

Savings and women involvement in business in Kasese District: A Case of Women Entrepreneurs in Hima Town Council

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ABSTRACT

This study assessed how Microfinance Services affect Women Involvement in Business in Kasese District: A Case of Women Entrepreneurs in Hima Town Council and it was guided by three objectives namely; To find out the relationship between loans and women involvement in business in hima town council; To examine the relationship between savings and women involvement in business in hima town council and To assess the relationship between trainings and women involvement in business in hima town council. The study adopted descriptive cross-sectional research and correlational designs on a sample of 236 respondents. Data were collected using a questionnaire and an interview guide. Quantitative data were analysed using frequencies, percentages means, correlation and regression. Qualitative data were analysed using thematic analysis. Inferential analysis results indicated that savings have moderate relationship with women involvement in business. Therefore, it was concluded that savings contribute much to women involvement in business

Keywords: Savings, women, business, entrepreneur

INTRODUCTION

The principle of financial inclusion has assumed greater level of importance in recent times due to its perceived importance as a driver of economic growth. Giving access to the women entrepreneurs who are presently excluded from financial services would provide the possibilities for the creation of a large depository of savings, investable funds, investment and therefore global wealth generation. The agitation for financial inclusion for women entrepreneurs came into the international limelight in 1975 at the international women's conference in Mexico and in Nairobi in 1985. This has paved ways for women entrepreneurs to have access to finance [1].

Globally, women disproportionately represent 70% of the world's 1.3 billion population who live on less than one dollar per day. In World, women comprise (54%) of the entire population [2]. However, most of these Rwandan women are illiterate and this limits their employment opportunities and financial ability to take care of their families of which 37% of household are managed by women [3]. Moreover, 70% of the women live below the poverty line yet a large proportion of these are women [4]. Women have been the most underprivileged and discriminated strata of the society not only in Rwanda but all

over the world. Inspire of all Government and Non-Governments' efforts, they have been highly inactive clients of the financial sector. In the recent times, microfinance has been emerging as a powerful instrument for empowering women particularly; the women that have little financial ability [5,6,7]. Apart from the informal sector of finance, the formal and semi-formal sectors like commercial banks, NGOs etc. are taking much interest in providing microfinance services to women in order to promote them. Women are also participating in the microfinance movement by availing the microfinance services being provided by the various financial channels [8,9,10]. Women Involvement in Business is one of the most important issues that have been in the focus of various policies and programs initiated by the Government and the non-government organizations. Microfinance is one such effort that has been emerging as a powerful tool of women empowerment [11, 12,13]. It has been observed through the available literature that most of the studies related to microfinance have been carried out in the all province regions of the country particularly and worldwide in general. The present study aims to fill in the gap in the available literature. It is a modest attempt to analyze the role of microfinance in

women Involvement in Business and the satisfaction level of the women towards microfinance services.

Research Design

The study employed descriptive cross-sectional research and correlational designs in the assessment of the role of Microfinance Services and Women Involvement in Business in Kasese District specifically on Women Entrepreneurs in Hima Town Council. The researcher adopted qualitative and quantitative research approaches to conduct the entire research study. Qualitative approach located the study in scholarly opinions on microfinance services and women involvement in business. Quantitative approach was also used to compare microfinance services and women involvement in business as well as other sources of microfinance services to businesses and the findings of the study were both numerical and non-numerical and were quantified for easy interpretation and description. These designs enabled the researcher to process, present and analyze the findings of the study.

Study area and population

Study area

The study was carried out in Hima Town Council. The researcher chose this case study area because Hima is considered the business area of Kasese where women lag behind their counterpart - men. Men are booming in business while women are remaining behind them doing petty jobs in the gardens.

Study population

The target population that provided primary data about the study variables

METHODOLOGY

Aim of study

The study was done to examine the relationship between savings and women involvement in business in Hima town council.

included women clients of micro finance institutions owning businesses, Employees of Micro finance and officials of Hima Town Council. These were 575 in number from which a sample size of 236 was obtained using Slovene's formula

Sampling technique

Stratified random sampling with purposive sampling, and simple random sampling techniques were used to select the above proposed sample. Stratified random sampling was used because it reduces on the errors and gives estimates that are precise. Purposive sampling was used to select key informants like officials of Hima Town Council who were thought to have enough information on microfinance services and how it affects women involvement in business. Simple random sampling was used to select women clients of micro finance institutions owning businesses, Employees of Micro finance; this was used because it helped the researcher to give equal chance of participation.

Sample size

The researcher used a sample size of two hundred thirty six (236) respondents. This sample size was a representative of the whole population as manageable in terms of administering the questionnaire and the interview guide during research data collection using data collection instruments. It is these selected respondents that the data collection instrument was given.

Table 1: Sample size and Sampling techniques

Category	Target population	Sample size	Sampling method	Reason
Business Clients of MFIs	Women 508	208	Random sampling	To get exact data from people with exact information
Employees of Micro-finance institutions	62	25	Random sampling	To get exact data from people with exact information
District officials	5	3	Purposive	To Key information
Total population	575	236		

Method of determining the sample size

The researcher used the [6] to determine the sample size for the study where,

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size, N = target population and e = level of significance at 0.05

$$n = \frac{575}{1 + 575(0.05)^2} = 236$$

Data source

The researcher generated data from one source that is the primary sources. This was the main source of data. This formed the first hand information obtained from the field by the researcher using data collection instruments.

Data collection methods/ instruments

The researcher used a combination of methods to obtain primary data from the field/ area of study about the research problem. These include Questionnaires, Interview guide

Questionnaire

The researcher formulated a set of questions from using a questionnaire. This was comprehensive enough to cover the extent of the problem and all aspects of the study variable basing on the objectives of the study. The questionnaire was open ended that enabled the respondents to express their views and opinions. These questionnaire were distributed to women in business and employees of microfinance institutions in Hiima town council.

Interview Guide

This was done through oral discussions in order to get information. To increase the response rate the researcher used interview method to obtain primary data. The interviews were formal involving a pre-designed interview guide. Here the researchers visited the selected officials of Town Council and interviewed them.

Data Quality Control**Validity**

The researcher used Content Validity Index (CVI) founded by Lynn in 1986 which is a scale developed by computing or rating the relevant items in the instrument or questionnaire by checking their clarity, their meaningfulness in line with all objectives stated divided by the total number of items. Validity refers to the degree to which a statistical instrument measures what it is intended to measure. It emphasizes the accuracy of a measurement instrument. The study instruments were developed bearing in

mind that, they measure what they are expected to measure and accurately. They were first be analyzed and piloted on some people in similar situation like the one under investigation of study as that of the researcher and they were scrutinized and developed under close guidance of the supervisor. Thus,

$$CVI = \frac{\text{Relevant items}}{\text{Total number of items}} = \frac{21}{26} = 0.8$$

Reliability

Reliability of an instrument is its degree of consistency. In other words, a reliable instrument must give the same score even when used several times to measure the same variable, provided the variable has not changed for a given entity. The test-retest method was used to find out the reliability of the instrument. Here the researcher administered the instrument to a few people and after a period of around two weeks, he would administer it to the same people to see whether the instrument was reliable. These people gave the same answers as at first, the researcher then declared the instrument as reliable. In reference to the test-rest method the researcher also used the Cranach alpha Coefficient method using the statistical package for social scientists' program (SPSS) to analyse data. A Cranach alpha Coefficient of 0.79 was obtained which is above 0.7. Therefore the instrument was reliable.

Data collection procedure**Pilot study**

A pilot study/ surveys were conducted to collect evidence that many women do not access microfinance services and thus lagging behind their counterpart-men. This data was analyzed, tabulated and conclusions were made basing on the respondents' responses.

Data handling

a) Data source: The researcher collected primary data from respondents using the questionnaire and interview methods.

b) Editing: The questionnaires were edited to ascertain completeness, accuracy and uniformity.

c) Data coding: Data was coded or given numbers according to their sequence and entered into the computer and there after frequency tabulation, pie chart representation and narration was done.

Data analysis

Data collected from the field was carefully edited, sorted and coded to eliminate the inconsistencies and errors that had been made during data

collection. This involved the use of simple frequency and percentages table and pie charts. After, data was subjected to further analysis for easy understanding and interpretation. The use of excel computer package using

statistical techniques was necessary. Likert scale which [7] used in descriptive statistics during the analysis of attitudinal and personality data as indicated below: was used.

Mean range	Response Mode	Interpretation
3.26-4.00	Strongly Agree	Very High
2.51-3.25	Agree	High
1.76-2.50	Disagree	Low
1.00-1.75	Strongly Disagree	Very Low

The Pearson linear correlation coefficient and regression analysis was used to measure the relationship between the variables at 0.05 level of significance as [8] asserted that when data set of one variable is related to another, then, the two variables are said to be correlated. This helped to show whether the independent variable was important in affecting the dependent variable as illustrated in the conceptual framework in chapter one.

Ethical Consideration

Like any other research project of any organization, this research identified a number of moral standards that the researcher dealt with in treating his respondents and their opinions in the field. The researcher did the following to put everything right.

University Policies: The researcher followed the proper guidelines and procedures from the University of Which before going to the field to meet the respondents; he first got the introductory letter from the University authorities introducing him to the selected respondents for information provision and other staff. The researcher therefore in line with Kampala International University research policy

and procedures through the presentation in order to avoid replication of other people's work without going to the field, was supervise and his work moderated.

Privacy and confidentiality: The participants in this research study were guaranteed with privacy in that they freely interacted with the researcher and ensured that they provided the necessary data under the assurance of the researcher that there no disclosure of their names or private information to the public. Some documents were signed between the researcher and the respondents or informants revealing the agreement and privacy terms for conformity that their information is protected with utmost confidentiality.

Informed Consent: In order to consider the human rights issues, the researcher gave a letter of informed consent to the respondents so as to be fully involved in something they knew about and also to participate willingly. The researcher then assured the respondents that he would provide them the feedback of the final work.

Anonymity: The researcher made sure that the names of the informants and respondents were not reflected anywhere for confidentiality.

RESULTS

The relationship between Savings and women's involvement in business in Hima town council.

This was the second objective that guided the researcher in collecting data on the independent variable. To generate

data, the researcher had to break this objective into seven researchable statements as presented in the tables 4.4 below; where SD = strongly disagree, D= Disagree, N= Neutral, A= Agree and SA= Strongly Agree

Table 2 showing the role of Savings on women's involvement in business in Hima town council

N o	Statement		SD	D	N	A	SA	Mean
1	Am able to save for the future	f	9	21	42	98	63	3.75
		%	3.9	9	18	42.1	27	
2	Am able to sustain the business due to the savings	f	4	30	70	97	32	3.01
		%	1.7	12.9	30	41.6	13.7	
3	Am able to support my family due to savings	f	11	15	43	112	52	3.63
		%	4.7	6.4	18.5	48.1	22.3	
4	Am able increase my income because of my savings	f	4	22	53	101	53	3.64
		%	1.7	9.4	22.7	43.3	22.7	
5	I have the capacity to fix my saving and earn interest	f	7	20	60	101	56	3.70
		%	3.0	8.6	25.8	43.3	24	
6	I have the capacity to own assets from accumulated savings	f	8	23	48	98	56	3.45
		%	3.4	9.9	20.6	42.1	24	

Source: Primary data 2020

According to the study findings, the table 2 above represents the respondents' reactions about the role of loans in assisting them to save for the future. It is therefore shown that 42.1% of the respondents agreed that loans have played a role of assisting them to save for the future while 27% strongly agreed that they are able to save for the future. Whereas 18% were neutral about this role played by loans, 9% of the respondents disagreed and 3.9% strongly disagreed that loans have not played the role of helping them to save for the future. However, looking at the mean of 3.75 affirms that loans have helped some business women and men to be able to save for the future. This is further affirmed by one of the respondents' responses given during the interview guide where some were quoted saying, "before women had a seminar on the use of loans, we had no knowledge of how to save but now because of the seminars given to them by micro finance SACCOs and some banks we now able to save for the future".

Table 2 above also illustrates the respondents' reactions about the role of

savings. It is then indicated that 41.6% of the respondents agreed that savings have played a role of enabling them to sustain their businesses while 13.7% strongly agreed about this role and 30% were neutral. A total of 12.7% disagreed and 3.0% strongly disagreed about this role played by loans and this is supported by moderate mean of 3.01 which indicates that most respondents were neutral about the role of savings. While conducting an interview with some business women in Hima Town Council, some were very clear and asserted that they use savings to sustain their businesses. Despite of this some of them were not clear whether it is because of savings that have kept their businesses on track. Some of these said, "No matter what, but what we know is that every business woman who is here has her business which she uses to get some savings to be keep in the SACCO". This implies that savings have played a role of helping some business women to sustain their businesses through savings done daily, weekly, monthly and annually. From the study findings in table 2 above indicates that 48.1% agreed that savings

have played a role of helping business women to be able to support their families. Nevertheless, 22.3% strongly agreed about this role played by savings. However, 18.2% of the respondents were silent (neutral) while 6.4% disagreed and 4.7% strongly disagreed and this was supported by high mean of 3.63 which shows that most respondents agreed that savings have played a big role in helping business women to support their families. In an open interview with some business women and men, they revealed that through savings that are made due to SACCOs, they have been able to meet some domestic needs of their families such as daily meals, clothing among others. They affirmed that due savings are helping them to meet their necessities. This was further confirmed by one of Hima town council officials said, *"We cannot deny the role of savings to women businesses and in their home. At least their living conditions have improved compared to the previous days"*. While taking his stand the researcher therefore concluded that savings have played a significant role in the living conditions of some business women.

Table 2 above also presents the responses of respondents about the role of savings where 43.3% of the respondents agreed that savings have played a role of increasing their income because of their individual savings in either the SACCOs or in other financial institution. A total of 22.7% of the respondents strongly agree that savings have increased their income while, 22.7% were neutral and could not reveal whether it is savings that have increased their income. In the same manner, 9.4% disagreed and 1.7% strongly disagreed about the role of savings in increasing their income and these results are supported by high mean of 3.68 which indicates that savings helps business women to increase on their income. Despite of the varied responses, some interviewed respondents asserted that savings have helped them to increase their income through weekly and monthly savings they make. They further elaborated that every month they sit to make evaluations of how much one has saved with the SACCO and how much has been earned and from there one is able to know whether his/her income is increasing or not. In their own words they had this to say, *"Without doubt we are sure that our savings in SACCOs increase our income and this helps us to*

run our businesses and meet our domestic welfare. Savings have worked for us and we are happy with micro finance services". This affirmed that there a significant role played by loans in increasing income of business women and men through their savings made.

From the findings in table 2 above also shows the reactions of respondents on whether savings have played a role of helping them to fix their saving and earn interest. In their responses, 42.8% of the respondents agreed, 23.7% strongly agreed. While 25.4% were neutral, 9.7% disagreed and 3.0% strongly disagreed about this notion and this supported by high mean of 3.70 which indicates that most respondents agreed that most women in business are able to fix part of their savings to earn interest. Following the responses from the interviewed respondents, some business women partially accepted that they are able to fix their savings and earn interest. They however, said that those with large business are able to fix their savings compared to those who have small scale enterprises whose savings only help them to run daily domestic affairs. In their very word they exclaimed, *"Fixing our saving is not easy because some of us we have small scale enterprises whose capital is only allowing us to make daily or weekly savings which in turn help us to run our daily domestic affairs. Only those with large businesses can fix their saving and earn interest"*. This indicates that some business women in Hima Town Council have not yet reached the level of fixing their savings to earn interest. This is because of their small scale enterprises whose savings only help to meet their daily domestic expenditures.

Table 2 above also presents the responses of respondents on whether savings have played a role of helping business women to have the capacity to own assets from accumulated savings. In respect to this table, it is found out that 41.5% agreed that they have the capacity to own assets from accumulated savings whereas 23.7% strongly agreed about this role. In controversial responses, 9.7% disagreed while 3.4% strongly disagreed and 21.6% were neutral about this notion and these findings are supported by the high mean of 3.45 which indicates that savings play a big role in helping women in business to have the capacity to own assets. In a similar way, responses from the interview guide conducted with the business women in Hima Town Council indicated that some business owners

have some capacity to own the assets from accumulated savings. They were quoted saying, “*We are able to control our own assets since we now have the knowledge about handling business capital*”. However, some business owners were silent about this idea. Despite of

this, the researcher gave a partial conclusion that some business women to a smaller extent have the capacity to own assets from accumulated savings. This extent was arrived at because of the small scale enterprises that these business women own.

DISCUSSION

The results further indicated that there is a strong positive relationship between savings and women involvement in business in Hima Town council kasese district was positive and statistically significant ($r = 0.817$) and ($\beta=0.236$, $p>0.05$). This means that when women's saving culture is enhanced, their involvement in business also increases by 23.6%. Thus, the hypothesis accepted by concluding that savings have significant influence on women involvement in business in Hima Town

Council Kasese district. The findings are also consistent with [9] who evaluated Negotiating business and family demands within a patriarchal society and the findings indicate that In Nepalese society the structural reforms have made female participation in the labor market more appropriate, at the same time making it extremely hard for many to get access to formal employment.

CONCLUSION

The study concludes that saving culture leads to improvement in number of women joining and starting new business Hima Town Council Kasese district. Managers of microfinance institutions can encourage members to save and be able to develop and

prosper. Another way of increasing saving by the members is by giving interest on savings by microfinance institutions. It was concluded that high saving culture among women has significant influence on their involvement in business.

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