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The Effect of Women Entrepreneur Development (WEDP) on growth of Women-owned
Entrepreneurs Business in Addis Ababa, Ethiopia: The Case of Vision Fund Microfinance
Institution

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A Master research project submitted to the department of management, Addis Ababa
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Financial Service.

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Addis Ababa, Ethiopia

Declaration I, Menbere Gedamu Alemu, hereby declare that the research project entitled the effect of women entrepreneur development (WEDP) on growth of women entrepreneurs business: The Case of Vision Fund Microfinance Institute in Addis Ababa is my own original work and has not been submitted for any degree in any other University. It is offered for the award of the degree of Master of Business Administration in Financial Service from Addis Ababa University.

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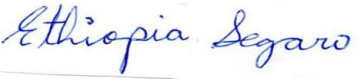
The undersigned hereby certify that they have thoroughly reviewed and wholeheartedly recommend the research project titled "*Assessing the Effect of Women Entrepreneur Development Program (WEDP) on the growth of Women-owned Enterprises Business: A Case Study of Vision Fund Microfinance Institute in Addis Ababa, Ethiopia*" submitted by Menbere Gedamu Alemu. This research project is submitted in partial fulfilment of the requirements for the award of Master of Science in Financial Service from Addis Ababa University.

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List of Acronyms/Abbreviations

DBE:	Development Bank of Ethiopia
CIA:	Central statistics Agency
EIB:	European Investment Bank
ETB:	Ethiopian Birr
FEMSDA	Female Entrepreneur Medium & small Development Agency
GTP:	Growth transformation program
IDA:	International Development Association
NGO:	Non-profit government Organization
MSE:	Medium small Enterprise
MOFEC:	Ministry of finance and economics commission
MFI :	Micro Finance Institution
SME:	Small and Medium Enterprises
VFMI:	Vision Fund Micro Finance Institution
WEDP :	Women Entrepreneurs Development Program

Abstract

This study assesses the effect of the Women Entrepreneurship Development Project (WEDP) on the growth of women-owned enterprises in Addis Ababa, Ethiopia, specifically through Vision Fund Microfinance Institution. Data was collected from a population of 586 women entrepreneurs, with a sample of 180 respondents selected via structured questionnaires using random and proportionate sampling techniques. Descriptive statistics such as frequency and simple percentage were used to analyze demographic characteristics and the effects of the WEDP, while multiple regression analysis examined relationships between variables. The findings indicate significant positive effects of access to finance, WEDP training, and initial investment on the growth of women-owned enterprises, particularly in increasing income, creating employment opportunities, and enhancing social status. However, the WEDP did not significantly affect decision-making among women entrepreneurs. Recommendations include adopting strategies for improved loan quality and financial literacy programs at microfinance institutions, enhancing WEDP training to empower women in decision-making roles, and establishing robust monitoring and evaluation frameworks. These efforts aim to strengthen support for women entrepreneurs, foster sustainable business growth, and advocate for supportive policies to advance gender equality in entrepreneurship.

Key words: WEDP, Access to finance, Training programs, Income generation, Employment opportunities, Social status, Decision-making, Financial inclusion

CHAPTER ONE

1. INTRODUCTION

1.1 Background of the study

Women entrepreneurs play a crucial role in driving economic growth, fostering innovation, and creating job opportunities. Despite their significant contribution, women often face unique challenges that hinder their entrepreneurs' success, including limited access to finance, inadequate training, and insufficient support networks. In response to these challenges, various women entrepreneurs' development programs have been established globally. These programs aim to empower women by providing essential resources, training mentorship and financial support to enhance their business capabilities and ensure sustainable growth.

Globally, Women-owned businesses are on the rise, contributing significantly to economic development. According to Global Entrepreneurship Monitor, women entrepreneurs represent a growing segment of the entrepreneurial population, driving innovation and job creation. Despite this progress, women entrepreneurs often encounter barriers such as limited access to capital, insufficient business training and social norms that restrict their economic participation.

The socioeconomic development of women-owned enterprises is a critical area of study, as it encompasses the broader impacts of entrepreneurship on women's lives and their communities. Beyond financial success, these development programs aims to elevate women's social status, increase their decision making power, and promote general equality. By addressing the multifaceted barriers that women entrepreneurs face, these programs not only contribute to individual business success but also foster community development and economic inclusion. According to Buyinza and Babaale (2013), access to credit enhances the possibility of enterprises to increase their operating capital stock by acquiring necessary capital goods that may not be possibly produced in the developing country. Capital goods accumulation is a key for technological advancement of a country. Therefore, credit constraint affects a firm's technology choice by limiting the number of investment alternatives that can be considered in regard to the available resources (Buyinza and Bbaale, 2013).

According to the World Bank report (2015), in Ethiopia, firms that are constrained in accessing credit experience 15 percentage points lower sales growth, 5 percentage points lower employment

growth, and 11 percentage points lower labor productivity growth compared to firms that are not credit constrained. Improving the overall investment climate is crucial for fostering the growth of existing firms and attracting private sector investment, including for micro, small, and medium enterprises (MSLEs). However, access to finance remains a top obstacle for SMLEs in Ethiopia, as firms in the country are more likely to be credit constrained compared to global counterparts.

The women entrepreneur development program (WEDP) in Addis Ababa has had a significant impact on the socioeconomic well-being, profitability, and growth of women entrepreneurs. Studies by Ms(2015) and Haile(2016) both found that the program particularly through economic empowerment, has improved the socioeconomic status of its participants. Wasihun(2011) identified marketing problems, lack of working space, and raw material accessibility as key constraints to the growth of women-operated enterprises, suggesting that the WEDP may have addressed some of these issues. Additionally, Krishna(2012) highlighted the importance of entrepreneurship development for women in Ethiopia, further underscoring the positive impact of the WEDP.

Research on women entrepreneurship development programs shows positive impacts on business growth and empowerment. Business Development Services (BDS) in Tanzania helped formalize businesses, improve management skills, and expand market coverage (Nyamagere Gladys Sospeter & M. Nchimbi, 2018). In India, entrepreneurship increased women's self-esteem, confidence, and decision-making abilities (Mukherjee, 2014). The Women Entrepreneurship Programme (WEP) in South Africa demonstrated effectiveness in training potential, start-up, and established entrepreneurs, leading to increased employment, turnover, productivity, and profit (Botha et al., 2013). In Kenya, a study of women-owned Micro and Small Enterprises (MSEs) found that entrepreneurial orientation had a significant positive relationship with business growth, measured by changes in sales revenue, profit, and employee numbers (Simiyu et al., 2016). These findings highlight the importance of entrepreneurship development programs in fostering women's business growth and economic empowerment across different contexts.

This study seeks to assess the effect of Women Entrepreneur Development Program on the socioeconomic development of women-owned enterprises. It explores how various program components-such as business training, access to finance and mentorship –impact the business performance and empowerment levels of women entrepreneurs. Through a comprehensive analysis, this research project aims to provide insights into the effectiveness of these programs and offer recommendation for enhancing their impact.

Understanding the outcomes of women entrepreneurs' development program is essential for policy makers, program designers, and stakeholders committed to promoting gender-inclusive economic growth. By highlighting the successes and challenges of these initiatives, this study contributes to the ongoing discourse on women's entrepreneurship and socioeconomic development, paving the way for more targeted and effective support mechanisms for women entrepreneurs.

1.2 Statement of the Problem

Women entrepreneurs are increasingly recognized as pivotal contributors to economic development, innovation and job creation. However, despite their potential, women-owned businesses often lag behind their male counterparts due to a myriad of challenges. These include limited access to finance, inadequate business training, lack of mentorship, and societal barriers. Such obstacle not only impede the growth and sustainability of women-owned enterprises but also hinder broader socioeconomic development. The issue is particularly pronounced in developing countries where gender disparities are more entrenched. Women entrepreneurs frequently face systematic barriers that prevent them from accessing the resources and opportunities necessary to scale their businesses.

The Ethiopian government has recognized the importance of ensuring sufficient access to financial services across different sectors of the economy, particularly for small businesses. To address this need and combat poverty and income inequality, the government has established a diverse range of financial institutions at both the national and regional levels. These institutions play a crucial role in supporting the development of small businesses. It is imperative that these financial institutions actively contribute to the growth and advancement of small businesses, as they are a vital driver of economic development and poverty reduction in Ethiopia.

The inability of small-scale businesses to access finance is compounded by financial institutions unwillingness to lend to them long-term loans because they are considered highly vulnerable to high credit risk incidence; this has resulted to large number of small business failures due to funding problems (Abiola *et al.*, 2011).

Formal financial institutions through their intermediation role are meant to provide financial service to small business. For small business to perform their role in the economy, they need adequate funds in terms of short and long-term loans. Adequate financial resources are crucial for the viability and continuity of small businesses in Ethiopia. Most of the research findings consistently indicate that financial constraints play a significant role in the failure of small businesses in the country.

The World Bank Group conducted a comprehensive study that investigated the relationship between credit access and employment growth across 70 developing countries. The researchers employed fixed effects methodology to account for firm-level differences that may not be directly observable. Additionally, they used propensity score matching techniques to ensure accurate comparisons between countries with and without credit access. The study's findings highlighted the significant impact of finance on employment growth, particularly for firms operating in industries that heavily rely on external financing. Moreover, the research revealed that the link between finance and job growth was more pronounced for micro, small, and medium-sized enterprises (MSMEs) compared to larger firms. The study was conducted in 2016 by the World Bank Group.

Another study conducted to examine the role of formal credit on performance of the small and medium sized enterprises in Vietnam. This study applied PSM method and the research finding showed that the formal credit improves performance of small-scale business in Vietnam through increasing revenue and annual profit (Pham Tien Thanh, *et al.*, 2015). Dereje, David and Helen, 2017 investigated Access to Financing and Firm Growth in Ethiopia by using Instrumental Variables estimator and their findings shows a negative relationship between the use of external finance and firm growth.

As Admasu highlighted in his study (2012), the capital for small businesses generally comes from two traditional sources: borrowing from friends and relatives and utilizing personal savings. Within the realm of small business, various internal factors significantly impact their operations. Management factors, such as the inadequate selection of business associates, a lack of strategic business planning, and limited access to training facilities, can have a substantial influence. Furthermore, crucial entrepreneurial factors include a lack of persistence and courage to take responsibility for one's failures, as well as a failure to proactively assess one's strengths and weaknesses.

Therefore, this study selected the effect of Women entrepreneur development program of beneficiary women enterprises growth after rigorous review of previous literature works and quantitative empirical studies using the case of women entrepreneur and SMEs. It'll be interesting for the researcher to work out the women's enterprise growth and understand their socio economic improvement and the researcher selected variables such as:- age, marriage, management competence, types of business, amount to finance, inspiration, employment size, annual sale size and access to infrastructures. Despite those few studies, there is a necessity to complement and develop

our knowledge of understanding about the women entrepreneurship and expansion of women entrepreneur development program beneficiary particularly in Addis Ababa.

1.2.1. Research Questions

This research, therefore, tries to answer the following main questions:

- i. What is the effect of Women entrepreneur development program on the growth of women enterprise business on income?
- ii. What is the effect of women who have accessed Women entrepreneur development program on the growth of women enterprises business on creating employment opportunities?
- iii. What is the effect of Women entrepreneur development program on the growth of women enterprises social status in the study area
- iv. What is the effect of Women entrepreneurs' development program on the growth of decision making?

1.3 Objective of the Study

1.3.1. General Objective

The main objective of the study is to assess the effect of women entrepreneur development (WEDP) on growth of women enterprise business: the case of vision fund microfinance institute beneficiaries in Addis Ababa.

1.3.2. Specific Objectives

This study has the following specific objectives;

1. Determine the effect of Women Entrepreneurs Development Program on extraction of income of selected women-owned enterprises business in business areas.
2. Examine the effect of Women Entrepreneurs Development Program on job creation by selected women-owned enterprises business in business areas
3. Determine the effect of Women Entrepreneurs Development Program on social status of selected women-owned enterprises business in business areas
4. Evaluate the effect of the Women Entrepreneurs Development Program on the enhancement of decision-making abilities women-owned enterprises business in business areas

1.3.3. Research Hypothesis

- i. The Women Entrepreneur Development Program has a significant effect on the growth of income of women-owned enterprises.
- ii. The Women Entrepreneur Development Program has significantly effect on the growth of their businesses in employment opportunities creation.
- iii. The Women Entrepreneur Development Program has significantly influences the social status on their businesses.
- iv. The Women Entrepreneur Development Program loan has a significant effect on the decision making of the women owned business.

1.4 Significance of the Study

The objective of this study is to assess the effect of women entrepreneur development (WEDP) on growth of women entrepreneurs business. The WEDP is one of the effective developments programs that are solving the financial constraint of Women Entrepreneurs obtained credit through MFIs by the responsibility of DBE. So, the donors and the financial institution give attention for this credit line to be continuing its sustainability.

The output of this study will identify and find out the challenges and problems of women entrepreneurs which are bottleneck to use such kinds of funds, so, the stakeholders and policy makers give attention for the solution of women entrepreneurs' challenges and problems and able to understanding the contribution of women entrepreneurs in the country economy. This study aims to address a gap in the existing literature and knowledge by providing evidence on the impact of the Women Entrepreneur Development Program (WEDP) credit line and the role of the Development Bank of Ethiopia (DBE) in facilitating access to credit. By conducting this research, the study will contribute to the service literature and expand the understanding of the effects of these initiatives.

Addis Ababa predominantly business center of Ethiopia, WEDP is largely applied to in different business sector of activities and development. The marginal business sectors are designed to benefit greatly from WEDP. This study specifically focuses on the microfinance experimental groups or users in Addis Ababa and aims to examine the benefits they receive from the Women Entrepreneur Development Program (WEDP). By collecting data from these microfinance beneficiaries, the study intends to provide insights into the impact of the WEDP facilities and determine whether the beneficiaries are receiving equal opportunities.

This study will provide valuable assistance to policy makers and regulatory bodies in assessing the necessity for modifications in the women and development policy framework. Furthermore, it will supply relevant data to institutions and interested individuals who involved in initiatives aimed at reducing poverty in the country. The study's recommendations will be directed towards the Agency, NGOs, government entities, and human rights advocates.

1.5 Scope of the Study

The scope of this study on assessing the effect of women entrepreneur development program on the growth of women-owned businesses are defined by several key dimensions, including geographical boundaries, target population and the specific aspects of business growth being examined. According to the operational manual of the WEDP credit line (2013), the program's coverage includes the capitals of the four Regional States of Tigray, Amhara, SNNPR and Oromia as well as the two-chartered cities, Addis Ababa and Dire Dawa. However, conducting an investigation of the program's effects in all four regional states would require significant additional effort, cost, and time. Therefore, this study will focus solely on Addis Ababa, the capital city of Ethiopia, and assessing the effect of the program within the selected MFI operating in that area due to the limitation of time and resources.

This study focused on specifically Addis Ababa one of the capital cities of Ethiopia, which has a high number of participants in the Women Entrepreneurs Development Program (WEDP). It conducted at the Vision Microfinance Institution, with a sample of 180 beneficiaries. By narrowing down to Addis Ababa and one MFI, the study aims to provide detailed insights into the experiences and outcomes of participants in this specific context.

1.6 Limitation of the Study

The study faces several significant constraints, including the lack of adequate and up-to-date quantitative and qualitative information. There is also a scarcity of reliable sources and a lack of proper documentation and record keeping among the women entrepreneurs in the selected microfinance institution. Furthermore, some respondents may be hesitant or unwilling to allocate their time to provide the necessary data.

Regarding the measurement of growth, this study primarily focuses on estimating the size of growth using monetary measures at the enterprise level. This approach is widely used when assessing growth or performance. Measuring enterprise income is challenging due to the presence of numerous

undefined indicators and indicators that are difficult to quantify. Often, these indicators rely on self-reported information, which can introduce bias, as people's perceptions may not align with reality. Despite these challenges, the researchers will make their best efforts and strive to obtain, as much needed information as possible.

1.7 Organization of the Thesis

This research project structured into five chapters. The first chapter serves as an introduction and includes the study's background, a statement of the problem, research questions, objectives of the study, research hypothesis, significance of the study, scope of the study, and limitations of the study. The second chapter provides a comprehensive review of related literature, while the third chapter outlines the research methodology employed in the study. The fourth chapter presents the data collected from the respondents, which analyzed. Finally, the fifth and last chapter encompasses the summary of the findings, conclusions drawn from the analysis, provides recommendations based on the study's findings, limitation, and outlines future research directions.

CHAPTER TWO

2. LITERATURES REVIEW

This chapter reviews the literature related to the concept of the entrepreneurship, women entrepreneurs & the growth of women-owned enterprises, theoretical framework of the study and overview of the program, focusing on work associated with the research topics. The purpose is to explore what other authors and scholars have written and been able to identify regarding the effects of women entrepreneurs' development program on growth of women's enterprises.

2.1 The Concept and Definition entrepreneurship

Entrepreneurship lacks a singular definition. An entrepreneur describe as an individual who disrupts the prevailing economic structure by introducing novel services or products through the utilization of new raw materials or innovative organizational forms (Gill and Ganesh, 2007). The Oxford English Dictionary defines an entrepreneur as 'One who undertakes an enterprise; one who owns and manages a business; a person who takes the risk of profit or loss.' Similarly, the Harvard Business School defines entrepreneurship as a management approach that entails seizing opportunities regardless of the current resources under control.

In numerous studies, the concept of entrepreneurship originated from Richard Cantillon, who initially defined an Entrepreneur as an individual who exercises business judgment amidst uncertainties. Various scholars have endeavored to elucidate the concepts of entrepreneurship, such as Schumpeter (1945), McClelland (1961), Hisrich et al. (2005), Drucker (1985), Kirzner (1985), Garther (1990), Shane and Vekatakakman (2000), and others. According to Schumpeter (1934), the entrepreneurial leadership role in driving business innovations within an economy is a key aspect of entrepreneurship. He posits that entrepreneurs continuously reshape the economic landscape by introducing new products, processes, and markets. Subsequently, in 1945, he characterizes entrepreneurship as a process of creative destruction.

Entrepreneurship is a field of study that enables individuals to learn about becoming effective entrepreneurs (Drucker, 1985). Similarly, Kirzner (1985) defined entrepreneurship as a dynamic process of generating incremental wealth. This wealth produced by individuals who take on significant risks in terms of equity, time/career commitment, or by providing value for a product or service. He emphasized entrepreneurship as a process of discovery, with the entrepreneur acting as an equilibrating force. Entrepreneurship involves the ability to create and develop something

substantial from minimal resources (Jeffrey Timmons, 1989). It is the process of innovating something new with value through dedicated time and effort (Hisrich, 2004).

Generally, entrepreneurship is linked to the actions of an individual or a group. To grasp the essence of entrepreneurship, it is essential to understand who an entrepreneur is, how to identify an entrepreneur, and what the entrepreneurial process entails. Comprehending these concepts is crucial for studying women entrepreneurship, as it provides a solid foundation and insights into the entrepreneurial phenomenon.

2.1.1 Definition of Women Entrepreneurs

This implies that women entrepreneurs are women actively engaged in entrepreneurial activities, willing to take risks by combining resources in a unique manner to capitalize on identified opportunities within their immediate surroundings through the production of goods and services (Okafor and Mordi, 2010). According to J.A. Schumpeter, a woman who innovates, imitates, or adopts a business activity is referred to as a woman entrepreneur. Therefore, women entrepreneurs are those women who initiate, organize, and manage business enterprises, aiming to showcase their skills in innovative and competitive roles. They seek to oversee and control all aspects of their business to ensure its overall success. In the context of promoting women's entrepreneurship through SMEs, Afiya Sultana (2012) highlights the importance of supporting women entrepreneurs. Additionally, as cited in Jemal Abagissa's study (2013) on the Women Entrepreneurs Association (2002), the Addis Ababa women entrepreneurs' association defines women entrepreneurs as women in Addis Ababa who own business enterprises.

2.1.2. Definition of MSE in Ethiopia

In Ethiopia, until 2011 GC (FDRE, 2011), three distinct definitions of Micro and Small Enterprises (MSE) were in use. These included the 1998 MSE development strategy definition, the definition provided by the Central Statistical Agency (CSA), and the enhanced 2011 MSE definition. The 1998 definition primarily relied on paid-up capital to classify small enterprises. According to this definition, a business is considered Micro if its paid-up capital is less than or equal to ETB 20,000, and Small if its paid-up capital is less than or up to ETB 500,000. However, this definition has limitations as it does not encompass information on job creation, size, and asset base, as employment and asset ownership are not included in the criteria. Additionally, the definition does not distinguish

between manufacturing and services sectors. Therefore, it is recommended that the current MSE definitions be reevaluated based on international best practices and global trends.

The CSA definition, on the other hand, focuses on employment size and level of automation (Assefa et al., 2014). According to CSA, Large and Medium Scale Manufacturing Enterprises are establishments with more than ten employees utilizing automated machinery, while Small and Medium Enterprises are businesses with fewer than ten employees using power-driven machinery. Cottage industries or handicrafts are typically household-based enterprises that rely on family labor and manual machinery. However, the limitations of the CSA definition include its oversight of capital scale and sectors beyond manufacturing.

The revised definition of Micro and Small Enterprises (MSE) in Ethiopia in 2011 addressed the limitations and gaps present in the previous definition. This updated definition introduced criteria such as total assets, sector classification, a 5-year inflation projection, and considerations for currency fluctuations. Microenterprises in the manufacturing, construction, and mining sectors are defined as businesses employing up to 5 individuals, including the owner, with total assets not exceeding Birr 100,000. In the service sector encompassing retail, transport, hospitality, ICT, and maintenance services, microenterprises operate with up to 5 persons, including the owner, and total assets not exceeding Birr 50,000. Small enterprises in the industrial sectors of manufacturing, construction, and mining employ between 6-30 individuals or have a paid-up capital ranging from Birr 100,000 to Birr 1.5 million. Similarly, in the service sector covering retail, transport, hospitality, ICT, and maintenance services, small enterprises employ between 6-30 individuals or have a total asset or paid-up capital not exceeding Birr 500,000.

2.1.3. Role and Contribution of SMEs

The global recognition of the economic significance of Small and Medium Enterprises (SMEs) is widespread. They make substantial contributions to job creation, engage in innovative activities fostering market competitiveness, and play a crucial role in poverty alleviation, particularly in developing economies. In the context of poverty alleviation, SMEs support entrepreneurs in generating income through profit margins and providing salaries for workers. In OECD countries, SMEs account for 95 percent of firms and employ between 60 to 70 percent of the workforce. In the enlarged EU of 25 countries, approximately 23 million SMEs offer around 75 million jobs, representing 99 percent of all enterprises (European Commission). In Kenya, an estimated 900,000 small and micro-enterprises employ 2 million individuals and contribute about 14 percent to the

country's GDP (Dolman, 1994). In Nigeria, SMEs operating under agricultural projects have proven to be an effective strategy for poverty alleviation, creating income and employment opportunities in rural communities and reducing migration to urban areas (Adepoju, 2012). Experiences from three West African countries (Botswana, Zimbabwe, and Mauritius) demonstrate that SMEs across various sectors significantly contribute to poverty alleviation (Mukras, 2003). Overall, SMEs play a pivotal role in job creation both in developed and developing nations. In Ethiopia, despite being one of the poorest countries, the undeniable role of SMEs in poverty alleviation is widely acknowledged by all stakeholders, as they significantly contribute to community sustainability.

2.1.4 Enterprise Growth Definition and its Measurements

A study conducted by Gupta et al. (2013) collectively redefined aspects of growth definitions. Additionally, growth can also be assessed through qualitative factors such as market share, product quality, and customer satisfaction. The life cycle model is commonly used for analyzing enterprise growth. In these models, growth is viewed as organic for some companies, assuming a linear growth trajectory over time, while for others, growth may not follow a linear path and could involve periods of growth, stagnation, and decline in varying sequences. Various studies have employed different indicators to measure growth in their specific research areas. However, the most common indicators include the number of employees and sales/turnover over a specific period. These indicators have limitations; for example, total asset value is influenced by industrial capital intensity and can change over time, while market share and physical output are sensitive to fluctuations (Delmar et al., 2003). Furthermore, Davidsson and Wiklund (2000) highlighted the significance of employment growth through entrepreneurship for policymakers, making it a commonly used indicator due to its easy availability of data (Gray, 1990; Robson and Bennett, 2000). Turnover is the most widely used growth indicator, with many authors considering it the simplest measure of growth, particularly favored by small and medium-sized enterprise owners and managers (Carter and Evans, 2000).

2.2 Theoretical Framework of the Study

The theoretical framework provides the foundation for understanding the relationships between variables in a study. In the context of assessing the effect of women entrepreneur's development programs on the growth of women-owned businesses, several theories can be integrated to explain how these programs influence business outcome and empowerment. Key theories relevant to this study include Human Capital Theory, Social Capital Theory and Empowerment Theory.

2.2.1 Human Capital Theory

According to the Human Capital Theory developed by Gary S. Becker in 1964, Human Capital Theory posits that investments in education, training and skill development enhance an individual's productivity and economic outcomes. In the context of women entrepreneur's development programs:

Education and Trainings: programs that offer business training and education improve women's knowledge and skills in areas such as financial management, marketing and strategic planning. This, in turn, enhances their ability to manage and grow their businesses.

Business performance: Enhanced skills and knowledge lead to better decision making, innovation, and efficiency, resulting in increased revenue, profitability and business sustainability.

2.2.2 Social Capital Theory

The Social Capital Theory, development by sociologist **James S.Coleman** in 1988, emphasizes the value of social networks and relationships in accessing resources and support. For women entrepreneurs, social capital is critical for business growth and success.

Mentorship and networking: Development program often provide mentorship and opportunities to build networks. These connections offer access to valuable resources, advice, and support, which can help women overcome business challenges and identify growth opportunities.

Resource Access: Strong social networks can facilitate access to finance, markets and business opportunities, enhancing the overall business performance.

2.2.3 Empowerment Theory

The empowerment theory developed by **Naila Kabear** in 1999 provides a framework for understanding the process of empowerment, particularly for marginalized groups such as women and it is closely related to economic theory. It focuses on the process by which individuals gain control over their lives and achieve their goals. In the context of women entrepreneurs:

Economic empowerment: Development programs that provide financial support and business training enable women to gain economic independence and improve their financial status.

Psychological empowerment: Participation in these programs can boost women's self-confidence, Self-efficiency, and decision making power, which are essential for entrepreneurial success.

Social Empowerment: Empowered women are more likely to participate in community and social activities, leading to broader social change and gender equality.

2.2.4 Integrated Framework

The integrated theoretical framework combines these theories to explain how women entrepreneurs development program effect on the growth of women-owned businesses:

Human capital: training and education enhance skill and knowledge, leading to better business performance.

Social Capital: Mentorship and networking provide access to resources and support, facilitating business growth.

Empowerment: Financial support and training boost economic, psychological, and social empowerment, contributing to entrepreneurial success.

2.3 Overview of the WEDP program with the role of the Stakeholders

In Ethiopia, the WEDP has been launched in 2012 with the aim of increasing earnings and employment of women entrepreneurs by providing access to loans and business training. The beneficiaries receive this loan through 12 microfinance institutions (MFIs) which is selected by the IDA, and the training program is delivered both from public and private training institutions. According to the IFC (2017) study when WEDP first began in Ethiopia, only 1 percent of the participating MFIs' portfolio was provided to the individual women entrepreneurs and the average loan size for women entrepreneurs was US\$1,350. However, since the launch of WEDP, the share of individual loans provided to women entrepreneurs has now reached 18 percent of MFIs' portfolios and the average WEDP loan size has nearly tenfold to US\$11,760.

The Women Entrepreneurship Development Project (WEDP) has been formulated by the Ethiopian Government and funded by the World Bank, CIDA, and DFID. The primary goal of this initiative is to enhance the income and job opportunities of Micro and Small Enterprises (MSEs) owned or co-owned by female entrepreneurs. The project is currently being executed in six cities: Adama, Bahirdar, Hawassa, Mekele, Dire Dawa, and Addis Ababa. The core objective of WEDP is to boost the earnings and employment opportunities of MSEs owned or co-owned by women entrepreneurs in the designated cities.

The Ethiopian government, through the Development Bank of Ethiopia (DBE), is responsible for the implementation and coordination of the access to credit facility component of WEDP. DBE manages and provides loans to qualified Microfinance Institutions (MFIs) using the eligibility criteria set by the World Bank. The MFIs then provide retail distribution of sub-loans to women entrepreneurs who fulfil their lending criteria.

The program comprises three key components:

- **Access to Microfinance:** This component aims to facilitate financial services for women by enhancing the capacity of existing MFIs to cater to female entrepreneurs with tailored financial products.
- **Entrepreneurial Skills, Technology, and Cluster Development:** This component focuses on enhancing the skills of growth-oriented women entrepreneurs, providing access to more productive technologies, and promoting synergies through clustering.
- **Project Management, Advocacy, Outreach, Monitoring and Evaluation, and Impact Assessment.**

The source of funding for WEDP is obtained from the World Bank (IDA), World Bank (Canada), JICA, Italian Cooperatives, European Investment Bank (EIB), and a Revolving Fund through the Ministry of Finance and Economic Development (MoFEC).

As of April 30, 2024, the cumulative disbursement of the loan has reached Birr 12.01 billion(, with 69% from the World Bank, JICA, and Italian cooperative, 8% from the Revolving Fund, and 23% from MFIs' own funds. The total number of WEDP clients has reached 27,257, with over 54% located in Addis Ababa. Despite these achievements, the World Bank report notes that there is still a significant unmet need for women entrepreneurs to access credit facilities, indicating the need for policymakers to continue developing strategies to address the on-going challenges women face in securing financing for their businesses.

2.4 Empirical Evidences

In their respective studies, Jehona Shkodra, Prespa Ymeri, and Lindita Ibishi (2020) explored the "Role of Microfinance Institutions in Developing Women Entrepreneurship (A Case Study of Kosovo)." They discovered that women's income improved with access to credit, the Women Enterprise Fund positively impacted household incomes, and the overall social welfare of women and their households saw enhancement.

Studies have shown that women entrepreneurship development programs enhance financial inclusion by providing women with access to formal financial services and credit facilities. For instance, research by Kabeer and Natali (2013) demonstrated that targeted programs improve women entrepreneurs' access to finance, enabling them to invest in their businesses and expand operations. Effective entrepreneurship development programs equip women with essential skills and knowledge necessary for business management and growth. Research by Coleman and Robb (2009) highlighted that training programs focusing on technical skills, management, and leadership significantly enhance women entrepreneurs' ability to manage their enterprises effectively and navigate challenges.

Empirical evidence consistently shows that participation in women entrepreneurship development programs positively impacts business growth and performance metrics. Studies such as that by Datta et al. (2017) in Kenya and Tanzania found that women entrepreneurs who participated in business development programs experienced higher revenue growth, increased profitability, and expanded market reach. These programs often provide women with access to networks, markets, and information that are crucial for scaling their enterprises..

Women entrepreneurship development programs contribute significantly to the social and economic empowerment of women. Research by Woldie and Adersua (2017) in Nigeria emphasized that these programs not only enhance women's economic independence through income generation but also improve their social status within their households and communities. Furthermore, programs that promote gender equality and women's leadership, such as those studied by Kabeer (2016) in South Asia, have shown to positively influence gender norms and perceptions about women's roles in entrepreneurship.

Despite the positive impacts, challenges such as access to collateral, gender biases in financial institutions, and limited networking opportunities remain significant barriers. Studies like that by

Ghosh and Sengupta (2018) underscore the importance of addressing these barriers through targeted interventions to maximize the effectiveness of women entrepreneurship development programs.

Neaz Ahmed (2018), in their research titled "Socio-economic Impact of Women Entrepreneurship in Bangladesh," found that while it was challenging for women entrepreneurs to manage bank loans initially, upon starting their businesses, most women reported an increase in status, greater freedom, and economic contributions to family decision-making.

Azmi Abdul Majid, Anna Savarimuthu, and Caroline Geetha (2017), in their study titled "Assessing Financial Returns on Microloans from Economic, Social, and Environmental Impact," revealed that financial services had a significant impact on both the economy and the social status of households.

Muhammad et al. (2016), in their research on "Empowering Women Entrepreneurs through Microcredit: Assessing the Role of Sarhad Rural Support Program in Pakistan," observed a notable improvement in the social and economic status of women entrepreneurs. They concluded that the overall effect of SRSP's microcredit program was positive in empowering women entrepreneurs. They recommended the provision of support services to establish linkages between women entrepreneurs and local markets to address gender-related constraints and cultural sensitivities that hinder equitable access to markets.

Selim Reza, Abu Issa Gazi, and Doula (2014) in their study titled "Socio-Economic Impacts of Women Entrepreneurs in Bangladesh" discovered that WEDP has significantly benefited women's entrepreneurship and decision-making capabilities. More than a third of WEDP borrowers independently manage their businesses, while an additional 22% manage their businesses jointly with their husbands. A majority of respondents, 58%, stated that they solely control the income generated from their businesses. Approximately 20% of borrowers make a substantial contribution to household income through their earnings. The savings facility provided by WEDP has allowed beneficiaries to initiate a savings deposit account that grows with regular bi-weekly deposits. The most notable impact of WEDP on employment has been the establishment or expansion of self-employment opportunities for borrowers.

In a separate study by Etter Ajriany (2012) titled "Socio-Economic Impact of Women Enterprise Fund on the Livelihoods of Women in Kenya (A Case Study of Thika)", it was found that petty trade is a prevalent livelihood activity, constituting 79% of the available livelihood strategies for the respondents. Access to formal financial institutions for improved saving and loan services is minimal

among members. Following the project intervention, 55% of the targeted individuals were able to acquire various household fixed assets.

Overall, empirical literature consistently supports the notion that women entrepreneurship development programs are instrumental in fostering the growth, empowerment, and sustainability of women-owned enterprises. However, continued research and policy efforts are necessary to address existing challenges and ensure inclusive economic development for women entrepreneurs globally.

This literature review provides a snapshot of the empirical findings and insights into the effect of women entrepreneurship development programs on the growth of women-owned enterprises, highlighting both the successes and ongoing challenges in this field of study.

2.5 Variables and Conceptual frame work

The conceptual framework of this study illustrates the connection between the independent and dependent variables. In this study, the dependent variable is growth of women-owned enterprises because of Women Entrepreneur Development Program (WEDP) Credit. The following conceptual framework shows the relationship between the dimensions under economic development and social development in order to measure the program's effect on the growth of women entrepreneurs business.

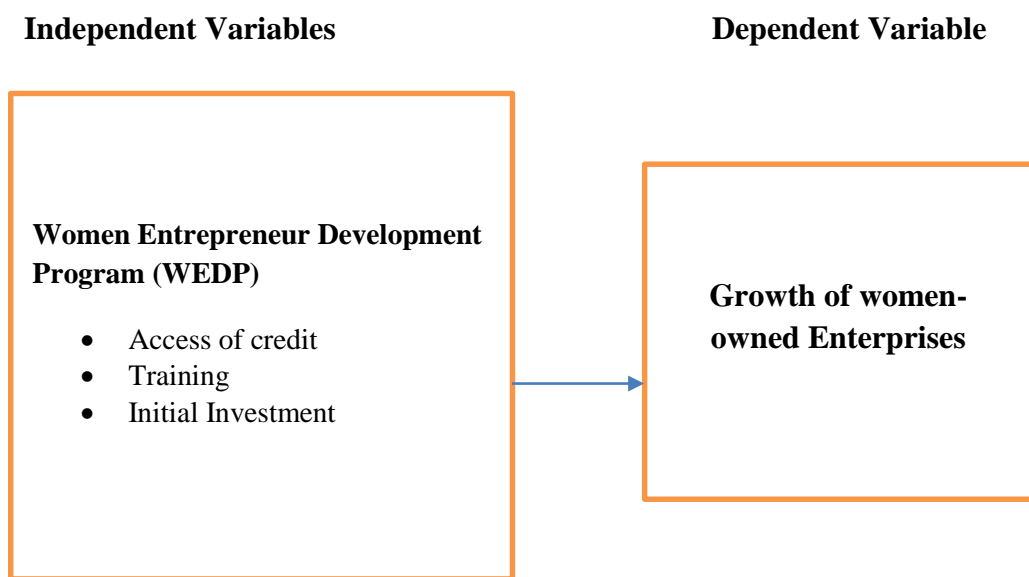


Figure 1: Conceptual framework

Source: Compiled by researcher, 2024

2.6 Definition and Measurement of Variables

This study assumed that there is positive and significant effects in between women entrepreneurs development program (WEDP) and growth of women-owned enterprise. In this model, the WEDP are independent variable and the dependent variables are the growth of women-owned enterprises business. The predictors are accessibility of the credit, Training and initial investment, current capital of the enterprise, economic empowerment (Change in Women entrepreneurs and families), extract income for the family (monthly income before and after taking loan), create employment opportunities (number of employees and plan have to employee for the future, self-employment (spending pattern of women entrepreneurs for the family, change occurs for the family). The detail of the variables explanation of growth of women-owned enterprises indicators as follows:-

1. **Creating Employment Opportunities:** the capacity of women entrepreneurs to generate new jobs within their business, thereby contributing to employment growth in their communities.
2. **Extra income for the family:** additional financial resources that women entrepreneurs contribute to their households, enhancing overall family income and living standards.
3. **Upgrade Social Status:** the improvement in women's social standing and recognition within their communities because of their entrepreneur's success.
4. **Improved Decision-Making Ability:** the enhanced capability of women to make informed and autonomous decision in both their personal and professional lives.
5. **Growth in business** refers to the expansion and progress of a company over time. It can be observed through various indicators such as revenue growth, profit growth, market expansion, product/service line growth, international expansion, customer base growth, employee growth, and asset growth.

CHAPTER THREE

3 RESEARCH METHODOLOGY

The research methodology outlines the systematic plan for conducting the study on effect of women entrepreneurs' development program on the growth of women-owned businesses. This section covers the descriptive of study area, the research design, the target population, Data collection methods, sample and data analysis techniques and ethical consideration.

3.1 Description of the Study Area

Addis Ababa, the capital city of Ethiopia, is renowned for its diplomatic significance as the headquarters of the Africa Union, the United Nations Economic Commission for Africa (ECA), and various other continental and international organizations. Often referred to as "the political capital of Africa," Addis Ababa is home to 25% of Ethiopia's urban population and is one of the fastest-growing cities on the continent. It plays a pivotal role in Ethiopia's vision to achieve middle-income status, carbon neutrality, and economic resilience by 2025, with its economy growing at an annual rate of 14%. Contributing 50% to the national GDP, Addis Ababa is a key driver of the country's economic development.

Situated at an elevation of 2,300 meters, with Mount Entoto rising to 3,000 meters to the north, Addis Ababa has a total population of 3,194,999 (1,679,998 women and 1,515,001 men as of 2013). The current metro area population is estimated to be 5,461,000 in 2023. Various sectors drive the city's economy, with approximately 119,197 individuals engaged in trade, 113,977 in manufacturing and industry, 71,186 in civil administration, 50,538 in transport, 42,514 in education, health, and social services, 32,685 in hotel and catering services, and 16,602 in agriculture.

Despite its economic growth, Addis Ababa faces significant development challenges, including high levels of unemployment and poverty. The city's unemployment rate stands at 23.5%, with poverty affecting 22% of the population. The informal sector employs around 30% of the city's economically active labor force, highlighting the need for targeted interventions to address these pressing issues.

3.2 Research Design

Types of research: This study employed a mixed-methods approach, combining quantitative and qualitative research methods to provide a comprehensive analysis of the effect of development program. The quantitative component part involves the collection and analysis of numerical data to quantify the impact of development programs on business performance and empowerment while the

qualitative approach involves in depth interviews and focus group discussions to gain deeper insights into the experience and perspectives of women entrepreneurs.

3.3 Target Population

The population for this study comprises 586 women's enterprises of beneficiary from Vision microfinance institute, which are located in Addis Ababa. However, it is important to note that due to limitations in resources such as time and budget, the study had not include all the beneficiary women's enterprises. Based on the available information from Vision Fund Microfinance Institute documents, a targeted sample size of 180 enterprises would be included in this study.

3.4 Data Collection Methods

For achieving the objective of the study, the combination of quantitative and qualitative data gathered using both primary and secondary sources. The primary data collected through questionnaires from women beneficiary enterprises and employees of Vision Fund Microfinance Institute through questionnaires and interviews. This approach provides the collection of first-hand information from the women entrepreneur enterprises about their enterprise's situation.

3.4.1. Primary Data Collection

Structured Questionnaire:

For achieving the objective of the study, the combination of quantitative and qualitative data gathered using both primary and secondary sources. The primary data collected through questionnaires and interviews from women beneficiary enterprises and employees of Vision Fund Microfinance Institute through questionnaires and interviews. This approach provides the collection of first-hand information from the women entrepreneur enterprises about their enterprise's situation.

3.4.2 Secondary Data Collection:

Secondary data for the study sourced from various documents, such as reports and profiles of enterprises, from the Development Bank of Ethiopia and Vision microfinance enterprises. Additionally, previous studies, books, journals, government office reports, and various development institutions' websites reviewed. The research is primarily utilize data sources associated with the women entrepreneur development program (WEDP).

3.5 Ethical Considerations:

Women participants in the study informed about the study's objectives, emphasizing that the data used solely for academic purposes. Data collected using questionnaire techniques with the full consent of the participants. Participants assured that their participation is voluntary and that their name is not included in the questionnaire. Respect for the rights, needs, and values of the women, maintaining data confidentiality, and acknowledging information sources given careful attention throughout the research process.

3.6 Sampling technique, Sampling frame and Sample size

There are 15 microfinance institutions working with the development bank of Ethiopia through the women entrepreneur development program (WEDP) all over Ethiopia out of the total 15 microfinance 9 microfinance exist in Addis Ababa such as (Addis Credit and Savings, Vision Fund microfinance, Metemamen microfinance, Aggar microfinance, Harbu microfinance, Meklit microfinance, Bossa Gonfa microfinance, Oromia credit and Saving, and peace microfinance institution) based on random sampling techniques Vision microfinance was selected.

The Vision Fund microfinance has a total of 987 WEDP borrowers out of which 586 are located in Addis Ababa. Simple Random Sampling technique will be used while addressing samples to be chosen which numbers 180 enterprises for a detailed study that exists in the Vision microfinance institute database (there are 14 branches of Vision Fund microfinance in Addis Ababa). Vision Microfinance institute beneficiary enterprises list as a sampling frame.

To calculate sample size the following formula is used (Kothari, 2004, pp 175): -

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

For finite target enterprises:

Where,

n = denoted sample size required = 180,

N = number of enterprise = 586,

p = 0.5, q = 0.5

$e = 0.05$

$Z = \text{confidence level} = 1.61$ for 90 percent confidence.

The sample size in each Vision Fund microfinance branch (there are 14 branches of Vision Fund microfinance in Addis Ababa) is proportional to the size of Vision Fund microfinance branches. The sample size taken from each branch is proportionate considering the population size of the Vision Fund microfinance. Strata sample sizes determined by the following equation:

$$n_h = (N_h / N) * n$$

Where n_h is the sample size for Vision fund microfinance branches h , N_h is the enterprise size for stratum h , N is the total women's enterprise size, and n is the total sample size (Kothari, 2004).

Table 1: Proportional sample allocation method

No	Vision fund branches	Target population	Sample Size
1	Ayat	21	6
2	Bole Bulobula	11	3
3	Enkulafabrica	32	10
4	Kality	54	17
5	Kirkos	66	20
6	Kolfe	80	25
7	Kotebe	67	21
8	Lafto	61	19
9	Lideta	76	23
10	Main Branch	26	8
11	Menahari	9	3
12	Merkato	15	5
13	Piyasa	6	2
14	Sholla	62	19
	Total	586	180

Source: Computed from a Vision microfinance database 2023.

3.7 Reliability and Validity of the Instruments

Reliability is the extent that results instruments measure consistent results at every successive time. Reliability refers to how consistency a method measures something. For checking the reliability, the questionnaires was pre-tested by applied Cronbach's alpha coefficient instrument through SPSS version 26 on Vision Fund microfinance 21 women borrower. As per the result in the table below, it was found that 0.711 which is acceptable for collecting data. Since, instruments were developed based on research questions and objectives; it is possible to collect necessary data from respondents. The Cronbach's alpha result is presented in the following table

Table 2: Reliability instrument

Reliability Statistics	
Cronbach's Alpha	.711
	21

As per Robinson (2002), it refers to the degree to which the obtained results accurately represent the phenomenon. The research assessed content validity by involving the supervisor in reviewing the questionnaires before collecting actual data in the field. Any unclear or invalid questions eliminated from the questionnaire.

3.8 Methods of Data Analysis and Interpretation

The main aim of the study is to analyze the effect of women entrepreneur development program (WEDP) on growth of women entrepreneurs business as measured by selected indicators. For analyzing the data collected from the WEDP Credit line users, the researcher used a Statistical package for social science(SPSS) version 26 software because it's easily understand and widely assessable. It was used both descriptive and inferential data analysis techniques for presenting the findings of the research study. In general, the descriptive analysis used to describe, compare, and contrast different categories frequency distributions, graph, tabulation, percentage and charts in order to assess and understand the demographic and socio-economic characteristics of respondents. The inferential data analysis used a multiple regression due to the collected data were in binary, categorical and continuous for the effect of women entrepreneur development program and growth of women enterprise performance. The multiple regression model analysis used for common dependent variable by several fixed independent variables. .

3.9 Model Specification and Formulation

For assesses the effect of Women entrepreneurs development program (WEDP) on growth of women-owned enterprises, the researcher developed multiple regression analysis model. Typically, a higher R2 value in multiple regressions suggests that the significant variables are more likely to be incorporated into the model. Multiple regression methods used to examine the linear connections between two or more variables and calculate the b coefficients in the equation. An example of a regression model equation for a linear relationship among variables is the performance of women entrepreneurs.

$$Y_j = B_0 + B_1X_{1j} + B_2X_{2j} + \dots + B_{Pj}X_{Pj} + E_j$$

Where: Y_j –Dependent variables represent (growth of women-owned enterprises business)

X_{js} - independent variables for observation j

B_0 is the intercept

B 's is the unknown regression coefficients

E_j is the error (residual) of observation j

Based on the above, the model is modified based on the research variables that the conceptual framework in chapter two, effect of Women entrepreneurs development program (WEDP) on growth of women entrepreneurs businesses. For this researcher developed 4 models.

Equation 1 presents the first model for income:

$$Income_i = \alpha + \beta_1jAge_i + \beta_2jStatus_i + \beta_6Loan_i + E_j \dots \dots \dots \text{Model 1}$$

Equation 2 presents the second model for a create employment opportunity:

$$Employment_i = \alpha + \beta_1jAge_i + \beta_2jStatus_i + \beta_6Loan_i + E_j \dots \dots \dots \text{Model 2}$$

Equation 3 presents the third model for social status:

$$Social\ status_i = \alpha + \beta_1jAge_i + \beta_2jStatus_i + \beta_6Loan_i + E_j \dots \dots \dots \text{Model 3}$$

Equation 4 presents the fourth model for Decision making:

$$Decision\ making_i = \alpha + \beta_1jAge_i + \beta_2jStatus_i + \beta_6Loan_i + E_j \dots \dots \dots \text{Model 4}$$

CHAPTER FOUR

4 DATA ANALYSIS AND INTERPRETATION

This section focuses presentation, discussion and interpretation of data collected from the questionnaires. As mentioned in research methodology part, for assessing the effect of Women Entrepreneur Development Program (WEDP) on growth of women-owned enterprises, 180 questionnaires have prepared to interview women borrowers. From the questionnaires, the researcher collected about 169 that represent a response rate of 94%. Therefore, the study participant's responses were analyzed using SPSS version 26. For coded description, percentage, frequencies, means and standard deviations, the researcher has applied descriptive statistics and the inferential statistics (ordinal logit model).

4.1 Demographic characteristics of the respondents

This section presents the demographic and women-owned enterprise related information respondents in the study. It provides information about the characteristics of the respondents, women-owned enterprises and loan profiles and the effect of Women entrepreneur development program on growth of women-owned enterprises. The researcher considered in the study are women entrepreneurs who are clients of the Vision Fund microfinance.

Table 3: Characteristics of the respondents

Variables	Indicators	Frequency	Percent
Age	<25	1	0.6
	25-34	83	49.1
	35-45	49	29.0
	>46 years	36	21.3
	Total	169	100.0
Education level	Illiterate	1	0.6
	Primary School	22	13.0
	High School	11	6.5
	12 completed	26	15.4
	Vocational school college	31	18.3
	1st degree	64	37.9
	2nd degree	14	8.3
	Total	169	100.0
Marital Status	Married	97	57.4
	Unmarried	42	24.9
	Divorced	19	11.2
	Widow	11	6.5
	Total	169	100.0

Source: Own computation SPSS version

From the data presented in table 2, it can be observed that 49.1% respondents are in aged group of 25 and 35 years, 28.8% are in the 35 and 45 years age group, 21.2% are above 46 years age and 1.2% are below 25 years old. Based on the age distribution, it can be noted that majority of participants are in the 25-35 years age group. .

Regarding the education level of the respondents, the study showed that the majority (37.6%) have a first-degree (bachelor's level) education. The next largest group are those with a vocational school college educational background, comprising 17.6% of the respondents. Additionally, 15.3% have completed 12th grade, 13% have a primary school education and 0.6% have an illustrative educational background. The remaining 8% of respondents have a second-degree (Master's level) education. The rest 8% respondent has second degree.

Among 169 respondents, the researcher found that the marital status response is as follow: 57.1% are married, 24.1% are unmarried, 11.8% are divorced, and 6.5% are to this 17.6% respondents has widowed.

Table 4: Women Entrepreneurs Enterprise Characteristics

Variable	Indicators	Frequency	Percent
types of business sector	Manufacturing	10	5.9
	Trade	85	50.3
	Service	74	43.8
	Total	169	100.0
source of inspiration to start a business	Myself	98	58.0
	Family	33	19.5
	Friends	38	22.5
	Total	169	100.0
Initial capital to start your business	< 50000 Birr	74	43.8
	100001-200000Birr	50	29.6
	200001-400000	8	4.7
	400001-600000	27	16.0
	600001-800000	8	4.7
	>800000	2	1.2
	Total	169	100.0
Duration of business	< 1 year	16	9.5
	1-3 years	88	52.1
	4-6 years	43	25.4
	7-10 years	10	5.9
	11-13 year	5	3.0
	>13 years	7	4.1
	Total	169	100.0
main source of your start-up Finance	Own saving	47	27.8
	Spouse	77	45.6
	WEDP Loan	2	1.2
	Equip	13	7.7
	Assistant from friends/relatives	19	11.2
	Inheritance	1	0.6
	borrowed from Bank	6	3.6
	others	4	2.4
	Total	169	100.0

Source: researcher computation of SPSS 26

In the Table 4 above, based on the respondents, the key women enterprise characteristics are summarized as follow: The majority of respondents (49.4%) are engaged in trade business, followed by 44.1% in service businesses, and 5.9% in manufacturing. There are no respondents involved in construction business.

It is clearly seen from above table that over half (56.7%) of the business were formed based on the respondents 'own inspiration, while 18.8% were inspired by family and 22.4% by friends.

It is well known that capital is paramount to start businesses, whether small or large. As indicated in the table 4, 43.5% of respondents registered paid up capital below 50,000 Birr. This was followed by 29% of respondents who registered capital between Birr 100,000 - 200,000 ranges , 16% of respondents who registered paid up capital between 400,001 - 600,000 ranges, 7% who registered between 200,001 -400,000 Birr and 5% who registered over 600,000 Birr.

Similarly, table 4 shows the source of start –up finance for respondents. The largest share, 43.6%, obtained their financial source from husbands. This was followed by 27.6% using their own saving, 10.7% of receiving assistance of friends/relatives, and 7.6% using “Equib” (traditional savings groups). The remaining sources were from commercial banks and other sources.

Regarding the duration of respondents’ businesses, the data shows that 51.8% have been in operation for 1-3 years, 24.7% for 4-9 years and 9.4% less than one year, 5.9% for 7-10 years and 2.9% for 11-13 years in the business.

4.2 Descriptive statistics of Loan Profile

Table 5: Loan profile of the respondent

Descriptive Statistics	Minimum	Maximum	Mean	Std. Deviation
main source of your start-up Finance	1	8	2.57	1.772
number received WEDP loan	1	5	1.59	0.985
current capital of the your enterprise	1	6	2.77	1.555
any training and WEDP loan	0	1	0.52	0.501
loan received from the WEDP	1	4	2.02	0.951
any problems in the successful of your business	0	1	0.24	0.426
If “yes” what was the problem	1	5	2.76	0.854
reasons for borrowing	1	5	2.73	1.122
Valid N (like wise)				

Source: own computation SPSS version 26

As described in the literature review WEDP has two components: financial support and capacity building. Development Bank of Ethiopia (DBE) implements the financial support while the Federal Micro and Small Enterprises Development Agency (FEMSDA) provide the capacity building. (WEDP OM 2013). The respondents of the loan profile assessed

based on main source of the capital, number loan received, current capital of the enterprise, training and number of loan received.

The finding of the loan profile indicated that data were within normal distribution. The maximum value show in between 1-8 ranges and the means values were in a range of 0.24 – 2.77 with current capital that scored the highest and showed a progress of the business due to the credit facility. While the standard deviations were 0.43 to 1.7, which were with the normal distribution.

4.3 The effect of WEDP Loan on the economic growth of women enterprise business

Table 6:Economic growth of the respondent

	Measurement	Frequency	Percent
monthly income before the WEDP loan in Birr	<15000	55	32.5
	15001-20000	44	26.0
	20001-25000	24	14.2
	25001-30000	21	12.4
	30,000-35000	5	3.0
	>35000	20	11.8
	Total	169	100.0
number of employees under your business	1	73	43.2
	2	27	16.0
	3	24	14.2
	4	37	21.9
	5	4	2.4
	>13	4	2.4
	Total	169	100.0
monthly income after the WEDP loan in Birr	<15000	13	7.7
	20000	46	27.2
	30000	19	11.2
	35000	21	12.4
	40000	32	18.9
	>50000	38	22.5
	Total	169	100.0
Personal saving account	yes	147	87.0
	no	22	13.0
	Total	169	100.0
monthly profit	<5000	35	20.7
	5001-10000	28	16.6
	10001-15000	76	45.0
	15001-20000	8	4.7
	20001-25000	2	1.2
	>25000	20	11.8
	Total	169	100.0

Source: Own computation on SPSS version 26

According to table 6, the income level of the enterprise after taken loan show some positive trends. In the first rank, 32% of respondent's income were less than 15,000 Birr while 27.1% were between Birr 15,001- Birr 20,000. In the second rank, after taking loan, 25.9% of respondents' incomes were between Birr 15,001- Birr 20,000 and 22.4% were more than Birr 35,000.

From this data, we can conclude that, study shown an improvement in income levels of the respondents after they took the loan. The increase in the proportion of respondents earning higher incomes, particularly in the second rank, indicates a positive impact of loan on financial performance of the enterprises.

As indicated in the above table, the enterprises have had varying success in creating employment opportunities. Among the respondents, 41.1% were able to create employment opportunities for 1 person while 21% could create employment for opportunities for 9-12 people, 16% of the respondent can create an employment opportunities for 2-5 persons, 14% of the respondent can create an employment opportunities for 6-9 persons. Moreover, 81% of the respondent have a plan to create an employment opportunities for the next two years. This showed that they have a greater role in the reduction of unemployment of the country.

According to table 7, the Majority of the respondents (87%) had personal saving accounts with microfinance institutions or banks for their businesses, while 12.4% did not have any formal savings and relied on traditional savings methods like "ekub". Among the savers, 60.6% utilized voluntary saving, 30% used compulsory saving, 4% used traditional Ekub methods. The majority of respondents (40.6%) utilized their personal saving account for the purpose of loan repayment and expanding the businesses.

In summary, the data indicates that the enterprise have had a positive impact, with 27.2% of respondents increasing their monthly average income to Birr 2,000 after receiving the loan. Moreover, 45% of the women entrepreneurs reported net profits between Birr 10,001- 15,000, and 87% of WEDP credit facility users had savings accounts. This suggests the credit facility had a favorable economic effect on the women enterprise performance.

4.4 The effect of WEDP Loan on the social growth of women enterprise business

Table 7: change of behavior towards you from their husband's occupation

As women entrepreneurs do you experience any change of behaviour towards you from their husband's occupation			
Variables	Categories	Frequency	Percent
As women entrepreneurs do you experience any change of behaviour towards you from their husband's occupation	yes	117	69.2
	no	52	30.8
	Total	169	100.0

Source: Own computation Survey Version 26

From the above table, the study found that most of the respondent (68.8%) of their husbands have changed towards entrepreneurs of her while 29.4 their behaviors. So that, the perception of most of the husbanded changed their behavior toward entrepreneurs has changed due to her changes in her business

Table 8: change of behavior towards you from society

As women entrepreneurs do you experience any change of behaviour towards you from society			
Variables	Categories	Frequency	Percent
As women entrepreneurs do you experience any change of behaviour towards you from society	yes	138	81.7
	no	31	18.3
	Total	169	100.0

Source: Own computation Survey Version 26

As indicated in the above table, 80.6% of respondents stated that the perception of the society changed towards her experience as women entrepreneurs while 18.2% are not changed their behavior towards experience of women entrepreneurs.

Table 9: any problems in the successful of your business

As women entrepreneurs do you experience any problems in the successful of your business			
Variables	Categories	Frequency	Percent
As women entrepreneurs do you experience any problems in the successful of your business	yes	129	76.3
	No	40	23.7
Total		169	100.0

4.4.1 Decision making ability

Table 10: Decision-making

Decision making	Yourself	Husband	both of Yours	Your parents	Total
Making decision in child care, child education, family expenditure and treatment of family members	94	0	62	13	+
Making decision in overall family matters	87		72	10	169
Making decision in buying/selling property	90	1	72	6	169
are making decision in Pass Leisure Time	103	9	9	57	169

Source: Own computation SPSS version 26

Making decisions is a factor in both the social development of women in society and the success of their enterprises. In our community, the husband used to be the main decision-maker for the family because of discrimination against women. The way that society views things now has changed because of a number of variables. The results of 94 respondents show that women make decisions about family issues such childcare, child education, family spending, and how to treat family members; 62 people said both, and 13 said parents make these decisions. 87 and 90 of the women responded that it is important when making decisions about family matters and whether to buy or sell property; they made the decision to buy or sell the property independently. 72 respondents said they made the decision jointly, and 10 and 6 said their parents made the decision. According to the research, 57 of the 103 women entrepreneurs who claimed that they made the decision on how to use their free time did so on their own. Nine of them made both of the decisions. (Table 6 above).

Table 11: Changes in Women Entrepreneur's position in their family

Do you think there have been changes of Women Entrepreneur's Position in their family			
Variables	Categories	Frequency	Percent
Do you think there have been changes of Women Entrepreneur's Position in their family	yes	119	70,4
	No	50	29,6
	Total	169	100,0

Source: own computation SPSS version 26

As indicated in the table above, there has been change of women entrepreneurs' position. From the study, it is visible that most of the respondents (74.5%) have got behavioral

change while family changed in the women entrepreneurs' position where as the rest of the respondent (26.5%) believed that no change in women entrepreneurs' position in their family. So, this implied that the most respondent has faced different attitudes from their family members and relatives when they are engaged in the business. Due to changes occurred in the family, they could make decision on family contribution and enjoy freedom by themselves.

Table 12: Changes occurred in family

What kinds of changes occurred in family			
Variables	Categories	Frequency	Percent
What kinds of changes occurred in family	Contributing in Family decision	9	5,3
	Enjoy freedom in own decision making	40	23,7
	All of the above	120	71,0
	Total	169	100,0

There are a number changes occurred in the family when women entrepreneurs started their own businesses. They have the flexibility to decide what their family needs and how they want to live. According to the above table results, 70.6 % of respondents said that their attitudes toward contributing to family decisions and enjoying personal freedom had changed, while 22% of respondents said they now enjoy personal freedom and 5.3% said they could contribute to family decisions.

Table 13: Expenditure pattern of women entrepreneurs like you in family

Variables	Categories	Frequency	Percent
What is the expenditure pattern of women entrepreneurs like you in family?	Equally contribute like other male earnings members	83	49.1
	Spends money in some particular sectors	48	28.4
	Not spend at all	37	21.9
	Others	1	0.6
	Total	169	100.0
To what extent does WEDP lead to enjoyment of economic freedom amongst women like you?	Highly satisfactory	52	30.8
	satisfactory	71	42.0
	Moderate	46	27.2
	Total	169	100.0

Source: Own Computation SPSS version 26

Due to the fluctuation of the economy in the current situation, there are so many things changes in the expenditure patterns. Both female and male family members agree to share in family expenditures pattern. As per the study findings, half of the respondents (48.2%) are equally contributing like other male earning members, 28.2% of respondent believes

spend their many in some particular sectors. Some others respondents (32.3%) believe of the respondent are not spend their many at in all. Now a day most of women engaged in participate different activities of business sectors. In the above table women represents the women’s economic freedom after their involvement and participation in decision-making process in the households and affairs 41% of the respondents were satisfactory, 31% of the respondents were highly satisfactory, 21% of the respondents were moderate and the rest showed us others.

Table 14: socioeconomic growth of women entrepreneurs and access of finance

Socioeconomic development	Not at all satisfied	partly satisfied	Satisfied	More than Satisfied	Very satisfied	Total
improved your social status	0	28	71	41	29	169
empowerment in the social sphere	4	25	66	32	42	169
improved your economic status	0	1	99	30	39	169
empowerment in the economic sphere	0	2	101	33	33	169

Source: Own computation SPSS version 26

Based on the above table 12, the general perception of the women business owners toward the credit facility was evaluate in terms of social standing, social sphere, economic status, and economic empowerment to ascertain the social-economic development of the women business owners. According to the results, 71 respondents said they were satisfied with the credit line, 41 said they were very more than satisfied, 29 said they were very satisfied, 28 said they were partially content, and no one said they did not have a stratified opinion on the credit line. While 66 respondents to the empowerment in the social sphere survey expressed satisfaction with the credit line, 32 expressed very greater satisfaction, 42-expressed great satisfaction, 25 expressed partial satisfaction, and 4 expressed no satisfaction at all. Similar results found in the economic status and sphere, where 99 and 101 respondents, respectively, were satisfied with the credit line, 39 and 33, with credit services, 30 and 33, with more than satisfied opinions, and 1 and 2, with partially satisfied opinions. Nobody, however, has a negative opinion of the credit line facility in any way.

4.5 Inferential Statistics Analysis

4.6.1 Diagnostics in regression

Before we are using regression analysis, we have to test the assumption of regression analysis. Regression is an analysis that assesses whether one or more predictor variables explain the dependent (outcome) variable. The major assumptions should be tested in the regression analysis are multicollinearity, No autocorrelation, homoscedasticity, Linearity, Normality, and measured in continuous variable scale. Based on the assumption, the following analysis tests was performed by the researcher whether the data fits with the assumptions of regression analysis in order to conclude the analysis results are valid and reliable

4.6.2 Multicollinearity

Multicollinearity arises when the independent variables exhibit high levels of correlation with each other. When there is a significant correlation among independent variables, it leads to what is commonly known as multicollinearity, as described by Kothari (p.142). This essentially challenges the assumption that the predictors are not excessively correlated with each other.

Table 15: Multicollanity

Coefficient Correlations ^a							
Correlations	types of business sector	number received WEDP loan	any training and WEDP loan	Education level	current capital of the your enterprise	loan received from the WEDP	Age of women Entrepreneurs
types of business sector	1,000	0,091	-0,032	-0,278	0,027	-0,336	-0,242
number received WEDP loan	0,091	1,000	0,030	0,008	-0,148	-0,262	-0,098
any training and WEDP loan	-0,032	0,030	1,000	-0,030	0,315	-0,035	-0,108
Education level	-0,278	0,008	-0,030	1,000	-0,057	0,182	0,602
current capital of the your enterprise	0,027	-0,148	0,315	-0,057	1,000	0,062	0,072
loan received from the WEDP	-0,336	-0,262	-0,035	0,182	0,062	1,000	0,034
Age of women Entrepreneurs	-0,242	-0,098	-0,108	0,602	0,072	0,034	1,000

Source: own computation SPSS version 26

Additionally, the researcher also uses tolerance and Variance of inflation Factors (VIF) for assess multicollinearity issues between independent variable in regression analysis. Tolerance value measures the proportion of variation in an independent variable that is not explain by other independent variables in the regression mode. It is calculated as the reciprocal of the VIF (Variance inflation factor). While the Variance inflation factor (VIF) is a measure of multicollinearity, indicating how much the variance of estimated regression coefficient is increased due to multicollinearity. It is the reciprocal of tolerance value. It is widely used metric to detect the presence and severity of multicollinearity in multiple regression analysis (Gujarati & Porter, 2009).

In the table 16, the VIF value range from 1.123 to 1.738. Generally, a VIF value above 5 or 10 suggests a high level of multicollinearity. However, based on the provided values, all the VIF values are less than 2, indicating that there is no severe multicollinearity issue in this regression model. Overall, the Tolerance and VIF value provided in the table suggest that there is no significant multicollinearity problem among the independent variables in this regression analysis. This is a positive finding as it ensures the reliability of coefficient estimates and the interpretation of their effects on the dependent variable.

Table 16: Multicollinearity test

Coefficients ^a							
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1,293	1,036		1,248	0,214		
loan received from the WEDP	0,296	0,146	0,165	2,025	0,044	0,790	1,266
number received WEDP loan	-0,344	0,135	-0,194	-2,539	0,012	0,890	1,123
any training and WEDP loan	-0,217	0,266	-0,063	-0,816	0,416	0,861	1,161
current capital of the your enterprise	0,095	0,087	0,087	1,100	0,273	0,840	1,190
Age of women Entrepreneurs	0,442	0,203	0,207	2,179	0,031	0,576	1,738
Education level	0,480	0,105	0,432	4,554	0,000	0,578	1,731
types of business sector	-0,386	0,181	-0,171	-2,141	0,034	0,814	1,229

a. Dependent Variable: monthly income Average the WEDP loan in Birr

4.6.3 Autocorrelation/Independent fit test

Autocorrelation occurs when the residuals are not independent from each other. In other words when the value of $y(x+1)$ is not independent from the value of $y(x)$. Independence of error assumes that the WEDP participant should not affect the behavior of a participant.

Table 17 below shows the results of the test of independence of errors. Durbin Watson statistic is used to test the independence of error. An acceptable range is from 1.5 to 2.50. The results in Table shown above that the Durbin Watson statistic is 1.677, which falls under acceptable range.

Table 17: Autocorrelation test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.408 ^a	0.166	0.130	1.601	1.787
a. Predictors: (Constant), types of business sector , number received WEDP loan, any training and WEDP loan , Education level, current capital of the your enterprise, loan received from the WEDP , Age of women Entrepreneurs					
b. Dependent Variable: monthly income Average the WEDP loan in Birr					

In the table above, the Durbin-Watson value is 1.733 which is a score near 2. A rule of thumb is that test statistic values between 1.5 < 2.5 are relatively normal and show that there is no autocorrelation in the data.

4.6.4 Homoscedasticity,

Homoscedasticity refers to the equal variance of the residuals across different levels of the independent variables. In the table below, regression row represents the variability explained by the regression model, while residual row represents the unexplained variability or the residuals. The Sum of squares column indicates the sum of squared differences between the observed values and predicted values.

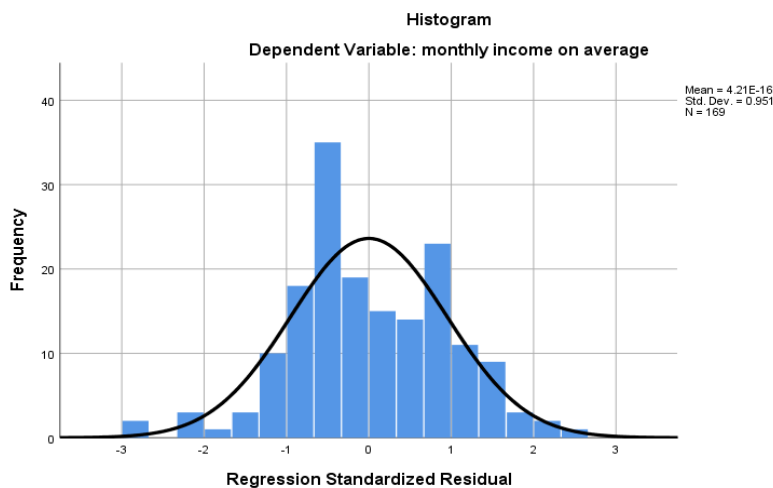
Table 18: Homoscedasticity

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	81,754	8	11,679	4,555	.000 ^b
	Residual	410,240	161	2,564		
	Total	491,994	169			
a. Dependent Variable: monthly income Average the WEDP loan in Birr						
b. Predictors: (Constant), types of business sector , number received WEDP loan, any training and WEDP loan , Education level, current capital of the your enterprise, loan received from the WEDP , Age of women Entrepreneurs						

Based on the above table results, the mean square value for the residuals is consistent at 2.564. This suggests that the residuals have an equal variance across different levels of the independent variables, indicating the presence of homoscedasticity in this regression model.

4.6.5 Normality test

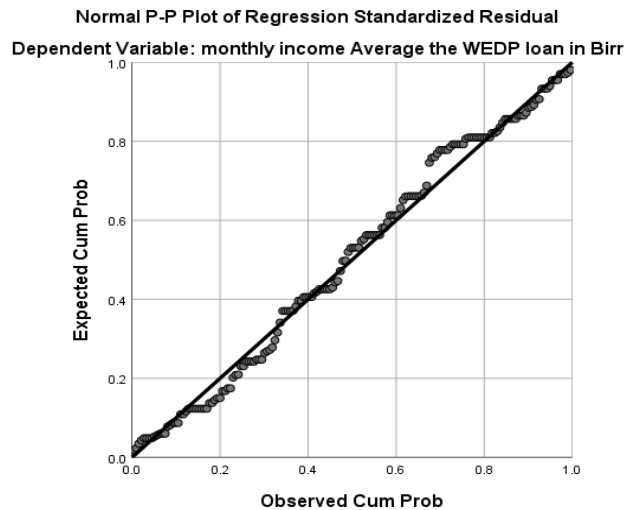
The Normality Test assumption is used to determine whether the residuals are normally distributed. As per the Darlington (1968) regression model, assumption is based on variables of normal distributions. For testing the normality, we just looking at the histogram and P-P ;lot for the model. For meeting the normality assumption, the histogram should be symmetric along the center 0 and it should be bell-shaped and dots at the P-P Plot should be closer to the diagonal line: For this research, the histogram was checked and the result indicates that data used in the study is normally distributed.



In this study, the normality of the data was checked and as shown in the figure the histogram is bell-shaped, which leads to assume that the residuals are normally distributed the residual mean is zero and standard deviation approaches zero. In this case Histogram is symmetric shows that assumption of normality is met. Thus, no violations of the assumption normally distributed error term

4.6.6 Test of Linearity

The assumption of linearity in multiple regressions was evaluated by examining a scatter plot, which revealed a linear relationship between WEDP credit facility and women's enterprise performance. As shown in Figure 2, all observations align along the straight line on the graph.



The figure above Figure display the plot of standards regression output, providing evidence of linearity of relationship between dependent and independent variables. It is apparent that the relationship between the variables can be effectively modeled a straight line, indicating linearity of the relationship between variables.

4.6.7 Multiple Regression Analysis

The Multiple regression analysis is a statistical technique used to analyze the relationship between multiple variables (Saunders et al., 2009, p.461). In this study, it helps determine how different aspects of the Women Entrepreneur Development Program (WEDP) effects on the growth of women enterprises business. This method enables stronger causal inferences and prediction of business performance based on WEDP loan characteristics, socioeconomic growth of women enterprise business. To investigate the variable, the researcher develop four (4) model as follows:-

Model 1: This model assesses the effect of WEDP credit on the growth of Women owned enterprise in income: This study assumes that the Women Entrepreneur Development Program (WEDP) loan has a positive and significant effect on improving the growth of the income of women entrepreneurs, which in turn positively impacts their business performance. In correlation analysis, we have observed that business performance has a high and moderate correlation coefficient with economic empowerment, employment opportunities created, and additional income for the family, all of which are components of economic development. In addition to coefficients as explained by Mujs(2010), Tolerance and variance inflation factor(VIF) are also commonly used to check for multicollinearity. Tolerance measures the proportion of the variable’s variance that is not explained by other predictor variables in the regression model. It ranges from 0 to 1, with values closer to 1

indicating that the variable's variance is not well explained by the other predictors (Kutner et al., 2005).

Table 19: Effect of WEDP Credit on Growth of income

Model Summary ^b								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	Mean Square	F	Sig.
1	.723 ^a	0.523	0.515	2.08568	1.819	262.668	60.383	.000 ^p
a. Predictors: (Constant), busineper, trainingeduc, Accesscredit								
b. Dependent Variable: extrainvome								
Coefficients ^a								
Model	Predictors	Unstandardized Coefficients		Standardized Coefficients	t	Sig.		
		B	Std. Error	Beta				
1	(Constant)	-3.367	1.007		-3.345	0.001		
	Accesscredit	-0.029	0.071	-0.022	-0.404	0.687		
	trainingeduc	0.164	0.104	0.087	1.586	0.115		
	busineper	0.415	0.033	0.708	12.758	0.000		
a. Dependent Variable: extrainvome								
b. Predictors: (Constant), busineper, trainingeduc, Accesscredit								

As shown in table 19 above, the coefficient RR in this model 1 summary indicates the correlation between the Economic effect of the credit and growth of income of the business. In the above regression analysis, R=0.723 indicated that there is a very strong positive correlation between the dependent variable (growth of women-owned enterprise business in income) and the set of independent variables (women entrepreneurs development program(WEDP)). The overall Model 1 statistics of the dependent variable business performance revealed an R2 value of 0.523. This means that all independent variables (business investment, WEDP training and accessibility of the WEDP credit which avail in the program) included in the model explained 52.3% of variance (0.523*100%) in the dependent variable (growth of the Women enterprise in income). The remaining 72.3% of variation in Women enterprise performance can be attributed to other variables not included in the study. Hence the overall Model 1 statistic in Table 19 (R2= 0.723) supports the view that the WEDP and economic development have a positive influence on the growth of women-owned enterprises.

For test significance of this model ANOVA (F-test) was performed. As shown above on multiple regression analysis (Table 19), it can be observed from the ANOVA table that the model as a whole is significant (F (60,383) =10.905, P=100) F test is statistical test its

purpose is to examine whether the independent variables, taken together, have a significant effect to the dependent variable. If the significance value the F statistics is small; that means smaller than the error margin 0.05, then independent variables explain the variation in the dependent variable significantly.

It can be observed in table 19 above, there is significant relationship between the WEDP loan and the Women enterprises performance ($P < 0.01$, $F >$) which indicates that the proposed Assumption which states that there is positive and significant relationship between total WEDP loan dimensions and the women enterprises performance. Is accepted,

Model 2: Effect of WEDP Credit on Growth of create employment opportunities:

The research assumed that there is statistically significant effect between the independent variable (WEDP loan), WEDP training and initial investment and dependent variable growth of women entrepreneur’s business in creating employment opportunities. As presented in table 20 below, R value increases slightly to 0.480, indicating a stronger positive correlation with the dependent variable. The R-squared value also increases to 0.21, suggesting that the independent variables explain medium of the variation in the dependent variable when compared to Model 1. The F-statistics (ANOVA) remains statistically significant ($p < 0.001$).

Table 20 indicates that there is a statistically significant effect between the independent variable has a strong effect on the dependent variable of women’s entrepreneurial performance at $p < 0.05$ indication level. Besides the F-test is 16.481 helps to judge the significance to accept and reject the study hypothesis, which states that there is statistically significant effect of independent variables on the dependent variable and this implies the overall model is fit.

Table 20: Effect of WEDP on Growth of employment opportunities

Model Summary ^b								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	Mean Square	F	Sig.
1	.480 ^a	0.230	0.216	1.38670	1.686	31.654	16.461	.000 ^b
a. Predictors: (Constant), busineper, trainingeduc, Accesscredit								
b. Dependent Variable: emplo								
Coefficients ^a								
Model	Predictors		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	

		B	Std. Error	Beta		
1	Constant	-1.125	0.669		-1.681	0.095
	Accesscredit	0.113	0.047	0.166	2.381	0.018
	trainingeduc	-0.051	0.069	-0.051	-0.738	0.461
	busineper	0.130	0.022	0.425	6.026	0.000

a. Dependent Variable: emplo

Model 3: Effect of WEDP on growth of Social Status

This study assumed that there is positive and significant effects in between WEDP program and growth of their business on social status. In this model, the access of credit, training and initial investment are independent variable and the dependent variable are the growth of the women-owned enterprise businesses. The predictors are training, loan received, frequency of loan, current capital of the enterprise.

Table 21: Effect of WEDP on growth of Social Status

Model Summary ^b								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	Mean Square	F	Sig.
1	.260 ^a	0.067	0.050	0.71420	1.841	2.028	3.976	.009 ^b
a. Predictors: (Constant), busineper, trainingeduc, Accesscredit								
b. Dependent Variable: socialstat								
Coefficients ^a								
Model1	Predictors		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
			B	Std. Error	Beta			
1	(Constant)		0.241	0.345		0.700	0.485	
	Accesscredit		0.048	0.024	0.151	1.962	0.051	
	trainingeduc		-0.086	0.035	-0.185	-2.422	0.017	
	busineper		0.013	0.011	0.089	1.144	0.254	
a. Dependent Variable: socialstat								
a. Predictors: (Constant), busineper, trainingeduc, Accesscredit								

To test model 3, multiple regression analysis was performed the overall model statistics of dependent variable growth of the business revealed R value of .26 which indicates strong correlation between growth of the business and the independent variables (WEDP). The R square value of .05 that all independent variables included in the model explained 26% of variance in dependent variable (growth of the businesses). Hence, the overall model 3 statistic of performance of the business ($R^2 = 0.050$), is supported the view that total 3 predictors has a positive influence on growth of the business.

Based on the information provided in the table above more than half of these 3 predictors appears to have statistically significant relationships with dependent variable(S) being studied, more than half of variable are significant for the dependent variables.

Model 4: Effect of WEDP on growth of Decision-making

The model evaluates the effect of WEDP loan on the social development of women in the study area: the assumption of this model stated that there is positive and significant relationship in between the WEDP loan and socio-economic development predictors. The indicators of the WEDP loan and the Socio-economic development mentioned in the above model. Therefore, this study tries to investigate the effect of the WEDP credit on the Socio development in the business area. multiple regression analysis was performed the overall model statistics of dependent variable growth of the business revealed R value of .26 which indicates strong correlation between growth of the business and the independent variables (WEDP). The R square value of .046 that all independent variables included in the model explained 21% of variance in dependent variable (growth of the businesses). Hence, the overall model 3 statistic of performance of the business ($R^2 = 0.046$), is supported the view that total 3 predictors has a positive influence on growth of the business.

In the table, the F-value of the model was 2.633, with a p-value of 0.049, which shows the overall significance of the model. This reveals that at least one of the variables has a significant effect on the dependent variables. The R-squared of the model was 0.103, which implies that the predictors' variables could explain 10.3% in the dependent variable

Table 22: Effect of WEDP on growth of Decision-making

Model Summary ^b								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	Mean Square	F	Sig.
1	.216 ^a	0.046	0.029	3.97576	1.203	42.397	2.682	.049 ^b
a. Predictors: (Constant), busineper, trainingeduc, Accesscredit								
b. Dependent Variable: decimak								
Coefficients ^a								
Model	Predictors	Unstandardized Coefficients		Standardized Coefficients	t	Sig.		
		B	Std. Error	Beta				
1	(Constant)	7.619	1.919		3.971	0.000		
	Accesscredit	-0.152	0.136	-0.087	-1.119	0.265		
	trainingeduc	-0.165	0.197	-0.065	-0.835	0.405		
	busineper	0.171	0.062	0.216	2.752	0.007		

a. Dependent Variable: decimak

b. Predictors: (Constant), busineper, trainededuc, Accesscredit

The multiple regression analysis result shown in the table suggest a complex relationship between the WEDP loan program and dependent variable which appears to be related to Women-owned enterprise social status outcomes. The constant term is highly statistically significant ($p < 0.001$), indicating there is baseline level of the dependent variable even when all other predictors are zero. The overall findings of the regression coefficients and statistical significance levels shown that except the WEDP training and current capital, the whole predictors have not statically significant effect on social-well beings. The result suggest that the relationship may be more nuanced, with factors like current capital playing a large role, Further investigation would be needed to fully understand each variable. Therefore, the proposed assumption rejected for the study.

4.6.8 Summary of the Regression Analysis and Assumption Testing

The assumption model of the multiple regression analysis outputs summarized in Tables. The table illustrates in the four models ran to see the effect of the WEDP credit and interaction terms with coefficients of predictor variables, degree of explanation, change in degree explanation and their statistical significance for ease of reference.

Table 23: Summary of multiple regressions

	R value	R2	F-Statistics (ANOVA)	Sig. Beta Coefficients	Best Predictors
Model 1	.723a	.523	60.383	.000 ^b	Extract income
Model 2	.480a	.230	16.461	.000 ^b	Create employment opp
Model 3	.260a	.067	3.976	.009b	Social Status
Model 4	.216a	.046	2.682	.049b	Decision making

The Assumption of this study tested by using multiple regression techniques and the results summarized in the table 24 below.

Table 24: Assumption summary

	Assumption	Result
Model 1	This study assumes that the WEDP has a positive and significant effect on improving the income of women entrepreneurs, which in turn positively influences their business performance.	Accepted
Model 2	There is positive and significant effects in between WEDP and creation of employment opportunities performance of their	Accepted

	business	
Model 3	.The study assumes that there is statistically significant effect in between the independent variable (WED, and dependent variable social status of women entrepreneur’s performance).	Accepted
Model 4	There is positive and significant relationship in between the WEDP and improving in decision making development predictors	Rejected

CHAPTER FIVE

5. SUMMARY, CONCLUSION AND RECOMMENDATION

The findings are summarized with particular emphasis on the study's four key goals. The chapter also gives recommendations and develops conclusions based on the results of the data examined in chapter four, paying special attention to the importance of the study. The chapter concludes with recommendations for additional research.

5.1 Summary of findings

Women Entrepreneurship Development Project (WEDP) is designed by the Ethiopian Government and financed by the World Bank, CIDA and DFID. The main objective of the project is increasing the earnings and employment of MSEs owned or partly owned by female entrepreneurs. WEDP has been launched in 2012 in Ethiopia. The project implemented by DBE to solve the financial constraints of women entrepreneur obtained credit through MFIs. Supporting women with such kinds of credit lines has a significant role in the socioeconomic development of women enterprise performance.

Throughout this study, the effect of women entrepreneurs’ development program on the growth of women enterprises performance was examined. From the descriptive analysis, the researcher found that the majority of women entrepreneurs in the study fall within the age range of 25-34, accounting for 48.2% of the participants. Additionally, a significant portion (37%) of the women entrepreneurs hold a 1st degree. Furthermore, 57% of the women entrepreneurs are married, and the trade business sector is the most common sector of engagement for them, with 49% involved in it.

From multiple regression analysis the researcher assesses the four major specific objectives of study based on each model. The main findings of each model presented as follows:

In Model 1, the R-value indicates a moderate positive correlation between the independent variables and the dependent variable, with an R-squared value of 0.523. The F-statistics (ANOVA) indicate that the model is statistically significant ($p < 0.001$). Among the predictors, Loan Size appears to be the most influential, as indicated by its significant beta coefficient. This suggests that larger loan sizes are associated with higher levels of the dependent variable.

Moving to Model 2, the R value increases slightly to 0.48, indicating a stronger positive correlation with the dependent variable. The R-squared value also increases to 0.230, suggesting that the independent variables explain more of the variation in the dependent variable when compared to Model 1. The F-statistics (ANOVA) remains statistically significant ($p < 0.001$). Business performance emerges as the best predictor, with a significant beta coefficient. This implies that higher levels of self-confidence are associated with higher levels of the dependent variable.

In Model 3, the R value further increases to 0.260, indicating a strong positive correlation between the independent variables and the dependent variable. The R-squared value also increases to .067, indicating that the independent variables explain a considerable amount of the variation in the dependent variable. The F-statistics (ANOVA) remains statistically significant ($p < 0.001$). Training emerges as the best predictor, with a significant beta coefficient. This suggests that higher monthly profits are associated with higher levels of the dependent variable.

Lastly, in Model 4, the R value decreases to 0.216, indicating a weaker positive correlation with the dependent variable. The R-squared value decreases to 0.046, implying that the independent variables explain a smaller proportion of the variation in the dependent variable compared to the previous models. However, the F-statistics (ANOVA) remains statistically significant ($p = 0.006$). Business performance emerges as the best predictor, with a significant beta coefficient. This indicates that higher levels of current capital are associated with higher levels of the dependent variable.

In summary, the analysis demonstrates that access of credit, training, and business performance are important predictors of the dependent variable. These findings suggest that larger income, creating employment opportunities and improving in social status are associated with higher levels of the dependent variable. These results provide valuable insights into the factors that influence the outcome variable in the study.

5.2 Conclusion

The study assessing the effect of the women entrepreneurs' development program (WEDP) on the growth of women enterprise business in the Case of Vision Fund Microfinance Institution. From this study finding, there is positive and significant relationship between women entrepreneurs' development program (WEDP) and growth of women enterprise business.

From the descriptive statistics demographic and enterprises profile findings, it is concluded that most (48.2%) of women entrepreneur are in the age of 25-34. Besides most (37%) of women entrepreneurs have 1st degree. Similarly based on the research finding it is concluded that most (57%) of Women entrepreneurs are married. Similarly, most (49 %) of the Women entrepreneurs engaged in the trade business sectors. 57.6% of the WEDP client inspired by themselves. The majority women enterprises started business with minimum paid up capital, which is less than Birr 50,000 secured using their own saving and majorly stayed in business for almost three years.

Based on the findings of the multiple regression analysis it can be conclude that there is strong relationship in the WEDP and growth of women-owned enterprise on income, employment opportunities, and enhancement in social status except the decision making. In line with the assumption one findings of the regression, analysis has shown that there is moderate positive correlation in between the independent and dependent variable, as indicated by the R value. The model is statistically significant, suggesting that the independent variables have significant impact on the dependent variable. Among the predictors of access on finance, training and initial investment are important predictors of the dependent variable. These findings provide valuable insights into the factors that influence the outcome variable in the study, indicating that income, create employment opportunities and enhance social status are associated with higher levels of the dependent variable.

5.3 Recommendation

Based on the above findings of this research study and conclusion mentioned, the following recommendations forwarded:

- Encourage access to larger loan sizes: Given the significant impact of loan size on the dependent variable, it is recommended to explore avenues for providing women entrepreneurs with access to larger loan sizes. This can be achieved through

collaborations with financial institutions or by advocating for increased funding for women-led businesses.

- Foster self-confidence among women entrepreneurs: The findings highlight the importance of self-confidence as a predictor of the dependent variable. Therefore, it is crucial to design and implement interventions aimed at building and enhancing the self-confidence of women entrepreneurs. This can be done through training programs, mentorship initiatives, and networking opportunities.
- Support strategies for increasing monthly profits: As monthly profit was identified as a significant predictor, it is advisable to develop strategies and support mechanisms to help women entrepreneurs increase their monthly profits. This may include providing business development resources, access to market opportunities, and financial literacy training to improve their financial management skills.
- Facilitate access to current capital: Since current capital was found to have a significant impact on the dependent variable, efforts should be made to facilitate women entrepreneurs' access to current capital. This could involve exploring partnerships with microfinance institutions, creating microloan programs, or establishing revolving funds specifically targeted at supporting women-led businesses.
- Continuously monitor and evaluate the program: It is crucial to regularly monitor and evaluate the Women Entrepreneurs Development Program (WEDP) to assess its effectiveness and identify areas for improvement. This can be done through feedback mechanisms, data collection, and analysis of program outcomes to ensure its continued success in empowering women entrepreneurs.
- The government should have find out the financial resource from Donors, NGOs and world Bank
- Overall, these recommendations aim to enhance the support provided to women entrepreneurs, enabling them to thrive and achieve sustainable growth in their businesses. By addressing the identified predictors and implementing targeted interventions, the potential for success and positive impact can be maximized.

6. Limitations and Future Research Directions

Some restrictions were found in this research. The focus of the study was only women enterprises of Vision Fund Microfinance Institution S.C. For improved representation and

generalizability, future study should take into account the microfinance institution employees and others microfinance initiatives. Additionally, the study solely looks into the moderators of age, educations and martial. Other demographic factors like business entities and the number of households must be included in the future investigation as moderators.

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Addis Ababa University

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Survey questionnaire

This is an interview questionnaire prepared to undertake a study entitled the effect of women entrepreneur development (WEDP) on the growth of women entrepreneurs business: the case of vision fund microfinance institute beneficiaries in Addis Ababa. The research conducted is purely for academic purpose and all the information given are confidential.

Dear Respondents:

I am a graduate student in the department of Management. Currently, I am undertaking this research in partial fulfillment for MBA in Financial Service given by Addis Ababa University. You are selected to be one of the participants in this study and I request you to give your genuine answer voluntarily. I assure you that no personal identity will be published or transferred to third party.

Part I. Interviewer's Information

Interviewer

Name_____

Date interviewed_____

Part 2: Instruction

Please use circle for Choice Questions and write on the blank spaces on open-ended questionnaires:

I Demographic information

1. How old are you

Below 25 years- 6-35 years old 36-45 year old above 46 years old

2. What is your educational background?

Illiterate Primary school High school 12 Completed"

Vocational school college Graduation Post-graduation other specify"

3. What is your marital status?

Married Unmarried Divorced Widow

II. WEDP Loan

4. what types of business sector are your engaged currently?
() Manufacturing () Construction () Trade () Service
5. Who was your source of inspiration to start a business?
() Myself () Family () Friend/s () WEDP join clients () Other(Specify)
6. How much was your initial capital to start your business?
() Less than 50,000 Birr () 100,001-200,000 Birr () 400,001 -600,000 Birr
() 600,001-800,000 Birr () above 800,001
7. What are the main sources of your start-up Finance?
() Own saving () Spouse () WEDP loan () Equip () Assistance from friends/relatives () Inheritance () Borrowed from Bank () Others(Specify)
8. How long have you been in your current business?
() < 1 year () 1- 3 years () 4 – 6 years () 7– 10 years () 11- 13years () Greater than 13 years
9. Have you received any training and WEDP loan to develop your skill and business?
() Yes () No
10. How much loan you received from the WEDP program
() < 150,000 () 150,001-400,000 () 400,001-800,000 () above 800,000
11. How many times have you received WEDP loan?
() 1 times () 2 times () 3 times () 4 times () more than 5 times
12. What is the current capital of the your enterprise
() Less than 100,000 () 100,001 – 200,000 () 200,001- 400,000
() 400,001- 600,000 () 600,001- 800,000 () above 800,001
13. what are the reasons for borrowing from WEDP loan:?
() Easy to take () Low interest rate () To strengthen my business () I don't have alternative () Other(Specify)" _____
14. Did you face any problems in getting the business start-up capital from WEDP
() Yes () No
15.
() They were confused to give loan to a woman () They insisted not to () They showed alternative way to invest () They didn't inspire () Others

III. Socioeconomic Dimension

16. Do you think there have been changes of Women Entrepreneur's Position in their family
() Yes () No
17. What kinds of changes occurred in family

contributing in family decision making Enjoy freedom in own decision making All of the above

18. What is your monthly income before the WEDP loan in Birr

Less than-15000 15001-20000 20001-25000
 25001-30000 more than 30,001

19. What is your monthly income after the WEDP loan in Birr

Less than-15000” 15001-20000” 20001-25000”
 25001-30000” 30,001-35000” More than 35,000”

20. How many employees under your business

“1 ” “2” 3 4” 5” > 13”

21. Did you think that you have an employment opportunities have been improved for the Next two year

Yes No

22. What is your monthly profit of your business?

Less than-5000 ” 5001-10000” 10001-15000”
 15001-20000” 20001-25000” More than 25000”

23. Do you have personal saving Account since two yours?

Yes No

24. If the answer is yes, what type of saving have you made?

Compulsory saving” voluntary saving Ekub others

25. For what purpose did you save

To earn interest income” for loan repayment” For expanding your business” for satery purpose” others”

26. What is the expenditure pattern of women entrepreneurs like you in family?

Equally contribute like other male earning members”
 Spends money in some particular sectors”
 not spend at all”
 Others”

27. To what extent does WEDP lead to enjoyment of economic freedom amongst women like you?

Highly satisfactory” Satisfactory Moderate” Unsatisfied”

28. Do you get any support from family in times of business Crisis?

Yes No

29. As women entrepreneurs do you experience any change of behaviour towards you from their husband's occupation

Yes No

30. As women entrepreneurs do you experience any change of behaviour towards you from society

Yes No

31. As women entrepreneurs do you experience any problems in the successful of your business

Yourself Husband Both of us Your parent

Parents in Law” bothers”

32. Who are making decision in child care, child education , Family expenditure and treatment of family members

Yourself Husband both of us Your parent

Parents in Law” bothers”

33. Who are making decision in overall family matters

Yourself Husband Both of us Your parent

Parents in Law” bothers”

34. Who are making decision in buying/selling property

Yourself Husband Both of us Your parent

Parents in Law” bothers”

35. Who are making decision in Pass Leisure Time

Yourself Husband Both of us Your parent

Parents in Law” bothers”

36. What type of behaviour do you experience from your family as women entrepreneurs?

Encouraging” Discouraging” Neutral”

37. What are some of the problems you face in the successful operations of your business?

Difficulty in maintaining employees”

Difficulty in managing business finances”

Friends and relatives speak ill of me”

Others”

38. In your opinion, WEDP loan has improved your social status.

Not at all Satisfied,” Partly Satisfied Satisfied,”

More than Satisfied,” Very Satisfied”

39. In your opinion, WEDP has helped my empowerment in the social sphere.
 Not at all Satisfied,” Partly Satisfied Satisfied,”
 More than Satisfied,” Very Satisfied””
40. In your opinion, WEDP loan has improved your economic status.
 Not at all Satisfied,” Partly Satisfied Satisfied,”
 More than Satisfied,” Very Satisfied””
41. In your opinion, WEDP has helped your empowerment in the economic sphere.
 Not at all Satisfied,” Partly Satisfied Satisfied,”
 More than Satisfied,” Very Satisfied
42. About overall the WEDP Program, Are you satisfied on the services of the WEDP credit?
 Yes No
43. Which best describes your experience of participating in the WEDP program?
 Very good” Good ” No Effect ” Bad ” Very Bad
 ”
44. Do you think that you would rejoin the program in the future?
 yes” Probably ” No” don't know”
45. Would you encourage a relative or friend to join this program the way it is now?
 Yes” No Don't know”