

**AVAILABILITY OF CAPITAL AND BUSINESS GROWTH
OF WOMEN ENTREPRENEURS IN SELECTED
SMALL AND MEDIUM INDUSTRIES
IN RWANDA**

A Thesis

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Master of Business Administration

By:

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DECLARATION A

"This Thesis is my original work and has not been presented for a degree or any other academic award in any university or institution of learning".

KASEMA Romain Kasema Romain
Name and Signature of Candidate

17-11-2011
Date



DECLARATION B

"We confirm that the work reported in this Thesis was carried out by the candidate under our supervision".



Gulab to Mrzamiir

Name and Signature of Supervisor

Name and Signature of Supervisor

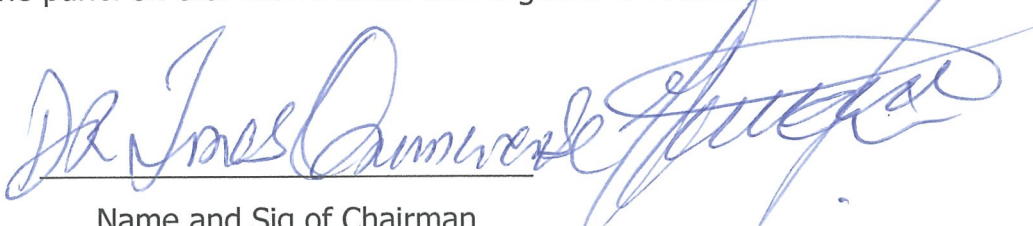
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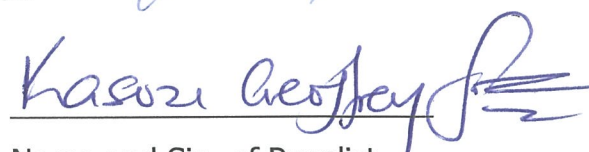
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APPROVAL SHEET

This Thesis entitled "**Availability of Capital and Business Growth of Women Entrepreneurs in Selected Small and Medium Industries in Rwanda**" prepared and submitted by KASEMA Romain in partial fulfillment of the requirements for the Degree of Master of Business Administration has been examined and approved by the panel on oral examination with a grade of PASSED.


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ABSTRACT

This study was carried out to establish the extent to which capital availability affects business growth of women entrepreneurs in selected SMIs in Rwanda. Specifically, the study wanted to establish the effect of (i) level of capital availability and (ii) level of business growth, on women entrepreneurs, (iii) the significant difference in the level of capital availability and business growth, (iv) and the relationship between capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.

The study was done by developing a conceptual framework relating to capital availability and business growth.

The study employed a descriptive correlation design and data was collected from 134 respondents using structured interviews as the key data collection instruments. Data was analyzed at uni-variate level using frequencies counts and summary statistics and Pearson Linear Correlation Coefficient at bi-variate level.

The study revealed that there was a moderate level of capital availability and there was also a moderate level of business growth of women entrepreneurs in selected SMIs in Rwanda in terms of sales, profit, market share, product quality, customer satisfaction and earnings per share. There was no significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda. But there was a significant relationship between capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.

From the above findings, appropriate conclusions and recommendations including those for further research were made. Recommendations from the study were (i) government and financial institutions should draw and implement special lending policy of loan and liberal repayment schedules for women entrepreneurs and establish a guarantee funds for women entrepreneurs. (ii) Government and women associations should conduct a financial management training program using special training approach which can effectively reach the women at their work place such as radio program.

DEDICATION

To my family: BIYINGOMA Marie Josée (wife),
KASEMA Condoleezza, KASEMA Sirleaf and
KASEMA Holy (children).

ACKNOWLEDGEMENTS

This thesis is a result of a valuable contribution of 134 women entrepreneurs who responded to the specifically designed questionnaire at the end of 2010 and beginning of 2011.

To Dr.ULEBYO MUZAMIR, who guided the work throughout the entire process of thesis compilation and writing, and for advising how to develop a useful tool for all women entrepreneurs. Without GULEBYO's valuable experience with entrepreneurship, this thesis would have been just another "book in the shelf".

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LIST OF ACRONYMS AND ABBREVIATIONS

ANOVA	: Analysis Of Variance
BDS	: Business Development Services
BSs	: Business Services
CVI	: Content Validity Index
GMP	: Good Manufacturing Practices
HACCP	: Hazard Analysis and Critical Control Point
HDS	: Health and Demographic Survey
IFC	: International Finance Corporation
MFIs	: Micro-Finance Institutions
MSME	: Micro, Small and Medium Enterprises
MSE	: Micro and Small Enterprises
MINECOFIN	: Ministry of Finance and Economy
NGO	: Non Governmental Organization
PLCC	: Pearson's Linear Correlation Coefficient
PSF	: Private Sector Federation
RDB	: Rwanda Development Board
SMI	: Small and Medium Industries
SPSS	: Statistical Package for Social Science
UNIDO	: United Nations Industrial Organization

CHAPTER ONE

THE PROBLEM AND ITS SCOPE

Background of the Study

In every region of the world, more and more women are seeking economic opportunity and self determination through enterprise creation. The growth of women's entrepreneurship is frequently cited on an anecdotal basis, and is increasingly covered and commented upon in the business media. By most accounts, looking at a variety of surveys and statistical source, it appears that between one quarter and one-third of the formal sector business worldwide are owned and operated by women; the share of informal enterprises owned by women is even greater (IFC, 2007).

Along with increased media attention on the growth of women-owned firms has come a marked increase in efforts to support the growth of women business owners and their enterprises by national public policy makers, multi-lateral organizations, and non-governmental entrepreneurial support organizations. And yet, despite this increased activity, there is a marked lack of quantitative information on the number of growth of women owned enterprises with which to inform policy making. This is coupled with a growing need for qualitative survey based attitudinal information capturing the self expressed view points, concerns, challenges and needs of women business owners (IFC, 2007).

Viewing in particular, Rwanda's private sector is largely dominated by micro, small and medium enterprises. The Private Sector Federation census (PSF, 2008) saw a total of 72,994 business operators countrywide counted of which micro enterprises comprise 92%. These are owned operators business employing four or few individuals. Small enterprises, which according to the census employ between five and 49 permanent staffs make up 7.63% of the total business operators. Medium and large enterprises, employing more than 50 or 100 staff respectively, are at 0.22% and 0.15% (PSF, 2008).

As regards to economic sector breakdown, business operators are concentrated in the commerce and services sector. This accounts for more than 93% of the business in the country. Professional services make up 1.86%, art and craft 1.66%, industry 1.33%, financial services 0.94% and tourism 0.70% (PSF, 2008).

Of recent in Rwanda, the situation of business performance has been hindered by a set of constraints. On one hand apparently, metal processing, construction and mining sectors seem to be likely experienced growth even if there is no survey conducted in these sectors to confirm the statement. On the other; currently, the PSF survey has shown that in general access to financing is still low due to several reasons: the reduced number of financial institutions, the effect of genocide which affected socio-economical status of Rwandans, and the natural aspect of the country (Rwanda is a landlocked country), etc. Let some statistics being given: only 48 percent of Rwandans have a bank account, only 69 percent of business owners have bank account of which 31 percent have access to capital for startup or when developing their business (NBR, 2009).

The above mentioned survey however did not show the level of capital availability for women entrepreneurs and the extent to which this affects the business growth in the country. To fill the identified gap; this research tries to examine the extent to which the growth potential and performance of SMIs is associated with capital availability.

Statement of the Problem

In Rwanda, female entrepreneurs constitute a tiny minority in formal entrepreneurship in that entrepreneurship is not “a bed of roses” to women; their task has become more tedious and full of challenges since they have to encounter criticism (PSF, 2008). While women are active in micro, small and medium enterprises, they face particular problems and challenges in developing their businesses, particularly access to finance. In addition to those problems faced by all entrepreneurs, it is commonly asserted that women frequently face

gender bias in socio-economic environment in which they operate (Mayoux, 2001).

Access to financial services in Rwanda is low: 52 percent of the population have no access to any kind of financial services and only 21 percent have access to formal services. This is due to limited demand and constrained supply. On the demand side, knowledge of how financial services work and their benefits is low. On the supply side, underdeveloped payment system, poor risk sharing mechanisms, poor linkages between institutions, high level of government interventions and a lack of product innovation constrain access to financial services (MINECOFIN, 2009).

In the light of the above environment, the *prevailing problem* which this study intends to investigate is that the number of women entrepreneurs continues to increase, however those in small and medium industries do not progress worthily. Every day, and in every part of Rwanda, people open new business. For example; recently in 2010, 309 new businesses opened their doors, but at the same time 181 businesses closed their business (RDB, 201). Then, Researcher believes that the failure to growth in business of most of them is the effect of lack of capital. It was so necessary to examine the level of availability of capital and the extent to which this affect the business growth of women entrepreneurs in selected SMIs in Rwanda.

Purpose of the Study

This study was to explore the various dimensions of capital availability, business growth of women entrepreneurs, the cause and effect relationship of the two variables, to test hypothesis of no significant difference in the level of capital availability and business growth, to test hypothesis of no significant relationship between capital availability and business growth of women entrepreneurs, to bridge the gaps of previous studies and to validate existing information on the theory to which this study is based.

Research Objectives

General: this study is to determine the relationship between capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.

Specific: this study was meant to achieve the following objectives:

1. To determine the profile of Rwandan women entrepreneurs in terms of age, marital status, education level, number of children, and business experience.
2. To determine the level of capital availability in the selected SMIs in Rwanda.
3. To determine the level of business growth of women entrepreneurs in the selected SMIs under study.
4. To establish whether there is a significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.
5. To establish whether there is a significant relationship between the capital availability and business growth of women entrepreneurs in selected SMIs.

Research Questions

1. What is the profile of Rwandan women entrepreneurs in terms of age, marital status, education level, number of children, and business experience?
2. What is the level of capital availability for women entrepreneurs in the selected SMIs in Rwanda?
3. What is the level of business growth of women entrepreneurs in the selected SMIs under study?
4. Is there a significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda?
5. Is there a significant relationship between capital availability and business growth of women entrepreneurs in selected SMIs?

Null Hypotheses

1. There is no significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.
2. There is no significant relationship between capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.

Scope

Geographical scope, the proposed study was carried out in the five provinces of Rwanda including Kigali city, Northern Province, Southern Province, Eastern Province and Western Province.

Theoretical scope, the study was specifically based on the “entrepreneurial process theory” developed by Reynolds (2000). The study also embraced theories from several disciplines such as “capital flows” developed by Michalowski (2008).

Content scope, the study focused on how the capital availability affects business growth of women entrepreneurs in selected SMIs. The respondents in the research were women entrepreneurs operating in the three dominated women activities such as food processing and beverage, textile and handicraft making a total of 134 SMIs.

Time scope, the study focused on business growth during the last five years, from 2006 to 2010. Since the researcher was interested in business growth, only women who had been in business for at least five years were included.

Significance of the Study

This study will be beneficial to women entrepreneurs and their partners such as financial institutions, women associations, government and NGOs assisting women.

The findings of this study will benefit *women entrepreneurs* in that they will recognize the level of capital availability, the extent to which this affect their

business growth and how capital can be available by capitalizing the recommendations drawn from this study.

The *partners* have a role to play in the business growth of women entrepreneurs, thus the results survey will be used to improve upon policies, practices and training needed in Rwanda's entrepreneurship. Therefore the study is not a true gender analysis; however is a very useful by-product of a larger national capacity building initiative to better serve the needs of women business owners, and to better advocate for their interests.

This research will stimulate interest of *future researchers* to embark on empirical studies on large women firms' growth.

Operational Definition of Key Terms

For the purpose of this research, the following terms are defined as they are used in the study:

Profile refers to the characteristics of the respondents which are: age, marital status, education level, number of children, and business experience.

Industry refers to unit that transforms input (raw materials) into output (finished products) for the purpose of sale.

Small scale industry refers to a firm having between five and 49 employees and **Medium scale industry** refers to a firm that has less than 100 employees.

Capital availability refers to the accessibility to line of credit, bank loan, overdraft facilities, trade credit, leasing and hire-purchase, factoring and insurance facilities from financial institutions and any other providers of capital.

Business growth refers to how the business scores on the different dimensions such as sales, market share, profits, quality products, sustained growth, consumer satisfaction and owner(s) satisfaction.

Women entrepreneurs are those who started and owned a business alone or in association.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Concepts, Opinions, Ideas from Authors/Experts

Capital availability

In this study, capital availability is conceptualized to be referring to access to financial services including access to trade credit, line of credit, access to bank loan, overdraft facilities, leasing and hire-purchase, factoring and insurance facilities from financial institutions and any other providers of capital.

Trade credit is the practice of buying goods or service now and paying them later (Nickels et al, 2002).

Line of credit refers to a relatively informal, nonbinding agreement between the bank and the borrowing firm that specifies the maximum amount that can be borrowed during a particular period, usually a year (William et al., 2000). According to Paul, 2002), line of credit is a loan to draw on as needed rather than a loan of single lump sum.

Bank loan is an agreement by which bank provides money for a period of one up to five years (and occasionally more) to borrower in counterpart of future periodic repayment with interest (William et al., 2000).

Leasing refers to a contractual agreement between a lessee and lesser. This agreement establish that the lessee has the right to use an asset and in return must make periodic payments to the lesser, the owner of the asset. From the lessee's satisfaction, long term leasing is similar to buying the equipment with a secured loan. The term of the lease contract are compared to what a banker might arrange with a secured loan. Thus, long term leasing is a form of financing (Ross et al, 2002).

Factoring refers to the process of selling accounts receivable for cash (Nickels et al. 2002)

Jeffrey (2000), talking about source of capital, argues that, the principal source of borrowed capital for new and young business are trade credit, commercial banks, finance companies, factors, and leasing companies. Admittedly, startups have more difficulty borrowing money than existing businesses. Nevertheless, startup managed by an entrepreneur with a track record and with significant equity in the business who can present a sound equity or collateral exists; the startup will not have much success with banks.

The availability of such debt depends in part on where the business is located. Debts and leases as well as equity capital are more available to startup companies in such hotbeds of entrepreneurial activity (Jeffrey, 2000).

Michalowski (2008), talking about "capital flows" demonstrates that in emerging economies, the absence of a supportive institutional framework hampers the access to finance and thus the possibility of entry. Some of entrepreneurs are not able to keep good records and separate the money from their businesses from that of their families. Poor records keeping skills in turn have a negative impact on the ability of entrepreneurs to get access to formal financial schemes. Some start up enterprises are hampered by limited access to fixed capital to purchase machinery and set-up their production facility. Some existing entrepreneurs are constrained by limited working capital to by raw materials and invest in storage facilities, means of transportation and expansion of the business (e.g. large space for operation, new machinery, more employees, etc.).

Business Growth

According to Pride et al. (2005), growth seems to be a basic characteristic of business, at least for firm that can obtain the capital needed to finance growth. One reason for seeking growth is to do with profit: a larger firm generally has greater sales revenue and thus greater profit. Another reason is

that in growth economy, business that does not grow is actually shirking relative to the economy. A third reason is that business growth is a mean by which some executives boost their power, prestige and reputation. Growth poses new problem and requires additional resources that first must be available and then must be used effectively. The main ingredient in growth is capital. Thus to great extent, business growth means corporate growth.

A study by Michael (1993) argues that the start of the business growth cycle occurs with a very simple equation that describes the coming together of demand and supply. The greater the demand and the weaker the supply the faster the business growth develops, similar to the simple equation to calculate force which Newton describes in his second law, $\text{Force} = \text{Mass} \times \text{Acceleration}$ or $F=ma$. Factors underlying growth in business are various and multiple, let some being given: increased sales, increased profit, increased investment, increased number of employees, quality of employment, increased market share, consumer satisfaction, premises used, etc. There are however other factors that will impact the trajectory of growth in your business which come from shifts in the market that alter what is now deemed in demand and ultimately where supply will come from.

From the view of Stephen et al. (1998), growth is the convenient mean of summarizing various aspects of a firm's financial and investment policies.

Ericson (2007) refers to business growth as the output or results of an organization as measured against its intended output (or goals and objectives). In this study, business growth refers to how the organization scores on the different dimensions such as sales, market share, profits, quality products, sustained growth, consumer satisfaction and owner(s) satisfaction.

A **sale** is the exchange of goods or services for an amount of money or its equivalent; sales are the lifeblood of a business as it is what helps it to pay employees, cover operating expenses, buy more inventory, market new products and attract more investors. Sales forecasting is a crucial part of the final planning

of a business; self-assessment tool uses past and current sales statistics to intelligently predict future performance (Emerson, 2009)

Market share is market's total sales that are earned by a particular company in relation to other players in the market over a specified time period. Market share is calculated by taking the company's sale over the period and dividing it by the total sales of the industry over the same period. This metric is used to give a general view of the size of a company to its market and its competitors and increasing market share is one of the most important objectives of a business because the market share increase can allow a company to achieve greater scale in its operations and improve profitability, as such companies are always looking to expand their share of market, in addition to trying to grow the size of the total market by appealing to larger demographics, lowering prices, or through advertising (Mansila, 2001).

Profits are the financial returns or rewards the business owners aim to achieve to reflect the risk that they take and given that most entrepreneurs invest in order to make a return, profit earned by a business can be used to measure the success of that investment (Donaldson, 2007). Profit is also an important signal to other providers of finance to a business for instance banks, suppliers and other lenders are more likely to provide finance to a business that can demonstrate that it makes a profit (or is very likely to do so in the near future) and that it can pay debts as they fall due. Further profit is also an important source of finance for business as the profits earned which are kept in the business (i.e. Not distributed to the owners via dividends or other payments) are known as retained profits (Smith, 1868-1869).

Quality product is the ability of a product to meet consumer requirements in terms of benefits offered, while total quality control is a measure used in case where sales decrease despite implementation of statistical quality control techniques or quality improvements. If the original specification does not reflect the correct quality requirements, quantity cannot be inspected or manufactured into the product. For instance, the parameters for a pressure

vessel should include not only the material and dimensions, but also operating, environmental, safety, reliability and maintainability requirements (Webber and Wallace, 2006).

Consumer satisfaction is measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined s the number of customers, or percentage of total customers, who reported experience with a firm, its products, or its services (ratings), exceeds specified satisfaction goals or the extent to which consumers are happy with the products or services provided by a business. Consumer satisfaction is an important concept in business, because happy customers are those most likely to place repeat orders and explore the full range of services offered and as such consumer satisfaction has increasingly become a key element of business strategy (Purohit, 2004)

Owner(s) satisfaction is regarded as one of the ultimate goals of business which includes earnings per share, ordinary dividends per share, dividend cover, and return on equity among others (Block, 2004).

Theoretical Perspectives

This study is based on "entrepreneurial process theory" developed by Reynolds (2000). This theory argues that, the entrepreneurial process has four stages, with three transitions.

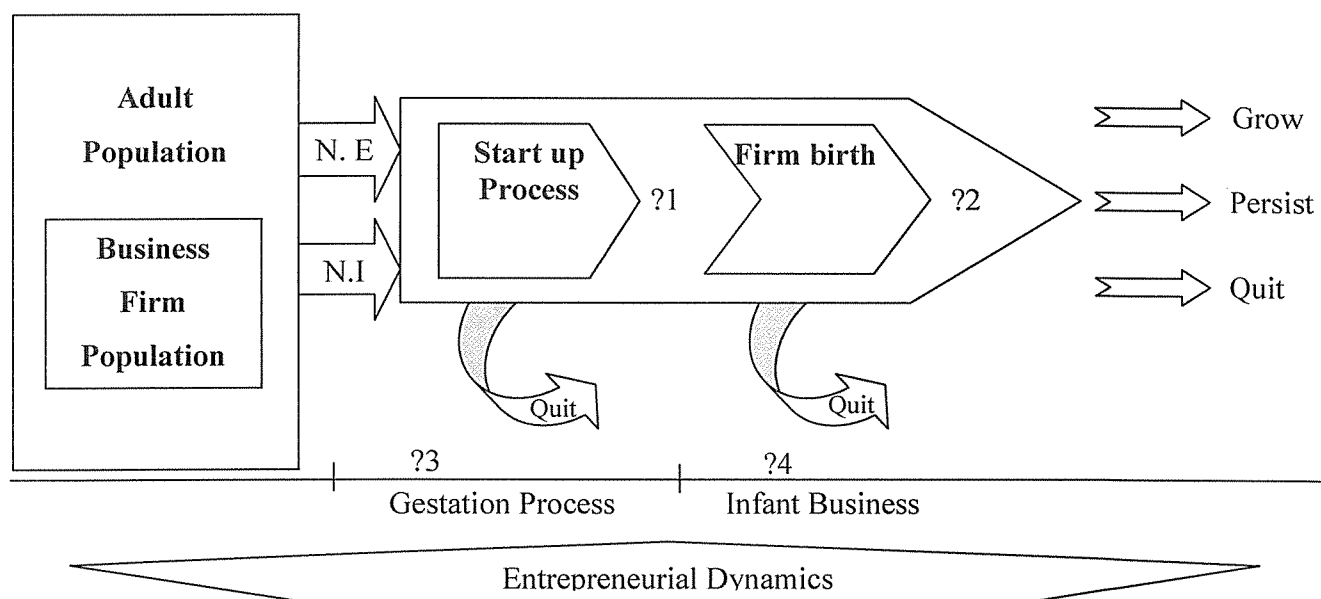
The first transition takes place when an individual decides to pursue business start up. If it is an independent startup, he/she is called a nascent entrepreneur (NE). If the startup initiative is sponsored by an existing firm, the individual is considered as a nascent intrapreneur (NI). This may be called the firm gestation process. The second transition occurs when the gestation process is complete, firm birth has occurred and an operating infant business is in place. Many in the startup phase, however now abandon the effort.

The third transition is the passage from an infant business into adolescence. Survival becomes more certain and is not a constant challenge

anymore. Some businesses will follow a growth trajectory others pursue to be persistent, stable survivors and others again, may not manage to survive and quit. At each phase, the availability of capital is required. At startup process, entrepreneur needs enough capital for machinery and equipment and sometimes working capital. At infant business and adolescence, there is also a need of capital for working capital or yet for expansion.

The entrepreneurial process theory's assumption is that the lack of capital may fore entrepreneur to quit or to persist but the availability of capital could be able to help entrepreneur growing up smoothly (Reynolds, 2000).

Fig 1: Entrepreneurship Process Theory



Source: Adapted from Reynolds, 2000, p.159

Related Studies

Several studies have discussed business growth in different context as a result of availability of capital and from different points of orientation

A study by Richardson, Howarth and Finnegan (2004) on women entrepreneurs in Africa reveals that many women entrepreneurs in Africa feel they lack abilities, skills and expertise in certain business matters. Many of the

issues mentioned appear to relate to women's relative lack of exposure to the world of business. In addition to this lack of exposure, women entrepreneurs have limited access to finance. This in turn impacts on a range of factors that adversely affect the women entrepreneurs at all levels more exactly on their growth. It is grounded in women's gendered experiences of education and work and, due to the demands of their reproductive and household roles, their lack of key dedicated "time" to be able to explore and nurture their own resources. Their access to the financial services and experiences for business is also adversely affected by various constraints on their mobility, often due to their dual (household) and triple (community) roles and responsibilities.

Empirical evidence suggests that retained earnings are the predominant source of financing among growing SMEs (GSMEs) (Baldwin et al., 1994). However, more successful GSMEs use more external sources of financing, such as financial institutions, venture capitalists and individual investors, than do less successful firms.

Debt is by far the predominant source of external financing among small firms, even though there are barriers associated with debt financing for small firms. Personal and corporate guarantees required in order to obtain financing from banks and the higher interest rates charged to smaller firms (CFIB, 2001) are the most common barriers to small business debt financing.

With regards to equity financing, empirical evidence suggests that there are two principal reasons for the low incidence of external equity in small firm financing. Small business owners are reluctant to use external equity financing, because they do not want to lose control of their firms, even if that comes at the expense of the growth of the firm (Equinox, 2000). Investors, on the other hand, lament the lack of entrepreneurs' (Dalkin et al., 1993). In his paper, Gasse (1988) therefore, uses the source of financial capital as an indicator of the owner's willingness to grow, his "fund raising ingenuity" and his capacity to manage growth. Another reason why the type of financing sought can contribute to firm growth involves the substantial differences in not only financial but also

human capital invested by banks, informal investors and venture capitalists respectively. Therefore, the source of financing is also an indicator of financial capital as well as of human capital (other than that embodied in the owner-manager) available to the firm and is expected to have an impact on the growth performance of the business (Baldwin, 1994, 1995).

In his study, Tezer (2004) has shown that in many societies women do not enjoy the same opportunities as men. Their growth is constrained by access to finance and financial services. This constraint is exacerbated by their low level of education to deal with trade and financial flows (Tezer, 2004).

In Kenya, women entrepreneurs see the establishment of a productive business as a mean to improve their status in society as well as their family's standard of living and to serve their community by creating employment opportunities. However, due to a lack of technical skills, access to finance, and the willingness to take risks, women are often unable to establish and sustain successful businesses (UNIDO, 2003).

In a study by Thomas et al. (2004), the highest factor limiting growth of Ugandan entrepreneurs is the limited access to capital. According to this report, Ugandan entrepreneurs have limited access to financial services and this affects negatively their business growth. This was also highlighted in a study by UNIDO (2003) which shows that women entrepreneurs in rural areas suffer from a lack of training and advisory services that would allow them to upgrade their managerial and technical skills and solve immediate production problems, thus improving productivity and increasing profitability. In Uganda, where more than 70 percent of enterprises employ less than 20 people, micro- and small enterprises play an important role in the economic and social life of the majority of citizens. However, the growth and the competitiveness of this sector are hampered by a lack of financial service, managerial and technical skills, weak infrastructure, difficulties in accessing loans, and complicated company registration processes.

A study by IFC (2007) on women entrepreneurs in Middle East and North Africa reveals that women entrepreneurs face a series of constraints when it comes to setting up or expanding a business. The findings point out that one of the severe obstacles women are faced is access to finance that impact on their financial performance and lead to low productivity (IFC, 2007).

CHAPTER THREE

METHODOLOGY

Research Design

This research can be categorized as a descriptive correlation. The study was a descriptive survey since it involved a large size sample, descriptive in that data collected was used to describe a phenomenon; co relational in that it was interested in relating capital availability to business growth of women entrepreneurs and pertinent data was collected from the respondents that reduced on time and costs involved on such a large population. Comparative in that the study determined whether there is a significant difference in the level of capital availability and business growth in selected SMIs in Rwanda. The study followed a quantitative approach in that it was based on variables measured with numbers and analyzed using statistical procedures (Creswell, 2003, Kumar, 2005, Mantri, 2008).

Research Population

The target population of this study included a total of 201 women who own – in whole or in part a business in the formal sector of the economy. Since we were interested in business growth, only women who had been in business for at least five years were included. This because those who have not been in business for that long are unlikely to have had enough experience in trying to develop their business.

Table 1:
Respondents of the Study

Sector of activity	N° of SMIs	Target Population	Sample Size
Food & Beverage Processing	199	76	51
Handicraft	141	99	66
Textile	65	26	17
Total	405	201	134

Source: Author's calculations

Sample Size

The idea of sampling was to select representative elements from the total population of registered SMIs in Rwanda which in this case is 405. The target population comprised of 201 women entrepreneurs in selected SMIs from which a sample of 134 was selected using Sloven's formula ($n = N / 1 + N(e^2)$). Where n = the required sample size; N = the known population size, and e = the level of significance which is 0.05.

Sampling Procedures

The target population of 201 (which included 76 from food processing and beverage, 99 from handicraft and 26 from textile) respondents being large, a sample of 134 was selected, a cluster random sampling was used to reduce costs, and save time of doing research and to increase the degree of accuracy of the study (Saunders et al. 2000).

Regarding sample size, the sampling frames (business owners) in the selected SMIs were grouped according to their sector of activity. Then, the proportionate systematic random samples were chosen from the respective cluster sampling frames or list (Creswell, 2003).

Research Instruments

There were three sets of questionnaires directed towards women entrepreneurs in selected SMIs; one was respondents profile; another was on level of capital availability and other on growth. The questionnaire also consisted of the main title and introduction letter, with a section of five bio-data questions, assisted in classifying respondents.

The questionnaire on capital availability (independent variable) consisted of 12 questions corresponding to the dimensions of capital availability. All questions in this section were closed ended, based on four Likert scale, ranging from one to four; where 1 = Strongly disagree, 2 = Disagree, 3 = Agree, and 4 = Strongly agree.

The questionnaire on business growth (dependent variable) consisted of 18 questions divided in 6 sub sections respectively distributed as follows; 3 questions on increased sales, items 1-3; 3 questions on increased profit, items 4-6; 3 questions on increased market share, items 10-12; 3 questions on customer satisfaction, items 13-15 and 3 questions on increased product quality items 16-18. All questions in this section were closed ended based on four Likert scale, ranging from one to four; where 1=Strongly disagree, 2= Disagree, 3= Agree, 4= Strongly agree.

Data Collection Methods

The researcher used secondary and primary data collection approaches. Secondary data was got from reviewing text books, journals, articles, manual, periodical, dissertation and internet source.

Primary data was got from structured interviews as the data collection instruments since almost all respondents are illiterate.

Validity and Reliability

The researcher tested the validity and reliability on capital availability and business growth which were non standardized; where content validity was done by ensuring those items in the questionnaire conformed to the study's conceptualization. Supervisor and other senior staff in KIU who are expert in the field of study evaluated the relevance, wording and clarity of questions and items in the instruments.

For the instrument to be accepted as valid, the average index should be 0.7 or above. Using the formula $CVI = \frac{\text{Items rated relevant (or valid)}}{\text{Total items to be judged}}$

Table 2:
Content Validity Index

	Relevant Items	No relevant Items	Total
Rater 1	27	3	30
Rater 2	28	2	30
Total	55	5	60

Author's calculations

In this case, the CVI of $55/60 = 0.9$ lead to the conclusion that the instrument was accepted as valid because this average index 0.9 is greater than 0.7.

The test-retest technique was used to determine the reliability (accuracy) of the researcher devised instruments to six qualified respondents. These respondents did not participate in the actual study. In this test-retest technique, the questionnaires were administrated twice to the same subjects and the scores obtained on test were close to the same after retest.

Data Gathering Procedures

A. Before the administration of the questionnaire

The researcher requested for an introduction letter from the School of Post Graduate Studies and Research addressed to women understudy for the researcher to be permitted to conduct the study.

The researcher assistants who assisted in the data collection were selected and oriented in order to be consistent in administering the questionnaire.

The researcher and researcher assistants translated the questionnaire in local language since respondents are not able to understand and answer in English.

B. During the administration of the questionnaire

The researcher and researcher assistants used face to face approach in administering the questionnaire due to the fact that almost all respondents are illiterate.

The researcher and researcher assistants explained the respondents about the study and requested them to sign the informed consent form.

Careful checking was done to ensure that all questions are answered.

C. After the administration of the questionnaire

The data gathered were organized, collated, encoded and summarized into the computer and statistically treated using the Statistical Package for Social Science (SPSS).

Data Analysis

The frequency and percentage distribution was used to determine the profile of the respondents.

The mean and standard deviations was applied to compute the levels of capital availability and business growth. An items analysis based on the mean scores and rank reflected the strengths and weakness of the respondents in terms of capital availability and business growth.

To interpret the obtained data, the following numerical values and description were used:

A. For the level of capital availability

Mean Range	Response Mode	Interpretation
3.26-4.00	Strongly agree	Very high
2.51-3.25	Agree	High
1.76-2.50	Disagree	Moderate
1.00-1.75	Strongly disagree	Low

B. For the level of business growth

Mean Range	Response Mode	Interpretation
3.26-4.00	Strongly agree	Very high
2.51-3.25	Agree	High
1.76-2.50	Disagree	Moderate
1.00-1.75	Strongly disagree	Low

The F-test for difference in means was used to test the hypothesis for difference between means (Ho#1) at 0.05 level of significance.

A Simple-correlation coefficient to test the hypothesis on correlation (Ho#2) at 0.05 level of significance using a T-test was employed. The regression analysis R^2 (coefficient of determination) was computed to determine the influence of the Capital Availability (independent variable) on the Business Growth (dependent variable).

Ethical Considerations

To ensure confidentiality of the information provided by the respondents and to ascertain the practice of ethics in this study, the following activities were implemented by the researcher:

1. All questionnaires were coded to provide anonymity of the respondents
2. The respondents were requested to sign in the informed consent form
3. Authors quoted in this study were acknowledged through citations and referencing
4. Presentation of findings was generalized.

Limitations of the Study

The proposed, like any research, is subjected to limitations and threats to the reliability and validity. In view of the following threats to validity, the researcher claimed an allowance of 5% margin of error at 0.05 level of significance. Measures are also indicated in order to minimize if not to eradicate the threats to the validity of the findings of this study.

1. *Extraneous variables*; the researcher did have control over the extraneous variables such as respondent's honesty, personal biases and descriptive nature of the design. For untruthfulness where some of the respondents were expected not to say the truth, the researcher probed the respondents further to establish the truth when it deemed necessary.

2. *Instrumentation*, the research instruments on capital availability and business growth are not standardized. Therefore, a validity and reliability test was done to produce a credible measurement of the research variables.
3. *Testing*: differences in conditions and times when the data was obtained from respondents by different persons on different days at different hours. This was minimized by orienting and briefing the researcher assistants on the procedures in data collection.
4. *Mortality*: Not all respondents were available in planned schedule due to some circumstances such as travels, sickness, etc. In anticipation to this; the researcher and researcher assistants reserved more days by exceeding the minimum days required for data collection.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

Profile of the Respondents

In order to put the results of the study in perspective, the profile of the women entrepreneurs and their businesses is presented by age, marital status, level of education, number of children and business experience. In each case, respondents were asked through closed ended questions, to provide their respective profile information, to enable the researcher classifying and compare them accordingly. Their responses were analyzed using frequencies and percentages distributions as summarized in Table 3 below.

Table 3:
Profile of Respondents

Age group	Frequency	Percentage
20 to 39 (Early Adult Hood)	75	55.9
40 to 59 (middle Adult Hood)	53	39.5
60 and Over (Later Adult Hood)	5	3.7
Total	134	100
Marital Status		
Married	94	70.1
Single	9	6.7
Separated	0	0
Divorced	0	0
Widowed	31	23.1
Total	134	100
Level of Education		
Never attended school	49	36.5
Primary education	52	38.8
"O" Level	12	8.9
"A" Level	18	13.4
Diploma/ Degree	3	1.5
Total	134	100
Number of Children		
None	6	4.4
1 to 3	50	37.3
4 to 6	60	44.7
6 and Over	18	13.4
Total	134	100
Business experience		
Student	5	3.7
Housewife	105	78.3
Employed in another business	9	6.7
Employed in Public sector	15	11.2
Total	134	100

Source: Primary data

In terms of *age*, the survey findings indicate that the majority (55.9 percent) are in the group of 20 – 39, showing that most of the women interviewed are potentially of an age where they are economically active and also likely to be involved in undertaking family care responsibilities as wives, mothers and daughters. The predominance of women entrepreneurs in the age group 20 to 39 could be due to a number of things: lack of alternative employment opportunities in the formal employment sectors; the need to generate income

either as the primary earner for the household or in a supplementary role, or simply the wish to own business.

Concerning ***Marital Status*** previous studies in Uganda have shown that the majority of women business owners are or have been married (Ishengoma, 2008), this was also the case for this study, with exactly 70.1 percent of the women under study falling into this category. Single women make up 6.7 percent while widowed women make up 23.1 percent. The number of widowed women in the sample may be as a result of the genocide perpetrated against Tutsi in 1994. The findings are consistent with recent survey (MINECOFIN, 2005) which reveals that the number of widowed in Rwanda is about 7 percent.

Regarding the ***Level of Education*** previous studies show that generally, women entrepreneurs have low levels of education. In 2008, PSF conducted a business operator's survey which revealed that over 79.8 percent of businesses in Rwanda are manned by illiterate and semi illiterate people- majority are primarily level dropouts. This is also the case for the current study. One of the reasons why these results are consistent with the previous ones is that, since a time Rwandan government has promoted women in public sector. Thus, all women who have an A- Level or yet a Diploma/ Degree want to appear as in local and central governments or at high level of public administration leaving then business sector which according to their confidence is dedicated to less educated and illiterate women. These findings are also consistent with those of Tanzania which reveal that women entrepreneurs have low level of education (ILO, 2003) but inconsistent with those of Ethiopian women entrepreneurs which reveal that women entrepreneurs have a considerable level of education (Zewde & Associates, 2003).

With regards to ***Number of Children*** women are said to be constrained partly by their reproductive roles, including taking care of children. A large majority (95.5 percent) of the women in the sample had children; most of them (58.1 percent) had more than three children. A comparison of the number of children by province reveals that out of the 15 percent who have more than six

children, most of them (66.6 percent), come from rural areas. These results are consistent with MINECOFIN's survey (HDS, 2005) about the fertility rate of women in Rwanda which is 6.1 children and that women in rural areas have a highest fertility rate than those in Kigali city; this is also applicable to women entrepreneurs under study.

With reference to ***work Experience*** before starting their current businesses, most (82 percent) of the women entrepreneurs surveyed were housewives, about 5 percent were running other businesses, while 10 percent came straightly from public sector. Most of the women (85 percent) had not either previous employment experience or experience in running another business before starting the current one.

In summary, the sample of women interviewed in this study are typical of the women entrepreneurs described in other literature. They are characterized by low level of education and are married as those in Uganda and Tanzania.

Description of the level of capital availability

The second objective in this study was to determine the level of capital availability, for which respondents were required to indicate the extent to which they agree with each of the items or statements by ticking the number that best describes their perceptions. As described in chapter 3, 12 items in the survey required the respondents to indicate the level of capital availability. The respondents rated their responses according to a Likert-type scale (ranging from 1 to 4). The range of the answers were 1 = Strongly Disagree; 2= Disagree; 3= Agree and 4= Strongly Agree.

The items' mean fell between 2.20 (Moderate) and 2.58 (High). The statistics for the 12 items scale had a mean of 2.38 corresponding to Moderate level. A low score on the item indicates moderate level and a high score indicates high level of capital availability as shown in Table 4.

Table 4:
Level of Capital Availability (Items analysis, n=134)

Items	Mean	SD*	Interpretation	Rank
The firm has access to overdraft facilities	2.22	0.978	Moderate	2
The firm has access to line of credit	2.32	1.008	Moderate	2
The firm does benefit financial management training	2.57	1.021	High	3
The firm does benefit Business Development Services	2.58	1.049	High	3
The firm has access to bank loans	2.47	0.947	Moderate	2
The firm has access to trade credit	2.43	1.086	Moderate	2
The firm does use leasing or hire-purchase	2.28	1.066	Moderate	2
The firm does use factoring system	2.2	1.122	Moderate	2
The firm has enough collateral required to access bank loan	2.39	0.95	Moderate	2
The application procedures are affordable to access bank loan	2.35	0.948	Moderate	2
The interest rates are affordable for the company to access bank loan	2.25	1.045	Moderate	2
The loan terms are affordable for the company to solicit bank loan.	2.53	1.121	High	3
Average Mean Index	2.38		Moderate	

Source: Primary Data 2011: Descriptive data of the items in the scales; Likert type response categories: 1= Strongly disagree, 2= Agree, 3=Disagree, 4= Strongly Agree.

* Standard Deviation.

The results are a mirror image of the factors inhibiting growth of women in selected SMIs in Rwanda. All items on capital availability related to women entrepreneurs in selected SMIs in Rwanda were rated as Moderate level. On average, a mean of 2.38 shows that the level of capital availability for women entrepreneurs is **Moderate**.

Comparison by type of indicators, women entrepreneurs interviewed have access to financial management skills (2.57), access to business services (2.58) and consider that loan terms are affordable (2.58) corresponding to high level.

Description of the level of Business growth

The third objective in this study was to determine the level of business growth, for which respondents were required to indicate the extent to which they agree with each of the items or statements by ticking the number that best describes their perceptions. A total of 18 items summarized in six sub group which are increased in sales, increased in profit, increased in market share,

increased in product quality, increased in customer satisfaction, increased in earning per share of owners were reported.

The research question contained 18 items and respondents rated their responses on a four item scale: 1= Strongly Disagree; 2= Disagree; 3= Agree and 4= strongly Agree. The items' mean fell between 1.74 (low) and 2.50 (high). The statistic for the 18 items scale had a mean of 2.22 corresponding to moderate level. A low score on the item indicates moderate level and a high score indicates high level of business growth.

Table 5:
Level of Business Growth (Items analysis; n= 134)

Items	Mean	SD*	Interpretation	Rank
The approximate value of annual sales in this business increased when started and now.	2.2	1.097	Moderate	2
The approximate value of annual sales are high compared to other players in the market	2.39	1.069	Moderate	2
Sales in this business meet the enterprise's expectation	2.13	1.017	Moderate	2
Average Mean Sales	2.24			
The approximate value of Profit in this business increased when started and now	2.26	0.965	Moderate	2
The profit satisfy the enterprise's expectation	2.23	1.061	Moderate	2
The profit in your business are as good as the best player in the market	2.27	1.051	Moderate	2
Average Mean Profit	2.25			
The market share of this business is increased compared to other players in the sector	2.34	1.202	Moderate	2
The firm faces little or no challenge to maintain	2.09	1.188	Moderate	2
The market share of this business is as big as the enterprise expects.	1.75	1.862	Low	1
Average Mean Market share	2.06			
The firm offers products that are reliable to his customer	2.62	1.144	High	3
The firm provides products that are accessible to consumer whenever needed	2.17	1.134	Moderate	2
The firm delivers its products on time without delay	2.48	1.074	Moderate	2
Average Mean Product quality	2.42			
The firm gives consumers value for their money	2.51	1.101	High	3
The firm keeps consumers informed about changes	2.28	1.044	Moderate	2
The firm usually applies services after sales	2.3	0.869	Moderate	2
Average Mean Customer satisfaction	2.36			
The approximate values of earnings per share in this business increased when started and now	2.34	1.019	Moderate	2
The firm keeps shareholders informed of latest development in the enterprise.	1.74	1.023	Low	1
The firm gives earnings per shareholder on time	2	1.079	Moderate	2
Average Mean Earnings per share	2.02			
Average Mean	2.22		Moderate	

Source: Primary Data 2011: Descriptive data of the items in the scales; Likert type response categories: 1=

Strongly disagree, 2= Disagree; 3= Agree and 4= Strongly agree. * Standard Deviation.

Table 6 results indicate that the level of business growth is **Moderate** in selected SMIs in Rwanda. All the 6 types of growth namely sales, profit, market share, quality of product, customer satisfaction and earning per share were rated or perceived by respondents. This could be the results of low level of capital availability for women entrepreneurs in selected SMIs in Rwanda.

Comparison by indicator reveals that, there is a relative growth in "availability of products" which has shown a mean of 2.62 corresponding to high. On the other hand "shareholders are not informed of the last development of the company (mean1.74) corresponding to low as well as market's expectation (mean 1.75).

It is also important to note that even if at least all respondents do not enjoy growth, the level of growth varies sector by sector.

Difference in the Level of Capital Availability and Business Growth of Women Entrepreneurs in Selected SMIs in Rwanda.

The fourth objective in this study was to determine whether there is a significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda, for which it was hypothesized that the mean perceptions of respondents from the different SMIs in Rwanda do not significantly differ. To test this hypothesis, the researcher compared the mean perceptions computed in table 4 and 5 for respondents from all the three sectors of activity involved in this study, using Fisher's one way analysis of variance (ANOVA), results of which are indicated in Table 6.

Table 6

Difference in the level of Capital Availability and Business Growth of Women Entrepreneurs in selected SMIs in Rwanda.

Variables compared	Computed F- Value	Sig	Interpretation	Decision
Capital availability Vs Business Growth	.943	.309	No Significant Difference	Accept Null Hypothesis

Source: Primary data 2011.

One way ANOVA results in Table 6 indicate that there is no significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda ($F = .943$; $Sig. = .309$). Basing on these results, the Null hypothesis is accepted, leading to a conclusion that Capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda did not significantly differ.

Relationship between the level of Capital Availability and Business Growth of Women Entrepreneurs in Selected SMIs in Rwanda.

The fifth objective in this study was to determine whether there is a significant relationship between the level of capital availability and level of business growth of women entrepreneurs in selected SMIs in Rwanda, for which it was hypothesized that the mean perceptions of respondents regarding the level of capital availability and business growth do not significantly relate.

To test this hypothesis, the researcher correlate the mean perceptions computed in tables 4 and table 5 for respondents from all women entrepreneurs in this study, using Pearson's Linear Correlation Coefficient (PLCC), results of which are indicated in Table 7 below.

Table 7:
Correlation Between Capital Availability and Business Growth of Women Entrepreneurs in Selected SMIs in Rwanda. (Sig = .05)

Variables correlated	Computed r- Value	Sig	Interpretation	Decision
Capital Availability Vs Business Growth	.992	.000	Significant Relationship	Reject Null Hypothesis

Source: Primary data 2011.

Pearson's Linear Correlation Coefficient results in Table 7 show that there is a relationship between capital availability and Business Growth of women entrepreneurs in selected SMIS in Rwanda. This relationship is significant to mean that, the capital availability affects negatively the business growth of women entrepreneurs in selected SMIs in Rwanda.

To get a general picture on the overall relationship between all the 12 dimensions of capital availability and the 18 dimensions of business growth, two mean indices were computed for capital availability and business growth, after which the two indices were linearly regressed, as per results in Table 8 below.

Table 8 :
Regression Analysis of Capital Availability and Business Growth

Variables Regressed	Adjusted r^2	F-Value	Sig.	Interpretation	Decision on Ho
Capital Availability Vs Business Growth	0.616	1.384	.000	Significant Effect	Rejected

Source: Primary data 2011.

According to the regression analysis results in Table 8, the variables included in the model account for over 62 percent variations in dependent variable, indicated by a high adjusted r-square of .616. Results further suggest that the independent variables included in the model significantly influences changes in the dependent variable (Business growth) ($F= 1.384$, Sig. = .000). These results lead to a conclusion that capital availability explains the moderate level of business growth of women entrepreneurs in selected SMIs in Rwanda.

CHAPTER FIVE

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

FINDINGS

The underlying objective of this study was to determine the profile of respondents in terms of age, level of education, marital status and business experience, to determine the level of capital availability, to determine the level of business growth, to establish whether there is a significant difference in the level of capital availability and business growth and to establish whether there is a significant relationship between capital availability and business growth in selected SMIs in Rwanda.

Data was analyzed using SPSS's descriptive statistics for mean and showed that; (i) the level of capital availability (mean 2.38); level of business growth in terms of increased sales, increased profits, increased market share, increased customer satisfaction and increased earnings per share (mean 2.22); (iii) whether there is a significant difference in the level of capital availability and business growth ($F=.943$; Sig. .309), and (iv) whether there is a significant relationship between the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda ($r=0.992$; Sig=.000).

Results from frequency and percentage distribution indicated that women entrepreneurs in selected SMIs in Rwanda are in the group age of 20-39, are married, have a low level of education, and have not previous experience in business.

Results from mean and standard deviation showed that there was a moderate level of capital availability there was also a moderate level of business growth of women entrepreneurs in selected SMIs in Rwanda.

Results from one way ANOVA showed that there was no significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.

The Pearson's correlation coefficient indicates a positive relationship between capital availability and business growth of women entrepreneurs in selected SMIS in Rwanda.

Regression results indicated that the level of capital availability significantly explain the moderate level of business growth of women entrepreneurs in selected SMIs in Rwanda.

CONCLUSIONS

There was a moderate level of capital availability while there was also a moderate level of business growth of women entrepreneurs in selected SMIs in Rwanda in terms of sales, profit, market share, product quality, costumer satisfaction and earnings per share.

There was no significant difference in the level of capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda.

There was a significant relationship between capital availability and business growth of women entrepreneurs in selected SMIs in Rwanda indicating that the moderate level of capital availability is significantly responsible of the existence of low level of business growth of women entrepreneurs in selected SMIs in Rwanda.

RECOMMENDATIONS

This section deals with recommendations arising from the pertinent findings and conclusions of this study, following the study objectives and hypotheses.

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Government and financial institutions should draw and implement special lending policies of loan and liberal repayment schedules for women entrepreneurs. Specifically, it is recommended to establish a Guarantee Fund for Women Entrepreneurs. A development agency could establish this fund in partnership with one or two local banks. Participating banks could manage the fund. Such banks should be ones which have confidence to lend to SMIs, but fail to do so simply because SMIs lack the statutory collateral. The fund should build on the experiences of other guarantee schemes for SMEs, which have been operating in Rwanda.

Government and women associations should conduct a financial management training programs. There is a need to introduce a broader range of financial products which are accessible to women growing their own SMIs. Some women are unable to attend training organized in conventional workshops, mainly because the activities they are engaged in require them to work on the business continuously. This suggests the need for training approaches which can effectively reach the women at their work places, such as through radio programs. Women entrepreneurs should put more efforts in book keeping.

AREAS FOR FURTHER RESEARCH

The hypotheses have been examined for the selected SMIs, it could be interesting to test them for the trade and services sectors in which SME face a different business environment as well as in large industries. Proposed topics could be:

Managerial skills and business performance of Rwandan women entrepreneurs in trade and services sectors.

Politics and business growth of women entrepreneurs in selected large enterprises in Rwanda.

**APPENDIX IA
TRANSMITTAL LETTER**

**OFFICE OF THE DEPUTY VICE CHANCELLOR (DVC)
SCHOOL OF POSTGRADUATE STUDIES AND RESEARCH (SPGSR)**

Dear Sir/Madam,

**RE: INTRODUCTION LETTER TO CONDUCT RESEARCH IN YOUR
INSTITUTION**

Mr. Kasema Romain is a bonafide student of Kampala International University pursuing a Masters Degree in Business Administration.

He is currently conducting a field research for his Thesis entitled, **Availability of Capital and Business Growth of Women Entrepreneurs in Selected Small and Medium Industries in Rwanda.**

Your institution has been identified as a valuable source of information pertaining to his research project. The purpose of this letter then is to request you to avail him with the pertinent information he may need.

Any data shared with him will be used for academic purposes only and shall be kept with utmost confidentiality.

Any assistance rendered to him will be highly appreciated.

Yours truly,

Novembrieta R. Sumil, Ph.D.

Deputy Vice Chancellor

APPENDIX IB
TRANSMITTAL LETTER FOR RESPONDENTS

Dear Sir/ Madam,

Greetings!

I am an MBA candidate of Kampala International University. Part of the requirements for the award is a Thesis. My study is entitled, **Availability of Capital and Business Growth of Women Entrepreneurs in Selected Small and Medium Industries in Rwanda.**

Within this context, may I request you to participate in this study by answering the questionnaires. Kindly do not leave any option unanswered. Any data you will provide shall be for academic purposes only and no information of such kind shall be disclosed to others.

May I retrieve the questionnaire within five days (5)?

Thank you very much in advance.

Yours faithfully,

Kasema Romain



APPENDIX II
INFORMED CONSENT

I am giving my consent to be part of the research study of Mr. Kasema Romain that will focus on Availability of Capital and Business Growth.

I shall be assured of privacy, anonymity and confidentiality and that I will be given the option to refuse participation and right to withdraw my participation anytime.

I have been informed that the research is voluntary and that the results will be given to me if I ask for it.

Initials: _____

Date _____

APPENDIX III A

FACE SHEET: PROFILE OF WOMEN ENTREPRENEURS IN SELECTED SMIs.

Age

- ____(1) 20 – 39 years
____(2) 40-59 years
____(3) 60 and above

Marital status

- ____(1) Married
____(2) Single
____(3) Divorced
____(4) Separated
____(5) Widowed

Qualifications Under Education Discipline (Please Specify):

- (1) Never attended School _____
(2) Primary School _____
(3) "O"-Level _____
(4) "A"-Level _____
(5) Diploma/Degree _____

Number of Children

- ____(1) None
____(2) 1- 3
____(3) 4-6
____(4) 6 children and above

Previous experience: what were you doing immediately before this business

(Please Tick):

- ____(1) Student
____(2) Housewife
____(3) Employed
____(4) In another business
____(5) Other Specify

APPENDIX III B

QUESTIONNAIRE TO DETERMINE THE LEVEL OF BUSINESS CONSTRAINTS

Direction 1: Please write your rating on the space at the end of each option which corresponds to your best choice in terms of level of constraints in your business. Kindly use the scoring system below.

Response Mode	Rating	Description
Strongly Agree	4	You agree with no doubt at all
Agree	3	You agree with some doubt
Disagree	2	You disagree with some doubt
Strongly disagree	1	You disagree with no doubt at all

Level of Capital availability

1. _____ The firm has often access to overdraft facilities
2. _____ The firm has often access to line of credit
3. _____ The firm does benefit financial management training
4. _____ The firm does benefit Business Development Services
5. _____ The firm has often access to bank loans
6. _____ The firm has often access to trade credit
7. _____ The firm does use leasing or hire-purchase
8. _____ The firm does use factoring system
9. _____ The firm has enough collateral required for bank loan
10. _____ The application procedures are affordable to access bank loan
11. _____ The interest rates are affordable to solicit a bank loan
12. _____ The loan terms (maturities) are affordable for the company to apply for a bank loan.

RESEARCHER'S CURRICULUM VITAE

To document the details of the researcher, his competency in writing a research and to recognize his efforts and qualifications, this part of the research report is thus meant.

Personal Profile

Name : Kasema Romain
Gender : Male
Nationality : Rwandan

Educational Background

Bachelor of Business Administration (UNIC, DRCONGO): Finance and Accounting,
(1999)
Bachelor of Arts in Development Studies (ISDR, DRCONGO): Rural Development,
(2001)
Advanced Certificate (St Henry College, DRCONGO): Accounting,
(1989)

Work Experiences

11 years University Teaching (Ecole Superieure Professionnelle de Kigali and Kigali Institute of Management).

Seven years in Consulting services (Accounting, Auditing, Tax and Researches).

Signed on 24 January, 2011.

Kasema Romain.

