THE EFFECT OF MICROFINANCE FACTORS AND OPPORTUNITY ON WOMEN ENTREPRENEURS’ PERFORMANCE IN TUNISIA

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Abstract

The performance of women entrepreneurs in their businesses has become an important area of recent policy and academic debate. Comparatively little rigorous and in-depth research, however, has been undertaken on the issues of gender and business performance, especially in Tunisia. First, this study analyze the relationships among microfinance factors, opportunity for entrepreneurial activity, and women entrepreneurs’ performance, and second, advanced the study by examining opportunity for entrepreneurial activity in mediating the relationship between microfinance factors and women entrepreneurs’ performance among 276 Tunisian women entrepreneurs. Structural equation modeling statistical technique was used to test the proposed theoretical model. The findings revealed that the opportunity for entrepreneurial activity did mediate the relationships between microfinance factors (credit, savings, training and social capital) and women entrepreneurs’ performance in Tunisia. This study also highlights the relationship between microfinance factors, opportunity for entrepreneurial activity and women entrepreneurs’ performance. The microfinance factors in this study have shown to have a very high positive significant influence on opportunity for entrepreneurial activity and also have considerable positive significant effect on women entrepreneurs’ performance.

Keywords: Microfinance factors, women entrepreneurs’ performance, Tunisia, Structural Equation Modeling.

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1. Introduction

Female entrepreneurship has attracted increasing attention in recent years in light of concrete evidence of their tremendous contribution to the socio-economic development of their families and countries. However, it is discovered that women entrepreneurs have low business performance in comparison with their male counterparts (Akanji, 2006; Gakure, 2003). This fact can be attributed to factors which normally affect entrepreneurial performance such as lack of credit, savings, education or training and social capital (Shane, 2003).

Although women entrepreneurs require flexible financial support mechanisms to be successful (Mayoux 2003), literature substantiate the fact that women entrepreneurs, generally in developing countries, do not have easy access to credit for their entrepreneurial activity (Ibru, 2009; Iganiga, 2008; Kuzilwa, 2005; Lakwo, 2007; May, 2007; Okpukpara, 2009), even though the rate of women participation in the informal sector of the economy is largely higher than males (Gakure, 2003; Akanji, 2006; Akinyi, 2009). Lack of capital, termed by Stiglitz and Weiss (1981) as the finance gap, to start or fund their businesses led them to request for credits from microfinance institutions (Ibru, 2009; Kuzilwa, 2005; Stevenson and Onge, 2005). This can be traced mainly to poverty, unemployment (Akanji, 2006; Olomola, 2002), low household and business income (Lawal, Omonona, Ajani & Oni, 2009), lack of asset collateral required by conventional banks (Brata, 2004; Lawal et al., 2009) and high interest rates (Mohd & Hassan, 2008) and inability to save (Otero, 1999; Porter and Nagarajan, 2005; Roomi and Parrot, 2008). Most women entrepreneurs in developing countries, lack the ability to save (Mkpado and Arene, 2007), yet they require savings to protect income, act as a security for loan and could even be re-invested in the business (Akanji, 2006). Savings as a microfinance factor allow people with few assets to save. Such savings are mobilized by the microfinance institutions as another source of lending funds.

Webster and Fidler (1996) advocate that in many cases, basic business skill training should accompany the provision of microloans to improve the capacity of the poor to use funds. Nevertheless, it is argued that women entrepreneurs, especially in developing countries lack training (IFC, 2007) and entrepreneurial process is a vital source of developing human capital as well as plays a fundamental role in providing learning opportunity for individuals to improve their skills, attitudes and abilities (Brana, 2008; Cheston & Kuhn, 2002; Shane, 2003). Again, studies examining the effect of training on women entrepreneurs’ performance, especially in developing countries, are very limited. As Regard to the peculiar situations of
most women in developing countries in terms of poverty, low educational levels and other societal discriminations (Porter & Nagarajan, 2005; Roomi & Parrot, 2008); training seems to be an important microfinance factor for women entrepreneurs as it play a key role in stimulating entrepreneurship and self-employment (Namusonge, 2006) and would provide the skills and experience needed for business (Kessy & Temu, 2010; Akanji, 2006, Cheston & Kuhn, 2002; Kuzilwa, 2005).

In addition to the issues of technical training and circulation of capital, women entrepreneurs are relatively disadvantaged in the construction of social networks, especially the disadvantaged. Social capital is fundamental for start-ups and growing firms and women entrepreneurs, especially in developing countries, may experience low social integration and connections that are a source of information for access to microfinance factors (Mayoux, 2001; United Nations, 2006; Olomola, 2002). Furthermore, social capital has been widely measured and found to have positive impact on the performance of women enterprises in developing countries (Brata, 2004; Lawal et al., 2009; Mkpado & Arene, 2007; Olomola, 2002).

To date, there is scarcity of studies that jointly links credit, savings, training and social capital to women entrepreneurs’ performance especially in developing countries, Tunisia inclusive. Besides, limited researches are available on the mediating relationship between opportunity and women entrepreneurs’ performance (Tata & Prasad, 2008; Shane, 2003). Women entrepreneurs in this context lack credit, savings, training and social capital for entrepreneurial activity and subsequent business performance (Akanji, 2006; Ibru, 2009; Kuzilwa, 2005). Whereas the Entrepreneurship Theory (Shane, 2003) stated that business environment provides opportunity for entrepreneurial activities to those entrepreneurs who could identify them, and their decision to exploit such opportunities leads to the demand for microfinance in terms of resource acquisition. Acquisition of resources could also lead to opportunity for entrepreneurial activity. Appropriate use of acquired resources through good business strategy and organizational design could lead to business performance (Brana, 2008; Koontz & Weihrich, 2006; Salman, 2009; Shane, 2003).

The overall objective of this study is to analyze and discuss the effect of microfinance factors (Credit, Saving, Training and Social Capital) on women entrepreneurs’ performance in Tunisia through the mediating effect of opportunity for entrepreneurial activity because
limited studies are available in this area. This paper will be scheduled as follow. Section 2 reviews the related literature and hypotheses development. Section 3 outlines the research design and methodology. Section 4 presents the research findings accompanied by a discussion of the findings. The final section concludes and suggests directions for further research.

2. Related Literature Reviewed and Hypotheses Development

Studies on the effect of micro-finance on women’s ability to take up income generating activity, and provide sustainable living for her and the family show that women entrepreneurship could be an effective strategy for poverty reduction in a country; since women are the worst hit in such situation. The rate of women’s participation in the informal sector of the economy is higher than males, and micro-finance factors could have positive effect on their performance.

According to Ekpe et al. (2010) adequate credit aids entrepreneurship performance. The result of such credit assistance to entrepreneurs, especially women, is often seen in improved income, output, investment, employment and welfare of the entrepreneurs (Kuzilwa, 2005; Lakwo, 2007; Martin, 1999; Peter, 2001). Despite the fact that Karnani (2007) argued that microcredit do not lead to women entrepreneurs’ performance; rather the government should build more industries to create jobs, credit have been found to have positive impact on business performance of entrepreneurs in Kenya (Peter, 2001), Nigeria (Ojo, 2009), Tanzania (Kuzilwa, 2005), UK (Carter & Shaw, 2006), USA (Reavley & Lituchy, 2008). Credit also had positive impact on the income and wellbeing of women in Uganda (Lakwo, 2007).

Scott (2003) defines savings as income not spent or differed consumption. The savings mobilization has recently been recognized as a major force in microfinance. The savings women entrepreneurs to deal with severe crises and to cope up with the shocks and reduce vulnerability and bought property that can be sold also to deal with the crises; savings could be used to acquire another microfinance cycle and also to start and expand the existing micro-enterprise activities. The importance of savings mobilization has been highlighted in several papers (Rahmat and Maulana, 2006; Ojo, 2009; Otieno et al., 2011). Results of these studies indicated that savings have positive effect on enterprise productivity and performance especially among women entrepreneurs.
Managerial competencies are sets of knowledge, skills, behaviors and attitudes that contribute to personal effectiveness (Hellriegel et al., 2008). Managerial competencies are very important to the survival and growth of new small business. Martin and Staines (2008) found that lack of managerial experience and skills are the main reasons why new firms fail. In South Africa, Herrington and Wood (2003) point out that lack of education and training has reduced management capacity in new firms. Those entrepreneurs with larger stocks of human capital, in terms of education and (or) vocational training, are better placed to adapt their enterprises to constantly changing business environments (King and McGrath, 1998).

Training has been considered in many studies as a key success factor for small businesses such as Duchesneau and Gartner (1990), Storey (1994), Kent (1994), Gatewood et al (1995), Brown and Huang (1999), and Blackwood and Mowl (2000). Therefore, training for small business owners/managers as well as their subordinates allow them acquire the necessary skills to ensure the survival and success of their business (Ibru, 2009; Cheston & Kuhn, 2002; Jill et al., 2007; Kuzilwa, 2005; Reavley & Lituchy, 2008; Kessy and Temu, 2010).

Women sometimes feel the need to communicate with others who understand and know what they are going through. This can be done through social networks like groups of other women entrepreneurs who regularly get together to discuss and share their problems and views. Although establishing an effective network among women entrepreneurs are not an easy task in men dominating societies, this network helps to make members feel like a part of the group since they know that everybody else has possibly been through the same experience. In addition to that, it is a good way to brainstorm and generate ideas for their businesses to grow and develop. Networking is very important to small business both new and established and can positively impact on their performance and access to finance. Okten and Osili (2004) found that the formation of networks helps entrepreneurs to tap resources in external environment successfully. In addition, networks increase a firm's legitimacy, which in turn positively influences the firm's access to external financing. Networks also help a firm learn appropriate behavior and therefore obtain needed support from key stakeholders and the general public. However, Women entrepreneurs, especially in developing countries, lacked social connections that are a source of credit and market information (Olomola, 2002), whereas social capital has been found to have positive impact on the performance of women entrepreneurs (Brata, 2004; Lawal et al., 2009; Mkpado & Arene, 2007; Olomola, 2002).
As regards to the aforementioned information, we made the assumption that:

**H1: Credit, Savings, Training, Social capital are positively related to women entrepreneurs’ performance in Tunisia.**

The emergence of microfinance presents a golden opportunity, since it provides the needed opportunity, in terms of new business or business expansion, for entrepreneurs especially women to start or improve business in order to make profit and improve their lives (Allen, Elam, Langowitz & Dean, 2008; Brana, 2008; Lans, Hulsink, Baert & Mulder, 2008; Majumdar, 2008; Roslan & Mohd, 2009; Salman, 2009; Shane, 2003; Tata & Prasad, 2008; Ekpe et al. 2010). Accordingly, credit, savings, training and social capital could have positive impact on opportunity for entrepreneurial activity of women entrepreneurs which could lead to business performance.

According to Shane (2003) microfinance factors generate opportunity for entrepreneurial activity. As such there is a positive association between microfinance factors and opportunity for entrepreneurial activity. Akanji (2006) found that credit and savings have positive impact on opportunity for entrepreneurial activity in Nigeria. As regard to training, it was found to have positive effect on entrepreneurial activity in Nigeria and Germany respectively (Ibru, 2009; Stohmeyer, 2007). Brana (2008) proved that credit and training have positive effect on entrepreneurial activity in France. Finally, credit, training and social capital were found to have positive effect on entrepreneurial activity in UK and USA respectively (Carter & Shaw, 2006; Shane, 2003). We therefore hypothesize that:

**H2: Credit, savings, training and social capital are positively related to opportunity for entrepreneurial activity of women entrepreneurs in Tunisia.**

Opportunity for entrepreneurial activity, in terms of new business or business expansion, acts as a link between microfinance factors and women entrepreneurs’ performance (Ekpe et al. 2010). It is reported that microfinance factors create opportunity for entrepreneurs to generate income (Brana, 2008). According to Shane (2003), the detection of business opportunity and the decision to exploit the opportunity leads to a search for external funds, and the acquisition of such funds again creates opportunity for entrepreneurial income-generating activity. Suitable application of the resources could lead to business performance (Koontz & Weihrich, 2006; Shane, 2003). Hence, we made the assumption that:
**H3:** Opportunity of women entrepreneurs is positively related to women entrepreneurs’ performance in Tunisia.

**H4:** Opportunity mediates the relationship between credit, savings, training and social capital; and women entrepreneurs’ performance in Tunisia.

Thus, by incorporating the theoretical ideas and discussions, this study develops a new structural framework that incorporates the importance of the microfinance factors for women entrepreneurs’ performance through the mediating effect of opportunity. Fig. 1 presents the research model of the present study relating four microfinance factors, opportunity and women entrepreneurs’ performance.

![Fig 1: Research Model](image)

### 3. Research Design and Methodology

The target population for this study was 786 Tunisian women entrepreneurs. The women entrepreneurs, names, addresses, phones and others details were obtained from microcredit associations and antennas (BTS and ENDA). These women entrepreneurs are mainly either involved in starting a new business or business expansion.

The primary data for the study was collected through survey method by using the standardized structured self administered questionnaires an indepth interview to solicit

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2 In Tunisia there are two principal actor of microfinance which are Tunisian Bank of Solidarity and ENDA inter arabe
responses from women entrepreneurs. Questionnaire as an instrument for data collection was chosen because it can help respondents to be objective and more precise in responding to the research questions. The design of the questionnaire was simple and respondent-friendly. Structured questions were formulated so as to elicit responses relating to microfinance factors such as credit, training, social capital and savings. It was also aimed at gathering data concerning the opportunity and women entrepreneurs’ performance. The individual women entrepreneur representing each small business or small firm made the unit of analysis of the study. A total of 276 questionnaires were collected and this made the final sample of the study.

In line with established literature, credit was measured in terms of loan size and use of loan (Kuzilwa, 2005; Lakwo, 2007; Peter, 2001). Training was conceptualized as education, skill acquisition, business training and business skills (Karlan and Valdivia, 2010; Ekpe et al. 2010; Kithae et al., 2012). As regard to social capital, it was conceptualized as network diversity (Tata and Prasad, 2008), network size (Allen, 2000) and bonding (Gine and Karlan, 2009; Mkpado and Arene, 2007; Mohamed et al., 1997; Olomola, 2002; Tata and Prasad, 2008). This study uses saving mobilization as the measure of savings among the women entrepreneurs (Simeyo et al., 2011). Opportunity for entrepreneurial activity was measured in terms of new business or business expansion (Shane, 2003; Tata & Prasad, 2008). While women entrepreneurs’ performance was measured in terms of change in net profit, output, investment, and number of employees (Kuzilwa, 2005; Reavley & Lituchy, 2008).

A principal component factor analysis with varimax rotation was conducted on all the variables in this study. After this, the reliability and validity tests were also conducted. In the reliability test, variable with less than Cronbach’ alpha coefficient of 0.50 was not included in the analysis. All variables indicate a factor loading level above accepted limit of Cronbach Alpha coefficient of 0.50 as reported by Michael et al, (2000). Equally, the variables were subjected to validity test. The validity of the instrument in this study was measured through Bartlett’s Test of Sphericity (Muhammad, 2009). Within this study, the KMO for the construct were all above .6 as recommended by Chakraborty (2010), Trent, Justen, Anastasios (2009), Nuradli, Hanifah, Shahida, Hairunnizam (2008) and Dahal (2004) meanwhile the table 1 below show both the results of the Cronbach alpha and KMO of this study.

The statistical program used for the questionnaires data analysis was SPSS for Windows Version 13.0 and AMOS Version 5.0. Pearson correlation coefficient (r) was measured to
determine the relationship between the dependent and independent variables. Based on exploratory data analysis the dependent variable was found to be normally distributed and there was a linear relationship between other variables.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s Alpha Scores</th>
<th>KMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit</td>
<td>0.902</td>
<td>0.872</td>
</tr>
<tr>
<td>Training</td>
<td>0.826</td>
<td>0.798</td>
</tr>
<tr>
<td>Social capital</td>
<td>0.853</td>
<td>0.832</td>
</tr>
<tr>
<td>Savings</td>
<td>0.837</td>
<td>0.801</td>
</tr>
<tr>
<td>Opportunity</td>
<td>0.891</td>
<td>0.813</td>
</tr>
<tr>
<td>WEP</td>
<td>0.872</td>
<td>0.769</td>
</tr>
</tbody>
</table>

4. Findings and discussion

4.1 Relationship between microfinance factors and women entrepreneurs’ performance

The results indicated that all the four microfinance factors have significant positive associations with women entrepreneurs’ performance (see Tab. 2). This finding supports the positive association between microfinance factors and women entrepreneurs’ performance. Therefore, adequate access to well-designed credit, savings and having the requisite managerial and technical training as well as social acceptability and network with outsiders were the key factors that affect the performance of women entrepreneurs. Microfinance factors have significant potential for contributing to women entrepreneurs’ performance. Consequently, our first hypothesis will be accepted allowing us to assert that Credit, Savings, Training, Social capital are positively related to women entrepreneurs’ performance in Tunisia and is in line with previous studies on this issue (Peter, 2001; Ojo, 2009; Kuzilwa, 2005; Carter & Shaw, 2006; Reavley & Lituchy, 2008; Rahmat and Maulana, 2006; Ojo, 2009; Otieno et al., 2011; Ibru, 2009; Kessy and Temu, 2010; Brata, 2004; Lawal et al., 2009; Mkpado & Arene, 2007; Olomola, 2002).

4.2 Relationship between microfinance factors and opportunity

The results indicated that all the four microfinance factors (credit, savings, training and social capital) have a significant positive association with quality improvement (Tab. 2). This shows

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3 Women entrepreneurs’ performance
that the emergence of microfinance factors would positively affect the opportunity for entrepreneurial activity. Gonzalez (2007) and Krauss and Walter (2008) argued that microfinance may provide attractive opportunities. Microfinance factors make a powerful contribution to decent work by providing opportunities for small investments in productive employment and job creation. As businesses grow, livelihoods improve, new opportunities are realized. Therefore, our second hypothesis stipulating that credit, savings, training and social capital are positively related to opportunity for entrepreneurial activity of women entrepreneurs in Tunisia is supported and consistent with the existent literature (Shane, 2003; Akanji, 2006; Ibru, 2009; Stohmeyer, 2007; Brana, 2008; Carter and Shaw, 2006).

4.3 Relationship between opportunity and women entrepreneurs’ performance

From Tab. 2, it is observed that there was a quite a strong positive linear relationship was found between opportunity and women entrepreneurs’ performance. Hence, it would seem logical to say that women entrepreneurs’ performance is more apt (likely) to increase when opportunity increases. The results illustrate that the performance of new ventures or business expansion is strongly influenced by opportunity discovery used by women entrepreneurs. In light of the above, entrepreneurial opportunity discovery is valuable to women entrepreneurs. It is possible to suggest that entrepreneurial opportunity discovery, as strategic behavior to renew a company and create new businesses, should enhance significantly the performance of ventures (McGrawth, Gunther and MacMillan, 2000). Therefore, our study suggests that opportunity discovery is connected to performance of women entrepreneurs. This finding is in line with previous studies (Shane, 2003; Koontz and Weihrich, 2006; Brana, 2008; Puhakka, 2009) and support our third hypothesis about the positive association between opportunity of women entrepreneurs and to women entrepreneurs’ performance in Tunisia.

Table 2. Correlations coefficients between, Opportunity, WEP, and selected independent variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Opportunity</th>
<th>WEP</th>
<th>Credit</th>
<th>Training</th>
<th>Social capital</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WEP</td>
<td>0.588**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit</td>
<td>0.425*</td>
<td>0.281*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training</td>
<td>0.611**</td>
<td>0.391**</td>
<td>0.542**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social capital</td>
<td>0.629*</td>
<td>0.237**</td>
<td>0.559*</td>
<td>0.511*</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Savings</td>
<td>0.559**</td>
<td>0.316**</td>
<td>0.720**</td>
<td>0.569*</td>
<td>0.429**</td>
<td>1</td>
</tr>
</tbody>
</table>

* p<0.05; **P< 0.01, n= 276
4.4 Mediating effect of opportunity on women entrepreneurs’ performance

Fig. 2 depicts the structural equation model and shows the path coefficients for the direct effect of the four exogenous variables (microfinance factors) on endogenous variable (women entrepreneurs’ performance). These standardized parameter estimates indicate the direct effects and indirect effects of the four exogenous variables on the endogenous variable, women entrepreneurs’ performance through the mediator of opportunity.

![Figure 2. Structural equation model](image)

To assess the model fit, multiple fit indices (χ² statistic; goodness of fit index, GFI; adjusted goodness of fit index, AGFI; root mean square of error approximation, RMSEA) are considered. The fit statistics showed that the model fit was excellent; the chi-squared statistic was not statistically significant (χ² = 86.53, p = 0.071, RMSEA = 0.04, GFI = 0.910, AGFI = 0.810). This suggests that the theoretical model does not radically depart from the actual relationships in the sample data set. This supports the null hypothesis that the proposed model has a good fit. The p-value is considerably high (p > 0.05), supporting the earlier proposition that the overall model fits the data.
Tab. 3 summarizes the direct, indirect, and total effects of each of the four exogenous variables (microfinance factors) on women entrepreneurs’ performance. A single direct path between the two latent variables characterized the direct effects. An indirect effect is one in which an exogenous variable influences an endogenous variable through the mediation of another variable. The total effect of each predictor variable is equal to the sum of its direct and indirect effects (Total Effect = Direct Effect + Indirect Effect).

Credit emerges as having the strongest total effect (0.822) on women entrepreneurs’ performance. It has both, a direct effect (0.610) and an indirect effect (0.212). Savings exerts the second strongest total effect on women entrepreneurs’ performance (0.715). It also has both, a direct effect (0.550) and an indirect effect (0.165). Training was the third strongest independent variable that exerts influence on women entrepreneurs’ performance (0.648). The total effect of social capital on women entrepreneurs’ performance was 0.401. Hence, this study has found that, of the four critical microfinance factors in the proposed mediating model, credit appears to have the greatest impact on women entrepreneurs’ performance among the sampled women entrepreneurs in Tunisia.

As far as the mediating effect is concerned, the results show that the opportunity for entrepreneurial activity mediates the relationships between microfinance factors and women entrepreneurs’ performance, and therefore our fourth hypothesis stipulating that opportunity mediates the relationship between credit, savings, training and social capital; and women entrepreneurs’ performance in Tunisia is supported. This finding provides the empirical evidence regarding the mediating effect of opportunity for entrepreneurial activity on the relationship between microfinance factors and women entrepreneurs’ performance.

<table>
<thead>
<tr>
<th>Exogenous Variables</th>
<th>Direct Effect (DE)</th>
<th>Indirect Effect (IE)</th>
<th>Total Effect (TE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity</td>
<td>0.280</td>
<td>0.000</td>
<td>0.280 + 0.000 = 0.280</td>
</tr>
<tr>
<td>Credit</td>
<td>0.610</td>
<td>0.760×0.280 = 0.212</td>
<td>0.610 + 0.212 = 0.822</td>
</tr>
<tr>
<td>Training</td>
<td>0.520</td>
<td>0.460×0.280 = 0.128</td>
<td>0.520 + 0.128 = 0.648</td>
</tr>
<tr>
<td>Social capital</td>
<td>0.320</td>
<td>0.290×0.280 = 0.081</td>
<td>0.320 + 0.081 = 0.401</td>
</tr>
<tr>
<td>Savings</td>
<td>0.550</td>
<td>0.590×0.280 = 0.165</td>
<td>0.550 + 0.165 = 0.715</td>
</tr>
</tbody>
</table>
5. Conclusion, implications and recommendations

The aim of the paper is to examine the relationship between microfinance factors (Credit, Saving, Training and Social Capital), opportunity for entrepreneurial activity and women entrepreneurs’ performance and the mediating effect of opportunity for entrepreneurial activity on the relationship between microfinance factors and women entrepreneurs’ performance. This study is undertaken within the Tunisian context while using data collected from 255 women entrepreneurs clients of microfinance institutions.

This study showed that the opportunity for entrepreneurial activity did mediate the relationships between microfinance factors (credit, savings, training and social capital) and women entrepreneurs’ performance in Tunisia. Hence, this finding provides the empirical evidence regarding the mediating effect of opportunity for entrepreneurial activity on the relationship between microfinance factors and women entrepreneurs’ performance.

This study also highlights the relationship between microfinance factors, opportunity for entrepreneurial activity and women entrepreneurs’ performance. The microfinance factors in this study have shown to have a very high positive significant influence on opportunity for entrepreneurial activity and also have considerable positive significant effect on women entrepreneurs’ performance. Opportunity for entrepreneurial activity was positively related to women entrepreneurs’ performance. This study provides evidence that opportunity for entrepreneurial activity has a significant effect on women entrepreneurs’ performance. The implication is that the women entrepreneurs need to focus more on the microfinance factors to achieve higher performance. Overall this research has provides an excellent model for explaining opportunity for entrepreneurial activity and an acceptable model for explaining women entrepreneurs’ performance.

In conclusion, this study has contributed to both theoretical and practical aspects of microfinance factors affecting the performance of women entrepreneurs through the mediating effect of opportunity for entrepreneurial activity. If we can achieve a better understanding of the important factors influencing the performance of women entrepreneurs, this will have implications for Tunisian women entrepreneurs and investors to broaden their business successfully in this globalised environment. If certain factors increase the odds for success, then entrepreneurs can appraise their own prospects with this in mind.
In future, this study can be expanded to include other MENA\(^4\) countries such as Egypt, Morocco, Jordan, Lebanon, Syria and Yemen in order to make comparisons in terms of opportunity for entrepreneurial activity and women entrepreneurs’ performance. Since women in many parts of the world remain disadvantaged when compared with their male counterparts, it is also interesting to compare the findings between men and women entrepreneurs using the comprehensive framework developed especially when considering the sharing of the same success opportunities and fair environment provided by the society.

References


\(^4\) Middle East and North Africa


