

Effect of Micro-Credit on Micro Business Development among Women Entrepreneurs

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Abstract

Women have been recognized as key contributors toward livelihood and poverty eradication, especially in developing countries. Hence, entrepreneurs planning to start their own businesses rely on microfinance as a source of resources for their micro businesses. Therefore, the study examines the effect of micro-credit on micro business development among women entrepreneurs. However, the methodology of the study is based on the results of the previous studies, hence, inclusive criteria is used; therefore, the paper is conceptual in nature. Moreover, the study found that there is a significant positive effect of micro-credit on microbusiness development among women entrepreneurs. The implication of the result is therefore positive on the micro business development, the more women businesses are using micro-credit the more their development and vice versa. The study concluded that a positive relationship between micro-credit and business development among women entrepreneurs. Based on the findings, the study recommends that women micro businesses should introduce the use of micro credit to expand their businesses while employing different phases of accountability as well as treating the business as a separate entity with the owner in order to protect the loan liability that the business is entitled to pay as at when due.

Keywords: Micro-Credit, Micro Business, Development, Women Entrepreneurs.

Introduction

Talking about global economic progress, we must recognize the crucial role the Micro businesses sector plays. They are not just small players on the business stage; micro businesses are a force that can change economic paradigms and improve welfare worldwide (Irawan et al 2023). Global economic growth is currently increasingly influenced by the contribution of the Micro, Small, and Medium Enterprises (MSMEs) sector (Alfiana et al., 2023); (Desembrianita et al., 2023). Around the world, micro businesses represent the backbone of several economies, including the Americas, Europe and Africa (Chitsimran et al., 2020; Mpuon et al., 2023; Etim et al., 2023). According to data from the World Bank, MSMEs employ over 60 percent of the workforce in developing countries and contribute over 40 percent of developing countries' GDP (Ezigbo, 2022; James & Inyang, 2022). The African continent, despite its rich cultural diversity and abundant resources, has long grappled with persistent economic challenges that hinder sustainable development. Many nations face hurdles such as poverty, unemployment, and income inequality, creating a

complex tapestry of obstacles for individuals aspiring to become entrepreneurs. The prevalent economic challenges are exacerbated by factors such as political instability, inadequate infrastructure, and an lack of diversified industries (Nwokolo, et. al., 2023, Oyelaran-Oyeyinka, 2020, Umetietie, 2023). Consequently, these challenges contribute to a landscape where traditional avenues for financial support are often inaccessible to a significant portion of the population (Falaiye, et al 2024).

However, In Nigeria, one of the greatest obstacles that micro business have is to grapple with access to funds. This is further compounded by the fact that even where credit facilities are available, they may not be able to muster the required collateral to access such. This situation has led invariably to many of them closing shop, resulting in the loss of thousands of unskilled, semi and skilled jobs across the country. Most of the micro business in Nigeria have remained relatively small and seen stunted growth over the years. Furthermore, Small and medium enterprises development agency of Nigeria (SMEDAN) in collaboration with the National Bureau of Statistics, NBS, revealed that micro businesses and small and Medium Enterprises, MSMEs contributed 43.31 per cent to Nigeria's Gross Domestic Product, GDP. Furthermore, it is based on the relevance of Micro business that the United Nations set aside the 27th of June every year to recognize and celebrate the contribution of micro business globally. Moreover, development of micro businesses among women entrepreneur in Gombe metropolis, is say to be less impressive, this is because of economic hardship, government policies, strict borrowing condition, lack of access to finance, lack of knowledge, low motivations from their husbands, lack of courage to accept failures and fear of unknown relationship Gupta et al (2020). Therefore, the reason of this research is sought to determine whether microcredit have significant effect on the development of micro businesses.

Micro-credit is the provision of loans in smaller amounts to small entrepreneurs meant to boost their business operations. (Audu, et al 2021). Moreover, Kaka (2022) discovers that microcredit strengthens women's family standing as shown in the role they perform in the household decision making process and concluded that microcredit has a positive impact on women's empowerment within the household. According to (Domanban, 2024) he revealed that Credit access for households, from both informal and formal institutions, has been recognized as having a considerable impact on their well-being. The availability of credit provides immediate benefits, such as smoothing consumption patterns, enabling investment, and promoting growth in incomes ultimately leading to an overall improvement in household welfare. However, majority of entrepreneurs are not educated, therefore, getting access to credit from conventional banks could be a problem to them due procedure going through before getting access to credits from conventional bank, therefore, micro credits Microcredits are the important engine that helps such uneducated entrepreneurs who are not qualified for conventional banking credits.

Moreover, Women have been recognized as key contributors toward livelihood and poverty eradication, especially in developing countries. Hence, entrepreneurs planning to start their own businesses rely on microfinance as a source of resources for their micro businesses

(Thaher, 2021). Additionally, Women are always known for their saving capacities through informal forms of income. Apart from their saving cash, they have their personal belongings as collateral to get loans from personal relatives for a short period. This collateral can be jewelry, family antiques, services etc. (Kumar, 2022).

Problem Statement

However, Small and medium enterprises development agency of Nigeria (SMEDAN) in collaboration with the National Bureau of Statistics, NBS, revealed that micro businesses and small and Medium Enterprises, MSMEs contributed 43.31 per cent to Nigeria's Gross Domestic Product, GDP. Moreover, strategic importance of the micro businesses' subsector remains unyielding in strengthening both existing businesses and start-ups. Furthermore, it is based on the relevance of Micro business that the United Nations set aside the 27th of June every year to recognize and celebrate the contribution of micro business globally.

However, despite the contribution of micro business in economic development, this study demonstrated that the performance of micro business is lower in developing nations. In general, shortage of capital and credit facilities, absence of skilled workers, lack of raw materials, poor infrastructure and constantly changing technologies were observed as the barriers for micro business performance (Kulathunga, et al, 2020). Furthermore, micro businesses in Nigeria from 2017- 2022 number is not progressive as the statistic shows by small and medium enterprises development agency of Nigeria SMEDAN 2021 MSME Survey, there are 39 million MSMEs while majority where micro businesses in Nigeria. This is a significant drop from 41 million MSMEs reported in the 2017. Also, survey report there are an estimated 39.65 million micro and small businesses in Nigeria.

However, Micro businesses may not remain as the driving force of economic growth if they are not supported. Henceforth, successive governments in Nigeria at different levels have set up several programs aimed at supporting Micro business. For example, Bank of Industries (BOI) was established by the Federal Government to assist and support the existing and new industries and micro business among all tiers of government in Nigeria (Bala, 2022). Government has the responsibility of providing and giving out support to citizens on matters which are beyond individual capabilities, a lot of business failures like natural disaster, pandemic are such types of problem that individual or firms find it very difficult to provide necessary support/precaution to tackle the problem.

Additionally, small and medium enterprises development agency of Nigeria (SMEDAN) disclosed the commitment of the agency to provide support for existing and emerging micro business through such programs as Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) talent hunt, national survey on MSMEs, conditional grant schemes among others. Furthermore, according to (Gupta et al 2020) The common challenges faced in both developing and developed economies for new ventures, startups and Micro business are financial stability, lack of business and market knowledge and retaining human capital. According to Kunle, (2022). The researcher found four common

factors affecting business which are finance, business knowledge, market knowledge, and human capital.

Moreover, the Nigerian Central Bank (CBN) indicated that the MSMEs sub-sector in Nigeria underperformed in comparison to other developing nations, with challenges ranging from huge gaps in infrastructure, poor financial support and credit environment, high level of unskilled workforce and low investment commitment (Babayayi, et al 2021).

However, due to the role micro businesses plays in the global, national as well as states and local levels, there is a need of concentrating on the area to provide necessary solution to the existing problem for the betterment of the businesses and the environment where they are operating. Failure to do so might lead to the escalation of the problem.

Objective of the Study

The main objective of this study is to examine the effect of micro credit on micro business development among women entrepreneurs.

Literature Review

This section discussed the concept of micro-credit and micro business development. Therefore, the study discussed the conceptual review and empirical review below.

Micro Business

Microbusinesses are enterprises with between one and nine full-time workers. As indicated, small enterprises are typically owned by a single person and run by a small team of managers and workers, Employers have a wide variety of options to consider when interacting with small and microbusinesses (Nizami & Hizam, 2023). Microbusinesses can be conceived and brought to maturity with the support of financing from various microfinance banks or institutions whose primary purpose is to lend money to new, tiny businesses (Nizami & Hizam, 2023).

The performance of micro business in terms of profitability, sales, and employee turnover has turned into a concern. Numerous studies have been conducted to determine the relationship between strong micro business performance and microfinance institution services such loans, marketing facilitation, savings mobilization, financial literacy, and managerial skill development (Agaba & Mugarura 2023).

Micro-Credit

Micro - credit is highly valued by many countries in the world as an important means to raise the income level of low-income people. Chen (2020) Micro-Credit is one of the key microfinance services which offer small loans to poor people to improve their existing small-Micro credit started as government and non-government organizations motivated scheme. Scale businesses or to establish new ventures. Hameed *et al.* (2021) Microcredit is one of the important microfinance services which offers small loan to improve existing small-scale business of poor people or establish a new. Microfinance institutes provide credit to poor

women and these women invest this credit in microenterprises which generate income and enhance decision making power. Therefore, micro-credit has positive role to enhance social as well as economic empowerment of women community. Ayanle *et al.* (2022). Micro-credit is the most well-known service provided by microfinance programs in the market. The most important aspect of micro finance is credit. According to the current literature, a suitable quantity of credit improves the performance of entrepreneurial activities. Moreover, credit helps poor entrepreneurs, because it is well acknowledged that credit improves productivity, investment, and income. Micro-credit is an influential financial service of microfinance for the development of micro enterprises.

Theoretical Review

The "Resource Based Theory" which advocates for resources that are valuable, rare, hard to copy and non-substitutable necessary to enhance performance and these can be acquired through utilization of the savings, loan and insurance services offered by MFIs; (Wombo, et al 2020). The "Resource Based Theory" is based on the theory on the phase of improvement the performance of business through services of micro finance institution it stated that resources are hard to acquire therefore resources can be acquired through utilization of the savings, loan and insurance services offered by MFIs.

However, assumption of the resource-based view theory is that firm possesses unique resources and capabilities that can lead to sustained competitive advantage. These resources and capabilities are valuable, rare, inimitable, and non-substitutable. Furthermore, a number of criticisms of resources-based theory have been widely cited, and are as follows: The resources-based theory is tautological. Different resource configurations can generate the same value for firms and thus would not be competitive advantage. The role of product markets is underdeveloped in the argument.

Therefore, "resource-based view theory is found more relevant to this study - "effect of micro credit on micro businesses development among women entrepreneurs". The theory is used to guide this study.

Empirical Review

Micro Credit and Micro Business Development

In the study of Sundararaju and Theivanayaki (2024) the study investigated the impact of financial inclusion, access to finance and financial awareness on micro finance institution in India. The three independent variables utilized in the study are financial inclusion, access to capital, and financial awareness, respectively, with economic empowerment of street vendors as the dependent variable. Quantitative data has been collected through the use of standard research instruments. Primary data were collected from 393 street vendors in South India and were analyzed using AMOS. It is evident that financial inclusion, access to finance, and financial awareness regarding MFIs have an impact on the economic empowerment of street vendors. This research provides insights into how street vendors in India can optimally utilize microfinance services with the aim of empowering them

economically. However, the current study will use SPSS as a tool of analyzing the data collected to carry out the research. Therefore, this study will be different in term of the research will be conducted in Nigeria and the researcher will use SEM as a tool for analyzing data.

Sahu *et al.* (2024) The study investigated on the success of microcredit scheme in creating employment and transforming livelihood status of tribal women entrepreneurs' evidence from PMMY look at financial support through microcredit facilities has been acclaimed as instrumental in encouraging entrepreneurial activities and empowering individuals, especially women, in the process. Accordingly, Government and policy makers have initiated microcredit programmed to uplift individuals at the 'bottom of the pyramid. Ordered logistic regression, Wilcoxon Sign test, Effect Size test has been applied for empirical analysis. The results indicate that loan amount significantly influences employability. The study confirms that aid through microcredit has the potential of generating employment and empowering women. Perhaps, the current study will use SEM as tool for empirical analysis and the geographical area will be difference as the current study will be conduct in Nigeria.

Moreover, Ude (2024) the study set out to investigate how microfinance could be applied as a vehicle for zero poverty and gender equality in Nigeria. The study employed a basic growth-poverty model and descriptive statistics using data from 1980 to 2020. Results show that microfinance is a veritable tool to achieving zero poverty in Nigeria. Results also suggest that gender equality would be significantly addressed with the judicious application of microfinance to women in Nigeria. The study concludes that microfinance services are a means of broadening economic participation to include marginal groups that have been left out previously, which makes microfinance institutions effective by its ability to enhance poverty eradication and gender equality. However, the current study will use primary data as method of collecting data from respondent and SEM technique will be used for analyzing data.

In the study of Koh *et al.* (2021) the study examined the effect of microfinance services on the socio-economic welfare of urban households in Malaysia. We distribute questionnaires to 400 respondents across three different urban areas in Malaysia in order to collect the relevant data for this study. Quota sampling is employed in the process of collecting the data. Incorporating income as a mediating variable into the model, the results show that most of the services provided by the microfinance institutions including microcredit, micro insurance and training have significant effect on socio-economic welfare. The results further show that most of the microfinance services have indirect effect on welfare through income. However, the current study will be carried out in the year 2024 and also the research will be conduct in Nigeria and also the method of data analysis will be different as the current study will undertake SEM technique.

Thaher *et al.* (2021) the study examines the effect of microfinance institutions' (MFIs) financial and non-financial services on women's entrepreneurship and empowerment in Jordan as a developing country. a qualitative approach was adopted in this study using

semi-structured interview questions to collect data from twenty-four women entrepreneurs in Jordan. The results showed that, as regards financial services, the most important needs of women entrepreneurs include providing adequate financing with necessary financial facilities such as reducing interest, reducing monthly installments, and extending the grace period, while non-financial services should include holding specialized courses, accessing a counseling center, providing incentives and psychological support, marketing support, and monitoring and evaluation. This study concluded that factors associated with MFI play a crucial role to uplift women entrepreneurs and eliminate gender inequality. However, the current study will focus on quantitative data approach to collect data from target respondent and also the study will be carried out in Nigeria, the year will also be different from reviewed study and the researcher will use SEM as method of analyzing data gathered from respondent.

Subsequently, Okhankhuele (2021) the study assessed the effect of accessibility of microfinance loan on MSS women traders' income in Akure Metropolis, Ondo State. Survey design and multistage sampling technique were used for the study. The Banks and women traders (16,570) on the list of the Nigeria Police Force and Lapo microfinance, Akure Metropolis, were selected via purposive sampling, while sample size (391) was selected by Taro Yamane's formula. Data were collected with questionnaire and analyzed with Pearson Product-Moment Correlation Coefficient (PPMCC). Hypothesis was tested with Analysis of Variance at .05 level of significance. The results showed that there was a positive (but moderate) relationship between the dependent and independent variables, and accessibility to microfinance loan had a significant effect (0.001.) on women traders' income in the study area. The paper recommends more accessibility of finance to women traders in Nigeria generally and Ondo State in particular, with a view to improve their income. Hence, the current study will focus on Gombe metropolis, and will use SEM as to analyze data and it will happen in 2024.

Also, Semegn and Bishnoi (2021) the study examines the effect of microcredit on the performance of the micro and small enterprises (MSEs) in Amhara National Regional State, Ethiopia. A total of 340 MSEs were randomly selected, and a survey method was used. Average Sales volume was used to measure performances of Mses. The findings suggested that the majority of MSEs in Ethiopia were engaged in manufacturing and urban agriculture sectors with a share of 48.53% and 26.76% of the total, respectively. Paired t-test analysis of the study confirmed that there was a significant difference between the sales, total asset, employment and net profit performance of MSEs after microcredit loan. The study concluded that loan size, savings and entrepreneurship training had a significant positive effect on the performance of Mses. And it also suggested that micro financial institutions should strengthen their existing policies and strategies to increase credit to MSEs, enhancing the modalities of entrepreneurship. Perhaps, this study will focus on SEM and the geographical area will Nigeria also it will be conduct in 2024.

More so, Mousa (2020) evaluated the relationship between micro credits from MFIs and the SMEs' financial performance. Secondary data were collected from 17 SMEs in North

Lebanon. Another secondary data was collected from four MFIs in Lebanon concerning the characteristics of their beneficiaries. Data were analyzed using SPSS Ver. The results showed notable relationships between amount of micro loan and the dependent variables, the number of women recipients of credits remains little in Lebanon, the categories of businesses mostly profiting from the MFIs in Lebanon are commerce, service, and trade sectors and the beneficiaries are primarily situated at Mount Lebanon, South, Bekaa, and at the north. However, the current study will use primary data as method of collecting data from respondent and will be conducted in Nigeria in addition it will use SEM technique for analyzing data.

Additionally, Cupo *et al.* (2022) the study determined the part of microfinance institutions in the growth of micro and small enterprises in Cavite. The descriptive method and purposive sampling technique were used in the study. The study utilized a sample size of 50 microfinance institutions in Cavite. The study revealed that most MFI in Cavite is a corporation operating for ten years and above. The study also showed that half of the participants have nine employees and below while half have ten and above employees, and the majority have an average size of Php 15 000 000 to Php 100 000000. Furthermore, findings showed that the role of microfinance institutions in the growth of micro and small enterprises in terms of implementation was helping them increase business capital. Interm of monitoring, microfinance institutions assisted the micro and small enterprises that needed their help. Additionally, according to the sustainability of operation, the MFI's role was supporting micro and small enterprises to innovate the capital goods of the enterprise. However, the current study will be conducted in Nigeria and the year of research will different as current study is going in 2024 also the researcher will use SEM as tools for analyzing data.

Furthermore, Agaba and Mugarura (2023) evaluated the performance of micro, small and medium businesses in Kabale District in relation to microfinance institution services. The precise goals were to determine how financial literacy education, managerial skill development, and marketing assistance provided through MSME clubs and marketing associations affected the performance of micro, small and medium-sized businesses. The study was descriptive in nature, and the data collecting and analysis methods used were quantitative. A questionnaire was used to collect data from a sample of 71 different MSME owners and other relevant informants. Microsoft EXCEL and SPSS Version 22.0 were used to analyze the data and produce both descriptive and inferential statistics. The study concluded. Savings literacy, debt literacy, and investment literacy programs helped business owners safely manage their income, expenses, and savings, make clear financial decisions, repay loans on time, and diversify their investments, all of which boosted the performance of MSMEs. However, the current study will use SEM as technique for analyzing data. Additionally, the year of undertaking the research will be in 2024 and it's going to conduct in Nigeria.

Also, in the study of Basto *et al.* (2020) the study provides an overview of micro credit system in Portugal and aims to identify the profile of the successful micro entrepreneur and

point out the reasons that most contribute to the sustainability of microcredit business initiatives. Although the paper is combined with different methodologic approaches. First, interviews were conducted with key informants, then, questionnaire is applied to micro entrepreneurs. The survey contained three sections, namely, socio-demographic characteristics; characteristics of project; attitude as an entrepreneur. A sample group consisting of 96 participants of microfinance programme participated in the research. The findings indicate that the profile of the successful micro entrepreneur is an individual with a superior degree, already have been employed, with positive or very positive level for the innovation of the product/service, for the adjustment of the business to the environment, for prior planning and for the accompaniment by public/non-profit institution. In a less degree, a positive level for training/professional experience in the project area and a positive level for self-esteem/self-confidence have also some influences. The results point out that the attitude as a micro entrepreneur is less important than the characteristics of the project to the outcome of the microenterprise. However, the reviewed study has combined different methodology approach, therefore the current study will focus on one methodology approach and will be conduct in Nigeria also the year will be in 2024.

Subsequently, Chatterjee and Datta, (2023) The study attempted to identify the factors, which contribute to the development of entrepreneurship among SHG members. The empirical observation shows that while some members of SHGs succeed in becoming entrepreneurs, other continue to remain just members. This article tries to identify the factors that help this entrepreneurship. It first develops a theoretical model and then carries out an empirical exercise with the help of ground-level surveys of SHGs in several districts of West Bengal. This empirical exercise with the help of logistic regression finds out that state help, financial access and existence of marketing opportunity are necessary for entrepreneurial success. Contrary to the general belief, more years of education does not help entrepreneurship. More revealing is the finding that protective social support deters entrepreneurship. However, the current study will use SEM to analyze the data, the study is going to be conducted in Nigeria and the year of research will be in 2024.

In addition, Udobi *et al.* (2022) the study investigates the relationship of Micro-Finance Banks' (MFB) credit with the growth of MSMEs in Lagos state, Nigeria. Three hundred copies of structured questionnaires were administered to a purposively selected sample of MSMEs owners/managers that had accessed loans from MFBs in Lagos state. Two hundred and ninety copies of the research questionnaire were retrieved and analyzed with descriptive statistics and Pearson chi-square statistics. The results show that credit facilities from MFBs are not only positively related to the productivity of MSMEs but also significantly contribute to their expansion. Furthermore, the non-monetary services of MFBs are related to the growth of MSMEs. However, current research will only concentrate in Gombe metropolis Nigeria, and the tool for analyzing data will be SEM also the year will be 2024.

Moreover, Dhungana and Ranabhat (2022) examine the impact of microcredit on micro-enterprise development in the Gandaki Province of Nepal. The data is collected through a

structured questionnaire from microfinance clients involved in microfinance institutions for five or more years. The explanatory research design is used to find the impact of microfinance intervention on micro-enterprise development. The study finds that microfinance intervention has made significant changes in micro business and enterprise development with the help of microcredit. The regression results show that microcredit has increased the investment, revenue, and profits of micro businesses and helped expand them and generate employment. Proper utilization of microcredit is critical to the success and sustainability of microcredit enterprises. Perhaps, this study will be conducted in Nigeria and SEM technique will be applied to analyze the data that gathered from respondent and in a year 2024.

Also, Domanban (2024) examines the factors that influence the magnitude of loans granted to recipients through the three microfinance systems (informal, semi-formal, and formal) in the Upper West Region. This study seeks to identify the factors that influence households' credit access from microfinance systems. Therefore, to achieve this objective, primary data collected through a questionnaire was analyzed using the Ordinary Least Squares (OLS) estimation technique. The model was initially run using data from the three microfinance systems and then separately estimated for each system. The study found consistency in the variables that affect the amount of loans received by borrowers across all systems. Age, household size, interest rate charged by the institution, and group membership were found to have a negative relationship with the amount of loan received by borrowers. The study recommends that microfinance institutions in the Upper West Region focus on reducing the geographical distance between the institution and potential borrowers, providing access to microfinance information and education, and extending repayment periods to increase the loan amount borrowers receive. Perhaps, the following study will use SEM technique in measuring and analyzing data also the geographical area will be different as the current study will be undergone in Nigeria.

More so, Phan *et al.* (2023) the study investigates whether rural microcredit can reduce household vulnerability to poverty. A theoretical framework is developed to capture the mechanism by which microcredit borrowing has a vital role in household businesses and impacts the probability of being poor in the future. The Vietnam Access to Resources Household Survey data set from 2008 to 2016 is used to explore this issue and our also the analysis employ VAHS. The findings indicate that rural Vietnam's access to microcredit significantly reduces vulnerability to poverty. Moreover, better-off households are seemingly the most effective at using microcredit, whereas the opposite is found among worse-off households. These results are found to be robust using the propensity score matching method. Received: 15 April 2021 Revised: 20 September 2022 Accepted: 21 September 2022 DOI: 10.1111/rode.12951. However, the current study is going to be conducted in Nigeria and in 2024 also SEM technique will be used as tool for data analysis.

More so, Babarinde (2022) the study examines the effect of the investment activity of microfinance banks on the standard of living in Nigeria between 1992 and 2018 using annual time series data. Based on Autoregressive Distributed Lag (ARDL) model and in the

company of cointegrating regression techniques as robustness checks, this study finds evidence of a long-run relationship between standard of living and microfinance investment portfolio, with the lagged value of the latter having a significant negative effect on per capita income (a proxy for standard of living) in the long-run but the significant positive association was confirmed in the short run. The study concludes that microfinance banks' investment activity is only a short term means of raising the standard of living in Nigeria, for in the long run, rather than raising, it reduces the standard of living in Nigeria significantly. Perhaps, the current study will use SEM techniques analysis and also it will be conduct in 2024.

Methodology

The method of this study is based on the results of previous studies so as to ensure the existence of literature in the field. However, the study adopted inclusive criteria by employing or reviewing all studies in related fields. It also Qualitative method for the data analysis since the study is part of ongoing MSc. Work by the author. Therefore, the study drives its findings base on the results of the majority analyzed the results through identifying such studies that reveals a positive effect and negative effect and recommend on that.

Results

The study investigates the effect of micro credit on micro business development among women entrepreneurs. However, the study after reviewing relevant studies shows that micro credit positively affects micro business development among women entrepreneurs. This indicates that the higher the micro credit micro businesses employed in their activities the higher the development of that business in terms of profitability and growth. Also, the lower the micro credit employed by micro businesses the lower their development in terms of profitability and growth among others. This assertion is similar with studies such as; Sahu *et al.* (2024); Ude (2024); Koh *et al.* (2021); Thaher *et al.* (2021); Okhankhuele (2021); Semegn and Bishnoi (2021); Mousa (2020); Udobi *et al.* (2022); Phan *et al.* (2023); and Babarinde (2022). However, the study is different with studies such as; Cupo *et al.* (2022); Basto *et al.* (2020); and Domanban (2024). The implication of the result is therefore positive on the micro business development, the more women businesses are using micro-credit the more their development and vice versa.

Conclusion

Majority of the results shows that micro-credit has significant positive effect on micro business development among women entrepreneurs. Therefore, the study concludes that there is a significant positive effect of micro credit on micro business development among women entrepreneurs. However, the study proves the existence of literature in the field or related topics of the study and the field can accommodate a MSc. work since the study is part of the MSc. Work currently in progress by the researcher.

Recommendation

Women micro businesses should introduce the use of micro credit to expand their businesses while employing different phases of accountability as well as treating the business as a separate entity with the owner in order to protect the loan liability that the business is entitled to pay as at when due.

Suggestion for Further Research

For future research in this field, researchers can look at micro insurance, micro savings, among others. Also, future researches can develop different methodology of data collection and analysis.

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