ROLE OF SOCIAL NETWORKS ON THE PERFORMANCE OF WOMEN OWNED SMALL AND MEDIUM ENTERPRISES IN MIGORI COUNTY, KENYA

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ABSTRACT
The general objective of the study was to establish the role of social networks on the performance of women owned small and medium enterprises in Migori County. The study used descriptive survey design. The target population for this study was 7,000 women who own SMEs in Migori County. The research adopted a sample size of 1400 women owned SMEs. The study employed stratified random sampling techniques to obtain the required sample sizes. The data collections instruments was structured questionnaires which were distributed to the respondents and were later collected for further analysis. This study used the Cronbach’s Alpha for the five point Likert scale items. The study concluded that social network diversity is positively correlated with Performance of Women Owned Small and Medium Enterprises in Migori County. The correlation was also significance thus women running Small and Medium Enterprises in Migori County ought to lay more emphasis on social network diversity. It was further concluded that social network diversity allowed for consultation with members. The study concluded that women uses social network strength mostly for strategy analysis, objectives analysis, and problem analysis. It was also concluded that member’s religiously assist any of their own when they are in serious problems. From the study it was concluded that structure describes level of closeness or ties existing within a social group among the members; which could be assessed by the frequency of their meetings or interactions. The study recommended that the county government supplement the effort of these women by organizing workshops and training where expertise from different regions and government department would be brought to give a talk on women empowerment. National government should also partner with these women goods so as to provide them with loans from women development loans, uwezo funds as well as youth empowerment funds.

Keywords: Social Network Diversity, Size, Strength, Structure, Women Owned Enterprises, Migori County
INTRODUCTION

Entrepreneurship involves the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit such as starting a new business with the aim of making a profit out of the activities of the business. Entrepreneurs are widely recognized as the prime movers of economic development; the people who translate ideas into action (Wachira, Ngugi & Otieno, 2017). An interesting though not widely accepted definition of an entrepreneur is a person who has the ability to scan and identify opportunities in his or her environment, gather the resources necessary to take advantage of the opportunities and implement successful action to utilize the opportunities. This definition identifies an entrepreneur by their behavior rather than the specific occupation they are involved in. Those who have studied entrepreneurial behavior have noted certain characteristics such as innovativeness, ability and willingness to take calculated risks, determination, insight, total involvement, independence, need for achievement, leadership ability and so on. The benefits of entrepreneurship for development and economic growth have been widely highlighted. Entrepreneurship is seen as a self-development strategy for community development.

Entrepreneurship has been claimed to be the single most important pathway out of poverty. Hence, international development agencies are demanding for stronger tools for expanding employment and entrepreneurial opportunities (Pages, 2005). For example, it is demanded to improve the access of small and micro-enterprises to finance, information and technology and develop new sound business practices.

Performance involves women actively engaging as full members in the process of economic development by coming up with individual programs to boost their economic power. Women performance in entrepreneurship ventures are an essential precondition to the development of the nation as a whole. Entrepreneurship amongst women has been a recent concern. Various national, regional and international conventions and documentation have emphasized that enabling the population, regardless of gender to actively participate in social and economic wellbeing is critical for long-term and sustainable social, political and economic development of any society. Women entrepreneurs have become important players in the entrepreneurial landscape (Pages, 2005).

Although the number is still small as compared to businesses owned by men, this is encouraging as it shows that women no longer adhere to the stereotype that only men can be wage earners in the family. Besides numerous obligations assigned to women including reproductive chores such as childcare and doing house work, women can find success through their own businesses.

Many scholars have argued that aside lack of loan and training, inability to develop adequate stock of social networks was another bane of women entrepreneurs (Basargekar, 2011; Kelley, Brush, Greene, & Litovsky 2010; Tundui & Tundui, 2013). This was due to much family, work and business responsibilities handled by most women entrepreneurs (Tundui & Tundui, 2013). Sappleton (2009) also contended that the growth of women enterprises is closely related to the stocks of their social networks.

Women's entrepreneurship is a central aspect of economic development and public policy concern in most African countries, scholarly research about their entrepreneurial activities is comparatively scarce. Issues explored by women entrepreneurs as listed in previous studies include their socio-demographic and economic background, the factors that facilitated or inhibited their decisions to become entrepreneurs and their experiences in entrepreneurship (Hisrich, Micheal & Shepherd, 2005). The increasing use of networks for SMEs has been
reported as a factor influential in the developmental process of entrepreneurial activity (Baines & Wheelock, 1998).

Entrepreneurs have ideas to test, and some knowledge and competence to run the business, but they also need complementary resources to produce and deliver their goods or services (Xavier et al., 2013). Women get support, knowledge, and access to distribution channels through their social networks. Entrepreneurs are also linked to people and organizations that interact among themselves and these contacts can widen the availability of resources that can maintain a new firm (Xavier et al., 2013).

Networking is a way of introducing or exchanging resources (knowledge, financial capital) and information within the group, which may lead to potential opportunities. Entering a network should be a strategic choice for every entrepreneur. Since networks are bound up with social, cultural, political, and economic structures; networks affect the identity of the entrepreneur individually and also the group as a whole, and because social reciprocity and the positioning of comparable individuals are part of a network and networks are about gender as well (Hanson & Blake, 2009).

Business performance is measured from the economic perspectives in terms of increase in sales volume or turnover, employee strength and profits. Due to the nature of women and the circumstances surrounding their entrepreneurial motivation, variables such as business net worth and outcome may be used in measuring their entrepreneurial performance. The measurement of business performance is also subject to the entrepreneurial motivational factors which might be pull or push and intrinsic or extrinsic (Ahuja & Lampert 2010). The motivation is pull, push, intrinsic or extrinsic inclined, and the performance effect can be internally and/or externally measured. Women who start businesses because of lack of opportunity to advance their career will measure their business performance in terms of the growth they experience in their business profit and career life.

**Statement of the Problem**

Women are the backbone of economics in developing countries and especially Kenya. The major problems faced by competition from marketing problem and also better quality procedures. Some factors that inhibit credit availability to women include, lack of networking skills, lack of leadership capacity and negative attitude towards gender equality.

Bula and Tiagha (2012) state that the women enterprises in Kenya do not usually make business networking which they can use to improve their knowledge of operating successful business enterprises and Omwenga, Mukulu and Kanali (2013) urge that women entrepreneurs face a shortage of peer support networks compared with men. Most women group members in women group associations such as Kenya Association of Women business Owners (KAWBO) in Kenya and Migori County in particular, feels that women entrepreneurs are not likely to be involved in the business networking activities due to family commitments which are hindrances as much as they are aware that business networks are important in the survival and success of their enterprises (Kariuki, 2015).

Lack of use of business social networks by SMEs limits the acquisition of resources and knowledge essential for enterprises survival and growth (Schoonjans, Cauwenberge & Bauwhede, 2011). Women SMEs who do not rely on business social networks suffer from isolation in the current globalized market where they can export their products (Rutashobya & Jaensson, 2004). Local scholars like Misango and Ongiti (2013) have written on the role played by women entrepreneurs in reducing poverty. The factors which affect the uptake of mentorship services by women entrepreneurs in Kenya through a case study of the mentorship programme of KAWBO.
has been looked at by Kariuki (2015). Large social networks enable entrepreneurs to assemble diverse resources and information. These social networks include the personal network which the entrepreneur has with certain individuals, and the cultural dimension with an overall inclusion of the family and community.

Most studies reflect a consensus that entrepreneurial networks are important because they provide entrepreneurs with a diverse information and access to large pool of resources, business opportunities, and markets. Nevertheless, there is still rarity in studies at the present times dealing with the role of entrepreneurial networks usage in the success of a business in Migori County context. The researcher analyzed the role of social networks on the performance of women owned enterprises in Migori County since there was a glaring gap between the social networking and performance of women owned SMES in Migori County. This study intended to enrich literature on business networks, knowledge on women entrepreneurship and fill the knowledge gap.

Objective of the Study

The general objective was to establish the role of social networks on the performance of women owned small and medium enterprises in Migori County. The specific objectives were:-

- To assess the effect of social network diversity on the performance of women owned enterprises in Migori County
- To establish the effect of social network size on the performance of women owned enterprises in Migori County
- To analyze the effect of social network strength (bonding) on the performance of women owned enterprises in Migori County
- To establish the effect of social network structure on the performance of women owned enterprises in Migori County

LITERATURE REVIEW

Theoretical Literature Review

The social network Approach Theory

Social network theory views social relationships in terms of nodes and ties. Nodes are the individual actors within the networks, and ties are the relationships between the actors. There can be many kinds of ties between the nodes. Aldrich and Zimmer (1986) illustrate this as the reason why certain entrepreneurs are more successful than others in starting up and continuing their businesses.

The networks approach to entrepreneurship is mainly based on the ground that entrepreneurs build relations with the external environment, and thereby have access to different information, in order to define potential business opportunities, and obtain required resources to start-up and continue their businesses successfully. They get support, knowledge, and access to distribution channels through their social networks.

Entrepreneurs are also linked to people and organizations that interact among themselves and these contacts will widen the availability of resources that sustain a new firm (Madey, Freeh, Tynan & 2002). To meet their enterprise needs, entrepreneurs will bring both those that are closer and distant to them into their business decisions. When the entrepreneurs’ contacts contribute to their entrepreneurial goals, these social contacts are their social capital (Musolesi, & Mascolo, 2007). Entrepreneurial networks span relations to organizations, clusters of firms, as well as to other people that can help them set up the firm (Latour, 2005).

Resource-Based Entrepreneurship Theories

The Resource-based theory of entrepreneurship argues that access to resources by founders is an important predictor of opportunity based entrepreneurship and new venture growth (Alvarez & Busenitz, 2001). This theory stresses
the importance of financial, social and human resources (Aldrich & Ruef, 2006). Thus, access to resources enhances the individual’s ability to detect and act upon discovered opportunities (Clausen, 2006). Financial, social and human capital will represent three classes of theories under the resource – based entrepreneurship theories.

Social Network Theory; -Entrepreneurs will be embedded in a larger social network structure that constitutes a significant proportion of their opportunity structure (Clausen, 2006). Shane and Eckhardt, (2003) argue that an individual may have the ability to recognize that a given entrepreneurial opportunity exist, but might lack the social connections to transform the opportunity into a business startup. It is thought that access to a larger social network will help overcome this problem.

In a similar vein, Reynolds (2011) mentioned social network in his four stages in the sociological theory. The literature on this theory shows that stronger social ties to resource providers and facilitate the acquisition of resources and enhance the probability of opportunity exploitation (Aldrich & Cliff, 2003). Other researchers have suggested that it is important for nascent founders to have access to entrepreneurs in their social network, as the competence these people represents a kind of cultural capital that nascent ventures and can draw upon in order to detect opportunities (Gartner, Shaver, Carter & Reynolds, 2004; Kim, Aldrich & Keister, 2003).

The Network Founding Hypothesis

The network founding hypothesis investigates how social networks influence the business start-up (Brüderl & Preisendorfer, 1998). It consists of the discovery and exploitation of entrepreneurial opportunities (Shane & Venkataraman, 2000). This hypothesis assumes that social network resources, networking activities, and network support positively influence the process of business start-up (Hite, 2005). With respect to the impacts of social network structures on business start-up, both strong and weak social network ties affect business start-up by providing scarce but necessary information (Brüderl & Preisendörfer, 1998; Davidsson, 2003; Wagner, 2004).

Weak ties stimulate entrepreneurship and facilitate the discovery of opportunities by exposing nascent entrepreneurs to new and different ideas, worldviews, and advice (Aldrich & Zimmerman, 1986; Granovetter, 2005). Strong ties also assist nascent entrepreneurs by providing unpaid family work and emotional support (Hite, 2005). For example, inexperienced nascent entrepreneurs are more likely to depend on the advice of their close friends than someone unknown or not trusted, and their friends may offer opportunities or resources that influence the nascent entrepreneurs’ choices (Casson & Giusta, 2007; Hite, 2005; Woolcock, 2001). Micro-entrepreneurs rely on the advice of friends and relatives in order to maintain confidentiality and control of the business (Davidsson, 2003).

Social networks also provide nascent entrepreneurs with resources to leverage critical resources for establishing businesses, including information, advice, and access to financial and Social Networks in Microenterprise capital (Brüderl & Preisendorfer, 1998; Davidsson, 2003). For emerging firms, these social network resources are critical because they might not otherwise be available or affordable (Hite, 2005; Littunen, 2000). Despite these theoretical findings, only a few studies demonstrate positive effects of social networks on business startup.

The Network Success Hypothesis

The network success hypothesis suggests that weak ties are most likely to assist inexperienced entrepreneurs by providing links to organizations and people who have valuable information and resources regarding the growth and survival of businesses (Casson & Giusta, 2007; Woolcock, 2001). Similarly, Hite (2005) and Fischer and Reuber (2003) argue that if the emerging firm
depends heavily on close personal relationships that do not have resources, early growth would be at risk. However, research has produced inconsistent results with respect to the relationship between entrepreneurs' social networks and business growth and survival.

Watson's study (2007), using a sample of SMEs, supports the network success hypothesis by finding that more numerous weak network ties increase the probability of business growth. However, some findings contradict the network success hypothesis. Brüderl and Preisendörfer (1998) found that both weak and strong ties have positive influence on sales growth in a randomly selected sample of business founders. These scholars also report more strong ties lead to higher chances of business survival, whereas more weak ties have little effect on survival. In terms of the impact of network resources on business performance, Aldrich, Rosen, and Woodward (1987) found that accessibility of network resources is also positively correlated with business profit.

Littunen (2000) find no significant positive effect of network size, activities, and resources on business performance. In fact, Bates (1994) finds that heavy use of social networks is more likely to result in less profitable and failure-prone businesses. Brüderl and Preisendörfer (1998) propose two reasons for these findings. The first reason is related to measurement error. They contend that instead of measuring network structures or accessible resources, research should measure actual utilization or support from networks because entrepreneurs can improve success only if they use their social networks for their business. The second reason is that entrepreneurs are more likely to compensate for their lack of financial and human capital by utilizing their social networks. Despite entrepreneur efforts to extract capital from social networks, studies tend to show no or even negative effects of social network on business performance (Brüderl & Preisendörfer, 1998).

**Empirical Review**

Networking, Collaborations, partnerships, or alliances will provide the entrepreneur with access to other people’s contacts (Edwards & Benzel, 2007). This will lead to an expanded web of contacts which will eventually result in recognition of new opportunities and a larger network of clients and customers.

Jiang, Zimmerman, and Guo, (2012) conducted a study on the growth of women-owned businesses, the effects of intangible resources and social competence. The study is to examine the relationship of intangible resources and the growth of women owned businesses. They are focused on four intangible resources; social, human, and reputational capital, as well as social competence. Using case studies of women entrepreneurs, they found that a woman entrepreneur’s social, human, and reputational capitals are related to the growth of her business. They also found that social competence moderates the social, human, and reputational capital growth relationship in women entrepreneurs.

Ekpe, Mat, and Ekpe (2015) study on social networks and women micro-enterprise performance used a cross-sectional survey design, with stratified random sampling, to collect data from women entrepreneurs in Malaysia Peninsula. The study also used t-test to determine whether the success or failure of women micro-enterprises was due to availability or lack of social networks. It sampled two groups made up of well-established women clients and nascent women clients of a microfinance bank. The study found that women entrepreneurs do not only need loans and skill acquisition training but also social networks to provide access to information and other resources such as professional advice and avenue for customers.

Oke, (2013) conducted a study on the effect of social network on women entrepreneurs in Nigeria. The paper discussed the findings of
research on the impact of social networks on business growth of women entrepreneurs in AdoEkiti, Ekiti State in Nigeria. The sample of women entrepreneurs used for this paper comprised those working in the Tailoring sector. In-depth interviews and questionnaires were used for the gathering of data. To test the hypothesis and analyze the data, a non-parametric statistical techniques Chi-square test for independence analysis and descriptive statistics were used. The result indicated significant relationships between business growth and social network. The study further showed that family/friends shared the largest part of the social network of the group studied.

Tundui & Tundui (2013) empirical analysis of social capital and enterprise performance in Tanzania results showed that social capital plays a significant role in the performance of women owned businesses. The results demonstrated that business owners who received business support and advice from informal networks were more likely to experience profits increase in their enterprises than otherwise. Results also showed that the impact of bridging social capital on enterprise performance was more important than the bonding social capital. They suggested that for women business owners to enhance performance of their enterprises they needed not only financial capital and human capital, business training and management skills, but also needed to develop, promote and use appropriate forms of social capital. In particular, women business owners could be facilitated to establish social capital beyond their immediate neighborhoods, such as joining heterogeneous networks both formal and informal. Efforts could also include strengthening women’s associations with a view to widening their sources of resources and information for them to unleash their business growth potentials.

Abel (2016) conducted a study on dynamics of social networks and growth of women-owned firms in Eritrea. Paired samples t-test on firms in Eritrea showed that social networks are more important in the early stages than in the later stages. Regression analysis revealed that social networks have an impact on the growth of the firm. From the empirical study, they provided evidence to the effect that the social networks were importance along the business lifecycle. They also found that social networks contribute to growth.

**Conceptual Framework**

![Conceptual Framework](source: Researcher, 2018)

**METHODOLOGY**

A research design is the strategy for a study and the plan by which the strategy is to be carried out (Cooper & Schindler, 2014). The research design that was employed in this study was descriptive research design. The target population was 7000 and the accessible population was 700. A multiple regression model was used to link the independent variables and the dependent variable. This led to the model as shown below;

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$$

Where:

- **$Y$** = Performance of Women Owned Enterprises
- **$X_1$** = Network Diversity
- **$X_2$** = Network Size
- **$X_3$** = Network Strength (Bonding)
- **$X_4$** = Network Structure
- **$e$** = error term
\( \beta_0 \) represents the constant/intercept

\( \beta_1, \beta_2, \beta_3, \beta_4 \) are regression coefficients

RESULTS

Network Diversity

The respondents were asked to rate using a scale of 1= strongly disagree, 2= disagree, 3=neutral, 4 agree, 5= strongly agree. The findings are shown in table 1. The scores of “strongly disagree and disagree” have been taken to represent a statement affirmed to, as little extent, equivalent to mean score of 0 to 2.5. The score of “neutral” has been taken to represent a statement affirmed to as moderate extent, equivalent to a mean score of 2.6 to 3.4. The score of “agree and strongly agree” had been taken to represent a statement affirmed to as great extent, equivalent to a mean score of 3.5 to 5.0.

Table 1: Rating Of Network Diversity

<table>
<thead>
<tr>
<th>variables</th>
<th>Mean</th>
<th>Pearson correlation</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difference in education level helps us learn from each other for betterment of the enterprise.</td>
<td>4.3797</td>
<td>0.684</td>
<td>0.007</td>
</tr>
<tr>
<td>Our social grouping is educating in terms of new trends in businesses.</td>
<td>4.2664</td>
<td>0.781</td>
<td>0.001</td>
</tr>
<tr>
<td>Age diversity helps us be aware of changes taste and satisfaction of products.</td>
<td>3.9332</td>
<td>0.566</td>
<td>0.04</td>
</tr>
<tr>
<td>Differences in sub-culture allow us to learn on how to reach the needs of everyone.</td>
<td>3.5163</td>
<td>0.641</td>
<td>0.002</td>
</tr>
<tr>
<td>Religious beliefs we learn from our social network teaches us to be hardworking</td>
<td>3.5431</td>
<td>0.563</td>
<td>0.004</td>
</tr>
<tr>
<td>Overall</td>
<td>3.9277</td>
<td>0.541</td>
<td>0.002</td>
</tr>
</tbody>
</table>

A majority of the respondents indicated that to a great extent; Difference in education level helps them learn from each other for betterment of the enterprise. (Mean = 4.3797), our social grouping was educating in terms of new trends in businesses (mean = 4.2664), Age diversity helps us be aware of changes taste and satisfaction of products (mean = 3.9332), Religious beliefs we learn from our social network teaches us to be hardworking (mean = 3.5431) and Differences in sub-culture allow us to learn on how to reach the needs of everyone. (Mean = 3.5263). There was a moderate to strong positive correlation amongst the variables of network diversity (r ranging from 0.563 to 0.781). The findings further indicated that there exist a significant relationship between network diversity and performance of women owned enterprises (P-value<0.05).

Network Size

The respondents were asked to rate using a scale of 1= strongly disagree, 2= disagree, 3=neutral, 4 agree, 5= strongly agree. The scores of “strongly disagree and disagree” had been taken to represent a statement affirmed to, as little extent, equivalent to mean score of 0 to 2.5. The score of “neutral” has been taken to represent a statement affirmed to as moderate extent, equivalent to a mean score of 2.6 to 3.4. The score of “agree and strongly agree” had been taken to represent a statement affirmed to as great extent, equivalent to a mean score of 3.5 to 5.0.
Table 2: Rating Of Network Size

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Pearson correlation</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have built a social network with fellow women in the region.</td>
<td>3.9415</td>
<td>0.589</td>
<td>0.001</td>
</tr>
<tr>
<td>We occasionally do meet as county women members doing small and medium enterprises.</td>
<td>3.6457</td>
<td>0.645</td>
<td>0.000</td>
</tr>
<tr>
<td>The social network I am in has members from different regions in the county.</td>
<td>3.8746</td>
<td>0.606</td>
<td>0.027</td>
</tr>
<tr>
<td>Large size of members helps learn from each other the challenges we share.</td>
<td>3.9945</td>
<td>0.568</td>
<td>0.047</td>
</tr>
<tr>
<td><strong>Overall</strong></td>
<td><strong>3.8641</strong></td>
<td><strong>0.552</strong></td>
<td><strong>0.001</strong></td>
</tr>
</tbody>
</table>

Under network size to a great extent; large size of members helps learn from each other the challenges we share. (Mean = 3.9945), I have built a social network with fellow women in the region (mean = 3.9415), the social network I am in has members from different regions in the county (mean = 3.8746) and we occasionally do meet as county women members doing small and medium enterprises (mean = 3.6457). There was a moderate positive correlation amongst the variables of network size (r ranging from 0.568 to 0.645). The findings further indicated that there exist a significant relationship between network size and performance of women owned enterprises (P-value<0.05).

Table 3: Rating Of Network Strength

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Pearson correlation</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>My social network starts with the members of my family.</td>
<td>3.5417</td>
<td>0.666</td>
<td>0</td>
</tr>
<tr>
<td>My social network gives me helpful opinions that assist my enterprise</td>
<td>4.1516</td>
<td>0.723</td>
<td>0.015</td>
</tr>
<tr>
<td>We do regular group meetings with the women in my area.</td>
<td>3.9457</td>
<td>0.668</td>
<td>0.018</td>
</tr>
<tr>
<td>Aside from meeting for businesses, we meet to discuss several life challenges.</td>
<td>4.0145</td>
<td>0.767</td>
<td>0.003</td>
</tr>
<tr>
<td>We occasionally set special days to visit each member and their family.</td>
<td>4.3156</td>
<td>0.556</td>
<td>0.001</td>
</tr>
<tr>
<td>We religiously assist any of our members when they are in serious problems</td>
<td>4.3525</td>
<td>0.656</td>
<td>0.001</td>
</tr>
<tr>
<td><strong>overall</strong></td>
<td><strong>4.0536</strong></td>
<td><strong>0.156</strong></td>
<td><strong>0.001</strong></td>
</tr>
</tbody>
</table>

With grand mean of 4.0536, it was deduced that network strength significantly influenced performance of women owned enterprises in Migori County. The study further confirmed that individually as measures of network strength to a great extent; We religiously assist any of our members when they are in serious problems (Mean = 4.3525), we occasionally set special days to visit each member and their family (mean = 4.3125), my social network gives me helpful opinions that assist my enterprise (mean = 4.1516), Aside from meeting for businesses, we...
meet to discuss several life challenges (mean = 4.0145), we do regular group meetings with the women in my area (mean = 3.9457) and my social network starts with the members of my family (mean = 3.5417). There was a moderate strong positive correlation amongst the variables of network strength (r ranging from 0.556 to 0.767). The findings further indicated that there existed a significant relationship between network diversity and performance of women owned enterprises (P-value<0.05). The findings support those of, that is

Table 4: Rating of Network Structure

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Pearson correlation</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>The group I am in is registered with the registrar of societies.</td>
<td>3.6457</td>
<td>0.268</td>
<td>0.018</td>
</tr>
<tr>
<td>The group keeps well-documented records of all activities and transactions</td>
<td>4.0015</td>
<td>0.267</td>
<td>0.003</td>
</tr>
<tr>
<td>Some of the groupings I am in are not registered</td>
<td>3.4516</td>
<td>0.156</td>
<td>0.001</td>
</tr>
<tr>
<td>Informal groupings are a times set to solve arising problems.</td>
<td>3.8916</td>
<td>0.368</td>
<td>0.000</td>
</tr>
<tr>
<td>Some groups I am in are not registered but keep well-documented records of all activities and transactions</td>
<td>3.7113</td>
<td>0.201</td>
<td>0.029</td>
</tr>
<tr>
<td>Overall</td>
<td>3.7403</td>
<td>0.156</td>
<td>0.001</td>
</tr>
</tbody>
</table>

Under network structure, most of the respondents indicated that to a great extent; The group keeps well-documented records of all activities and transactions (Mean = 4.0015), Informal groupings are a times set to solve arising problems (mean = 3.8916), some groups I am in are not registered but keep well-documented records of all activities and transactions (mean = 3.7113) and The group I am in is registered with the registrar of societies (mean = 3.6457). On the other hand to a moderate extent the respondents were of the opinion that some of the groupings they are in are not registered (mean = 3.4516). There was a weak positive correlation amongst the variables of network structure (r ranging from 0.156 to 0.368). The findings further indicated that there exist a significant relationship between network diversity and performance of women owned enterprises (P-value<0.05)

Performance of Women Owned Enterprises

The respondents were asked to rate using a scale of 1= strongly disagree, 2= disagree, 3=neutral, 4 agree, 5= strongly agree. The scores of “strongly disagree and disagree” were taken to represent a statement affirmed to, as little extent, equivalent to mean score of 0 to 2.5. The score of “neutral” has been taken to represent a statement affirmed to as moderate extent, equivalent to a mean score of 2.6 to 3.4. The score of “agree and strongly agree” have been taken to represent a statement affirmed to as great extent, equivalent to a mean score of 3.5 to 5.0.

Table 5: Rating of Performance of Women Owned Enterprises

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Pearson correlation</th>
<th>P-Value</th>
</tr>
</thead>
</table>
The sales revenue of the enterprise has been on the increase over the years.  

The enterprise has realized an increased customer base over years.  

The number of assets of the enterprise has been on the increase over the years.  

The enterprise has increased ability to attract better employees.  

The enterprise has decreased its operating costs.  

Overall  

<table>
<thead>
<tr>
<th>Mean</th>
<th>Std. Error</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.8945</td>
<td>0.785</td>
<td>0.000</td>
</tr>
<tr>
<td>3.8812</td>
<td>0.645</td>
<td>0.002</td>
</tr>
<tr>
<td>3.7856</td>
<td>0.555</td>
<td>0.004</td>
</tr>
<tr>
<td>3.7461</td>
<td>0.564</td>
<td>0.004</td>
</tr>
<tr>
<td>3.7563</td>
<td>0.667</td>
<td>0.005</td>
</tr>
<tr>
<td>3.8173</td>
<td>0.156</td>
<td>0.002</td>
</tr>
</tbody>
</table>

The respondents were of the opinion that the performance of their enterprises had significantly changed due to network. More so the respondents indicated that sales revenue of the enterprise had been on the increase over the years (Mean = 3.8945), enterprise had realized an increased customer base over years (mean = 3.8812), number of assets of the enterprise had been on the increase over the years (mean = 3.7856), enterprise had decreased its operating costs (mean = 3.7563) and enterprise had increased ability to attract better employees (mean = 3.7461). There was a moderate to strong positive correlation amongst the variables of network diversity (r ranging from 0.558 to 0.785). The findings further indicated that there existed a significant relationship between network diversity and performance of women owned enterprises (P-value<0.05)

Regression and Correlation Analysis

Table 6: Pearson Correlation

<table>
<thead>
<tr>
<th></th>
<th>Social network diversity</th>
<th>Social network size</th>
<th>Social network strength</th>
<th>Social network structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social network diversity</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social network size</td>
<td>.065</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social network strength</td>
<td>-.051</td>
<td>.140</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Social network structure</td>
<td>-.015</td>
<td>.011</td>
<td>.293</td>
<td>1.000</td>
</tr>
</tbody>
</table>

Table 7: Model Summary

<table>
<thead>
<tr>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>R Square Change</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>.922</td>
<td>.851</td>
<td>.725</td>
<td>1.15397</td>
<td>.709</td>
<td>2.539</td>
<td>4</td>
<td>113</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), social network structure, social network size, social network diversity, social network strength

Table 8: ANOVA

<table>
<thead>
<tr>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>13.523</td>
<td>4</td>
<td>.881</td>
<td>2.539</td>
</tr>
<tr>
<td>Residual</td>
<td>150.477</td>
<td>113</td>
<td>1.332</td>
<td>None</td>
</tr>
<tr>
<td>Total</td>
<td>164.000</td>
<td>117</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), social network structure, social network size, social network diversity, social network strength

b. Dependent Variable: performance
Table 9: Coefficients

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>(Constant)</td>
<td>.227</td>
<td>.185</td>
<td>.227</td>
</tr>
<tr>
<td>Social network diversity</td>
<td>.358</td>
<td>.097</td>
<td>.322</td>
</tr>
<tr>
<td>Social network size</td>
<td>.255</td>
<td>.096</td>
<td>.241</td>
</tr>
<tr>
<td>Social network strength</td>
<td>.422</td>
<td>.091</td>
<td>.419</td>
</tr>
<tr>
<td>Social network structure</td>
<td>.333</td>
<td>.092</td>
<td>.317</td>
</tr>
</tbody>
</table>

Dependent Variable: Performance

CONCLUSION AND RECOMMENDATIONS

The study showed that to a great extent social network diversity influenced performance of women owned small and medium enterprises in Migori County. The study found that in performance of women owned small and medium enterprises in Migori County, network size was useful tool for strategy analysis, objectives analysis and problem analysis. More so, large size of members helped learn from each other the challenges they shared. The study also revealed that all the aspects of social network strength to a great extent influenced performance of women owned small and medium enterprises in Migori County. The study found that structure as a social network to a great extent influenced performance of women owned small and medium enterprises in Migori County.

Conclusions

From the study it was concluded that members were not in total agreement that their social network starts with the members of their family. From the study it was concluded that members appreciated that large size of members helped them learn from each other and the challenges were shared.

Recommendations

The study showed that most women owning and running small and medium enterprises in Migori County had not fully embraced the role of social network in enhancing the performance of their businesses. It was therefore recommended that the county government supplement the effort of these women by organizing workshops and training where expertise from different regions and government department would be brought to give a talk on women empowerment. National government should also partner with these women goods so as to provide them with loans from women development loans, uwezo funds as
well as youth empowerment funds. The study also recommended that women be trained on the emerging issues of entrepreneurship as well as accounting and record keeping so as to facilitate the ease of accessing loans when need be. There was need for public/beneficiaries involvement in the women empowerment process so as to allay fear of misappropriation of government or donor funds.

**Recommendations for Further Studies**

The study considered only women in Migori county, future researchers could consider carrying out a similar study in different counties to assess any variation in responses. It would be interesting to explore how the results obtained when the methods applied in this study are applied in other contexts for example in men owned SME’s. It would be worthwhile establishing the extent to which the findings of this study were generalizable to other counties or settings.

Future researchers could also introduce different variables other than diversity, size, strength and structure and test their effect on the Performance of Women Owned Small and Medium Enterprises.

**REFERENCE**


