had self or joint control. Spouses' control of productive resources implies that women have to seek consent from their spouses before using the resource. The respondents noted that at some point they were restricted from using the asset for enterprise purposes, for instance as collaterals. As a result, income that could have been generated from the resource is unrealized. The findings are supported by Mugyenyi et al. (2020) who noted that lack of control over productive resources among women was detrimental to exploiting the manufacturing sector. Thus, the low performance of women whose spouses control productive resources on their behalf.

5. Recommendations

The study recommends the formulation of policies designed to financially support informal sectors such as *Chamas*, which are highly preferred by women. Increasing financial support will boost the availability of loans obtained through these informal sectors. Additionally, it is recommended that women acquire more advanced entrepreneurial skills. These skills are vital for empowering independent decision-making and improving the capacity to autonomously manage productive resources without entirely relying on spouses.

6. Conclusion

The study established that the performance of women-owned manufacturing enterprises is influenced by financial sources and socio-cultural factors. Notably, certain factors such as household size, spousal decisions regarding productive resources, and spousal control over enterprise earnings had a detrimental effect on the performance of these enterprises. Conversely, the study found that women who initially relied on bank loans as an initial source of capital and source during shortages achieved high-performance levels. These findings underline the critical importance of addressing financial sources and socio-cultural factors to enhance the performance of women-owned manufacturing enterprises.

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