MICROFINANCE BANK SERVICES AND BUSINESS PERFORMANCE OF FEMALE ENTREPRENEURS IN KADUNA STATE, NIGERIA

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MAY, 2015

DECLARATION

I declare that the research work reported in this Dissertation entitled "Microfinance Bank Services and Business Performance of Female Entrepreneur in Kaduna state, Nigeria" has been carried out by me in the Department of Accounting. The information derived from the literature has been acknowledged in the text and a list of references provided. No part of this dissertation was previously presented for another degree at this or any other Institution.

_____	_____	_____
Dikki, Anietie Charles	Signature	Date

CERTIFICATION

This dissertation entitled "Microfinance Bank Services and Business Performance of Female Entrepreneur in Kaduna state, Nigeria" by ANIETIE CHARLES DIKKI meets the regulations governing the award of the Degree of Doctor of Philosophy in Accounting and Finance of the Ahmadu Bello University, Zaria Nigeria and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

This work is dedicated to the Almighty God, the beginning and the end and the source of all knowledge and wisdom, the memory of my late father Dr Enefiok Sampson Essien and my mother Mrs Basseyawan Essien who gave their all for us to be educated and be what we are today and finally, and by no means the least, my beloved husband and mentor Prof Charles Ezra Dikki.

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ABSTRACT

The Bangladesh modification of microfinance was adopted by the Nigerian government as one of the means of channeling resources to the productive sector of the economy, an important part of which is the category or sector of small and micro enterprises. The female entrepreneurs constitute the bulk of those businesses in this sector. This study evaluates the impact of Microfinance Bank services on the business performance of female entrepreneurs who have accessed microfinance services in 17 Microfinance Banks (MFBs) in Kaduna State, Nigeria. Using cross sectional survey design, the study administers copies of structured questionnaires to 384 women entrepreneurs out of the population of 100,130 from the 17 MFBs and uses descriptive statistics, ordered logit regression to analyse the responses and test the hypotheses of the study. The study establishes a significant positive relationship between MFB services and business performance of women entrepreneurs, implying that an increase in MFB services would significantly impact on the performance of the women entrepreneurs. It also shows a significant positive effect of microfinance services on the living standard of women entrepreneurs. The study also finds that training is the only non-financial services of MFBs that significantly influenced the performance of the women entrepreneurs with the greatest contribution being from loans. The study concludes that microfinance services have greatly enhanced the business performance of women entrepreneurs in Kaduna state but that the non-financial services offered by the MFBs have not impacted positively on the performance of the women entrepreneurs, except in the aspect of training and network meetings. In line with these findings, the study recommends that since loan is a factor that has contributed to the business performance of the female entrepreneurs, the MFBs should device ways to extend the loan period to match varying borrowing powers of clients so as to enable the entrepreneurs have adequate time to invest the loan and use the returns for repayment. Some of the devices the MFBs could use to extend the loan period of their clients are; flexible borrowing options and the option of replacing their existing loan with a new loan for a larger amount. Also the MFBs should encourage their clients to save, because what is given out to the clients as loans is from the amount they save with the bank. This will help the banks to adequately cater for the financial needs of the micro entrepreneurs by granting loans to them as their need arises.

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CHAPTER ONE
INTRODUCTION

1.1 Background to the Study

The necessity for finance as a tool for economic activities cannot be over emphasized. It is a necessary tool for the purchase and acquisition of knowledge, wealth, and skill among others. Nevertheless, the ability to possess adequate financial facilities has been a problem not only for businesses but their clients and the society as a whole. Without adequate financial supply, business activities will be hindered. Adequate finance is therefore an essential tool in the promotion of Small and Medium Scale Enterprises (SMEs), which represent the growth sector of any economy.

The method of operation of conventional banking has imposed a market niche that must be explored if majority of the populace are to be bankable. The players of this banking system are large enterprises which are judged to be credit worthy. These players exclude those who are assessed to be unbankable such as the small entrepreneurs and farmers especially women who lack collateral, steady employment and a verifiable credit history and therefore unable to gain access to traditional financial credit service. Such defined market over time therefore constraints the growth sector of the economy, which are the SMEs. It makes the sector to suffer immensely over time due to the inability of those in that sector to access finance. According to Ejiagwa (2010), even when the financial system is active with enough liquid funds, the banks have been very reluctant in granting loans to small scale enterprises which they regard as high risk firm. Most banks would rather pay the penalty imposed for not meeting the minimum exposure to preferred sectors of the economy than run the risk of being exposed to them.

The Micro and Small Enterprises (MSEs) sector has the potential to create wealth and employment as demonstrated in previous studies such as Aryeetey (1997) as indicated by Simeyo, Martin, Nyabwanga, Nyamao, Ptarick & Odondo (2011). The business performance of female entrepreneurs is therefore one way of establishing a link between microfinance services and female entrepreneur performance. The trend in literature has been focused on the link between microfinance and income, empowerment, profit and so forth (Copestake, Bhalotra & Johnson, 2001; Afraine, 2002) not much attention has been given to the link between microfinance and performance indicators of income, savings, asset and empowerment (Hulme, 1997).

In Nigeria, the two main sources of finance available to SMEs are the formal financial institutions such as conventional banks, insurance companies and development banks; and the informal financial institutions consisting of money lenders, credit and savings cooperatives societies, friends, relatives and personal savings. Majority of the SMEs because of the inability to meet the conditions of the conventional banks have resorted to these informal institutions as their alternative source of finance. These alternative sources of finance include the Rotating Savings and Credit Association (RoSCA) known under different names depending on the ethnic group in Nigeria as esusu (Yoruba), oja (Igala), adashe (Hausa) and so forth. Its effectiveness has been reported in Benin, Tanzania, Cameroon and other African countries as it is a simple and flexible source of financial intermediation (Aruwa, 2005).

The importance of the SME's sector has led to the development of various models of small scale business financing where various Development Finance Institutions (DFIs) were established as

part of measures to aid small scale business the world over. In Nigeria, such DFIs included the Nigerian Industrial Development Bank (NIDB), Nigerian Bank for Commerce and Industry (NBCI), Nigerian Agricultural and Cooperative Bank (NACB) and Federal Mortgage Bank of Nigeria (FMBN). Each institution was given the responsibility of promoting the development of a specific sector of the economy or sub-sector (Central Bank of Nigeria, CBN 2000).The NIDB was established in 1964 from the restructuring of an existing Investment Corporation of Nigeria (ICON), and given the mandate of developing new industrial enterprises and expanding existing ones through the provision of medium and long term loans and equity. After a decade in 1973, the NBCI was established to provide funding to SMEs. NACB, which is of relevance to micro enterprises, was established in 1973 to promote the development of the agricultural sector.

Other government effort to aid small businesses in Nigeria include the establishment of the rural banking scheme, established to enhance rural economy through the provision of banking facilities, the National Directorate of Employment (NDE), the Nigerian Agricultural Insurance Corporation (NAIC) established in 1988, the Peoples Bank of Nigeria (PBN) established in 1989, the Community Banks (CBs) established in 1990, the Family Economic Advancement Program (FEAP) established in 1991, the Agricultural Credit Guarantee Scheme Fund (ACGSF) of the CBN which had been on since 1977, and the Directorate of Food, Roads and Rural Infrastructure (DFRRI). In 2000, the government merged the NACB with PBN and FEAP to form the Nigerian Agricultural Cooperative and Rural Development Bank Limited (NACRDB) to improve the provision of finance to the agricultural sector. And of recent in 2003 the National Poverty Eradication Program (NAPEP) was also created to provide financial services to alleviate poverty. These programs helped in impacting on the poor in various ways, such as in funding

various projects and enterprises, helping to create more awareness about poverty and contributing in mobilizing the poor for development, the programs were government sponsored and with political interference due to their poor design could not survive (Ojo, 2007).

Notwithstanding the little achievement of the DFIs, the need to channel financial resources to the productive sectors still remained a major challenge to the government and the monetary authorities. Attempts were therefore made to restructure the DFIs, give them commercial orientation and make sustainability their guiding principle. Sequel to the pronouncement of consolidation exercise by the CBN in 2004 and the emergence of megabanks, a policy of microfinance bank (MFB) was introduced in 2005 to provide a platform for the underbanked segment of the economy that may not be able to meet the stringent requirements of conventional banks. By December, 2007, government had given licenses to 107 microfinance banks and converted 600 out of 761 Community banks to Microfinance banks, giving the total number of microfinance banks as 707 in the country (Soludo, 2008).

One of the policy targets of microfinance in Nigeria and globally is to improve women's access to financial services. Women's access to financial services is critical to the economic development of every nation because they are an important part of any society and in many societies constitute more than 50 percent of the population. Unitus (2007) asserts that almost half the world's population, that is three billion people live on less than $2 per day and out of this, 70 percent are women. Women, therefore, constitute the bulk of those that need microfinance services. Targeting women has proved to be very successful, and in Deshpanda's, (2001) view, assisting them generates a multiplier effect, as women would generally spend more of their

income on their families. Therefore, when they are helped, the welfare of the family is also improved.

Empirical evidence has shown that women are more secure credit risks than men, and low income entrepreneurs have more solid repayment records than do the clients of banks in the formal financial sector (United Nations Expert Group on Women and Finance, 1995). In the same vein, Cheston and Kuhn (2002) asserted that women business owners have a low rate of business failure and low- income women generally have a low percentage of loan defaults. They are of the opinion that lower arrears and loan loss rates have a significant positive impact on both the sustainability and efficiency of the microfinance organizations that are working with women. In Nigeria, for instance, micro entrepreneurs are the normal customers of the microfinance institutions and a large number of this group are women who carry out different forms of trade such as weaving, seam stressing, hair dressing and so forth. Majority of such persons do not have access to financial products and also lack place to keep their income safely. This has served in so many instances as a hindrance for the expansion of their business beyond the barest means of survival. A small capital injection into the business could produce a significant growth that can lead to increase in the level of economic activity and affect positively the standard of living of the entrepreneurs. In Kaduna state, for instance, effort has been made by successive government to enhance women through MFIs. The effort ranges from facilitating easy access to MFIs loans to training them on business skills and record keeping in order to ease the process of dealing with MFIs in the state. However little seems to be known about the extent to which the state government's effort and intervention have affected the performance of the businesses of women

entrepreneurs. It is against this back drop that a study of the impact of MFB services on the activities of women entrepreneurs in the state becomes imperative.

1.2 Statement of the Problem

The focus of microfinance right from conception in its modern form according to the Grameen Foundation of Bangladesh has always been on women (Deshpanda, 2001). The impact of microfinance on them is expected to be seen in the multiplication of women-owned micro and small enterprises (MSEs) and their performance should reflect in their income, asset acquisition, their ability to save, as well as the ability to empower them, not only economically, but also socially and politically, among others. The question however, has always been on the extent to which women access microfinance services and the extent to which access to such scheme impacts positively on their business performance and by extension their standard of living.

A lot of researches exist in countries such as Bangladesh, Indonesia, Egypt and Kenya on the impact of microfinance services on women and the apparent success in terms of women's access to financial services. Microcredit Summit Campaign Report (2012) indicated that of the 137.5 million poorest clients reached at the end of 2010, 82.3% (113.1 million) are women. There is a growth in the number of poor women reached (1001% increase from 1999 to 2010 -11 years). Although this report gives a very good impression of women's access to microfinance services, women's ability to benefit from this access is still a problem (Deshpanda, 2001; World Bank, 2014; Cameron, 2014).

In Nigeria, microfinance banking is a recent phenomenon. The NGO's run microfinance institutions that existed in the country prior to 2005 were not able to bridge the gap between the

bankable and non-bankable population in terms of credit, savings and other financial services as expected of microfinance. According to Babajide (2011), the CBN in 2005 reported that the share of microcredit as a percentage of total credit in 2005 was 9%, while its contribution to GDP was a mere 20%. According to the report, the unwillingness of conventional banks to support micro-enterprises, paucity of loanable funds, absence of support institutions in the sector as well as weak institutional and managerial capacity of existing microfinance institutions, among others, were the major reasons for the failure of past microfinance initiatives in the country. In order to address the situation, CBN launched the Microfinance Policy, Regulatory and Supervisory Framework (MPRSF) in 2005, to provide sustainable financial services to micro entrepreneurs. This MPRSF has now been revised in April 29, 2011 and still holds the view of CBN of 2005 and maintains that its target is to increase the share of microcredit as a percentage to total credit from 9% to 20% in 2020 and GDP from 20% to 50% in 2020 (CBN, 2012).

The MPRSF was a turning point in the microfinance industry as it resulted in the establishment of the Microfinance Banks (MFBs) as an institutional vehicle for privately owned, deposit taking Microfinance institutions (MFIs). In view of the indispensable role of finance to the performance of small businesses and the adoption of microfinance as the main source of financing for such small businesses in the country, it is imperative to study the extent to which microfinance has enhanced small business performance and the economic condition of women entrepreneurs. Incidentally, there is a dearth of empirical studies so far on the impact of microfinance on female entrepreneurs in Nigeria in general, and in Kaduna state in particular.

An attempt though had been made by Iheduru (2002), who studied the impact of three "microfinance" programmes on women. However, two out of the three institutions studied;

Peoples Bank of Nigeria (PBN) and Family Economic Advancement Program (FEAP) were not MFIs. In 2000 the two were merged with Nigerian Agricultural Cooperative Bank (NACB) to form the Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB). In fact, their failure was one of the factors that brought about Microfinance Banks in Nigeria. In addition, the study focused on Microfinance institution and its impact on women development prior to the launching of the MPRSF in 2005. More recently, Babajide (2011) did an extensive work on micro and small enterprises in South-West Nigeria and discovered that non-financial services of microfinance scheme had impacted significantly on small business performance. The study, however, did not look at the extent to which financial services as a whole impact on entrepreneurs themselves, specifically female in the Northern part of the country.

Having been in operation now for over eight years based on the MPRSF policy guidelines, it is desirable to study the impact of MFB services on the various sectors of the economy. The researches done in Nigeria in the area of MFBs and the impact of such a scheme on the performance of female entrepreneurs' businesses and by extension their living standard is limited. This study therefore is an attempt to fill this literature gap by examining the impact of MFB services on the business performance of female entrepreneurs in Kaduna state, Nigeria.

1.3 Research Questions

The study seeks to answer the following questions:

i) To what extent do the MFB services impact on the business performance of female entrepreneurs in Kaduna state, Nigeria?

ii) To what extent does the incorporation of non-financial services of MFBs enhance the business performance of female entrepreneurs in Kaduna state, Nigeria?

iii) To what extent do MFB services affect the living standard of female entrepreneurs in Kaduna state, Nigeria?

1.4 Objectives of the Study

The main objective of this study is to evaluate the impact of MFB services on business performance of female entrepreneurs in Kaduna state, Nigeria. The specific objectives are to:

i Assess the impact of MFB financial services on the business performance of female entrepreneurs in Kaduna state, Nigeria.

ii Examine the effect of non-financial services of MFBs in enhancing the business performance of female entrepreneurs in Kaduna state, Nigeria.

iii Examine the effect of MFB services on the living standard of female entrepreneurs in Kaduna state, Nigeria.

1.5 Statement of Hypotheses

In line with the above stated objectives, the following null hypotheses are hereby formulated:

$H0_1$: Microfinance bank financial services have no significant impact on the business performance of female entrepreneurs in Kaduna state, Nigeria.

$H0_2$: Non-financial services of MFBs have no significant role in enhancing the business performance of female entrepreneurs in Kaduna state, Nigeria.

$H0_3$: Microfinance bank services have no significant effect on the living standard of female entrepreneurs in Kaduna state, Nigeria.

1.6 Scope of the Study

The study examines the relationship between one area of finance; that is microfinance and performance of female entrepreneurs in Kaduna state. The choice of Kaduna state stems from the fact that Kaduna is the most cosmopolitan state in the North with the highest number of MFBs in the North–West zone and at the same time, apart from Abuja, it also has the highest number of MFBs in the Northern part of Nigeria (Other Financial Institutions Department, 2009). The study covers micro and small business activities in particular female entrepreneurs that have access to microfinance services for the period 2009-2013 in seventeen (17) MFBs in Kaduna state. This represents seventy per cent (70%) of the MFBs in Kaduna state within the period under study. 70% is deemed large enough for any meaningful scientific conclusions. In this research, female entrepreneurs connotes those in the service area, who run businesses in the 'traditional' sector areas such as retail, personal services, food and catering and so on and have business size that is smaller than average (Evans and Leighton, 1989). The relationship between female traders and entrepreneur stems from the fact that women-owned businesses are usually informally structured (Neider, 1987), but for this study our emphasis is on female entrepreneurs. The study's focus on women is justifiable because the focus of microfinance right from conception has always been on women (Deshpanda, 2001).

1.7 Significance of the Study

A significant amount of empirical research has been carried out both within and outside the Nigeria on the relationship between microfinance and microenterprise development (Morduch and Haley, 2001; Khandker, 2005; Ogunrinola and Alege, 2007). However, to the best of the researcher's knowledge, the impact of microfinance bank services on women entrepreneurs has received little attention in the Nigerian literature. This study therefore becomes significant in filling this observed gap by testing empirically the impact of both the financial and non-financial services offered by Microfinance Banks on women entrepreneurs' micro enterprises performance and by examining the capability of MFBs in enhancing the performance capacity of micro and small businesses of women entrepreneurs in Kaduna state, Nigeria.

In addition, successive governments in Nigeria have always had a policy programme for SMEs, but most of the programmes have failed to achieve sustainable growth in the SMEs sub-sector. Most of the government assisted-programmes have themselves become failures. The findings of this study is expected to inform policy makers regarding the direction of further research into interventionist programmes for micro enterprises in Nigeria. The study shall also be of great importance to MFBs, in the sense that it is expected to assist microfinance banking institutions in assessing the effectiveness of their programmes and also to help them in their credit policy formulation strategies. For women entrepreneurs of micro and small businesses, access to a study like this could aid their understanding of current challenges and reveal the essential factors that promote small business performance and thus enable them to focus on the relevant ones in an attempt to enhance their performance. Finally, since one of the policy targets of CBN is to eliminate gender disparity by improving women's access to financial services by 5% annually

(CBN,2005), CBN will find this study useful in providing guide that could be used to appraising whether or not this target is being achieved. At the same time, future researchers in the area of MFBs and growth of MSMEs will find this study useful in assisting them in understanding MFBs' impact on entrepreneurship in Nigeria, most particularly, in Kaduna state.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter discusses the conceptual issues relating to microfinance, Micro, Small and Medium Enterprises (MSMEs), and also conceptual issues on entrepreneurship. It examines relevant empirical literature on the impact of microfinance on business performance as well as the effect of non-financial services of microfinance on the performance of female entrepreneurs and the impact of microfinance on living standard. The chapter also appraises some of the performance criteria of microfinance and provides the theoretical framework of the study.

2.2 Conceptual Framework

2.2.1 Concept of microfinance

Microfinance has been defined from several perspectives. It is seen as the provision of financial services adapted to the needs of low income people such as micro-entrepreneurs, especially the provision of small loans (microloans), acceptance of small savings deposits (micro-savings), micro-insurance and simple payments services needed by micro-entrepreneurs and other poor but economically active people who are not served by the mainstream financial services providers (USAID, 2000). Microloan is generally defined in terms of the amount of loan as a percentage of average per capita income. In Nigeria, with a per capita GDP of N93,600 (about $585) in 2011, loans up to N100,000 (approximately $600) would be regarded as micro loans, while micro savings are defined as savings accounts with a balance of less than N15,000 (approximately $100) (Trading Economies, 2012).

CBN (2005) defined microfinance as the provision of financial services to the economically active poor and low income households. These services include credit, savings, micro-leasing, micro-insurance, and payment transfer to enable them to engage in income generating activities. The CBN (2012) defined the framework for the delivery of these financial services on sustainable basis to the Micro, Small and Medium Enterprises (MSMEs) through privately-owned Microfinance Banks. The services according to Ojo (2007) are provided to rural/informal small scale operators for farming, fishing, trading and building of houses and to engage in any other productive and distributive activities. Mosley (2001) defined microfinance as financial services for poor and low-income clients. The term, according to him, is often used more narrowly to refer to loans and other services from providers that identify themselves as "microfinance institutions" (MFIs) that commonly tend to use new methods developed over the

years to deliver very small loans to unsalaried borrowers, taking little or no collateral. The methods used include group lending and liability, pre-loan savings requirements, gradually increasing loan sizes, and an implicit guarantee of ready access to future loans if present loans are repaid fully and promptly.

On his part, Yunus (2003) described microfinance as a financial system that relies on the traditional skills and entrepreneurial instincts of the active poor people, mostly women, using small loans (usually less than US$200), other financial services, and support from local organizations called microfinance institutions (MFIs) to start, establish, sustain, or expand very small, self-supporting businesses. According to him, an important aspect of microfinance is the recycling of loan, as each loan is repaid usually within six months to a year, and the money is recycled as another loan, thereby making the multiplier effect of the value of each loan to help in defeating global poverty and changing lives and communities. He further observed that the loans are character-based rather than collateral-based. Borrowers who have to form groups all vouch for one another to get a loan such that members of a group are not only individually responsible, but their group is also liable for the loan. This research concept of microfinance therefore, may be defined as the art of providing financial services to clients who are excluded from the traditional financial system because of their low economic status.

According to UNITUS (2007), the categories of clients who qualify for microfinance include the unemployed, poor entrepreneurs and those living in poverty that are not considered bankable. They are the working poor who lack collateral, steady employment and a verifiable credit history and therefore unable to gain access to traditional financial credit facility. Microfinance

Institutions thus provide an alternative means for poor people to access basic financial services in a way that seeks to help them enhance their living standard. The services they provide, which are micro in nature cover credit, savings, insurance, and leasing. Microcredit involves making small loans to people who do not have the necessary collateral to obtain credit from the formal banking sector and is sometimes supported with training and advice to help micro-entrepreneurs to run successful businesses. Micro-savings are crucial to poor and low-income families in order to meet both planned and unexpected needs that may arise. Micro-insurance services help to provide those living in poverty with a means of tackling costs that might otherwise result in their becoming destitute. Micro leasing is a facility in which the leasee is allowed to make periodic payment on an asset while he takes full possession of the asset.

Certain features of what is perceived to be microfinance are that loans involved are small and are meant for entrepreneurial activity. The loans are group-based and collateral-free, with a focus on women and poor clients and with a market-level interest rate determined by the market. Determination of market-level interest is based on the cost involved in administering the loan. The group lending nature helps to reduce transaction cost and in the case where grouping is not done, the beneficiaries pay high interest rates. The focus being shifted to women is due to their ability to handle meager amount of money profitably (UNITUS, 2007).

The practice of "microfinance" in Nigeria dates back to several centuries. Informal MFIs activities had been in existence before the emergence of formal MFIs and which flourished all over Africa. This informal micro services is provided by traditional rural groups that work together for the mutual benefits of their members (Anyanwu, 2004). They provide savings and

credit services to their members. They operate under different names in different parts of Africa; "esusu" among the Yoruba, "etoto" for the Igbo's, "adashi" for the Hausas in Northern Nigeria, rotating and accumulated savings and credit and village bank in Uganda (CBN, 2000; Ukeje, 2005). There is also the Self-Help Groups (SHG) in India. In Nigeria, the informal MFIs include traditional mutual aid groups, middle men, land lords and professional money lenders (Ojo, 1996). The key features of these informal schemes are savings and credit components, informality of operations and higher interest rates in relation to formal banking sector. They use simple procedures, are very flexible and adapt well to various local peculiarities and circumstances and carry out multipurpose functions to deliver effective services (Anyanwu, 2004).

The main characteristic of the informal MFIs is that they are far more loosely monitored and regulated than the formal financial markets. These informal markets are estimated in Ojo (1976) to cover a large portion of the capital needs of rural and small producers. Interest rates may or may not be higher than the bank lending rates, depending on the type used. Whenever informal credit facilities are available, very small and rural enterprises may pay 10% higher than formal bank rates. Thus, availability rather than cost of credit determines demand and supply of funds. The transaction costs and default rates of informal markets can, by and large, be lower than for commercial banks as in Nigeria.

2.2.2 Concept of microfinance bank

A MFB is an institution that extends small loans or microfinance to applicants who typically belongs to the lowest strata of society. This loan according to White & Ledgerwood (2006) is for business and general living standard. They differ from regular financial banks in various respects, including use of small loan denominations, absence of collateral, and simplicity of

operations. According to them, the concept behind microfinance is a social one as they provide the marginalized groups of society easy accessibility to financing options.

In the same way, the Nigerian Banking Acts, 1969 as amended in 1979 asserts that MFBs are institutions constructed as a company licensed to carry on the business of providing microfinance services. Such services include collection of savings, loans provision, insurance, money transfer services and other non financial services that are needed by the poor. The clients of the bank according to Ken (2012) are generally self employed low income entrepreneurs in both urban and rural areas.

The following contributed to the justification for the establishment of MFBs, Nwite (2012): the existence of a huge un-served market; economic empowerment of the poor, employment generation and poverty reduction; the need for increased saving opportunity; the interest of local and international communities in micro financing and finally, the utilization of SMEEIS fund.

MFBs are in three categories: Unit MFB which is licensed to operate within a local government area (LGA) with a minimum paid-up capital or share holders fund of ₦20million; state MFB licensed to operate in a state with a minimum paid-up capital/share holders fund of ₦100million and the National MFB licensed to operate in any state with a minimum paid-up capital/share holders fund of ₦2billion. The MFB under study is that of the state MFB.

The development of modern microfinance banks in Nigeria started with the Development Finance experience complemented by the microcredit schemes. Notable among them were the rural banking scheme, the Nigerian Agricultural and Co-operative Bank Limited (NACB) the National Directorate of Employment (NDE), the Nigerian Agricultural Insurance Corporation (NAIC), the Peoples Bank of Nigeria (PBN), the Community Banks (CBs), the family Economic Advancement Program (FEAP), the Agricultural Credit Guarantee Scheme Fund (ACGSF) of the CBN, Agricultural Development Programs (ADPs), Directorate of Food, Roads and Rural infrastructure (DFRRI). In 2001, the government merged the NACB with PBN and FEAP to form the Nigerian Agricultural Cooperative and Rural Development Bank limited (NACRDB) to improve the provision of finance to the agricultural sector. The National Poverty Eradication Program (NAPEP) was also created to provide financial services to alleviate poverty (CBN, 2005).

Although modest successes were recorded especially in agricultural and rural financing and small scale enterprise credit, there were some constraints that hindered the effectiveness of Development Finance Institutions. According to Ojo (2003) such constraints included inadequate resources from the government, inability of beneficiaries to repay loans, the absence of an efficient tracking mechanism and natural disasters. There is also the problem of poor entrepreneurial skills of the loans beneficiaries and feasibility appraisal. Delay in loan processing according to him is another problem, coupled with the low executive capacity of some of the DFIs staff and the low savings rate and poor collaterals for loans by the rural dwellers. These last two especially affected the rural banking scheme. He further noted that the

impact of these programs on the poor varies; although they have helped in creating more awareness about poverty and to some extent mobilized the poor for development, the programs were poorly designed and executed and could not survive for long due to political interference as they were mainly sponsored by government.

At the same time, several NGOs took root in the country such as the Farmers Development Union (FADU), the Country Women Association of Nigeria (COWAN), the Development Exchange Center (DEC), Life Above Poverty organization (LAPO) among others. Their involvement in microcredit services is largely due to the inability of the formal financial sector to provide the services needed by the low income groups and the poor. Their outreach also is limited due mainly to unsustainable sources of funds (CBN, 2005 and CBN,2012). The need for a regulated micro finance bank in the country therefore came about as a result of the sub-optimal performance of the community banks, development finance institutions, micro finance institutions etc. Incompetent management, weak internal controls, lack of deposit insurance schemes, poor corporate governance, lack of well- defined operations and restrictive regulatory supervisory requirements have also contributed to the failure. Weak capital base of existing institutions, like community banks is another reason.

With the problem of outreach, experienced by previous finance institutions, there is a huge gap in the provision of financial services to a large number of active but poor and low income groups. According to the CBN (2005), the existing formal MFIs serve less than one million out of the over 40 million people that need their services. In addition, the report states that the formal financial system provides services to about 35% of the population, while the remaining 65% are excluded from access to financial services. These are the 65% that are being served by the informal financial sector through NGOs, money lenders, friends, relatives and credit unions. The desire to regulate their activities and bring them under the supervision of the CBN in order to meet the financial requirements of the Micro, Small and Medium Enterprises (MSMEs) were the reasons that led to the establishment of microfinance banks in Nigeria.

2.2.3 Concept of micro, small and medium enterprises

Defining micro, small and medium enterprises has always been very difficult and controversial. When it comes to micro enterprises, hsrinivas@gdrc.org is of the opinion that they defy a definition as they come in all sorts and their businesses in many sizes such as street venders, carpenters, seamstresses, peasant farmers and so forth. In Latin America and the Caribbeans, such businesses have 10 employees or less and they account for as much as half of all employment in many countries numbering about 50 million. According to them, women owned

businesses are one of the fastest growing segments of micro enterprise owning and operating 30-60% of such companies in Latin America and the Caribbean.

A micro enterprise is an enterprise which employs fewer than 10 persons and whose annual turnover and or balance sheet total does not exceed EUR 2 million. While a small enterprise is one who employs fewer than 50 persons and whose annual turnover and or annual balance sheet total does not exceed EUR 10 million. Where as a medium sized enterprise is one which employs fewer than 250 persons and whose annual turnover does not exceed EUR 50 million or whose annual balance sheet total does not exceed EUR 43 million (Europa Summaries of EU legislation, 2003). This definition has been updated to take account of economic developments. The definition is based on head count, turnover or balance sheet total. This is essential in order to identify businesses that are able to benefit from European Union (EU) programmes or policies specifically designed for micro, small and medium enterprises (MSMEs). The essence of this is to ensure that enterprises whose economic power exceeds that of MSMEs do not benefit from the support mechanism specifically intended for MSMEs. These definitions are in line with that of FCA source book (2013) whose major focus is on micro enterprise and sees it as a business that employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed $2 million. Employment criteria therefore stands out as a major criterion for identification of micro enterprises in all the cases mentioned.

A small enterprise according to Peterson, Albaum and Kozmetsky (1986) is one which is independently owned and operated and which is not dominant in its field of operation. Specific criteria have been used to operationalize the term “small enterprise”, from the perspective of value added, value of assets, annual sales, and number of employees. Annual sales and number

of employees are most often used to delimit the category. United Republic of Tanzania (URT) (2003) defined SME according to employment size and capital investment and asserts that a micro enterprise is one that has fewer than 5 employees, a small enterprise has 5-49 employees, a medium enterprise with 50-99 employees and a large enterprise with more than 100 employees. Capital investment range from less than Tshs5 million to over Tshs800 million. This is the Tanzanian currency of which 1USD = Tshs1,625.45.

Carpenter (2001) maintained that there is no one definition for small enterprises; they are defined in Nigeria and other countries based on one or all of the following: the size or amount invested in assets excluding real estate; the annual turnover and the number of employees. However, there seems to be concurrence of opinions when it comes to defining small enterprises in terms of asset parameter than on any other basis. This is because in case of an economic downturn, the impact on turnover and the number of people employed would be greater than the impact on asset base.

Small enterprises are often divided into Medium Scale Enterprise (MSE), Small Scale Enterprise (SSE) and Micro Enterprise (ME). Table 2.1 presents parameters-based definitions of MSE, SSE and ME given by various government agencies and associations in Nigeria. Specifically, the table contains definitions given by CBN, Federal Ministry of Industries (FMI), National Economic Reconstruction Fund (NERFUND), National Association of Small Scale Industries (NASSI), and National Association of Small and Medium Enterprises (NASME) (Babajide, 2011).

Table 2.1: Definition of Small Enterprises by Parameters

Agency/Associatio	Parameters

	Total Assets (N'm)			Annual (N') Turnover			No of Employees		
	MSE	SSE	ME	**MSE**	SSE	ME	**MSE**	SSE	ME
FMI	<200	<50	n.a.	n.a.	n.a.	n.a.	<300	<100	<10
CBN	<150	<1	n.a.	<150	<1	n.a.	<100	<50	n.a.
NERFUND	n.a.	<10	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
NASSI	n.a.	<40	<1	n.a.	<40	n.a.	n.a.	3 - 35	n.a.
NASME	<150	<50	<1	<500	<100	<10	<100	<50	<10

Source: Adapted from Babajide (2011)

From Table 2.1

MS – medium scale

SSE – smale scale enterprise

ME – micro enterprise.

From the table, it is clear that the basis of defining small enterprises in Nigeria as in other economies is based on three parameters:

i) the size or amount of investment in assets, excluding real estate;

ii) their total annual turnover; and

iii) the number of employees

In 2001, Small and Medium Enterprise Equity Investment Scheme (SMEEIS), a private initiative by the Bankers' Committee in Nigeria defined MSME as enterprises with an asset base not exceeding $3.85 million (N500 million) excluding land and working capital with staff strength of not less than 10 and not more than 300 (Sanusi, 2003). SMEDAN (2007) however, adopted a classification for National Policy on Micro, Small and Medium Enterprises (MSMEs) based on

the dual criteria of employment and assets (excluding land and building). The agency defined a ME as an enterprise that has total assets of less than N5 million and employs less than 10 people. It describes SSE as an enterprise with assets of between N5 million and less than N50 million and employees between 10 and 49. It further defined an MSE as any company with more than N50 million but less than N500 million worth of assets and employees between 50 and 199 people. According to the agency, in a situation where there is conflict in the classification between employment and assets criteria (for example, if an enterprise has assets worth six million naira (N6m) but employs 6 persons), the employment-based classification would take precedence and such an enterprise would be regarded as ME. Employment-based classification tends to be a relatively more stable definition, due to the fact that inflationary pressures may compromise the asset-based definition.

It is obvious that there is no universal definition of MSMEs. Some agencies and/or associations define MSMEs according to number of employees; others define them based on the level of assets or turnover or both. However, most definitions are based on a mix of the above parameters. This creates a definite problem for MSME operators. Lack of proper definition makes it difficult for them to take advantage of government-assisted programmes meant for them. The problem with these definitions of MSMEs in Nigeria is that they are not based on our present reality. They fail to address the situation on ground, but give a definition of MSMEs for record purposes, so as to suit and fit in with international standard regardless of the country's peculiarity. From Table 2.1, the Federal Ministry of Industries (FMI) in its attempt to define MSE and SSE failed to give a standard definition for ME, which is the main focus of microfinance. It bases its parameter of total assets, number of employees and turnover on MSE

and SSE but has no definition for ME. By so avoiding a standard definition for MEs, it gives the impression that MEs do not exist in the country despite USAID (2005) assertion that micro, small and medium enterprises (MSMEs) represents about 87 percent of all firms operating in Nigeria. NERFUND's definition made no reference what so ever to the existence of MSE and ME. This seems to be the order even for NASSI and CBN. The only exception is the NASME which has given recognition to the existence of not only MSE and SSE, but also ME and has also given a standard definition of all these enterprises.

This study therefore adopts the definition of ME as given by NASME due to the fact that NASME has given due recognition to all MSMEs in Nigeria. However, the study will not adopt its parameter of total assets and annual turnover. This is because its definition in terms of turnover and assets are not based on reality and fail to take note of the general economic trend in the country and the fact that these MEs are managed and based on the size of one's resources. A common problem with parameters for MEs as well as other categories of small enterprises in Nigeria is poor registration as most MEs in the country are mostly informal (Business Day, 2010).

2.2.4 Concept of entrepreneurship

For over two centuries, the term entrepreneur has been used and diverse definitions which has been revised and reinterpreted have been associated with it with the aim of arriving at the best definition. But there is no one best definition for who an entrepreneur is as the general frame of an entrepreneurship is a nexus of two camps (Shane, 2003).

The term ‘entrepreneur’ was traced by Herbert and Link to the writings of Richard Cantillon 1755 as someone who exercises business judgment in the face of uncertainty. The first glue we have here of an entrepreneur is that of someone who takes decision in the midst of uncertainties. This is further reechoed by Lerbenstein (1968) as one who marshals all resources necessary to produce and market a product that answers a market deficiency and also by Kirzner (1985) as one who perceived profit opportunities and initiates action to fill currently unsatisfied needs or to improve inefficiencies.

Entrepreneurship is a self-directed activity that does not occur spontaneously from the presence of technological or industrial change (Shane, 2003). On the other hand, it requires the action of individuals who identify and pursue opportunities. Accordingly, the environment alone cannot provide a complete explanation for entrepreneurship.

Shane (2003) therefore opines that, the division of entrepreneurship into the two camps environment-centric and individual-centric has stymied the development of the field as none of the camp is more “correct” than the other. Both explain equal amounts of the variance in entrepreneurship activity as the phenomenon of entrepreneurship cannot be explained by either environmental forces or individual factors in the absence of the other. Therefore, a comprehensive framework of entrepreneurship incorporates the effects of individuals as well as the effects of opportunities and the institutional environment in which the pursuits of opportunity occurs and not one perspective over the other.

The general frame of entrepreneurship therefore is the individual-opportunity nexus (Eckhardt & Shane 2003 ; Shane & Venkataraman 2000: Venkataraman 1997). Here the characteristics of opportunities; the individuals who discover and exploit them, the processes of resource acquisition and organizing and the strategies used to exploit and protect the profits from those efforts are examined.

Entrepreneurship therefore is seen as an activity involving the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organizing markets, processes and raw materials through organizing efforts that previously had not existed (Venkataraman 1993; Shane and Venkataraman 2000).

From the definition, entrepreneurship has to do with the existence of opportunities, their sources and forms and how these opportunities are discovered. It also has to do with the acquisition of resources and the ability of individuals to discover, evaluate and exploit opportunities and the strategies they use in pursuing the opportunities.

Operationally, entrepreneurs can be defined into two major ways: new firm formation and self employment. Self-employment refers to performing work for personal profit rather than for wages paid by others (Le, 1999 as defined by Shane, 2003). It also includes situations where the self employed person incorporates a business and employs others. New firm formation is defined as the forming of a business venture or not-for-profit organization that was not in existence before (Shane, 2003).

The work is premised on the operational definition of entrepreneurship, specifically in the area of self-employment

2.2.5 Concept of women entrepreneurship

Entrepreneurship is basically a male dominated area. The entrepreneur is not only seen as a man but the business is treated as an entity separate from the family, this is not the way women see their businesses. This is the cultural context in which the entrepreneur is seen and the legitimate reason for the study of women entrepreneurship. Female entrepreneurship is a subset of entrepreneurship and because of the uniqueness of women involves specifically focusing on women founders, their ventures and their entrepreneurial behaviors. According to Moore and Buttner (1997), until the beginning of the 1980's almost nothing was known about female entrepreneurs and the studies on entrepreneurs were almost entirely on men, scientific course on female entrepreneurship actually began to gain ground in the 80's. This emerged as a result of the attention by the developed countries on the relationship between women and the economy. The increase in women entrepreneurs during the 1990's was brought about by the dramatic increase in female employment since the second world war, the interest of institutional actors – political, economic and research now show in demographic change, the globalization of the economy and the demand by women for access to higher managerial positions as a consequence of their advancement in education and training (Bruni, Gherardi and Poggio, 2004). Therefore, aimed with the assumption that the enterprise is a rational economic activity and with equal opportunities for its gender citizenship, coupled with the widespread presence of small and medium enterprises and the fact that many now own or run small firms and even start new ones, the female entrepreneur now emerged.

The old gender stereotype of the female entrepreneurs is one that is described mainly in relation to the family business and in term of their family role. A woman entrepreneur: is one that belongs to a family of entrepreneurs, with a constant theme in their difficulties in balancing work and home under the assumption that their primary social responsibility is the home. Brush (1992); Ahl (2002) and Monaci 1997 are agreed on the opinion that studies on women entrepreneurs are broadly divided into five areas: the breeding grounds of female entrepreneurship; patterns of female entrepreneurship; the barriers against female entrepreneurship; the motivations of female entrepreneurs and the organizational and managerial methods – the "the enterprise culture" – of women entrepreneurs.

The breeding ground of female entrepreneurship is that majority of women entrepreneurs are concentrated and working mainly in the tertiary sector (commerce) and especially services. Three arguments have been given by (Bruni et al, 2004) for the tendency of women to create new businesses mainly in services and these are the fact that firstly the service sector is the sector in which they have more knowledge and experience. Secondly, most women lack specific technical skills and this tends to dissuade them from starting businesses in the manufacturing and high technology sectors and the likelihood of their surviving in those sectors is slim. Thirdly, the difficulties women encounter in obtaining financial resources causes them to choose low capital-intensive activities like those in the service sector.

The first implication of this is that women entrepreneurs are represented as located in ghettos within entrepreneurs that is in backward sectors, in sectors that are easier to enter and which have no value, and in areas where whatever skills they have as an extension is what had been

learnt naturally. The second implication is that the term entrepreneurship is characterized as male and superior while the female entrepreneurship is represented as the weaker section. This then is what has been institutionalized as objective and universal. The entrepreneur is defined in terms of the male entrepreneur and in this way it is only the experience and point of view of only one part of the entrepreneurial phenomenon that is represented. Against this background, there have been different patterns of female entrepreneurship. Monaci (1997) in his write-up combined the best known classification by Goffee and Scase 1985; Cromie and Hayes 1988 and identified the following typical profiles of women entrepreneurs: the 'aimless' young women who set up a business essentially as an alternative to unemployment; the 'success-oriented' young women for whom entrepreneurship is not a more or less random or obligatory choice but a long-term career strategy; the 'strongly success-oriented' women, usually without children, who view entrepreneurial activity as an opportunity for greater professional fulfilment or as a means to overcome the obstacles against career advancement encountered in the organizations for which they previously worked; the 'dualists', often with substantial work experience, who must reconcile work and family responsibilities and are therefore looking for a solution which gives them flexibility; the 'return workers', or women (usually low-skilled) who have quit their previous jobs to look after their families and are motivated by mainly economic considerations or by a desire to create space for self-fulfilment outside the family sphere; the 'traditionalists', or women with family backgrounds in which the owning and running of a business is a longstanding tradition and the 'radicals', or women motivated by a culture antagonist to conventional entrepreneurial values who set up initiatives intended to promote the interests of women in society.

The pattern of women entrepreneurship is a picture that reflects on how women run their private life: interruptions, discontinuities in business, inability to distinguish between business plans and personal plans. This pattern highlights the gendering processes in two ways; first by drawing a boundary between the public and private and secondly by representing women only in relation to the reproductive life-cycle.

Entrepreneurial activity is a public activity so according to Bruni et al, (2004), any signs of the private must be expunged from the female entrepreneurs as the "private" features of the male entrepreneurs do not generally interferes with the entrepreneurial project. The pattern of female entrepreneurs does not inspire confidence in the business world as it implies that family duties take priority in women's lives and that reproduction (and extended family, familial care) is mainly a female responsibility and that it should predominate over other responsibilities. This portrays women as untrustworthy entrepreneurs.

Three main types of barriers against female entrepreneurship have been identified by Bruni et al (2004). First, the socio-cultural status of women which identifies the primary role of women with family and domestic responsibilities thereby reduces the credibility of women intent on setting up businesses in various ways. Then the access to networks of information and assistance is difficult. These informal networks are often the main source of information and contact and finally access to capital is also difficult because of the general assumption that women are not able to handle money.

The arguments concerning the barriers of female entrepreneurship are that women are lacking in status networks and credibility. The persistence of this prejudice according to Thompson (1989) is that it springs from acceptance of the neoclassical view of a capitalist economy and its

individualistic assumption, that is that people who fail are individually responsible for their choices or they fail because they do not possess appropriate character traits.

Entrepreneurship involves starting a business and the main motivation why women may decide to start up a business are two and that is the "compulsion" factors which constrain women more out of necessity than choice and the positive or "attraction" factors which induce women to see entrepreneurship as an opportunity (Bruni et al, 2004). The motive behind attraction factors is as a result of the need to supplement an inadequate house hold income, another motive can be as a result of seeking for a solution through an activity in which formal selection criteria such as qualification, experience and gender is less stringent. At the same time, the motive can be a strategy in order to obtain greater margins of flexibility and discretion (Monaci, 1997). Compulsion, on the other hand, is depicted as a search for independence and autonomy in work, a search for professional self fulfillment, a search for income, the pursuit of a social mission and the social integration of the vulnerable members of society. In general, the entry of women into entrepreneurship is a complex mix of constrains and opportunities, of external coercion and subjective aspirations. Women are therefore, faced with the conflicting demands from the market and the family and those able to cope with these contracts are represented as skilled in the management of flexibility and rational resources and therefore a resource for the market economy. According to Brush (1992) and Chaganti (1986) firms set up and run by women tend to display a set of distinctive features in the start up and development phase of their business, the culture of the women entrepreneur is to use an approach that is not deliberate. Their leadership style is therefore transformational. They do this by fostering positive interactions and trust relation with and among subordinates and by sharing power and information in order to

encourage employees to subordinate their personal aims and interest to collective aims (Rosener, (1990). Female entrepreneurs are therefore women with different values and behaviours, there is then a social expectation based on their experiences as women.

Female entrepreneurs create new businesses mainly in the services areas. They run businesses in the 'traditional' sector business areas such as retail, personal services, food and catering and so forth and aspired to smaller than average business size (Evans and Leighton (1989) and this then is our concept of female entrepreneurship. Against this back ground, we have different patterns of female entrepreneurship. From the nine patterns of female entrepreneurship as given by Monaci (1997), the pattern of entrepreneurship of this study is based on the 1st, 4th and 5th patterns. First that of a young woman who sets up business mainly as an alternative to unemployment. Secondly, that of a dualist who wants to reconcile work and family responsibilities and the ability to have one business is a solution which gives them flexibility and finally the term connotes a worker or low skilled woman with a desire for self fulfillment and economic consideration. It could therefore, be concluded that entrepreneurship in this context involves starting a business out of compulsion as a result of necessity and at the same time to take hold of an opportunity in order to supplement an inadequate household income through an activity in which formal selection criteria of qualification, experience and gender is less stringent. The female entrepreneur is therefore one who is skilled in the management of conflicting demands of the market and family.

2.2.6 Concept of business performance

The performance of a business refers to the degree of its success in achieving the firm's objective. Business performance according to Venkatraman & Ramanujam (1986) is a subset of the overall concept of organizational effectiveness. Rauch, Wiklund, Lumpkin & Frese (2004) sees performance as a multidimensional concept and therefore may be assessed based on some indicators. In this regard, Ramanujam (1986) affirms that there is a high diversity of performance indicators and a common distinction is between financial and non-financial measures. Venkatraman & Ramanujam (1986) are of the opinion that financial performance alone does not give a broad or over all concept of business performance as this only indicates the financial indicators of a business and that the inclusion of operational performance indicators takes one beyond the black-box approach characteristic of the exclusive use of financial indicators and focuses on those key operational success factors that might lead to financial performance. According to them, even though business performance be measured using the financial indicators, operational indicators or both, a further consideration is the source of data. These then are the two basic but different concerns in the overall process of measuring business performance. These two approaches leads us to two perspective; one has a narrow perspective on business performance as its concept of business performance centres on the use of either financial or operational indicators (non-financial) with one of the sources of data. In this regard, Houthoofd, Desmidt & Fidalgo (2009) asserts that financial performance can rely on self report or archival data collected from secondary sources. The issue though is that because of the disadvantages of self reported data such as bias due to social desirability, memory decay and communication method variance, it is good to balance self-reported financial performance with archival financial performance and some non-financial performance measures. The broader conceptualization of using financial and non-financial indicators with data from primary source

and financial and operational indicators with data from secondary source and also the use of data from both sources on financial indicators and data from both sources on operational indicators respectively, represents a significant improvement in the quality of conceptualizing business performance as they help to address methodological concerns and further enabled the development of multiple performance criteria.

This study bases its business performance on both financial and non-financial indicators of business performance by the use of primary source of data. Such indicators in the microfinance parlance are broken down into economic and non-economic benefits.

2.3 Review of Empirical Studies

2.3.1 Microfinance and performance indicators

The most common economic benefits associated with any traditional or new investment and productive activities that firms and households engage in are: additional income, consumption smoothing and savings (Zeller, Gertrud, Joachin & Franz, 1997). The non-economic benefit has to do with the empowerment of clients, welfare, improved nutrition and hygiene, investments in children's education, greater participation in family planning and improved self-esteem (Meyer, 2002). These then are the major performance criteria for impact assessment of microfinance.

The enterprises of microfinance banks clients are usually micro in nature comprising one or two persons shop that engage in commercial, repair or small-scale production activities from their home or on an itinerant circuit. An impact assessment is designed to collect and analyze data to determine if the benefits expected were actually realized by the clients of microfinance. Due to the enormous benefits as well as the heterogeneous nature of the MFI clients the need therefore arises to clearly identify the most important benefits. In this regards, Hulme (1997) stresses the need for impact variables that will be used for measurement to be kept to a manageable number as a comprehensive approach will impact adversely on data quality and study relevance. Accordingly, economic indicators such as; income, assets, investment, savings etc are relatively easy to measure and frequently used to assess impact. Sociopolitical and psychological types of

impact such as empowerment, self-esteem, health, education, welfare and others refer to the individual, household and community level and can be analyzed with the help of more qualitative indicators such as an individual's control over resources, involvement in household and community decision-making and participation in community activities and social network and electoral participation (Goetz and Sen Gupta, 1996; Schuler and Hashemi, 1994; Hashemi et al, 1995).

The economic indicators are easy to measure but the non economic indicators such as empowerment, self-esteem, health, welfare among others are not easy to measure but at the same time can be measured by means of qualitative indicators as in above. Empowerment as a concept cannot be easily defined. To some people, it refers to the ability of people to gain understanding and control over personal, social, economic and political forces in order to take action to improve their life situations (Israel, Checkoway, Schultz & Zimmerman, 1994). To others like Page & Czuba (1999), empowerment is a multi-dimensional social process that helps people gain control over their own lives. It fosters power in people for use in their own lives, communities and their society. From these definitions, we see that empowerment is multi-dimensional as it can be social, personal, political, economic, psychological and even sociological (Czuba, 1999). The empowerment criteria used in this study is socio-economic in nature, as it comprises both social and economic factors. It is social, because it occurs in relationship to others and economic because of the increased control over resources both financial and otherwise.

Empirical studies on microfinance seem to focus on the assessment of its impact on the key indicators of performance such as the economic and non-economic ones. In what therefore follows, a review of studies on the relationship between the variables of the study is given. The review is on the relationship between MFBs financial services and performance; the non-financial services of MFBs and performance and MFB services and the living standard of female entrepreneurs.

2.3.2 Microfinance financial services and business performance

In determining the impact of microfinance on small business performance, most studies used profit as proxy for performance. However, other studies used additional business assets, income and expenditure, welfare, empowerment and increase in savings to represent business performance. In Olutunla and Obamuyi (2008), amount of bank loan obtained by firm, level of sales, age of business and firm size, and interest rate on loan were specified as factors that affect firms' performance. In this study the proxies for performance are additional income, savings, assets and empowerment. The economic indicators are additional income, savings and assets while the non-economic one is empowerment because as argued by Hulme (1997), these are the most important of all the indicators are relatively easy to measure and are the ones that are frequently used to assess impact at the enterprise level. Microfinance provides financial services such as; savings, loan provision, insurance, money transfer services among others. The proxies for microfinance financial services for this study are savings and loans as these are the most important and frequently used of all the financial services.

Gine & Karlan (2008), tested group and individual liability on micro credit group performance in Philippines on its male and female clients. Data was from a rural bank in Philippines. The aim was on repayment, savings, loan sizes, number of clients and client retention rates of group and individual liability. With the use of stratified random sampling using ordinary least square (OLS) regression method to test difference-in-difference model and Cox proportional hazard model, the result showed first, that individual liability compared to group liability leads to no change in repayment. That is individual liability leads to less monitoring and no default but group liability

were still needed as MFIs were unwilling to lend to individuals without group guarantors. Though the sample size was large enough, the scope was limited.

In a study in Ghana, Masakure, Cranfield and Henson (2008) presented a detailed analysis of the variation in business performance of microenterprise using data from the 1998/1999 Ghana Living Standards Survey (GLSS 4). The determinants of enterprise profitability was modeled using probit, OLS and quartile regression models to account for both the incidence and diversity in performance across the conditional mean distribution of profits. The results show that both the incidence and intensity of performance vary considerably across sub-sectors. For example, across microenterprises, activities related to trading and manufacturing are both associated with a higher chance of profitability and larger profits, while the opposite is true of the construction sub-sector.

Simeyo, Martin, Nyamao, Patrick and Odondo (2011) examined the effect of provision of microfinance on the business performance of micro enterprises in Kenya. The study employed cross-sectional survey design on youth micro enterprises and gathered data concerning the performance in terms of growth in income, loan repayment and growth in saving by means of primary quantitative data using questionnaire. Multiple linear regression analysis and Pearson correlation coefficient were used to establish the relationship and magnitude between microfinance services (independent variable) indicated as loan, savings mobilization and training and performance of micro enterprise (dependent variable). The empirical results revealed loan as the one with the highest contribution on performance of micro enterprises, followed by training and savings mobilization as the variable with the least but significant effect. The study had a

large sample size, but the scope was narrow as the study done in Kenya focused only on youth's micro enterprises.

Barnes and Keogh (2001) studied the impact of microloan on enterprise performance in Zambia. They found that Zambuko loan had a positive impact on the monthly sales revenue of the matched enterprise of repeat continuing clients. In spite of the unfavorable inflated economic environment, they earned an estimated Z$1,380 a month more than the non-clients in 1999. When considering the total net revenue from all the household's enterprises, positive gains were made by the departing clients and non-clients. Nevertheless, for both years, the level of income was higher for the continuing clients than the other two comparison groups. However, the estimated values in 1999 did not suggest that microfinance had an impact on the level of income from all the household's enterprises. Also, participation in the microfinance programme does not appear to have had an impact on employment in the matched enterprise and in all household enterprises. The focus of the study though was on one aspect of microfinance that is loans specifically and not loans and savings.

Coleman (1999) is one study that stands out in which there was no impact recorded for microfinance on income. In the study, he used a model to deal with selection bias in which he tried to find out who in the comparison village would have chosen to enroll in the village bank had they been available. He did this by making the interested villagers sign up a year in advance and in that way he could compare borrowers to people with the same 'entrepreneurial spirit' who had not been offered credit. No significant impact on household wealth (such as assets, savings, sales and school expenditure) using total sample of household from Northeastern Thailand was found.
Copestake et al (2002) estimated the effect of an urban credit programme in Zambia and found that microcredit has a significant impact on the growth in enterprise profit and household income in the case of borrowers who have received second loan. This study was corroborated by the findings of Sichanthongthip (2004) that points to positive impact of microcredit on the income level of individual borrowers achieved from the higher monthly income earned after the members accessed credit. Mosley (2001) evaluated the impact of loans provided by two

urban and two rural MFIs on poverty in Bolivia. He found that the net impact of microfinance from all institutions, at the average level, was positive in relation to borrowers' income, even though the net impact for poorer borrowers might be less than the net impact on richer borrowers. Although strong statistical tools were used with large sample, never the less the scope which is the area of coverage was limited with the focus being only on loans.

Pitt and Khandker (1996, 1998) noted that microcredit had a positive impact on women's non-land assets. Mosley (2001) also observed that there was a positive impact of microfinance on assets levels. He points out that accumulation of assets and income is generally highly correlated, leading to an extreme correlation between income poverty and asset poverty. Coleman (1999) investigated the impact of a village bank on borrower welfare in Northeast Thailand. He found that there was a slight impact of programme loans on clients' welfare. However, he discovered that the village bank had a positive and significant impact on the accumulation of women's wealth, particularly landed wealth but this result included bias from measured impact. On the contrary, McKernan (2002) found an inverse relationship between participation in programme and household assets. Zeller and Meyer (2002) asserted that savings and credit facilities help individual households build up or acquire funds for all kinds of investment. In their study, they found that household income increases by 18 taka for every 100 taka lent to women. They found net positive impact of credit programs on both human and their physical assets. Mixed result was seen when measuring the impact of credit program on education.

In Nigeria, Ekpe, Mat and Razak (2010) conducted a survey on microfinance factors on women entrepreneur's performance. The survey was done with the aid of structured questionnaire and interview on women along with secondary data from MFIs. Structural Equation Modelling was used to analyze the data. From the study, it was found that women entrepreneurs, especially in developing countries, do not have easy access to microfinance factor and, therefore, have low business performance than men. The research though well conducted adopted a conceptual approach and the hypotheses were not tested and so no statistical result was arrived at.

The incidence of personal savings is both an indicator of the client's level of control over resources and of the overall wealth and stability of the household economy. According to this hypothesis, program-related increases in income flows from the client's enterprise combine with enhanced individual control over resources to lead to an increased incidence of personal savings. As the material welfare microenterprise services allow clients to increase their contributions to that of the household, become better managers of their microenterprises, increase their influence over resource-related decision making, and increase their savings, then clients' self-esteem may also increase as a result of these positive changes. Clients also might perceive that they receive increased respect from other adults in the household. As microenterprises enhanced the client's ability to formulate and effectively implement proactive financial and economic plans for the future, then the client's perception of the future becomes more positive and the client effects client's future orientation through increases in savings, control over resources, and self-esteem. Assets and savings were also tested in like manner and

were found to have a significant relationship with microfinance. These findings on income, assets position, and savings corroborated the findings of Hannover (2005), NABARD (2005) & Patra (2008).

Empowerment criteria includes individual control over resources, involvement in household and community decision making, levels of participation in community activities and social networks and electoral participation (Schuler and Hashemi, 1994; Hashemi *et al*, 1996; Goetz and Sen Gupta, 1996). Hashemi *et al*. (1996) studied two main microfinance programmes in Bangladesh, the Grameen Bank and the Bangladesh Rural Advancement Committee (BRAC) to find their effect on women empowerment. They noted that the participation of the programmes had important positive effects on eight different dimensions of women's empowerment: mobility, economic security, ability to make small purchases, ability to make larger purchases, involvement in major household decisions, relative freedom from domination as a result of ownership of productive asset, political and legal awareness, and participation in public protest and political campaigning. The result also showed the effect of non member women living in Grameen village and these were more than likely to be empowered simply by living in Grameen villages (spillover effect). Mknelly and Dunford (1998 and 1999) measured the effect of microfinance on empowerment in Ghana and Bolivia. The authors developed a composite measure of empowerment. Out of a maximum score of seven, participants scored significantly higher than residents of comparison communities 4.2 vs. 2.8 in Bolivia and in Ghana the authors found limited positive impact on women. Osmani (1998) in his study observed improvement in the bargaining power of women in the family as a result of their access to credit. The study is limited in that some of the empowerment criteria used by the study is particular only to Bangladesh.

In a study conducted by Yawe (2002), it was discovered that microfinance contributed to women's economic empowerment in form of access to assets as well as control of assets. It also contributed to improved and expanded businesses and income, improved family welfare, reduced domestic violence, involvement in household and community decision making. Using data from rural Bangladesh 1998-1999, Pitt *et al* (2006) tested the assertion that participating in micro credit programs is an empowering experience for women whose life choices are otherwise restricted through poverty, patriarchy, and societal or religious norms. They also examined the effect of men's credit program participation on the same measure of female empowerment. Women empowerment was measured as a latent variable encompassing a number of indicators that proxy for a woman's autonomy, decision making power and participation in house hold and societal decision making. These indicators are ten in number and they are: purchasing, resources, finance, transaction management, mobility and network activism, house hold attitudes, husband behaviour, fertility and parenting, all variables. With the use of two-stage least squares and village fixed effect, they found that women participation in microcredit programs helps to increase women's empowerment. Despite the use of strong statistical tools, the study was tilted towards only the rural part of Bangladesh, meaning it had a poor coverage or limited scope.

In rural Kenya, a study was undertaken by Loice and Razia (2013) on the effect of microfinance intervention on empowerment of women entrepreneurs. The study used a causal survey research design and questionnaire on 80 members of a MFIs in the study area. With the use of linear multiple regression, the result showed microfinance interventions of credit and trainings to have a significant positive relationship with empowerment, while savings had no significant effect. The study was localized in one area and that is rural Kenya also the sample size used was small and from only one MFI which makes generalization difficult.

In Nigeria, studies on the relationship between microfinance and empowerment were also under taken. In 2002 Iheduru (2002), studied the effect of microfinance institutions on women empowerment. With the use of descriptive statistics, she found that microfinance affects empowerment positively. However, in view of time passage of more than a whole decade,

replication of that study for Nigeria has become necessary. The study at the same time was limited as the result was not subject to sophisticated statistical techniques in order to separate the effects of microfinance from other factors.

Of more recent, Akande (2012) did a performance analysis of MFBs in Oyo state in Nigeria. Using questionnaires and descriptive statistics of tables, frequencies, percentages and chi square the study found no significant performance due to high interest rate and short repayment periods. The study was however weak in its use of only descriptive statistics and at the same time the study had a poor states' coverage as it was tilted towards one state in Nigeria.

Still in Nigeria, Awojobi (2014) using descriptive statistics conducted a study on the impact of microcredit on women empowerment. Findings from the study showed significant improvement in the household well-being, income and employment and women's empowerment as a result of participating in microfinance program. The study was weak in its small sample size of forty localized in Lagos state as well as in its weak methodology as no strong statistical tool was used even in testing the hypothesis.

2.3.3 Non-Financial services and business performance

Microfinance Banks provides similar products and services to their customers just as formal financial institutions such as savings(investing), loans(credit services) and insurance(risk management) the difference though is in the scale and method of delivery. However, Brau and Woller (2004) asserted that microfinance banks are not complete without integrating non-financial services along with the financial services. A lot of non-financial services exists in the microfinance industry which includes; business education (Nourse 2001), health education (Smith 2002), training (Edgcomb 2002; Cook et al, 2001; Dumas, 2001; Fasoranti, Akinrinola and Ajibefun, 2006), pre-loan training, group membership and cross guaranteeship (Ogunrinola & Alege, 2007).

Kipesha (2013) is a study that stands out in which the performance of MFIs in Tanzania by integrating financial and non financial metrics using a balanced score card approach with five dimensions made up of financial and non financial aspects was studied. The findings of the study indicated low performance among the MFIs studied. In this case they seem to perform more on the non financial measures than on the financial measures. In their study based on Ghana Living Standard Survey (GLSS) data for 1998 through 1999, Masakure, Cranfield and Henson (2008) covered the effect of microfinance non-financial services on the performance of

microenterprises. They observed a weakness in the study and in the extant literature of some of the widely used measures of skill and knowledge acquisition to explain microenterprise performance. While the literature argues that apprenticeships positively influence firm performance such that former apprentices transfer the knowledge they acquire to their own businesses, their result failed to support that view. Although the majority of entrepreneurs in microenterprises in Ghana do not have apprenticeship training, those that do, often end up operating in sectors outside of that in which they had acquired apprenticeship. According to them, having undertaken an apprenticeship is not a strong explanatory power and at the same time, it is an artifact because of the way the variables were examined which makes them poor proxies for the entrepreneurs' knowledge base and management skills in the context of their current enterprise. They concluded that in real world situation, it is necessary to know not only the level of education and/or training entrepreneurs have received, but also the relevance of the skills they have acquired for their business if non-financial services are anything to go by.

The impact of microcredit and training on the efficiency of small scale entrepreneurs in Ondo State was examined by Fasoranti, Akinrinola and Ajibefun (2006). Technical efficiency of entrepreneurs was identified to be influenced by human capital variables (characterized by level of education, business experience and age) and socio-economic/institutional variables (characterized by loan interest, loan size, contact with lender, training programme and training experience). They estimated this by use of stochastic production function frontier also called the composed error model of Aigner and ordinary least square. The study is premised on determining the link between access to credit, training and technical efficiency and highlighting other significant factors that influence the level of efficiency in the baking, furniture making, and

burnt brick making micro-enterprises. The result obtained showed initial outlay and man hour to be the most significant factors influencing value of output for bakers, while capital outlay, man hour worked and expenditure on equipment in that order to be significant factor influencing value of output for furniture makers. For the burnt brick firms, capital outlay and labour were found to be the most important factors influencing the value of output. The findings of that study showed the significant determinants of technical efficiency of bakers, furniture makers and burnt brick makers to be age of operators, business experience, level of education, training experience, credit access, working capital and initial capital outlay. They therefore concluded according to Babajide (2011) that well structured training has positive impact on entrepreneur's level of efficiency. This conclusion cannot be generalized to other states as the study was only done in one state in Nigeria and at the same time in only the manufacturing sector, thereby giving a narrow coverage and scope.

In the same Western Nigeria, Ogunrinola and Alege (2007) used pre-loan training, group membership and cross guaranteeship as the non-financial services along with microcredit. The study found MFI to be of benefit to micro businesses in the rural based areas of Lagos State. Forty-two (42) of the enterprises that received microcredit reported business success as a result of the use of the loan they had received. The micro-entrepreneurs in the study area achieved a very high loan repayment rate of 96 per cent and a reduction in the rate of business failure and also restricted rural–urban migration. The study confirmed that pre-loan training, group membership and cross guarantee-ship have positive impact on microenterprise development in Lagos state. Though the sample size was large enough, the study had limited scope with the use of only one state out of thirty six states in Nigeria

Babajide (2011) used cross-sectional data obtained through a survey across the western states geo-political zone to examine the effects of non-financial services of MFBs on the performance of MSMEs with the use of multiple regression techniques. She used advisory services, pre-loan training, group membership, cross guarantee-ship, networking meetings, business training, and supervision as proxies for non-financial services in order to see if they affect microenterprise performance. Though the result was not conclusive, it tends toward establishing positive relationship between the dependent and the independent variables. Although the study had a wide coverage as it covered the South-West geopolitical zone, it is deficient in delimiting its study to 2004-2008 as the MFBs in Nigeria was officially launched in 2005 and any conclusive observation is expected to be at least two years after that.

2.3.4 Microfinance and living standard

Standard of living is measured for individuals by factors such as income growth, savings, welfare, quality and availability of education and employment, level of poverty, quality and affordability of housing, and affordability and accessibility to quality healthcare (Khan and Rahaman, 2007 and Panda, 2009). Studies on the relationship between microfinance and standard of living focused on the impact of the microfinance on income. The most direct outcome of microfinance participation is change in household income and business profits. Clients who receive loan will need to generate increased revenue over and above their loan repayments (principal plus interest) or impact will be negative, even if business revenue has increased. Aims Team (2001) affirms that credit is hypothesized to have a positive impact on income because it expands resource base.

A lot of studies have been conducted using these indices such as Pitt and Khandker (1996 and 1998) where the effect of microcredit were estimated on the above indices and the result showed that the clients of the program could gain by participating in the program as there was an increase in per capita consumption. At the same time, Khandker (2003) when conducting a research on the impacts of microfinance on household found the effect of microfinance on male

borrower to be weaker than the effect it had on female borrower with a decrease in return to borrowing all the time. It was also revealed from the study that among the poor, those with moderate poverty rather than extreme poverty tend to benefit from microfinance, as microfinance was able to reduce poverty sustainably among the participants with an even spillover effect at the village level. According to Pitt and Khandker (1998) for every 100 additional taka credit provided to women there was a yearly expenditure credit for house hold consumption by 18 taka as compared to 11 taka for men. On the contrary, though, Goetz and Gupta (1996) found microcredit programmes as inflicting extreme pressure on women by forcing them to meet difficult loan repayment schedules.

The impact of microfinance on income has been analyzed at the individual, household and enterprise levels. Hulme and Mosley (1996) carried out a survey using primary and secondary data with the use of *t*-test on different microfinance programmes in seven countries and found strong evidence of the positive relationship between access to a credit and the borrower's level of income. The authors observed that the middle and upper poor received more benefits from income-generating credit initiatives than the poorest. Zeller *et al* (2001) also examined the impact of microfinance on household income in Bangladesh by comparing eligible households in the Association for Social Advancement (ASA) and Bangladesh Rural Advancement Committee (BRAC) with eligible households in the Rangpur Dinarpur Rural Service village. Different impact estimates were found depending on the season.

Most studies on microfinance impact assessment use the logistic regression, the ordinary least square (OLS), probit regression tools as described in Wooldridge (2002) for linear and non-linear models. These techniques were applied by Khan and Rahaman (2007) in assessing the impact of microfinance on living standards, empowerment and poverty alleviation of poor people in Bangladesh. Multiple regression tools were also used between different variables related to standards of living. In the study it was found that people were able to increase their income taking loan from MFIs, they were also able to increase their savings. In the area of income and decision making, a relationship was also seen to exist between the two variables.

In the same vein, Panda (2009) used logistic regression to determine the impact of group-based microfinance on annual income and it was found that a positive relationship existed. This therefore proved that the income was determined by their participation in the group based microfinance. Of recent Khaki and Sangmi (2012) conducted an empirical study on microfinance

and Self Help Groups (SHGs) in terms of growth, income and improvement in living standard. The statistical tool used was mainly descriptive. In the study, 130 questionaires were given to the Southern district of Kashmir in India and only 60 were returned. From the result of the study, microfinance had significant contribution on the socio- economic development of SHG members with members showing significant increase in income and savings thereby decreasing their vulnerability. The study was weak in its use of only descriptive statistical tool and thereby unable to come out with statistical result on growth and income of the members. At the same time, no scientific method was adopted in arriving at its sample. The sample of 60 out of 130 used was not representative of the population.

In a recent study in Kogi state, Nigeria, Alani and Sani (2014) studied the effect of MFBs on the rural dwellers in Kogi state. Survey method was adopted with the use of questionnaire and interview with five MFBs selected by the use of judgmental sampling method. The findings revealed that the establishment of MFBs had significant impact on the life of the rural dwellers in Kogi state by mobilizing savings for financial intermediation and providing employment opportunities. The problem with this study was the small sample size as it made use of only five MFBs out of the twenty one MFBs in the state. This is not representative of the population and can affect the ability to generalize the findings. At the same time, these five banks were selected from only one senatorial zone in the state (Eastern senatorial zone). The statistical tool used to test the hypothesis was weak (Z-test) and it was done manually with the use of table value and calculated value instead of the P value.

Earlier on in Nigeria, Madichie and Nkamnebe (2010) examined the factors that constrained women entrepreneurs' access to microcredit. In the study, twenty women micro entrepreneurs were interviewed using convenience sampling in the capital city of Eastern Nigeria. In the study, three factors were observed that constrained women entrepreneurs and these are internal, socio-cultural and policy. Coupled by the fact that the study is tilted towards one state, it has a small sample size and limited scope which can affect the ability to generalize the findings.

Still in Nigeria, Taiwo (2012) did an empirical study on the impact of microfinance on welfare and poverty alleviation in South –West, Nigeria. With the use of primary and secondary data specifically questionnaire and interview along with descriptive statistics and multiple regression, the study found that microfinance helped improve the standard of living and social status. It was also found that the MFIs can get people out of their poverty with consistent utilization of loans. The report of the study although well written and with a wide scope made use of only eight local government areas in both Lagos and Ogun state. Considering that these two states have many local governments, the coverage and sample size used was therefore limited which might have made the findings more meaningful.

From the empirical literature reviewed, the gap identified is that no literature has been reviewed relating to female entrepreneurs performance specifically in Kaduna state, Nigeria.

2.4 Theoretical Framework

The basis of this study is on the entrepreneurship theory. There are several studies that have been forwarded to explain the field of entrepreneurship. Some of these theories have their roots in economics, psychology, sociology, anthropology and management. Such theories include the economic entrepreneurship theory, the psychological entrepreneurship theory of Landstrom 1998, the sociological and anthropological entrepreneurship theory of Reynolds (1991), North, 1990; Shane, 1994; Baskerville, 2003). Finally, we have the opportunity-based and resource-based entrepreneurship theory. This work is anchored on the last two theories,

the opportunity- based and resource based entrepreneurship theory; specifically the financial capital theory and human capital theory.

1 Opportunity- Based Entrepreneurship Theory

This theory according to Simpeh (2011) is anchored by people such as Peter Drucker and Howard Stevenson. Drucker (1985) believes that entrepreneur do not cause change but exploit the opportunities that change such as in technology, consumer preferences creates. Stevenson (1990) at the same time extends the opportunity –based construct to include resourcefulness. According to research, this is to determine the differences between entrepreneurial management and administrative management.

2 Resource- Based Entrepreneurship Theories

This theory stresses the importance of financial, social and human resources (Aldrich, 1999) as cited by Simpeh (2011). He asserts that access to resources by founders is an important predictor of opportunity based entrepreneurship and new venture growth. Access to resources enhances the individual's ability to detect and act upon opportunities that has been discovered. Under the resource based entrepreneurship theories, financial, social and human capital represents three classes of theories.

Financial Capital/Liquidity Theory

Access to financial capital enables one to fund new firms. This is because; financial capital enables one to acquire resources to effectively exploit entrepreneurial opportunities. This theory has been contested in the sense that most new ventures are started without much capital and that financial capital is not significantly related to the probability of being a new entrepreneur. This confusion about the amount does not need to arise because according to Clausen (2006) the issue is that new ventures are started with financial capital, irrespective of the amount. According to the theory, there are some individual - specific resources possess by some entrepreneurs which enables them to recognize new opportunities for use. The ability to recognize new opportunities and exploit them may be as a result of better access to information and knowledge (Shane, 2000, 2003; Shane and Venkataraman, 2000)

Social Capital or Social Network Theory

An entrepreneur access to social connections is a resource he can tape from and constitutes a significant proportion of their opportunity structure. According to Aldrich and Zimmer (1986) as cited by Simpeh (2011), stronger social ties to resource providers facilitate the acquisition of resources and enhance the probability of opportunity exploitation. They also emphasis the need for nascent founders to have access to entrepreneurs as the competence these people have represents a kind of cultural capital that nascent ventures can draw from.

Human Capital Entrepreneurship Theory

Two factors underline this theory, and these are education and experience (Becker, 1975). The knowledge gained from education and experience represents a resource that is heterogeneously distributed across individuals and helps in understanding the differences in opportunity identification and exploitation (Shane and Venkataraman, 2000).

These two theories can be linked to this research in the sense that there is a mediating relationship between opportunity for finance and women entrepreneur performance (Ekpe,

Mat and Razak (2010). Accordingly, women entrepreneur who have opportunity for microfinance that is the financial and non financial services, are able to generate entrepreneurial activities and subsequently business performance. The business environment provides opportunities for entrepreneurial activities and the ability to exploit such opportunities leads to the demand for microfinance in terms of resource acquisition. At the same time, the acquisition of microfinance which is a resource, along with the knowledge gained from education and experience could also lead to opportunity for entrepreneurial activity thereby leading to business performance. Microfinance cannot lead to business performance without opportunity for entrepreneurial activity. This is because according to financial management theorists, funds could only be sourced to finance a predetermined project, business or contract (Van Horne, 1980). Microfinance can only lead to business performance when one is engaged in either a new business or expanding an existing one (Shane, 2003). Microfinance therefore provides the needed opportunity for entrepreneurs for their businesses thereby leading to an improvement in their living standard (Shane, 2003). Ekpe et al (2010) opines that credit, savings along with the non financial services of microfinance could have positive impact on opportunity for entrepreneurial activity of women entrepreneurs which could lead to business performance. Microfinance therefore creates opportunity for entrepreneurs to generate income. The discovery of business opportunity and the exploitation of such opportunity leads to a search for funds and the acquisition of such funds creates opportunity for entrepreneurial income- generating activity thereby leading to business performance if resources are properly applied (Shane, 2003).

2.5 Summary

In this chapter, literature review was done on the concepts of microfinance and micro, small and medium enterprises while empirical studies were reviewed on microfinance and business performance with emphasis on the various indices of performance such as income, savings, assets and empowerment. In addition this, empirical works on the impact of non-financial services on business performance and the impact of microfinance on living standard were reviewed with the theoretical framework based on the opportunity and resource- based entrepreneurship theories.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodological framework used in attaining the stated objectives of the study. Its main focus is on the research design, type and sources of data, population description, sample and sampling technique, and a description of the choice of data collection instruments, questionnaire design, and techniques of data analysis used in the study.

3.2 Research Design

This is a correlational as well as an evaluative research study. It is correlational because it seeks to determine the relationship between microfinance and business performance. A correlational

research does not imply cause and effect relationship, it only determines that a relationship does exist between the dependent and independent variables but it does not mean that one causes the other. In order to achieve the above design, survey method was adopted. Survey was considered appropriate and capable of collecting large data required for the study. The method enables visual presentation and personal contact with some of the respondents as much as possible. The study tests the impact of microfinance on business performance of female entrepreneurs.

3.3 Population of the Study

The population of the study consisted of all women entrepreneurs who have accessed microfinance facility from the 24 micro finance banks in Kaduna state, Nigeria during the period under study. Categorization of the female entrepreneurs for this study was based on the categorization by the Kaduna State Poverty Alleviation unit as enunciated in the Report (2008) of Council Committee on data collection of petty traders in Kaduna state as at April. The document categorized petty traders into five categories: A, B, C, D and E. This form the basis of female entrepreneurs' categorization used in the study.

In category A, the female entrepreneurs included are saloon /hair dressers, fashion designers/tailors, provision store and patent medicine. Category B includes food stuff sellers and poultry farmers. The entrepreneurs in category C are knitting weaving, GSM operators/recharge card sellers and operators of grinding machines. No woman falls under category D as the trades included in this category are mainly handled by men. Such trade includes; motor cycle and bicycle mechanics, artisans, masons, vulcanisers, truck/wheel barrow pushers and so on. Category E traders include those producing and selling *akara*, *moimoi*, groundnut oil, tomatoes, *waina* sellers, fried fish, vegetable, *zobo*/ginger drink, and those selling yams and potatoes. The categorization is presented in Table 3.1.

Table 3.1 Categorization of Trade

Trade	A	B	C	D	E

Categories					
Types of trade	Saloon/hair dressers	Food stuff sellers	Knitting/weaving	Motor cycle and bicycle mechanics	Akara and moi moi sellers
	Fashion designers	Poultry farmers	GSM operators/recharge card sellers	Artisans, masons	Ground nut oil sellers
	Provision store		Grinding machine operators	Vulcanizers	Tomatoes sellers
	Patent medicine			Truck/wheel barrow pushers	Waina and fried fish sellers
					Vegetable sellers
					Zobo/ginger drink sellers
					Yam/potatoes sellers

Source: Report (2008)

3.4 Sample and Sampling Technique

In sampling out the categories, two filters were introduced. The first filter was used to exclude any category that does not have women under it in view of the focus of the study. This filter excludes category D. The second filter was used to exclude entrepreneurship in any category where the women do not keep proper record of their businesses. On this ground, the filter was used to exclude food stuff sellers in categories B, knitting/weaving and operators of grinding machines in category C and all the entrepreneurship in category E. Preliminary investigations show that the remaining entrepreneurs in categories A, B and C are likely to produce the necessary data needed for the study as the traders in these categories are usually fairly educated and prone to training and able to keep records. Table 3.2 therefore shows the final categorization of trade that the study is based on. That is that, the population of this study is defined based on all the female entrepreneurs in category A, B and C of Report (2008) who have access microfinance and are into saloon/hair dressers, fashion designers, provision store, patent medicine, poultry farmers and GSM operators/recharge card sellers, fairly educated, prone to training and able to keep records. Although the Report (2008) is the basis on which our definition of female entrepreneur evolves, a female entrepreneur is not always a petty trader.

Table 3.2 Final Categorized Trade

Trade Categories	A	B	C
Types of trade	Saloon/hair dressers	Poultry farmers	GSM operators/recharge card sellers
	Fashion designers		

	Provision store		
	Patent medicine		

Source: Report (2008)

The sample for the study was constituted using purposive sampling procedure from the banks that offered facilities to the female entrepreneurs in categories A, B and C. Purposive in the sense that women that fitted into the above categories were questioned and at the same time, women that were available and willing to be questioned were used. The 24 MFBs are spread across the twenty three (23) LGAs in the state. For the convenience of analysis, the senatorial division of the LGAs with their MFBs and the sample was used as in Table 3.3.

Table 3.3 PRESENTATION OF THE SAMPLED MFBs

NORTHERN SENATORIAL ZONE

S/NO	LOCAL GOVERNMENT AREA	MICROFINANCE BANK	70% SAMPLING RATE
1	Zaria LGA	Buni MFB, Zaria city	Buni MFB
2	Sabon Gari LGA	A.B.U. MFB, Samaru	
3	Kudan LGA	No MFB	
4	Makarfi LGA	Hamdala MFB, Tudun Wada	Hamdala MFB
5	Ikara LGA	No MFB	
6	Zaria LGA	Nakowa MFB, Gyellesu Zaria	Nakowa MFB,
7	Soba LGA	No MFB	
8	Lere LGA	Balera MFB, Lere and Kurama MFB, Yarkasuwa	Balera MFB, Lere

CENTRAL SENATORIAL ZONE

S/NO	LOCAL GOVERNMENT AREA	MICROFINANCE BANK	70% SAMPLING RATE
9	Giwa LGA	Giwa MFB, Giwa	Giwa MFB, Giwa
10	K/North LGA	Fahimta MFB and Abokie MFB,Waff Rd. Kaduna	Abokie MFB
11	K/North LGA	Kaduna Poly MFB	Kaduna Poly MFB
12	K/South LGA	Barnawa MFB and Kada MFB	Barnawa MFB
13	Chikun LGA	Sabon Yelwa MFB, S/Tasha Kaduna	Sabon Yelwa MFB
14	K/NorthLGA	Microcred MFB	Microcred MFB
15	Igabi	Ajiya MFB and Kafur MFB	Ajiya MFB

SOUTHERN SENATORIAL ZONE

S/NO	LOCAL GOVERNMENT AREA	MICROFINANCE BANK	70% SAMPLING RATE
16	Kauru LGA	No MFB	
17	Kachia LGA	Legacy and Bajju MFB Zonkwa	Legacy
18	Kagarko LGA	Bunkasa MFB, Jere	Bunkasa
19	Jaba LGA	Hamda MFB, Kwoi	

20	Jema'a LGA	Gwong MFB, Fadan Kagoma and Fadan Chawai Kafanchan	Gwong and Fadan Chawai(Common Wealth)
21	Kaura LGA	Gworok MFB	Gworok
22	Z/Kataf LGA	Atyap MFB, Samaru Kataf	Atyap(Nenzit)
23	Sanga LGA	No MFB	

Source: Poverty Alleviation Unit, Kaduna state (2011)

Northern senatorial zone with eight LGAs and six banks; Central senatorial zone with seven LGAs and ten banks; and Southern senatorial zone with eight LGAs and eight banks. Using a 70% sampling rate (70% was chosen as it gives a greater representation and according to Osuala (2005) is a more realistic figure for a survey research). Four banks were sampled from the Northern senatorial zone: Buni MFB in Zaria city; Balera MFB; Nakowa MFB; and Hamdala MFB. In the Central senatorial zone, seven banks were sampled namely: SabonYelwa MFB, S/Tasha; Kadploy MFB; Giwa MFB; Kafur MFB; Abokie MFB; Microcred MFB; and Ajiya MFB. In the Southern senatorial zone we have six banks and these are: Fadan Chawai MFB; Bajju MFB; Bunkasa MFB; Gworok MFB; Legacy MFB; and Gwong MFB. Altogether seventeen (17) banks were sampled out of the 24 MFBs in Kaduna state.

With the use of random sampling seventeen (17) banks were sampled. These 17 sampled banks are representative since the total numbers of MFBs operational in Kaduna state for the period were twenty four (24).

Women entrepreneurs who fall under category A, B and C in the 17 banks were sampled, the sample was purposively constituted from females who have accessed microfinance facilities and volunteered to participate in the study. The total population of the female clients from the 17 MFBs was 100,130 see Table 3.4. According to Krejcie and Morgan (1970), a sample size of 383 is appropriate for a population that is 100,000. Therefore for this study, with a population of 100,130 a sample size of 384 females under category A, B and C of Report (2008) and who volunteered to participate in the study was appropriate. Table 3.4 gives the spread of the 384 female loan clients across the three senatorial zones from the 17 MFBs.

Table 3.4 TOTAL FEMALE LOAN CLIENTS AND THEIR SAMPLE

BANK	NUMBER OF FEMALE LOAN CLIENTS	Sample
Legacy	**8835**	**34**
Gworok	**1384**	**6**
Gwong	**4378**	**17**
Fadan Chawai (commonwealth)	**10692**	**42**
Atyap (Nenzit)	**5609**	**22**
Microcred	**53543**	**206**
Sabon yelwa	**2428**	**9**
Abokie	**1964**	**7**
Kaduna polytechnic	**990**	**4**
Giwa	**711**	**2**
Ajiya	**549**	**2**
Balera	**850**	**3**
Nakowa	**1663**	**6**
Zaria city	**734**	**2**

Barnawa	**3798**	**15**
Hamdala	**525**	**2**
Bunkasa	**1477**	**5**
TOTAL	**100,130**	**384**

Source: 17 MFBs sampled

The population of women entrepreneurs who have accessed microfinance from the 17 MFBs was 100,130. In order to represent all the banks in the sample, proportionate sampling was used to sample women who satisfied the criteria and were willing to participate in the study. The distribution is shown in Table 3.4 above.

3.5 Source of Data and Instrument of Data Collection

The study used primary data, which was collected through the instrument of questionnaire. A self-administered questionnaire was used in view of its advantage of enabling the researcher collect all completed responses within a short period of time and creating an opportunity for the researcher to explain on the spot the terms or parts of the questions that is not understandable to the respondents. The questionnaire was administered with the help of the banks' loan officers and some research assistants who assisted with translation of the questionnaire into local language, where necessary. A discussion was also held with the various managers and loan officers of the 17 MFBs as to the type of non financial services offered by them and their suggestions on how MFBs can impact on clients.

In order to recruit the women, seventeen (17) MFBs that have female entrepreneurs who fall under category A, B and C and who accessed bank facilities out of the twenty-four (24) MFBs in the state as per Table 3.3 were visited. The remaining seven (7) banks were left out because they do not have women clients that satisfied the criteria discussed earlier. Each of the selected banks was visited once. Relationship officer (s) of the bank led the researcher to their clients' shop. Copies of the questionnaire were purposively administered to as many as available and willing to participate in the study.

3.5.1 Pilot test of the questionnaire

A pilot study was done to test the practicability of the study and to see how effective the questions were in measuring the variables concerned and getting the required answers from the respondents. In order to achieve this, copies of the questionnaires were given to colleagues, senior colleagues, statisticians for comments before the pilot study.

The questionnaire was structured to elicit information on the impact of microfinance on business performance and also on the factors that affect the performance of micro businesses. The questions were mainly closed-ended with a few open-ended at the end to solicit information which will aid discussion of the work. A scale rating of five-point was used for the proxies to dependent variable while the proxies to independent variable were made up of closed ended and

likert scale questions. According to Krosnick & Fabrigar (1997), a likert scale of between five to seven points is more reliable and valid than shorter or longer scales. Likert scale was considered appropriate because in addition to the fact that it is a type of psychometric response scale often used in questionnaires to elicit perceptual responses, it helps to deal with large number of items and difficulties in eliciting specific information from the respondents (Singh and Smith, 2006). Perceptual performance measures were used since actual financial data from most of the respondents will not be publicly available, therefore, making it difficult to check the accuracy of any financial data reported.

The questionnaire was structured into seven (7) main sections (Appendix 1). Section A and B dealt with the entrepreneur characteristics and enterprise characteristics adapted and modified from the work of Gadenne (1998). Sections C and D were part of the independent variables with primary continuous data that dealt with non-financial services of MFBs (section C) and information on loans and savings (financial services) (section D) adapted and modified from the work of Babajide (2011) and Obianuju (2012). Sections E and F were the dependent variables and the focus were on business performance and living standard, being adapted and modified from the work of Khan and Rahaman (2007). The last section G was on general comments mainly to aid discussion.

3.6 Model Specification and Technique of Data Analysis

Hypothesis 1

The study adopted with modification, the tool used by Simeyo *et al* (2011) to test for the effect of microfinance on the performance of youth micro enterprises in Kenya. The tool was used in this study to test for the impact of financial services of MFBs on the business performance of female micro entrepreneurs in Kaduna state specifically in hypothesis one. The determinants of microfinance services in Simeyo *et al* (2011) were credit, savings and training which were used as the independent variables, while performance which was the dependent variable in their

study was depicted as growth in income, loan repayment and growth in savings. The tool was modified in this study to take credit and savings alone as proxies for microfinance. This was considered appropriate since training in this study was assessed independently as part of the non-financial services of microfinance. Business performance which is the dependent variable was depicted in this study as income, assets, savings and empowerment. These were chosen because as argued by Hulme (1997), they are the most important, are relatively easy to measure and are the ones that are frequently used to assess impact at the enterprise level. Mathematically, therefore in this study,

Microfinance(MF) = $f(MF_L + MF_S)$----------1

Where:

MF_L = Microfinance loan

MF_S = Microfinance savings

Business performance of female entrepreneurs (Bp) = f(AK + AS + S + EMP)----------2

The model specified for hypothesis one is thus:

$Bp = \alpha + \beta_1 MF_L + \beta_2 MF_S + \varepsilon_t$ ----------3

Where:

Bp is the function AK(income), AS(assets), S(savings) and EMP(empowerment) that represents business performance of female entrepreneurs

MF_L = Microfinance loan

MF_S = Microfinance savings

ε = Error term

α, β = Parameters to be estimated

The nature of the data is continuous variables on multiple dependent interval variables therefore multiple regression was used. Since the dependent variable is in Likert scale, ordered logit regression was used. It was expected that the independent variables MF_L and MF_S would be able to show the impact of microfinance on the performance indicators AK, AS, S and EMP of female entrepreneurs.

In addition to the above which is applied in hypotheses 1 and 4 due to their multiple dependent and independent continuous variables, the same ordered logit regression analysis was used for hypothesis 2.

Table 3.5 Measurement of Variables – Hypothesis 1

SN	Variables	**Measurement**
	Dependent Variables	
1	Business performance	Income from likert scale coding of 1 to 5 of significantly decrease to significantly increase
2		Assets from likert scale coding of 1 to 5 of significantly decrease to significantly increase

3		Savings from likert scale coding of 1 to 5 of significantly decrease to significantly increase
4		Empowerment from likert scale coding of 1 to 5 of strongly disagree to strongly agree
	Independent Variables	
1	Capital borrowed (loan) form MFB	likert scale coding of 1 to 5 of significantly decrease to significantly increase
2	Amount saved with MFB (savings)	likert scale coding of 1 to 5 of significantly decrease to significantly increase

Author's compilation 2014

Hypothesis 2

Multiple regression specifically, ordered logit regression analysis is also applied in this hypothesis due to the nature of variables. The independent variables are continuous in nature along with the dependent variables. This statistical tool is used to explore the predictive ability of a set of independent variables on one continuous dependent measure (Pallant, 2001). The independent variables are the non-financial services and these are training, advisory services, network meetings, supervision/monitoring and membership of a group.

Business performance was compared on these set of explanatory variables. The coefficient of the variables measures the marginal effects of the independent variables on small business performance. Performance in this case is measured by the performance indicators used in hypotheses 1 as in above which are income, assets, savings and empowerment.

In the same vein, Simeyo et al (2011) work was on the effect of microfinance services on performance of youth micro enterprises in Kenya. The services they examined were both financial and non financial in nature. Their model is therefore used in this hypothesis with the exclusion though of the financial aspect of microfinance (loans and savings). The model of Simeyo et al (2011) is:

$Mp = \alpha + \beta_1 L + \beta_2 S + \beta_3 T + \varepsilon$----------4

Where, Mp --- Micro enterprise performance, α ------ Constant (autonomous performance)
L ----- Loan, S ----- Savings mobilization, T------ Training in Micro enterprise investment, $\beta_{1....} B_3$ ------ Coefficients of independent variables and ε --- Error term

This is now modified for this study as:

$Bp = \alpha + \beta_1 T + \beta_2 AS + \beta_3 M + \beta_4 N + \beta_5 S/M + \epsilon$----------5

Where:

Bp = Female Business Performance

Bp is the function AK(income), AS(assets), S(savings) and EMP(empowerment)

T = Training

AS = Advisory Services

M = Member of a Group

N = Network meetings

S/M = Supervision/Monitoring

Table 3.6 Measurement of Variables – Hypothesis 2

SN	Variables	**Measurement**
	Dependent Variables	
1	Business Performance	Income from likert scale coding of 1 to 5 of significantly decrease to significantly increase
2		Assets from likert scale coding of 1 to 5 of significantly decrease to significantly increase
3		Savings from likert scale coding of 1 to 5 of significantly decrease to significantly increase
4		Empowerment from likert scale coding of 1 to 5 of strongly disagree to strongly agree
	Independent Variables	

1	Training	likert scale coding of 1 to 5 of strongly disagree to strongly agree
2	Advisory services	likert scale coding of 1 to 5 of strongly disagree to strongly agree
3	Member of a group	likert scale coding of 1 to 5 of strongly disagree to strongly agree
4	Network meetings	likert scale coding of 1 to 5 of strongly disagree to strongly agree
5	Supervision/monitoring	likert scale coding of 1 to 5 of strongly disagree to strongly agree

Author's compilation 2014

Hypothesis 3

In this hypothesis, the effect of microfinance on living standard is being examined using logit regression. This is as a result of the continuous data derived from the independent and dependent variables that are likert in nature. In order to test hypothesis 3, the technique of Simeyo et al (2011) was adapted and modified as below:

$Mp = \alpha + \beta_1 L + \beta_2 S + \beta_3 T + \varepsilon$---------- 4

Where;

Mp = Micro enterprise Performance

L = loan

S = savings

T = training

This is now modified as:

$LS = \alpha + \beta_1 L + \beta_2 S + \varepsilon$ ----------6

Where:

Living Standard(LS) = f(InI + InS + BAE + BAH + EO)----------7

Where:

InI = Increased Income

InS = Increased Savings

BAE = Better Access to Education

BAH = Better Access to Healthcare

The above variables are proxies to living standard

L = Loans

S = Savings

Table 3.7 Measurement of Variables – Hypothesis 3

SN	Variables	**Measurement**
	Dependent Variables	
1	Increased income	Likert scale rating of 1 to 5 of strongly disagree to strongly agree
2	Increased savings	Likert scale rating of 1 to 5 of strongly disagree to strongly agree
3	Better access to education	Likert scale rating of 1 to 5 of strongly disagree to strongly agree
4	Better access to healthcare	Likert scale rating of 1 to 5 of strongly disagree to strongly agree
	Independent variables	
	Loan	likert scale coding of 1 to 5 of significantly decrease to significantly increase
	Savings	likert scale coding of 1 to 5 of significantly decrease to significantly increase

Author compilation 2014

3.7 Diagnostic and Robustness Test

Apart from the multiple regression statistical method which is inferential in nature mentioned above, there were preliminary data analysis methods which are descriptive such as cleaning and screening of data, descriptive statistics, factor and reliability analysis. Cleaning and screening are examinations of basic descriptive statistics and frequency distributions. These are done to detect values that were out of range or that were improperly coded. This is done by running a frequency test for every variable to identify any missing response (Appendix 2).

Descriptive statistics was carried out to ensure that no assumptions made for a test is violated. These descriptive statistics include the mean, standard deviation, range, skewness and kurtosis (Pallant, 2001). In the case of factor analysis, this is a way of checking the variables in order to reduce them to a meaningful, interpretable and manageable set of factors (Cavana, Dalahaye and Sekaran, 2001). Factor analysis was not conducted for this study because even though the study sample meets the requirement for conducting factor analysis which should be 100 or larger, the variables should be quantitative at the interval or ratio level. Categorical data are not suitable for factor analysis (Hair et al, 2010). The study variables were mixtures of categorical and interval data.

A test of reliability was conducted from various item statistics using Cronbach's alpha., Cronbach alpha is still the most commonly used method though it may underestimate reliability (Hair et al, 2010). Cronbach's alpha was conducted to measure the internal consistency of the research instrument. It is a consistency test of whether or not all items within the instrument measure the same thing. Cronbach's Alpha ranges in value from 0 to 1 with higher values indicating greater reliability. A coefficient equal to .5 is considered a minimum acceptable level (Nunnally, 1978). This statistic provides an indication of the average correlation among all the items that make up the scale. The internal consistency for this instrument is considered high.

3.8 Summary

The study is correlational with the use of survey method. The sampling technique, size and method of data collection were discussed in the chapter. The statistical tools used for analysis and interpretation were described and the reliability of the instrument measured. Although the data analysis methods were described, the analysis and discussions of the study itself is discussed in the next chapter.

CHAPTER FOUR
DATA PRESENTATION AND ANALYSIS

4.1 Introduction

The study is on the impact of Microfinance Bank Services on business performance of female entrepreneurs in Kaduna state. In order to attain this, the study attempted to assess the impact of microfinance on the business performance of female entrepreneurs in Kaduna state. At the same time, it examined the effect of non-financial services of MFBs in enhancing the business performance of female entrepreneurs in Kaduna state. Finally, the effect of microfinance on the living standard of the female entrepreneurs was examined.

The data collected is therefore presented, analyzed and the findings are discussed. The first presentation is the descriptive statistics of the respondents and main variables used in the study. This is then followed by the reports and discussion on the multiple regression analysis result.

4.2 Descriptive Statistics

The study used various sets of independent and dependent variables. The descriptive statistics presented in Table 4.1 shows the mean values, standard deviation of variables in the questionnaires that made use of five likert scale, together with the minimum and maximum scores. In the table, the key independent variables are capital (loan), savings and training, while the dependent variables are additional income, business asset, savings and empowerment.

Table 4.1 Descriptive Statistics

	Training	Capital	Savings	Additional Income	Buiz Asset	Amount Saved	Empowerment
N Valid	384	384	384	384	384	384	384
Missing	0	0	0	0	0	0	0
Mean	3.0339	3.3490	3.1432	3.4896	3.4219	3.3333	4.0677
Std. Error of Mean	.07424	.05223	.05538	.03885	.04070	.04358	.04125
Median	4.0000	3.0000	3.0000	3.0000	3.0000	3.0000	4.0000
Mode	4.00	3.00	3.00	3.00	3.00	3.00	4.00
Std. Deviation	1.45477	1.02353	1.08530	.76127	.79761	.85401	.80831
Variance	2.116	1.048	1.178	.580	.636	.729	.653
Skewness	-.095	-.285	-.386	.017	-.255	-.066	-1.794
Std. Error of Skewness	.125	.125	.125	.125	.125	.125	.125
Kurtosis	-1.493	-.328	-.349	-.157	.690	.186	5.071
Std. Error of	.248	.248	.248	.248	.248	.248	.248

Kurtosis							
Range	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Minimum	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maximum	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Sum	1165.00	1286.00	1207.00	1340.00	1314.00	1280.00	1562.00

Source: Author's Computation Using Eview (2014)

From the table, the mean of the dependent and independent variables are; 303%, 334%, 314%, 348%, 342%, 333% and 406%. This indicates that the variables do not fluctuate, that they are all within the normal range. Their respective coefficient of variation which is determined by the ratio of standard deviation to the mean are; 47%, 30% 34%, 21%, 23%, 25% and 19% indicating that the level of variability in the observation within the variables is not high. The skewness and kurtosis were all close to 0 and 1 which are considered tolerably mild except for empowerment which has kurtosis value of 5.071, implying higher than normal peak. The minimum is 1 all through while the maximum is 5. The mean, median and mode values are close to each other indicating the absence of outliers. The data is fairly normally distributed as can be seen from both the kurtosis and the level of the descriptive statistics.

4.2.1 Reliability of research instrument

Scale reliability was conducted from various item statistics using Cronbach's Alpha. The result obtained was .54 (Table 4.2). Cronbach Alpha is considered the most appropriate statistical test for reliability as they are more rigorously carried out. Cronbach's Alpha ranges in value from 0 to 1. A coefficient equal to or greater than.5 is considered a minimum acceptable level.

Reliability

Scale: ALL VARIABLES

Table 4.2 Case Processing Summary

		N	%
Cases	Valid	384	100.0
	Excluded(a)	0	.0
	Total	384	100.0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.543	49

4.2.2 Correlation matrix

Correlation Matrix shows the correlation coefficients between the dependent and independent variables and between the independent variables themselves. It is used to determine the relationship between the dependent and independent variables of the study (Chandrasekharan, 2009). And also to determine the strength and direction of the relationship between the different variables being investigated. The correlation coefficients between the independent variables can be used to determine the extent of multicollinearity between the independent variables. In interpreting the correlation, a correlation of 0.5 to 1.0 or -0.5 to -1.0 is large and 0.10 to 0.49 or -0.10 to -0.49 is weak (Cohen, 1988). It must not at the same time exceed 0.9 and above or multicollinearity will exist (Pallant, 2001). Multicollinearity exist when two or more independent variables are highly correlated and this makes the determination of important predictors to be confusing.

From the correlation matrix in Table 4.3 it can be seen that the relationship between the variables are all positive. There is no multicollinearity between the independent variables as all the coefficients are below 0.9.

Table 4.3 Correlation Metrics

	TRAINING	CAPITAL	SAVINGS	INCOMEGENERATED	BUIZASSET	AMOUNTSAVEDBUIZ	EMPOWERMENT
TRAINING	1.000000	0.169149	0.158985	0.217040	0.122670	0.102277	-0.041921
CAPITAL	0.169149	1.000000	0.573057	0.512215	0.542000	0.416190	0.258552
SAVINGS	0.158985	0.573057	1.000000	0.445753	0.509130	0.565284	0.259759
INCOMEGENERATED	0.217040	0.512215	0.445753	1.000000	0.599058	0.502695	0.105276
BUIZASSET	0.122670	0.542000	0.509130	0.599058	1.000000	0.567298	0.380807
AMOUNTSAVEDBUIZ	0.102277	0.416190	0.565284	0.502695	0.567298	1.000000	0.186595
EMPOWERMENT	-0.041921	0.258552	0.259759	0.105276	0.380807	0.186595	1.000000

Source: Author's Computation Using Eview (2014)

4.3 Results and Hypotheses Testing

This study was conducted to test the following hypotheses;-

$H0_1$: Microfinance Bank financial services have no significant impact on the business performance of female entrepreneurs in Kaduna state, Nigeria.

$H0_2$: Non-financial services of MFBs have no significant role in enhancing the business performance of female entrepreneurs in Kaduna state, Nigeria.

$H0_3$: Microfinance Bank services have no significant effect on the living standard of female entrepreneurs in Kaduna state, Nigeria.

4.3.1 Hypothesis one result

Hypothesis one stated that Microfinance Bank financial services have no significant impact on the business performance of women entrepreneurs in Kaduna state. Microfinance according to literature earlier discussed in chapter two was represented by loan and savings and business performance was represented by income, assets, savings and empowerment. This hypothesis was

tested with the use of quantitative primary data and multiple regression analysis, specifically ordered logit was used for the independent (microfinance) and dependent (business performance) variables. The result of this test answered the first research question and hypothesis.

Ordered logit as the name implies was used because of the dependent variable that is of a likert scale, in order to determine how much of the variance in performance can be explained by microfinance and which of the variables is the best predictor. The result is shown in Table 4.4 and it indicated regression equations which are generally positively significant for both loans and savings with a (z-Statistic>2, coefficient that has positive contribution throughout and $p<0.05$ throughout). Both predictor variables loans and savings (indicated as capital and amount saved in the questionnaire), contributed positively to the dependent variable (business performance). The coefficient shows the contribution of the independent variables to the dependent variables and secondly, the direction of the contribution, whether it is positively related or not. The coefficient in this hypothesis revealed that there is a significant contribution of the independent variable to the dependent variable and that this contribution is positive throughout except for empowerment (electoral matters) see Appendix 4. Why this is so is not understandable, because one would have expected that microfinance would empower them. At the same time although both predictor variables contributed to performance in terms of additional income, asset and savings positively, the contribution of loans (capital) to performance is higher than that of savings (>100% almost throughout). In terms of performance, the result from hypothesis one showed that the female entrepreneurs are performing in the area of additional income, assets acquisition and savings ($p<0.05$, z-Statistics>2). On the other hand, in the area of empowerment the females were not

empowered by the microfinance services acquired except in their ability to control resources and participate in family decisions (p>0.05, z-Statistics=2) see Appendix 4.

Table 4.4 Ordered Logit Result between Microfinance and Business Performance of Female Entrepreneurs

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	*1.049397*	*0.138174*	*7.594742*	*0.0000*
AMOUNTSAVED	0.689443	0.122753	5.616527	0.0000

Dependent Variable: Additional Income

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	1.008618	0.135765	7.429137	0.0000
AMOUNTSAVED	0.691381	0.124836	5.538323	0.0000

Dependent Variable: Asset

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.314398	0.124462	2.526055	0.0115
AMOUNTSAVED	1.295894	0.137271	9.440434	0.0000

Dependent Variable: Amount Saved Business

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.316880	0.117691	2.692475	0.0071
AMOUNTSAVED	0.273033	0.111870	2.440624	0.0147

Dependent Variable: Empowerment

Source: Inferential Results Appendix 4

4.3.2 Hypothesis two result

The second hypothesis stated that non-financial services of MFBs have no significant impact in enhancing the business performance of female entrepreneurs. The non-financial services are; training, advisory services, group membership, network meetings and supervision while performance from literature is represented by increased income, assets, savings and empowerment. In order to test this hypothesis, ordered logit multiple regression tool is used to relate the predictor variables (non-financial services) with the dependent variables (performance). The overall result is shown in Appendix 4.

There is a significant positive relationship between training and performance throughout (z-Statistic > 2, $p < 0.05$). The contribution of training on performance generally though is not high

as can be seen from the coefficients. Notwithstanding this, training has the highest contribution on performance when compared with the other non-financial services Table 4.5. There is no significant relationship between the other non-financial services that is advisory services and supervision (z-Statistic < 2, p > 0.05) on performance except network meetings (z-Statistics > 2, p < 0.05) when compared with the performance indicator savings. The relationship between membership of a Group and performance varies as it is negatively significant with the performance indicator asset and savings and negatively insignificant with the performance indicator additional income and empowerment. In a study conducted by Simeyo et al (2011), an observation was made that micro entrepreneurs should be given individual loans instead of group loans as they seemed to perform better with individual loans. Although training showed a significant relationship with performance, in the area of empowerment, there was no relationship (p > 0.05, coefficient 10%) what so ever. The relationship between network meetings and performance was not constant as it had a positive non significant relationship with two of the performance indicators (additional income and asset) and a significant positive relationship with savings and a significant negative relationship with empowerment (Table 4.5).

Table 4.5
Ordered Logit Result between Non-financial Services and Performance

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAI	0.319802	0.069356	4.611049	0.0000
ADVISORYSERVI	0.133468	0.093319	1.430239	0.1526
MEMBERGROUP	-0.192502	0.127082	-1.514787	0.1298
NETWORKMEETI	0.109057	0.147251	0.740619	0.4589
SUPERVISEDMO	-0.042119	0.082484	-0.510634	0.6096

Dependent Variable: Additional Income

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAI	0.203255	0.068308	2.975570	0.0029
ADVISORYSERVI	0.123963	0.093441	1.326643	0.1846
MEMBERGROUP	-0.258516	0.129013	-2.003797	0.0451
NETWORKMEETI	0.052979	0.148433	0.356920	0.7212
SUPERVISEDMO	-0.024957	0.081368	-0.306718	0.7591

Dependent Variable: Asset

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAI	0.144077	0.067133	2.146137	0.0319
ADVISORYSERVI	-0.004627	0.090582	-0.051085	0.9593
MEMBERGROUP	-0.508740	0.132463	-3.840632	0.0001
NETWORKMEETI	0.380150	0.149191	2.548072	0.0108
SUPERVISEDMO	0.106322	0.079998	1.329061	0.1838

Dependent Variable: Savings

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAI	0.102103	0.075054	1.360397	0.1737
ADVISORYSERVI	0.082388	0.104593	0.787704	0.4309
MEMBERGROUP	-0.091224	0.144410	-0.631702	0.5276
NETWORKMEETI	-0.404225	0.168616	-2.397308	0.0165
SUPERVISEDMO	-0.061252	0.089491	-0.684451	0.4937

Dependent Variable: Empowerment

Inferential Result Appendix 4

4.3.3 Hypothesis three result

Hypothesis three stated that microfinance has no significant effect on the living standard of women entrepreneurs in Kaduna state, Nigeria. Microfinance is represented by loans and savings (independent variable) while living standard (dependent variable) is proxied by factors such as income growth, savings, welfare, quality and availability of education and employment, quality

and affordability of housing, and affordability and accessibility to quality healthcare (Khan and Rahaman, 2007 and Panda, 2009). The most direct outcome of microfinance participation is change in household income and business profits. The result is as presented in table 4.6.

Table 4.6
Ordered Logit Result between Microfinance and Living Standard

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.420297	0.131530	3.195438	0.0014
AMOUNTSAVED	-0.408774	0.123187	-3.318319	0.0009

Dependent Variable: Access to Health

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.479809	0.130282	3.682845	0.0002
AMOUNTSAVED	0.707119	0.124887	5.662062	0.0000

Dependent Variable: Operational Assistance

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.261352	0.141254	1.850221	0.0643
AMOUNTSAVED	1.119230	0.145445	7.695208	0.0000

Dependent Variable: Savings Increased

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.822789	0.156829	5.246419	0.0000
AMOUNTSAVED	0.450961	0.144918	3.111836	0.0019

Dependent Variable: Increased Income

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.597362	0.137068	4.358141	0.0000
AMOUNTSAVED	-0.340333	0.126660	-2.686985	0.0072

Dependent Variable: Better Financial Situation

The result in Table 4.6 demonstrates the effect of microfinance on factors of living standard. The probability value (p) indicates the level of significance between the predictor variables and the dependent variable. Generally $p<0.05$ through out. The contribution of MFB to living standard is positive, indicating that the more the women participate in the use of the microfinance facilities in the bank capital and amount saved, the better their living standard. The predictor variable amount saved though in Access to health and Better financial situation proves contrary to this indication as their contribution is inversely significant (coefficient-0.408774 and -0.340333).

This indicates that the amount saved affects their ability to access health and better financial situation in a significant negative way implying that the more health facilities they access the lesser the amount the entrepreneur will be able to save in the MFB. On the other hand, the less health facilities they access, the more the amount saved in the bank. It can be seen that the loan facilities they acquire which is indicated as capital as well as amount saved has played a key role in enhancing their living standard.

4.4 Discussion of Results

This study was conducted to determine the performance of microfinance women entrepreneurs in Kaduna state. It is appropriate since improving women's access to financial services is one of the policy thrust of the microfinance industry. The study has been empirically carried out in Kaduna state using such statistical tools as ordered logit used to test the significance of microfinance on women entrepreneurs' business performance and living standard.

4.4.1 Discussion of hypothesis one

The impact of microfinance financial services on performance of women traders which was the first hypothesis showed a significant relationship between microfinance and the indices of performance which are additional income, assets, savings and empowerment. The contribution of loan to performance is more than that of savings as can be seen from the coefficient and implies a strong positive relationship between bank loan and performance. Indicating an increase in performance with increase in the amount of loans. This confirms Keasey and Watson (1991) that the use of banks' financing by SMEs is associated with higher business performance. Out of the four performance indicators, the women seem to perform more in the area of additional income acquired, asset acquisition and savings (z-Statistic >2). They perform less in the area of empowerment with (z-Statistic ≤ 2) in some aspect, (see Appendix 4). In the area of empowerment, the performance is worst in the area of electoral matters indicating that the provision of microfinance to women entrepreneurs have a negative impact when it comes to the issue of election see Appendix 4.

In line with the above findings, Simeyo et al (2011) using multiple regression analysis on the effect of microfinance on performance of youth micro enterprises also observed that the impact

of microfinance on the performance of the youth micro enterprises was significant. In their study, the predictor variables were loan, savings and training and in support of the findings of this study, loan was also found in their study to be the variable with the largest important contribution on performance, with savings being the least important. Microfinance is a financial intermediation that is focused mainly on credit and savings and the implication of this is that for the women entrepreneurs to perform, both of these facilities must be in force. One cannot be emphasised to the detriment of the other. In this regard, Scott (2003) reiterated that in the past, microfinance focused almost exclusively on credit; savings were the 'forgotten half' of financial intermediation. The savings mobilization has recently been recognized as a major force in microfinance. Schreiner (2001) in support states that the recent shift from micro credit to micro finance reflects that loans as well as savings are the two major factors needed to improve the well being of the poor in general and women in particular. This result also confirms the works of Afrane (2002), Yahaya, Osemene and Abdulraheem (2011)) in Kwara state where the result revealed among other things that microfinance helps in generating employment and also provides small loans to grow small businesses and of recent Ocholah et al (2013). At the same time it does contradicts the work of Hulme and Mosley (1996), Morduch and Haley (2002) and Arsyad (2005) who are of the opinion that microfinance alone cannot impact on the clients and that the environment of a MFIs affects its performance and that their impact will increase where basic infrastructures are available for the clients to benefit from. The non significant relationship between microfinance and empowerment appears to be a surprising result as one might expect microfinance to be related to women empowerment. This though confirms the work of Mayoux (2006) that the contribution of microfinance to women empowerment is generally less than expected. Though Matovu (2006) sees otherwise, as according to his study microfinance had

been able to empower women thereby strengthening them and enabling them to occupy political office at their local levels. The conclusion from hypotheses one is that there is a significant relationship between microfinance and women ability to acquire additional income, assets and savings, but when it comes to the area of their empowerment, microfinance does not seem to empower them especially on electoral matters.

4.4.2 Discussion of hypothesis two

The significant positive relationship between training with additional income, assets and savings is consistent with previous research which shows that acquiring relevant training leads to improving their business performance (Webster and Fidler, 1996; Bowen and Makarius 2009; Simeyo et al, 2011; Babajide, 2011). From the result in Table 4.5 the relationship between membership of a group and performance varies, as it is negatively significant with asset and savings and negatively insignificant with additional income and empowerment. The implication of this is that as the women perform better and are able to acquire more assets and savings, they tend to opt out of group membership loans to individual loans. In this regard, Simeyo et al (2011) had earlier on made an observation that micro entrepreneurs should be given individual loans instead of group loans as they seem to perform better with individual loans. This is surprising though as the general believe is that they should prefer group loan. However, it does confirm the work of Gine & Karlan (2008). This is the same thing with supervision which contributes negatively to performance, implying that the supervision done by the MFBs does not contribute to their performance. This though is surprising too as it is generally expected that bank supervision should have a positive impact on client performance. Advisory service was observed to have a positive relationship with performance though it was not significant. This implies that

the advisory services of the banks have not helped in improving the performance of the women entrepreneurs especially in the area of savings where a negative relationship was observed. In this regard a lot still needs to be done by banks to make women entrepreneurs see the need to save as the advice by the bank is not having impact. We can infer from the findings that network meetings had been able to impact positively on the women's' ability to save from their businesses. This is because of the significant and positive relationship between network meetings and the performance indicator savings. This implies that network meetings have been able to contribute to the female entrepreneurs' savings and that the more network meetings they attend, the more it increases their savings from their business. This confirms Henry (2006), but at the same time, from the same result network meetings had not been able to empower them indicating that the more empowered the women are, the less network meetings they attend and vice versa. We can conclude from this analysis that the non financial services of MFBs had no significant impact on the performance of women entrepreneurs, except in the area of training and network meetings (savings) and that in the area of group membership, the significance was negative.

4.4.3 Discussion of hypothesis three

From the result presented in Table 4.6 there is a significant effect of microfinance bank services on living standard. This confirms the work of Khan and Rahaman (2007). From the result the contribution of the predictor variable amount saved along with capital (loan) was generally high unlike in the first hypothesis indicating that the combined effect of loan and savings were contributing to their living standard. The predictor variable amount saved at the same time had a significant negative relationship with access to health and better financial situation meaning that where the women had more access to health facilities, their ability to save was low; also, the

women entrepreneurs saved less with better financial situation and vice versa see Table 4.6. The first scenario is understandable in the sense that their ability to access health facilities has reduced the amount to be saved in the MFB. The surprising one was the situation where better financial situation led to low savings in the MFB. This is an unexpected result because the general expectation is that better financial situation should lead to more savings in the MFB and vice versa. But in this case, they women saved less with better financial situation. Could this be because of the need to acquire more assets (result of hypothesis three) that they tended to save less in the bank? Or is it as a result of the unattractive saving rate in the MFBs? It could also indicate that the MFBs loan staff were relaxed in their duty of collecting repayments as in the interview conducted, some of the women complained about the burden of frequent repayment everyday and that this was affecting their businesses especially as they had to close their shop since there was no employee to hand over to any time they needed to go to the bank to make returns. Their contention was that they would appreciate if the bank staff could instead come to their shop to collect their returns. The implication is twofold: first, if the women are not saving as they should, they women will loose their ability to secure further loans and secondly on the part of the bank, they will be at the loosing end because if all effort is not made to recover their money from clients the bank will fold up eventually. The responsibility lies therefore in the hands of the loan officers to visit their clients regularly to collect returns so as to improve their savings into the MFBs.

4.5 Policy Implications

Micro entrepreneurs are the normal customers of MFBs and a large number of these are involved in various kinds of trade and their ability to access funds is very important not only for

themselves but also for the development of the economy. Studies aimed at assessing their ability to access microfinance loans and business performance would be of great importance and significance. Findings from such studies therefore have a number of implications. The policy implications of this study are therefore enumerated.

First given that female micro entrepreneurs are performing on account of the loans they acquire, the findings of this study could be used by the government to see to it that some amount is set aside in the budget each year for on-lending to the MFBs in favour of their clients which will help to improve the funding of MFBs and therefore enable them to improve on their lending to micro entrepreneurs especially female entrepreneurs. The issue is, even though it is in the CBN regulatory framework 2005 guideline that 1% of the state or LGA funding should be channeled to MFB this study has however shown that this is not fully implemented. This should be fully implemented.

Secondly since MFBs are an important source of financing for women micro entrepreneurs as per its policy objective of improving women access to funds, CBN should make this workable by formulating policies that will increase micro entrepreneurs' opportunity to obtain efficient and effective credit facilities so as to further improve their accessibility. Such policies as assisting the MFBs with some loans for their clients and making the procedures and policies favourable to the low income earners who are the typical users of the MFBs so that they can easily access the facilities and be empowered to perform in their businesses.

Thirdly, the policy emphasizes the role of supervision and monitoring in the role of management of micro finance clients, this study found that the non-financial services of training and network

meetings is of more value to clients as it impacted more on their performance. There is therefore the need to look at this policy of supervision and monitoring and modify it to respond to the need of the clients.

Finally, the MFB policy mentions micro entrepreneurs as one of its target clients; it is however silent about its responsibility towards the funding needs of SMEs. The CBN policy should be explicit about this and set out adequate policies that will foster the needs of SMEs since the MFBs may not meet all their finance needs.

CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The study assessed the impact of micro financing on female entrepreneurs in Kaduna state, Nigeria. The problem of the study stemmed from the fact that microfinance banking services have been provided to cater for the economically active poor in the state; the issue, therefore, arising from the literature is how accessible are these services to female entrepreneurs who form the bulk of the economically active poor. There is also the need to ascertain the business performance of these entrepreneurs as a result of the microfinance banking services that they enjoy (if any).

In line with these, the study formulated and tested hypothesis in respect of the impact of microfinance services on the business performance of women entrepreneurs. Hypotheses were also formulated and tested in respect of the effect of non-financial services of MFBs in enhancing the performance of female entrepreneurs in Kaduna state. Also, the effect of microfinance on the living standard of female entrepreneurs was equally tested.

From a sample of 384 females drawn from 17 MFBs spread across the 23 LGAs, data were collected by the use of questionnaire with the female entrepreneurs bank clients. Ordered logit regression statistical tool apart from descriptive statistics was used to analyze the data.

The study found that microfinance had significant impact on performance of female entrepreneurs especially in the area of additional income, assets acquisition and savings but in the area of empowerment; the significance was not constant throughout. The study found training and network meetings to some extent to be the only non-financial services of MFBs that significantly influenced the business performance of the female entrepreneurs in the area of additional income, savings and asset acquisition only but not in the area of empowerment. Membership of a group on the other hand had a significant negative relationship with two of the performance indicators asset acquisition and savings. Microfinance banking services had positive impact on the living standard of the female entrepreneurs.

5.2 Conclusions

The study was based on assessing the impact of microfinance bank financial services on the business performance of female entrepreneurs in Kaduna state, Nigeria. Also it assessed the role of non-financial services of MFBs in enhancing the business performance of female entrepreneurs. Finally, the study examined the effect of microfinance bank services on the living standard of women entrepreneurs in Kaduna state. Based on these objectives, the following conclusions were drawn.

Microfinance bank financial services have greatly enhanced the business performance of women traders in Kaduna state. This is because of the significant positive relationship between microfinance and the indices of performance which are additional income, assets, savings and empowerment. The predictor variable that contributed most to performance was loan. The women though seem to perform more in the area of additional income acquired, followed by in their acquisition of assets and savings in the business. The performance in the area of empowerment was less. From the fact that loan contributed most on performance, we can conclude that the loan facility given to the female entrepreneurs in Kaduna state was adequately being utilized.

The conclusion from our second hypothesis is that the non financial services of MFBs did not have any significant impact on the performance of women entrepreneurs, except in the area of training which had a significant impact on additional income, asset acquisition and savings and also in the area of network meetings which had a significant impact on savings. None of these non-financial services impacted on empowerment. Group membership on the other hand impacted negatively.

In the area of living standard, microfinance impacted on the living standard of the women entrepreneurs, with the impact being mainly on account of the loans acquired. The contribution from savings was observed to be low; this we assume can be as a result of slow collection mechanism on the part of the loan officers or the women themselves being unwilling to save.

5.3 Limitations of the Study

The possible limitations of this study include nature of sample, time period and nature of the data.

5.3.1 Nature of Sample

The study made use mostly of female micro entrepreneurs whose trade is within category A, B and C as set out by the Report (2008) of the Kaduna state poverty alleviation unit. This method is likely to limit the generalization of the results of the study to other entrepreneurs who are

not within the above category and also to other entrepreneurs who are not micro in nature but are either small or medium scale in nature.

5.3.2 Time Period

The period of the research used has limited the research in terms of period covered which is from 2009-2013. This type of research usually takes the form of time series with the period ranging for many years. However since the MFBs in Nigeria was officially launched in 2005, adequate data could only be gotten after takeoff such as after two years for research purpose.

5.3.3 Nature of the data

The data used in this study has to do with the use of cross sectional survey design which captures the perceptions of respondents at a point in time. This can be used to prove causal relationships. Cross sectional studies are, however, generally accepted as valuable in understanding the current nature of a problem.

The use of self-reported perceptual measures in assessment is subjective as it is subject to the respondents' personal experience and frame of mind. The respondents were however assured of confidentiality and as such volunteered information that could be relied on.

The study used four dependent variables (income, assets, savings and empowerment) and two independent variables (loans and savings) as measures of performance and microfinance respectively for hypothesis one. For hypothesis two, the dependent variables are as in hypothesis one, but the independent variables used were; training, advisory services, network meetings, group membership and monitoring/ supervision. In the third hypothesis the independent variables are as in hypothesis one but the dependent variables for living standard were; income, savings, better education and better health care.

5.3.4 Nature of the firm

The study is concerned only with entrepreneurs involved in trading out of the total number of firms operating in Nigeria such as manufacturing, agriculture, artisan, service and this is limited only to female micro entrepreneurs in Kaduna state.

5.4 Recommendations

1. Entrepreneurs

Since loan has a positive impact on business performance, entrepreneurs can apply for more money at any time. This they can do by simply replacing their current loan agreement with a new one for a larger amount. They can also enter into a second agreement by opening a new loan and running the two side by side.

Microfinance Banks

Still on loans, as we have seen that loans contributes greatly to performance, the MFB should device ways to extend the loan periods beyond the maximum loan size to match varying borrowing powers of clients so as to enable the entrepreneurs have adequate time to invest the loan and use the returns for repayment. The MFBs can device ways such as adopting to extend the loan period of their clients by giving them a flexible borrowing option, such as loans of ₦10,000 - ₦50,000 to be repaid over a maximum period of 5 years, while loans of ₦50,000 - ₦10,000 to be repaid over a maximum period of 7 years. At the same time, repayment should include a grace period with reasonable schedule. Still in line with loans, one of the ways that performance can be enhanced is to raise the minimum loan size. This can be operational if the government can help to supplement the funding of MFBs in order for the MFBs to continue to give out loans. It was observed from the research how an entrepreneur left a particular MFB to another MFB because according to her, her business had expanded and the small loan she was receiving from her former bank was not able to meet her demand.

In order to encourage issuing of loans by MFBs, CBN should relax their regulations when it comes to MFBs as the operation of MFBs is quite different from that of the Deposit Money Banks (DMBs) and instead formulate policies that are suited to the operations of a MFB considering the fact that the DMBs serve as correspondence banks to MFBs and as such one should not expect a MFB to function as its correspondence bank.. This will in turn affect the operation of the MFBs which will manifest in their relationship with their clients thereby encouraging borrowing by the clients. Also MFBs should seek long term funds from the pension and insurance companies in the country. This will enable them grant larger volume of loan and to greater number of people which will improve their outreach level.

2. Training was found to have a positive significant relationship on the income, assets and savings of entrepreneurs, therefore entrepreneurs should be encouraged by the MFBs to improve on their business skills and in addition endeavor to acquire additional skill as this will have the potency to increase their level of productivity. In this aspect, SMEDAN, NASME are advised to adhere to the microfinance policy by lending funds to MFBs so as to be able to handle the aspect of training their clients consistently.

3. Network meetings was seen to significantly contribute positively to performance especially in the area of their savings. Therefore, MFBs should be encouraged to organize meetings that will pull people in the same line of business together so as to share experiences that will enhance their business performance. This, therefore, is a positive tool to use to encourage savings since

the women savings capacity was found to be low. The experiences gained from such meetings are expected to encourage the women entrepreneurs on the need to save.

4. Loan officers of MFBs should embark on aggressive loan collection. In hypothesis one and three in which we saw the impact of microfinance bank financial services on business performance and on living standard, we observed that the contribution of savings on these dependent variables was minimal when compared with the contribution of loans. It was, therefore, concluded that the amount the female entrepreneur save in the MFB is not commensurate with the amount of loan or capital given out and that the women were not seeing savings as a necessary part of microfinance. It is therefore recommended that the loan officers should see it as their duty to visit their clients regularly to collect returns. If they loan officers wait for the women to bring their returns, the women may not be faithful to it and this may affect the operations of the bank and the inability of the women to secure further loans.

5 Finally, the findings should be of policy relevance to women micro entrepreneurs about the necessity of savings seeing from the findings that for the women to perform in their businesses, they must save as well as acquire loans as it is their ability to save that gives them the veto power to borrow from the banks. It is hoped that the result of such findings would make them devise means of improving on their savings with the MFBs so as to attract more loans thereby impacting on their business performance much more.

5.5 Suggestions for Further Research

To increase our knowledge on the application of microfinance loans by women, the following areas are suggested for further research:

1 The instrument of the study is cross sectional survey with the use of perceptual measures. This might limit generalization of the results especially in analytical terms; a similar study should be done using longitudinal survey to properly follow up from when the access to credit of MFBs started to a particular point in time.

2 Further research on microfinance and the impact on female entrepreneurs' performance could be conducted by the use of secondary sources of data and interview.

3 It is also possible to particularly look at the influence of demographic factors on the business performance of women entrepreneurs who access credit.

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APPENDIX 1 QUESTIONNAIRE

Department of Accounting

Faculty of Administration

Ahmadu Bello University

Zaria.

`

Dear Respondent,

The researcher is a Ph.D. Accounting and Finance student of the Department of Accounting, Ahmadu Bello University, Zaria. She is conducting a research on "Impact of Micro financing on the Performance of Women entrepreneurs in Kaduna State" in partial fulfillment of the requirement for the award of Ph.D. degree in Accounting and Finance.

You are required to please respond to each of the items o6n this questionnaire as applied to you. Be assured that your responses will be held in strict confidence and will be used only for research purposes. You do not need to indicate your name.

Thank you for your cooperation.

Yours sincerely,

Anietie Charles Dikki (Mrs.)

Ph.D/Admin/45293/04-05

SENATORIAL ZONE:

North ☐ Central ☐ South ☐

SECTION A: ENTERPRENEUR CHARACTERISTICS

A1i) Age (a) up to 20 yrs ☐

` (b) 21 – 30 yrs ☐

(c) 31 – 40 yrs ☐

(d) 41 – 50 yrs ☐

(e) 51 – 60 yrs ☐

(k) 60and above ☐

A1ii) Indicate the actual age

A2) Level of Education

(a) Religious Knowledge ☐

(b) Primary school certificate ☐

(c) Secondary school certificate ☐

(d) OND//NCE ☐

(e) HND/B.sc/B.A. ☐

(f) Postgraduate Qualification PG/Masters/Ph.d ☐

(f) Any other (Specify) _____

A2i) Did you acquire any apprentice training?
(a) Yes (b) No

A3) Marital Status:

(a) Married ☐

(b) Single ☐

(c) Divorced ☐

(d) Widowed ☐

(e) Separated ☐

A4) Do you have children? Yes ☐ No ☐

A5) If yes state number

(a) 1 – 3 ☐

(b) 4 – 6 ☐

(c) 7 – 9 ☐

(d) 10 – 12 ☐

(e) 13 and above ☐

(A6) Do you have dependents? Yes ☐ No ☐

(A7) If yes to question above, how many

(a) 1-3 ☐

(b) 4-6 ☐

© 7-9 ☐

(c) 10 and above ☐

SECTION B: ENTERPRISE CHARACTERISTICS

(B8) Form of Business:

(a) Sole proprietorship ☐

(b) Family ☐

(c) Partnership ☐

(d) Co-operative ☐

(e) Others (Specify)…….

(B9) Location of Business:

(a) Urban ☐

(b) Rural ☐

B10) Business address----------

(B11) Type of Business:

(a) Saloon/hair dressers ☐

(b) Fashion designers/tailors ☐

(c) Provision store ☐

(d) Patent medicine ☐

(e) Poultry farmers ☐

(f) GSM operators/recharge card ☐

sellers

(g) Any other specify _____

(B12) How did you acquire your business?

(a) I purchased it ☐

(b) I inherited it ☐

© I founded it ☐

(d) lease ☐

* (e) Others (Specify)…….

(B13) How old is your business? months ---------- years ----------

(B14) Size of Business:

(a) fewer than 5 employees (micro scale) ☐

(b) 5 - 49 employees (small scale) ☐

(c) 50 - 99 employees (medium scale) ☐

(d) More than 100 employees (large scale) ☐

Note: State actual number of employees in the boxes

(B15) Is your business registered?

(a) Yes ☐ (b) No ☐

If answer to question 15 above is Yes, then when was it registered?----------

SECTION C: NON-FINANCIAL SERVICES

In the following section, you are to rate yourself based on the scales provided

Strongly disagree SDA	Disagree DA	Undecided UD	Agree A	Strongly agree SA
1	2	3	4	5

	SDA 1	DA 2	UD 3	A 4	SA 5
C16) I acquired training related to my business					
C17) I was given some advisory service					
C18) the advisory service given helped to improve my business					
C19) Membership of a group is mandatory before any loan is obtained					
C20) Cross guarantee ship is a pre requisite for loan					
C21) Network meetings are facilitated for me					
C22) The network meetings had impact on my business performance					
C23) I was supervised/monitored					
C24) These services have helped my business performance					

SECTION D: INFORMATION ON LOAN AND SAVINGS

	SD 1	**D 2**	**LI 3**	**I 4**	**SI 5**
D25) The capital borrowed from MFB					
D26) The amount saved with MFB					

SECTION E: IMPACT ON BUSINESS PERFORMANCE

The following statements assess the impact of micro finance on performance. You are to rate your business in the last one year. Please indicate your perceived

performance to the statements based on the scale provided.

Significantly decrease (SD}	Decrease (D)	Little increase (LI)	Increase (I)	Significantly Increase (SI}
1	2	3	4	5

		SD 1	D 2	LI 3	I 4	SI 5
E27	The amount of sales for the past year					
E28	The additional income generated from the business on monthly basis					
E29	The profit generated from the MFB					
E30	The approximate level of your total business asset for the last year					
E31	The frequency of your savings from your business					
E32	The amount saved from your business					

EMPOWERMENT

In the following section, you are to rate yourself based on the scales provided

Strongly disagree SDA	Disagree DA	Undecided UD	Agree A	Strongly agree SA
1	2	3	4	5

		SDA 1	DA 2	UD 3	A 4	SA 5
E33	As a result of access of microcredit I have increased Control over resources(financial/land/property etc)					
E34	I am more involved in family decision making					
E35	My participation in community affairs such as decision making has increased					
E36	My ability to interact with people in my community and be heard has increased					

SECTION F: IMPACT ON LIVING STANDARD

	SDA 1	DA 2	UD 3	A 4	SA 5
F37 My income has increased					
F38 My savings has increased					
F39 Better access to education					
F40 Better access to healthcare					
F41 Better financial situation of the family					
F42 Role in decision making process has increased					

SECTION G: GENERAL COMMMENTS

Have you encountered any problem in accessing the loan yes or no?
Can you suggest 3 of such problems

Was the bank able to provide solutions to them?

Are there factors militating against your business performance or expansion?
If Yes, name 2 or 3 of such factors

How do you think they can be solved?

APPENDIX 2 DATA FREQUENCIES

Frequency Table

Var1: SZ Senatorial Zone

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	North	114	29.7	29.7	29.7
	Central	100	26.0	26.0	55.7
	South	170	44.3	44.3	100.0
	Total	384	100.0	100.0	

Var2: A1i Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	up to 20 yrs	4	1.0	1.0	1.0
	21 – 30 yrs	46	12.0	12.0	13.0
	31 – 40 yrs	113	29.4	29.4	42.4
	41 – 50 yrs	137	35.7	35.7	78.1
	51 – 60 yrs	73	19.0	19.0	97.1

	60and above	11	2.9	2.9	100.0
	Total	384	100.0	100.0	

Var3: A1ii Actual Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	19.00	1	.3	.3	.3
	20.00	3	.8	.8	1.0
	22.00	1	.3	.3	1.3
	23.00	2	.5	.5	1.8
	24.00	2	.5	.5	2.3
	25.00	5	1.3	1.3	3.6
	26.00	3	.8	.8	4.4
	27.00	13	3.4	3.4	7.8
	28.00	4	1.0	1.0	8.9
	29.00	6	1.6	1.6	10.4
	30.00	10	2.6	2.6	13.0
	31.00	1	.3	.3	13.3
	32.00	8	2.1	2.1	15.4
	33.00	9	2.3	2.3	17.7
	34.00	5	1.3	1.3	19.0
	35.00	14	3.6	3.6	22.7
	36.00	13	3.4	3.4	26.0
	37.00	28	7.3	7.3	33.3
	38.00	11	2.9	2.9	36.2
	39.00	8	2.1	2.1	38.3
	40.00	16	4.2	4.2	42.4
	41.00	4	1.0	1.0	43.5
	42.00	19	4.9	4.9	48.4
	43.00	15	3.9	3.9	52.3
	44.00	11	2.9	2.9	55.2
	45.00	26	6.8	6.8	62.0
	46.00	8	2.1	2.1	64.1
	47.00	22	5.7	5.7	69.8
	48.00	14	3.6	3.6	73.4
	49.00	11	2.9	2.9	76.3
	50.00	12	3.1	3.1	79.4
	51.00	4	1.0	1.0	80.5
	52.00	3	.8	.8	81.3
	53.00	7	1.8	1.8	83.1
	54.00	9	2.3	2.3	85.4
	55.00	17	4.4	4.4	89.8
	56.00	6	1.6	1.6	91.4
	57.00	11	2.9	2.9	94.3
	58.00	7	1.8	1.8	96.1

	59.00	1	.3	.3	96.4
	60.00	3	.8	.8	97.1
	61.00	3	.8	.8	97.9
	62.00	2	.5	.5	98.4
	63.00	4	1.0	1.0	99.5
	64.00	2	.5	.5	100.0
	Total	384	100.0	100.0	

Var4: A2 Level of Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	.00	4	1.0	1.0	1.0
	Religious Knowledge	42	10.9	10.9	12.0
	Primary school certificate	77	20.1	20.1	32.0
	Secondary school certificate	105	27.3	27.3	59.4
	OND//NCE	81	21.1	21.1	80.5
	HND/B.sc/B.A.	61	15.9	15.9	96.4
	Postgraduate Qualification PG/Masters/Ph.d	9	2.3	2.3	98.7
	Others	5	1.3	1.3	100.0
	Total	384	100.0	100.0	

Var5: A3 Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	308	80.2	80.2	80.2
	Single	50	13.0	13.0	93.2
	Divorced	4	1.0	1.0	94.3
	Widowed	20	5.2	5.2	99.5
	Separated	2	.5	.5	100.0
	Total	384	100.0	100.0	

Var6: A4 Do you have children?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	328	85.4	85.4	85.4
	No	56	14.6	14.6	100.0
	Total	384	100.0	100.0	

Var7: A5 If you have children then state the number

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 – 3	118	30.7	30.7	30.7
	4 – 6	148	38.5	38.5	69.3
	7 – 9	49	12.8	12.8	82.0
	10 – 12	14	3.6	3.6	85.7
	13 and above	1	.3	.3	85.9
	Not Applicable	54	14.1	14.1	100.0
	Total	384	100.0	100.0	

Var8: A6 Do you have dependents?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	209	54.4	54.4	54.4
	No	175	45.6	45.6	100.0
	Total	384	100.0	100.0	

Var9: A7 If you have dependants, then how many do you have?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-3	169	44.0	44.0	44.0
	4-6	33	8.6	8.6	52.6
	7-9	5	1.3	1.3	53.9
	10 and above	5	1.3	1.3	55.2
	Not Applicable	172	44.8	44.8	100.0
	Total	384	100.0	100.0	

Var10: B8 Form of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Sole proprietorship	304	79.2	79.2	79.2
	Family	35	9.1	9.1	88.3

	Partnership	15	3.9	3.9	92.2
	Co-operative	30	7.8	7.8	100.0
	Total	384	100.0	100.0	

Var11: B9 Location of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Urban	204	53.1	53.1	53.1
	Rural	180	46.9	46.9	100.0
	Total	384	100.0	100.0	

Var13: B11 Type of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Saloon/hair dressers	35	9.1	9.1	9.1
	Fashion designers/tailors	39	10.2	10.2	19.3
	Provision store	82	21.4	21.4	40.6
	Patent medicine	16	4.2	4.2	44.8
	Poultry farmers	47	12.2	12.2	57.0
	GSM operators/recharge card sellers	13	3.4	3.4	60.4
	Others	152	39.6	39.6	100.0
	Total	384	100.0	100.0	

Var14: B12 How did you acquire your business?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	purchased it	38	9.9	9.9	9.9
	I inherited it	27	7.0	7.0	16.9
	I founded it	314	81.8	81.8	98.7
	Lease	1	.3	.3	99.0
	Others	4	1.0	1.0	100.0
	Total	384	100.0	100.0	

Var16: B14 Size of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	.00	14	3.6	3.6	3.6
	fewer than 5 employees (micro scale)	326	84.9	84.9	88.5

	5 - 49 employees (small scale)	43	11.2	11.2	99.7
	50 - 99 employees (medium scale)	1	.3	.3	100.0
	Total	384	100.0	100.0	

Var17: B15A Is your business registered

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	53	13.8	13.8	13.8
	No	331	86.2	86.2	100.0
	Total	384	100.0	100.0	

AcquiredTraining

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	77	20.1	20.1	20.1
	Disagree	98	25.5	25.5	45.6
	Undecided	14	3.6	3.6	49.2
	Agree	125	32.6	32.6	81.8
	Strongly Agree	70	18.2	18.2	100.0
	Total	384	100.0	100.0	

AdvisoryService

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	26	6.8	6.8	6.8
	Disagree	40	10.4	10.4	17.2
	Undecided	8	2.1	2.1	19.3
	Agree	225	58.6	58.6	77.9
	Strongly Agree	85	22.1	22.1	100.0
	Total	384	100.0	100.0	

AdvisoryServiceImproveBuiz

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	26	6.8	6.8	6.8
	Disagree	37	9.6	9.6	16.4
	Undecided	15	3.9	3.9	20.3

	Agree	225	58.6	58.6	78.9
	Strongly Agree	81	21.1	21.1	100.0
	Total	384	100.0	100.0	

MemberGroup

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	143	37.2	37.2	37.2
	Disagree	96	25.0	25.0	62.2
	Undecided	28	7.3	7.3	69.5
	Agree	89	23.2	23.2	92.7
	Strongly Agree	28	7.3	7.3	100.0
	Total	384	100.0	100.0	

CrossGuarantee

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	126	32.8	32.8	32.8
	Disagree	93	24.2	24.2	57.0
	Undecided	27	7.0	7.0	64.1
	Agree	92	24.0	24.0	88.0
	Strongly Agree	46	12.0	12.0	100.0
	Total	384	100.0	100.0	

NetworkMeetings

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	143	37.2	37.2	37.2
	Disagree	116	30.2	30.2	67.4
	Undecided	39	10.2	10.2	77.6
	Agree	67	17.4	17.4	95.1
	Strongly Agree	19	4.9	4.9	100.0
	Total	384	100.0	100.0	

NetworkMeetingsImpact

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	141	36.7	36.7	36.7
	Disagree	117	30.5	30.5	67.2
	Undecided	36	9.4	9.4	76.6
	Agree	70	18.2	18.2	94.8

	Strongly Agree	20	5.2	5.2	100.0
	Total	384	100.0	100.0	

SupervisedMonitored

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	64	16.7	16.7	16.7
	Disagree	76	19.8	19.8	36.5
	Undecided	23	6.0	6.0	42.4
	Agree	178	46.4	46.4	88.8
	Strongly Agree	43	11.2	11.2	100.0
	Total	384	100.0	100.0	

ServicesHelped

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	60	15.6	15.6	15.6
	Disagree	59	15.4	15.4	31.0
	Undecided	17	4.4	4.4	35.4
	Agree	188	49.0	49.0	84.4
	Strongly Agree	60	15.6	15.6	100.0
	Total	384	100.0	100.0	

Capital

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	18	4.7	4.7	4.7
	Decrease	54	14.1	14.1	18.8
	Little Increase	137	35.7	35.7	54.4
	Increase	126	32.8	32.8	87.2
	Significantly Increase	49	12.8	12.8	100.0
	Total	384	100.0	100.0	

AmountSaved

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	41	10.7	10.7	10.7
	Decrease	46	12.0	12.0	22.7
	Little Increase	147	38.3	38.3	60.9
	Increase	117	30.5	30.5	91.4

	Significantly Increase	33	8.6	8.6	100.0
	Total	384	100.0	100.0	

FrequencySaving

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	41	10.7	10.7	10.7
	Decrease	43	11.2	11.2	21.9
	Little Increase	172	44.8	44.8	66.7
	Increase	82	21.4	21.4	88.0
	Significantly Increase	46	12.0	12.0	100.0
	Total	384	100.0	100.0	

AmountSales

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Decrease	21	5.5	5.5	5.5
	Little Increase	170	44.3	44.3	49.7
	Increase	158	41.1	41.1	90.9
	Significantly Increase	35	9.1	9.1	100.0
	Total	384	100.0	100.0	

AdditionalIncome

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	1	.3	.3	.3
	Decrease	28	7.3	7.3	7.6
	Little Increase	169	44.0	44.0	51.6
	Increase	154	40.1	40.1	91.7
	Significantly Increase	32	8.3	8.3	100.0
	Total	384	100.0	100.0	

Profit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	28	7.3	7.3	7.3
	Decrease	48	12.5	12.5	19.8
	Little Increase	148	38.5	38.5	58.3
	Increase	138	35.9	35.9	94.3

	Significantly Increase	22	5.7	5.7	100.0
	Total	384	100.0	100.0	

BuizAsset

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	8	2.1	2.1	2.1
	Decrease	22	5.7	5.7	7.8
	Little Increase	183	47.7	47.7	55.5
	Increase	142	37.0	37.0	92.4
	Significantly Increase	29	7.6	7.6	100.0
	Total	384	100.0	100.0	

FrequencySavingsBuiz

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	18	4.7	4.7	4.7
	Decrease	42	10.9	10.9	15.6
	Little Increase	182	47.4	47.4	63.0
	Increase	106	27.6	27.6	90.6
	Significantly Increase	36	9.4	9.4	100.0
	Total	384	100.0	100.0	

AmountSavedBuiz

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Significantly Decrease	8	2.1	2.1	2.1
	Decrease	40	10.4	10.4	12.5
	Little Increase	185	48.2	48.2	60.7
	Increase	118	30.7	30.7	91.4
	Significantly Increase	33	8.6	8.6	100.0
	Total	384	100.0	100.0	

ControlResources

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	28	7.3	7.3	7.3
	Disagree	14	3.6	3.6	10.9
	Undecided	42	10.9	10.9	21.9
	Agree	229	59.6	59.6	81.5

	Strongly Agree	71	18.5	18.5	100.0
	Total	384	100.0	100.0	

FamilyDecision

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	12	3.1	3.1	3.1
	Disagree	8	2.1	2.1	5.2
	Undecided	17	4.4	4.4	9.6
	Agree	252	65.6	65.6	75.3
	Strongly Agree	95	24.7	24.7	100.0
	Total	384	100.0	100.0	

ParticipationCommunity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	1.3	1.3	1.3
	Disagree	15	3.9	3.9	5.2
	Undecided	47	12.2	12.2	17.4
	Agree	239	62.2	62.2	79.7
	Strongly Agree	78	20.3	20.3	100.0
	Total	384	100.0	100.0	

InteractCommunity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.3	.3	.3
	Disagree	12	3.1	3.1	3.4
	Undecided	37	9.6	9.6	13.0
	Agree	254	66.1	66.1	79.2
	Strongly Agree	80	20.8	20.8	100.0
	Total	384	100.0	100.0	

ElectoralMatters

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	36	9.4	9.4	9.4
	Disagree	27	7.0	7.0	16.4
	Undecided	73	19.0	19.0	35.4
	Agree	197	51.3	51.3	86.7

	Strongly Agree	51	13.3	13.3	100.0
	Total	384	100.0	100.0	

InterestRate

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	1.8	1.8	1.8
	Disagree	23	6.0	6.0	7.8
	Undecided	38	9.9	9.9	17.7
	Agree	264	68.8	68.8	86.5
	Strongly Agree	52	13.5	13.5	100.0
	Total	384	100.0	100.0	

ObtainingLoansEasier

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	1.8	1.8	1.8
	Disagree	27	7.0	7.0	8.9
	Undecided	72	18.8	18.8	27.6
	Agree	209	54.4	54.4	82.0
	Strongly Agree	69	18.0	18.0	100.0
	Total	384	100.0	100.0	

IncomeIncreased

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	2.1	2.1	2.1
	Disagree	15	3.9	3.9	6.0
	Undecided	17	4.4	4.4	10.4
	Agree	290	75.5	75.5	85.9
	Strongly Agree	54	14.1	14.1	100.0
	Total	384	100.0	100.0	

SavingsIncreased

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	10	2.6	2.6	2.6
	Disagree	31	8.1	8.1	10.7
	Undecided	20	5.2	5.2	15.9
	Agree	279	72.7	72.7	88.5

	Strongly Agree	44	11.5	11.5	100.0
	Total	384	100.0	100.0	

AccessEducation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	2.1	2.1	2.1
	Disagree	25	6.5	6.5	8.6
	Undecided	53	13.8	13.8	22.4
	Agree	260	67.7	67.7	90.1
	Strongly Agree	38	9.9	9.9	100.0
	Total	384	100.0	100.0	

AccessHealth

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	1.3	1.3	1.3
	Disagree	12	3.1	3.1	4.4
	Undecided	60	15.6	15.6	20.1
	Agree	266	69.3	69.3	89.3
	Strongly Agree	41	10.7	10.7	100.0
	Total	384	100.0	100.0	

FinancialSituation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.3	.3	.3
	Disagree	10	2.6	2.6	2.9
	Undecided	30	7.8	7.8	10.7
	Agree	282	73.4	73.4	84.1
	Strongly Agree	61	15.9	15.9	100.0
	Total	384	100.0	100.0	

DecisionMakingIncreased

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	1.8	1.8	1.8
	Disagree	22	5.7	5.7	7.6
	Undecided	49	12.8	12.8	20.3
	Agree	262	68.2	68.2	88.5

	Strongly Agree	44	11.5	11.5	100.0
	Total	384	100.0	100.0	

OperationalAssistanceHelpful

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	24	6.3	6.3	6.3
	Disagree	51	13.3	13.3	19.5
	Undecided	40	10.4	10.4	29.9
	Agree	234	60.9	60.9	90.9
	Strongly Agree	35	9.1	9.1	100.0
	Total	384	100.0	100.0	

EmploymentOpportunitiesIncreased

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	23	6.0	6.0	6.0
	Disagree	43	11.2	11.2	17.2
	Undecided	81	21.1	21.1	38.3
	Agree	214	55.7	55.7	94.0
	Strongly Agree	23	6.0	6.0	100.0
	Total	384	100.0	100.0	

ImprovementLlivingStandard

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	6	1.6	1.6	1.6
	Disagree	14	3.6	3.6	5.2
	Undecided	17	4.4	4.4	9.6
	Agree	282	73.4	73.4	83.1
	Strongly Agree	65	16.9	16.9	100.0
	Total	384	100.0	100.0	

APPENDIX 3 DESCRIPTIVE RESULTS

Correlation analysis

	TRAINING	CAPITAL	SAVINGS	INCOMEGENERATED	BUIZASSET	AMOUNTSAVEDBUIZ	EMPOWERMENT
TRAINING	1.000000	0.169149	0.158985	0.217040	0.122670	0.102277	-0.041921
CAPITAL	0.169149	1.000000	0.573057	0.512215	0.542000	0.416190	0.258552
SAVINGS	0.158985	0.573057	1.000000	0.445753	0.509130	0.565284	0.259759
INCOMEGENERATED	0.217040	0.512215	0.445753	1.000000	0.599058	0.502695	0.105276
BUIZASSET	0.122670	0.542000	0.509130	0.599058	1.000000	0.567298	0.380807
AMOUNTSAVEDBUIZ	0.102277	0.416190	0.565284	0.502695	0.567298	1.000000	0.186595
EMPOWERMENT	-0.041921	0.258552	0.259759	0.105276	0.380807	0.186595	1.000000

Reliability
Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	384	100.0
	Excluded(a)	0	.0
	Total	384	100.0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items

.543	49

Descriptive

Statistics

		Training	Capital	Savings	Additional Income	Buiz Asset	Amount Saved Buiz	Family Decision
N	Valid	384	384	384	384	384	384	384
	Missing	0	0	0	0	0	0	0
Mean		3.0339	3.3490	3.1432	3.4896	3.4219	3.3333	4.0677
Std. Error of Mean		.07424	.05223	.05538	.03885	.04070	.04358	.04125
Median		4.0000	3.0000	3.0000	3.0000	3.0000	3.0000	4.0000
Mode		4.00	3.00	3.00	3.00	3.00	3.00	4.00
Std. Deviation		1.45477	1.02353	1.08530	.76127	.79761	.85401	.80831
Variance		2.116	1.048	1.178	.580	.636	.729	.653
Skewness		-.095	-.285	-.386	.017	-.255	-.066	-1.794
Std. Error of Skewness		.125	.125	.125	.125	.125	.125	.125
Kurtosis		-1.493	-.328	-.349	-.157	.690	.186	5.071
Std. Error of Kurtosis		.248	.248	.248	.248	.248	.248	.248
Range		4.00	4.00	4.00	4.00	4.00	4.00	4.00
Minimum		1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maximum		5.00	5.00	5.00	5.00	5.00	5.00	5.00
Sum		1165.00	1286.00	1207.00	1340.00	1314.00	1280.00	1562.00

APPENDIX 4 INFERENTIAL RESULTS

Hypothesis One

Dependent Variable: AMOUNTSALES
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:34
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 4
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.997331	0.139580	7.145207	0.0000
AMOUNTSAVED	0.529685	0.120408	4.399080	0.0000
Limit Points				
LIMIT_3:C(3)	1.371189	0.422449	3.245810	0.0012
LIMIT_4:C(4)	5.023400	0.485121	10.35493	0.0000
LIMIT_5:C(5)	8.024666	0.594834	13.49061	0.0000

Akaike info criterion	1.847914	Schwarz criterion	1.899354
Log likelihood	-349.7994	Hannan-Quinn criter.	1.868317
Restr. log likelihood	-423.6988	Avg. log likelihood	-0.910936
LR statistic (2 df)	147.7988	LR index (Pseudo-R2)	0.174415
Probability(LR stat)	0.000000		

Dependent Variable: ADDITIONALINCOME
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:36
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	1.049397	0.138174	7.594742	0.0000
AMOUNTSAVED	0.689443	0.122753	5.616527	0.0000
Limit Points				
LIMIT_2:C(3)	-1.477039	1.055062	-1.399955	0.1615
LIMIT_3:C(4)	2.263760	0.420709	5.380828	0.0000
LIMIT_4:C(5)	5.848254	0.510871	11.44761	0.0000
LIMIT_5:C(6)	9.022278	0.634765	14.21357	0.0000

Akaike info criterion	1.840923	Schwarz criterion	1.902652
Log likelihood	-347.4572	Hannan-Quinn criter.	1.865407
Restr. log likelihood	-438.1979	Avg. log likelihood	-0.904837
LR statistic (2 df)	181.4813	LR index (Pseudo-R2)	0.207077
Probability(LR stat)	0.000000		

Dependent Variable: PROFIT
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:37
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.504746	0.125548	4.020343	0.0001
AMOUNTSAVED	1.403775	0.137073	10.24111	0.0000
Limit Points				
LIMIT_2:C(3)	2.241140	0.404655	5.538404	0.0000
LIMIT_3:C(4)	3.930957	0.420436	9.349713	0.0000
LIMIT_4:C(5)	6.725588	0.511867	13.13933	0.0000
LIMIT_5:C(6)	10.07731	0.644377	15.63885	0.0000

Akaike info criterion	2.115101	Schwarz criterion	2.176829
Log likelihood	-400.0993	Hannan-Quinn criter.	2.139585
Restr. log likelihood	-518.3760	Avg. log likelihood	-1.041925
LR statistic (2 df)	236.5534	LR index (Pseudo-R2)	0.228168
Probability(LR stat)	0.000000		

Dependent Variable: BUIZASSET
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:38
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	1.008618	0.135765	7.429137	0.0000
AMOUNTSAVED	0.691381	0.124836	5.538323	0.0000
Limit Points				
LIMIT_2:C(3)	0.534051	0.485223	1.100629	0.2711
LIMIT_3:C(4)	2.188017	0.409671	5.340910	0.0000
LIMIT_4:C(5)	5.877037	0.504225	11.65559	0.0000
LIMIT_5:C(6)	8.863768	0.616163	14.38542	0.0000

Akaike info criterion	1.903884	Schwarz criterion	1.965612
Log likelihood	-359.5456	Hannan-Quinn criter.	1.928368
Restr. log likelihood	-445.6933	Avg. log likelihood	-0.936317
LR statistic (2 df)	172.2953	LR index (Pseudo-R2)	0.193289
Probability(LR stat)	0.000000		

Dependent Variable: FREQUENCYSAVINGSBUIZ
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:39
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.166766	0.124569	1.338737	0.1807
AMOUNTSAVED	1.643735	0.147162	11.16957	0.0000
Limit Points				
LIMIT_2:C(3)	1.306751	0.421945	3.096968	0.0020
LIMIT_3:C(4)	3.159041	0.410830	7.689406	0.0000
LIMIT_4:C(5)	6.657897	0.520434	12.79298	0.0000
LIMIT_5:C(6)	9.061773	0.607464	14.91739	0.0000

Akaike info criterion	2.062227	Schwarz criterion	2.123956
Log likelihood	-389.9477	Hannan-Quinn criter.	2.086712
Restr. log likelihood	-505.5775	Avg. log likelihood	-1.015489
LR statistic (2 df)	231.2596	LR index (Pseudo-R2)	0.228708
Probability(LR stat)	0.000000		

Dependent Variable: AMOUNTSAVEDBUIZ
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:40
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.314398	0.124462	2.526055	0.0115
AMOUNTSAVED	1.295894	0.137271	9.440434	0.0000
Limit Points				
LIMIT_2:C(3)	0.115725	0.487624	0.237325	0.8124
LIMIT_3:C(4)	2.419257	0.402953	6.003814	0.0000
LIMIT_4:C(5)	5.836638	0.495259	11.78502	0.0000
LIMIT_5:C(6)	8.350049	0.584401	14.28821	0.0000

Akaike info criterion	2.046272	Schwarz criterion	2.108001
Log likelihood	-386.8843	Hannan-Quinn criter.	2.070757
Restr. log likelihood	-476.7647	Avg. log likelihood	-1.007511
LR statistic (2 df)	179.7607	LR index (Pseudo-R2)	0.188521
Probability(LR stat)	0.000000		

Dependent Variable: CONTROLRESOURCES
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:41
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.316880	0.117691	2.692475	0.0071
AMOUNTSAVED	0.273033	0.111870	2.440624	0.0147
Limit Points				
LIMIT_2:C(3)	-0.747618	0.387455	-1.929560	0.0537
LIMIT_3:C(4)	-0.279289	0.377181	-0.740466	0.4590
LIMIT_4:C(5)	0.577921	0.370229	1.560984	0.1185
LIMIT_5:C(6)	3.476795	0.416666	8.344315	0.0000

Akaike info criterion	2.308170	Schwarz criterion	2.369899
Log likelihood	-437.1687	Hannan-Quinn criter.	2.332655
Restr. log likelihood	-450.8435	Avg. log likelihood	-1.138460
LR statistic (2 df)	27.34953	LR index (Pseudo-R2)	0.030332
Probability(LR stat)	1.15E-06		

Dependent Variable: FAMILYDECISION
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:42
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.357400	0.130703	2.734453	0.0062
AMOUNTSAVED	0.301885	0.124241	2.429842	0.0151
Limit Points				
LIMIT_2:C(3)	-1.447211	0.462204	-3.131106	0.0017
LIMIT_3:C(4)	-0.893253	0.429309	-2.080675	0.0375
LIMIT_4:C(5)	-0.203485	0.407959	-0.498788	0.6179
LIMIT_5:C(6)	3.353892	0.451312	7.431425	0.0000

Akaike info criterion	1.852499	Schwarz criterion	1.914228
Log likelihood	-349.6798	Hannan-Quinn criter.	1.876983
Restr. log likelihood	-364.3933	Avg. log likelihood	-0.910625
LR statistic (2 df)	29.42691	LR index (Pseudo-R2)	0.040378
Probability(LR stat)	4.07E-07		

Dependent Variable: PARTICIPATIONCOMMUNITY
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:43
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.266088	0.120576	2.206800	0.0273
AMOUNTSAVED	-0.036368	0.117961	-0.308307	0.7578
Limit Points				
LIMIT_2:C(3)	-3.580167	0.572707	-6.251308	0.0000
LIMIT_3:C(4)	-2.148730	0.424535	-5.061377	0.0000
LIMIT_4:C(5)	-0.798025	0.383296	-2.082007	0.0373
LIMIT_5:C(6)	2.158717	0.399775	5.399835	0.0000

Akaike info criterion	2.133765	Schwarz criterion	2.195494
Log likelihood	-403.6829	Hannan-Quinn criter.	2.158250
Restr. log likelihood	-406.7238	Avg. log likelihood	-1.051258
LR statistic (2 df)	6.081666	LR index (Pseudo-R2)	0.007476
Probability(LR stat)	0.047795		

Dependent Variable: INTERACTCOMMUNITY
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:45
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.328600	0.124487	2.639629	0.0083
AMOUNTSAVED	0.001475	0.121348	0.012155	0.9903
Limit Points				
LIMIT_2:C(3)	-4.899572	1.062139	-4.612930	0.0000
LIMIT_3:C(4)	-2.292762	0.456863	-5.018491	0.0000
LIMIT_4:C(5)	-0.831391	0.393905	-2.110638	0.0348
LIMIT_5:C(6)	2.472296	0.416507	5.935784	0.0000

Akaike info criterion	1.903638	Schwarz criterion	1.965367
Log likelihood	-359.4986	Hannan-Quinn criter.	1.928123
Restr. log likelihood	-364.5789	Avg. log likelihood	-0.936194
LR statistic (2 df)	10.16061	LR index (Pseudo-R2)	0.013935
Probability(LR stat)	0.006218		

Dependent Variable: ELECTORALMATTERS
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:47
Sample: 1 384
Included observations: 384

Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	-0.038065	0.111829	-0.340381	0.7336
AMOUNTSAVED	-0.035826	0.107515	-0.333221	0.7390
Limit Points				
LIMIT_2:C(3)	-2.511924	0.391405	-6.417708	0.0000
LIMIT_3:C(4)	-1.872758	0.377700	-4.958317	0.0000
LIMIT_4:C(5)	-0.843131	0.364271	-2.314573	0.0206
LIMIT_5:C(6)	1.639912	0.369842	4.434091	0.0000

Akaike info criterion	2.699424	Schwarz criterion	2.761153
Log likelihood	-512.2895	Hannan-Quinn criter.	2.723909
Restr. log likelihood	-512.5347	Avg. log likelihood	-1.334087
LR statistic (2 df)	0.490382	LR index (Pseudo-R2)	0.000478
Probability(LR stat)	0.782555		

Hypothesis two

Dependent Variable: AMOUNTSALES
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:32
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 4
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.269914	0.069642	3.875724	0.0001
ADVISORYSERVICE	0.140862	0.093375	1.508570	0.1314
MEMBERGROUP	-0.180057	0.127630	-1.410771	0.1583
NETWORKMEETING S	0.276733	0.147819	1.872100	0.0612
SUPERVISEDMONIT ORED	-0.078675	0.082974	-0.948179	0.3430
Limit Points				
LIMIT_3:C(6)	-1.672869	0.451978	-3.701218	0.0002
LIMIT_4:C(7)	1.258893	0.420937	2.990694	0.0028
LIMIT_5:C(8)	3.684580	0.465032	7.923284	0.0000

Akaike info criterion	2.181784	Schwarz criterion	2.264089
Log likelihood	-410.9026	Hannan-Quinn criter.	2.214430
Restr. log likelihood	-423.6988	Avg. log likelihood	-1.070059
LR statistic (5 df)	25.59249	LR index (Pseudo-R2)	0.030201

Probability(LR stat)	0.000107

Dependent Variable: ADDITIONALINCOME
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:33
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.319802	0.069356	4.611049	0.0000
ADVISORYSERVICE	0.133468	0.093319	1.430239	0.1526
MEMBERGROUP	-0.192502	0.127082	-1.514787	0.1298
NETWORKMEETING S	0.109057	0.147251	0.740619	0.4589
SUPERVISEDMONIT ORED	-0.042119	0.082484	-0.510634	0.6096
Limit Points				
LIMIT_2:C(6)	-4.944175	1.078251	-4.585364	0.0000
LIMIT_3:C(7)	-1.505215	0.444808	-3.383964	0.0007
LIMIT_4:C(8)	1.167055	0.427692	2.728726	0.0064
LIMIT_5:C(9)	3.640334	0.473550	7.687334	0.0000

Akaike info criterion	2.254548	Schwarz criterion	2.347141
Log likelihood	-423.8733	Hannan-Quinn criter.	2.291275
Restr. log likelihood	-438.1979	Avg. log likelihood	-1.103837
LR statistic (5 df)	28.64924	LR index (Pseudo-R2)	0.032690
Probability(LR stat)	2.72E-05		

Dependent Variable: PROFIT
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:34
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.329872	0.068525	4.813909	0.0000
ADVISORYSERVICE	0.041600	0.090014	0.462155	0.6440
MEMBERGROUP	-0.490740	0.126248	-3.887103	0.0001
NETWORKMEETING S	0.210035	0.145385	1.444684	0.1485
SUPERVISEDMONIT	-0.007149	0.078644	-0.090905	0.9276

ORED				
Limit Points				
LIMIT_2:C(6)	-2.290690	0.439571	-5.211191	0.0000
LIMIT_3:C(7)	-1.084999	0.408994	-2.652849	0.0080
LIMIT_4:C(8)	0.813374	0.404080	2.012902	0.0441
LIMIT_5:C(9)	3.437268	0.460182	7.469369	0.0000
Akaike info criterion	2.627138	Schwarz criterion		2.719731
Log likelihood	-495.4104	Hannan-Quinn criter.		2.663864
Restr. log likelihood	-518.3760	Avg. log likelihood		-1.290131
LR statistic (5 df)	45.93115	LR index (Pseudo-R2)		0.044303
Probability(LR stat)	9.38E-09			

Dependent Variable: BUIZASSET
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:35
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.203255	0.068308	2.975570	0.0029
ADVISORYSERVICE	0.123963	0.093441	1.326643	0.1846
MEMBERGROUP	-0.258516	0.129013	-2.003797	0.0451
NETWORKMEETING S	0.052979	0.148433	0.356920	0.7212
SUPERVISEDMONIT ORED	-0.024957	0.081368	-0.306718	0.7591
Limit Points				
LIMIT_2:C(6)	-3.418954	0.541260	-6.316659	0.0000
LIMIT_3:C(7)	-2.026715	0.446158	-4.542599	0.0000
LIMIT_4:C(8)	0.732788	0.423282	1.731203	0.0834
LIMIT_5:C(9)	3.091051	0.464835	6.649783	0.0000
Akaike info criterion	2.318936	Schwarz criterion		2.411529
Log likelihood	-436.2358	Hannan-Quinn criter.		2.355663
Restr. log likelihood	-445.6933	Avg. log likelihood		-1.136031
LR statistic (5 df)	18.91507	LR index (Pseudo-R2)		0.021220
Probability(LR stat)	0.001993			

Dependent Variable: FREQUENCYSAVINGSBUIZ
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:36
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5

Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAINING	0.163906	0.067126	2.441783	0.0146
ADVISORYSERVICE	0.048296	0.091194	0.529602	0.5964
MEMBERGROUP	-0.663273	0.136394	-4.862920	0.0000
NETWORKMEETINGS	0.428971	0.152311	2.816411	0.0049
SUPERVISEDMONITORED	0.098653	0.079349	1.243283	0.2138
Limit Points				
LIMIT_2:C(6)	-2.822518	0.470388	-6.000408	0.0000
LIMIT_3:C(7)	-1.395040	0.417581	-3.340760	0.0008
LIMIT_4:C(8)	0.974171	0.410402	2.373700	0.0176
LIMIT_5:C(9)	2.756360	0.444270	6.204246	0.0000

Akaike info criterion	2.590097	Schwarz criterion	2.682691
Log likelihood	-488.2987	Hannan-Quinn criter.	2.626824
Restr. log likelihood	-505.5775	Avg. log likelihood	-1.271611
LR statistic (5 df)	34.55753	LR index (Pseudo-R2)	0.034176
Probability(LR stat)	1.84E-06		

Dependent Variable: AMOUNTSAVEDBUIZ
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:36
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 6 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAINING	0.144077	0.067133	2.146137	0.0319
ADVISORYSERVICE	-0.004627	0.090582	-0.051085	0.9593
MEMBERGROUP	-0.508740	0.132463	-3.840632	0.0001
NETWORKMEETINGS	0.380150	0.149191	2.548072	0.0108
SUPERVISEDMONITORED	0.106322	0.079998	1.329061	0.1838
Limit Points				
LIMIT_2:C(6)	-3.580917	0.537660	-6.660192	0.0000
LIMIT_3:C(7)	-1.616599	0.422558	-3.825747	0.0001
LIMIT_4:C(8)	0.855924	0.409423	2.090562	0.0366
LIMIT_5:C(9)	2.827871	0.447305	6.322015	0.0000

Akaike info criterion	2.474649	Schwarz criterion	2.567242
Log likelihood	-466.1326	Hannan-Quinn criter.	2.511376
Restr. log likelihood	-476.7647	Avg. log likelihood	-1.213887
LR statistic (5 df)	21.26406	LR index (Pseudo-R2)	0.022300

Probability(LR stat)	0.000722

Dependent Variable: CONTROLRESOURCES
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:37
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.010069	0.072883	0.138157	0.8901
ADVISORYSERVICE	-0.179496	0.103057	-1.741711	0.0816
MEMBERGROUP	-0.049586	0.128131	-0.386997	0.6988
NETWORKMEETING S	-0.268961	0.149092	-1.803999	0.0712
SUPERVISEDMONIT ORED	-0.031890	0.087625	-0.363935	0.7159
Limit Points				
LIMIT_2:C(6)	-4.116103	0.503864	-8.169075	0.0000
LIMIT_3:C(7)	-3.656760	0.488230	-7.489828	0.0000
LIMIT_4:C(8)	-2.804791	0.468946	-5.981060	0.0000
LIMIT_5:C(9)	0.075565	0.441051	0.171331	0.8640

Akaike info criterion	2.338903	Schwarz criterion	2.431496
Log likelihood	-440.0694	Hannan-Quinn criter.	2.375630
Restr. log likelihood	-450.8435	Avg. log likelihood	-1.146014
LR statistic (5 df)	21.54809	LR index (Pseudo-R2)	0.023898
Probability(LR stat)	0.000638		

Dependent Variable: FAMILYDECISION
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:38
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.102103	0.075054	1.360397	0.1737
ADVISORYSERVICE	0.082388	0.104593	0.787704	0.4309
MEMBERGROUP	-0.091224	0.144410	-0.631702	0.5276
NETWORKMEETING S	-0.404225	0.168616	-2.397308	0.0165
SUPERVISEDMONIT	-0.061252	0.089491	-0.684451	0.4937

ORED

Limit Points				
LIMIT_2:C(6)	-4.291531	0.557971	-7.691312	0.0000
LIMIT_3:C(7)	-3.740777	0.522802	-7.155249	0.0000
LIMIT_4:C(8)	-3.056018	0.495118	-6.172303	0.0000
LIMIT_5:C(9)	0.516131	0.455533	1.133028	0.2572

Akaike info criterion	1.866440	Schwarz criterion	1.959033
Log likelihood	-349.3565	Hannan-Quinn criter.	1.903166
Restr. log likelihood	-364.3933	Avg. log likelihood	-0.909782
LR statistic (5 df)	30.07359	LR index (Pseudo-R2)	0.041265
Probability(LR stat)	1.43E-05		

Dependent Variable: PARTICIPATIONCOMMUNITY
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:39
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.026723	0.072360	0.369309	0.7119
ADVISORYSERVICE	0.378778	0.102685	3.688744	0.0002
MEMBERGROUP	0.088838	0.138174	0.642942	0.5203
NETWORKMEETING S	-0.277815	0.158913	-1.748228	0.0804
SUPERVISEDMONIT ORED	-0.073253	0.086213	-0.849667	0.3955

Limit Points				
LIMIT_2:C(6)	-3.546809	0.616887	-5.749526	0.0000
LIMIT_3:C(7)	-2.110967	0.480491	-4.393350	0.0000
LIMIT_4:C(8)	-0.743430	0.445099	-1.670258	0.0949
LIMIT_5:C(9)	2.296763	0.464592	4.943614	0.0000

Akaike info criterion	2.116817	Schwarz criterion	2.209410
Log likelihood	-397.4289	Hannan-Quinn criter.	2.153544
Restr. log likelihood	-406.7238	Avg. log likelihood	-1.034971
LR statistic (5 df)	18.58981	LR index (Pseudo-R2)	0.022853
Probability(LR stat)	0.002291		

Dependent Variable: INTERACTCOMMUNITY
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:40
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations

Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	0.146511	0.075808	1.932650	0.0533
ADVISORYSERVICE	0.357305	0.107598	3.320740	0.0009
MEMBERGROUP	0.088263	0.140280	0.629191	0.5292
NETWORKMEETING S	-0.314971	0.161862	-1.945919	0.0517
SUPERVISEDMONIT ORED	-0.078936	0.088613	-0.890792	0.3730
Limit Points				
LIMIT_2:C(6)	-5.006337	1.092846	-4.581009	0.0000
LIMIT_3:C(7)	-2.404430	0.521438	-4.611153	0.0000
LIMIT_4:C(8)	-0.932784	0.466452	-1.999743	0.0455
LIMIT_5:C(9)	2.468528	0.487743	5.061122	0.0000

Akaike info criterion	1.886751	Schwarz criterion	1.979344
Log likelihood	-353.2561	Hannan-Quinn criter.	1.923477
Restr. log likelihood	-364.5789	Avg. log likelihood	-0.919938
LR statistic (5 df)	22.64553	LR index (Pseudo-R2)	0.031057
Probability(LR stat)	0.000395		

Dependent Variable: ELECTORALMATTERS
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/10/14 Time: 06:40
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
ACQUIREDTRAININ G	-0.097435	0.070064	-1.390652	0.1643
ADVISORYSERVICE	-0.056699	0.098107	-0.577931	0.5633
MEMBERGROUP	0.262326	0.125347	2.092794	0.0364
NETWORKMEETING S	-0.152177	0.142703	-1.066391	0.2862
SUPERVISEDMONIT ORED	-0.158483	0.081987	-1.933034	0.0532
Limit Points				
LIMIT_2:C(6)	-3.032723	0.465861	-6.509931	0.0000
LIMIT_3:C(7)	-2.384036	0.451365	-5.281832	0.0000
LIMIT_4:C(8)	-1.328872	0.437247	-3.039180	0.0024
LIMIT_5:C(9)	1.203961	0.437716	2.750551	0.0059

Akaike info criterion	2.686251	Schwarz criterion	2.778844
Log likelihood	-506.7601	Hannan-Quinn criter.	2.722977
Restr. log likelihood	-512.5347	Avg. log likelihood	-1.319688
LR statistic (5 df)	11.54912	LR index (Pseudo-R2)	0.011267
Probability(LR stat)	0.041516		

Hypothesis 3 **MANOVA**

Entrepreneur Characteristics

General Linear Model

Multivariate Tests(c)

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.848	430.419(a)	4.000	309.000	.000
	Wilks' Lambda	.152	430.419(a)	4.000	309.000	.000
	Hotelling's Trace	5.572	430.419(a)	4.000	309.000	.000
	Roy's Largest Root	5.572	430.419(a)	4.000	309.000	.000
Age	Pillai's Trace	.045	.707	20.000	1248.000	.822
	Wilks' Lambda	.956	.708	20.000	1025.787	.821
	Hotelling's Trace	.046	.709	20.000	1230.000	.820
	Roy's Largest Root	.036	2.229(b)	5.000	312.000	.051
EducationL	Pillai's Trace	.064	.720	28.000	1248.000	.857
	Wilks' Lambda	.938	.718	28.000	1115.538	.859
	Hotelling's Trace	.065	.716	28.000	1230.000	.861
	Roy's Largest Root	.038	1.692(b)	7.000	312.000	.110
MaritalStatus	Pillai's Trace	.047	.934	16.000	1248.000	.530
	Wilks' Lambda	.953	.931	16.000	944.648	.533
	Hotelling's Trace	.048	.928	16.000	1230.000	.537
	Roy's Largest Root	.026	2.061(b)	4.000	312.000	.086
Children	Pillai's Trace	.012	.902(a)	4.000	309.000	.463
	Wilks' Lambda	.988	.902(a)	4.000	309.000	.463
	Hotelling's Trace	.012	.902(a)	4.000	309.000	.463
	Roy's Largest Root	.012	.902(a)	4.000	309.000	.463
Age * EducationL	Pillai's Trace	.264	1.052	84.000	1248.000	.357
	Wilks' Lambda	.760	1.047	84.000	1222.970	.370
	Hotelling's Trace	.284	1.041	84.000	1230.000	.382
	Roy's Largest Root	.098	1.452(b)	21.000	312.000	.093
Age * MaritalStatus	Pillai's Trace	.025	.399	20.000	1248.000	.992
	Wilks' Lambda	.975	.397	20.000	1025.787	.992
	Hotelling's Trace	.026	.395	20.000	1230.000	.992
	Roy's Largest Root	.016	1.011(b)	5.000	312.000	.411
EducationL * MaritalStatus	Pillai's Trace	.061	.608	32.000	1248.000	.959
	Wilks' Lambda	.940	.606	32.000	1141.131	.960
	Hotelling's Trace	.063	.604	32.000	1230.000	.961
	Roy's Largest Root	.034	1.322(b)	8.000	312.000	.232
Age * EducationL * MaritalStatus	Pillai's Trace	.029	1.143	8.000	620.000	.332
	Wilks' Lambda	.971	1.147(a)	8.000	618.000	.330
	Hotelling's Trace	.030	1.151	8.000	616.000	.327
	Roy's Largest Root	.029	2.256(b)	4.000	310.000	.063
Age * Children	Pillai's Trace	.010	.379	8.000	620.000	.932
	Wilks' Lambda	.990	.379(a)	8.000	618.000	.932
	Hotelling's Trace	.010	.378	8.000	616.000	.932

	Roy's Largest Root	.009	.680(b)	4.000	310.000	.606
EducationL * Children	Pillai's Trace	.001	.059(a)	4.000	309.000	.994
	Wilks' Lambda	.999	.059(a)	4.000	309.000	.994
	Hotelling's Trace	.001	.059(a)	4.000	309.000	.994
	Roy's Largest Root	.001	.059(a)	4.000	309.000	.994
Age * EducationL * Children	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	310.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	308.000	1.000
MaritalStatus * Children	Pillai's Trace	.019	1.518(a)	4.000	309.000	.197
	Wilks' Lambda	.981	1.518(a)	4.000	309.000	.197
	Hotelling's Trace	.020	1.518(a)	4.000	309.000	.197
	Roy's Largest Root	.020	1.518(a)	4.000	309.000	.197
Age * MaritalStatus * Children	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	310.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	308.000	1.000
EducationL * MaritalStatus * Children	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	310.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	308.000	1.000
Age * EducationL * MaritalStatus * Children	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	310.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	308.000	1.000

a Exact statistic

b The statistic is an upper bound on F that yields a lower bound on the significance level.

c Design: Intercept+Age+EducationL+MaritalStatus+Children+Age * EducationL+Age * MaritalStatus+EducationL * MaritalStatus+Age * EducationL * MaritalStatus+Age * Children+EducationL * Children+Age * EducationL * Children+MaritalStatus * Children+Age * MaritalStatus * Children+EducationL * MaritalStatus * Children+Age * EducationL * MaritalStatus * Children

Tests of Between-Subjects Effects

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	AdditionalIncome	42.652(a)	71	.601	1.045	.390
	BuizAsset	52.517(b)	71	.740	1.207	.142
	AmountSavedBuiz	61.482(c)	71	.866	1.240	.111
	FamilyDecision	47.646(d)	71	.671	1.033	.414
Intercept	AdditionalIncome	458.967	1	458.967	798.621	.000
	BuizAsset	481.115	1	481.115	785.334	.000
	AmountSavedBuiz	390.133	1	390.133	558.736	.000
	FamilyDecision	691.741	1	691.741	1065.303	.000
Age	AdditionalIncome	.727	5	.145	.253	.938
	BuizAsset	.879	5	.176	.287	.920
	AmountSavedBuiz	3.349	5	.670	.959	.443
	FamilyDecision	1.056	5	.211	.325	.898
EducationL	AdditionalIncome	3.569	7	.510	.887	.517
	BuizAsset	3.403	7	.486	.793	.593
	AmountSavedBuiz	6.352	7	.907	1.300	.250
	FamilyDecision	1.983	7	.283	.436	.879
MaritalStatus	AdditionalIncome	2.719	4	.680	1.183	.318
	BuizAsset	2.796	4	.699	1.141	.337
	AmountSavedBuiz	2.084	4	.521	.746	.561
	FamilyDecision	.562	4	.141	.217	.929
Children	AdditionalIncome	.027	1	.027	.047	.829
	BuizAsset	.009	1	.009	.015	.902
	AmountSavedBuiz	1.464	1	1.464	2.096	.149
	FamilyDecision	.196	1	.196	.303	.583
Age * EducationL	AdditionalIncome	12.890	21	.614	1.068	.382
	BuizAsset	12.894	21	.614	1.002	.460
	AmountSavedBuiz	13.488	21	.642	.920	.565
	FamilyDecision	18.402	21	.876	1.350	.142
Age * MaritalStatus	AdditionalIncome	.289	5	.058	.101	.992
	BuizAsset	.763	5	.153	.249	.940
	AmountSavedBuiz	1.100	5	.220	.315	.904
	FamilyDecision	.752	5	.150	.231	.949
EducationL * MaritalStatus	AdditionalIncome	4.899	8	.612	1.066	.387
	BuizAsset	4.333	8	.542	.884	.530
	AmountSavedBuiz	2.390	8	.299	.428	.904
	FamilyDecision	1.933	8	.242	.372	.935
Age * EducationL * MaritalStatus	AdditionalIncome	2.420	2	1.210	2.106	.123
	BuizAsset	.123	2	.062	.100	.904
	AmountSavedBuiz	4.104	2	2.052	2.939	.054
	FamilyDecision	.076	2	.038	.059	.943
Age * Children	AdditionalIncome	.168	2	.084	.146	.864
	BuizAsset	1.255	2	.628	1.025	.360
	AmountSavedBuiz	.977	2	.489	.700	.497

	FamilyDecision	.096	2	.048	.074	.929
EducationL * Children	AdditionalIncome	.087	1	.087	.151	.698
	BuizAsset	.048	1	.048	.078	.780
	AmountSavedBuiz	.000	1	.000	.001	.979
	FamilyDecision	.018	1	.018	.028	.868
Age * EducationL * Children	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
MaritalStatus * Children	AdditionalIncome	.382	1	.382	.664	.416
	BuizAsset	2.686	1	2.686	4.384	.037
	AmountSavedBuiz	.016	1	.016	.023	.880
	FamilyDecision	1.069	1	1.069	1.646	.200
Age * MaritalStatus * Children	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
EducationL * MaritalStatus * Children	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
Age * EducationL * MaritalStatus * Children	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
Error	AdditionalIncome	179.306	312	.575		
	BuizAsset	191.139	312	.613		
	AmountSavedBuiz	217.852	312	.698		
	FamilyDecision	202.593	312	.649		
Total	AdditionalIncome	4898.000	384			
	BuizAsset	4740.000	384			
	AmountSavedBuiz	4546.000	384			
	FamilyDecision	6604.000	384			
Corrected Total	AdditionalIncome	221.958	383			
	BuizAsset	243.656	383			
	AmountSavedBuiz	279.333	383			
	FamilyDecision	250.240	383			

a R Squared = .192 (Adjusted R Squared = .008)
b R Squared = .216 (Adjusted R Squared = .037)
c R Squared = .220 (Adjusted R Squared = .043)
d R Squared = .190 (Adjusted R Squared = .006)

General Linear Model

Multivariate Tests(c)

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.887	581.586(a)	4.000	296.000	.000
	Wilks' Lambda	.113	581.586(a)	4.000	296.000	.000
	Hotelling's Trace	7.859	581.586(a)	4.000	296.000	.000
	Roy's Largest Root	7.859	581.586(a)	4.000	296.000	.000
FormBuiz	Pillai's Trace	.039	.989	12.000	894.000	.458
	Wilks' Lambda	.961	.988	12.000	783.434	.459
	Hotelling's Trace	.040	.986	12.000	884.000	.460
	Roy's Largest Root	.026	1.967(b)	4.000	298.000	.099
LocationBuiz	Pillai's Trace	.021	1.597(a)	4.000	296.000	.175
	Wilks' Lambda	.979	1.597(a)	4.000	296.000	.175
	Hotelling's Trace	.022	1.597(a)	4.000	296.000	.175
	Roy's Largest Root	.022	1.597(a)	4.000	296.000	.175
TypeBuiz	Pillai's Trace	.124	1.588	24.000	1196.000	.036
	Wilks' Lambda	.881	1.595	24.000	1033.831	.035
	Hotelling's Trace	.130	1.599	24.000	1178.000	.034
	Roy's Largest Root	.072	3.574(b)	6.000	299.000	.002
SizeBuiz	Pillai's Trace	.078	1.996	12.000	894.000	.022
	Wilks' Lambda	.923	2.010	12.000	783.434	.021
	Hotelling's Trace	.082	2.020	12.000	884.000	.020
	Roy's Largest Root	.064	4.751(b)	4.000	298.000	.001
BuizReg	Pillai's Trace	.059	4.675(a)	4.000	296.000	.001
	Wilks' Lambda	.941	4.675(a)	4.000	296.000	.001
	Hotelling's Trace	.063	4.675(a)	4.000	296.000	.001
	Roy's Largest Root	.063	4.675(a)	4.000	296.000	.001
FormBuiz * LocationBuiz	Pillai's Trace	.028	.712	12.000	894.000	.741
	Wilks' Lambda	.972	.709	12.000	783.434	.743
	Hotelling's Trace	.029	.707	12.000	884.000	.746
	Roy's Largest Root	.018	1.316(b)	4.000	298.000	.264
FormBuiz * TypeBuiz	Pillai's Trace	.125	.645	60.000	1196.000	.984
	Wilks' Lambda	.880	.643	60.000	1157.663	.984
	Hotelling's Trace	.131	.641	60.000	1178.000	.985
	Roy's Largest Root	.057	1.137(b)	15.000	299.000	.323
LocationBuiz * TypeBuiz	Pillai's Trace	.046	.583	24.000	1196.000	.946
	Wilks' Lambda	.954	.584	24.000	1033.831	.945
	Hotelling's Trace	.048	.585	24.000	1178.000	.945
	Roy's Largest Root	.037	1.863(b)	6.000	299.000	.087
FormBuiz * LocationBuiz * TypeBuiz	Pillai's Trace	.030	.454	20.000	1196.000	.982
	Wilks' Lambda	.970	.452	20.000	982.671	.982
	Hotelling's Trace	.031	.450	20.000	1178.000	.983
	Roy's Largest Root	.018	1.100(b)	5.000	299.000	.361
FormBuiz * SizeBuiz	Pillai's Trace	.072	1.834	12.000	894.000	.039

	Wilks' Lambda	.929	1.837	12.000	783.434	.039
	Hotelling's Trace	.075	1.836	12.000	884.000	.039
	Roy's Largest Root	.044	3.299(b)	4.000	298.000	.012
LocationBuiz * SizeBuiz	Pillai's Trace	.091	7.419(a)	4.000	296.000	.000
	Wilks' Lambda	.909	7.419(a)	4.000	296.000	.000
	Hotelling's Trace	.100	7.419(a)	4.000	296.000	.000
	Roy's Largest Root	.100	7.419(a)	4.000	296.000	.000
FormBuiz * LocationBuiz * SizeBuiz	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
TypeBuiz * SizeBuiz	Pillai's Trace	.183	2.050	28.000	1196.000	.001
	Wilks' Lambda	.826	2.080	28.000	1068.665	.001
	Hotelling's Trace	.200	2.104	28.000	1178.000	.001
	Roy's Largest Root	.126	5.363(b)	7.000	299.000	.000
FormBuiz * TypeBuiz * SizeBuiz	Pillai's Trace	.026	1.985(a)	4.000	296.000	.097
	Wilks' Lambda	.974	1.985(a)	4.000	296.000	.097
	Hotelling's Trace	.027	1.985(a)	4.000	296.000	.097
	Roy's Largest Root	.027	1.985(a)	4.000	296.000	.097
LocationBuiz * TypeBuiz * SizeBuiz	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
FormBuiz * LocationBuiz * TypeBuiz * SizeBuiz	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
FormBuiz * BuizReg	Pillai's Trace	.013	.322	12.000	894.000	.986
	Wilks' Lambda	.987	.320	12.000	783.434	.986
	Hotelling's Trace	.013	.319	12.000	884.000	.986
	Roy's Largest Root	.009	.679(b)	4.000	298.000	.607
LocationBuiz * BuizReg	Pillai's Trace	.036	2.800(a)	4.000	296.000	.026
	Wilks' Lambda	.964	2.800(a)	4.000	296.000	.026
	Hotelling's Trace	.038	2.800(a)	4.000	296.000	.026
	Roy's Largest Root	.038	2.800(a)	4.000	296.000	.026
FormBuiz * LocationBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
TypeBuiz * BuizReg	Pillai's Trace	.067	.854	24.000	1196.000	.668
	Wilks' Lambda	.934	.854	24.000	1033.831	.668
	Hotelling's Trace	.070	.854	24.000	1178.000	.668
	Roy's Largest Root	.043	2.130(b)	6.000	299.000	.050
FormBuiz * TypeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000

LocationBuiz * TypeBuiz * BuizReg	Pillai's Trace	.018	.444	12.000	894.000	.946
	Wilks' Lambda	.982	.442	12.000	783.434	.946
	Hotelling's Trace	.018	.440	12.000	884.000	.947
	Roy's Largest Root	.010	.769(b)	4.000	298.000	.546
FormBuiz * LocationBuiz * TypeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
SizeBuiz * BuizReg	Pillai's Trace	.100	8.238(a)	4.000	296.000	.000
	Wilks' Lambda	.900	8.238(a)	4.000	296.000	.000
	Hotelling's Trace	.111	8.238(a)	4.000	296.000	.000
	Roy's Largest Root	.111	8.238(a)	4.000	296.000	.000
FormBuiz * SizeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
LocationBuiz * SizeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
FormBuiz * LocationBuiz * SizeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
TypeBuiz * SizeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
FormBuiz * TypeBuiz * SizeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
LocationBuiz * TypeBuiz * SizeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000
FormBuiz * LocationBuiz * TypeBuiz * SizeBuiz * BuizReg	Pillai's Trace	.000	.(a)	.000	.000	.
	Wilks' Lambda	1.000	.(a)	.000	297.500	.
	Hotelling's Trace	.000	.(a)	.000	2.000	.
	Roy's Largest Root	.000	.000(a)	4.000	295.000	1.000

a Exact statistic

b The statistic is an upper bound on F that yields a lower bound on the significance level.

c Design: Intercept+FormBuiz+LocationBuiz+TypeBuiz+SizeBuiz+BuizReg+FormBuiz * LocationBuiz+FormBuiz * TypeBuiz+LocationBuiz * TypeBuiz+FormBuiz * LocationBuiz * TypeBuiz+FormBuiz * SizeBuiz+LocationBuiz * SizeBuiz+FormBuiz * LocationBuiz * SizeBuiz+TypeBuiz * SizeBuiz+FormBuiz * TypeBuiz * SizeBuiz+LocationBuiz * TypeBuiz * SizeBuiz+FormBuiz * LocationBuiz * TypeBuiz * SizeBuiz+FormBuiz * BuizReg+LocationBuiz * BuizReg+FormBuiz * LocationBuiz * BuizReg+TypeBuiz * BuizReg+FormBuiz * TypeBuiz * BuizReg+LocationBuiz * TypeBuiz * BuizReg+FormBuiz * LocationBuiz * TypeBuiz * BuizReg+SizeBuiz * BuizReg+FormBuiz * SizeBuiz * BuizReg+LocationBuiz * SizeBuiz * BuizReg+FormBuiz * LocationBuiz * SizeBuiz * BuizReg+TypeBuiz * SizeBuiz *

BuizReg+FormBuiz * TypeBuiz * SizeBuiz * BuizReg+LocationBuiz * TypeBuiz * SizeBuiz * BuizReg+FormBuiz * LocationBuiz * TypeBuiz * SizeBuiz * BuizReg

Tests of Between-Subjects Effects

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	AdditionalIncome	80.270(a)	84	.956	2.017	.000
	BuizAsset	107.507(b)	84	1.280	2.811	.000
	AmountSavedBuiz	133.426(c)	84	1.588	3.255	.000
	FamilyDecision	102.899(d)	84	1.225	2.486	.000
Intercept	AdditionalIncome	444.929	1	444.929	938.921	.000
	BuizAsset	478.596	1	478.596	1051.050	.000
	AmountSavedBuiz	454.814	1	454.814	932.027	.000
	FamilyDecision	574.250	1	574.250	1165.334	.000
FormBuiz	AdditionalIncome	2.051	3	.684	1.443	.230
	BuizAsset	1.098	3	.366	.804	.493
	AmountSavedBuiz	1.108	3	.369	.757	.519
	FamilyDecision	2.884	3	.961	1.951	.121
LocationBuiz	AdditionalIncome	.770	1	.770	1.625	.203
	BuizAsset	.058	1	.058	.128	.721
	AmountSavedBuiz	.375	1	.375	.769	.381
	FamilyDecision	1.693	1	1.693	3.435	.065
TypeBuiz	AdditionalIncome	3.862	6	.644	1.358	.231
	BuizAsset	4.740	6	.790	1.735	.113
	AmountSavedBuiz	1.523	6	.254	.520	.793
	FamilyDecision	6.770	6	1.128	2.290	.035
SizeBuiz	AdditionalIncome	1.422	3	.474	1.000	.393
	BuizAsset	6.590	3	2.197	4.824	.003
	AmountSavedBuiz	2.183	3	.728	1.491	.217
	FamilyDecision	1.209	3	.403	.818	.485
BuizReg	AdditionalIncome	.078	1	.078	.164	.686
	BuizAsset	2.697	1	2.697	5.923	.016
	AmountSavedBuiz	3.252	1	3.252	6.665	.010
	FamilyDecision	5.249	1	5.249	10.652	.001
FormBuiz * LocationBuiz	AdditionalIncome	1.007	3	.336	.709	.548
	BuizAsset	.568	3	.189	.416	.742
	AmountSavedBuiz	1.646	3	.549	1.124	.340
	FamilyDecision	.299	3	.100	.202	.895
FormBuiz * TypeBuiz	AdditionalIncome	3.824	15	.255	.538	.918
	BuizAsset	5.723	15	.382	.838	.635
	AmountSavedBuiz	3.741	15	.249	.511	.934
	FamilyDecision	6.744	15	.450	.912	.551
LocationBuiz * TypeBuiz	AdditionalIncome	2.364	6	.394	.832	.546
	BuizAsset	3.695	6	.616	1.352	.234
	AmountSavedBuiz	2.899	6	.483	.990	.432

	FamilyDecision	.817	6	.136	.276	.948
FormBuiz * LocationBuiz * TypeBuiz	AdditionalIncome	1.233	5	.247	.520	.761
	BuizAsset	2.039	5	.408	.896	.484
	AmountSavedBuiz	.525	5	.105	.215	.956
	FamilyDecision	.564	5	.113	.229	.950
FormBuiz * SizeBuiz	AdditionalIncome	2.488	3	.829	1.750	.157
	BuizAsset	3.091	3	1.030	2.263	.081
	AmountSavedBuiz	3.599	3	1.200	2.459	.063
	FamilyDecision	4.647	3	1.549	3.143	.026
LocationBuiz * SizeBuiz	AdditionalIncome	3.286	1	3.286	6.935	.009
	BuizAsset	.262	1	.262	.576	.448
	AmountSavedBuiz	1.487	1	1.487	3.047	.082
	FamilyDecision	8.549	1	8.549	17.349	.000
FormBuiz * LocationBuiz * SizeBuiz	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
TypeBuiz * SizeBuiz	AdditionalIncome	5.118	7	.731	1.543	.152
	BuizAsset	12.233	7	1.748	3.838	.001
	AmountSavedBuiz	5.464	7	.781	1.600	.135
	FamilyDecision	14.761	7	2.109	4.279	.000
FormBuiz * TypeBuiz * SizeBuiz	AdditionalIncome	.471	1	.471	.994	.320
	BuizAsset	1.443	1	1.443	3.169	.076
	AmountSavedBuiz	.213	1	.213	.437	.509
	FamilyDecision	3.278	1	3.278	6.652	.010
LocationBuiz * TypeBuiz * SizeBuiz	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
FormBuiz * LocationBuiz * TypeBuiz * SizeBuiz	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
FormBuiz * BuizReg	AdditionalIncome	.268	3	.089	.188	.904
	BuizAsset	.590	3	.197	.432	.730
	AmountSavedBuiz	.409	3	.136	.280	.840
	FamilyDecision	.682	3	.227	.461	.710
LocationBuiz * BuizReg	AdditionalIncome	4.576	1	4.576	9.656	.002
	BuizAsset	.918	1	.918	2.016	.157
	AmountSavedBuiz	2.468	1	2.468	5.057	.025
	FamilyDecision	.042	1	.042	.086	.770
FormBuiz * LocationBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
TypeBuiz * BuizReg	AdditionalIncome	4.489	6	.748	1.579	.153
	BuizAsset	1.720	6	.287	.630	.707

	AmountSavedBuiz	1.552	6	.259	.530	.785
	FamilyDecision	1.433	6	.239	.485	.820
FormBuiz * TypeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
LocationBuiz * TypeBuiz * BuizReg	AdditionalIncome	.224	3	.075	.157	.925
	BuizAsset	.854	3	.285	.625	.599
	AmountSavedBuiz	.590	3	.197	.403	.751
	FamilyDecision	.839	3	.280	.567	.637
FormBuiz * LocationBuiz * TypeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
SizeBuiz * BuizReg	AdditionalIncome	.884	1	.884	1.865	.173
	BuizAsset	2.678	1	2.678	5.880	.016
	AmountSavedBuiz	2.455	1	2.455	5.030	.026
	FamilyDecision	8.451	1	8.451	17.150	.000
FormBuiz * SizeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
LocationBuiz * SizeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
FormBuiz * LocationBuiz * SizeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
TypeBuiz * SizeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
FormBuiz * TypeBuiz * SizeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
LocationBuiz * TypeBuiz * SizeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
FormBuiz * LocationBuiz * TypeBuiz * SizeBuiz * BuizReg	AdditionalIncome	.000	0	.	.	.
	BuizAsset	.000	0	.	.	.
	AmountSavedBuiz	.000	0	.	.	.
	FamilyDecision	.000	0	.	.	.
Error	AdditionalIncome	141.688	299	.474		

	BuizAsset	136.150	299	.455		
	AmountSavedBuiz	145.907	299	.488		
	FamilyDecision	147.340	299	.493		
Total	AdditionalIncome	4898.000	384			
	BuizAsset	4740.000	384			
	AmountSavedBuiz	4546.000	384			
	FamilyDecision	6604.000	384			
Corrected Total	AdditionalIncome	221.958	383			
	BuizAsset	243.656	383			
	AmountSavedBuiz	279.333	383			
	FamilyDecision	250.240	383			

a R Squared = .362 (Adjusted R Squared = .182)
b R Squared = .441 (Adjusted R Squared = .284)
c R Squared = .478 (Adjusted R Squared = .331)
d R Squared = .411 (Adjusted R Squared = .246)

Hypothesis 4

Standard of Living

Dependent Variable: INTERESTRATE
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:50
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.661072	0.133946	4.935369	0.0000
AMOUNTSAVED	0.154014	0.127400	1.208907	0.2267
Limit Points				
LIMIT_2:C(3)	-1.581744	0.519652	-3.043854	0.0023
LIMIT_3:C(4)	0.007024	0.415793	0.016893	0.9865
LIMIT_4:C(5)	1.001724	0.406387	2.464949	0.0137
LIMIT_5:C(6)	4.739465	0.494156	9.591037	0.0000

Akaike info criterion	1.910274	Schwarz criterion	1.972003
Log likelihood	-360.7726	Hannan-Quinn criter.	1.934758
Restr. log likelihood	-383.5655	Avg. log likelihood	-0.939512
LR statistic (2 df)	45.58585	LR index (Pseudo-R2)	0.059424
Probability(LR stat)	1.26E-10		

Dependent Variable: OBTAININGLOANSEASIER
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:51
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations

Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.292617	0.117235	2.495980	0.0126
AMOUNTSAVED	0.632882	0.120251	5.263017	0.0000
Limit Points				
LIMIT_2:C(3)	-1.392806	0.500284	-2.784032	0.0054
LIMIT_3:C(4)	0.380653	0.389360	0.977639	0.3283
LIMIT_4:C(5)	1.863944	0.384266	4.850661	0.0000
LIMIT_5:C(6)	4.667489	0.451643	10.33446	0.0000

Akaike info criterion	2.287616	Schwarz criterion	2.349344
Log likelihood	-433.2222	Hannan-Quinn criter.	2.312100
Restr. log likelihood	-465.8166	Avg. log likelihood	-1.128183
LR statistic (2 df)	65.18879	LR index (Pseudo-R2)	0.069973
Probability(LR stat)	6.99E-15		

Dependent Variable: INCOMEINCREASED
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:52
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.822789	0.156829	5.246419	0.0000
AMOUNTSAVED	0.450961	0.144918	3.111836	0.0019
Limit Points				
LIMIT_2:C(3)	-0.367375	0.509998	-0.720346	0.4713
LIMIT_3:C(4)	0.853245	0.441254	1.933681	0.0532
LIMIT_4:C(5)	1.571760	0.437657	3.591307	0.0003
LIMIT_5:C(6)	6.443787	0.608029	10.59783	0.0000

Akaike info criterion	1.485507	Schwarz criterion	1.547236
Log likelihood	-279.2174	Hannan-Quinn criter.	1.509992
Restr. log likelihood	-319.9552	Avg. log likelihood	-0.727129
LR statistic (2 df)	81.47561	LR index (Pseudo-R2)	0.127323
Probability(LR stat)	0.000000		

Dependent Variable: SAVINGSINCREASED
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:53
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.

CAPITAL	0.261352	0.141254	1.850221	0.0643
AMOUNTSAVED	1.119230	0.145445	7.695208	0.0000
Limit Points				
LIMIT_2:C(3)	-0.075806	0.493641	-0.153566	0.8780
LIMIT_3:C(4)	1.689573	0.441426	3.827532	0.0001
LIMIT_4:C(5)	2.257256	0.443094	5.094303	0.0000
LIMIT_5:C(6)	7.045747	0.619983	11.36442	0.0000

Akaike info criterion	1.604780	Schwarz criterion	1.666509
Log likelihood	-302.1177	Hannan-Quinn criter.	1.629264
Restr. log likelihood	-358.0402	Avg. log likelihood	-0.786765
LR statistic (2 df)	111.8449	LR index (Pseudo-R2)	0.156190
Probability(LR stat)	0.000000		

Dependent Variable: ACCESSEDUCATION
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:53
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.609507	0.131189	4.646006	0.0000
AMOUNTSAVED	0.088318	0.123951	0.712524	0.4761
Limit Points				
LIMIT_2:C(3)	-1.756787	0.500239	-3.511892	0.0004
LIMIT_3:C(4)	-0.217534	0.406536	-0.535092	0.5926
LIMIT_4:C(5)	0.962036	0.396844	2.424215	0.0153
LIMIT_5:C(6)	4.675444	0.481647	9.707195	0.0000

Akaike info criterion	1.986098	Schwarz criterion	2.047827
Log likelihood	-375.3308	Hannan-Quinn criter.	2.010582
Restr. log likelihood	-393.5083	Avg. log likelihood	-0.977424
LR statistic (2 df)	36.35514	LR index (Pseudo-R2)	0.046194
Probability(LR stat)	1.28E-08		

Dependent Variable: ACCESSHEALTH
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:54
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.420297	0.131530	3.195438	0.0014

AMOUNTSAVED	-0.408774	0.123187	-3.318319	0.0009
		Limit Points		
LIMIT_2:C(3)	-4.276459	0.596248	-7.172279	0.0000
LIMIT_3:C(4)	-3.012598	0.462616	-6.512097	0.0000
LIMIT_4:C(5)	-1.296097	0.408513	-3.172717	0.0015
LIMIT_5:C(6)	2.324334	0.426575	5.448830	0.0000
Akaike info criterion	1.891511	Schwarz criterion		1.953240
Log likelihood	-357.1701	Hannan-Quinn criter.		1.915996
Restr. log likelihood	-364.0535	Avg. log likelihood		-0.930131
LR statistic (2 df)	13.76676	LR index (Pseudo-R2)		0.018908
Probability(LR stat)	0.001025			

Dependent Variable: FINANCIALSITUATION
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:55
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.597362	0.137068	4.358141	0.0000
AMOUNTSAVED	-0.340333	0.126660	-2.686985	0.0072
		Limit Points		
LIMIT_2:C(3)	-5.143867	1.076038	-4.780378	0.0000
LIMIT_3:C(4)	-2.710675	0.498958	-5.432667	0.0000
LIMIT_4:C(5)	-1.290931	0.430064	-3.001716	0.0027
LIMIT_5:C(6)	2.683078	0.457797	5.860848	0.0000
Akaike info criterion	1.637872	Schwarz criterion		1.699600
Log likelihood	-308.4714	Hannan-Quinn criter.		1.662356
Restr. log likelihood	-318.2039	Avg. log likelihood		-0.803311
LR statistic (2 df)	19.46500	LR index (Pseudo-R2)		0.030586
Probability(LR stat)	5.93E-05			

Dependent Variable: DECISIONMAKINGINCREASED
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:56
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.

CAPITAL	0.450120	0.128521	3.502300	0.0005
AMOUNTSAVED	0.094900	0.119940	0.791228	0.4288
Limit Points				
LIMIT_2:C(3)	-2.299161	0.522372	-4.401388	0.0000
LIMIT_3:C(4)	-0.801675	0.408655	-1.961742	0.0498
LIMIT_4:C(5)	0.364622	0.388277	0.939076	0.3477
LIMIT_5:C(6)	3.954759	0.459247	8.611397	0.0000

Akaike info criterion	1.988999	Schwarz criterion	2.050727
Log likelihood	-375.8877	Hannan-Quinn criter.	2.013483
Restr. log likelihood	-387.3126	Avg. log likelihood	-0.978874
LR statistic (2 df)	22.84978	LR index (Pseudo-R2)	0.029498
Probability(LR stat)	1.09E-05		

Dependent Variable: OPERATIONALASSISTANCEHEL
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:57
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.479809	0.130282	3.682845	0.0002
AMOUNTSAVED	0.707119	0.124887	5.662062	0.0000
Limit Points				
LIMIT_2:C(3)	0.576445	0.401406	1.436068	0.1510
LIMIT_3:C(4)	2.070907	0.391345	5.291773	0.0000
LIMIT_4:C(5)	2.770758	0.400967	6.910194	0.0000
LIMIT_5:C(6)	6.562456	0.528440	12.41856	0.0000

Akaike info criterion	2.166622	Schwarz criterion	2.228351
Log likelihood	-409.9914	Hannan-Quinn criter.	2.191106
Restr. log likelihood	-459.7128	Avg. log likelihood	-1.067686
LR statistic (2 df)	99.44280	LR index (Pseudo-R2)	0.108158
Probability(LR stat)	0.000000		

Dependent Variable: EMPLOYMENTOPPORTUNITIESI
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:58
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	-0.011101	0.115720	-0.095931	0.9236
AMOUNTSAVED	0.508140	0.111102	4.573637	0.0000
Limit Points				
LIMIT_2:C(3)	-1.334072	0.392754	-3.396707	0.0007
LIMIT_3:C(4)	-0.108409	0.364123	-0.297727	0.7659
LIMIT_4:C(5)	1.052463	0.365488	2.879607	0.0040
LIMIT_5:C(6)	4.422297	0.441860	10.00837	0.0000

Akaike info criterion	2.427634	Schwarz criterion	2.489363
Log likelihood	-460.1057	Hannan-Quinn criter.	2.452118
Restr. log likelihood	-474.8132	Avg. log likelihood	-1.198192
LR statistic (2 df)	29.41481	LR index (Pseudo-R2)	0.030975
Probability(LR stat)	4.10E-07		

Dependent Variable: IMPROVEMENTLLIVINGSTANDA
Method: ML - Ordered Logit (Quadratic hill climbing)
Date: 07/02/14 Time: 12:59
Sample: 1 384
Included observations: 384
Number of ordered indicator values: 5
Convergence achieved after 5 iterations
Covariance matrix computed using second derivatives

	Coefficient	Std. Error	z-Statistic	Prob.
CAPITAL	0.616919	0.147338	4.187117	0.0000
AMOUNTSAVED	0.519021	0.139333	3.725040	0.0002
Limit Points				
LIMIT_2:C(3)	-0.971428	0.552191	-1.759224	0.0785
LIMIT_3:C(4)	0.369506	0.448812	0.823298	0.4103
LIMIT_4:C(5)	1.099951	0.432939	2.540664	0.0111
LIMIT_5:C(6)	5.620754	0.566716	9.918113	0.0000

Akaike info criterion	1.554291	Schwarz criterion	1.616020
Log likelihood	-292.4240	Hannan-Quinn criter.	1.578776
Restr. log likelihood	-326.8318	Avg. log likelihood	-0.761521
LR statistic (2 df)	68.81565	LR index (Pseudo-R2)	0.105277
Probability(LR stat)	1.11E-15		