

## ABSTRACT

Female entrepreneurs make a substantial contribution to national economies through their participation in start-ups and their growth in small and medium businesses. United Nations (2006) stipulated that interests and activities in the economic growth and development especially in the area of Small and Micro Enterprise (SMEs) have attracted outstanding interest of researchers and development agents. However, businesses owned by females do not grow to medium or large scale. This could be attributed to many challenges such as either lack of proper planning, improper financing or, poor business management. The study was therefore set to establish the influence of entrepreneurship profitability of small and medium scale female enterprises in Kisii Town, Kisii county Kenya. It is against this backdrop that this study was undertaken. The objectives of the study were to establish the relationship between the access of finance and profitability of entrepreneurship of SMEs owned by female entrepreneurs in Kisii town, Kisii county, to establish the relationship of training and education and profitability of SMEs owned by female entrepreneurs in Kisii town, Kisii County, to assess the influence of record keeping on profitability of SMEs owned by women entrepreneurs in Kisii town, Kisii County and to evaluate the effects of working capital management on the profitability of SMEs owned by female entrepreneurs in Kisii town, Kisii County. The study adopted co relational survey design. The target population of the study was 577 female respondents. A sample size of 85 female entrepreneurs was selected. Random sampling technique was used in this study. Data was collected using a semi - structured questionnaire and an interview guide. Statistics such as frequencies, percentages were used to present quantitative data. Correlation and regression analysis was used to establish both the relationship and causality of the variables of the study. The study would be of use to female entrepreneurs and relevant stakeholders like policy makers in making useful decisions regarding profitability management of SMEs. Generally, out of the 78 respondents who either responded yes or no to any of the categories in question, below 90% invested less sh. 15,000 and less in a capital range of sh. 500-900,000. About 59% responded that their profit margins were either small or average. Over 21% had undergone training, with a majority 78.2% having received no training. Capital investment and profit margin rate were positively associated. The association was also significant at 1% level. Results also indicated that the profit margin rate and training were positively correlated and the correlation was established significant at 1% level. Profit margin rate and record keeping were positively associated and the correlation significant at 1% level. Equally, profit margin rate and keeping business money separately were positively correlated though the association was not significant. The study concluded that female entrepreneurs accessed and invested less Kshs.15000. It was also concluded that training was low among female entrepreneurs. Also, it was a conclusion that record keeping was low among female entrepreneurs. The study recommended increased accessibility of finance to female entrepreneurs and training institutions should come up with training programmes for female entrepreneurs. Working capital could be improved by training female entrepreneurs on basic accounting and financial management concepts. The recommendation for further research was that a similar study on the same thematic area should be undertaken in all the towns of Kisii County.