IMPACT OF MICROFINANCE IN PROMOTING WOMEN ENTREPRENEURSHIP AND THECHALLENGES IN JIGAWA STATE

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Abstract

Women entrepreneurship is something rarely practiced in northern part of the Nigeria, but it was considered as a way to sustainability as a result of microfinance loans and credits given to most of them especially in Jigawa State, the study takes a fleeting analysis of the impact of microfinance credit in promoting women entrepreneurship and their challenges in Jigawa state, an interview research method was adopted within 14 local government areas of the state to obtain reliable result of the study. The analysis of data was made with the help of statistical package of social science SPSS through which the multiple regression analysis was the technique used. Microfinance credits plays a vital role in promoting women entrepreneurship inJigawaStateat5%level of significant ($P<0.05$)($R^2=0.882$),about 88.2% effect of independent variable(Microfinance-credits) was explained in the dependent variable(Women entrepreneurship) which orated that microfinance loans and credits activities promotes and strengthen the affairs of small and medium-scale enterprises holds by women in the states mostof them became self-reliable and the core employers of labour through which many women were economically settled as a result of entrepreneurship activities. The study recommends that women entrepreneurs should do all their best to utilize the loans given to them appropriately for sustainable economic growth and development in the state and the nation in general, also government should increase the activities of microfinance institutions in-terms of loans assessments by women to enable them get link to start- up capital through for their entrepreneurship ventures, as some of them were paused behind entrepreneurial opportunities as a result of capital deficiencies.

Key words: entrepreneurship, microcredits, socio-economic development, SMEs.

Introduction

Microfinance can be defined as the provision of a broad range of financial services such as deposits, credits, payment services to the poor and low-income households and their microenterprises (ADB, 2000). The discourse on microfinance traverses several fields and interconnects with issues of economic globalization and neoliberal policies, strategies for poverty and vulnerability reduction, and pathways for women's empowerment. Its credibility has grown over the last few decades, including international standard of it as a tool for addressing poverty and socio-economic vulnerability. The Microcredit Summit held in Washington DC in 1997, recognized it as a "miracle tool" for poverty reduction. It focused on four themes – reaching the poorest, the empowerment of women, building self-sufficient financial institutions and ensuring a positive and measurable impact on the lives of clients and their families.

Microfinance program are being considered as an important development strategy all over the world especially developing counties, both government and non-governmental organizations (NGOs) have been introduce new credit that target the poor. Bala et al (2015). Most of these programmes intentionally targeted women because they are more credit constrained and a negligible power of household and have higher loan repayment than that of men. This shows that the motivation of a female borrower determines whose money is used by whom and is and for whose community (Sharma 2011). Women constitute half of the population in any country but their unemployment rate is higher than that of men in every country. Therefore, their strong participation in economic activities is essential in economic growth and national building (Duflo 2012). Economic returns of investing in women are considerably higher than those of similar investment in men (world bank 2012). Entrepreneurship is the ability to seek instant opportunities and establish an enterprise based on identified opportunities (Gana 2001). It’s a manifest ability and willingness of individuals on their own within and outside the organization to perceive and create new opportunities (new products, new production method, new organizational scheme and new product market combinations) and to introduce their ideas in the market, in the face of uncertainty and other obstacles, by making decisions on location, form and the use of resources and institutions (Wennekers and Thurik, 1999).

Microcredit loans are designed to be offered at market rates of interest such that the MFIs can recover their costs but not so high that they make supernormal profits off the poor. This is an important concept because institutions that charge high interest rates can be scarcely cheaper than the moneylenders they intended to replace, and institutions that charge subsidized rates can distort markets by undercutting other lenders that are attempting to recover their costs. This has implications for impact assessments because the less clients must pay in interest the more, they could be expected to show in increased income. If we compare the impact of institutions that fall outside of “normal” microfinance interest rates, we could end up drawing unreasonable conclusions about the effectiveness of one program versus another, since each type of program attracts different clients and imposes different costs on their borrowers. Note that sustainability of an organization (as defined roughly by de facto World Bank policy) does not require each and every product or target market is sustainable but rather that the organization as a whole is sustainable. Thus, organizations could charge lower interest rates for indigent or particularly poor individuals, as long as there were sufficient profits from lending to the not-so-poor to be able to cross-subsidize such a program. Such programs may, in the long run, be sustainable (if the initially subsidized program leads to client loyalty and a long-term relationship with the MFI). There three basic models of liability employed by MFIs. Each poses difference in potential impacts (e.g., group-liability programs may generate positive or negative impacts on risk-sharing and social capital) as well as targeting (traditionally, individual-lending programs reach a wealthier clientele). 1. Solidarity Groups: The classic microfinance model, often referred to as the “Grameen model” after the pioneering Grameen Bank in Bangladesh, involves 5- person solidarity groups, in which each group member guarantees the other members' repayment. If any of the group members fail to repay their loans the other group members must repay for them or they face losing access to future credit. 2. Village Banking: Village banking expands the solidarity group concept to a larger group of 15-30 women or men who are responsible for managing the loan provided by the MFI (the "external account"), as well as making and collecting loans to and from each other (the "internal account"). In India, Self-Help Groups (SHGs) operate according to a similar format. Individual Lending: Individual lending is simply the provision of microfinance services to individuals instead of groups. Individual lending can be hard to distinguish from traditional banking since they have similar forms. This is especially true where MFIs require collateral (or collateral substitutes such as household items with low market value but high personal value to the borrower) from borrowers, as no collaterallending has traditionally been one of the hallmarks of microfinance.

The huge amounts of money the government has been investing on this platform over the years have not yielded any meaningful result. Poverty is a characteristic of Nigerian households or individuals. It has been understood in the recent years that there are limits to which government can singly promote development. Most of the traditional functions being carried out by the government in most countries ranging from the provision of economic development are becoming increasingly difficult to accomplish. Nigeria as a nation has her own peculiar developmental challenges because of maladministration, corruption, infrastructural decay, insecurity of lives and properties, unstable macroeconomic regime and unpredictable fiscal policies by successive administrations (Fasua, 2006). Thus, both the public and the private sectors of the economy and every segment of the society need to be involved in the industrial development process of the country. It is on this basis that government begins to engage in privatization policy with the view of allowing the private sector to participate in the economic development of the nation. Consequently, various governments of the nation begin to find pathways to involve the private sector in the developmental process of their country's economy.

One of the responses to the challenges of development in the developing countries is the encouragement of entrepreneurial development scheme. Nigeria had even taken more robust step by including entrepreneurial studies in the academic curriculum of her educational system. The believe of such policy makers is that such decision will inculcate entrepreneurial spirit in the mind of people so as to prepare them for wealth creation through small scale enterprises (Fasua, 2006). Small scale enterprise is very crucial to the development of a country's economy, especially countries like Nigeria. Entrepreneurship is a prerequisite to national development, poverty eradication and employment generation. It is the bedrock of any nation's industrialization. Some scholars focused on the mechanism by which poverty is reduced. Amin, Rai, and Topa (2003) focus their article on the ability of microfinance to reach the poor and vulnerable. They focus their article in such a manner because of concerns that microfinance is only serving people slightly below or above the line of poverty, however the really poor and destitute are being systematically excluded. By contrast, Copestake, Halotra and Johnson (2001) analyze the impact of microfinance on firms and individual wellbeing. Focus on business performance and household income to establish a link between the availability of microfinance and overall wellbeing of the poor. Evans and Adams (1999) approach the microfinance question at a slightly different angle. However, they seek to explain non participation in the microfinance evolution, stating that while microfinance is used as a viable tool in fighting poverty, more than 75% of the poor individuals choose not to participate for various reasons. Ryne and Holt (1994) provide a meta-analysis of microfinance and focuses on women empowerment, intending to show while various studies conflict in their conclusions as to the impact of microfinance on women empowerment. Park (2001) evaluates the actual microfinance programs in china using 3 key measures (targeting, sustainability and overall impact).

The impact of microfinance in promoting women entrepreneurship made the Central Bank of Nigeria adopted it as the main source of financing entrepreneurship in Nigeria. Despite this, however, finance is still considered as one of the major interferences to entrepreneurial development in Nigeria (Ubom, 2003). While government and Non-Government Organizations (NGOs) have been engaging a number of programmes and policies to encourage entrepreneurship in the country. It is therefore necessary at this intersection to undertake an assessment of the extent to which microfinance haspositively promoted women entrepreneurs and the challenges behind it in Jigawa State Nigeria. That is the overall objective of this paper.

The research conducted based on the following objectives: -

1. To determine how microfinance loans and credits promote soicio-economic condition of women entrepreneurs in Jigawa State.
2. To examine the contribution of microfinance loans and credits to the income level of women entrepreneurs and associate in Jigawa State.
3. To examine how microfinance loans and credits improve property acquisition of women entrepreneurs in Jigawa state.

In order to achieve the above stated objectives, the following research questions are advanced:

a) Does microfinance loans and credits promote soicio-economic condition of women entrepreneurs in Jigawa State?
b) Was there a significant contribution of microfinance loans and credits to the income level of women entrepreneurs and associate in Jigawa State?
c) How did microfinance loans and credits improve property acquisition of women entrepreneurs in Jigawa state?

The following null hypotheses are proposed and tested in the course of this study.

H1: There is significant difference of adopting microfinance credit in promoting women entrepreneurship activities in Jigawa State.

H0: There is no significant difference of adopting microfinance credit in promoting women entrepreneurship activities in Jigawa State.

Literature Review

Ryne and Holt (2000) provide a meta-analysis of microfinance and focus on women empowerment, intending to show while various studies conflict in their conclusions as to the impact of microfinance on women empowerment. Park (2001) evaluates the actual microfinance programs in China using 3 key measures (targeting, sustainability and overall impact). Thus, both research and practice have seen an increasing concern about the impact of microfinance. In spite of this emphasis, current research did not provide sufficient justification for the link between microfinance and entrepreneurial development in developing countries. Besides, the empirical evidence emerging from various studies about the effect of microfinance on entrepreneurial development have so far yielded mixed results that are inconclusive and contradictory. Thus, the question of whether microfinance improves or worsens entrepreneurial development is still worthy of further research. Some scholars focused on the mechanism by which poverty is reduced. Amin, Rai, and Topa (2010) focus their article on the ability of microfinance to reach the poor and vulnerable. They focus their article in such a manner because of concerns that microfinance is only serving people slightly below or above the line of poverty, however the really poor and destitute are being systematically excluded. By contrast, Copestake, Halotra and Johnson (2010) analyze the impact of microfinance on firms and individual wellbeing. Copestake et al (2010) focus on business performance and household income to establish a link between the availability of microfinance and overall wellbeing of the poor. Evans and Adams (2009) approach the microfinance question at a slightly different angle. However, the above-mentioned authors seek to explain non participation in the microfinance evolution, stating that while microfinance is used as a viable tool in fighting poverty, more than 75% of the poor individuals choose not to participate for various reasons.

Impact of Microfinance on Poverty and Vulnerability

Microfinance is increasingly recognized as an effective instrument for poverty reduction. Recent studies in various countries suggest that microfinance has the potential to reduce poverty significantly through strengthening crisis-coping mechanisms, diversifying income earning opportunities, building financial and other assets and improving socioeconomic condition of the poor (Swain et al. 2008, Abed and Matin, 2007; Khandker and Pitt, 2005; Robinson, 2002; Khandker, 1998; Hashemi et al., 1996; Montgomery et al., 1996; Husain, 1998). According to Morduch and Haley (2002), microfinance has proven to be an effective and powerful tool for poverty reduction. Simanowitz (2001) pointed out that the impact of microfinance on poverty alleviation has recently gained a prominent position on the microfinance agenda. Donors, Practitioners, and Academics are realizing that MFIs must concern themselves with more than their ability to reach institutional self-sufficiency. The ability to reach and to demonstrate a positive impact on the poorest is now becoming a core principle in financial institutions. Cuong, Pham and Hinh. (2007) in Vietnam have confirmed the positive and statistically significant impact on per capita consumption expenditure and per capita income of participating clients in microfinance programs. Parallel confirmations were reported by Chowdhury (2007), and Khandker (2005) in Bangladesh. A positive effect of microfinance on clients' income empowerment was also reported by (Javed et al., 2006), and Abbas, Sarwar and Hussain (2005) from Pakistan. In Sri Lanka, Colombage, Ahmad and Chandrabose (2008) have concluded that microfinance has positive impact on client's socio-economic development at various levels such as at family level, at business level, at community level and at individual level. However, microfinance may not be able to eradicate poverty but is a component of the fight against poverty and vulnerability of poor people. The services provided by MFIs to poor households can make a significant difference to economic welfare and the capacity for self-reliance and economic and social empowerment. There is no doubt that microfinance benefits the poor. The weight of evidence from the very few but increasing number of surveys and case studies were confirmed this. Hulme and Mosley (1996) concluded that well designed credit schemes can raise the income of significant numbers of poor people (p.114).

Poor people remain at low income levels for many reasons, but the advocates of microfinance are convinced that an important contributor to their inability to escape from poverty and retain a place in the economic spectrum above the poverty line is their lack of access to microfinance. Investment by the poor is low not because poor people do not save, nor it is because they have few investment opportunities, some of the efficient activities provided by the MFIs can be stated as: (1) meet the needs of the poor for working capital. (2) offer relevant investment advice. (3) present productive savings options to compete with asset hoarding. (4) for insurance for risk management or life-cycle savings. (5) Respond rapidly and flexible to unplanned changed circumstances or misadventure. (6) Provide advice on flexible money management tailored to the circumstances of poor households. Implementing these activities/practices, MFIs enable poor households to attain higher income levels, decline unemployment, improve productivity, invest in upgrading existing productive assets or attain additional productive assets, get higher returns for goods and services marketed, and lower livelihood and production costs as a result of technology transfer.

Morduch and Haley (2002), showed that, like many other development tools, it has insufficiently penetrated the poorer strata of society. The poorest form the huge majority of those without health care and basic education; similarly, they are the majority of those without access to microfinance. Therefore, microfinance is an appropriate tool by which to reach the millennium goals. Further, the evidence shows the positive impact of microfinance on poverty reduction as it relates to the first six out of eight millennium goals. Robinson (2001) states that, “among the economically active poor of the developing world, there is strong demand for small-scale commercial financial services - for both credit and savings. Where available, these and other financial services help low income people to improve household and enterprise management, increase productivity, smooth income flows and consumption cost, enlarge and diversify their micro business and increase their income” (p.5). According to Hossain (1988), “GB members had income of 43 percent higher than the target group in the control villages, and about 28 percent higher than the target group of non-participants in the project village”. Schuler, Hashemi and Riley (1997), Holcombe (1995), Otero and Rhyne (1994); Remenyi (1991), also confirmed that microfinance brings about immense socioeconomic benefits including income generation ability and vulnerability reduction of clients.

Household income with access to credit is significantly higher than for comparable households without access to credit. In Indonesia a 12.9 percent annual average rise in income from borrowers were observed while only 3 percent rise were reported from non-borrowers (control group) Remenyi and Benjamin (2000).They suggested that, in Bangladesh, a 29.3 percent annual average rise in income was recorded and 22 per cent annual average rise in income from non-borrowers. In Sri Lanka, indicated that a 15.6 percent rise in income from borrowers and 9 percent rise from non-borrowers. In the case of India, 46 per cent annual average rise in income was reported among borrowers with 24 per cent increase reported from non-borrowers. The effects were higher for those just below the poverty line while income improvement was lowest among the very poor. There are many practitioners who would be happy about MFIs admission of new members from households that are below the poverty line but not the most vulnerable, the poorest of the poor. It is possible that because outreach to the poorest of the poor is especially difficult and costly, MFIs will find it easier to achieve financially viable growth if they concentrate on the higher strata of the poverty pyramid.

Microfinance and Women Empowerment

It is widely accepted that the microfinance programs that target women have greater empowering potential, because they are usually marginalized economically as well as socially, in society. Microfinance services enable women to develop their own income-generating activities, and thereby to foster internal attitudes (self-reliance, self-confidence and self-worth). The participation of women in microfinance will also able to develop their internal relations such as greater bargaining power within the household and leadership in the community (Sharma, 2011). Small groups, which form the foundation of most microfinance programs, empower women through mutual support, exchanging of new ideas, group responsibility and leadership. Todd (1996) has mentioned that in poor households, and especially the poorest households, resources are highly fungible and it is rarely possible to determine whose money is used by whom and for whose benefit. Todd shows that the motivation of a female borrower is often drawn from her ability to help her husband, sons, or other relatives, attain higher status and economic prospects.

The act of accessing a new source of loan or other financial services is rarely taken independently. Therefore, while research into the gender dimension of the distribution of the benefits of MFIs should actively intensify awareness to gender issues, it has not damaged the claim that poor women are major beneficiaries of MF programs. Amin and Pebley (1994); Naved (1994); Hashemi Schuler and Rily (1996); Pitt and Khandkar (1998) investigated the microfinance and the empowerment of women,Ahmad and Chandrabose (2008) constructed Women' Empowerment Index to examine female participation in decision making for agricultural and non-agricultural activities. They have concluded that microfinance has a positive impact on women's socio-economic development at family level, at business level, at community level and at individual level.

The need to endorse groups and other social mechanisms for the useful delivery of microfinance services has long been recognized. Whether, the Grameen Bank in Bangladesh style groups, solidarity groups, self-help groups, village banks or savings and credit cooperatives, they all rely to greater or lesser extent on trust or social capital that exists among members of the group. This social capital enables the MFIs to reduce its transaction costs by giving the group the tasks of selecting and monitoring borrowers, exerting peer pressure when necessary, even granting each other's loans. Such types of benefits to the microfinance practitioners, in which significantly reduce its costs. This task is sometimes referred to as 'social intermediation'. "Successful financial intermediation is often accompanied by social intermediation. Social intermediation prepares marginalized groups or individuals enter into solid business relationship with MFIs" (Fisher and Sriram, 2002, pp.104). Social capital of this kind is much more important for those who do not have access to formal credit markets. People who lack physical capital to offer as collateral effectively pledge their social connections. Therefore, people's associations can generate concrete monetary and economic benefits (Jayamaha, 1990; Dissanayake, 1991). According to Uphoff (2000), sources and magnitude of benefit flow from social capital have been analyzed using a case study of the development of small farmer groups and water management system, carried out with the social networks of the Gal Oya irrigation system 1980 in Sri Lanka. It had proved that a good "income stream" flow from social capital in terms of beneficial collective actions improved the quality of life, spirit of unity, skill, savings and loan operation activities among the farmers. Fukuyama (1995) stated that the ability of strangers to trust one another and to work together in new and flexible forms of organization is crucial for economic development.

Putnam (1993, and 2002), through his seminal studies in Italy and United States, tries to show that norms and networks of civic engagement strongly influence the quality of public life and the performance of public institutions. One of the major findings is that the northern part of Italy had higher levels of output per capita and better governance than the southern regions, due to greater endowments of social capital. The theoretical demonstration of Ghatak (1999) on the group lending programs utilizes joint liability strategy to gain local information; borrowers have about each other's projects through self-selection of group members in the group formation He shows that even if MFIs do not screen borrowers there will be positive associative matching, better quality borrowers will match with other better quality borrowers and not with poor borrowers. He has illustrated a model of individual liability contract and joint liability contract to get the equilibrium in the group formation game and credit market equilibrium with adverse selection. The analysis shows that joint liability will always improve repayment rates and efficiency (aggregate surplus) compared to lending with individual liability. The welfare analysis shows that group lending increases repayment rates and also welfare, due to social collateral and peer selection by members of the lending group. But it is not guaranteed that every borrower will be better off under group liability.

Besley and Coats (1995) investigate the impact on repayment rates of lending to groups which are made joint liable for repayment. The example of Grameen Bank has been exploited to model the concepts. They set up and analyzed the "repayment game" which group lending give rise to. The suggestions are group lending have positive and negative effects. The positive effects are the successful group lending members may have an incentive to repay the loans of members whose projects have yielded insufficient return to make repayment worthwhile. The negative effect arises when the whole group defaults. Besley and Coats (1995) show how group lending may harness social collateral which serves to mitigate its negative effects.

Evidence has shown that it is easier to establish sustainable financial intermediation systems with the poor in societies that encourage cooperative efforts through local clubs, temple associations, or work groups. In other words, societies with high levels of social capital, perhaps more than any other economic transaction, financial intermediation depends on trust between the borrower and the lender. Where neither traditional system nor modern institutions provide a basis for trust, financial intermediation systems are difficult to establish. Social intermediation can thus be understood as the process of building the human and social capital required for sustainable financial intermediation with the poor (Legerwood, 1999, PP. 76-77). As this question makes clear, social intermediation is regarded as an instrument to enable effective delivery of micro financial services. Groups are an unregistered group of people (the number of members in the group can differ from country to country) from a homogeneous group who come together for addressing their common economic problems.

They are encouraged to make voluntary savings on a regular basis. They use these savings to make interest bearing loans to their members. This process i.e. saving, lending, and recovering it back, are the essentials of financial intermediation including prioritization of needs, setting terms and conditions and keeping financial accounts. This helps in building financial discipline and more importantly, credit history for themselves, as the money involved in lending is their own 'warm money', the lending is done very carefully and the entire money is recovered. Also, group members learn to handle larger sums of money which are much beyond their individual savings. This process also makes them to understand the basic principle of banking that money has a time value and is a scare resource. In Sri Lanka, microfinance studies show that poor women are particularly empowered by microcredit, as it gives them ability to earn an income and thus improve their bargaining positions vis-a-vis their male partners (Gunathilake and de Silva 2010). Another recent study (de Mel et al., 2008) have found that returns to capital were zero among female-owned microenterprises Buti excess of nine per cent per month for male-owned enterprises, while, Kabeer (2001) shows that small-scale credits lead to negative empowerment and leads to debt trap of women. From banks perspective, they are taking the advantage under the system of lending to a group and the group takes the responsibility of prioritizing the loan demands from the members and fixing the terms and conditions of sanction. In other words, the banks get the advantage of lending to those who have experience in borrowing and repaying and additionally major part of their costs of sanctioning, disbursing, monitoring and recovering are externalized.

The important features of the product developed under the group -bank linkage program are as follows: -

1. Saving first, credit later and small fixed savings at a regular interval. It helps in building up financial discipline.
2. Credit rationing: the group to prioritize the request of loans from members. This also builds group pressure for timely repayment.
3. Shorter payment period (depends on the amount).
4. Progressive lending.
5. No subsidies.
6. The group deciding the quantum as also the term and conditions for, loans to members.
7. No subsidization of interest.
8. No subsidization of interest.
9. Transparent operations.

Research Method

The research was conducted in Jigawa state where the target research population was women entrepreneurs in the state. There are different categories of women entrepreneurs who are beneficiaries of microfinance loans and credits in the state. Jigawa state has 27 Local Government areas among which the research covered only 12 Local Governments areas in the state, this was done with the help of some research assistance in the state.

Data Collection

The data for the study was collected using interview method (primary data), where the sampled respondents was given equal chance to partake in the exercise. The research assistance was put in place to enable the success of the exercise. The data was successfully gathered by the researcher. The selected Local Government Areas are as follows:

Kazaure,Hadeja,Ringim,Babara,Kafin Hausa,Gumel,Roni,Gwiwa,Yankwashi, Kiyawa,Bamaina,andSule-Tankarkar respectively.

Techniques of Data Analysis

The gathered data was coded to the read of a software and analyzed with the help of statistical package of social science SPSS, and the output was critically discussed as to what impact the microfinance credits and loans have in promoting women entrepreneurship in Jigawa State as well as their challenges.

Table 01: Model Summary

Mode l	R- Square	Adjusted R- Square	Std. Error of the Estimate
1	0.882	0.781	2.2312

a. Predictors: (Constant), PAWEJS, ILWEJS, SECWJS

Table 02: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	57.333	3	19.111	3.465	0.002
	Residual	.000	8	.000		
	Total	57.333	11			

a. Dependent Variable: TWEJS

b. Predictors: (Constant), PAWEJS, ILWEJS, SECWJS

Table 03: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.287E-015	0.010		.000	0.002
	SECWJS	1.000	0.001	.902	135775904.038	0.001
	ILWEJS	1.000	0.010	.902	135775904.038	0.001
	PAWEJS	.333	0.002	.264	42609595.726	0.002

a. Dependent Variable: TWEJS

Discussion of Finding

Microfinance institutions in Nigeria were identified to be one of the key players in the financial industry that have positive effect on individuals, business organizations as well as other financial institutions in promoting women entrepreneurship. This study revealed the impact of microfinance in promoting women entrepreneurs in Jigawa State and their challenges. It wasdiscovered that microfinance credits and loan playa substantial role in women entrepreneurship in the state, considering the interview outcome from various local government areas of the state.

Microfinance loans and credits positively affect women entrepreneurship in Jigawa state at 5% level of significant ($P<0.05$)($R^2=0.882$), about88.2% upshot of independent variables in the dependent variable. The model was measured using three independents variables based on the research objectives (To determine how microfinance loans and credits promoteeconomic condition of women entrepreneurs in Jigawa State. To examine the contribution of microfinance loans and credits to the income level of women entrepreneurs and associate in Jigawa State. To examine how microfinance loans and credits improve property acquisition of women entrepreneurs in Jigawa state).Which opined that Microfinance credits and loans promotes and strengthen the affairs of small and medium-scale enterprises holds by women in the state, as most of them became self-reliable and the core employers of labour through which many them were economically developed in one or two kinds of enterprises as a result of effective use of microfinance loans.

The calculated F-value is greater than the critical value (3.465 >2.52), meaning that there is significant impact of microfinance credits and loans in women entrepreneurship activities in Jigawa State with less challenges, as such we reject the null hypothesis and accept the alternative hypothesis.

Many women entrepreneurs were inter interviewed in the 12 selected local government areas concerning microfinance credits and loans as they were benefiting from the program for several years, the responses were very positive that microfinance credits have changed the life of many women who entered into entrepreneurship as a result of microcredits obtained, which indicates that the general objective of the study was determined(to undertake an assessment of the extent to which microfinance can impact and promotewomen entrepreneurs and their challenges in Jigawa State Nigeria).

Subsequently, the study also revealed that some women entrepreneurs find it difficult to repay their held loans to enable them obtain another one which makes their level of entrepreneurship low as compare to others in the same scheme, but they are trying their best to coop. Women entrepreneurs in Jigawa state obtained different amounts of microfinance loans after been trained on how to utilize the money actuality collected appropriately and repay base on the scheduled tenure which goes on monthly bases, and strictly in the nearby microfinance banksacross the state. They usually attend the training before being qualified for the loan, and that has frequently reduced the chances of failure of the loan repayment on due schedules. Microfinance loans has positively affected women entrepreneurs in the state as revealed by the current study that many of them were economically developed and became employers of labour in a diversified entrepreneurship aspects across the state, such as groundnut processing, restaurants, POS stores, animals keeping, buying and selling of women and children fashions, production of creams and soaps, soya milk production, poultry etc.

The result of this study is in conformity with another research conducted by Agnes (2015). On the topic ‘’Engendering Microfinance Services’’. Her result revealed that women are likely to do more than men in terms of utilization of the loans in several ways for profits maximization as well as economic growth and development. Microfinance institutions have positive relationship with the Nigerian economy in mounting GDP as revealed by the current research, this has a vital link with the effective role played by womenentrepreneursas indicated that the microfinance institutions and their activities go a long way in the determination of the pattern and level of economic activities and development in Jigawa State and the Nation in general as Microfinance institutions were put in place to finance SMEs in order to accommodate the SMEs handled by women entrepreneurs as they appreciate and give technical assistant to the SME who would be contributing to the growth and development not only in Jigawa State but the Nation in general.

Microfinance activities mostly targets the informal sectors because there have been some models that shown microcredits helped the poor to reduce their susceptibility to external shocks, improved income, and build feasible businesses. It also has been a potent instrument in enabling the economically weaker sections, especially women, to be self-sufficient, and become economic agents of change.Income generated from businesses help expand business activities, contribute to household income expansion, and also aid in food security, education of the children, healthcareand interactions with such formal institutions which may aid in building self-confidence among them and also a sense of empowerment in Jigawa state as well as the country in general.The research revealed that entrepreneurship activities of women were really promoted or upgraded in Jigawa State as a result of higher impacts of microcredits and loans used by women in the state.

Conclusion

Many microfinance programs offer services beyond credit. The most basic service is savings (credit unions and cooperativessavingsas what a poor-clients need most is a safe place to store their money so generated from entrepreneurial activities. Some MFIs require mandatory savings each week from each borrower as well as each group, depending on the individual MFIs’ policies of collection of mandatory savings in case of default, this is often more appropriately called “cash collateral,” rather than “savings.” Some of these programs also collect voluntary savings, allowing clients to deposit as much as they like each week. A popular form of training is credit with education, developed by Freedom from Deprivation, which includes modules on both business and health training. While MFIs offering credit with education have demonstrated that the modules can be provided at low cost, some MFIs retain their focus on credit and savings, arguing that the poor already have all the business skills.

Women participate well in the program as indicated in the model of analysis that there is significant upshot in the soicio-economic condition of women entrepreneurs in Jigawa State as a result of securing and making the best use of their microcredits and loans obtained.Also, there are largecontribution of microfinance loans and credits to the income level of women entrepreneurs in Jigawa State, as well as the improvement in the property acquisition of women entrepreneurs in State.The research revealed that entrepreneurship activities of women was really promoted or upgraded in Jigawa State as a result of higher impacts of microcredits and loans used by women in the state. The research revealed that women entrepreneurs obtain Microfinance loans through the processes as follows: (Get trained, apply for loan, receive funds, get business support service, make sales, repay loan). The process takes effect any time the loan is to be given out to them.Microfinance loan play a significant role in the state as revealed by the research that women are doing extremely well in the aspect of financial management.

Recommendation

Base on the finding of the study the following recommendations were drawn:

a) Women entrepreneurs should do all their best to utilize the loans given to them appropriately for sustainable economic growth and development in the state and the nation in general.

b) Government should increase the activities of microfinance institutions to enable the women entrepreneursgetlink to their start- up capital through them, as some of them were paused behind entrepreneurial opportunities as a result of capital deficiencies.

c) Women entrepreneurs who are beneficiaries of the scheme are expected to have a best utilization of their funds to avoid being bankrupts as some of them find it difficult to repay the amount obtained fully as per due schedules.

d) More chances or slots should be given to women entrepreneurs by agencies involved especially after been trained as most women are doing well in terms of financial management especially microfinance credits when assessed.

e) The financial institution should put more effort in financing SMEs, their role needs to be handled by the SMEs in terms of growth and development in Jigawa State.

f) The financial institution whose role needs to be noticeable in promoting SMEs growth and development is microfinance. SMEs themselves should be more accessible to new ideas and prepared to make financial commitments to ensure growth by in-cooperating more women entrepreneurs in Jigawa State.

g) Microfinance institutions that finance SMEs need to be flexible to accommodate the SMEs handled by women as when financial institutions appreciate and give technical assistant to the SME who would be contributing to the growth and development not only in Jigawa State but the Nation in general.

h) Microfinance institutions in Nigeria were identified to be one of the key players in the financial industry that have positive effect on individuals, business organizations as well as other financial institutions in promoting women entrepreneurs needs to be intensified in Jigawa State.

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