

Influence of Loan Size on Growth of Women Entrepreneurship in Rubirizi District, Uganda

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ABSTRACT

Women have actively participated in the economic development of many nations. However, women-owned enterprises have continued to face tough competition in the market. Resultantly, most of their businesses collapse at the infancy stage leaving many women languishing in poverty. This is against the Sustainable Development Goals (SDGs), especially on poverty (SDG 1), zero hunger (SDG 2), and gender equality (SDG 5). This study sought to evaluate the influence of loan sizes on the growth of women entrepreneurship in Rubirizi District in Uganda. The study specifically sought to examine the extent to which loan size affects the growth of women entrepreneurship in the Rubirizi District of Uganda. The study was anchored on a Resource Based Theory. The study adopted a quantitative approach while a descriptive research design was used to describe the respondents' opinions numerically in statistical terms. The target population constituted 3720 participants from which a sample size of 361 was selected using the Sloven formula. Primary data was collected using structured questionnaires framed on a Likert scale of 1-5. Respondents were selected randomly using stratified and simple random sampling techniques. Quantitative data was analyzed using descriptive and inferential statistics. Descriptive statistics analyzed the responses obtained from the research questions while inferential statistics showed the influence of the independent variables on the dependent variable. The null hypothesis was tested at a 0.05 significance level. The analyzed data was displayed by use of suitable frequency distribution tables. The results showed that loan size is statistically insignificant in the growth of women entrepreneurship ($P=.334$, $P>0.05$). The study concluded that there is no statistically significant relationship between loan sizes obtained from Village Saving Loan Associations and the growth of women's entrepreneurship.

Keywords: Entrepreneurship, Loan Size, Growth, Village Savings, Loan Associations

INTRODUCTION

Women entrepreneurs play a crucial role in the attainment of SDGs. Their involvement is significant for inclusive economic growth and job creation; promotion of gender equality and empowerment and alleviation of poverty [1]. However, an enabling environment has not been created for women to thrive as entrepreneurs [2]. Women-owned business entities continue to face challenges in the market including inadequate resources. Consequently, most of them collapse at the infancy stage leaving many women languishing in poverty [3]. Globally, Small and Medium Enterprises (SMEs) account for 90 percent of the businesses. They are considered critical in employment creation, production of output for final consumption, and input for further production resulting in economic growth [4]. Women's entrepreneurship has been globally recognized as an essential avenue to eliminate family poverty, achieve gender equality, promote employment, and accelerate both economic and social progress [5]. According to the International Finance Corporation (IFC), there are roughly 9.3 million women-owned SMEs in more than 140 countries. This is approximately one-third of all formal SMEs. The start-up rate of female-run businesses is reported to be much lower than that of male-run businesses. Despite the effort put in by developed nations to support women's entrepreneurship, limited access to finance is one of the key impediments to SME growth. While restricted access to finance has long been a problem for all SMEs, the finance gap is particularly large for women-owned SMEs. Most financial institutions perceive women as riskier to advance their credit because most of them lack collateral [6]. In Germany, women entrepreneurs are indispensable for a vibrant and successful of the country's SME sector. More self-employed women in Germany's informal sector are productive sources of generating revenue for economic growth and make a significant contribution towards green and digital transitions.

However, the performance of the sector has been declining over time. Women-headed SMEs, for example, fell once more in 2017. Reports indicate that the number of women-led businesses dropped significantly in recent years [2, 7]. In China, according to [8], entrepreneurship is considered critical to a healthy society. By creating new businesses and turning ideas into institutions, entrepreneurs can create business opportunities for their communities, jobs for their neighbours, and growth of the general economy. SMEs have been identified to be the engine driving Chinese economic growth. In communities across the country, they play a remarkable role, not only providing jobs and livelihoods for local people, but also driving forward innovation, exporting to the world, and investing in the next generation of talent. SMEs are an indispensable part of the Chinese economy, contributing 60% of GDP growth and 80% of urban employment. The proportion of women entrepreneurs is increasing, reaching 31% in 2017. These women entrepreneurs are showing greater early-stage entrepreneurial activity than men. The Chinese society and economy have seen rapid change in recent years as a result of these. In addition, in the recent past, the number of women starting their businesses has significantly increased. The proportion of female entrepreneurs in China's online sector has significantly increased [8]. In Egypt, recent studies show that female entrepreneurship is widely evident in the market. Many female micro traders have taken entrepreneurship to new levels that have not been witnessed before in the Egyptian entrepreneurship sector. The rate of female-owned and/or managed enterprises has been unprecedentedly rising. The percentage of female entrepreneurs to all Egyptian entrepreneurs has increased from 3% in 2010 to 10%. However, the rate has not reached the desired level though the Egyptian women entrepreneurs are ranked eighth place among the top 10 African countries. The growing trend of female entrepreneurship is presumed to help in enhancing economic growth on the national level. Furthermore, female entrepreneurship is actively assisting in bridging the unemployment gap that reached 24% in Egypt in 2016. Nevertheless, female entrepreneurs are faced with many challenges such as funding opportunities and cultural expectations about the role of women in society [9, 10].

In Kenya, SMEs contribution to the Gross Domestic Product (GDP) is estimated at 40%. Further, SMEs constitute 98 percent of businesses in the country and have an annual job creation of 30 percent of all new jobs. In terms of gender, 31.4 percent of the SMEs in Kenya are female-owned, 48 percent male-owned and 17% co-owned by both men and women. Women own 61% of the unlicensed SMEs whereas only 6.4% of unlicensed SMEs are owned by men an indication that they could be struggling with meeting these regulatory requirements, which may be unfavourable to them. Women-led SMEs in Kenya also face the challenge of raising startup capital due to a lack of collateral requirements by banks and other financial institutions. In addition, they also lack the requisite entrepreneurial skills to successfully run the SMEs. Despite several interventions by the government and non-governmental organizations to address the challenges facing women-led SMEs in the country, the impacts of the COVID-19 pandemic may have aggravated the gender gaps among SMEs and weakened the slow progress toward gender equality in SME performance in the country [4]. Uganda has a strong culture of entrepreneurship and is one of only seven countries worldwide that have achieved gender parity in terms of the number of women driven to pursue entrepreneurial activities. Uganda's female labour force participation rate is also high compared to other Sub-Saharan countries but has been falling since 2012. The COVID-19 pandemic has also had a profound negative impact on Uganda's labour markets, affecting women more than men with larger work stoppages in urban areas and non-agriculture sectors [11]. Consequently, the government and non-government organizations have initiated several strategies to improve the status of women in the country. Among these initiatives is seen the emergence of Village Savings and Loan Association Services (VSLAs) whose intention is to empower rural women financially to uplift their economic status. Unfortunately, despite their presence for long in the country, rural women continue to thrive in poverty, particularly in the Rubirizi district [12]. It is against this background that this study sought to establish the influence of loan sizes on the growth of women entrepreneurship in the Rubirizi district in Uganda.

Statement of the Problem

Women entrepreneurs play a crucial role in the attainment of Sustainable Development Goals (SDGs). Their involvement is significant for inclusive economic growth and job creation; promotion of gender equality and empowerment and alleviation of poverty. In Uganda, Vision 2040 aims at inclusive and sustainable development, and the involvement of women entrepreneurs is crucial for achieving these objectives. Similarly, the African Agenda 2063 envisions a prosperous and peaceful Africa, and the economic empowerment of women entrepreneurs aligns with this vision [13, 14]. However, an enabling environment has not been created for women to thrive as entrepreneurs, including in developing countries [2]. Women-owned business entities continue to face challenges in the market including inadequate resources, lack of adequate knowledge, and competition in the market. Consequently, most of them collapse at the infancy stage leaving many women languishing in poverty [3]. Rural households in Uganda have participated in informal savings schemes for decades. These institutions are managed by their members, who also serve as owners, and they collect money through internal accruals. Through village saving activities, group funds from accrued savings remain with groups to be used as sources of credit for members to enhance their ability to invest to achieve excellent performance that can economically empower them. Despite households' involvement in all these activities, especially in Rubirizi, their incomes are still very low, and

individuals' standards of living are still quite low [12]. Despite the growing fame of VSLAs in the district, most women lack adequate access to these VSLA's services [12]. This is speculatively attributed to a lack of adequate resources from the VSLAs scheme. If this continues unchecked, women's economic disempowerment will thrive in the region hence raising poverty rates in the country. It was therefore upon this situation that the researcher sought to carry out a study to assess the influence of loan size on the growth of women entrepreneurship in Uganda focusing on the Rubirizi district.

Objective of the Study

To assess the extent to which loan size influences the growth of women entrepreneurship in the Rubirizi district in Uganda

Hypothesis of the Study

H₀: There is no significant relationship between loan size and the growth of women entrepreneurship in the Rubirizi district in Uganda

Underpinning Theory

The study was underpinned by the resource-based theory. This theory was propounded by Wernerfelt in 1984. The theory explains that resources, whether tangible or intangible, are crucial to an organization. The theory explains the need for a business enterprise to assess the organization's resources regarding the competitive advantage of an organization [15]. Proponents of this theory argue that an organization's competitive advantage entirely depends on the resources a firm possesses. [16], observes that organizations differ in abilities depending on the number of resources they possess and therefore resources become a priority in determining the competitiveness of a firm. Efficient Proper utilization of resources would make an organization perform better than others in the market [17]. Lending institutions must always make assessments of their resources before lending financial credit to customers. Good planning and control of resources is done to enhance the implementation of organizational strategies. Resources are accorded a key role in enabling firms to achieve high performance and attain competitive advantage over others. This is because resources give a firm a strategic direction compared [18]. [19], went on to identify three categories of resources: intangible, tangible, and personnel. Tangible resources comprise the items that can be physically touched in terms of machines, equipment, and buildings while intangible resources include skills, competencies, knowledge, and technologies that are significant in the performance of an organization. The personnel resources are merely the human resources, and organizational capabilities needed to operate an organization both efficiently, and effectively [20]. Based on this theory the study intended to establish the extent to which women entrepreneurs have utilized the financial resources they receive from VSLAs to advance their business activities.

Loan Size and Growth of Women Entrepreneurship

[21], conducted a study to establish the role played by MFI services in the growth of women's entrepreneurship. This study was done in Assosa town. This research utilized descriptive research design and explanatory design. The study was anchored on a quantitative research approach. This study's target population was 352 women beneficiaries of Assosa Woreda MFI. From this population, a sample of 165 was selected using a simple random sampling technique. Questionnaires were used to collect primary data. The collected data was thereafter analyzed using descriptive and inferential statistics by aid SPSS version 26 software. Results from this analysis show that MFI financial and non-financial services provided don't significantly empower nor improve the lives of poor women to improve their businesses. Correlational analysis shows a positive and significant linkage between skills, saving services, and accessibility to funds. Finally, regression analysis indicated that saving and loan services of MFIs influence on growth of women's entrepreneurship. [22], explored the impact of large, individual-liability loans on the growth of women-owned microenterprises in Ethiopia. The study investigated the impact of credit to female entrepreneurs in a novel context, by examining larger loans, provided to growth-oriented women entrepreneurs. The study used a propensity score matching methodology to examine the impact of loans offered to women as part of the Women Entrepreneurship Development Project, a program funded by the World Bank International Development Association, that targets growth-oriented women entrepreneurs in Ethiopia. The results suggest that large, individual-liability loans can make a significant difference in accelerating growth in the business incomes and employment levels of women-owned enterprises. [23], sought to establish the effect of interventions provided by microfinance institutions on the growth of women-owned enterprises in Rubavu Gisenyi. The study was guided by the following objectives: to assess the extent to which access to credit facilities from microfinance institutions influences the growth of women-owned enterprises; to examine the influence of micro-savings from microfinance institutions on the growth of women-owned enterprises; and to establish the influence of training and advisory services from microfinance institutions on the growth of women-owned enterprises. The study was explanatory and on a target population of 1200 women enterprises within the region. A sample of 120 women entrepreneurs was selected. Stratified random sampling was employed and data was gathered by use of Questionnaires, document analysis, and observation. The validity and Reliability of the instruments were tested using the test-retest methods. With the aid of Statistical Package for Social Science version 21.0, descriptive statistics such as the means, modes, standard deviation, variances, and inferential. There was a positive effect of access to credit facilities from

microfinance institutions on the growth of women's business enterprises. The access to loan facilities has the highest association with the growth of women's business enterprises compared to other variables. There was a positive association between training and investment advisory services and microfinance institutions influencing the growth of women's enterprises. However, the association was lower than loan access though it was higher than micro savings. There was an association between micro-savings and the growth of women enterprises though it was lower than access to savings and training and investment advisory services. The study recommends that the financial institutions should increase the amount of loans to the women enterprises as the data in this study had shown that the loans allocated were not sufficient. This would improve women's enterprises. The leaders in women's enterprises should be trained and advised more on investment as the results in this study indicated that investment advisory was moderate. [24], conducted a study on microfinance services for women entrepreneurs. The study utilized a cross-sectional study design and data was collected using well-structured close-ended questionnaires from fifty (50) female clients of Pride Microfinance Limited in Rubaga division in the capital Kampala. The questions were structured in English but administered in a local language (Luganda) to be specific. Both quantitative and qualitative data analysis techniques were employed. Findings indicated that the majority of the bank clients had obtained loans and a sizeable number had also benefited from the training that Pride Microfinance provided to its clients such as bookkeeping, marketing, credit management, and customer care services. By offering these services, Pride Microfinance helped to empower women economically by enabling them to transfer money, make payments, save money, and get capital for running their businesses which are requirements for entrepreneurship development. Microfinance institutions (MFIs) have an enormous role to play in the economic empowerment of women. The findings indicated that less education and inadequate training of borrowers resulted in default in loan repayment. The policy message here is that microfinance institutions should have simplified systems of operation that reduce delays, and provide efficient and effective service delivery that are accessible and preferred by the women. [25], examined the linkage between access to microfinance credit and women's entrepreneurship development in Rivers State, Nigeria. The study adopted a critical perspective and qualitative method of data collection and analysis with the aid of NVivo 12 computer software. The study found little evidence to support claims that microfinance funds provided are used for business development and scaling up enterprises. The study further revealed that women borrowers tend to rely on microfinance to fund household consumption, particularly in the absence of social provision, especially when other sources of income are constrained (e.g., male unemployment). The attendant impacts lead to a vicious cycle of debt and transfer of household subsistence to women. The implications of these findings for theory and practice are discussed. [26], conducted research that focused on Women Entrepreneurs who belong to groups seeking financial access. The study's main objective was to establish the factors affecting loan repayment by women entrepreneurs. The research model developed predicted that marketing knowledge, training, group membership, and financial availability affected loan repayment. Stratified random sampling as a sampling method was used by the research after having established the sampling frame of women groups accessing funds from financial institutions in Kisii town, Kenya. The researcher made use of a structured questionnaire that was administered to the target respondents. The study established that loan repayment by women entrepreneurs is affected to a high level through adherence of members to group by-laws and regulations. The study found that carrying out the business for a long period enables them to be in a position to repay the loans acquired without any difficulty. The study recommends that the microfinance institutions' management should have an effective loan management plan. [27], conducted a study on factors affecting the performance of women entrepreneurs. The sample size of the research was 50 women entrepreneurs. A simple random sampling technique is used. The analysis discovered that there is an influence of microfinance training and microfinance loans on women's business performance. It is also identified there is an influence of women's business performance on the growth of small business enterprises. Hence, it is concluded that microfinance institutions have many schemes to support women's entrepreneurship but the awareness of those programs among the women entrepreneurs is not up to the appreciable level. The gap between the government policy and its implementation will be reduced with the help of appropriate promotional measures. Hence, the training authorities are advised to perform many awareness programs to develop awareness of the different government schemes related to women entrepreneurs. [28], study focused on the extent to which MFIs have influenced the development of women's businesses in Kosovo. The sample size was 200 women entrepreneurs and the research was conducted within Kosovo. Interviews were carried out face to face with the PAPI (pencil and paper interview) while a survey methodology was used between April–June 2019. The data obtained from the survey was then processed using the statistical software SPSS 21.0. The research adopted three econometric models to identify the effects of MFI loans on the success of women's businesses. The success of women's enterprises was assessed using three performance measurements: fixed assets, income, and household expenditures. The results' findings established that loans from MFIs affect the performance of women's businesses in a positive way using fixed assets, income, and household expenses. [29], evaluated whether village savings and loan associations impede sustainable entrepreneurial initiatives among women borrowers in rural Bangladesh and the findings indicated that borrowers are pressured to settle for low-risk projects through small loans, swift redemption

and recurrent loans by MF institutions, with women borrowers facing extra obstacles because they are less expensive because they follow generally negotiated market approaches rather than take a major jump. The study shows that financially constrained firms rarely invest in fixed assets and this limits their capacity, which implies that those firms have less opportunity to innovate. In other words, the speed of innovation for enterprises is highly dependent on their access to external financing.

RESEARCH METHODOLOGY

This study adopted a quantitative research approach in which respondents' opinions were collected and expressed numerically. The research utilized a descriptive research design to describe the opinions of respondents on loan sizes and the growth of women entrepreneurship statistically using figures. In this study, the target population was 3,720 drawn from all 120 VSLAs in the Rubirizi district in Uganda. These were composed of VSLA members (beneficiaries), executive members, and community-based trainers as shown in Table 1. They were chosen purposively because they have adequate knowledge and experience to respond to research on VSLAs. The target population is heterogeneous with different proportions.

Table 1 : Target Population

Population category	Numbers
VSLA members (beneficiaries)	3000
VSLA executive members	600
VSLA community-based trainers	120
Total	3720

Source: Community Volunteers Initiative for Development (2022)

A sample size of 361 was obtained from the target population of 3720 using the Sloven formula as shown below:

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

Where

n= sample

N= population

e² = margin error (0.05).

$3720 / 1 + 3720(0.05)^2$

=361 respondents

Table 2 : Sample Size

Category of Respondents	Target Population	Sample Size
VSLA members	3000	291
Managers/executive committee members	600	58
VSLA Community-Based Trainer/Village Agents	120	12
Total	3,720	361

Source: Field data (2023)

The study used stratified random sampling to select respondents proportionally from the heterogeneous population of the study based on the percentage contribution of each stratum. Thereafter simple random sampling was used to select individual respondents from each stratum. This was done to eliminate bias and guarantee that each responder has an equal chance of being randomly using computer random numbers. The chosen respondents then became units of analysis. The study collected both primary and secondary data. Primary data was collected by use of structured questionnaires from the respondents while secondary data was obtained from various sources of literature review. The questionnaires had closed-ended questions that were simple to analyze and aided in obtaining quantitative data. Likert scale with 5 response categories was used to measure research questions. To test quality control of the research questions, the questionnaires were tested for validity and reliability by use of the Content Validity Index (CVI) and Cronbach's alpha (a) coefficients respectively. This was intended to reduce errors in the research instruments. The study obtained a CVI of 0.79 and Cronbach's Alpha coefficient of 0.705. These figures were above 0.70 and therefore made the questionnaires valid and reliable. The collected data was edited, organized, and coded for further analysis. Descriptive statistics were used to obtain responses from the respondents. This involved the use of percentages and measures of central tendency. Linear regression analysis was computed to establish the extent to which loan size influences the growth of women's entrepreneurship. The hypothesis was tested at a 5% significance level. The results of the analysis were displayed using appropriate statistical tables based on the current APA format. Adequate measures were taken to make the study ethical. As such the identity of the respondents was

not revealed. The researcher adhered to the necessary guidelines and procedures for research as stipulated by the university.

RESULTS

Response Rate

All the 361 questionnaires given out to collect primary data were respondents. This indicated a response rate of 100%. This was considered adequate for this study [30].

Descriptive Analysis of Loan Size on Growth of Women Entrepreneurship

The study sought to establish the influence of loan sizes on the growth of women's entrepreneurship. The respondents were subjected to several questions based on loan sizes. The results indicate an overall mean of 4.1759 implying that the respondents agreed on the aspects of loan sizes as shown in Table 3.

The question on whether I use the loan to start a business 204 (56.5%) respondents strongly agreed, 89(24.7%) agreed, 39(10.8%) disagreed and 29(8.0%) were neutral. This was further supplemented with a mean of 4.27. This implies that most of the women entrepreneurs have been able to raise their economic status using loans they obtain from the village groups. On the question of whether I use loans to expand my businesses, 207(57.3%) respondents strongly agreed, 98(27.1%) agreed, 43(11.9%) disagreed, 11(3.0%) strongly disagreed and only 2(0.6%) were neutral. The mean response was 4.24. On the question of whether the loan has helped me to own my business 180(49.9%) and 128(35.5%) of the respondents strongly agreed and agreed respectively that loans have helped them own their business, although 42(11.6%) disagreed, 8(2.2%) strongly disagreed and 3(0.8) respondents were neutral. The mean was 4.19 implying that microloans have significantly improved their living standards of life.

On the question of whether I access loans easily from the VSLA 295(81.7%) responses strongly agreed, 38(10.5%) agreed, 19(5.3%) were neutral, and 6(1.7%) and 3(0.8%) strongly disagreed and disagreed respectively. the mean response of 4.70 indicates that there was strong agreement on this question. On the question whether loans given by VSLA is enough 171(47.4%) disagreed, 48(13.3%) strongly disagreed, 109(30.2%) Agreed and 33(9.1%) strongly agreed. A mean of 2.75 indicates that several respondents either disagreed or agreed that the loan amount given is enough. On the question of whether loans offered by VSLAs help women to own resources 270(74.8%) of the respondents strongly agreed while 76(21.1%) agreed, and 15(4.2%) disagreed. The mean was 4.66 implying that respondents strongly agreed. On the question of whether the number of women involved in business has increased, 175(48.5%) of the respondents strongly agreed, 126(34.9%) agreed, 31(8.6%) disagreed and 6(1.75%) strongly disagreed. The mean is 4.22 which shows respondents agreed. Lastly, on the question of whether am always guaranteed by members to access a loan 211(58.4%) and 109(30.2%) of the respondents strongly agreed and agreed respectively that they are always guaranteed by members to access a loan, whereas 33(9.1%) disagreed and 8(2.2%) were neutral. The mean is 4.38 showing the majority agreed.

Table 3. Respondents' Opinions on Loan Size and Growth of Women Entrepreneurship.

Statement	SDA	DA	N	A	SA	Total	Mean	SD
I used a loan to start a business	0 0%	39 10.8%	29 8.0%	89 24.7%	204 56.5%	361 100%	4.27	1.004
I use loans to expand my businesses	11 3.0%	43 11.9%	2 0.6%	98 27.1%	207 57.3%	361 100%	4.24	1.130
The loan has helped me to own my business	8 2.2%	42 11.6%	3 0.8%	128 35.5%	180 49.9%	361 100%	4.19	1.067
I access loans easily from the VSLA	6 1.7%	3 0.8%	19 5.3%	38 10.5%	295 81.7%	361 100%	4.70	.753
I am given enough loan by the VSLA	48 13.3%	171 47.4%	0 0%	109 30.2%	33 9.1%	361 100%	2.75	1.270
Loans offered by VSLAs help women to own resources	0 0%	15 4.2%	0 0%	76 21.1%	270 74.8%	361 100%	4.66	.688
Number of women involved in business has increased	6 1.7%	23 6.4%	31 8.6%	126 34.9%	175 48.5%	361 100%	4.22	.964
Am always guaranteed by members to access a loan	0 0%	33 9.1%	8 2.2%	109 30.2%	211 58.4%	361 100%	4.38	.911
Overall							4.1759	.32922

Key: SD- Strongly Disagree (1), D-Disagree (2), N- Neutral (3), A- Agree (4), SA-Strongly Agree (5)

Linear Regression Analysis

Linear Regression Analysis was used to measure the influence of loan size on the growth of women's entrepreneurship shown in Table 4.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.148 ^a	.022	.019	.46088

a. Predictors: (Constant), loan size

Source: Researcher Computation (2024)

The coefficient of determination (R^2) and correlation coefficient (R) show the degree of association between loan sizes and the growth of women's entrepreneurship. The results of the linear regression indicate Adjusted R Square = .019. The results indicate a weak linear relationship between the influence of loan size and the growth of women's entrepreneurship. The implication of this is that only 1.9% of the loan sizes explain the variation in the growth of women entrepreneurship in the Rubirizi district when other factors are held constant. This analysis indicates a weak and insignificant relationship between loan sizes and the growth of women's entrepreneurship.

Table 5: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.709	1	1.709	8.043	.005 ^b
	Residual	76.257	359	.212		
	Total	77.965	360			

A. Dependent Variable: Growth Of Women Entrepreneurship

B. Predictors: (Constant), Loan Size

Source: Researcher Computation (2024)

From Table 5 the F-test provides a comprehensive evaluation of the significance of the established regression model. The F-value signifies the importance of all the variables in the equation, confirming the overall significance of the regression. The F-statistics produced ($F = 8.043$) reflect that the results are significant ($P=0.005$) and it was very unlikely that they were computed by chance. The results show that the model fit is significant and improves the ability to predict the outcome. The study further established the regression model coefficients to be used in the regression equation as shown in Table 6

Table 6: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.417	.309		7.822	.000
	MLO	.209	.074	.148	2.836	.334

a. Dependent Variable: Growth of Women Entrepreneurship

b. Predictor Variable: Loan Size

Source: Researcher Computation (2024)

The findings of this analysis revealed no significant effect of loan size on the growth of women's entrepreneurship ($p=0.334>0.05$). The study established that there is an insignificant relationship between loan sizes and the growth of women entrepreneurship in the Rubirizi district.

Hypothesis Testing

The null hypothesis was tested using the inferential statistics above. This was done to verify if loan sizes influence the growth of women entrepreneurship in the Rubirizi district.

Decision Rule

The null hypothesis is rejected if the calculated p-value is less than the table value of 0.05 and vice versa. From Table 6 it is clear that the calculated p-value of .334 is more than the critical value of 0.05. Consequently, the null hypothesis was accepted and adopted which states that there is no significant relationship between loan size and the growth of women entrepreneurship in the Rubirizi district. The alternative hypothesis was therefore rejected.

DISCUSSION OF FINDINGS

The linear regression analysis revealed that there is no significant relationship between loan size and the growth of women entrepreneurship since the p-value obtained is 0.334, which is more than the critical value of 0.05 as shown in Table 6. This study agrees with [21], who established that financial and non-financial services offered to entrepreneurs were found unable to significantly empower disadvantaged and poor women by improving their livelihood and the development of their businesses. The study also concurs with [25], and found little evidence to support claims that microfinance funds provided are used for business development and scaling up enterprises. The study further revealed that women borrowers tend to rely on microfinance to fund household consumption, particularly in the absence of social provision, especially when other sources of income are constrained. This study disagrees with [22] whose results suggest that large, individual-liability loans can make a significant difference in accelerating growth in the business incomes and employment levels of women-owned enterprises. The study further disapproves the study by [23] who established a significant association between loan access and the growth of business. The study does not also concur with [24], who found that microfinance helped to empower women economically by enabling them to transfer money, make payments, save money, and get capital for running their businesses which are requirements for entrepreneurship development. It further disagrees with [29,30] whose study shows that financially constrained firms rarely invest in fixed assets and this limits their capacity, which implies that those firms have less opportunity to innovate.

CONCLUSION

The findings of this research study reveal an insignificant relationship between loan size and the growth of women's entrepreneurship. Despite the initial hypothesis positing a potential positive correlation, the data analysis indicates that variations in loan size do not exert a statistically significant impact on the overall growth trajectory of women-led businesses in the context of this study. These results underscore the complexity of the relationship between financial resources, specifically loan size, and the growth of women's entrepreneurship. While financial capital is undoubtedly a crucial factor in business development, it appears that, within the parameters of this study, the mere magnitude of loans does not consistently translate into substantial growth for women entrepreneurs. This conclusion prompts a reevaluation of the factors influencing the growth dynamics of women-led businesses, suggesting that other variables may play more substantial roles in shaping the trajectory of women's entrepreneurship. Future research endeavors should explore these alternative factors to gain a more comprehensive understanding of the nuanced drivers behind the growth of women-led businesses and inform targeted interventions and support programs. In the absence of a significant relationship between loan size and growth, it becomes imperative for stakeholders, policymakers, and financial institutions to adopt a more holistic approach when designing initiatives aimed at fostering the sustainable growth of women entrepreneurship.

Recommendations

Based on the findings of this study, it is clear that non-financial factors play significant roles in the growth of entrepreneurship. The study therefore makes the following recommendations:

- The study recommends diversifying support mechanisms beyond traditional financial assistance. Encourage the development of mentorship programs, networking opportunities, and skill-building initiatives tailored specifically for women entrepreneurs.
- The study further suggests the creation of financial products that are customized to the unique needs of women-led businesses. This may involve flexible repayment structures, lower interest rates, or alternative financing models that consider the specific challenges faced by women entrepreneurs.
- The study emphasizes the importance of providing access to non-financial resources such as training programs, workshops, and access to markets. These resources can contribute significantly to the growth of women-led businesses and may have a more direct impact than the size of the loan.
- The study advocates for initiatives that address structural barriers faced by women entrepreneurs, such as gender bias, limited access to markets, and social expectations. Creating an enabling environment for women to thrive in entrepreneurship may be more critical than merely increasing the size of loans.
- This study recommends the development and enforcement of policies and regulations that foster inclusivity and gender equality in the business ecosystem. This may involve affirmative action policies, gender-sensitive regulations, and measures to ensure equal access to opportunities.
- The study proposes the implementation of capacity-building programs that focus on enhancing the skills and capabilities of women entrepreneurs. This could include training in areas such as business management, marketing, and technology adoption.

- This study further stresses the importance of fostering networks and collaboration among women entrepreneurs. Building a supportive community can lead to knowledge-sharing, resource pooling, and collective problem-solving

Suggestion of Further Studies

This study recommends further research to explore additional factors that may influence the growth of women-led businesses. This could involve studying the impact of specific interventions, cultural factors, or regional variations on entrepreneurial outcomes.

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