FACTORS AFFECTING THE PERFORMANCE OF MICRO AND SMALL BUSINESS ENTERPRISES OF WOMEN ENTREPRENEURS: THE CASE OF KIRKOS AND YEKA SUB -CITIES ADMINISTRATION OF ADDIS ABABA.

BY:

ALEMTSEHAY TADDELE

ADVISOR:

LAKEW ALEMU. (Ph.D)

A Thesis Submitted to Addis Ababa University College of Business and Economics School of Graduate Studies MBA Program in Partial Fulfilment of the Requirements for the Award of Master Business Administration in Management:

JUNE 2021

ADDIS ABABA, ETHIOPIA

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

POST GRADUATE PROGRAM OF BUSINESS ADMINISTRATION

This is to certify that this research entitled "***Factors Affecting the Performance of Micro and Small Business Enterprises of Women Entrepreneurs: The Case of Kirkos and Yeka Sub Cities Administration of Addis Ababa.***" It is submitted to the College of Business and Economics at Addis Ababa University in partial fulfilments of the requirements for the Degree of Master of Business Administration in Management. The Thesis done by Alemtsehay Taddele is an authentic study carried by her effort under our guidance.

Approved by Board of Examiners

Dr. Lakew Alemu Advisor	Signature	18/07/21 Date
Dr. Asres Abitie Internal Examiner	Signature	12/07/21 Date
Dr. Shimelis Zewdie External Examiner	Signature	10/07/21 Date

DECLARATION

I, the undersigned, declare that this study entitled "***Factors Affecting the Performance of Micro and Small Business Enterprises of Women Entrepreneurs: The Case of Kirkos and Yeka Sub Cities Administration of Addis Ababa.***" is the outcome of my effort and study. This study has not been submitted for a degree in any other university. It is submitted to the College of Business and Economics at Addis Ababa University in Partial Fulfilment of the Requirements for the degree of Master of Business Administration. All sources of materials used for the Research have been duly acknowledged, cited, and referenced.

Name: Alemtsehay Taddele

Signature ----------

Date ----------

LETTER OF CERTIFICATION

This is to certify that Alemtsehay Taddele has carried out her study under my supervision on the topic of ***Factors Affecting the Performance of Micro and Small Business Enterprises of Women Entrepreneurs: The Case of Kirkos and Yeka Sub Cities Administration of Addis Ababa.*** This work is original and it is suitable for Submission in partial fulfillment of the requirement for the award of Degree Master of Business Administration in Management.

Advisor

Dr. Lakew Alemu _____

Signature _____

Date _____

Acknowledgments

First, I am immensely grateful to all Almighty God for giving me the strength, diligence, courage, patience, and inspiration for the accomplishment of the research. The task of conducting the study could not have been achieved without the contribution of others. I would like also to express my gratitude to all those who assisted me to complete this research work.

My special appreciation and respect go to my advisor Dr. Lakew Alemu, a very responsible intellectual. My advisor has read all the parts of the thesis right from the manuscript stage to the final output and has provided considerable professional, technical and ethical assistance throughout all stages. To this end, I should say, his willingness to devote his time and use his expertise at every point of discussion needs to be appreciated.

I would like to acknowledge, with gratitude, my debt of thanks to my beloved husband Endalkachew Mulugeta for his endless patience; encouragement, and love have contributed a lot to the completion of this paper. I also take this opportunity to record my sincere thanks to my friends, for their valuable advice and support specially Tariku Tefera.

I am thankful to all Kirkos and Yeka sub-cities administration employees, management staff, and women entrepreneurs for filling the questionnaires and providing necessary information for the study without sacrificing their precious time.

Finally, I would extend my sense of gratitude to my family and everyone who had directly or indirectly have lent their helping hand in this venture. I truly appreciate their assistance, encouragement, advice, and suggestions on every stage in completing this study.

ABSTRACT

The main objective of this study was to examine factors affecting the performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration of Addis Ababa. The conceptual framework was designed by considering factors that affecting small and micro enterprise's independent variables (entrepreneurial, managerial, financial, market, technological, infrastructure, and government policy & regulation) and the business performance of women entrepreneurs as a dependent variable. Both descriptive and explanatory research design with quantitative research approach was applied. To check the reliability and internal consistency of the questionnaire, Cronbach's alpha was tested. The data were obtained by closed-ended questionnaires consisted of 44 statements with a five-point Likert scale. The study took 8,665 target populations with a sample of 368 respondents, out of which 330 (89.7%) were returned. The data were analyzed using SPSS (version 24). Pearson Correlation analysis shows that there was a statistically significant positive relationship between all selected seven factors (i.e. as entrepreneurial, managerial, financial, market, technological, infrastructure, and government policy and regulation factors) and business performance of SMEs of women entrepreneurs. Moreover, the regression result revealed that except for technological factors all six factors were found to have their own positive and significant effect on the business performance of SMEs of women entrepreneurs in both Kirkos and Yeka sub-cities of Addis Ababa city administration. Financial factors were found to be the most contributing factors in the prediction of business performance of SMEs of women entrepreneurs. The remaining factors except for technological factors; market, government policy, and regulation, entrepreneurial, managerial, and infrastructural factors had significant contributions in predicting the business performance of SMEs of women entrepreneurs in their respective order and also the results of regression analysis show that 64.6% of the variation in the business performance of SMEs of women entrepreneurs of both sub-cities can be explained by the factors affecting SMEs. Based on the research findings and research conclusions, the cities administration must emphasize all selected factors i.e. Finance, market, government policy & regulation, entrepreneurial, managerial, and infrastructural factors which had strong influences on the business performance of SMEs of women entrepreneurs.

Keywords: Small and Medium Enterprises, Women Entrepreneurs, Entrepreneurial, Managerial, Financial, Market, Technological, Infrastructure, and Government policy and regulatory factors.

Table of Contents

List of Tables

List of Figures

List of Acronyms

ANOVA - Variation of analysis

DF - Degree of freedom

SD- Standard deviation

SPSS - Statistical Package for Social Sciences

MSEs- Micro and Small Enterprises

NGO- Non- Government organization

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

Small and medium-sized enterprise (SME) is one type of businesses' activities that has a small number of employees. However, in terms of the number of establishments SMEs have a higher number of establishments than large enterprises (Vinten, 2000). This type of business can be simply found in almost all countries in the world and they generally have restricted financial resources as well as restricted infrastructure (Jones & Cravenm, 2000). Micro and small enterprises employ about 60% of private-sector workers, make a major contribution in the field of innovation, and support regional development and social cohesion. Also, MSEs in most low-income countries give a significant contribution to GDP growth and the creation of new jobs (Govori, 2013). Even if women make up half of the world's population, their contribution to the measured economic activity, growth, and well-being is far below its potential. Besides, the employment of women in economic sectors has important effects on their life, family and the country as a whole (IMF, 2013).

However, the variation of results shows that religion/cultures, family responsibilities, education/ experience, and technology may influence the performance of some groups of female entrepreneurs in some country's context (Asma, 2015). According to Tirfe and Kassahun, (2014) entrepreneurial orientation has a positive and highly significant effect on the development of small enterprises. This shows that entrepreneurial orientation is one of the main determinants to achieve above-average returns and sustained competitive advantage and growth by taking risks to introducing new and advanced products/services and proactively responding to changing market competition. According to Girma, (2015) the personal characteristics of female entrepreneurs in small and micro enterprises and their entrepreneurial spirit can affect their performance or profitability. It also shows that people lack business premises or land, financial access granted by microfinance or other credit institutions, insufficient business training opportunities, fierce market competition, access to technology, and access to raw materials. It is a key economic factor that affects the performance or success of women entrepreneurs in small and micro-enterprises. This study also indicates that access to training, premises, market access, the barrier to legal and

political, access to finance and business management were the major growth factors of women entrepreneurs.

Micro and Small enterprises play a key role in economic growth and they make a vital contribution in improving the economic and social development of a country through stimulating large scale engagement, investment, development of native skill and promotion of entrepreneurship and innovativeness, attractive exports, and also building an industrial base at different scales (Liedholm, 2002). The small and medium-sized business sector is an important part of economic development and an important factor driving countries out of the market, so it can be predicted. For a long time, the dynamic role of micro and small enterprises (MSE) in developing countries has been regarded as the engine for achieving growth goals in developing countries. Small businesses play a significant role in the development of a country and serve as a means to endure and grow economies (Ibrahim, Angelidis, &Parsa, 2008). Due to the ease in starting and simplicity in operation, small businesses are initiated for various reasons depending upon entrepreneur motives and traits (Kozan et al., 2006).

Small businesses can help reduce unemployment and create new sources of employment. Recent empirical studies have shown that small and micro enterprises contribute more than 60% of GDP and more than 70% of total employment in 4,444 companies in developing countries, while they contribute more than 95% of total employment and approximately 70% of GDP in developing countries. Therefore, an important political priority for developing countries is to improve policies that divide the formal and informal sectors so that the poor can participate in the market and engage in high value-added business activities (Ayyagari, Beck, and DemirgücKunt, 2003).

According to Geberhiwot and Wolday, more than 11,000 MPEs were surveyed (in 2006), and about 5% of them admitted that there are major limitations, such as lack of production and marketing workspace, credit and financing shortages, regulatory issues (licensing, organization, Illegal business), insufficient production technology, limited access to investment, lack of information, insufficient management, and entrepreneurial capabilities, lack of appropriate strategies, lack of qualified human resources, low level of awareness of small and micro enterprises as a field of work, low level of provision and interest Training and seminars. These limitations are also reflected in other developing countries, especially

mismanagement, corruption, lack of training and experience, poor infrastructure development, insufficient profits, and low demand for products and services.

Shiffer and Weder (2001) stated that there are size-based policy preferences against MSEs, and more so against smaller firms in the microeconomic environment. These biases cover all areas: legal and regulatory frameworks, governance issues, such as bureaucracy and corruption, entrance to finance, and property rights.

However, despite the large differences between countries, traditionally, the relative importance of SMEs tends to decrease as countries expand (Hallberg, 2000; and Liedholm and Meade, 1999). In low-income countries like Ethiopia, informal sectors are the leading income sources of the mass metropolitan population. The profile of the Ethiopian metropolitan workforce shows the appointment of about half of the workforce in the informal sector. The MSEs absorb large active women and are considered as an important policy instrument for eradicating poverty. The Ethiopian government considers the development of MSEs as the basic means to overcome poverty principally for women and the youth. To make this successful, however, it needs a detailed understanding of factors that affect the start-up, growth, and expansion of these sectors.

Generally, this research was designed to examine factors affecting the performance of micro and small business enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration of Addis Ababa.

1.2. Statement of the Problem

Women's involvement in the socio-economic growth of their families and communities through their entrepreneurial events has received less care from policymakers and researchers and has been taken for guaranteed (Buame, 2000). This has resulted in gross under-estimation and under-utilization of women's socio-economic participation and future.

According to Tiruneh (2011), the Micro and Small Enterprises Sectors contribute to the economic development of nations by generating employment chances, production of goods and services, and other value-added activities. The presence of a strong small business sector is essential for the improvement of the economy. However, the shifting of this sector to medium and large business sectors is vital to preserving the flow of new small businesses into the economy. In addition, such change or growth will further decrease the joblessness rate and raise the number of products or services existing in society. Hence, the growth of MSEs

is measured as synonymous with achievement. Micro & Small Enterprises caught the attention of development practitioners and policymakers recently not only because of their importance in terms of generating employment also because of various other attributes. Some of them are: Micro and small companies are seedbeds of entrepreneurs, the sector has a high capacity for job creation, low capital intensity and is highly competitive, flexible and innovative (Endalkachew, 2008).

Even though, the number of MSE increasing at an increasing rate, the status of their operation is the basic question to be asked by the policymakers and researchers. Due to changes in the business environment and economic situation of the world, it is at a fast pace to affect or be affected by the global economic settings. There are also internal/external environmental factors such as entrepreneurial characteristics, finance, and market skills that cause their success/failure. It is natural to say that all small business owners have high expectations for success at the beginning, but it is a common phenomenon that businesses close down every year. Although failure is not the only cause of company failure, many companies fail every year (Tiruneh, 2011). This study argues that success is a complex process and that is a combination of both internal and external factors together would better explain the success or failure of micro-enterprises. (Belay, 2012) stated that a multi-dimensional analysis, where several external and internal factors are occupied into account would give a clearer understanding of achievement. Shonesy and Gulbro, (2004) specified from their review of literature on small business achievement studies, and there have been numerous studies, which seek to identify the critical success factors for small businesses. However, there appears a problem to develop a common list of the factors which contribute to the success of small business performance operating in various business environments and regions. Though, it is very significant to define these factors for any new business, as the owner should be worried about the probabilities for achievement.

The Organization for Economic Cooperation and Development (OECD, 2004) notes that women entrepreneurs have an untapped source of economic growth, create new jobs for themselves and others, provide society with different resolutions to management, organizations, and business difficulties, and achievement entrepreneurial opportunities.

Women entrepreneurship has a lot of interest in recent years in light of real evidence of the significance of new business formation for economic growth and development (Langowitz & Minniti, 2007). Not only does female entrepreneurship contribute to economic growth and

employment foundation, but it is increasingly customary to also develop the diversity of entrepreneurship in any economic system and to give opportunities for female appearance and potential achievement (Eddleston & Powell, 2008). These benefits are infrequently leveraged systematically, however, given that female entrepreneurship capacity and potentially remain highly unemployed in many contexts (Baughn et al., 2006).

There is accruing evidence suggesting that although the rate at which women are forming businesses has developed intentionally, the rates of female entrepreneurial movement are significantly and systematically lower than those for males (Langowitz & Minniti, 2007). Minniti et al., (2005) document in this respect substantial variations in entrepreneurship rates across countries participating in the Global Entrepreneurship Monitor (GEM) in 2010, with men more active in entrepreneurship in all countries. Generally, countries with a high level of female entrepreneurial movement rates also tended to be considered by high total entrepreneurial movement rates (Verheul et al., 2006).

This study is different from those researchers discussed above as their focus areas were on all entrepreneurs regardless of their sex. Besides, they did not give emphasis on the factors concerning the different personal, organizational, economic, socio-cultural, and legal/administrative matters. In addition, their studies did not address women entrepreneurs in MSEs. But this study specifically emphasis on factors that affect the performance of women entrepreneurs in MSEs particularly in both Kirkos and Yeka sub-cities administration.

Despite encouraging remarks about the capacities of women entrepreneurs to boost the local economy, the problems encountered by MSEs of women entrepreneurs in both Kirkos and Yeka sub-cities administration are both at the start-up and establishment phases. The majority of MSEs are survival driven; strive to secure the basic needs of an entrepreneur, mainly due to limited access to finance, poor business development service, unfavourable legal and regulatory frameworks, limited market access, ineffective and poorly coordinated institutional support, and lack of skill and knowledge to manage their business. All these forced enterprises to produce poor quality products and have lower productivity; these situations led to poor performance, stagnant growth which ultimately forced them to close business and go out of the market sooner than their male counterparts in Kirkos and Yeka sub-cities Administration of Addis Ababa. (Kirkos & Yeka sub-city 2020 annual report).

This study is deemed to fill the gaps by identifying specific factors that are responsible for MSEs operated by women entrepreneurs, and shade light on women-specific differentials that

affect their performance. Thus, this study is thought to assess the different factors that affect the performance of women entrepreneurs in both Kirkos and Yeka Sub Cities.

1.3. Research questions

The following questions are the possible research questions the study was attempted to answer:

- What is the effect of entrepreneurial factors on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What is the effect of managerial factors on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What is the effect of financial factors on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What is the effect of marketing factors on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What is the effect of technological factors on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What is the effect of infrastructure factors on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What are the effects of Government policy and regulatory factors on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration?
- What is the effect of Age on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What is the effect of marital status on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?
- What is the effect of Educational background on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities?

1.4. Objectives of the Study

1.4.1. General Objective

The general objective of this study was to examine factors affecting the performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration of Addis Ababa.

1.4.2. Specific objectives of the study

The specific objectives of the study are:

- To analyze the effect of **entrepreneurial factors** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To identify the effect of **managerial factors** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To find out the effect of **financial factors** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To examine the effect of **marketing factors** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To analyze the effect of **technological factors** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To examine the effect of **infrastructure factors** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To identify the effect of **government policy and regulatory factors** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To examine the effect of **Age** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.

- To examine the effect of **marital status** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.
- To examine the effect of **Educational background** on the business performance of Micro and Small Business Enterprises of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration.

1.5. Significance of the study

MSEs are one of the government priority areas in the struggle towards growth and development. This study also could be seen as part of an element of growth effort in identifying the factors that affect the performance of women-owned MSEs. The findings of this study would provide policymakers a ground for analyzing and structuring MSEs promotional packages and it also provides practical inputs that would help MSE's office in both Kirkos and Yeka sub-cities administration to make informed decisions in the problems encountered in a day to day operations, besides to that MSE operators in sub-cities will have an opportunity to look inward of their enterprises and analyze the factors particular to individual enterprises. At last, interested researchers could able to have a base for further study and provided substantial highlights.

1.6. Scope of the study

The study was conducted on women entrepreneurs whose business is functioning in Addis Ababa. According to Yeka and Kirkos sub-cities administration small and micro-enterprise office directors; there are 5,861 and 2,804 female entrepreneurs in these two sub-cities dedicated to small and micro enterprises respectively. If the study included all of these, the study would be more complete, but due to time and budget constraints, the study only covered 368 female entrepreneurs randomly selected from the five types of MSE. The conceptual boundary is limited to Entrepreneurial factors, Managerial factors, Financial factors, Marketing factors, Technological factors, Infrastructure factors, and Government policy & regulation factors. In addition, the study only focuses on the performance factors of micro and small enterprises in the management of women entrepreneurs in the cities of Kirkos and Yeka. The focus of the study is women entrepreneurs having a variety of activities spread across major sectors of the economy.

1.7. Limitation of the study

The researcher selected to study factors affecting the performance of micro and small business enterprises of women entrepreneurs only. Hence, it addressed gender-specific and limited geographical settings (Kirkos and Yeka sub-city) in this study, which makes the study, somehow restricted. Another limitation of this study was that, if an interview questionnaire was included, we might observe something different and it would have been very great.

This research had restricted only to selected factors distressing the performance of micro and small enterprises of women entrepreneurs, since there are many other factors if all sub-cities of city administration considered. Last but not least, during data collection, the pandemic virus COVID-19, made the respondents not have the all-out willingness to respond to the questionnaires' and it was a bit riskier for the researcher to collect the data to undertake the study.

1.8. Definition of keywords

Enterprise: It can be defined as an organization dedicated to the production and/or distribution of goods and services for commercial benefits, beyond the level of survival (family).

Small Enterprise: Business engaged in commercial activities with capital exceeding 20,000 birrs but not exceeding 50,000 birrs, except for high-tech institutions and consulting services (Ethiopian Ministry of Industry and Commerce, 2003).

Performance: A series of activities and operations carried out by female entrepreneurs in small, medium, and micro enterprises to strengthen their business.

Women entrepreneurs: Women in MSE who run their businesses and are not employed by any organization.

1.9. Organization of the study

The thesis is divided into five chapters. The first chapter includes the introduction, the problem statement, the research question, the significance of the research, the importance of the research, the scope of the research, and the limitations of the research. Chapter two describes different works of literature that were reviewed. The research design including the

methodology adopted and techniques that were applied in data collection and analysis are presented in chapter three. The fourth chapter outlines data presentation, analysis, and interpretations; and the fifth chapter deals with the summary, conclusion, and suggested recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Theoretical literature review

2.1.1. An overview of Entrepreneurship

Global economic and technological changes caused by globalization have brought changes and uncertainties to the global economy. This change requires a new way of thinking and a new employment situation. The vigorous development of entrepreneurship is the best way to adapt to new economic, technological, and social changes. Currently, the government regards entrepreneurship as the backbone of its economy and has formulated guidelines for entrepreneurship (Roy et al., 2017).

Entrepreneurship originated from the French word for entrepreneurs, meaning to undertake Lazear, (2005) defined entrepreneurship as the accumulation of necessary production factors composed of human, material, and information resources, and the process of carrying out effectively, as well as being like entrepreneurs. That's the process of bringing people together. Specific ways and link them with physical capital and ideas to produce new products or create existing products. Entrepreneurship is considered a factor of production and is related to innovation and risk-taking, while corporate compensation is related to ambiguity and profit (Montanye, 2006). Entrepreneurs have proposed new strategies that can improve the market and promote company development (Osoro et al., 2013).

As cited by Scholten, 2014, Joseph Schumpeter, one of the most influential conceptual economists of entrepreneurs in the 20th century, explained that entrepreneurs are the main source of economic growth through imaginative and disruptive processes. Source. In other words, when innovative entrepreneurs introduce new developments, existing technologies or products produced by large leading companies become obsolete.

According to Hoy and Shane (1998), entrepreneurship is a dynamic process that generates incremental capital. This wealth is made up of people who take the greatest risk in terms of equity, time, and/or professional commitments to give value to the product or service.

In addition, Timmons (1989) defines entrepreneurship as the process of creating and constructing something valuable from almost nothing. In other words, it is a process of

creating opportunities and pursuing them, regardless of the resources currently under control. It includes the definition, formation, and distribution of value and the help to people, groups, organizations, and society. Entrepreneurship is the active process of creating incremental wealth. This wealth is created by those who face the greatest danger in terms of fairness, time, and/or professional commitment to providing value for a product or service. The product or service may/may not be new or unique, but the entrepreneur must ensure and allocate the necessary skills and resources (Roy et al., 2017) to inject value.

Furthermore, Hisrich, 2005 defines entrepreneurship as follows: Entrepreneurship is the process of creating new and valuable things by providing the necessary time and energy, accompanied by financial, psychological, and social risks, and obtaining the money and the resulting personal return. Satisfaction and freedom.

Until 1980, little was known about women's entrepreneurship, whether in practice or research, and these were only concerned with men. The scientific discourse on women's entrepreneurship and organizations owned and managed by women was only development in the 1980s. Today, even though we have observed several female entrepreneurs, recent research shows that most of them are engaged in micro and small businesses (Roy et al., 2017).

Entrepreneurship has become something that societies, governments, and constitutions of all shapes and sizes hope to promote and promote. Whether it's creating a new company or injecting vitality into an old company, whether it's creating new products or finding new ways to promote old products, whether it's doing original things or finding original ways of doing old things. Holistically cultivating entrepreneurship is one of the main challenges facing the 21st century. Entrepreneurs themselves are ultimately recognized as an important part of creating economic wealth. They become business heroes because they have determination, self-confidence, and promise to make their dreams come true. They discover opportunities to become catalysts for economic and social change (Burns, 2016).

But where does the business opportunity come from? There are two generally accepted versions of the source of business opportunities. Schumpeter's vision and Kirzner's vision. In Schumpeter's point of view, possibility stems from the inherent character of entrepreneurs to initiate or implement changes. They are the innovators who impact and disrupt the economic balance in the period of uncertainty, change, and competition in the economic system. The highlight of Schumpeter is that the main company is an independent company composed of

entrepreneurs, which led to this enlightening dismantling. On the other hand, Kirznerian's vision emphasizes the identification of opportunities and infers that business profit is the basis of the knowledge and data gaps between people in the market, which is called information asymmetry. Both consider the general equilibrium economic model originally derived from Marshall (1890). From this perspective, entrepreneurs are agile and discover opportunities by adjusting prices in the market.

It can be inferred from the above definition that turning huge ideas into economic opportunities is the decisive issue of entrepreneurship. The type of literature shows that economic progress is mainly driven by pragmatic people who have entrepreneurial and innovative spirits, who can seize opportunities, and are willing to take risks. The role of entrepreneurship and corporate culture in economic and social development is often underestimated. However, over the years, it has become increasingly clear that entrepreneurship does contribute to economic growth. However, a large number of companies are owned by men; women-owned companies are not common all over the world, especially in developing countries.

In recent years, women have become increasingly interested in income-generating activities, self-employment, and free enterprise. This is taking into account all types of women in urban and rural areas. Adult women need both traditional activities (such as knitting, making kimchi, toys, jams, and jellies) and non-traditional activities (computer training, catering services, beauty salons, gyms, etc.). More and more women are showing up to create creativity. In the process of starting a business, women face various difficulties related to entrepreneurship, and these difficulties are multiplied by their dual role as workers and housewives (Roy et al., 2017).

2.1.2. The Role of Entrepreneurship

The importance of entrepreneurship for economic growth, efficiency, innovation, and employment, and many countries have made entrepreneurship an obvious political priority. Commercial activity is considered an important part of organizational and economic development, formulation, and wealth accumulation. According to research conducted by the World Bank (2007) and Hisrich (2005), entrepreneurship has the following main advantages. Entrepreneurs are their bosses they make the decisions and they also select whom to do

business with and what work they will do. They decide what hours to work, as well as what to pay and whether to take vacations.

- ❖ Entrepreneurship is more likely to reap significant financial benefits than working for others. It also provides the ability to participate in the entire business operation, from concept to design to creation, from sales to business operations and customer response. Entrepreneurship creates an opportunity for a person to contribute. Most new entrepreneurs help the local economy. It is a promoter of economic change and growth.
- ❖ Entrepreneurship is more likely to reap significant financial benefits than working for others. It also provides the ability to participate in the entire business operation, from concept to design to creation, from sales to business operations and customer response.
- ❖ Entrepreneurship encourages innovation and creativity. Develop new products or services for the market to meet human needs. It also encourages investment interest in the new companies that are being created. Entrepreneurship generates new ventures and new assets through its innovation process. More businesses are created and new jobs will be set up, thus reducing the unemployment rate.

As mentioned above, entrepreneurship supports the economy by creating wealth for many people seeking business opportunities. Although this is not the primary reason people do business, it does play an important role in our economy. The wealth that new businesses and owners can acquire will promote economic growth through the provision of new products and the purchasing power created for entrepreneurs (Wube, 2010).

Without entrepreneurs, our economy will not be able to benefit from the improvements brought about by additional businesses and ideas. In addition, the initial business can be satisfactory. They may have more control over their working hours and conditions than working for others. If they can't find the job they want, they can start a business to create a job (Wube, 2010).

2.1.3. Women Entrepreneurship

Women's production activities, especially in industry, empower them with economic power and enable them to make more contributions to overall development. Whether it is a complex small or medium-sized production activity or in the informal or formal sector, women's entrepreneurial activities are not only a means of economic survival but also have a positive

social impact on women themselves and their environment, UNIDO, 2001. In many citizen cases, women do not enjoy the same opportunities as men. In many temporary economies, progress has been made in opening the door to education and health protection for women, but the political and economic environment for women entrepreneurs continues to be restricted. Therefore, greater efforts are needed to enable women entrepreneurs to make better economic decisions, to make companies competitive companies, and to create jobs through improved production (OECD, 2006). Women's production activities, especially in industry, empower them with economic power and enable them to make more contributions to overall development. Whether it is a complex small or medium-sized production activity or in the informal or formal sector, women's entrepreneurial activities are not only a means of economic survival but also have a positive social impact on women themselves and their environment, UNIDO, 2001. In many citizen cases, women do not enjoy the same opportunities as men. In many temporary economies, progress has been made in opening the door to education and health protection for women, but the political and economic environment for women entrepreneurs continues to be restricted. Therefore, greater efforts are needed to enable women entrepreneurs to make better economic decisions, to make companies competitive companies, and to create jobs through improved production (OECD, 2006).

However, the researchers did not agree with the differences in the characteristics of male and female entrepreneurs; some researchers agreed that there was no difference, but others said there was. For example, Green & Cohen (1995) pointed out that entrepreneurs are entrepreneurs and the size, shape, color, or gender of the entrepreneur does not matter. If so, good research on entrepreneurs should create a theory that suits everyone. Although studies have shown that there is a corresponding relationship between the personal demographics of male and women entrepreneurs, business and industry options, financing strategies, growth models, and governance structures of female-led businesses have changed. These differences provide compelling reasons to study women entrepreneurship, especially considering female founders, their companies, and their entrepreneurial behavior as a unique subset of entrepreneurship. Some people claim that it is important to observe women entrepreneurs. Although they share many characteristics with men of the same generation, they are unique in many characteristics. The observable differences in their companies mimic their fundamental differences in motivation and goals, foundation, organization, strategic direction, and resource acquisition.

2.1.4. Ethiopian Women entrepreneurship in the MSE Sector

There is very little literature on women entrepreneurship in small and micro enterprises in Ethiopia, especially on women entrepreneurs. However, the Ethiopian government has recognized the important contribution of this sector to the economy and society, as evidenced by the introduction of a policy strategy for women in the micro and small enterprise sector. As in other African countries, the majority of microenterprises in Ethiopia are controlled by individual shares (Zewde & Associates, 2002).

As in other places, the personal characteristics of entrepreneurs, such as gender, race, or religion, often affect opportunities for women entrepreneurs in Ethiopia. Among these characteristics, gender differences are usually the most relevant factor. Women and men usually affect their ability to contribute to economic activities at different stages of access to opportunities. Since then, in many cases, gender is the main factor in additional housework, which limits the time that can be allocated to economic and productive activities. Women bear the unequal burden of housework (Zewde & Associates, 2002)

For many of the above reasons, experience has shown that in Ethiopia, there is a link between complex gender restrictions and the types of economic activities that urban and rural women often participate in. In turn, this appears to have several effects on the spread of credit and other services provided. Some specific restrictions include women's limited market-related skills; limited access and control over production resources; limited time due to the needs related to women-generated roles and women's general inability to recruit and hire skilled workers (Zewde & Associates, 2002)

These constraints are further influenced by gender-based traditional reproductive roles and responsibilities, which usually restrict poor women in urban and rural areas from engaging in economic activities that are less productive or profitable than men. Part of the reason is that self-employed women tend to focus on economic activities that should be more flexible (such as smaller risky small businesses) and activities that can be carried out at home or nearby to the area. Home, which allows them to meet the needs related to their reproductive function. Evidence suggests that even relatively wealthy women in Ethiopia tend to emphasize areas where they have traditional gender-based skills and knowledge, such as food processing, clothing, and hairdressing (Zewde & Associates, 2002).

Consequently, the evaluation of the Central Statistical Office (CSA, 2010) shows that the representation of women entrepreneurs in small manufacturing industries is very low, only 26%. According to the CSA, this under representation may be due to several factors, such as the low level of education and lack of training opportunities, the heavy responsibilities of domestic work so that women do not have much time to invest in their businesses, and the lack of contact with the business AND world and experience, and insufficient funds and human capital to drive out the women involved.

Property rights issues, which prevent women from obtaining general ownership and subsequently unable to provide the type of collateral required to obtain bank loans (Zewde & Associates, 2002)

Like other developing countries, Ethiopia has been highly critical of the types of microenterprises in which women entrepreneurs participate. The Ethiopian government and other institutions are developing strategies that emphasize the use of traditional cleaning skills rather than adding new services to women. These incidents have raised some concerns. However, emerging alternatives and adequate strategies to face this opposition seem to be a problematic task, mainly due to the diverse socio-economic roles of women, linking productive and reproductive work, and partly due to marketing Institutional resources are insufficient (Zewde and associates, 2002).

2.1.5. Theoretical framework

This research is considered the backbone of the following major theories: preference theory, social learning theory, network and affiliation theory, human capital theory, and financial capital theory.

2.1.5.1. Preference Theory

According to Kihara et al. (2017), preference theory is to control the intelligence and self-efficacy of women who achieve and grow in business and entrepreneurship. The theory assumes that women's business and lifestyle choices are the main factors that determine whether women can play a role in their businesses. This leads to the observation that poor business and lifestyle choices will lead to challenges in business development, while good choices will bring greater opportunities for growth and business success.

The major differences between men and women in business, according to this theory mostly come from their plan and other internal factors rather than external factors. This theory suggests that not all women make poor choices in education, lifestyles, and commercial enterprises and hence explains why some women are successful as men while others do not grow in their businesses. The theory also suggests that all women do not share similar priorities and preferences about family life and business. The theory further suggests that choices of business and lifestyles that women make have become serious challenges in commercial enterprises development than the external and wider challenges such as cultural, political, social, and economic. This leads to classifying women into three groups according to this theory which are; home-centred women, adaptive and work- cantered women (Hakim, 2000). Home-centred women are those who prioritize family and their children throughout their lives while adaptive women are depicted as non-business-oriented women who strike a balance between work and family and have unplanned businesses. Work-centred women are those women who have work and business as their main priorities in life. The category in which a woman falls into therefore affects her growth in entrepreneurial skills which results in her business not growing (Kihara et al., 2017)

2.1.5.2. Human Capital Theory `

According to this theory, the main difference between men and women in business comes mainly from their plans and other internal factors, rather than external factors. This theory suggests that not all women make bad decisions about education, lifestyle, and business risks, which explains why some women are as successful as men, while others do not grow in their careers. The theory also shows that not all women have similar priorities and preferences in family and business life. This theory further shows that, compared with the external and broader challenges of culture, politics, society, and economy, the business and lifestyle choices made by women have become more severe challenges in the development of enterprises. This led to the classification of women into three categories based on this theory: family-centered women, adaptive and work-centered women (Hakim, 2000). Family-centered women are those who prioritize family and children throughout their lives, while adaptive women are described as non-business-oriented women who achieve a balance between work and family and have unplanned careers. Work-centered women are those women who make work and career their top priorities in life. Therefore, the category to which a woman belongs will affect the growth of her entrepreneurial skills, which will prevent her business from growing (Kihara et al., 2017).

2.1.5.3. Financial Capital Theory

According to Boldizzoni, (2008) financial capital usually builds savings financial wealth, especially for the creation or maintenance of financial wealth of enterprises. Most subjects assume the financial concept of capital when preparing financial reports. Under the financial concept of capital, such as financing currency or financing purchasing power, capital is equal to the entity's net assets or equity. Under the physical concept of capital (for example, operational capacity), capital is regarded as the production capacity of an entity, for example, based on daily production units. Regardless of whether it is a unit of nominal currency or a unit of continuous purchasing power, the retention of financial capital can be slow.

Some scholars classify financial capital as economic or productive capital necessary for the operation, working capital that indicates corporate financial power to shareholders, and regulatory capital that satisfies corporate capital needs (Boldizzoni, (2008)). Funding channels are essential for choosing companies, especially for starting businesses in male-controlled sectors that require large amounts of capital.

2.1.5.4. Social Learning Theory

Bandura's Social Learning Theory (1977) emphasizes the role of business socialization as an explanation of business behaviour and career development. Social learning can occur through reflections on the behaviour of others and is often referred to as a role model. The individual socialization process that occurs in the family environment transmits social norms, language, educational desires, and shapes professional preferences through observation, learning, and modelling. This makes social networks an independent variable, which may have an impact on the industry choices of women entrepreneurs.

2.1.5.5. Network Affiliation Theory

Network Affiliation's point of view is that entrepreneurship is embedded in a complex network of social relationships. In this network, connections between aspiring entrepreneurs, resources, and opportunities promote or limit entrepreneurship (Aldrich et al., 1989). According to this view, the existence of the network, such as whether to enter or join an association, will affect the choice of the business sector. Compared with men, female entrepreneurs are integrated into different personal and social networks. These differences and obstacles limit the coverage and diversity of your network, which has a profound impact on your industry choices. There is evidence that women's networks are different from men's.

The point of Network Affiliation is that entrepreneurship is embedded in a complex network of social relationships. In this network, the connections between aspiring entrepreneurs, resources, and opportunities promote or limit entrepreneurship (Aldrich et al., 1989). According to this view, the existence of the network, such as entering or joining an association, will affect the choice of business units. Compared with men, female entrepreneurs are integrated into different personal and social networks. These differences and obstacles limit the coverage and diversity of your network, which have a profound impact on your industry choices. There is evidence that women's networks are different from men's networks.

2.1.6 Equity and Access in the Workplace: A Feminist Theory

One of the ways in which the diversification of the workforce is occurring is through women and minorities entering the workforce in increasing numbers (Inman, 1998). One of the main groups that are examining this topic is the feminist theorists. There are three main categories of feminist pedagogy: psychological, structural, and post-structural frameworks (Tisdell, 1998). According to these scholars, using a feminist lens means looking at the world from a perspective that includes the place and history of women in society and seeks equality between the genders. Feminist research also strives for equality that is inclusive regardless of race or sexual orientation. Often, this means examining workplace issues through looking at forms of oppression, social and power relationships, and social justice (Brisolara, 2003).

2.1.6.1 Identity and Work

Part of identity is constituted by the roles that a person has. Gender is one of the main role identities of people that affect equity and access in the workforce. Women and minorities in particular tend to have multiple roles, many of which are informal and depend on the relationships that they are involved in. In a work situation, these informal relationships are usually not strongly valued. A person’s sexual orientation is a major component of their identity, one that many workers do not choose to voluntarily disclose if they belong to a minority group (Budget, 1995).

2.1.6.2 Career Influences

The career development of women and other diverse minority groups is very complex (Bierema, 1998). First, the career development of these groups is uneven because these individuals must deal with a combination of stereotypes, attitudes, roles expectations, behaviors, and discriminations when choosing a career path. Next, women and minorities' career success is more dependent on education, prior experience, and performance ratings that those of white men. While these minority groups have made advances, it is a general consensus that they haven't ascended high enough or fast enough in organization ranks.

2.1.6.3 Barriers to Equity and Access

The term "glass ceiling" was only coined about 20 years ago (Inman, 1998). It is described as a transparent barrier that prevents women from advancing above a certain level in an organization, usually the general manager level (Powell & Butterfield, 1994). It is a barrier to women not because of their lack of ability as a group, but rather just for the fact that they are women. Another major barrier to equity and access is an overwhelmingly traditional male-dominated culture. Every participant in a case study about women's networks agreed that the key barrier to women's equality in the workforce is a patriarchal and resistant culture (Bierema, 2005). A third major barrier to equity and access in the workplace is the issue of power and politics within the organization. Power can be defined as the ability of one group or person to control another group or person (Hathaway, 1992). Power and conflict are central features in an organization, the most significant forms of which are authority, expertise, and control of rewards, coercive power, and personal power.

2.1.7. Factors Affecting the Business Performance of Women-Owned MSE's

This section focuses on the two dimensions that affect the performance of women **SMEs:** internal factors and external factors.

2.1.7.1. Internal Factors

Small business success studies are largely biased towards the macro aspects of factors such as structural, finances, and enabling business environments than just dealing with entrepreneurial performance (Johnson, 1990). However, the business performance of a company is, to some extent, a matter of decision-making by the individual business person**.**

Entrepreneurial factors*:* Studies related to psychological factors of business success for developing country firms are very scarce (Nichter and Goldmark, 2009). Most of the macro-based studies have tended to assume entrepreneurs with similar experiences and demographic characteristics. However, none of these factors alone can generate a new business or drive achievement (Baum et al., 2001). Accordingly, personality traits play a main character in dynamic ventures towards success. The big five models promoted by Johnson (1990) are extensively used as a vigorous indicator of personality characters. These big five influences that are generally agreed as personality features include extraversion, emotional stability, agreeableness, conscientiousness, and openness to experience. Based on the big five models, researchers have further classified entrepreneurial personality traits into five categories: Achievement needs, control points, motivation, risk propensity, and self-efficacy**.** These traits are important psychological factors that would influence the performance of women-owned and operated MSEs (Johnson, 1990).

Managerial Capacity: Zeleke, (2009) conducted a study on management effectiveness as a reason for the long-term survival of Ethiopian micro, small and medium enterprises, and his research ascertains that excellent management skill is of the highest importance to lead an innovative firm to success This constitutes a threat to their survival and is a major constraint and difficulty to their growth and development, which often stops them from transforming the excellent scientific and technological competencies into the real economy.

This is the most commonly occurring internal factor in business failure among women-owned and operated MSEs. Even other internal reasons for business failure are often related to poor management. Most small businesses are founded by an entrepreneur or a small group of entrepreneurs who believe that their ideas are good ideas for creating products or services. Management success affects all aspects of a business and is generally considered the most important factor leading to the miscarriage of small businesses (Zeleke, 2009).

Many women MSEs owners/managers, however, do not always have skills and experience in areas such as business planning, financial reporting, marketing, customer relations, and financial management. The company is at risk when owners and managers, as management, do not possess the appropriate knowledge; and either does not recognize this lack of expertise or are not willing or aware to ask for advice. To support the creation and growth of MSEs, management capacity building is a key aspect. Certainly, without the essential management skills, many practical companies with good product propositions never touch their potential or might even risk being led out of business, by rivalry or by lack of capital. The smaller the

size of the MSE, the more the attitudes and managerial skills of the head of the MSE are critical to ensure the success of the MSE and its potential growth (Lin, 1998).

2.1.7.2. External Factors

Accesses to Finance: In terms of providing financial resources to entrepreneurs, lack of sufficient capital, adequate loans, and inefficient financial markets are the main obstacles to business development, especially in the informal sector. Most micro and small businesses are very dangerous initiatives, involve unnecessary management costs, and lack distribution experience with financial institutions. A primary and continuing difficulty challenged by women seems to be difficulty in safeguarding capital funding for new business ventures (Buttner and Rosen, 1992). Riding and Swift, (1990) concluded that the financial situation of women business owners is not as good as that of men: women must pay higher interest rates more frequently, look for more collateral, and provide their spouse's signature. Strauss, (2000) claims that by 1994-95 in North America, statistics made it clear that women were starting 40% of businesses and were still receiving only 3-4% of venture capital funds. Of course, scholars like Butler (1993) contend that some women have been unprepared with the comprehensive business plan demanded by the banks: rather than doing their homework, they attributed their loan difficulties to gender discrimination.

In addition, the interest rates of most microfinance institutions are higher than those of formal banks, which inhibit the effectiveness of meeting the needs of small and micro-enterprises (Commission for Legal Empowerment of Poor People, 2006).

The results of Mulu (2007) also show that banks and microfinance institutions (MFIs) do not appear to support the expansion of MSEs. Therefore, 85% of respondents have never received credit from these formal sources. However, the availability of other informal sources of finance has a positive and significant impact on growth. This shows that in the absence of formal credit sources, informal networks appear to be more attractive to MSEs. Therefore, companies with improved networks for obtaining loans from informal sources such as family, friends, and suppliers are better able to release credit constraints and grow faster. Many studies have cited the lack of finance as a key factor in the success of women-owned and operated small and micro-enterprises (Mbonyane and Ladzani, 2011).

Infrastructure factors: Infrastructure plays a role in the establishment and success of female SMEs. Daniel 2012 cited by Darbie & Kassahun in 2013 pointed out that tragic infrastructure such as unobstructed roads, power outages, insufficient water supply, and

telecommunications difficulties have significantly affected profitability and sustainability performance.

Most women do not have a workplace that is rented from private owners or the government. Lack of healthy and clean workplaces or sustainability of facilities is a big problem in women's entrepreneurship because women are forced to pay rent and pay for workplace maintenance. If they are disappointed with the payment, this can lead to labour costs (Wasihun and Paul, 2010). Although the Ethiopian government provides a lot of land, buildings, sheds, and exhibition areas for small and micro enterprises in general, especially female micro and small enterprises, small and micro enterprises still need government attention in terms of workplaces (Gebremariam, 2017).

It is important to provide more convenient land and sites in strategic locations so that small and micro-businesses can harvest and sell their products. The lack of suitable places often forces many women to conduct home-based businesses or resort to inappropriate and sometimes unsanitary working conditions. When some of these enterprising women tried to run businesses on street corners and elsewhere, the police often harassed them (Osoro et al., 2013).

Technological Factors*:* Choice of technology and innovative capacity is another important factor determining the business performance of women-owned of MSEs. According to Moyi and Njiraini, (2005), it is divided into production, investment, and innovation/ capability. Production capability is the static knowledge and skill required to use existing technology development which is far less applicable to MSEs in the process of designing new types of machinery/ equipment, processes, or products.

The suitable technology paradigm undertakes MSEs as beneficiaries and not as an active contributor of development and enhancements of technology; technology as a resource that can only be altered by MSEs for refining factor productivity and dropping unit costs. It also focuses on incremental selection and appropriateness of accessible technologies to the production and market environment of MSEs functioning in an environment of the unskilled and large labour market, low-income consumer market, and low-quality inputs. But suitable technology paradigm is challenged for its partial influence and its disappointment to narrow gaps between MSEs and greater enterprises. The technical capability paradigm has emerged as a result of unsatisfactory results with appropriate technology paradigm and to raise capacities of MSEs in making use of innovated technologies is accepted from separate

workshops. It needs institutional, technical, and engineering assistance to adapt these technologies to a different climate, raw materials, and market demand.

Accesses to Market*:* Closely linked to women's business status is the fact that the majority of women operate in restricted locally-based markets which by their nature are limited in size. Additionally, this regularly leads to unnecessary struggle and under-pricing. Women engaged in business largely confine themselves to local markets where access, mobility, and networks are easier for them to negotiate (Zewde & Associates, 2002). Women's capability to enter markets outside of their local area is affected not only by physical mobility issues but also by the types of businesses women involve in (UDEC, 2002). Women's locally made products are progressively in rivalry with a growing range of introduced goods coming into the market at all points. As the Tanzanian research noted that while male entrepreneurs can travel long distances to do business, most women are inhibited by traditional roles, domestic responsibilities, and cultural values (UDEC, 2002).

Business Networking*:* Another significant barrier for some owner-leaders reported in the literature has been networking. Studies showed that few men business owners included women in their close business networks (Gould and Parzen, 1990).

According to this view, the presence or absence of networks, such as family, friends, contacts, or membership in relationships, play a role in manipulating the performance and viability of business ventures. Women entrepreneurs are rooted in different personal and social networks from men; hence separations and obstacles that limit the reach and diversity of their networks might have far-reaching costs for business performance (Aldrich, Reece, and Dubini, 1989).

Women business owners were often traditionally excluded from old boy networks, were perceived to have more effective and less instrumental motives in building relationships, and relied more on spouses for information and provision than on external consultants such as bankers and lawyers (Buttner, 1993). Networks of associates, important to both men and women business owners, differed in content and size. Women's networks tended to be collected of women and were smaller than men's networks (Aldrich, Reece, and Dubini, 1989), which may be one reason for certain problems reported by women in finding financing.

Legal and regulatory factors*:* According to Lumpkin and Dess, (1996) the business performance of MSEs is affected by its business climate. Clement et al., (2004) noted that an unfavourable business climate harms small firm performance and business profitability. Davidson (1989) identified that an unfavourable tax system, complicated rules, and regulations can heavily hamper small firms' business performance. Krasniqi, (2007) showed that corruption is the main basis of the rise in biased competition. He further highlighted that the cost of fulfilling with regulations and increased tax rates rises small firms' expenses while preventive their productivity.

Accesses to Training: Studies have shown that the level of education of women in the microenterprise sector is generally lower than that of men, but they have a higher level of education in the SME sector. Although some NGOs, donors, and government agencies provide training, opportunities for MSEs to obtain training are very insufficient. Opportunities for apprenticeships and on-the-job experience are also very limited, while small and micro-enterprises are generally unable to obtain other services such as consulting and business promotion services. The most important sources of information for small and micro enterprises are customers, suppliers, family and friends, related non-competitive companies, and competitors.

The training is not flexible in terms of delivery time, location, and language to accommodate the specific challenges faced by women entrepreneurs as mothers and family caregivers. Furthermore, training courses are a one-time event, and the fact that many trainers are men is the main obstacle for female entrepreneurs (because women prefer female trainers and husbands do not like women being trained by male trainers); (Desta Solomon, 2010).

2.2. Empirical Review

In a study by Mulugeta (2014), the main factor affecting the performance of women-owned and women-operated MSE companies in developing countries is not their small size, but rather their isolation, which makes access to markets difficult. And access to information, finances, and institutional support. The argument about the critical role that small businesses in Africa play in job creation and overall contribution to economic growth is not new. While this may be true, the vast majority of start-ups are often created by a single person. This tends to confirm that, in many cases, the journey of small and micro-enterprise entrepreneurs is short, and the statistical data on the disaster rate of small and micro-enterprises in Africa is 99% (Peberdy and Roberson, 2000)

Eshetu and Zeleke, (2008) showed that a longitudinal study used a random sample of 500 small and micro enterprises from five major cities in Ethiopia to measure the impact of important factors affecting the long-term survival and productivity of small enterprises. According to this study, it is found that the factors affecting the profitability and survival of small and micro enterprises in Ethiopia are adequate financing, education, management skills, technical skills, and the ability to transfer part of their income to investors. . This is because the research results show that the characteristics of the companies that failed during the research period are insufficient funds (61%), low education (55%), poor management skills (54%), shortage of technical skills (49%), and inability to convert part of the profit into investment (46%). Research further shows that contributions to social capital and network systems (such as Iqub) are critical to the long-term existence of companies.

Businesses that did not participate in *Iqub* schemes regularly were found to be 3.25 times more likely to fail in comparison with businesses that did, according to the study. In their study, based on the survey covering 123 businesses units in four Kebeles of Yeka and Kirkos sub-cities of Addis Ababa, and aimed to investigate the constraints and key determinants of growth, particularly in employment expansion, Wasihun and Paul, (2010) found out that the studied enterprises registered 25% increment in the number of total employment they created since their formation with an average yearly employment rate of 11.72%. Concerning the sources of the initial capital of the studied enterprises, the study specified that the main ones were a loan from MFI (66.7%), personal savings/*Iqub* (17.5%), and a loan from family/friends (17.1%). Moreover, the standing difficulties that the absorbed MSEs faced at their start-up were lack of capital (52.8%), skills problem (17.9%), and absence of working space (17.1%).

As is the case elsewhere, the individual characteristics of an entrepreneur, such as sex, ethnicity, or religion often influence the opportunities of Ethiopian women entrepreneurs. Of these characteristics, sex difference is the most widely relevant factor. Women and men generally have different degrees of access to opportunities that affect their abilities to participate in economic activities. Following this, gender is in many cases a major determinant of one's additional household obligations, which limit the amount of time one can allocate to economic and other productive activities. Women carry a disproportionate burden of household obligations. (Zewde & Associates, (2002).

Research by the World Bank (2005), Senbeta (2003), Serneels (2004), Sharma and Oczkowski (2005), and Stevenson and Stonge (2005) showed that Ethiopia's SME sector is

overregulated and women are mainly powerless and lack of key services such as access to finance and better technology development. Abegaz (2004) and Admassie (2004) have both credited the absence of growth in the MSME sector to the absence of strategic facility for women entrepreneurs, and the poor level of provision provided to the sector since 1991. According to reports by the UNCTAD (2003), the UNDP (2003), and Wole (2004), the level of a strategic provision providing to women entrepreneurs in Ethiopia since 1991 has been totally insufficient and vastly ineffective. Kebede (2002) has argued that the current economic policy must be re-evaluated to fulfil the basic needs of women entrepreneurs in Ethiopia. A study by Geda & Degefe (2002) showed that the contribution of the agricultural sector to GDP fell from 70% in 1960 to 50% in 1974. The main reason for the decline was the lack of support for women entrepreneurs involved in agriculture.

Geda, Shimeles & Weeks (2003) and Degefe & Nega, (2001) have shown that women entrepreneurs in Ethiopia often fail due to gender-based discernment in terms of access to finance, tax assessment, approval of new business ventures as well as skills expansion. Women entrepreneurs in Ethiopia charge far below their complements in South Africa mostly due to the absence of strategic provision from the national government. In addition to bearing the brunt of cooking, fetching water, feeding the family, raising children, working the farms, women entrepreneurs in Ethiopia are also expected to prevail in small businesses and enterprises with little or no support from the national government (Kebede, 2002).

The ILO (2008) found that there is a lack of suitable locations or points of sale; fierce competition; the low purchasing power of residents; lack of marketing knowledge; seasonality of the business; lack of market information; insufficient infrastructure; shortage of time (due to multiple tasks); The shortage of raw materials; the shortage of working capital is a limitation of Ethiopian women entrepreneurs.

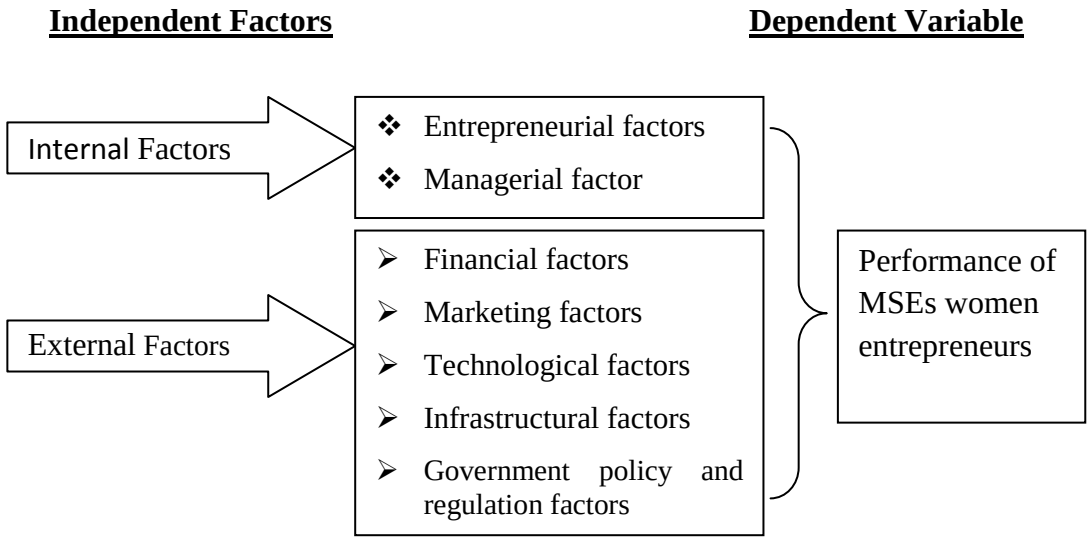
Much criticism has been voiced in Ethiopia, as in other developing countries, concerning the types of microenterprises in which women entrepreneurs are engaged. The activities of the Ethiopian Government and other agencies in continuing to map out strategies that focus on the use of traditional, domestic skills rather than on the development of new skills for women, have raised several serious concerns. It appears, however, that developing alternative, appropriate strategies to counter this criticism is a difficult task, mainly because of the diverse socio-economic roles of women, involving both productive and reproductive work, and partly because of limited resources on the part of the promotional agencies (Zewde & Associates,(2002)

2.3. Conceptual Framework

The conceptual framework is used to clarify the connected concepts of the research problem. Since business performance is affected by internal and external factors, operators must understand the factors that affect the business's best performance. External factors include financial factors, marketing factors, technical factors, infrastructure factors, government policies, and regulatory factors, and internal factors also include commercial factors and management factors. The impact of these factors on corporate performance is very important, but it should be noted that management has no (little) control over them (Wanjiku, 2009). However, these factors must be thoroughly reviewed to ensure that strict measures are taken at the best time to seize opportunities or combat pressure in the external environment. Internal factors that affect corporate performance can be divided into business skills and management capabilities.

In this study, profitability is chosen to measure the performance of SME female entrepreneurs. This is mainly due to the following three reasons. First, as the pilot study pointed out, do these MSEs emphasize profitability more than other performance measurement models? Secondly, small and micro enterprises have not applied a balanced scorecard to match their overall performance. Third, as suggested by Lamy and Ahmed (2007), most business performance model researchers and experts generally assume profitability.

Figure 2.1: Conceptual framework



Source: Own survey 2021

2.4. Research hypothesis

H1: Entrepreneurial factors have a significant and positive relationship with the business performance of women-owned MSEs.

H2: Managerial factors have a significant and positive relationship with the business performance of women-owned MSEs.

H3: Financial factors have a significant and positive relationship with the business performance of women-owned MSEs.

H4: Marketing factors have a significant and positive relationship with the business performance of women-owned MSEs.

H5: Technological factors have a significant and positive relationship with the business performance of women-owned MSEs.

H6: Infrastructure factors have a significant and positive relationship with the business performance of women-owned MSEs.

H7: Government policy and regulation factors have a significant and positive relationship with the business performance of women-owned MSEs.

H8: Age have a significant and positive relationship with the business performance of women-owned MSEs.

H9: Marital statuses have a significant and positive relationship with the business performance of women-owned MSEs.

H10: Educational background has a significant and positive relationship with the business performance of women-owned MSEs**.**

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

Research is a systematic inquiry to describe, explain, predict, and control observed phenomena. It is a systematic investigative process that involves the interpretation of observations, guided by the previously existing body of knowledge, to answer specific questions. And, research methodology can be defined as the path along which research can be directed (Jonker and Pennink, 2010,). Furthermore, research methodology dictates the particular tools, mechanisms, or strategies used to collect, manipulate, or interpret data that was utilized in the research (Leedy &Ormrod, 2010).

This chapter describes the approaches used to address the research questions listed in Chapter one. It defines and details the research design, approach, method, population and sampling design, the sampling frame, the sampling technique, and the sample size. This chapter was also illustrating the data collection methods, the research procedures, and the data analysis methods used by this study. The chapter also presents how the validity and reliability of the questionnaire developed was ensured.

3.2. Description of the study area

Kirkos Sub-city is one of the 11 sub-cities of Addis Ababa, Ethiopia. Kirkos sub-city is located in the centre of Addis Ababa. National sport and cultural facilities such as Addis Ababa stadium and Meskel square are located in the sub-city. This sub-city is home to international offices, such as the offices of the Organization of the African Union (OAU) and the United Nations Economic Commission for Africa (ECA). The Kirkos sub-city covers an area of 1,472 hectares with a population of approximately 220,991 (Ethiopian Central Bureau of Statistics 2007). The sub-city is one of the densely populated sub-cities of Addis Ababa, with a population density of 150 people per hectare. Kirkos sub-city is characterized by a combination of modern buildings and old residential settlements and also the sub-city is characterized by dense built-up areas. Superficial observations of Kirkos residential areas suggest that it is inhabited by residents with high difference in incomes. The sub-city has 11 woredas, which constitute the smallest administrative levels in Ethiopia.

Yeka Sub City is also located in the northeast of Addis Ababa. The sub-city has a total area of 85.98 square kilometres and a population of 4284.9 people per square kilometre. In addition, its total population area is 368,418 people. There are 13 weredas. The administration has 547 permanent employees and 24 contract workers. At the same time, the embassies (UK, Russia, Kenya) (Germany and Italy) (France) and (Israel and Belgium) are located in the sub-cities 5, 3, 1, and 9, respectively. In addition, in the sub-city, there are 24 hotels and 4 leisure areas, namely Yesera in Weredas 12, Millennium in Werda 10, Yeka in Wereda 5, and France in Wereda 3.

In addition, Addis Ababa University Road and Transportation Office, Civil Service College, Cord by College, Addis Ababa Transportation Office, Ethiopian Athletics Federation, and Ethiopian Leading Organization. There are also 15 Orthodox churches, 8 Muslims, and 16 Protestant religious institutions.

There are five key enterprise sectors in both Kirkos and Yeka sub-city administration namely manufacturing, construction, service, trade, and urban agriculture. The total number of enterprises in Yeka and Kirkos sub-cities are 5,861 and 2,804 respectively and under these enterprises, there are 19,543 individual entrepreneurs are operating their activities in both sub-city administrations. Among 19,543 individual entrepreneurs, 8,665 (44.3%) are women entrepreneurs and the 10,878 (55.7) are men entrepreneurs legally registered and actively providing their services in both sub-city administrations.

3.3. Research Design

Saunders et al. (2007) defined the research design as the general plan of how to answer the research questions. It is the conceptual structure of the investigation. Research design is a blueprint to achieve research goals and answer research questions. Research design is the conceptual framework for conducting research; it constitutes a model for data collection, measurement, and analysis (Kothari, 2004).

The choice of research design depends on the objectives of the research. The purpose of this research is to study the factors that influence the performance of entrepreneurial micro and small enterprises in the administrations of the Kirkos and Yeka sub-cities in Addis Ababa. The research design of this study used descriptive and explanatory research. The explanatory design aims to collect and analyze quantitative data to provide a general understanding of the research problem. This study uses a combination of descriptive research and explanatory

research to condense and classify the factors that affect the performance of micro and small entrepreneurial companies.

3.4. Research Approach

Two methods provide in the research method are quantitative and qualitative, where one of them is not better than the others, all of this depends on how the researcher wants to research study (Ghauri and Kjell, 2005). Based on a research problem, the researcher has used a quantitative approach. According to Creswell (2003) if the research problem is to identify factors that influence an outcome, or understanding the best predictors of outcomes, then a quantitative approach is the best choice. Hopkins (2000) recommended that quantitative research work links independent and dependent variables. Orlikowski and Baroudi, (1991) defined research as post-positivist if there was evidence of formal propositions, quantifiable measures of variables, hypothesis testing, and the drawing of inferences about a phenomenon from the sample to a stated population. Post positivist research methods include observations, measurements, surveys, questionnaires, instruments, laboratory and field experiments, statistical analysis, simulations, and case studies. In this study, quantitative research methods are used to examine the factors that affect the performance of entrepreneurial micro and small enterprises, because quantitative techniques help to explore, present, describe, and examine relationships and trends in data, as well as to collect values and result from standardized data.

3.5. Population and Sampling Design

3.5.1. Target Population

Sekeran, (2001) defines a population as a complete group of people, events, or things of interest that researchers want to explore. It can consist of objects, people, and even events Walliman, (2011). The target populations for the study were women entrepreneurs under Kirkos and Yeka sub-cities administration. The total number of women entrepreneurs who are working in both Kirkos and Yeka sub-cities administration of Addis Ababa is **8665.**

3.5.2. Sample Size Determination

The increasing demand for research has shaped a need for a well-organized method of determining the sample size needed to be representative of a given population. Therefore, a representative sample of these employees was calculated based on the formula for sample size determination and finite population.

According to Kothari (2004) it is given by the formula

$$n = \frac{z^2.p.q.N}{e^2.(N-1) + z^2.p.q}$$

Where, **n** = the desired sample size

z = the value of the standard variation at a given confidence level (to be read from the table giving the areas under normal curve)

p = the fraction of target population estimated (50%)

q = 1-p

e = acceptable error (the precision) **N** = population size

Therefore, representative sample of population was determined at 95% degree of confidence.

Hence at 95% degree of confidence,

Z=1.96 p=0.5 q=1-p e=5% (0.05); by substituting;

$$n = \frac{(1.96)^2\ (0.5)\ (0.5)\ (8665)}{(0.05)^2\ (8665-1) + (1.96)^2\ (0.5)\ (0.5)} = 367.892$$ which is approximately equal to **368**.

Sample from each stratum

$$ni = \frac{Ni}{N * n}$$

Where ni = sample size from ith strata

Ni = total population of ith strata

N = total population

n = the total sample size

From the formula, the sample sizes for this study were 368 woman entrepreneurs.

The following table summarizes the total population in selected sub-cities and the corresponding Sample was taken from randomly selected sub-cities administration.

Table 3.1 The sample distribution of selected sub-city entrepreneurs

Key sectors in two sub-city administration	**Population**		**Percentage**		**Entrepreneurs**		**Sample**	
	Kirkos	Yeka	Kirkos	Yeka	Kirkos	Yeka	Kirkos	Yeka
Manufacturing	553	1692	19.7%	28.9%	553/2804= 0.197*121	1692/5861= 0.289*247	24	71
Construction	381	1409	13.6%	24%	381/2804= 0.136*121	1409/5861= 0.240*247	16	59
Trade	1245	1133	44.4%	19.3%	1245/2804= 0.444*121	1133/5861= 0.193*247	54	48
Service	522	1248	18.6%	21.3%	522/2804= 0.186*121	1248/5861= 0.213*247	23	53
Urban agriculture	103	379	3.7%	6.5%	103/2804= 0.037*121	379/5861= 0.065*247	4	16
Total	**2804**	**5861**	**100%**	**100%**	**121**	**247**	**121**	**247**

Source: Own source 2021

3.6. Sampling Technique

According to Sekeran (2001) Sample is a portion of the population that has attributes as the entire population. For this study, it was assumed that 5 key sectors that woman entrepreneurs are engaged in sub-city administration. Although they are located in geographical areas that span the state, the researcher was used to study stratified sampling techniques by select the pertinent sample. Stratified proportionate random sampling technique produces the overall population parameters with greater precision and ensures a more representative sample is derived from a relatively heterogeneous population Denscombe, (2007). From each stratum, the study was used Systematic sampling to select 368 respondents. The technique is the most appropriate in that it was allowed the researcher to use statistical methods to analyze sample results. Systematic sampling is a method that imitates many of the randomization benefits of simple random sampling and also slightly easier to conduct.

You can use systematic sampling with a list of the entire population, as in simple random sampling. However, unlike simple random sampling, you can also use this method when you're unable to access a list of your population in advance.

3.7. Data Sources

Data sources are primary and secondary. The main data is obtained from women entrepreneurs through structured questionnaires. The second-hand data mainly comes from different reports, newsletters, websites, and document types related to the research topic.

3.8. Methods of Data Collection and Instruments

For this research, the primary data was collected through the use of a self-administered questionnaire from both Kirkos and Yeka sub-cities administration women entrepreneurs. After identifying the sample respondents, the questionnaire was provided to them by the researcher and enough time has been given to respond to all of the items in the questionnaire carefully. The questions in the questionnaire are closed-ended or structured with a pre-determined 5-point Likert scale for response to ease the process of analyzing the data from the respondents.

According to Babbie & Mouton (2006), the use of questionnaires is advantageous because questionnaires are economical, speedy, there is no bias (as in interviewee: interviewer bias), and the possibility of anonymity and privacy encourages participants to be willing to respond on sensitive issues, and do so honestly. The questionnaire is preferred because it translates the research objectives into specific questions that were asked to the respondents.

The Research Questionnaire was used in this research has three parts. The first part assesses the general demographic information about the participants following their educational background, work experience, marital status, gender, and job status. Questions on study variables on the second part and the last part of the questionnaire were the main focus of this study, was prepared to measure the factors that affecting the performance of micro and small enterprises of women entrepreneurs, respectively.

In part one of the questionnaires which were about their demographic information, respondents were required to select their best answer from the given choices and make a " √'' mark accordingly. On part two and part three of the questionnaire, respondents are asked to show their level of agreement on a 5-point Likert scale ranging from strongly agree, agree, neither agree nor disagree, disagree, to strongly disagree which a numeric value has assigned from 5-1 respectively. The strong agreement specifies the most constructive attitude on the statement. A Likert scale is a method of summated ratings that asks respondents to indicate the extent to which respondents agree or disagree with a statement or series of statements about an object of interest. It ranges from very positive to very negative attitudes towards some object (Zikmund et al, 2013 and Cooper & Schindler, 2003).

3.9. Methods of Data Analysis

The study used both primary and secondary data. By reading different magazines, reports, and second-hand data managed by different publications published in cities, sub-cities, and offices of micro and small businesses. Main data collected through structured questionnaires. And also the researcher referred from Kirkos & Yeka sub-city 2020 annual report.

After collecting the data, aggregate the scores of the respondents and prepare for analysis. The collected data are summarized and analyzed using descriptive and different inferential statistics using Statistical Package for the Social Sciences (SPSS) version 24. Descriptive statistics such as frequencies, percentages, means, and standard deviations are used to analyze the demographic information of the study sample. Tables are also used to increase the understanding and facilitate easy comparison of the data collected from the survey. On the other hand, the data collected from part two and part three of the questionnaire, which was rated based on a 5- point Likert scale are analyzed using Inferential statistics i.e. Pearson correlation and regression analysis. The researcher was used Pearson Correlation to identify the relationship that exists between independent and dependent variables. Furthermore, regression analysis was also used to test the hypothesis and to achieve the study objective that focuses on identifying which factors highly or positively affect the business performance of women-owned MSE's. When analyzing the data, internal and external factors (entrepreneurial factors, managerial factors, financial factors, marketing factors, technological factors, infrastructural factors, and government policy and regulation factors) are considered as the independent variables whereas the performance of MSEs Women entrepreneurs is the dependent variable.

3.10. Model Specification

The model specification can be defined as an exercise informally stating the model, that is, the explicit conversion of the theory into mathematical equations, and involves the use of all available relevant information and theoretical research and the development of theoretical models. The following models are proposed to run multiple linear regressions that are necessary to test the impact and statistical significance of factors that affect the performance of female entrepreneurs' micro and small businesses.

Research Model,

$$Yi=\alpha+\beta 1X1i+\beta 2X2i+\beta 3X3i+\beta 4X4i+\beta 5X5i+\beta 6X6i+\beta 7X7i+\beta 8X8i+\beta 9X9i+\beta 10X10i+\varepsilon i$$

Where,

Y= Dependent variable (Business performance of MSEs Women entrepreneurs)

α= constant

β= (Beta value) coefficient of the slope of regression model

X1= Entrepreneurial factors
X2= Managerial factor
X3= Financial factors
X4= Marketing factors
X5= Technological factors
X6= Infrastructural factors
X7= Government policy and regulation factors
X8= Age
X9= Marital statuses
X10= Educational background
ε = error terms

3.11. Validity and Reliability

3.11.1. Validity

Validity is the degree to which a test accurately measures what it claims to measure (Lakshmi & Mohideen, 2013). According to Kindy et al. (2016), content validity is the degree to which the elements of the tool cover the entire range of important aspects of the surveyed field. It is the degree to which the measurement equipment (in this case, the questionnaire measurement questions) provides sufficient coverage of the research survey questions. In addition, the questionnaire was piloted to obtain feedback from respondents on effectiveness, collect responses, and then adjust the questionnaire.

3.11.2. Reliability

According to Kothari (2004), reliability refers to consistency, where internal consistency means linking the answer to each question in the questionnaire with other questions in the questionnaire.

One of the foremost commonly used indicators of internal consistency is Cronbach's alpha coefficient. According to Pallant (2005), the Cronbach's alpha coefficient of scales should be at least 0.70, and the higher the better. Therefore, as shown in Table 3.2 below, the results for the reliability test of Cronbach's Alpha Coefficients are above 0.7. Therefore, it can be concluded that each variable represents a reliable and valid construct.

Table 3.2: Measurement of reliability Analysis

Variables	Cronbach's Alpha	N of Items
Entrepreneurial factors	.822	6
Managerial factors	.803	6
Financial factors	.834	6
Market factors	.770	6
Technological factors	.735	5
Infrastructure factors	.781	5
Government policy and regulation factors	.798	5
Business performance of SMEs of women entrepreneurs	.877	5

Source: Own survey data, 2021

3.12. Ethical Consideration

Ethical considerations, according to Somekh and Lewin (2009) refer to acting in the manner acceptable to society, of which in this case the researcher made sure that respondents participated willingly. Also, it can be described as moral values, confidentiality, and secrecy of an individual, group, or organization. Confidentiality and secrecy mean the assurance that the researcher gives to the participants that their identity and involvement in research was kept confidential (Quinlan, 2011). Confidentiality was kept concerning information obtained from the respondents; this was achieved by not asking respondents to fill their names and identity in questionnaires, this provided the opportunity and freedom to respondents to give their feelings freely without any intervention. And, the researcher uses the bank's official documents for only this study.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, AND DISCUSSION

4.1. Introduction

This section deal with data presentation, analysis, interpretation, and discussion on findings under each presentation, aimed at achieving the stated objectives. In this regard, the chapter discusses the response rate; the reliability analysis scores of the instrument employed in this research; the result of tests of assumptions; descriptive analysis on both independent and dependent variables; inferential analysis which is performed to examine the relationship of variables, the influence of independent variable over dependent variable have examined and hypothesis analysis has tested.

368 questionnaires were distributed for both sub-cities administration out of which 330 (89.7%) were returned, whereas 38 (10.3%) questionnaires were not returned from respondents. Therefore, 330 questionnaires served as a source of data for analysis, presentation besides concluding and made recommendations for the study.

4.1.1. Demographic Profile of Respondents

This section presents a descriptive analysis of the personal profile of the respondents of women entrepreneurs in both Kirkos and Yeka sub-cities administration. The personal profile includes age, marital status, and education level. The demographic characteristics of those respondents are summarized in table 4.1 below.

Table 4.1: Demographic profile of Respondents

	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT
AGE	18-25 years	51	15.5	15.5
	26-35 years	162	49.1	64.5
	36-50 years	93	28.2	92.7
	>50 years	24	7.3	100.0
	Total	330	100.0	
	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT
MARITAL STATUS	Single	140	42.4	42.4
	Married	146	44.2	86.7
	Divorced	21	6.4	93.0
	Widowed	23	7.0	100.0
	Total	330	100.0	
	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT
EDUCATIONAL BACKGROUND	10 and less than	96	29.1	29.1
	10+1	91	27.6	56.7
	10+2	61	18.5	75.2
	10+3	40	12.1	87.3
	Diploma	25	7.6	94.8
	Bachelor's Degree	17	5.2	0
	Master's Degree and above	0	0	100.0
	Total	330	100.0	
	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT

Source: Own survey data, 2021

Gender-wise, since the study focused only on women entrepreneurs, all respondents are female. Regarding the age distribution of the respondents, the large numbers of respondents dominated by the age group of 26-35 were 162 (49.1%), respondents whose age falls in the age group of 18-25 years were 51 (15.5%), those in the age group of 36-50 years were 93 (28.2%) and those above 50 years were 24 (7.3%). This could show that nearly half of the sampled MSEs in both sub-cities are owned and run by young females.

Looking at the marital status of the respondents, the women entrepreneurs who participated in the survey were single 140 (42.4%), married were 146(44.2), divorced were 21(6.4), and those who were widowed 23 (7.0%).

With concern to the educational level of women entrepreneurs in MSEs, 10 and less than were 96(29.1%), 10+1 were 91(27.6), 10+2 were 61 (18.5%), 10+3 were 40 (12.1%), college diploma was 25(7.6%), and bachelor's degree holders were 17(5.2%). This shows that the majority of the respondents have attained technical and vocational and diploma-level education.

4.1.2. General Characteristics of women entrepreneurs in MSEs

Table 4.2: General characteristics of women entrepreneurs

	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT
Types of business ownership	Sole proprietorship	118	35.8	35.8
	Partnership	188	57.0	92.7
	Share Company	24	7.3	100.0
	Total	330	100.0	
	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT
Categories of the business venture	Manufacturing	32	9.7	9.7
	Construction	66	20.0	29.7
	Trade	117	35.5	65.2
	Service	69	20.9	86.1
	Urban agriculture	46	13.9	100.0
	Total	330	100.0	
	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT
Number of employees	1-3	29	8.8	8.8
	4-6	82	24.8	33.6
	7-10	162	49.1	82.7
	Above 10	57	17.3	100.0
	Total	330	100.0	
	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT
Source of finance	Personal saving	114	34.5	34.5
	Equip	42	12.7	47.3
	Assistance from NGOs	26	7.9	55.2
	Microfinance	85	25.8	80.9
	Borrowed from friends & relatives	43	13.0	93.9
	Others	20	6.1	100.0
	Total	330	100.0	
	ITEM	FREQUENCY	PERCENT	CUMULATIVE PERCENT

Source: Own survey data, 2021

As shown in figure 4.2 above, the sample firms operating in the selected five sectors have different forms of ownership. More than half 188(57.0%) of the entrepreneurs were under a partnership form of ownership followed by sole proprietorship 118 (35.8%) and share company 24 (7.3%).

Also as shown in Table 4.2 above, the sample company operates in five economic sectors. Most of them are engaged in commerce 117 (35.5%), followed by services 69 (20.9%), construction 66 (20.0%), urban agriculture 46 (13.9%) and manufacturing 32 (9.7%). This type of department for small and micro-enterprises is considered useful to study the key factors that affect the performance of women entrepreneurs in each department in the management of the two sub-cities. This is because companies in different economic sectors face different types of problems. This means that the degree of these key factors in the commercial sector may be different from the key factors in the service, construction, urban agriculture, and manufacturing sectors.

Most of the women entrepreneurs in study 162 (49.1%) accommodate 7 to 10 workers to run businesses. On the other hand, 82 (24.8%) companies have 4 to 6 employees, 57 (17.3) companies have more than 10 employees and 29 (8.8) companies have 1 to 3 employees.

Small businesses often cannot distinguish between short-term and long-term financing needs, nor can they find suitable sources. Respondents were asked to identify their sources of capital at the establishment of their businesses. O'Neil and Ducker (1986) studied the impact of government financial assistance and policies on small firms and found them to be critical for the survival of many smaller start-up firms. As shown in Table 4.2, above personal saving 114(34.5%) is the most available source of finance followed by microfinance institutions 85(25.8%), borrowed from friends and relatives 43(13.0%), Equip /traditional thrift or saving 42(12.7%) assistance from NGOs 26(7.9%). The remaining source of finance comes from other unidentified sources 20 (6.1%).

Regarding the profitability analysis of 330 women entrepreneurs in MSEs showed that half of the enterprises had annual profit greater than 100,000 ETB; this implies that half of the enterprises were performing in a good manner and are profitable. Whereas, the remaining 50% of enterprises had a profit of less than 100,000 ETB, which indicates that these enterprises were performing poorly during data collection. Poor performance of enterprises was the result of enterprises level problems and stockholder's problems include; insufficient entrepreneurial skill, shortage of capital, managerial incompetence, and lack of access to the

market. The respondents also mentioned that the success of enterprises is not by chance, but by hard work in creating new products and services; participated in different training to upgrade their knowledge, resolved disputes by discussion, kept records of every transaction, did not withdraw investment capital rather convert part of the profit to investment capital and sharing and implementation of best practices which fastens their vision of growth. On the other hand, most respondents reveal that on average they face high costs during business processes.

4.2. Descriptive analysis on factors affecting the business performance of MSEs of women entrepreneurs

To see the general perception of the respondents regarding the selected factors affecting the Business performance of MSEs women entrepreneurs (i.e. entrepreneurial, managerial, financial, market, technological, infrastructure, government policy, and regulations factors); the researcher has summarized the factors affecting the business performance of MSEs women entrepreneurs using mean and standard deviation using 5 - point Likert scale. The 5-point with their respective numeric value was: 1: Strongly Disagree; 2: Disagree; 3: Neither Agree nor disagree, 4: Agree and 5: Strongly Agree.

Therefore, the mean value indicates the average degree of agreement or disagreement of the sample group to different statements. Marczyk et al. (2005) pointed out that the lower the mean, the more disagreed with these statements. The higher the average, the more respondents agree with the statement.

Thus, the benchmark for the descriptive analysis of this study was a mean score between 1 and 2.33 indicates low agreement, a mean score between 2.34 and 3.67 indicates moderate (medium) agreement and a mean score of 3.68 or above indicates strong agreement (Zaidatol et al., 2012).

4.2.1. Entrepreneurial factor

Table 4.3: Descriptive statistics summary result of entrepreneurial factor

Entrepreneurial factor	Number	Mean	Standard Deviation
Lack of motivation and self-drive	330	3.64	1.252
Lack of creativity, flexibility, and adaptability to new ideas.	330	3.65	1.291
Lack of readiness to learn, to improve, and change	330	3.58	1.333
Lack of tolerance to work hard.	330	3.73	1.370
Lack of entrepreneurship training	330	3.78	1.333
Lack of information to take advantage of business opportunities	330	3.81	1.305
Total grand mean and standard deviation	330	3.7	1.314

Source: Own survey data, 2021

As it is shown in Table 4.3 above, six statements that may predict the presence of entrepreneurial factors were offered for the respondents to give their level of agreement on each sentence. The result showed that lack of information to exploit business opportunities in both sub-cities got the highest mean (3.81) with a standard deviation (SD) of 1.305. On the other hand, the statement that was given a lack of readiness to learn, to improve, and to change got the least mean value (3.58) with a standard deviation (SD) of 1.333.

The respondents were also asked to express their level of agreement whether there was a lack of motivation and self-drive in the enterprises, and a mean value of 3.64 and standard deviation (SD) of 1.252 were gained from their responses. The average score of 3.65 and the standard deviation (SD) of 1.291 means that the respondents have a moderate view of the lack of creativity, flexibility, and adaptability to new ideas of women entrepreneurs in the two sub-cities.

The respondents asked there was a lack of tolerance to work hard had also a mean value of 3.73 and a standard deviation of 1.370. Concerning lack of entrepreneurship training, the mean score of 3.78 and standard deviation (SD) 1.333 implied that has a strong level of agreement on the statement.

At last, the researcher summarizes that from the total grand mean value of 3.7 and standard deviation (SD) 1.314 indicates that respondents were strongly agreed on those entrepreneurial factors affecting the business performance of women entrepreneurs.

4.2.2. Managerial factor

Table 4.4: Descriptive statistics summary result of managerial factor

Managerial factor	Number	Mean	Standard Deviation
Lack of managerial experience.	330	3.37	1.497
Lack of financial, human, and material management system.	330	3.55	1.399
Lack of business management knowledge and skills.	330	3.52	1.404
Poor selection of business partners.	330	3.38	1.452
There is no empowering individual to make decisions themselves	330	3.51	1.410
Failure to the integration of business enterprises.	330	3.59	1.384
Total grand mean and standard deviation	330	3.49	1.424

Source: Own survey data, 2021

As it is indicated in table 4.4 above, the researcher had given six statements to know the level of agreement of the respondents on each sentence that indicates the presence of managerial factors. As the result, the means of the collected responses range from 3.37 which was the least and given to the first statement that says "Lack of managerial experience" to a mean of 3.59 which was relatively the largest, and given to the last statement which says "Failure to the integration of business enterprises" with a standard deviation of 1.497 and 1.384 respectively. Concerning the lack of financial, human, and material management systems, the mean score of 3.55 and standard deviation (SD) 1.399 implied that respondents moderately agreed with the statement.

The statement that was given lack of business management knowledge and skills in both sub-cities had a moderate mean value of 3.52 and a standard deviation (SD) of 1.404. The respondents also asked there was a poor selection of business partners who had a moderate mean value of 3.38 and a standard deviation of 1.452. Finally, the mean score of 3.51 and

standard deviation (SD) 1.410 implies that the respondent's very strong agreement on there is no empowering individuals to make decisions themselves.

To sum up, the total grand mean value of 3.49 and standard deviation (SD) 1.424 indicated that managerial factors have a high impact on the business performance of SMEs of women entrepreneurs in both sub-cities administration.

4.2.3. Financial factors

Table 4.5: Descriptive statistics summary result of financial factors

Financial factors	Number	Mean	Standard Deviation
Lack of access to credit institutions.	330	3.89	1.392
The high collateral requirement from lending institutions	330	3.84	1.432
High-interest rate by lending institutions	330	3.81	1.394
Shortage of working capital	330	3.81	1.322
Loan application procedures are complicated	330	3.72	1.457
Insufficient availability of raw material	330	3.79	1.410
Total grand mean and standard deviation	330	3.81	1.401

Source: Own survey data, 2021

As it is shown in table 4.5 above, six statements that may predict the presence of financial factors were offered for the respondents to give their level of agreement on each sentence. The result showed that lack of access to credit institutions got the strongest and highest mean (3.89) with a standard deviation (SD) of 1.392. On the other hand, the statement that was given to examine whether the loan application procedures are complicated relatively got the least mean value (3.72) with a standard deviation (SD) of 1.457.

The respondents were also asked to express their level of agreement whether there was a high collateral requirement from lending institutions, a mean value of 3.84, and standard deviation (SD) of 1.432 were gained from their responses implies that strong agreement on the statement. There was also a high interest rate by lending institutions had also a mean value of 3.81 and a standard deviation of 1.394.

Regarding the shortage of working capital, the average score of 3.81 and the standard deviation (SD) of 1.322 indicate that the respondents have a strong consensus on this issue. Insufficient availability of raw material had a strong mean value of 3.79 and a standard deviation of 1.410.

Generally, the researcher summarizes, from the total grand mean value 3.81 and standard deviation (SD) 1.401 indicates that respondents were strongly agreed that financial factors are important and has the highest mean among all factors affecting the business performance of women entrepreneurs in both sub-cities administration.

4.2.4. Market factors

Table 4.6: Descriptive statistics summary result of market factors

Market factors	Number	Mean	Standard Deviation
Lack of establishing a market network	330	4.04	1.161
The searching for a new market is too difficult	330	3.74	1.338
The inadequate market for my product	330	3.66	1.384
Lack of market information	330	3.74	1.330
Lack of promotions to attract potential users	330	3.73	1.317
Bad relationships and handling with clients	330	3.74	1.315
Total grand mean and standard deviation	330	3.78	1.307

As it is revealed in table 4.6 above, six statements that may predict the occurrence of market factors were offered for the respondents to give their level of agreement on each sentence. The result revealed that the lack of establishing a market network acquired the strongest and highest mean (4.04) with a standard deviation (SD) of 1.161. On the other hand, the statement that was given to examine whether the inadequate market for my product relatively got the least mean value (3.66) with a standard deviation (SD) of 1.384.

The respondents were also asked to express their level of agreement whether there was searching new market is too difficult, a mean value of 3.74 and standard deviation (SD) of 1.338 were gained from their responses implies that strong agreement on the statement. The lack of market information has an average of 3.74 and a standard deviation of 1.330.

Regarding the lack of promotion to attract potential Users, the mean score of 3.73 and standard deviation (SD) 1.317 implied that the respondents had a strong agreement on the question. Poor customer relationship and handling had a strong mean value of 3.79 and a standard deviation of 1.410.

To recall, the total grand mean value of 3.78 and standard deviation (SD) 1.307 indicated that market relatively factors have a high impact on the business performance of SMEs of women entrepreneurs in both sub-cities administration.

4.2.5. Technological factors

Table 4.7: Descriptive statistics summary result of technological factors

Technological factors	Number	Mean	Standard Deviation
Lack of capital to acquire new technology	330	3.55	1.433
Unable to select the proper technology	330	3.67	1.400
Lack of skill and knowledge to handle new technology	330	3.38	1.450
Lack of information on the availability of appropriate tools and materials	330	3.92	1.354
Failure to properly control the existing technology	330	3.78	1.342
Total grand mean and standard deviation	330	3.66	1.396

Source: Own survey data, 2021

As it is summarized in the above table 4.7, concerning technological factors, the least mean score of 3.38 and standard deviation (SD) 1.450 implies that the respondents moderately agreed on lack of skill and knowledge to handle new technology. On the other hand, the highest mean score of 3.92 and standard deviation (SD) of 1.354 implies that the respondents strongly agreed on the Lack of information on the availability of appropriate tools and materials.

Regarding lack of capital to acquire new technology the mean score of 3.55 and standard deviation (SD) 1.433 implied that the respondents moderately agreed on the statement. With regarding, Unable to select proper technology in women entrepreneurs, the mean score of 3.67 and standard deviation (SD) 1.400 implied that moderate agreement on the focal point.

Further, concerning failure to properly control the existing technology, the mean score of 3.78 and standard deviation (SD) 1.433 implied a strong agreement on the question.

To sum up, the total grand mean value of 3.66 and standard deviation (SD) of 1.396 indicates that respondents were moderately agreed on technological factors affecting the business performance of women entrepreneurs.

4.2.6. Infrastructure factors

Table 4.8: Descriptive statistics summary result of infrastructure factors

Infrastructure factors	Number	Mean	Standard Deviation
Absence of Power and power Interruptions	330	3.33	1.570
Insufficient and interrupted water supply	330	3.50	1.518
Lack of business development services	330	3.42	1.581
Lack of sufficient and quick transportation service	330	3.14	1.573
Lack of appropriate dry waste and sewerage system	330	3.26	1.610
Total grand mean and standard deviation	330	3.33	1.571

Source: Own survey data, 2021

As it is summarized in the above table 4.8, regarding infrastructure factors, the least mean score of 3.14 and standard deviation (SD) 1.573 implies that the respondents moderately agreed on the lack of sufficient and quick transportation service. On the other hand, the highest mean score of 3.50 and standard deviation (SD) of 1.518 implies that the respondents moderately agreed on insufficient and interrupted water supply.

Regarding the absence of power and power interruptions, the mean score of 3.33 and standard deviation (SD) 1.570 implied that the respondents moderately agreed with the statement. With regarding, Lack of business development services, the mean score of 3.42 and standard deviation (SD) 1.581 implied that moderate agreement on the focal point.

Further, concerning the lack of appropriate dry waste and sewerage system, the mean score of 3.26 and standard deviation (SD) 1.610 implied that moderate agreement on the question.

To sum up, the total grand mean value of 3.33 and standard deviation (SD) 1.571 indicates that respondents were strongly agreed that infrastructure factors have the least means among all factors affecting the business performance of women entrepreneurs in both sub-cities administration.

4.2.7. Government policy and regulation factors

Table 4.9: Descriptive statistics summary result of government policy and regulation factors

Government policy and regulation policy factors	Number	Mean	Standard Deviation
Bureaucracy in company registration and licensing	330	3.45	1.414
legal, institutional and policy framework	330	3.55	1.372
The tax levied on my business is not reasonable	330	3.56	1.338
Lack of accessible information on government regulations that are relevant to my business	330	3.59	1.357
Political decision influence on business enterprises	330	3.53	1.429
Total grand mean and standard deviation	330	3.54	1.382

Source: Own survey data, 2021

As shown in Table 4.9 above, in terms of government policy and regulatory factors, the lowest average score of 3.45 and the standard deviation (SD) of 1.414 indicate that respondents have a moderate view of the bureaucracy of registration and business licenses. On the other hand, the highest average score of 3.59 and a standard deviation (SD) of 1.357 means that the respondents moderately agree that there is a lack of available information on government regulations related to their business.

Regarding legal, institutional, and policy framework the mean score of 3.55 and standard deviation (SD) 1.372 implied that the respondents moderately agreed on the statement. With regard, the tax levied on the business is not reasonable the mean score of 3.56 and standard deviation (SD) 1.338 implied that moderate agreement on the focal point.

Further, concerning political decision influence on business enterprises, the mean score of 3.53 and standard deviation (SD) 1.429 implied that moderate agreement on the question.
Generally, the total grand mean value of 3.54 and standard deviation (SD), 1.382 indicated that government policy and regulation factors moderately affect the business performance of SMEs of women entrepreneurs in both sub-cities administration.

4.3. Descriptive analysis on business performance of MSEs women entrepreneurs

Table 4.10: Descriptive statistics summary result of business performance of MSEs Women entrepreneurs

Government policy and regulation policy factors	Number	Mean	Standard Deviation
The business is Profitable	330	2.92	1.541
There is a good Sales turnover	330	3.07	1.564
The business has a good Market share	330	3.04	1.522
There is good customer loyalty	330	3.07	1.540
The business has a proper management system	330	3.12	1.528
Total grand mean and standard deviation	330	3.044	1.539

Source: Own survey data, 2021

As shown in Table 4.10 above, respondents provided around 5 statements to show the level of business performance of women SME entrepreneurs. It can be seen from the table that the company has a good management system, the highest average is 3.12 and the standard deviation (SD) is 1.528. The average value of the "good sales performance" response is 3.07 and the standard deviation is 1.564. The “company has a good market share” has an average of 3.04 and a standard deviation (SD) of 1.522. Also, regarding good customer loyalty, a mean score of 3.07 and a standard deviation (SD) of 1.540 indicate moderate agreement on the question.

Generally, the researcher summarizes, from the total grand mean value, 3.044 and standard deviation (SD) 1.539 indicates that respondents were moderately agreed on business performance of SMEs women entrepreneurs in both Kirkos and Yeka sub-cities administrations.

4.4. Correlation Analysis

Correlation analysis is a technique used to indicate the relationship of one variable to another and can be considered as a standardized covariance that shows the extent to which a change in one variable corresponds systematically to a change in another (Zikmund et al, 2013).

This study uses correlation analysis to investigate the strength of the relationship between factors affecting the performance of micro and small enterprises (entrepreneurs, managerial, financial, market, technological, infrastructure, and government policy and regulation factors) of women entrepreneurs in both Kirkos and Yeka Sub Cities Administration of Addis Ababa. To evaluate this relationship and for this study, Pearson correlation analysis was used to provide evidence.

The relationship between the variables is obtained using Pearson's product-moment correlation coefficient 'r". The value of Pearson's product-moment correlation coefficient "r" usually varies between -1.0 and 1.0. The coefficient (r) reveals the magnitude and direction of the relationship. The symbol indicates whether there is a positive correlation (when one variable increases, the other variable also increases) or negative correlation (when one variable increases, the other variable decreases), and also shows the strength of the relationship. Correlation may be the most basic and useful indicator to measure the association between two or more variables (Marczyk et al., 2005).

The strength of correlation can be described using Evan's (1996) guide. ‘‘Evans (1996) recommends that the absolute value of linear correlation coefficient (r)’’, as cited in (Beldjazia and Alatou, 2016). ‘‘If

r = 0.00-0.19 it will be very weak
r= 0.20-0.39 it will be weak
r = 0.40-0.59 it will be moderate
r = 0.60-0.79 it will be strong and
r = 0.80-1.0 –it will be very strong.’’

The purpose of determining the Pearson correlation coefficient is to obtain information about the relationship between the dependent variable and the independent variable, as shown in the following table 4.11:

Table 4. 11: Correlation coefficients between dependent and independent variables

	Performance of Women Entrepreneurs	Entrepreneurial factors	Managerial factors	Financial factors	Marketing factors	Technological factors	Infrastructure factors	Government policy and regulation factors
Performance of Women Entrepreneurs	1							
Entrepreneurial factors	**.534****	1						
Managerial factors	**.617****	.668**	1					
Financial factors	**.603****	.202**	.357**	1				
Marketing factors	**.654****	.575**	.586**	.408**	1			
01Technological factors	**.548****	.646**	.580**	.370**	.548**	1		
Infrastructure factors	**.531****	.471**	.612**	.352**	.490**	.408**	1	
Government policy and regulation factors	**.665****	.594**	.723**	.418**	.752**	.632**	.543**	1

****Correlation is significant at the 0.01 level (2-tailed).**

Source: Own survey data, 2021

From the above correlation table 4.11, it can be seen that most of the independently constructed variables are related to the performance of women entrepreneurs in the administrative management of Kirkos and Yeka sub-cities. The results show that there is a significant positive correlation between the entrepreneurial factors of women entrepreneurs and the operating performance of small and micro enterprises ($r=0.534$, $p<0.01$). According to the magnitude of the correlation in Evans (1996), the relationship between the two variables is moderate. In addition, the research results also show that management factors are significantly positively correlated with women entrepreneurs' small and micro business performance ($r=0.617$, $p<0.01$).

According to the results, a strong and statistically significant positive correlation is found between financial factors and business performance of Micro and Small Business Enterprises of women entrepreneurs with ($r=0.603$, $p<0.01$).

In addition, as shown in the above table, in ($r = 0.654$, $p < 0.01$), it can be observed that there is a significant positive correlation between market factors and the business performance of women entrepreneurs, micro and small enterprises, and it is inferred that there are two There is a strong relationship between variables. From the results, the correlation between the technical factors of women entrepreneurs and the operating performance of small and micro enterprises is positive, and according to the Evans correlation range (1996), it is significant in ($r=0.548$, $p<0.01$).

According to the results, moderate and statistically significant positive correlation is found between infrastructure factors and business performance of Micro and Small Business Enterprises of women entrepreneurs with ($r=0.531$, $p<0.01$). and also the result shows that a strong and statistically significant positive correlation is found between government policy and regulations and business performance of Micro and Small Business Enterprises of women entrepreneurs with ($r=0.665$, $p<0.01$). Thus, all the constructs under consideration are significantly correlated.

Generally, the above correlation result shows that all the selected factors of micro and small enterprises i.e. entrepreneurs, managerial, financial, market, technological, infrastructure, and government policy and regulation factors had a positive and significant correlation to the business performance of women entrepreneurs in both Kirkos and Yeka sub-city administration and all variables statistically significant with each other.

4.5. Multiple Regression Analysis

Perform multiple regression analysis to determine the influence of the independent variable on the dependent variable. Multiple regressions are also used to determine the overall fit of the model (explained variance) and the relative contribution of each predictor variable to the total explained variance. This section uses multiple regression analysis to determine whether there is a statistically significant relationship between the business performance of women entrepreneurs and these factors. In addition, you can also develop a formula that shows the relationship between the dependent variable (business performance of women entrepreneurs) and the independent variable (factor). This part of the analysis includes a regression model to test hypotheses. The hypothetical statement is formulated based on the seven variables (seven factors) used in this study to arrive at the results. For all the hypotheses in the study, a confidence interval of less than 95% was used. According to Ballance (2004), the correct use

of a multiple regression model requires several key assumptions to be met before the model can be applied and its validity established. To ensure that the regression results are reliable and unbiased, the assumptions of the regression analysis are checked. The inferences and generalizations about the theory are valid only when the hypothesis of the analysis has been tested and proved to be reliable. Before performing multiple regression analysis, researchers have verified the mandatory assumptions that the data must meet to be reliable and valid. The following multiple linear regression assumptions are tested using the SPSS version of software program 24.

1. Linearity assumption: Linearity defines the dependent variable as a linear function of the predictor variable (independent variable) (Balance, 2004). Furthermore, linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variable. Test the linearity hypothesis by generating a normal probability plot of the relationship between each independent variable (factor) and the dependent variable (business performance of women entrepreneurs) in the two sub-cities. In the normal probability plot of the regression, the standardized result is located on the regular diagonal line from the lower left corner to the upper right corner in Figure 4.1 below:

Linearity Test

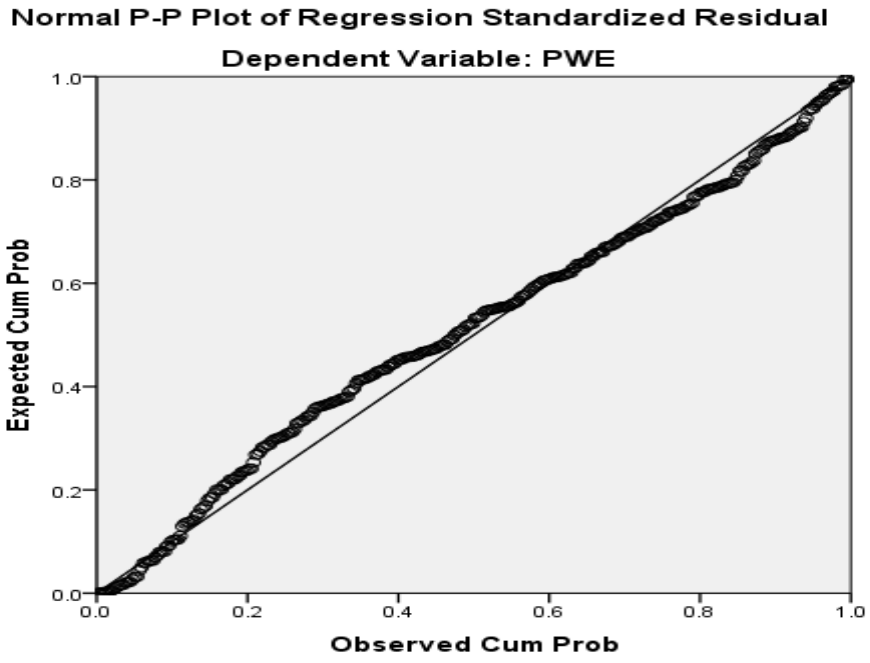


Figure 4.1: Linearity Assumption test

Source: Own survey data, 2021

By visually observing the normal probability plot generated by the Social Science Statistics Package (SPSS), it can be concluded that the relationship between each independent variable and the dependent variable is linear, as shown in Figure 4.1 above.

2. Normality assumption: Normality is used to describe a symmetrical bell-shaped curve, the middle fractional frequency is the highest, and the extreme frequency is smaller. Multiple regression assumes that the variables have a normal distribution. This means that the error is normally distributed, and the residual value is similar to a normal curve. The common way to check the normality assumption is the histogram (superimposed normal curve).

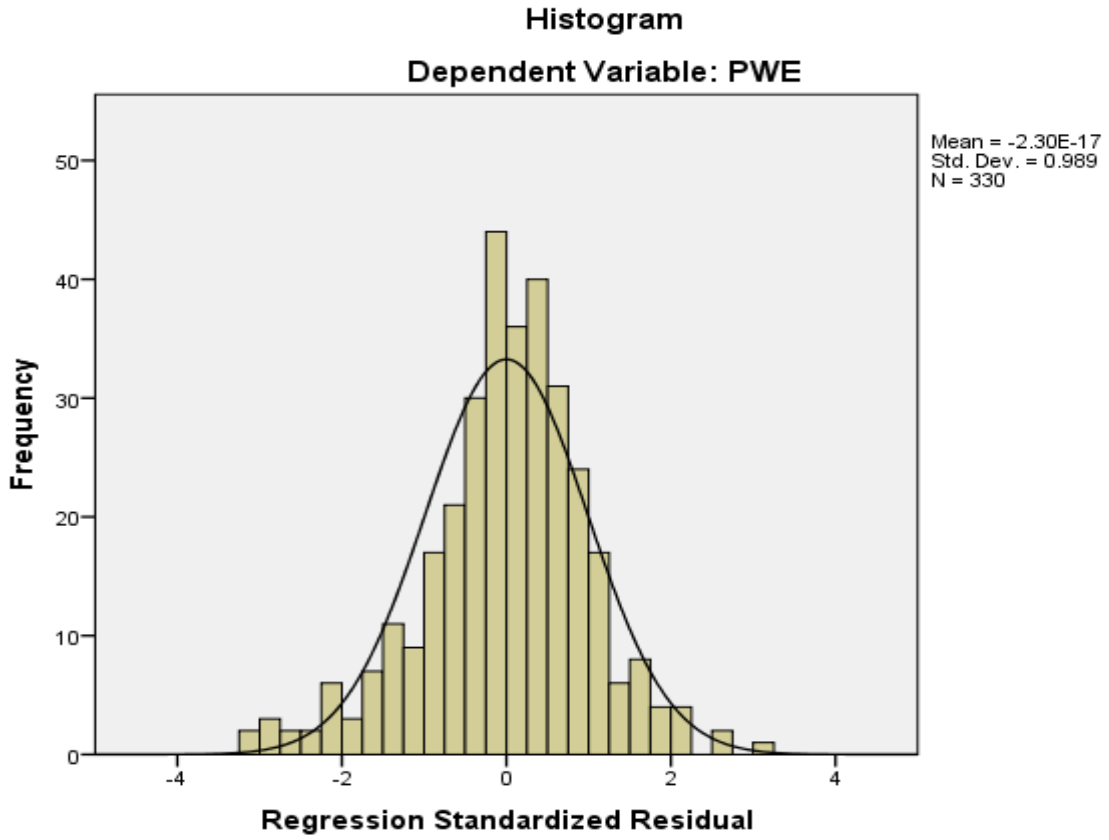


Figure 4. 2: Normality Assumption Test

Source: Own survey data, 2021

As can be seen from the above figure (Figure 4.2), it shows that the requirements are met and there is no significant deviation from normality. In short, the normality tests of the data used in this study shown in the histogram above shows that the error term is normally distributed. Therefore, it can be concluded that since the generated histogram is normally distributed, normality can be guaranteed.

3. Multi-collinearity assumption: The linear regression assumes that the data almost or multiparty data. Before presenting a regression model, it is necessary to verify that there is no excessive correlation between the independent variables in the model. If there is a relationship or an accurate relationship between at least one independent variable with a predicted variable or other combination of independent variables, it will bring an incorrect conclusion about the relationship between the dependent variables and predictive factor variables (Alibutto and Peiris, 2015). Sometimes, if the independent variables are highly correlated, it will be difficult to identify the individual contributions of each variable when predicting the result of the dependent variables. The diagnostic agents of the collinearity can help researchers continue with the problem with the correlation matrix that may not be clear.

According to Reddy et al, (2013), the most applicable way to detect multiple linarites is the distributed inflation rate (VIF) and as an experienced rule, if the value of the fluctuation expansion ratio (VIF) is exceeded, the multi-collinearity is suggested (Reddy et al. 203). VIF (Distributed inflation rate) is defined as VIF = 1 / tolerance. In addition, when the field (2009) exceeds the value of less than 0.1 tolerances, some statistics show that the value of 0.2 or less is a high correlation with other independent variables, which is curable multiple, indicates the possibility of (Field 2009).

Table 4.12: Multicollinearity Test Result

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	EF	.414	2.417
	MF	.346	2.893
	FF	.740	1.351
	MAF	.393	2.545
	TF	.467	2.141
	IF	.582	1.718
	GP	.289	3.454

Source: Own survey data, 2021

From the multicollinearity test table (Table 4.12), it can be seen that multicollinearity is not a problem of the multiple linear regression model, because the variance expansion factor (VIF) of the model is less than 5.0, and the Tolerance is not less than 0.20. The VIF value is between 1.351 and 3.454, and the tolerance of the variable is between 0.289 and 0.740. Therefore, independent (predictor) variables do not overlap or are closely related. They have

no multicollinearity problems that may hinder the predictability of multiple linear regression models.

4. Homoscedasticity assumption: Assumptions of the same degree of estimate point to equal error variance at all levels of independent variables. This means that the errors are constantly disseminated between the variables. The visual inspection of standardized residual plots can be confirmed by visual inspection of standardized residual parcels with standardized regression predicted values. If the dispersion is not uniform, heterothermal heat is shown. Forms of fans and butterflies are general violation patterns. Therefore, researchers have created a scattering plot of standardized waste using the SPSS Software program.

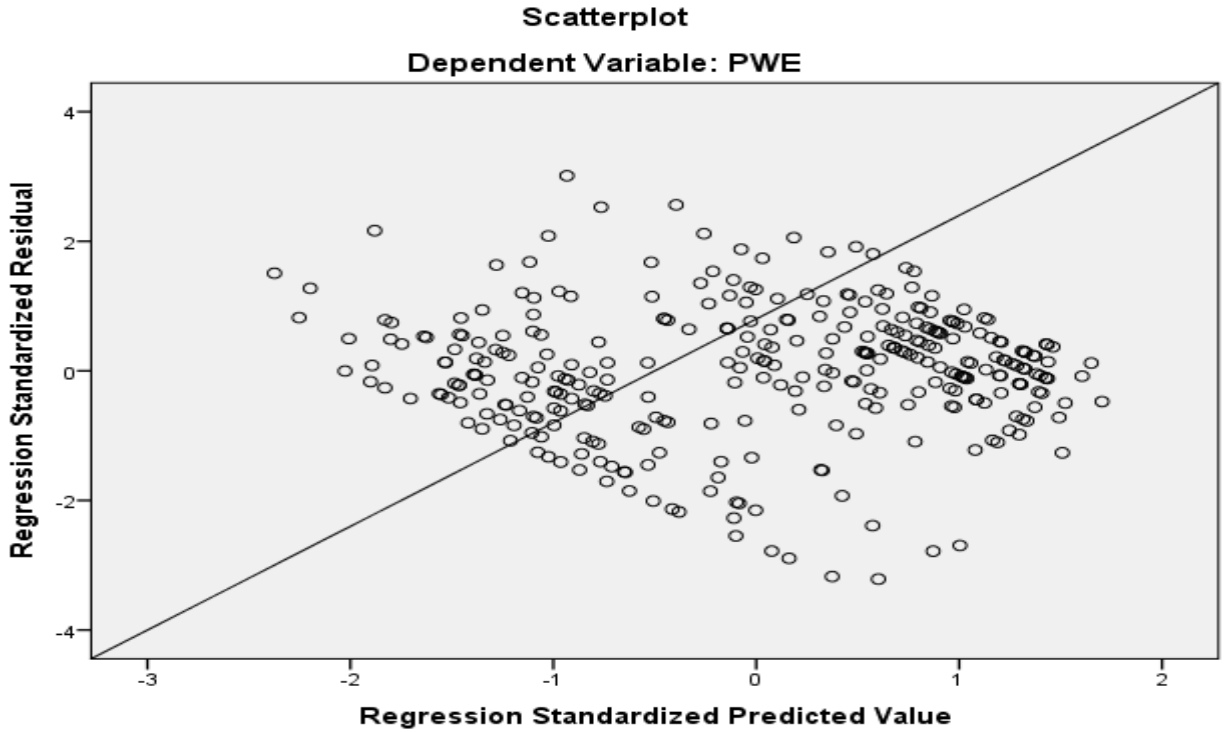


Figure 4. 3: Homoscedasticity Assumption Test

Source: Own survey data, 2021

As shown in Figure 4.3, the standardized residuals in this study are uniformly distributed and the conclusion is that heteroscedasticity is not a serious problem with the data.

5. Autocorrelation Test: This ***happens*** when the residues are not independent of each other. Multiple linear regression analysis requires little or no autocorrelation in the data. If the covariance between the error terms over time is zero, there is no autocorrelation between the

residuals. The Durbin Watson test can be used to check autocorrelation. In the SPSS software program under regression analysis, there is an option of Durbin Watson, which you can use to get your calculation results. Therefore, the researchers used the Durbin Watson test to check for autocorrelation. The Durbin Watson value is assumed to be between 0 and 4; a value around 2 indicates that there is no autocorrelation.

The column "R" represents the value of R and a multiple correlation coefficient indicates the degree of correlation between the variables (independent and dependent). Column "F" represents the F Ratio value, which indicates whether the general regression model fits the data well. Column "DF" represents the value of the degrees of freedom (DF), which represents the number of independent values that can be changed in the analysis without breaking any constraints. This is a basic idea that appears in many contexts throughout statistics, including hypothesis testing, probability distribution, and regression analysis. The column “Sig. F "represents the value of Sig. F, statistically significant value (P <0.05 shows the statistically significant relationship between the two variables (the predictive ability of the independent variable to the dependent variable).

Table 4.13: Autocorrelation Test

Model Summary					
Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	**Durbin-Watson**
1	.804[a]	.646	.635	3.80547	**1.692**
a. Predictors: (Constant), Age, Marital status, Education, Entrepreneurs factor, Managerial factors, Financial factors, Market factors, Technological factors, Infrastructure factors, Government policy, and regulations factors					
b. Dependent Variable: Business performance of MSEs women entrepreneurs					

Source: Own survey data, 2021

In this case, the Durbin-Watson statistics show (Durbin-Watson = 1,692). Therefore, the result is approximately close to 2, between 1 and 3, and the researchers assume that the residual independence assumption holds. From the interpretation of the information presented in the five full tests, it can be concluded that there are no major data problems that could lead to serious violations of the multiple regression assumptions. Therefore, a multiple regression analysis was performed to determine the following: (A) how well the regression model fits the data (model summary), (B) the independent variable significantly predicts the dependent

variable (ANOVA), and (C)) each of the independent variables the statistical significance of the variable (regression coefficient).

4.5.1. Model Summary

The study efforts were made to determine the relationship between factors and the business performance of women entrepreneurs. The outputs produced by the SPSS software program were presented in table 4.14 below:

Table 4.14: Model summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.804[a]	.646	.635	3.80547
a. Predictors: (Constant), Age, Marital status, Education, Entrepreneurs factor, Managerial factors, Financial factors, Market factors, Technological factors, Infrastructure factors, Government policy, and regulations factors				
b. Dependent Variable: Business performance of MSEs women entrepreneurs				

Source: Own survey data, 2021

As shown in the model summary table (Table 4.14), the "R" column represents the value of R, which is the multiple correlation coefficients. The value of 0.804 indicates that there is a strong correlation between the business performance of women entrepreneurs and the seven independent variables, and shows a good level of prediction. The "R-squared" column represents the R2 value, called the coefficient of determination, which is the proportion of the variance in the dependent variable that can be explained by the independent variable. As shown in the above table, the R2 value of 0.646 indicates that the independent variable can be used to predict the variance of 64.6% in the model, or simply, 64.6% of the business performance change of Kirkos' enterprising women can be predicted. And leaf card. Suburban management can be explained by factors that affect micro and small enterprises (independent variables included in the model). However, the remaining 35.4% of the changes in the business performance of women entrepreneurs in Kirkos and Yeka sub-city management are due to other factors not included in the model. Therefore, the seven selected factors affecting micro and small enterprises in Kirkos sub-city management and Yeka (entrepreneurship, management, finance, market, technology, infrastructure, and government

policies and regulations) are good explanatory variables and can predict two Business performances of women entrepreneurs in a suburban government.

4.5.2. ANOVA Model Fit

The F-ratios in the analysis of variance table below test whether the general regression model fits the data well. To be statistically significant, the value of Sig. is less than 5% (P <0.05). The results produced by the SPSS software program are shown in Table 4.15 below:

Table 4.15: ANOVA model fit

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8419.226	10	841.923	58.137	.000[b]
	Residual	4619.626	319	14.482		
	Total	13038.852	329			

a. Predictors: (Constant), Age, Marital status, Education, Entrepreneurs factor, Managerial factors, Financial factors, Market factors, Technological factors, Infrastructure factors, Government policy, and regulations factors

b. Dependent Variable: Business performance of MSEs women entrepreneurs

Source: Own survey data, 2021

The table shows Sig. The value 0.05 is greater than the calculated sig. The value is 0.000. This indicates that there is a statistically significant relationship between the two variables. In other words, it shows that the independent variable predicts the dependent variable in a statistically significant way. F = 58.137, calculate sig. Value 0.000 <S.I.G. Value 0.05 (p <0.001).

Therefore, the regression model is very suitable for data at the 5% significance level.

4.5.3. Regression Coefficients

The study attempts to determine the statistical significance of each independent variable in the administrative authorities of Kirkos and Yeka sub-cities. The results produced by the SPSS software program are shown in Table 4.16 below:

Table 4.16: Regression coefficients

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14.690	1.271		11.559	.000
	Age	-.759	.507	-.098	-1.495	.136
	Marital status	.678	.481	.091	1.409	.160
	Educational background	.409	.237	.095	1.721	.086
	(Constant)	-10.351	1.378		-7.510	.000
2	Age	-.080	.313	-.010	-.256	.798
	Marital status	.479	.299	.065	1.604	.110
	Educational background	.165	.147	.038	1.126	.261
	Entrepreneurial factors	.142	.057	.129	2.479	.014
	Managerial factors	.121	.059	.116	2.050	.041
	Financial factors	.347	.040	.342	8.770	.000
	Market factors	.228	.063	.194	3.594	.000
	Technological factors	.062	.063	.048	.971	.332
	Infrastructure factors	.097	.048	.088	2.015	.045
	Government policy and regulations factors	.169	.076	.138	2.209	.028
a. Dependent Variable: Business performance of MSEs women entrepreneurs						

Source: Own survey data, 2021

Standardized Coefficient (Beta)

The standardized coefficient helps to understand which of the different independent variables is more important. They are used to compare the influence of any independent variable on the dependent variable. Therefore, the standardized Beta coefficient can be used to study the strength of the influence of each independent variable (predictor variable) on the standard variable (dependent variable). Therefore, the regression coefficient explains the average change in the independent variable caused by each unit change in the independent variable. Thus, as indicated in the regression coefficients table (table 4.16) above, financial factors are the most contributing factors in the prediction of the business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-city administration with a beta value of (B=.342). Followed by financial factors; market factors (B=.194), government policy and regulations factors (B=.138), entrepreneur factors (B=.129), managerial factors (B=.116), and infrastructure factors (B=.088) that the variables are making signs to the

prediction of business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-city administration.

As it can be seen from the regression coefficient table, all selected factors of micro and small enterprises i.e. entrepreneur, managerial, financial, market, infrastructure, and government policy and regulations factors had a statistically significant contribution to the business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-city administration at 95% confidence level, since their p-values are .014, .041, .000, .000, .045 and .028 respectively and the significance level for them were less than 5% ($p<0.05$). On the other hand, technological factors had a statistically insignificant contribution to the business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-city administration since their p-value 0.332, which was greater than the significance level of 0.05 ($p>0.05$).

Considering the demographic factors of the respondents; age, marital status, and educational background had an insignificant effect on business performance of MSEs of women entrepreneurs sub-cities - cities as their p-values were greater than 0.05.

In general, financial factors are the most significant independent variable which has a significant statistical contribution to the business performance of micro and small enterprises of women entrepreneurs with a p-value of .000 in both Kirkos and Yeka sub-city administration.

Unstandardized Coefficients

The coefficient of the independent variable in the result of the regression coefficient is represented by the non-standardized coefficient β. The unit change of the dependent variable is expressed by the non-standardized coefficient (B) as the change of the independent variable. As mentioned in Chapter 3, this study uses the following multiple regression model to establish the statistical significance of the independent variables to the dependent variables.

$$Yi=\alpha+\beta 1X1i+\beta 2X2i+\beta 3X3i+\beta 4X4i+\beta 5X5i+\beta 6X6i+\beta 7X7i+\beta 8X8i+\beta 9X9i+\beta 10X10i+\varepsilon i$$

Where;

Y= Dependent variable (Business performance of MSEs women entrepreneurs)

α= constant

β= (Beta value) coefficient of slope of regression model

X1= Entrepreneurial factors

X2= Managerial factor

X3= Financial factors

X4= Marketing factors

X5= Technological factors

X6= Infrastructural factors

X7= Government policy and regulation factors

X7= Age

X9= Marital statuses

X10= Educational background

ε= error terms

X1- X10 are the explanatory variables and the error term ε (the Greek letter epsilon) is a random variable.

In the model (Yi = α + β1X1i + β2X2i + β3X3i + β4X4i + β5X5i + β6X6i + β7X7i + β8X8i +β9X9i+β10X10i+ε), β0 =constant, β1 to β5 = regression coefficient represents the independent variable of the average change of the dependent variable, and other independent variables It remains unchanged in the model, while the ε error term captures unexplained changes in the model. Substitute the unstandardized coefficient β of the independent variable into the model (Yi = α + β1X1i + β2X2i + β3X3i + β4X4i + β5X5i + β6X6i + β7X7i + β8X8i+ β9X9i+ β10X10i+ ε). The model can be expressed as: Yi = 10.351 + 0.142X1i + 0.121X 2i + 0.347X3i + 0.228X4i + 0.062X5i + 0.097X6i + 0.169X6i + 0.169X7i - 0.080β8i+ 0.479X9i + 0.165X10i = -10.351) means that if the other variables of the model are zero, Then the business performance of female entrepreneurs in the administrative management of Kirkos and Yeka sub-cities will be 10.351. Similarly, the beta coefficient (β) of 0.347 indicates that for every unit increase in financial factors, the business performance of SME women entrepreneurs in the two sub-cities will increase by 34.7%, followed by financial factors. The beta coefficient of 0.228 indicates the market for one unit. Changes in

factors led to a 22.8% change in the operating performance of SME entrepreneurs in the two sub-cities. In addition, the beta coefficient of 0.169 shows that for every unit change in government policies and regulatory factors, the business performance of SME entrepreneurs in the two sub-cities will change by 16.9%. As shown in the above regression model formula, the beta coefficient of 0.142 indicates that one unit change in Entrepreneurial factors leads to an increase of 14.2% in the operating performance of women entrepreneurs in small and micro enterprises in the two sub-cities. Therefore, a beta coefficient of 0.121 means that a unit change in Managerial factors will result in a 12.1% change in the operating performance of women entrepreneurs in small, medium, and micro enterprises in the two sub-cities. In addition, a beta coefficient of 0.097 means that a unit change in infrastructure factors causes a 9.7% change in the operating performance of women entrepreneurs in small, medium, and micro-enterprises in the two sub-cities. A beta coefficient of 0.062 means that a unit change in technical factors leads to a 6.2% change in the operating performance of women entrepreneurs in small and micro enterprises in the two sub-cities. As shown in the above regression model formula, the beta coefficient of -.080 indicates that one unit change in Age leads to a decrease of 80% in the operating performance of women entrepreneurs in small and micro enterprises in the two sub-cities. In addition, a beta coefficient of 0.479 means that a unit change in marital status causes a 47.9% change in the operating performance of women entrepreneurs in small, medium, and micro-enterprises in the two sub-cities. Finally, a beta coefficient of 0.165 means that a unit change in educational back ground causes a 16.5% change in the operating performance of women entrepreneurs in small, medium, and micro-enterprises in the two sub-cities. In addition, in the above regression model formula, the estimated value of the error term (ei) is assumed to be zero. The results of the regression coefficient show that, except for age, marital status, educational back ground, and technical factors, the six independent variables are statistically significant in predicting the business performance of women entrepreneurs in small and micro-management enterprises of the Kirkos and Yeka sub-cities.

4.6. Hypothesis Testing

The hypothesis is simply an educated and testable guess about the answer to your research question. A hypothesis is often described as an attempt by the researcher to explain the phenomenon of interest. Those hypotheses are the researcher’s attempt to explain the phenomenon being studied, and that explanation should involve a prediction about the

variables being studied. These predictions are then tested by gathering and analyzing data, and the hypotheses can either be supported or refuted (falsified) based on the data. Accordingly, the four hypotheses which were developed earlier in chapter two were tested based on the regression coefficient data.

Table 4.17: Summary Result of Regression Analysis

Model		Beta	Statistical significance
1	(Constant)	-10.351	.000
	Entrepreneurial factors	.142	.014
	Managerial factors	.121	.041
	Financial factors	.347	.000
	Market factors	.228	.000
	Technological factors	.062	.332
	Infrastructure factors	.097	.045
	Government policy and regulations factors	.169	.028
a. Dependent Variable: Business performance of MSEs women entrepreneurs			

Source: Own survey data, 2021

According to the results of the regression analysis in Table 4.17 above, the research hypothesis is tested and presented as follows:

Hypothesis 1:

H1: Entrepreneurial factors have a significant and positive relationship with the business performance of women-owned MSEs.

According to the previous regression coefficient, the result shows that the beta coefficient (unstandardized beta coefficient) of business factors is 0.130, and the p-value is 0.023 less than 0.05), which infers that 13% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in entrepreneurial factors assumed all other explanatory variables are being constant, which entails that entrepreneurial factors have significant relationship and effect on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **1** is accepted.

Hypothesis 2:

H1: Managerial factors have a significant and positive relationship with the business performance of women-owned MSEs.

The managerial factors regression coefficient result was defined with (β=0.120, and p-value of 0.043 less than 0.05), which indicates that 12% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in managerial factors in both Kirkos and Yeka sub-cities administration, assumed all other independent variables are being constant, which shows that managerial factors have significant relationship and effect on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **2** is accepted.

Hypothesis 3:

H1: Financial factors have a significant and positive relationship with the business performance of women-owned MSEs.

The financial factors regression coefficient result with (β=0.355, and p-value of 0.000 less than 0.05), which indicates that 35.5% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in financial factors in both Kirkos and Yeka sub-cities administration, assumed all other explanatory variables are being constant, which shows that financial factors have significant relationship and effect on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **3** is accepted.

Hypothesis 4:

H1: Market factors have a significant and positive relationship with the business performance of women-owned MSEs.

The market factors regression coefficient result with (β=0.246, and p-value of 0.000 less than 0.05), which infers that 35.5% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in market factors in both Kirkos and Yeka sub-cities administration, assumed all other explanatory variables are being constant, which shows that market factors have significant relationship and effect on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **4** is accepted.

Hypothesis 5:

H1: Technological factors have a significant and positive relationship with the business performance of women-owned MSEs.

The market factors regression coefficient result with (β=0.052, and p-value of 0.414 greater than 0.05), which infers that 5.5% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in technological factors in both Kirkos and Yeka sub-cities administration, assumed all other independent variables are being constant, however, the p-value is greater than 0.05, hence, the Hypothesis **5** is rejected.

Hypothesis 6:

H1: Infrastructure factors have a significant and positive relationship with the business performance of women-owned MSEs.

The market factors regression coefficient result with (β=0.099, and p-value of 0.041 less than 0.05), which infers that 9.9% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in infrastructure factors in both Kirkos and Yeka sub-cities administration, assumed all other explanatory variables are being constant, which shows that infrastructure factors have significant relationship and effect on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **6** is accepted.

Hypothesis 7:

H1: Government policy and regulation factors have a significant and positive relationship with the business performance of women-owned MSEs.

The market factors regression coefficient result with (β=0.163, and p-value of 0.033 less than 0.05), which infers that 16.3% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in government policy and regulatory factors in both Kirkos and Yeka sub-cities administration, assumed all other independent variables remain constant, which shows that government policy and regulation factors have significant relationship and effect on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **7** is accepted.

Hypothesis 8:

H1: Age have a significant and positive relationship with the business performance of women-owned MSEs.

Age regression coefficient result with (β=-0.080, and p-value of 0.798 greater than 0.05), which infers that 8% of the decrease in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in age in both Kirkos and Yeka sub-cities administration, assumed all other independent variables remain constant, which shows that Age have insignificant relationship on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **8** is not accepted.

Hypothesis 9

H1: Marital statuses have a significant and positive relationship with the business performance of women-owned MSEs.

Marital statuses regression coefficient result with (β=0.479, and p-value of 0.110 greater than 0.05), which infers that 47.9% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in marital statuses in both Kirkos and Yeka sub-cities administration, assumed all other independent variables remain constant, which shows that marital statuses have insignificant relationship on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **9** is not accepted.

Hypothesis 10:

H1: Educational background has a significant and positive relationship with the business performance of women-owned MSEs**.**

Educational background regression coefficient result with (β=0.165, and p-value of 0.261 greater than 0.05), which infers that 16.5% of the increase in the business performance of MSEs women entrepreneurs is explained or justified due to the changes in Educational background in both Kirkos and Yeka sub-cities administration, assumed all other independent variables remain constant, which shows that Educational background have insignificant relationship on business performance of MSEs women entrepreneurs, therefore, the Hypothesis **10** is not accepted.

Table 4.18: Summary of Tested Hypothesis

Hypothesis	Results
Ho: There is no significant and positive relationship between **entrepreneurial factors** and business performance of women-owned MSEs. **H1:** There is a significant and positive relationship between **entrepreneurial factors** and the business performance of women-owned MSEs.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant and positive relationship between **managerial factors** and business performance of women-owned MSEs. **H1:** There is a significant and positive relationship between **managerial factors** and the business performance of women-owned MSEs.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant and positive relationship between **financial factors** and business performance of women-owned MSEs. **H1:** There is a significant and positive relationship between **financial factors** and the business performance of women-owned MSEs.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant and positive relationship between **market factors** and business performance of women-owned MSEs. **H1:** There is a significant and positive relationship between **market factors** and the business performance of women-owned MSEs.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant and positive relationship between **technological factors** and business performance of women-owned MSEs. **H1:** There is a significant and positive relationship between **technological factors** and the business performance of women-owned MSEs.	**Ho:** Accepted **H1:** Rejected
Ho: There is no significant and positive relationship between **infrastructure factors** and business performance of women-owned MSEs. **H1:** There is a significant and positive relationship between **infrastructure factors** and the business performance of women-owned MSEs.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant and positive relationship between **government policy and regulatory factors** and business performance of women-owned MSEs. **H1:** There is a significant and positive relationship between **government policy and regulatory factors** and the business performance of women-owned MSEs.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant and positive relationship between **Age** and business performance of women-owned MSEs. **H1:** There is insignificant and positive relationship Age and the business performance of women-owned MSEs.	**Ho:** Accepted **H1:** Rejected
Ho: There is no significant and positive relationship between **marital status** and business performance of women-owned MSEs. **H1:** There is insignificant and positive relationship between **marital status** and the business performance of women-owned MSEs.	**Ho: Accepted** **H1: Rejected**
Ho: There is no significant and positive relationship between **educational back ground** and business performance of women-owned MSEs. **H1:** There is insignificant and positive relationship between **educational back ground** and the business performance of women-owned MSEs.	**Ho:** Accepted **H1:** Rejected

Source: Own survey data, 2021

CHAPTER FIVE

SUMMARY OF MAJOR FINDINGS, CONCLUSION, AND RECOMMENDATIONS

5.1. Introduction

The purpose of this research is to study the factors affecting the operational performance of small and medium-sized entrepreneurs in two sub-cities, Kirkos and Yeka, the administrative authority of Addis Ababa. This chapter was summarized the major findings of the study. The chapter also gives conclusions based on the results that have been derived from the major findings. This chapter also puts forward some suggestions that can be used to improve the factors that affect the business performance of small and medium-sized enterprises owned by women entrepreneurs in the sub-cities of Kirkos and Yeka of Addis Ababa City Government. Suggestions for future research are also made.

5.2. Summary of Findings

This research aims to study the factors that influence the performance of women entrepreneurs' micro and small enterprises in the management of the Kirkos and Yeka sub-cities of Addis Ababa. The data for this study was obtained by distributing questionnaires to a sample of predetermined women entrepreneurs in the management of the Kirkos and Yeka sub-cities in Addis Ababa. A total of 368 questionnaires were issued and 330 were returned, with a recovery rate of 89.7%. The general value of Cronbach's alpha ($\alpha = 0.950$) was obtained, and the general internal consistency test of the research tool was within the "excellent" range of reliability.

The background information of female entrepreneurs in the two sub-cities in the jurisdiction of the respondents indicated that most of the age distribution indicated that the age of the respondents was between 2635 and 162 (49.1%). Most of the interviewees 146 (44.2%) are married. In terms of the education level of the interviewees, most of the interviewees have obtained technical and vocational education and administrative management diplomas in the sub-cities of Kirkos and Yeka.

Through the descriptive statistical analysis, mean score and standard deviation were computed for each independent variable (entrepreneurial, managerial, financial, market, technological, infrastructure, and government policy and regulation factors) and dependent variable (affecting the business performance of micro and small enterprises of women

entrepreneurs). The study showed that the mean score for the financial factors was relatively high (3.81), followed by market factors (3.78). However, entrepreneurial factors, technological factors, government policy and regulation factors, managerial factors, and infrastructure factors had scored a mean of 3.7, 3.66, 3.54, 3.49, and 3.33 respectively. On the other hand, the mean score of business performance of micro and small enterprises of women entrepreneurs (3.044) implies that respondents were agreed moderately on the business performance of micro and small enterprises of women entrepreneurs.

Pearson coefficients imply that there was a statistically significant positive relationship between factors affecting the business performance of micro and small enterprises (entrepreneurial, managerial, financial, market, technological, infrastructure, and government policy and regulation factors) of women entrepreneurs at $P<0.01$ level. Moreover, government policy and regulation factors had a positive and statistically significant correlation with the business performance of micro and small enterprises of women entrepreneurs than the other selected factors. Following government policy and regulation, market factors, managerial factors, financial factors, technological factors, and entrepreneurial factors had also a moderate and positive correlation with the business performance of micro and small enterprises of women entrepreneurs. Relatively, infrastructure factors have a less positive correlation with the business performance of micro and small enterprises of women entrepreneurs.

Before running multiple regression analysis, researchers have made the necessary preliminary assumptions that the data must satisfy the reliability and validity of the analysis. Among regression tests: linearity test, normality test, multicollinearity test, homoscedasticity test, and independent of residuals test were checked and all assumptions were satisfied in the model of the study.

Multiple regression analysis is used to determine whether the independent variable affects the dependent variable. The R-squared value ($R2 = 0.646$) summarized by the regression model shows that 64.6% of the operational performance of women entrepreneurs in the administrative regions of the Kirkos and Yeka sub-cities can be predicted by independent variables**.** i.e. entrepreneurial factors, managerial factors, financial factors, market factors, technological factors, infrastructure factors, and government policy and regulation factors. This implied that the business performance of micro and small enterprises of women entrepreneurs is influenced by 64.6% of the selected factors and the remaining 35.4% of the

variation of business performance of micro and small enterprises of women entrepreneurs can be explained by other variables in both Kirkos and Yeka sub-cities administration.

The ANOVA test result revealed that the independent variables statistically and significantly predict the dependent variable ($F = 58.137$, $p < .001$). This is to means that the model is significant and acceptable from a statistical perspective.

The regression analysis results further revealed that the predictor variables of all selected factors except technological factors i.e. entrepreneurial factors, managerial factors, financial factors, market factors, infrastructure factors, and government policy and regulation factors had a statistically significant contribution to the business performance of micro and small enterprises of women entrepreneurs at 95% confidence level, since their p-values are .014, .041, .000, .000, .045 and .028 respectively and the significance level for them were less than 0.05 ($p<0.05$). Relatively financial factors are the most significant independent variable than other factors which has a significant statistical contribution to the business performance of micro and small enterprises of women entrepreneurs with a p-value of 0.000. On the other hand, technological factors had a positive but statistically insignificant contribution on business performance of micro and small enterprises of women entrepreneurs since their p-value i.e. 0.332 which was greater than the significance level of 0.05 ($p>0.05$).

All alternative hypotheses except hypothesis 5 (technological factors) related to the relationship between the factors affecting the business performance of micro and small enterprises of women entrepreneurs were accepted and the null hypothesis of all variables was rejected. All the independent variables except technological factors i.e. entrepreneurial factors, managerial factors, financial factors, market factors, infrastructure factors, and government policy and regulation factors significance level were .014, .041, .000, .000, .045, and .028 at $p<0.05$ respectively. This implies that all selected factors have a positive significant effect on the level of business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-cities of Addis Ababa city administration.

On the contrary, alternative hypotheses which are related with technological factors were rejected as their significance level were .332 and 0.332 at $p>0.05$. This implies that technological factors don't have a significant effect on the level of business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-cities of Addis Ababa city administration.

5.3. Conclusion

Based on the research results, the following conclusions are drawn;

- Financial and marketing factors are the most significant independent variable that has a significant statistical contribution to the business performance of micro and small enterprises of women entrepreneurs.
- The other factors; government policy and regulation factors, entrepreneurial factors, managerial factors, and infrastructural factors had ranked depending on their significant level from higher significance to substantial significance.
- Technological factors had a positive but statistically insignificant contribution on business performance of micro and small enterprises of women entrepreneurs.
- It can be concluded that there exists a big gap of financial sources, for the start-up and expansion of MSEs that can be easily and equivocally accessible to all women entrepreneurs in both Kirkos and Yeka sub-cities administration. The formal financial institutions were not easily accessible, because of the difficult application procedures, collateral requirement, and high rate of interest, and these situations led MSEs of women entrepreneurs to use more of the informal institutions. So, lack of sources of finance is the major factor affecting start-up and expansion of businesses, by many women entrepreneurs in both Kirkos and Yeka sub-cities administration.
- Government policy and regulation and infrastructure factors have also a positive and significant influence on women entrepreneurs' MSEs Performance. Thus, it affects performance of women entrepreneurs who do not have access to infrastructural and appropriate government policy and regulation in both Kirkos and Yeka sub-cities administration.
- The internal factors (entrepreneurial and managerial) showed a positive correlation with the business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-cities administration of Addis Ababa. How much a business can withstand the external factors affecting performance and its ability to exploit the internal and external business opportunities depend upon the entrepreneurial and management skill of the business.
- Generally, depending on the results of this study, it is possible to say that the financial factors, market factors, government policy and regulation factors, entrepreneurial

factors, managerial factors, and infrastructural factors could have a positive significant effect on the business performance of micro and small enterprises of women entrepreneurs in both Kirkos and Yeka sub-cities administration of Addis Ababa.

5.4. Recommendations

To facilitate access to credit, banks and MFIs need to allocate a certain portion of their loanable funds for women MSE entrepreneurs to address the problem of credit, and financial institutions, the Federal government, the city administrations, and development partners should jointly devise ways to create lines of credit and special windows for assisting women-owned and operated MSEs.

- The construction of market sheds and common facility centers at proper locations with the assistance of the city's administration, donors, and the private sector could help alleviate this problem.
- It is very important that the regulatory framework that affects business activities in general and those influencing women-owned and operated MSEs in particular, be revisited regularly to create an enabling environment.
- Finally provision of adequate financing to acquire advanced types of machinery which will be used in day-to-day business operations should be facilitated by the government and other stakeholders.

5.5. Future Research Directions

- To get a detailed and complete picture of factors and MSEs Performance relationship, the researcher, suggests that the scope needs to be broadened to cover the rest of Addis Ababa sub-cities.
- Future studies could be done in a larger scope that incorporates different stakeholders such as male entrepreneurs and alike.
- Other researchers could use others variables that give influence the performance of women entrepreneurs, such as; social factors, psychological factors, personal motivation, working premises, and others.

REFERENCES

Abegaz, B. (2004). Escaping Ethiopia's poverty trap: the case for a second agrarian reform. Journal of Modern African Studies, 42, 313-342.

Admassie, A. (2004). A Review of the performance of agricultural finance in Ethiopia: pre-and- post-reform periods. Paper presented at the International Conference on Agrarian Constraints and Poverty Reduction on 17-18 December 2004 in Addis Ababa, Ethiopia.

Aldrich, H., Reese, P. R., & Dubini, P. (1989). Women on the verge of a breakthrough: Networking among entrepreneurs in the United States and Italy. *Entrepreneurship & Regional Development, 1*(4), 339-356.

Aldrich, H., Reece, P.R., & Dubini, P. (1989), *Women on the verge of a breakthrough? Networking among business owners in the U.S. and Italy*. *Entrepreneurship and Regional Development.* No.4.: pp.339-356.

Alibuhtto, M. C., & Peiris, T. S. G. (2015). Principal component regression for solving multicollinearity problem. In: 5th International Symposium, South East University of Sri Lanka.

Asma Benzazoua Bouazza, D. A. (2015). Establishing the Factors Affecting the Growth of Small and Medium-sized Enterprises. American International Journal of Social Science, Vol. 4, No. 2.

Ayyagari, Beck &Demirgüc-Kunt, (2003). Small and medium enterprises across the globe: A new database the world bank, 2003.

Balance, L.D (2004). *Assumptions in Multiple Regression.* American Psychological Association.

Bandura, A., & McClelland, D. C. (1977). *Social learning theory* (Vol. 1). Prentice-Hall: Englewood Cliffs.

Baughn, C., Chua, B.L. and Neupert, K. (2006), "The normative context for women's participation in entrepreneurship: a multi-country study", Entrepreneurship Theory & Practice, Vol. 30 No. 5, pp. 687-708.

Baum, J., Locke, E. and Smith, K. (2001), "*A multidimensional model of venture growth.* "Academy of Management Journal, 44(2):292-303.

Boldizzoni, F. (2008). *Means and ends: The idea of capital in the West, 1500-1970*. Springer.

Burns, P. (2016). *Entrepreneurship and Small Business Start-up, growth and maturity Fourth edition Copyrighted material_9781137430359*.

Buttner, E. H. (1993). Female entrepreneurs: how far have they come?. *BUSINESS HORIZONS-BLOOMINGTON-*, *36*, 59-59.

Buttner, E. H., & Rosen, B. (1992). Rejection in the loan application process: Male and female entrepreneurs' perceptions and subsequent intentions. *Journal of Small Business Management*, *30*(1), 58.

Commission on Legal Empowerment of the Poor. (2006), "*Background issue paper on Legal Empowerment of the Poor"*, Addis Ababa.

Degefe, B., & Nega, B. (2001). Annual Report on the Ethiopian Economy. Addis Ababa: United printers for the Ethiopian Economic Association.

Denscombe, M. (2007). The good research guide. Berkshire. *England: McGraw-Hill Education*.

Desta Solomon. 2010. *Desk Review of Studies Conducted on Women Entrepreneurs in Ethiopia*. Addis Ababa Chamber of Commerce and Sectoral Associations.

Eddleston, K. and Powell, G. (2008), "The role of gender identity in explaining sex differences in business owners career satisfier preferences", Journal of Business Venturing, Vol. 23, pp. 244-56.

Endalkachew Mulugeta, (2008). Underlying causes of micro & small business enterprises failure: the case of Addis ketema sub-city.

Eshetu Bekele and ZelekeWorku. 2008. *Women Entrepreneurship in Micro, Small and Medium Enterprises: The Case of Ethiopia.* Journal of International Women's Studies. No.2.

G Belay File, (2012). Determinants of micro-enterprise success in the urban informal sector of Addis Ababa, A multi-dimensional analysis: Ph.D. defended ISS of Eur, 2012.

Geberhiwot Ageba and Wolday Amha (2006). Micro and Small Enterprises Finance in Ethiopia: Empirical Evidence, Eastern Africa Social Science Research Review, Michigan State University, Volume 22, Number 1, Jan., pp. 63-86.

Gebremariam, F. M. (2017). Factors Affecting the Growth of Women-Operated Micro and Small Enterprises (MSEs) in Ethiopia. *Üniversitepark Bülten, 6*(1), 56–66.

Geda, A. & Degefe, B. (2002). Explaining African Growth Performance: The Case of Ethiopia. Paper presented at the African Economic Research Consortium (AERC) workshop in Nairobi, Kenya on 12 May 2002. Nairobi: African Economic and Research Consortium.

Geda, A., Shimeles, A. & Weeks, J. (2003). Growth, poverty, and inequality in Ethiopia: which way for pro-poor growth? Journal of Eastern and Southern African Social Science Review. 8(3), 12-19.

Girma, G. (2015). Factors Affecting the Performance of Women Entrepreneurs in Micro and Small Enterprises in Gulele Sub-City, Addis Ababa. Master of urban and regional planning and development, Addis Ababa University, Ethiopia.

Gould, S. &Parzen, J.eds.1990. *Enterprising women. Paris: Organization for Economic Cooperation and Development.*

Govori, A. (2013). Factors affecting the growth and development of SMEs: Experiences from Kosovo. Mediterranean Journal of Social Sciences, 4(9), 701.

Hisrich, R.D. (1991). Antecedent influences on women-owned businesses. *Journal of Managerial Psychology,* Vol. 6, No. 2, pp. 9-16. Carter, S. (2000).

Hoy, F., & Shane, S. (1998). Franchising as an entrepreneurial venture form. *Journal of Business Venturing*, *13*(2), 91-94.

Ibrahim, Angelidis, &Parsa, (2008). The strategic management of family businesses: Current findings and directions for future research. International journal of management 25(1), 95, 2008.

ILO, (2008).Women Entrepreneurs in Kenya. Factors affecting Women Entrepreneurs in Micro and Small Enterprises in Kenya. Geneva. International labor organization.

International Monetary Fund (2013). women, Work, and the Economy: Macroeconomic Gains from Gender Equity. September 2013 SDN/13/10.

Johnson, R. (1990), "*Toward a multi-dimensional model of entrepreneurship*: *The case of achievement motivation and the entrepreneur," Entrepreneurship Theory and Practice*, 3:39-54.

Jones, O., Craven, M. (2000). Expanding capabilities in a mature manufacturing firm: absorptive capacity and the TCS. International Small Business Journal. Vol. 19.

Kebede, B. (2002). Land tenure and common pool resources in rural Ethiopia: a study based on fifteen sites. Journal of African Development Review, 14(1), 4-9.

Kihara, D. K., Risper, O., & Kithinji, N. (2017). Factors affecting the growth of small-scale women entrepreneurs: A case study Mutindwa market in Nairobi, factors affecting the growth of small-scale women entrepreneurs. A case of Mutindwa. *International Journal of Entrepreneurship*, *1*(1), 50–70.

Kindy, A., Shah, M. and Jusoh, A. (2016). Consideration and Methodological Approaches in Studying Transformational Leadership Impact on Work Performance Behaviors. International 92 | P a g e-Journal of Advanced Research, Vol. 4 (1), pp. 889-907.

Krasniqi, B. A. (2007). Barriers to entrepreneurship and SME growth in transition: the case of Kosova. *Journal of Developmental Entrepreneurship*, *12*(01), 71-94.

Kristan Hallberg, (2000). Market-oriented strategy for small and medium scale enterprises: The world bank, 2000.

Lakshmi, S., & Mohideen, M. A. (2013). Issues in Reliability and Validity of Research. International journal of management research and reviews, 3(4), 2752.

Langowitz, N. and Minniti, M. (2007), "The entrepreneurial propensity of women", Entrepreneurship Theory & Practice, Vol. 31 No. 3, pp. 341-64.

Lazear, E. P. (2005). Leaders and entrepreneurs: where they produce the most value. In *Allied Social Science Associations Annual General Meeting, Philadelphia*.

Lerner, M., Brush, C. G., & Hisrich, R. D. (1995). *Factors affecting the performance of Israeli women entrepreneurs: An examination of alternative perspectives* (pp. 308-

322). Tel Aviv University, Faculty of Management, The Leon Recanati Graduate School of Business Administration.

Liedholm, C. (2002), "Small firm dynamics**:** *Evidence from Africa and Latin America." Small Business Economics* 18:227-242.v.

Lin, C. Y. Y. (1998). Success factors of small-and-medium-sized enterprises in Taiwan: An analysis of cases. *Journal of small business management*, *36*(4), 43.

Linda B Shonesy and Robert D Gulbro, (2004). The entrepreneur and Lady: Allied academies international conference. International academy for case studies proceedings 11(1), 103,2004.

Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of Management Review*, *21*(1), 135-172.

Marczyk, Dematteo and Festinger, (2005). *Essentials of research design and methodology.* John Wiley and Sons, Inc, Hoboken, Newjersey, and Canada.

Mbonyane, B.&Ladzani, W. (2011), "*Factors that hinder the growth of small businesses in South African townships," Pretoria European business review, 23/ 6, 550-56.*

Montanye, J. A. (2006).Entrepreneurship:" The Independent Review"

Moyi, E., & Njiraini, P. (2005). *Towards technology models for MSES in Kenya: Common principles and best practices* (No. 51). Kenya Institute for Public Policy Research and Analysis.

Mulu Gebreeyesus (2007), *"Growth of Micro Enterprises: Empirical evidence from Ethiopia," Ethiopian Development Research Institute: Addis Ababa.*

Mulugeta, H. (2014). *ASSESSING THE FACTORS AFFECTING THE PERFORMANCE OF MICRO AND SMALL SCALE ENTERPRISES THE CASE OF YEKA SUB-CITY, ADDIS ABABA* (Doctoral dissertation, St. Mary's University).

Nichter, S. and Goldmark, L. (2009), "*Small firm growth in developing countries," World Development, 37(9):1453-1464.*

OECD (2006). Enhancing women's Market Access and promoting pro-poor growth Paris: OECD Secretariat.

Osoro, K., Mokoro, A., Nyamongo, D., & Areba, J. (2013). Constraints Facing Women Entrepreneurs In Kenya: A Case Study Of Micro And Small Enterprises in Kisii County, *16*(6), 116–124.

Peberdy, S., & Rogerson, C. (2000). Transnationalism and non-South African entrepreneurs in South Africa's small, medium and micro-enterprise (SMME) economy. *Canadian Journal of African Studies/La Revue canadienne des études africaines*, *34*(1), 20-40.

Riding, A. L., & Swift, C. S. (1990). Women business owners and terms of credit: Some empirical findings of the Canadian experience. *Journal of business venturing*, *5*(5), 327-340.

Roy, S., Tripathy, P., & Tripathy, P. (2017). Assessment of Factors Affecting the Performance of Women Entrepreneurs in MSE in Polosara District of Ganjam, Odisha. *British Journal of Economics, Management & Trade*, *17*(3), 1–11.

Scholten, A. D., & Thesis, M. (2014). Women entrepreneurs in Colombia, 60.

Sekeran, U. (2001). Research methods for business: A skill-building approach. New York: John Wiley and Sons, Inc.

Tirfe, A. G., & Kassahun, T. (2014). Entrepreneurial Orientation as Growth Predictor of Small Enterprises (Evidence from the Tigray Regional State of Ethiopia). Developing Country Studies, 4(11), 133-143.

Tiruneh Abebe, (2011). Analysis of the success factors of micro and small business enterprises in Addis Ababa: MBA thesis, Addis Ababa University 2011.

Verheul, I., Van Stel, A. and Thurik, R. (2006), "Explaining female and male entrepreneurship at the country level", Entrepreneurship & Regional Development, Vol. 18, pp. 151-83.

Vinten, G. (2000). Training in small-and medium-sized enterprises. Industrial and Commercial Training. Vol. 32 Iss 1.

Wasihun, R., & Paul, I. (2010). Growth determinants of women-operated micro and small enterprises in Addis Ababa. *Journal of Sustainable Development in Africa*, *12*(6), 233-246.

Wube, M. C. (2010). *Factors affecting the performance of women entrepreneurs in micro and small enterprises (the case of Dessie town).*

Zeleke Work, (2009). *Efficiency in management as determinants of long-term survival in enterprises in Ethiopia. Journal of Problems and perspectives in management, 7(3): 32-39.*

Zewde & Associates. (2002). Women entrepreneurs in Ethiopia, (October), 1–13.

Zikmund, W. G., Babin, B. J., Carr, J. C., Adhikari, A., & Griffin, M. (2013). *Business research methods* (8th ed.). Delhi, India: Cengage Learning India Pvt. Ltd.

APPENDIX 1**: QUESTIONNAIRES**

COLLEGE OF BUSINESS AND ECONOMICS

MASTERS OF BUSINESS ADMINISTRATION (MBA) PROGRAM

Name of student: Alemtsehay Taddele

Telephone: +251-911-154-816
Email address: alemtsehaytaddele@gmail.com

Dear Respondents:

This questionnaire is designed to collect primary data for the thesis entitled **"Factors Affecting the Performance of Micro and Small Business Enterprises of Women Entrepreneurs: The Case of Kirkos and Yeka Sub City Administration."** The research is conducted as partial fulfillment of the requirement for the Masters of Business Administration (MBA). This study is purely for academic purposes and in no way affects the respondent personally. It will be kept confidential. So your genuine view, honest & timely responses are very valuable in determining the success of the study. Therefore, you are kindly requested to extend your cooperation by frankly providing relevant information.
I thank you in advance for your anticipated cooperation and participation in this study.

GENERAL INSTRUCTION

- Please put a "√" mark on your choice on the space provided.
- You don't need to write your name on the questionnaire.

PART ONE

DESCRIPTION OF DEMOGRAPHICS

1. Age (in year):

A. 18-25 ☐ B.26-35 ☐ C. 36-50 ☐ D. More than 50 ☐

2. Marital status:

A. Single ☐ B. Married ☐ C. Divorce ☐ D. Widowed ☐

3. Educational background:

A. 10+1 ☐ D. Diploma ☐

B. 10+2 ☐ E. Degree ☐

C. 10+3 ☐ F. Masters ☐

If your education level is just below the above levels, please write the highest-grade level you have completed…….

4. What is the form of ownership in this business?

A. Sole proprietorship ☐ B. Partnership ☐ C. Share Company ☐

5. What is the type of business you are involved in?

A Manufacturing ☐ B. Construction ☐

C. Trade ☐ D. Service ☐ E. Urban agriculture ☐

If other, specify…….

6 How many employees did the enterprise have?.....

7. What were the sources of your start-up capital?

A. Personal saving ☐ B. Equib ☐

C. Assistance from NGOs ☐ D. Microfinance ☐

E. Borrowed from friends & relatives ☐ F. others (please specify) ……

8. What was the average annual revenue of your enterprise? ……..

9. What was the average annual cost of your enterprise? ……

PART TWO

FACTORS AFFECTING THE PERFORMANCE OF MICRO AND SMALL ENTERPRISES OF WOMEN ENTREPRENEURS:

Please indicate the degree of your agreement/disagreement with the following statements associated with the factors that affect the profitability of your business enterprise performance. After you read each of the factors, evaluate them concerning your business, and then put a tick mark (√) under the choices below.

1.	**Entrepreneurial factors**	**Strongly Disagree (1)**	**Disagree (2)**	**Neither Agree nor Disagree (3)**	**Agree (4)**	**Strongly Agree (5)**
1.1	Lack of motivation and self-drive					
1.2.	Lack of creativity, flexibility, and adaptability to new ideas.					
1.3.	Lack of readiness to learn, to improve and to change					
1.4.	Lack of tolerance to work hard.					
1.5.	Lack of entrepreneurship training					
1.6.	Lack of information to exploit business opportunities					
2.	**Managerial factors**	**Strongly Disagree (1)**	**Disagree (2)**	**Neither Agree nor Disagree (3)**	**Agree (4)**	**Strongly Agree (5)**
2.1.	Lack of managerial experience.					
2.2.	Lack of financial, human, and material management system.					
2.3.	Lack of business management knowledge and skills.					
2.4.	Poor selection of business partners.					
2.5.	There is no an empowering individuals to make decisions themselves					
2.6.	Failure to the integration of business enterprises.					
3.	**Financial factors**	**Strongly Disagree (1)**	**Disagree (2)**	**Neither Agree nor Disagree (3)**	**Agree (4)**	**Strongly Agree (5)**
3.1.	Lack of access to credit institutions.					
3.2.	High collateral requirement from lending institutions					
3.3.	High-interest rate by lending institutions					
3.4.	Shortage of working capital					
3.5.	Loan application procedures are complicated					
3.6.	Insufficient availability of raw material					

4.	Marketing factors	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
4.1.	Lack of establishing a market network					
4.2.	Searching new market is too difficult					
4.3.	Inadequate market for my product					
4.4.	Lack of market information					
4.5.	Lack of promotion to attract potential Users					
4.6.	Poor customer relationship and handling					
5.	**Technological factors**	**Strongly Disagree (1)**	**Disagree (2)**	**Neither Agree nor Disagree (3)**	**Agree (4)**	**Strongly Agree (5)**
5.1.	Lack of capital to acquire new technology					
5.2.	Unable to select proper technology					
5.3.	Lack of skill and knowledge to handle new technology					
5.4.	Lack of information in the availability of appropriate tools and materials					
5.5.	Failure to properly control the existing technology					
6.	**Infrastructural factors**	**Strongly Disagree (1)**	**Disagree (2)**	**Neither Agree nor Disagree (3)**	**Agree (4)**	**Strongly Agree (5)**
6.1.	Absence of Power and power Interruptions					
6.2.	Insufficient and interrupted water supply					
6.3.	Lack of business development services					
6.4.	Lack of sufficient and quick transportation service					
6.5.	Lack of appropriate dry waste and sewerage system					
7.	**Government policy and regulation factors**	**Strongly Disagree (1)**	**Disagree (2)**	**Neither Agree nor Disagree (3)**	**Agree (4)**	**Strongly Agree (5)**
7.1.	Bureaucracy in company registration and licensing					
7.2.	legal, institutional and policy framework					
7.3.	The tax levied on my business is not reasonable					
7.4.	Lack of accessible information on government regulations that are relevant to my business					
7.5.	Political decision influence on business enterprises					

PART THREE

PERFORMANCE OF MSEs WOMEN ENTREPRENEURS

The following questions are about the Performance of MSEs women entrepreneurs or profitability in sub-city administration. Please indicate the magnitude of your agreement/disagreement by putting the '√' mark on the number that best describes your view.

NO	PERFORMANCE OF MSEs WOMEN ENTREPRENEURS	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
1.1.	The business is Profitable					
1.2.	There is a good Sales turnover					
1.3.	The business has a good Market share					
1.4.	There is good customer loyalty					
1.5.	The business has a good management system					

If you have any additional comment or suggestion please add in the given space below

---

Thank you very much for filling the questionnaire!!!!!

በአዲስ አበባ ዩንቨርስቲ

የቢዝነስ እና ኢኮኖሚክስ ኮሌጅ

ይህ መጠይቅ የተዘጋጀው በቂርቆስ እና በየካ ክፍለ ከተማ ውስጥ የሚገኙ ሴት አንቀሳቃሾችን የአፈፃፀም ሁኔታ ተፅዕኖ የሚያሳድሩ ምክንያቶችን በተመለከተ የመጀመሪያ ደረጃ (ቀጥተኛ) መረጃ ለመሰብሰብ ሲሆን ሙሉ መረጃው የሚውለው ለሁለተኛ ዲግሪ ጥናታዊ ፅሁፍ ማሟያ ነው። ስለሆነም የሚሰጡት አስተያየት (መረጃ) በሙሉ ሚስጥራዊነቱ የተጠበቀ ነው ስለዚህ ግልፅ ቀና እና ታማኝነት ያለው ትክክለኛ መረጃ እንዲሰጡኝ እየጠየቅኩኝ ለፈቃደኝነትዎ አመሰግናለሁ።

አለምፀሐይ ታደለ

ስልክ ቁጥር፡- 0911154816

ክፍል አንድ

አጠቃላይ መረጃ /የዲሞግራፊክ መግለጫዎች/

1. እድሜ

ሀ. 18-25 ☐ ለ . 26-35 ☐ ሐ. 36-50 ☐ መ. ከ 50 በላይ ☐

2. የጋብቻ ሁኔታ

ሀ. ያላገባ ☐ ለ. ያገባ ☐ ሐ . የፈታ ☐ መ. ከሁለት አንዱ በሞት የተለዩት ☐

3. የትምህርት ደረጃ

ሀ. 10 +1 ☐ ለ. 10 +2 ☐ ሐ.10+3 ☐ መ. ዲፕሎማ ☐

ሠ. ዲግሪ ☐ ረ. ሁለተኛ ድግሪ ☐

የትምህርት ደረጃዎ ከላይ ከተገለፁት ደረጃዎች በታች ከሆነ እባክዎ የትምህርት ደረጃዎን ይጻፉ _____።

4. በዚህ ሥራ ውስጥ የርስዎ የባለቤትነት ሁኔታ ?

ሀ. በግል ባለቤትነት ☐ ለ. በጋራ ባለቤትነት ☐ ሐ. በአክሲዮን ማህበር ☐

5. የእርስዎ የቢዝነስ ስራ አይነት ምንድን ነው?

ሀ. የማኑፋክቸሪንግ ስራዎች ☐ ለ. የግንባታ ስራዎች ☐

ሐ. የንግድ ስራዎች ☐ መ. የአገልግሎት ስራዎች ☐ ሠ. የከተማ ግብርና ስራዎች ☐

ሌላ ከሆነ ይግለጹ_____

6. የእርስዎ የቢዝነስ ስራ ስንት ሰራተኞች አሉት ? _____

7. የቢዝነስ ስራዎ መነሻ ካፒታል ምንድን ነው ?

ሀ. የግል ቁጠባ ☐ ለ . እቁብ ☐ ሐ. መንግስታዊ ያልሆኑ ድርጅቶች ድጋፍ ☐

መ. ጥቃቅን የፋይናንስ ተቋማት ☐ ሠ. ከጓደኞች እና ከቤተሰብ የተገኘ ብድር ☐

ረ. ሌላ ካለ እባክዎ ይግለፁ_____

8. የድርጅትዎ አማካኝ ዓመታዊ ገቢ ምን ያህል ነው? _____

9. የድርጅትዎ አማካኝ ዓመታዊ ወጪ ምን ያህል ነው?_____

ክፍል ሁለት

በትቃቅንና አነስተኛ ኢንተርፕራዝ የተሳተፉ ሴት ስራ ፈጣሪዎች ላይ ተፅእኖ ፈጣሪ ሁኔታዎች ወይም ምክንያቶች የሚከተሉትን ሃሳቦች በማንበብ በተቋማችሁ ላይ ያለውን የተፅእኖ ደረጃ ከትርፋማነትና ከአፈፃፀም አንፃር ያለውን ሁኔታ በተቀመጠው የ / √ / ምልክት በማድረግ ይግለፁ፡፡

1. የስራ ፈጠራ ሁኔታዎችን በተመለከተ	በጣም አልስማማም	አልስማማም	ጉዳዩን አላውቅም /አይመለከተኝም/	እስማማለሁ	በጣም እስማማለሁ
1.1 ለስራው ያለ ተነሳሽነትና ዝግጁነት ውስን ነው					
1.2 አዳዲስ ሃሳብ በማፍለቅ ከሁኔታዎች ጋር ራስን የማዘጋጀትና የማላመድ ሁኔታ ውስንነት መኖር					
1.3 አዳዲስ ነገሮችን ለመማር ለማሻሻል እና ለመለወጥ አለመፈለግ					
1.4 የስራ ጫናን የመቋቋም ውስንነት					
1.5 የስራ ፈጠራ ክህሎት ስልጠና አለመኖር					
1.6 የተለያዩ የቢዝነስ አማራጮችን ለማግኘት የመረጃ ክፍተት/ውስንነት /መኖር					
2. አስተዳደራዊ ምክንያቶች /ሁኔታዎችን/ በተመለከተ	**በጣም አልስማማም**	**አልስማማም**	**ጉዳዩን አላውቅም /አይመለከተኝም/**	**እስማማለሁ**	**በጣም እስማማለሁ**
2.1 የአስተዳደር ስራ ልምድ ማነስ					
2.2 የገንዘብ የሰው ሃብትና የንብረት አስተዳደር ሲስተም ችግር					
2.3 የቢዝነስ/ንግድ ስራ /አስተዳደር እውቀትና ልምድ ማነስ					
2.4 ደካማ የሆነ የስራ አጋር መረጣ					
2.5 ራስን ችሎ ውሳኔ ለመስጠት አበረታች ወይም ደጋፊ አለመኖር					
2.6 የተለያዩ የቢዝነስ ስራዎችን አዋህዶ አለመስራት					
3. ገንዘብ /ካፒታል/ ነክ ጉዳይ /ምክንያቶችን/ በተመለከተ	**በጣም አልስማማም**	**አልስማማም**	**ጉዳዩን አላውቅም /አይመለከተኝም/**	**እስማማለሁ**	**በጣም እስማማለሁ**
3.1 የብድር እና ቁጠባ አገልግሎት ሰፊ ተቋማት አለመኖር					
3.2 የአበዳሪ ተቋማት ገንዘብ ለማበደር የሚጠይቁት ዋስትና ከፍተኛ መሆን					
3.3 ከፍተኛ የሆነ ወለድ በአበዳሪዎች መጠየቅ					
3.4 የስራ ካፒታል እጥረት					
3.5 የብድር አገልግሎት ሂደት ውስብስብነት					
3.6 የጥሬ እቃ አቅርቦት እጥረት /በቂ አለመሆን/					
4. የግብይት ሁኔታዎች /ምክንቶች/	**በጣም አልስማማም**	**አልስማማም**	**ጉዳዩን አላውቅም /አይመለከተኝም/**	**እስማማለሁ**	**በጣም እስማማለሁ**
4.1 የገበያ ትስስር አለመኖር					
4.2 አዳዲስ የገበያ አማራጮችን ማግኘት አለመቻል					
4.3 ለሚመረቱ ምርቶች በቂ የሆነ የገበያ ክፍተት አለመኖር /ተመጣጣኝ የገበያ ክፍተት አለመኖር/					
4.4 የገበያ መረጃ ክፍተት መኖር					
4.5 አቅም ያላቸው ተጠቃሚዎች ጋር ለመድረስ የሽግግር ክፍተት መኖር					
4.6 አነስተኛ የደንበኞች ግንኙት እና አያያዝ አለው					

5. የቴክኖሎጅ ነክ ሁኔታዎች /ምክንያቶች/	በጣም አልስማማም	አልስማማም	ጉዳዩን አላውቅም /አይመለከተኝም/	እስማማለሁ	በጣም እስማማለሁ
5.1 አዲስ ቴክኖሎጅ ለማምጣትና ለመጠቀም የገንዘብ ዕጥረት መኖር					
5.2 ትክክለኛውን ቴክኖሎጅ መርጦ የመጠቀም እውቀትና ክህሎት ማነስ					
5.3 ትክክለኛውን ቴክኖሎጅ የመምረጥ ችግር					
5.4 ትክክለኛውን የስራ ጥሬ ዕቃ እና መስሪያ ቦታ ለማግኘት በቂ መረጃ አለመኖር					
5.5 በስራ ላይ የምንጠቀምበትን ቴክኖሎጅ በአግባቡ የመጠቀምና የመቆጣጠር ክፍተት መኖር					
6 መሰረተ ልማትን የሚመለከቱ ምክንያቶች	**በጣም አልስማማም**	**አልስማማም**	**ጉዳዩን አላውቅም /አይመለከተኝም/**	**እስማማለሁ**	**በጣም እስማማለሁ**
6.4 የሀይል አቅርቦት/መብራት/ አለመኖርና /መቆራረጥ/					
6.2 በቂ እና ቋሚ ያልሆነ የውሃ አቅርቦት					
6.3 የንግድ ልማት አገልግሎት ውስንነት					
6.4 በቂ እና ቀልጣፋ የትራንስፖርት አገልግሎት አለመኖር					
6.5 የደረቅና ፍሳሽ ቆሻሻ ማስወገጃ መንገድ ችግር					
7 መንግስታዊ የሆኑ የህግ ማዕቀፎችና ቁጥጥርን በተመለከተ ያሉ ምክንያቶች	**በጣም አልስማማም**	**አልስማማም**	**ጉዳዩን አላውቅም /አይመለከተኝም/**	**እስማማለሁ**	**በጣም እስማማለሁ**
7.1 ለምዝገባና ፈቃድ እድሳት ያለ የተንዛዛ አሰራር /ቢሮክራሲ/					
7.2 ህጋዊ እና ተቋማዊ የሆነ የአሰራር ማዕቀፍ ክፍተት					
7.3 ምክንያታዊ ያልሆነ የቀረጥ ክፍያ መኖር					
7.4 ከተቋሙ ስራ ጋር ተያያዥነት ያላቸው ህግና ቁጥጥርን የሚመለከቱ መረጃዎች ውስንነት					
7.5 በስራው /በተቋሙ ላይ/ ያሉ የፖለቲካ ውሳኔዎች ተፅዕኖ መኖር					

ክፍል ሦስት

በጥቃቅንና አነስተኛ ኢንተርፕራይዝ የሚሳተፉ ሴት አንቀሳቃሾች / ስራ ፈጣሪዎች / አፈፃፀም የሚከተሉትን ጥያቄዎች በቂርቆስ እና የካ ክፍለ ከተማዎች ውስጥ ያሉ በጥቃቅንና አነስተኛ ኢንተርፕራይዝ የሚሳተፉ ሴት አንቀሳቃሾችን የሚመለከት ሲሆን ለቀረቡት ሃሳቦች ያላችሁን አስተያየት /ሃሳብ/ የ /√/ ምልክት በማድረግ ግለፁ ::

1. የሴት አንቀሳቃሾች አፈፃፀምን በተመለከተ	በጣም አልስማማም	አልስማማም	ጉዳዩን አላውቅም /አይመለከተ/	እስማማለሁ	በጣም እስማማለሁ
1.1 ስራው ትርፋማ /አዋጪ/ ነው					
1.2 ስራው ጥሩ ገቢ ያስገኛል					
1.3 ስራው ጥሩ የገበያ ክፍፍል አለው					
1.4 ስራው ጥሩ እና ታማኞች ደንበኛ አሉት					
1.5 ገበያው /ስራው / ጥሩ የአስተዳደር ዘዴ /ሲስተም / አለው					

ተጨማሪ ሃሳብና አስተያየት ካልዎት ይጨምሩ :- _____

_____

መጠይቁን ስለሞሉ አመሰግናለሁ::