NATIONAL FINANCIAL INCLUSION STRATEGY FOR WOMEN ENTREPRENEURS OPERATING MICRO SMALL AND MEDIUM ENTERPRISES: A CASE OF BINDURA URBAN MASHONALAND CENTRAL PROVINCE IN ZIMBABWE.

BY

TSHABALALA BENEDICT

REG NUMBER: B1024773

DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTERS IN BUSINESS LEADERSHIP GRADUATE SCHOOL OF BUSINESS MANAGEMENT, BINDURA UNIVERSITY OF SCIENCE EDUCATION.

SUPERVISOR: DR R. M. RUSIKE

MAY 2019
DECLARATION

I Benedict Tshabalala do hereby declare that this dissertation is a result of my own investigation and research, except to the extent indicated in the acknowledgments. Bibliography and comments included in the body of the report, and that it has been submitted in part or in full for any other degree to any other University.

……………………………
Student Signature

……………………………
Date
BINDURA UNIVERSITY

APPROVAL FORM

The undersigned certify that they have read and recommended to Bindura University of Science Education for acceptance of a project entitled “National financial inclusion strategy for women entrepreneurs operating micro small and medium enterprises: A case of Bindura Urban Mashonaland Central Province in Zimbabwe” submitted by Tshabalala Benedict in partial fulfilment of requirements of the Degree of Masters in Business Leadership Graduate School of Business Management.

……………………………………………………………………………………………………………………………………

DR R. M. RUSIKE

DATE

……………………………………………………………………………………………………………………………………

CHAIRPERSON

DATE

……………………………………………………………………………………………………………………………………

TSHABALALA BENEDICT

DATE
BINDURA UNIVERSITY

RELEASE FORM

Name of Student Tshabalala Benedict

Title Of Project National financial inclusion strategy for women entrepreneurs operating micro small and medium enterprises: A case of Bindura Urban Mashonaland Central Province in Zimbabwe

Programme Degree of Masters in Business Leadership Graduate School of Business Management.

Year Granted 2019

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SIGNED

PERMANENT ADDRESS 1050 Shashi View Road Bindura

Email benedicttshabalala@gmail.com

DATE
DEDICATION
To my dear loving and caring Wife Nettie Nelson your support towards actualizing my success was invaluable. To my lovely daughters and son Titshwalo, Xilabekho, Barathile, LeratoTshepo & Hlulan Hahlan Tshabalala may you excel beyond?
ACKNOWLEDGEMENT

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I wish to thank my friend and young brother, Mubvumbi Morgan and Calvert Tshabalala respectively who dedicated their time to assist in data collection by distributing and collecting questionnaires.

I wish to thank my respondents for taking time off their busy schedules to fill my questionnaires and for answering my telephone calls. I also wish to thank the Lecturers of Bindura School of Business Management at Bindura University of Science Education for their continued support and guidance.
ABSTRACT

The study examined National Financial Inclusion Strategy for Women Entrepreneurs Operating Micro Small and Medium Enterprises using case of Bindura Urban in Zimbabwe. In Bindura Urban, financial inclusion of women micro small and medium enterprises has not been revealed and the research intend to find out if women are still lagging in terms of decision making processes especially in matters affecting their involvement in financial services development and attainment. According to the current literature, challenges by the women entrepreneurs to access the financial services have not improved despite the adoption of multi-currency regime in 2009 in Zimbabwe. Current literature indicate that a significant number of women entrepreneurs in Bindura Urban were performing dismally amongst others to a great extent due to lack of appropriate financing and appropriate financial services. The research objectives of the study were as follows; to ascertain how financial inclusion (strategies) are implemented in Bindura Urban, to find out strategies associated with the implementation of the national financial inclusion strategy, to find out the level of success/failure (effectiveness) of the financial inclusion programmes and to find out challenges impeding adoption and the effective running of the financial inclusion of women micro small and medium enterprises. Data collection was done through use of structured questionnaires and interviews and a sample size of 48 (n=48) respondents was used obtained by simple random sampling methods. The study used descriptive research design. Data was analyzed using SPSS (v.23) descriptive statistics and thematic analysis. The study revealed that to a very great extent government and partners are frequently monitoring and evaluating women micro small and medium enterprises and women entrepreneurs are frequently engaged by government on research and development on financial services, to a less extent there are microfinance which offers services to the entrepreneur satisfactorily, there are no suitable infrastructure to enhance business operation and few women entrepreneurs have received some loans from the government to start or expand their businesses. The study further indicated that financial inclusion of women entrepreneurs in Bindura Urban is still low despite government efforts through the National Financial Inclusion Strategy. It was also indicated that there is a weak investment climate limits enterprises’ productivity and access to finance for women micro small and medium enterprises and weak creditors’ rights and a lack of credit information are disproportionately disadvantaging women, particularly if they have little collateral or control over assets. The study recommended that the government of Zimbabwe has to ensure the NFIS is a policy mandate which widens the range of securities acceptable as collateral, which in turn may boost lending to women entrepreneurs, legislation to protect the women entrepreneurs from being exploited by large banks must be put in place and SMEs should be sensitized about funding programs and financial schemes provided by the government and private sector and the public. In conclusion, the research indicated that there are no clear systems and procedures to specifically follow to enhance women micro small and medium enterprises in Bindura and Zimbabwe in general.
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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AfDB</td>
<td>African Development Bank</td>
</tr>
<tr>
<td>AFI</td>
<td>Alliance for Financial Inclusion</td>
</tr>
<tr>
<td>AFI</td>
<td>Alliance for Financial Inclusion</td>
</tr>
<tr>
<td>ATM</td>
<td>Automated Teller Machines</td>
</tr>
<tr>
<td>BAZ</td>
<td>Bankers Association of Zimbabwe</td>
</tr>
<tr>
<td>CPMI</td>
<td>Committee on Payments and Market Infrastructures</td>
</tr>
<tr>
<td>CPMI</td>
<td>Committee on Payments and Market Infrastructures</td>
</tr>
<tr>
<td>FSAP</td>
<td>Financial Sector Assessment Program</td>
</tr>
<tr>
<td>G20</td>
<td>Group of Twenty</td>
</tr>
<tr>
<td>GBA</td>
<td>Global Banking Alliance for Women</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GOZ</td>
<td>Government of Zimbabwe</td>
</tr>
<tr>
<td>GPFI</td>
<td>Global Partnership for Financial Inclusion</td>
</tr>
<tr>
<td>GSMA</td>
<td>GroupeSpeciale Mobile Association</td>
</tr>
<tr>
<td>ICT</td>
<td>Information Communication Technology</td>
</tr>
<tr>
<td>IFIs</td>
<td>International Finance Institutions</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labor Organization</td>
</tr>
<tr>
<td>KYC</td>
<td>Know Your Customer</td>
</tr>
<tr>
<td>LWB</td>
<td>Law and Women in Business</td>
</tr>
<tr>
<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
</tr>
<tr>
<td>MFI</td>
<td>Micro Finance Institute</td>
</tr>
<tr>
<td>MNO</td>
<td>Mobile Network Operator</td>
</tr>
<tr>
<td>MoF</td>
<td>Ministry of Finance</td>
</tr>
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<td>MSME</td>
<td>Micro Small and Medium Enterprises</td>
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<td>MSME</td>
<td>Micro, Small and Medium Enterprise</td>
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<td>NFIS</td>
<td>National Financial Inclusion Strategy</td>
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<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>Payments Aspects of Financial Inclusion</td>
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<td>POS</td>
<td>Point of Sale</td>
</tr>
<tr>
<td>RBZ</td>
<td>Reserve Bank of Zimbabwe</td>
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<tr>
<td>ROSCA</td>
<td>Rotating Savings and Credit Association</td>
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<tr>
<td>SME</td>
<td>Small-and- medium enterprises</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
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<td>--------------</td>
<td>-----------</td>
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<td>Small and Medium Enterprises</td>
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<td>SME</td>
<td>Small or Medium Enterprise</td>
</tr>
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<td>SMEA</td>
<td>Small-and-medium enterprises association of Zimbabwe</td>
</tr>
<tr>
<td>SMEDCO</td>
<td>Small and Medium Enterprises Development Cooperation.</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
<tr>
<td>USD/$</td>
<td>United States dollars</td>
</tr>
<tr>
<td>WBG</td>
<td>World Bank Group</td>
</tr>
<tr>
<td>WMSMEs</td>
<td>Women Micro Small and Medium Enterprises</td>
</tr>
<tr>
<td>WOSB</td>
<td>Women-owned Small Business</td>
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<tr>
<td>WWB</td>
<td>Women World Bank</td>
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CHAPTER I

INTRODUCTION AND BACKGROUND

1.0 Introduction
This chapter introduces the dissertation on the implementation of the Government’s Financial Inclusion Strategy for women operating micro small and medium enterprises a case of Bindura Urban in Mashonaland Central Province in Zimbabwe. The Chapter discusses the Background of the Case, Statement of the Problem, Aims and Objectives of the research and the Major research Questions. The Chapter also discusses the research Hypothesis, Scope and significance of the research. The Chapter ends with the Summary.

1.2 Background of the Study
It has become perceptible globally, that small-to-medium enterprises (SMEs) have not only added to the volume of nations’ gross domestic product (GDP), but are by far the leading source of employment in many economies (LWB Report, 2010) Small-and -medium enterprises (SMEs) have evolved into important agents for raising the economic efficiency of a country (Leffileur, 2009). Dabla, et al., (2015), in agreement with Leffileur said, they are known for creating employment and an opportunity to grow entrepreneurship. Sustainable jobs create income, which in turn reduces the level of poverty of nations (Morgan & Pontines, 2014).

Shankar, (2013), postulated that access to financial services is said to be a key restriction for SMEs in developing countries and there is need to develop credit access indicators from an individual firm borrower’s point of view. Moreover, Mocnik, et al., (2000), added that many Southern African countries, including Zimbabwe, are lagging behind when it comes to financial deepening and economic reforms. (Massimo, 2011), said this trend can be seen in both developed and developing economies. Economic growth in developing economies has been low due to lack of financial access and credit, hence, the need to financially include formal and informal entrepreneurs (Beck, et al., 2007).

The Reserve Bank of Zimbabwe (RBZ) is coordinating the implementation of the NFIS which was launched on 11 March 2016 by the Minister of Finance and Economic Development. The NFIS is a five (5)-year road map of coordinated actions that will be followed to achieve the country’s financial inclusion objectives during the period 2016 to 2020 (Mugenda, 2008). For this reason the researcher decided to carry out a research on financial inclusion for women micro small and medium enterprises to assess the progress of financial inclusion embracement thereto. Suri, (2010), postulated that development of the NFIS followed consultations with stakeholders including government ministries, the banking sector, other financial sector regulatory authorities and development institutions which the government have to follow.

Menon, (2013), confirmed that the NFIS seeks to address barriers to financial inclusion, prioritise and address the needs of special target groups which are currently underserved, through the implementation of key priority measures that will facilitate the building of robust financial infrastructures with the view to reducing the level of financial exclusion. WBG Survey Report (2014) indicated that, the following special groups have been identified for targeted special focus in the NFIS: low income households; micro, small and medium enterprises; women; youth; small holder farmers; people with disabilities; and rural areas (Hernandez, 2010). From the targeted groups the study will focus on women entrepreneurs.

The NFIS is targeting to increase the overall level of access to formal financial services within the country from 69% in 2014 to at least 90% by 2020 and to increase the proportion of banked adults to at least 60% by 2020 (RBZ 2016). According to Klapper, (2012), formal financial services are financial services and products offered by institutions licensed and supervised by a financial sector regulator.


As part of the implementation of the NFIS, nine thematic working groups were constituted to focus on key priority areas (Menon, 2013) authenticated the idea of thematic groups. The thematic working groups are championing the implementation of initiatives targeted at the identified focus areas. The Table 1.1 on page 3 shows the various Thematic Working Groups and their broad terms of reference.
Table 1.1: National Financial Inclusion Strategies Thematic Areas: Zimbabwe.

<table>
<thead>
<tr>
<th>Working Group</th>
<th>Broad Terms of Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women Finance and Development</td>
<td>Promote development of innovative financial products for women and facilitate capacity building programs for women to complement access to financial services.</td>
</tr>
<tr>
<td>SMEs Finance &amp; Development</td>
<td>Promote innovative financial products for SMEs and capacity building programs.</td>
</tr>
<tr>
<td>Rural and Agricultural Finance &amp; Development</td>
<td>Develop and recommend agricultural finance solutions for small holder farmers and the rural community</td>
</tr>
<tr>
<td>Insurance, Pensions and Capital Markets</td>
<td>Facilitate the development and uptake of appropriate insurance, pensions and capital markets products for low income groups and ensure effective capacity building and awareness programs.</td>
</tr>
<tr>
<td>Digital Finance Microfinance</td>
<td>Promote the development of innovative and affordable digital financial products and services that promote financial inclusion.</td>
</tr>
<tr>
<td>Youth</td>
<td>Promote development of innovative financial products for the youth and facilitate capacity building programs for the youth to complement access to financial services.</td>
</tr>
<tr>
<td>Financial Literacy and Consumer Protection</td>
<td>Facilitate the design and implementation of tailored financial literacy programs for special groups e.g. school children, youth,</td>
</tr>
<tr>
<td>People With Disabilities</td>
<td>Promote development of innovative financial products for PWDs and facilitate capacity building programs to enable PWDs to access financial services.</td>
</tr>
</tbody>
</table>

Source: The RBZ NFIS (2016)

Under these thematic areas the study focused only on thematic 1&2 were progress assessment on financial inclusion for women micro small and medium enterprises closely analysed. The RBZ is also implementing a number of initiatives aimed at building an inclusive financial system and this is based on Rambo, (2013),’s notion that financial inclusion implementation succeed with related initiatives. The initiatives are as shown in Table 1.2 in page 4 illustrating the establishment of the Empowerment Funds earmarked for the benefit of target sectors.
## Table 1.2: Financial Inclusion Supporting Strategies: Zimbabwe

<table>
<thead>
<tr>
<th>Facility</th>
<th>Facility Size ($m)</th>
<th>Max Interest % p.a.</th>
<th>Max Interest % p.m.</th>
<th>On-lending Institutions</th>
</tr>
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<tbody>
<tr>
<td>Export Finance</td>
<td>70</td>
<td>7.5</td>
<td>2</td>
<td>Banks &amp; Microfinance Institutions</td>
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<td>Tobacco Facility</td>
<td>70</td>
<td>10</td>
<td>-</td>
<td>Tobacco Industry Marketing Board &amp; Agribank</td>
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<td>Business Linkage</td>
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<td>10</td>
<td>2</td>
<td>Banks &amp; Microfinance Institutions</td>
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<td>Horticulture</td>
<td>10</td>
<td>10</td>
<td>2</td>
<td>Agribank &amp; CBZ</td>
</tr>
<tr>
<td>Women Empowerment</td>
<td>15</td>
<td>10</td>
<td>2</td>
<td>Banks &amp; Microfinance Institutions</td>
</tr>
<tr>
<td>Persons With Disabilities</td>
<td>5</td>
<td>10</td>
<td>2</td>
<td>Banks &amp; Microfinance Institutions</td>
</tr>
<tr>
<td>Facility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Youth Empowerment</td>
<td>10</td>
<td>10</td>
<td>2</td>
<td>Banks &amp; Microfinance Institutions</td>
</tr>
<tr>
<td>Tourism Facility</td>
<td>15</td>
<td>10</td>
<td>2</td>
<td>Banks &amp; Microfinance Institutions</td>
</tr>
<tr>
<td>SMEs</td>
<td>15</td>
<td>10</td>
<td>-</td>
<td>Home-link</td>
</tr>
<tr>
<td>Small Scale Gold Support</td>
<td>150</td>
<td>10</td>
<td>-</td>
<td>Fidelity Printers &amp; Refinery</td>
</tr>
<tr>
<td>Microfinance</td>
<td>10</td>
<td>2</td>
<td></td>
<td>Microfinance Institutions</td>
</tr>
</tbody>
</table>

Source: Ministry of Finance and Economic Development (2016)
<table>
<thead>
<tr>
<th>Initiative</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit Registry System (CRS)</strong></td>
<td>The Reserve Bank with support from development partners established a CRS to enable lenders to determine the level of indebtedness and credit history of current and potential borrowers. The CRS has alleviated the problems of information asymmetry between borrowers and lenders (reputation collateral), which is expected to enhance financial inclusion, lower the cost of credit in the country and contribute towards sound credit risk management (Bazibu, 2005).</td>
</tr>
<tr>
<td><strong>Collateral Registry</strong></td>
<td>RBZ established a collateral registry to enable previously disadvantaged groups to pledge movable assets such as vehicles, equipment, tractors, harrows and ploughs as collateral to access funding from lending institutions. It is envisaged to spur the growth of lending to MSMEs and small-holder projects (Omoka, et al., 2012).</td>
</tr>
<tr>
<td><strong>Credit Guarantee Scheme</strong></td>
<td>The Reserve Bank resuscitated the Credit Guarantee Scheme to facilitate productive lending to the target marginalized groups with inadequate collateral, in order to stimulate economic growth and development (Foltz, 2004). The scheme is administered by the Export Credit Guarantee Company.</td>
</tr>
<tr>
<td><strong>Financial Consumer Protection Framework</strong></td>
<td>The Reserve Bank issued the Financial Consumer Protection Framework in June 2017 to enhance consumer protection in the banking sector (WBG Report 2016). The Framework applies to all banking and non-bank financial institutions that are regulated by the Reserve Bank of Zimbabwe. The framework empowers consumers with information and basic rights, while providing an important source of market discipline to the financial services sector. It also fosters competition by encouraging regulated entities to offer better products and services. The existence of a sound financial consumer protection framework is fundamental to increasing access to and usage and quality of financial services, along with supporting further banking sector deepening (William, 2001).</td>
</tr>
<tr>
<td><strong>Financial Literacy</strong></td>
<td>RBZ developed a National Financial Literacy Framework to facilitate awareness of financial services and responsible access (USAID, 2007). The Reserve Bank also conducts financial education and awareness campaigns through brochures, showcasing at exhibitions and workshops.</td>
</tr>
<tr>
<td><strong>Innovative Financing schemes</strong></td>
<td>Lending institutions have been urged to adopt innovative financing schemes such as group or cluster lending models to facilitate improved loan performance and be able to lend to marginalised segments of the population with viable projects but lacking acceptable collateral (LWB Report 2017).</td>
</tr>
<tr>
<td><strong>Low Cost Accounts</strong></td>
<td>Banking institutions are opening low cost or ‘no frills’ accounts with minimum affordable requirements. As at 30 June 2018 more than 3.41 million low cost accounts had been opened (ZWMB CEO 2018).</td>
</tr>
<tr>
<td><strong>SMEs Units</strong></td>
<td>Banks have been establishing SME Units to facilitate development of tailor made products that meet the specific needs of SMEs. Thirteen (13) banking institutions had established SME units as at 30 June 2018.</td>
</tr>
</tbody>
</table>

Source: Zimbabwe Women Microfinance Bank (2018)
1.2.3 National Financial Inclusion Strategy Pillars: Zimbabwe

NFIS is hinged around five (5) main pillars which are: (The RBZ 2018).

1.2.3.1 Financial Innovation

Buvinic, (2014), said financial innovation is the act of creating new financial services and products that are usable and lead to the improvement of people’s lives through the introduction of new financial technologies, institutions and markets. Shabna, (2014), in support said it includes institutional, product and process innovation.

1.2.3.2 Financial Capability

Financial capability is the combination of attitude, knowledge, skills, needed to make and exercise money management decisions that best fit the circumstances of one’s life, within an enabling environment that includes, but is not limited to, access to appropriate financial services (Mocnik, 2000).

1.2.3.3 Financial Consumer Protection

Rees, et al.,(2001), postulated that financial consumer protection are laws and regulations targeted at protecting consumers from fraud and sharp practices in financial services sector, enhance faster complaints handling and dispute resolution, consumer risk management framework among financial services operators and empower consumers of financial services to make better decisions through education. The Ministry of finance and development, (2016), added that the broad objective of the framework is to ensure enhanced consumer/investor confidence in the financial services industry and promote financial stability, growth and innovation.

1.2.3.4 Microfinance

Robinson, (2001), said Microfinance refers to an array of financial services which includes loans, savings and insurance, available to small business owners and individuals who have no collateral and would not otherwise qualify for a standard bank loan. The strategy proposes measures and specific activities to create profitable and sustainable microfinance institutions, facilitate the provision of client-centred and affordable financial services and fill the gaps between demand and supply for financial services especially among the target groups (RBZ 2016).
1.2.3.5 Measurement Framework
RBZ NFIS (2016) incorporates a financial inclusion measurement framework which defines key performance indicators that facilitate accurate diagnostics of the state of financial inclusion. Assunção, (2012) suggested that effective implementation of the strategy calls for a shared vision and a market systems approach. The RBZ, (2016), in support said, usage of financial products can be measured by regularity, frequency and sustainability over time. The successful implementation of the NFIS depends on the capacity, commitment and cooperation of the various stakeholders involved argued Mashingaidze, (2013). Monitoring and evaluation framework provides tracking system to evaluate the pace and progress of financial inclusion in Zimbabwe (RBZ, 2014). The process of tracking financial inclusion targets can be modelled as in figure 1.1 shown below.

Figure 1.1: Zimbabwe’s National Financial Inclusion Strategy Framework.

1.2.4 Gaps Identified Within the Implementation Process: Zimbabwe
Gaps have been identified through research and these still exist at the level of access to and usage of quality financial products and services (WWB Report, 2013) The gaps are pronounced among special groups which include Micro, Small and Medium Enterprises...
MSMEs), women, youth, rural population and small scale agricultural sector (Institute of Development Studies 2010).

1.2.5 Gaps identified for Women within the Implementation Process: Zimbabwe

According to AFI (2016), Focusing on women, a number of gaps in financial services have been identified which the financial inclusion seeks to address. Women and Men Association Report (2016), supported AFI Survey Report, (2016), by saying, such gaps includes, but not limited to the following:

Women’s World Banking (WWB) (2014), testified that women are largely excluded from formal financial services and yet they make more than 50% of the population; 57% of business owners were identified to be women; and Most of these women do not have access to financial products such as loans and funding for their businesses due to lack of security of collateral to secure these loans as compared to their male counterparts (WWB Report, 2016).

The 2012 Micro, Small and Medium Enterprises Development (MSME) sector survey estimates that out of Zimbabwe’s population of 12.7 million, there are 2.8 million business owners operating in the MSME sector, 2 million of which are micro, and 800 000 are MSMEs(MSMEs National Data Base (2013). In support, Martinez (2014) said, MSMEs form the basic linkage between manufacturing and poverty reduction and it is estimated that the sector contributes about 60% of the country gross domestic product (GDP) and employs about 50% of the country work force and mostly women. Only 30% of Zimbabwe’s adult population made use of banking services as at 2014, (RBZ 2018). The study seeks to assess the WMSMEs, with special emphasis to micro which is 800. 000 generalised from a simple of Bindura Urban

1.2.6 Financial Inclusion Strategies for Women: Zimbabwe

The financial inclusion for women calls for women to have access to a range of financial products and services that cater to their multiple business needs and household needs (Sahrawat, 2010), For this reason the government in fulfilling World Bank Group’ requirements, established a Revolving Women Empowerment Fund which is availed at affordable interest rates to support projects managed by women (WBG Report 2015); facilitated enhanced participation of women in the development of the country, through
giving priority to potential women entrepreneurs as reflected by Cihak, (2013); strengthened women entrepreneurs’ human capital by developing appropriate entrepreneurial education and training opportunities(GSMA Connected Women. 2015); raise awareness of financial products and financial services among women (IFC. 2013); through consumer education and financial literacy programs; increased women’s awareness of their legal rights in respect of property ownership to improve access to collateral and control over assets, which in turn will enable women to access credit and other financial services from financial institutions (Watanabe, 2005); built the capacity of financial institutions to better serve women entrepreneurs; considered providing incentives and specific goals for increased procurement by government of goods and services from women owned enterprises (specifically women-owned MSMEs) (Candace, 2014), as well as assist women in business to secure markets for their products; built more inclusive public-private dialogue processes by empowering women’s networks to actively participate in policy dialogue (Rita, 2014); banking institutions to develop appropriate collateral substitutes in order to address the challenge of security among women borrowers; the establishment of the Women’s Bank, Women Development Fund, Self Help Group, SMEDCO and the embracement of the national devolution being spearheaded by the Ministry of Women Affairs; Community Small and Medium Enterprises Development (MWACSMED) promotes financial inclusion of women in the country (RBZ 2016); Encouraged financial institutions to conduct on-going self-assessments to determine whether their financial products and services address women’s needs. Accordingly, financial institutions are encouraged to invest in enhanced disaggregated data collection systems to facilitate tracking of their performance in respect of financial inclusion of currently underserved population segments (women, youth, MSMEs, rural populace) (WWB Survey Report, 2014); .policy-makers are to invest in more gender disaggregated data collection and analysis for use by multiple stakeholders (WBG 2016); and strengthened consumer protection regulation that addresses the concerns and issues of women clients (The RBZ Report, 2016).

Ghandi,(2014),reflected a challenge to the promotion of financial inclusion for women when he said commercial banks are not interested in financing WMSMEs because of the unavailability of comprehensive credit ratings that signal creditworthiness of WMSMEs. Ejarque, (2003) indicated that regulatory bottlenecks have also been a cause of concern within this sector. In support, Porras, (2009), indicated that under these circumstances, SMEs find it difficult to get credit for inputs procurement and other expenses.
SMEs also have to sell their produces on credit often, further burdening their precarious finances (Ardic, et al., 2011). It is against this background that Zimbabwe had to employ the above measures to enhance the promotion of financial inclusion for women. Deakins, (2008), added that issues inhibiting the growth of WMSMEs need to be understood critically if frameworks to support the growth of WMSMEs are to be developed. This study focuses on women entrepreneurs operating micro small scale enterprises in Bindura urban, on the embrace of financial inclusion in its totality if they are to increase their productivity.

1.2.7 Department of Small and Medium Enterprises Development

It is a department under the MWACSMED mandated to engineer the implementation of financial inclusion, targeting marginalised communities with a bias towards Women and Youths. Its National Vision is envisioned to move towards a prosperous and empowered upper middle income society with job opportunities and a high quality of life for its citizens by 2030 (Departmental Integrated Performance Agreement booklet (DIPAB 2019).

The national priority areas are but not limited to: Inclusive Economic Growth, Social Development, Governance, Cross-cutting enablers, Macro-economic stability and financial re-engagement and the Mission is to implement policies, projects, programmes for women empowerment, gender equality and resilient communities, cooperatives and SMEs development and coordinate stakeholders in the sectors (Departmental Integrated Performance Agreement Booklet 2019).

In all of its operations the department is guided by: SMEs Act (Chapter 24:12; Cooperative Societies Act (Chapter 24:05) and Constitution of Zimbabwe Amendment No. 20; Sections: 2,3,6,13,14, 17, 22, 25, 26, 31,40,46,52, 56, 71, 78, 80, 120 and 124. The department’s overall functions are to identify and facilitate entrepreneurship and business management training, review, implement and monitor the MSMEs policy; create and maintain Database of MSMEs; provide business advisory and support services to enhance entrepreneurial capacity; facilitate formulation and strengthening of business clusters and associations; create and strengthen enterprise culture through encouraging initiative, creativity; productivity, quality and good labour and industrial relations; facilitate linkages between MSMEs and large enterprises, ensuring proper coordination and implementation of national policies, legislation and programmes that have direct impact on the development of MSMEs owned by women;
supervise and monitor SMEDCO; mobilise resources for MSME Development; designing, coordinating and implementation of MSME projects administered by the Ministry and promote and facilitate trade and investments opportunities for MSME (The DIPAB, 2019).

1.2.8 Financial Inclusion Sustainable Barriers in Zimbabwe.

According to the World Bank Group (2016), only 23% of the adult population in Sub-Saharan Africa has bank accounts and the Fin Scope Consumer Survey of (2011) states that only 24% of Zimbabwe’s adult population is banked. Klapper, et al., (2012a) confirmed that financial exclusion is distinctively corrosive as it has all the qualities that can trap people in poverty. The challenges include but not limited to: political, economic, social, technological, ecological, and legal and global. Financial inclusion is largely affected by economic factors than others.

1.2.9 Political Challenges

1.2.9.1 Financial sector resilience

When seeking financial services, individuals and corporates are rational enough to scrutinise the type of financial institution they are about to enter into a relationship with as well a general industry analysis (Mugenda, 2008). Mahembe, (2011) argued that, the financial sector in Zimbabwe is quite fragile as evidenced by the frequent bank closures 2008. The fact that there is no confidence in the financial system due to political instability is another clear case that drives people away from seeking mainstream financial services (Kalpana, et al., (2013).

Unavailability of publicised and decentralised registrations of micro entrepreneurs and informal sector enterprises as Private Business Corporations (PBCs), by unfriendly political situations cause delay to formalising such businesses, promoting synergies and linkages between big businesses and micro entrepreneurs(British Bankers Association Report, 2016), by local authorities (Beck, 2007).

1.2.9.2 Economical Challenges

COMPAS (2005), said, some of the challenges are liquidity crunch in the country, high cost of licence acquisition, unaffordable interest rates on both credit and account holding fees,
lack of funds to carry out the trainings, and failure by the government to recapitalise SMEDCO, therefore, the study intend to establish facts on the ground pertaining to COMPAS’ findings on women micro small and medium enterprises.

1.2.9.3 Fragile economy
In a fragile economy where incomes are low, not many economic agents seek the services of financial institutions to save or invest. Inversely, very few financial institutions are willing to loosen up on credit provision because the probability of default is invariably high as observed from the Newsday May 8 2018 and Randall, et al., (2013).

1.2.9.4 Technological Challenges
Randall, et al., (2013), has this to say on Financial Literacy, Inasmuch as there is a lot of education about using mainstream financial services, there has not been much emphasis on other mediums that people can use and derive financial inclusion benefits. In support of Randall & Koker, (2011), said, such include formalised Rotating Savings and Credit Associations and investments in capital markets. The generality of the population is ignorant about these mediums mainly because there has not been much discussion about them (Randall, et al., 2013),

Lack of financial innovation: Mobile money service providers have done much on the part of financial innovation but mainstream banks have lagged behind and in the process failed to offer financial products that suit the economy and the customer (Ubfal, et al., 2016). As a result, this has exacerbated the persistent shunning of banking services by most individuals (WBG 2015).

1.2.9.5 Social Challenges
According to Mago, (2013), the major social challenge is the absence or lack of indigenous language or content which is an impediment to the universal adoption of ICTs, negative attitudes or perception towards ICTs which adversely impact critical ICT agendas and lack of programmes/projects to empower youths and women, for in the sub-Saharan Countries Zimbabwe included adoption of ICT in the local language had been a challenge since then (Mago, 2014) Lack of information on the different aspects of development was identified as a major cause of poverty (Mutch, et al., 2005).
1.2.9.6 Environmental Challenges
Modelling trajectories and experience has shown that water resources in Southern Africa are declining as a result of climate change (Chisango, 2017). Furthermore, Zimbabwe being endowed with abundant natural resources, the country continues to face multiple environmental management challenges that include; pollution, poor waste management, deforestation and land degradation, veldt fires, poaching and biodiversity loss.

1.2.9.7 Legal Challenges
Public sector smaller contracts centralised and thereby, not benefiting local MSMEs as observed in the Newsday May 8 (2018). The fees required for the attainment of business licenses are not favourable to women entrepreneurs (Law and Women Business Survey Report, 2015). Moreover, the local authority business by-laws are not favourable to both formal and informal women entrepreneurs. The issuance of business licence is done under a corrupt system that prohibits micro businesses to penetrate Bindura Municipality report (2017).

1.2.10 Global Challenge

1.2.10.1 Reliability
Confidence in the financial system is a phenomenon embedded in fragility as observed in the Newsday May 8 (2018). Even the world’s largest financial markets felt it during the Great Recession of 2007-2009 when economic agents started pulling out their investments and savings (WBG, 2013). In Zimbabwe, more than 10 commercial banks have folded since 2004 and this has resulted in an affective outlook on financial service providers by the depositors. This litmus test posits Zimbabwe’s financial sector as one which is accessible, mainly as a result of mobile money services, but expensive and unreliable (Chiwanze, et al., 2014).

1.2.10.2 Bindura Urban Mashonaland Central Zimbabwe
The study outlines briefly the status of Bindura Urban highlighting the sectors of business the women micro small and medium enterprises are operating. Bindura is a town in the province of Mashonaland Central in Zimbabwe. It is located in the Mazowe Valley about 88 km north-east of Harare. According to the 1982 Population Census, the town had a population of 18,243. This rose to 21,167 in the 1992 census and in the 2012 census it had reached 43,675.
Table 1.4: Urban Age Distribution (Census 2012)

<table>
<thead>
<tr>
<th>Age Group Distribution</th>
<th>Number of Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-9 Years</td>
<td>11810</td>
</tr>
<tr>
<td>10-19 Year</td>
<td>9452</td>
</tr>
<tr>
<td>20-29 Year</td>
<td>9745</td>
</tr>
<tr>
<td>30-39 Year</td>
<td>7194</td>
</tr>
<tr>
<td>40-49 Year</td>
<td>3418</td>
</tr>
<tr>
<td>50-59 Year</td>
<td>1448</td>
</tr>
<tr>
<td>60-69 Year</td>
<td>687</td>
</tr>
<tr>
<td>70+</td>
<td>408</td>
</tr>
</tbody>
</table>

Source: Census, (2012)

The age distribution table reflect the age groups and the number of persons counted by that time. This is going to be used by the researcher in predicting the number of economically active group for both men and women. However, especially, emphasis would be given to women expected to be operating small scale businesses.

1.2.10.3 Bindura Main Economic Activities

It is the administrative capital of the province. Bindura Nickel Mine is a subsidiary of Trojan Group of Mines. It mines nickel, copper and cobalt and operates a smelter refinery just south of the town. The town also is surrounded by Gold Fields of Ashanti and Ran Mines. Its location is defined by mining and farming activities. The perennial Mazowe River runs around Bindura Town and through the north-eastern perimeter.

1.2.10.4 Bindura Universities

It has two Universities namely, Bindura University of Science Education and Zimbabwe Ezekiel Gutu University which are mainly useful in the implementation of the NFIS.
Table 1.5: Financial Institutions in Bindura

<table>
<thead>
<tr>
<th>Financial Institutions</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Banks</td>
<td>6</td>
</tr>
<tr>
<td>Building Society</td>
<td>1</td>
</tr>
<tr>
<td>Micro Finance</td>
<td>2</td>
</tr>
<tr>
<td>Money Lenders</td>
<td>6</td>
</tr>
<tr>
<td>Ecocash Agents</td>
<td>60</td>
</tr>
<tr>
<td>Telecash Agents</td>
<td>30</td>
</tr>
<tr>
<td>One Wallet</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Department of Small and Medium Enterprise Development (2019).

Banks and microfinance institution are key stakeholders for the implementation of Financial Inclusion for they are at the end of the financial inclusion determinants Department of SMEs Report (2019).

Bindura urban’s business activities encompass all forms of selling and buying, ranging from formal to informal small and large enterprises, however, of concern here are women operating small scale businesses such as those classified by Bindura Municipality April (2019) as illustrated on Table 1.7 below.
### Table 1.6: Bindura Municipality Business Classifications

<table>
<thead>
<tr>
<th>BUSINESS CLASS</th>
<th>BUSINESS TYPE DISCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1.</td>
<td>All goods relating to the trade or business of fishmongers.</td>
</tr>
<tr>
<td>Class 2.</td>
<td>All goods relating to the trade or business of butchery and fishmongers.</td>
</tr>
<tr>
<td>Class 3.</td>
<td>Dairy products and eggs</td>
</tr>
<tr>
<td>Class 4.</td>
<td>Frozen pre-packaged meat and fish, or Smoked, salted or dried meat and fish, or Poultry, bacon, ham, sliced cooked meat and polonies not contained in a tin.</td>
</tr>
<tr>
<td>Class 5.</td>
<td>Foodstuffs sold for consumptions of the premises on which they are sold without further preparations.</td>
</tr>
<tr>
<td>Class 6.</td>
<td>All foodstuffs not specified in 1,2,3,4, and 5</td>
</tr>
<tr>
<td>Class 7.</td>
<td>All goods other than foodstuffs e.g, airtime</td>
</tr>
<tr>
<td>Class 8.</td>
<td>Aerated water, beverages fruit-drinks, tobacco, smokers requirements, matches, bread, biscuits, cakes, pastry, silk, ice-cream, sugar, sweets, chocolates, packaged non-perishable foodstuffs, fruit and vegetables, newspapers, perishables, books and post-cards only.</td>
</tr>
<tr>
<td>Class 9.</td>
<td>Fruit-drinks, tobacco, manufactured cigarettes, matches, bread, ice-creams, sweets and potato chips.</td>
</tr>
</tbody>
</table>


Guided by the business classes in Table 1.7 every woman operating a small scale enterprise is required by Bindura Municipality to register under one of these classes (Bindura Municipality Regulation Booklet, 2017).
Table 1.7: Numbers OF Licenses Issued

<table>
<thead>
<tr>
<th>Years</th>
<th>No. Of Licenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>451</td>
</tr>
<tr>
<td>2017</td>
<td>451</td>
</tr>
<tr>
<td>2018</td>
<td>492</td>
</tr>
<tr>
<td>2019</td>
<td>410</td>
</tr>
</tbody>
</table>

Source: Bindura Municipality Database (2019)

According to Bindura Municipality regulation booklet (2018), to be defined as a SME operator in Bindura Urban one has to be licensed by Bindura Municipality, therefore, only those women registered with Bindura Municipality were assessed and evaluated on the implementation of the National Financial Inclusion Strategy.

Figure 1.2: Small and Medium Enterprises Ownership.

Source: Bindura Municipality Data Base (2019).
Table 1.8: Women Micro Small and Medium Enterprises.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>No. Of Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>136</td>
</tr>
<tr>
<td>2017</td>
<td>135</td>
</tr>
<tr>
<td>2018</td>
<td>138</td>
</tr>
<tr>
<td>2019</td>
<td>132</td>
</tr>
</tbody>
</table>

Source: Bindura Business Associations (2019).

Table 1.9 represents the number of WMSMEs who operated since January 2016. The Table also shows the women who are under study for this research.

Figure 1.3: Women Micro Small and Medium Enterprises By Wards.

The number of WMSMEs was further grouped into wards as reflected by figure 1.4 above for
easier coverage of all the wards during the research process. Each of the 10 wards received at
least three questionnaires depending on the number of WMSMEs in the ward.

1.3 Research Problem
Hallward, (2013), advised that women entrepreneurs are the majority in terms of business
population in many countries in the world. In Bindura Urban, financial inclusion of women
micro small and medium enterprises has not been revealed and women were still lagging in
terms of decision making processes especially in matters affecting their involvement in
financial services development and attainment. The challenges by the women entrepreneurs
to access the financial services have not improved despite the adoption of multi-currency
regime in 2009. A significant number of women entrepreneurs in Bindura Urban are
performing dismally amongst others to a great extent due to lack of appropriate financing and
appropriate financial services. According World Bank Group Report (2014), only 2.9% of
adult females have an account with a formal institution, compared to 17% of males.
Moreover, there is a 42% gender gap in mobile phone ownership and 30% of females do not
even have access to somebody else’s mobile phone, therefore, there is need to investigate
further the causes of, and potential solutions to, women financial exclusion (King, 2011.).
This has been due to under representation in decision making organs. Shrivastava, (2015)
said although women are the ones who turn out in large numbers to set up their micro
enterprises substantive representation in business positions remains poor.

In Zimbabwe the new NFIS introduced major changes in the country’s financial governance
framework including the introduction of a gender women’s desk by all commercial and micro
finance institutions, establishment of the Zimbabwe Women Microfinance Bank and many
other government payments, and Self Help Groups (Savings and Credit Cooperative Society,
Savings Internal and Lending Communities, Rotating Credit and Savings Associations, and,
Internal Savings and Lending) (RBZ 2016).

AFI (2014), postulated that the NFIS requires that county governments should involve local
women entrepreneurs under their jurisdiction so that they can develop relevant financial
service programs which may empower women entrepreneurs. Although this requirement is
gradually being implemented, the goal of women entrepreneur empowerment still remains unrealized four years after the financial inclusion strategy came into force (RBZ 2016).

Moreover, studies have not been conducted to ascertain the extent to which financial inclusion has influenced women entrepreneurs’ growth in Bindura urban. Therefore, this study sought to address the existing research gap by assessing the impact of financial inclusion on women micro small and medium enterprises in Bindura urban.

1.4 Research Objectives
The broad aim of this research is to find out factors influencing the implementation of financial inclusion of women entrepreneurs in Bindura urban.

1.4.1 To ascertain how Financial Inclusion strategies are implemented on women entrepreneurs in Bindura urban;
1.4.2 To find out strategies/facilities associated with the implementation of the national financial inclusion strategy in Bindura;
1.4.3 To find out the effectiveness of the financial inclusion programmes on women entrepreneurs in Bindura urban; and
1.4.4 To find out challenges impeding adoption of the financial inclusion on women entrepreneurs in Bindura urban.

1.5 Research Questions
1.5.0 How are the financial inclusion programmes of women entrepreneurs in Bindura urban implemented?
1.5.1 What are the programmes associated with the implementation of the national financial inclusion strategy?
1.5.2 What is the effectiveness of the implementation of financial inclusion on women entrepreneurs in Bindura urban?
1.5.3 What are the challenges impeding adoption of the financial inclusion of women entrepreneurs of Bindura urban?

1.6 Propositions
1.6.0 Financial inclusion is being implemented for women entrepreneurs in Bindura urban.
1.6.1 Financial inclusion is not implemented for women entrepreneurs in Bindura urban.
1.7 Assumptions
The research assumed that all women micro small and medium enterprises operating in Bindura experience unique financial exclusion challenges. Financial inclusion has an influence on women’s micro small and medium enterprises in Bindura urban. Lastly, the study assumed that the respondents chosen provided information necessary to answer the research questions.

1.8 Purpose of the study
To find out how the financial inclusion on women micro small and medium enterprises can be improved in order to alleviate poverty and increase their contribution to the GDP of the country. The study also seeks to establish the most appropriate methods and strategies in the implementation of financial inclusion on women micro small and medium enterprises.

1.9 Justification
The findings will be significant to policy makers and financial institutions as it will offer valuable information to make informed decision on policies pertaining to the promotion of women entrepreneurs through financial inclusion.

The government through MWACSMED can use the findings of the study as a base to review their WMSMEs programmes. This study, therefore, necessitated the need to understand the relationship between financial inclusion and Women entrepreneurs’ productivity from a Zimbabwean perspective.

Moreover, the study also intended to suggest ways through which the financial institutions and Non-government organizations lobbying for WMSMEs growth can implement key strategies that would help mitigate the effects of financial exclusion amongst women in Zimbabwe.

The findings will contribute to new body of knowledge and shall also pave way for future researches by other students. The researcher will broaden his understanding of the effect of financial inclusion on women’s micro businesses. It will also enable the researcher to gain research skills, and experience to conduct research in future and to combine academic theories with practical procedures.
1.10 Delimitations of the study
The study focused on the factors that influence the implementation of financial inclusion on women’s Micro Small and Medium Enterprises. Due to time and resource constraints the study will be limited to the ten wards of Bindura Urban. Demand-side, supply-side and infrastructure-side variables that affect the implementation of financial inclusion on WMSMEs as determinants of financial inclusion will be discussed. The research only targeted women in Bindura Urban that that have registered and licensed by Bindura Municipality and participated in small and medium enterprises programmes spear headed by the Department of SMEs for the period 2016 to 2018. There was limited time for carrying out the research and data collection from respondents. The respondents may have misinterpreted intentions of the study and became reluctant to reveal vital information for the research. To address the limitation, the researcher assured privacy of participants and confidentiality of their information by including a non-disclosure clause on the cover letter. And the research had to take time off from work.

1.11 Organizational Structure
This study is presented in five chapters.

1.11.1 Chapter 1
Chapter one discusses the Introduction to the study; Background to the study; Research Problem; Research Objectives; Research Questions; Hypothesis or proposition; Justification; Scope of Research; Limitations to the study; Dissertation Structure and lastly the Chapter summary. It also provides the main objective and research questions.

1.11.2 Chapter 2
Chapter two discusses literature review of the study paying particular attention to the relevant theoretical background and the relevant conceptual framework of the study. The main discussion of this chapter takes the shape of research questions. In simpler terms it provides the general foundation for the research topic and provides answers to the research questions and lastly the Chapter summary. It also provides the main objective and research questions.

1.11.3 Chapter 3
Chapter three deals with research methodology, starting with the Introduction; Research Design; Research Philosophy; Research Strategy; Population and Sampling Techniques; Data
Collection Methods; Research Procedure: Research Limitations; Ethical issues and the Chapter summary. It also provides the main objective and research questions.

1.11.4 Chapter 4
Chapter four discusses Data Analysis, Presentation and discussions. It also provides the main objective and research questions. This chapter provides statistics, figures and/or tables) and explain what the response rate implies in terms of validity of results. Interprets result, analyzing the implications, making intellectual inferences and discusses the result, making reference to the Business leadership concepts. It uses literature to reinforce interpretation of the researcher or the findings. General expectations relevant to the study are required in this chapter and lastly, the chapter summary.

1.11.5 Chapter 5
Chapter five presents the main objective, sub objectives and research questions and Conclusions and Recommendations. The chapter starts with an introduction, followed by conclusions according to specific sub themes to be concluded on, using clear and precise points and then give recommendations on specific concepts and lastly, the chapter summary.

1.12 Chapter Summary
The chapter highlighted the background to the study, statement of the problem, research objectives, and research questions, assumption of the research, significance of the study and definition of terms. Delimitations and limitations of the study were also discussed. The following chapter will focus on work already done by other researchers on the subject of financial inclusion and women’s financial inclusion.
CHAPTER II

LITERATURE REVIEW

2.1 Introduction
The broad aim of this research is to find out the factors influencing the implementation of financial inclusion of women entrepreneurs in Bindura urban. The main questions to be answered are, how are the financial inclusion programmes of women micro small medium enterprises implemented?; what are the programmes associated with the implementation of the national financial inclusion strategy?; what is the level of success/failure/effectiveness of the implementation of financial inclusion on women micro small and medium enterprises in Bindura urban?, and what are the challenges impeding adoption and effective running of the financial inclusion of women micro small and medium enterprises of Bindura urban?

This chapter presents the theoretical literature review on financial inclusion. It starts by definitions of financial inclusion and the origin of financial inclusion which is social exclusion. It also collects literature on financial Inclusion of MSMEs owned by women and discusses the factors and challenges influencing the implementation of financial Inclusion Strategy. This forms the basis for the conceptual framework model derived at the end of the chapter. The review is not exhaustive but nonetheless summarizes some of the major theories in the area.

Theoretical Framework

2.2 Financial Inclusion
Financial inclusion (FI) refers to access and usage of a broad range of affordable, quality financial services and products, in a manner convenient to the financially excluded, unbanked and under-banked, in an appropriate but simple and dignified manner with the requisite consideration to client protection (The Banking Associate South Africa Report, 2012). However, Rangarajan (2008), says that, a Committee on Financial Inclusion’, has defined Financial Inclusion as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. He went on to say, financial inclusion means to provide
financial services to vast section of disadvantaged and low income groups at an affordable cost.

AFI Report (2010a) commented that the quality and extent of financial inclusion mainly depends on ensuring delivery of affordable financial services, viz., simple savings, loans, access of payment and remittance facilities and insurance products by the formal financial system to those who tend to be excluded. Brix (2010) added that, the accessibility of the financial products should be accompanied by the usage and supported by the financial education. The fundamental principles of financial inclusion include access, affordability, appropriateness, usage, quality, consumer financial education, innovation, diversification and simplicity (Kuhlase, 2012).

**Figure 2.1: Scope of Financial Inclusion**

![Diagram of Financial Inclusion](source: Sahrawat, (2010)).

**2.2.1 Financial Inclusion Definition as Perceived By Different Countries.**

AFI Report (2014), indicated that either as a standalone sub-section or as part of the above mentioned introductory section, a definition of financial inclusion, based on the context of the country, can be provided. In the following examples of NFISs and global resources, financial inclusion is defined as:
Burundi defines financial inclusion as, the permanent access of adults to a range of financial products and services offered through formal and sustainable financial institutions, governed by appropriate regulation, diverse, affordable and tailored to the needs of the population, used by the population in order to contribute to the improvement of its socio-economic life (WWB Report, 2014).

Nigeria had to simply define Financial Inclusion as achieved when adults have easy access to a broad range of formal financial services that meet their needs and are provided at affordable cost (CBN Report, 2012).

Paraguay puts it as the access to and usage of a range of quality, timely, convenient and informed financial services at affordable prices and these services are under appropriate regulation that guarantee consumer protection and promote financial education to improve financial capabilities and rational decision-making by all segments of the population (AFI Report, 2011).

The Global Partnership for Financial Inclusion Report (2014), generally, defines financial inclusion as a state in which all working age adults, including those currently excluded by the financial system, have effective access to the following financial services provided by formal institutions: credit, savings (defined broadly to include current accounts), payments, and insurance.” Effective access is further defined as “convenient and responsible service delivery, at a cost affordable to the customer and sustainable for the provider, with the result that financially excluded and underserved customers can access and use formal financial services. Bruhn, et al., (2011) illustrated that the definition of financial inclusion given by the Global partnership of financial inclusion is universal where member countries can use it as a mirror in formulating definitions suiting their countries’ context.

Based on the definition here given, the researcher concludes that financial inclusion can be defined as the process of ensuring access to appropriate financial products and services needed by all sections of the society in general, and vulnerable groups such as weaker sections and low-income groups in particular, at an affordable cost, in a fair and transparent manner by regulated mainstream international players as confirmed by Kapoor, (2014).
2.2.2 National Financial Inclusion Strategy.

According to Mckinsey, (2011), national financial inclusion strategies are roadmaps of actions, agreed and defined at the national or sub-national level, which stakeholders follow to achieve financial inclusion objectives. Successful strategies coordinate efforts with the main stakeholders, define responsibilities among them, and state a clear planning of resources by, for example, prioritizing targets as confirmed by Women’s’ World Bank (2014).

The AFI Report (2014), added that a strategy can promote a more effective and efficient process to achieve significant improvements in financial inclusion. World Bank (2012), said there is need for the engagement with the private sector, including through structured consultation and can help ensure the success of the strategy and the relevance of the goals set.

Malik, et al., (2016), postulated that an NFIS can provide an overall framework and roadmap for supporting and/or complementary thematic strategies and action plans (e.g. National Payment Systems Strategy, Financial Education Strategy, SME Finance Strategy), institutional strategies (e.g. Central Bank Strategic Plan), or regional (i.e. for a specific state or province) strategies providing more detailed guidance in specific areas.

2.2.3 Formulation, Planning and Implementation of the Financial Inclusion Strategy

Over 50 countries have made headlines commitments to financial inclusion and many of those countries have developed or are still in the process of developing National Financial Inclusion Strategies (NFIS) to ensure coordinated and well-resourced actions are put in place to achieve and to define their scope and facilitate their effective implementation (World Bank Group Report, 2012).

According to the World Bank Report, (2016), The Maya Declaration is the first global and measurable set of commitments by developing and emerging country governments to unlock the economic and social potential of the 2.5 billion ‘unbanked’ people through greater financial inclusion. More than 80 such countries representing over 75% of the world’s unbanked population have supported the Declaration as supported by each country makes measurable commitments in four broad areas that have been proven to increase financial inclusion as illustrated below:

2.3 Maya Declaration

The AFI member commitment to financial inclusion aims to:
Create an enabling environment to harness new technology that increases access to and lower the costs of financial services; Implement a proportional framework that advances synergies in financial inclusion, integrity, and stability; Integrate consumer protection and empowerment as a key pillar of financial inclusion and Utilize data for informed policymaking and tracking results (AFI (2012)).

The first thing to do in the formulation of the national financial strategy is to have a vision in place as proposed by the AFI (2013) and supported by the WBG Report (2014). The vision should answer the question “what would a successful implementation of an NFIS achieve, (GPFI, 2014). The study provides on the next pages, the examples of the national financial inclusion strategies for Tanzania and Philippines.

2.3.1 Examples of the NFIS for Tanzania and Philippines.

Tanzania’s National Financial Inclusion Framework sets forth as its vision the following: “All Tanzanians regularly use financial services and payment infrastructures to manage cash flows and mitigate shocks. These are delivered by formal providers through a range of appropriate services and infrastructure, with dignity and fairness” (Gatchalian, 2014).

The Philippines’ National Strategy for Financial Inclusion establishes an overall vision of “a financial system that is accessible and responsive to the needs of the entire population and toward a broad-based and inclusive growth, particularly, to ensure that this financial system also serves the traditionally un-served or marginalized sectors of the population. This vision is guided by a focus on the client (WBG 2014).

At a global level, the World Bank Group’s vision for Universal Financial Access is that by 2020, adults globally have access to an account or electronic instrument to store money, and send and receive payments as the basic building block to manage their financial lives” (WBG 2014). The universal vision was meant to help member countries craft their own national financial inclusion visions with uniformity to other member countries. In support to this notion, Allen, (2016), said the World Bank’s Universal Vision is a template for member state to use for their financial inclusion visions. The next stage in the formulation and planning for the implementation of the national financial inclusion strategy is the establishment of the strategic objectives.
2.3.2 Strategic Objectives
As illustrated by Cihak (2013), based on the National Financial Inclusion Strategy’s overall vision and the identified barriers that constrain its achievement a set of objectives are identified. These objectives according to Clamara (2014) represent the prioritization of policy areas, target population groups, types of interventions, or a combination of the above. Lagarde (2014) said there is need to set some priority policy areas for the implementation of the financial inclusion for women entrepreneurs.

2.3.3 Priority Policy Areas
Either as a standalone section or as part of the overall NFIS objectives, policy areas are prioritized according to their relative importance in achieving the overall vision of the NFIS (Porter, 2011). Thorat, (2008) argued that this does not mean that these areas have to be ranked in any way, but it means that they merit specific actions under the action plan in order to achieve the NFIS vision. Diniz, (2011) further, argued that policy areas of interest can be varied based on the country’s context and characteristics, and may include: financial capability, financial infrastructures, financial consumer protection, MSME finance, and microfinance.

For example, NFIS Strategies differ greatly in the breadth of coverage, the level of detail, and their specificity. Mudenda, (2018) said that despite differences, certain commonalities in policy content exist, making it possible for Zimbabwe to borrow its implementation strategies from other countries which successfully implemented financial inclusion on MSMEs owned by women.

Figure 2.2: Priority Policy Areas

![Bar chart showing priority policy areas in national financial inclusion strategies.]

Source: WWB Report (2014)

The analysis was looking at the National Financial Inclusion Strategy Priority Policy Areas to find out what commonalities are in them. Ndiwalana, et al., (2010), reflected that Zimbabwe among other African countries have also adopted the common priority policy areas, which means that Zimbabwe’s National Financial Inclusion Strategy is a blend of other countries’ Financial Inclusion’s strategies.

Over 70% of countries where FSAP exercises were conducted have undertaken a technical assessment related to microfinance, housing finance, access to finance and SME finance, financial infrastructure, consumer protection and financial capability frameworks, or other related, however, specific areas in Zimbabwe such as women entrepreneurs were not fully assessed to establish the constraints and barriers they face as entrepreneurs though some researches on this area were done in Nigeria, Tanzania Bangladesh and Philippines but did not do much on women financial inclusion in urban areas (CPMI-WBG Report 2015). That is the reason why this study has made women entrepreneurs in Bindura urban a priority area.
of study. Moreover another major area to be looked into the formulation is the target groups which are indicated in the next paragraph.

2.4 Target Groups
According to the Alliance for Financial Inclusion Report, (2014), the NFIS can also focus part or all of its roadmap on a set of target population groups, which are described in this section. These target groups can be defined by a number of factors: Demographic characteristics (e.g. women, youth); Income levels; Geographic location (e.g. rural, urban, peri-urban, or by region/state); and Economic activity (e.g. agriculture-dependent households). In addition to individuals and households, Chitokwindo, (2014) said enterprises (particularly micro, small, and medium enterprises) can also be considered. Moreover, the NFIS is targeting to increase the overall level of access to formal financial services within the country from 69% in 2014 to at least 90% by 2020 and to increase the proportion of banked adults to at least 60% by 2020 (WWB Report 2013).

Examples from other countries pertaining to priority targets are as follow: Based on the findings of Burundi’s (2012), NFI Survey, the country’s NFIS focuses on three segments of the population for which it aims to develop “quality financial services and products aligned to [their] needs” (translated) (AFI Report 2012). (1) For rural dwellers, these include financing mechanisms, approaches, and financial products adapted to rural life, especially for agricultural activities, including leasing for equipment, guarantee schemes for agricultural credit, (2) For women and youth, these include savings groups, the use of “reputational” collateral, awareness campaigns and financial education, (3) And for micro and small entrepreneurs, these include micro-insurance, technical assistance and capacity building to MSMEs; However, Indonesia’s National Strategy (2014), for Financial Inclusion maps target group-specific actions against each one of the four target population groups it identifies: the low-income poor, the working poor/MSMEs, population with special needs - migrant workers (MW) and those living in remote areas - and the non-poor (defined as the residual category including those that are financially excluded but that do not belong to the previous categories) (IFC 2011).
2.4.1 Strategic Pillars:

NFIS objectives (including priority areas and target groups) are sometimes presented in a conceptual framework that identifies a set of pillars (sometimes referred to as drivers, principles, enablers, or other) under which the NFIS is organized. Such a framework can serve to usefully distil the obstacles and opportunities identified in the assessment and emphasize the key themes or pathways for achieving the NFIS Vision (CFIR 2016). The WBG Report (2012), illustrated that, the framework pillars can also add structure to the NFIS which can be reflected throughout the document (e.g. in the action plan) Examples of Strategic Pillars include but not limited to:

Tanzania’s NFIS Framework identifies four core enablers: proximity, payment infrastructure, store of value, and store of information (see below). These core enablers allow for the achievement of inclusive basic (savings, credit, insurance) and more advanced (securities, pensions, government payments) financial services (Tanzania Central Report 2014). The formulation and planning process should also spell out the strategic pillars as indicated in Figure 2.3 in the next page.

Figure 2.3: Tanzania National Financial Inclusion Framework

![Diagram of Tanzania National Financial Inclusion Framework]

Source: Tanzania NFIS (2012).

These core enablers allow for the achievement of inclusive basic (savings, credit, and insurance) and more advanced (securities, pensions, government payments) financial services (Alliance for Financial Inclusion Report, 2014).
The Philippines’ National Strategy (2016) for Financial Inclusion identifies four key strategies to achieve the NFIS objectives. The key strategies are presented as a house with the roof representing the vision for financial inclusion overarching the pillars that correspond to the four areas. Data and measurement underpin the other three as it is considered cross-cutting (World Bank Group (2016) as illustrated in figure 2.4.

**Figure 2.4: Philippines National Financial Inclusion Framework**

![Philippines National Financial Inclusion Framework](source)

Source: Philippines’ NFIS (2014)

The Committee of Payments and Market Infrastructures’ (CPMI) (2015) and the World Bank Group (2014), consultative report on Payment Aspects of Financial Inclusion (PAFI) includes a framework for achieving universal access to and frequent usage of transaction accounts that can be leveraged in NFIS and adapted if needed (Christopoulos, 2004), indicated that the framework consists of three foundational enablers and four catalytic pillars, as illustrated in figure 2.5 below.
While countries might decide to use different structures for their NFIS, they can take advantage of the structure introduced by PAFI to assess whether they cover all relevant topics when developing their (AFI 2016).

The WBG (2014) states that the coordination and implementation of a NFIS often builds on the NFIS development process itself. Mago, et al., (2014), postulated that an NFIS should be developed through a consultative process that involves all relevant stakeholders from the outset, however, Makanyeza, (2017), revealed that different mechanisms can be used to coordinate across these different stakeholders, and may yield a relatively formal structure that will endure through the implementation period of the NFIS.

NFIS coordination and consultation can be carried out through a variety of mechanisms, including: Consultation workshops: Lawack, (2013), further said, workshops can be organized in the early formulation stages of the NFIS in order to present the initiative to all public and private stakeholders, collect inputs and contributions from them, and seek their sign-off on the NFIS prior to launch. Such workshops have been conducted in countries like Haiti, Jamaica, Peru, and Pakistan. Periodic events: more formal events can be organized to allow different stakeholders to update each other and advance agendas in unison (AFI Report 2014). For instance, the Bangko Sentralng Pilipinas has created a Financial Sector Forum as a coordination mechanism for relevant financial sector regulators to convene yearly.
Martinez (2014), said this part of the NFIS should explicitly describe the entity or governance framework that will lead the implementation of the NFIS, including the following elements: Membership, internal organization, and composition of the leading entity or governance structure; Mandate of the leading entity or governance structure; roles and responsibilities of the leading entity or governance structure; optionally; considerations around its open rationalization; and optionally, details around its functioning. In addition to above the formulation and planning process for the implementation requires the definition of the stakeholders and their responsibilities.

2.4.2 Stakeholders and their Responsibilities

Ultimately, financial service providers deliver financial products and services to the population, and should therefore be involved in the strategy design and target-setting stages, and have a seat in the coordination and implementation mechanism put in place (Chakravarty, et al., 2013). If the financial industry has shared ownership of the NFIS, it would be more likely to see the implementation of the NFIS as being in its own interest rather than as an imposition, which is key to achieving sustainable outcomes argued Buckland, (2005). Barua, et al., (2016), add that the involvement of the private sector is also important in order to ensure that regulators and policymakers are providing a conducive environment for innovation and the piloting of new products and delivery mechanisms, while not compromising the focus on financial stability, consumer protection, and financial integrity.

India’s National Mission on Financial Inclusion identifies the roles that all major stakeholders need to play to achieve the Mission’s goals. These stakeholders include the Ministry of Finance’s Department of Financial Services, the Reserve Bank of India, banks, other State Government Bodies, Local Bodies, and the Unique Identification Authority of India, among others (Kapoor, 2014).

The Philippines’ National Strategy for Financial Inclusion includes a Framework for Stakeholder Coordination which outlines roles and responsibilities for broad group of stakeholders including government entities, financial and nonfinancial service providers, clients and other uses of financial services, and other support entities including donors and NGOs (Alampay 2009), as indicated in figure 2.6.
AFIS (2014), states that the measurement of progress towards financial inclusion objectives set out in a NFIS requires a monitoring and evaluation (M&E) system that is well-resourced, well-coordinated and broadly accepted among the full range of stakeholders. Bhattacherjee, (2012), indicated that, when these conditions are met, an M&E system can be a powerful and effective tool for identifying obstacles, demonstrating results, and efficiently allocating resources.

Jenny, et al., (2010), commented that the structure of this section should reflect four key elements of an M&E system: Relevant and reliable financial inclusion data, from both the supply- and demand-side, provides a comprehensive view of the access, usage, and quality of financial services CPMI-World Bank Group Survey (2015), indicates that an M&E results framework establishes key performance indicators (KPIs) and associated targets in line with national priorities. Evaluations of key reforms and programs provide insight into the efficiency, effectiveness, and impact of these actions. Chiteli, (2013), in support said, an NFIS M&E section should also describe the mechanics of coordination and implementation of the M&E system, which may include a working group and/or dedicated technical team. It is yet another objective of this study to measure and set track of the system to evaluate the pace and progress of financial inclusion of women entrepreneurs in Bindura urban Zimbabwe. At this juncture it is of paramount importance to review the factors that influence
the implementation process of financial inclusion for women micro small and medium enterprises.

2.5 Factors Influencing the Implementation of Financial Inclusion
Bazibu, (2005)’s Information asymmetry theory postulates that when two parties are making decisions or transactions, there exists a situation where when one party has more or better information than the other, thereby, causing an imbalance of power between the parties.

In elaborating the Bazibu’s information asymmetry theory, Mugenda, (2008) said that, in this context, for example, the borrowers are more likely to get more information than the lenders. Information related with the risk associated with the investments is likely to be available to the borrowers. Matthews, et al., (2008) observed that this may lead to the problems of moral hazard, where a party will take risks because they assume final cost of that risk, as well as adverse selection, where there are adverse results because parties have different/imperfect information, Mahembe, (2011) interjected by saying, therefore, the problems may cause inefficiency related to the flow or transfer of funds from the lenders (surplus) to the borrowers. Agostino, (2008) argued that the acuteness of information asymmetries between bankers and entrepreneurs is the main stumbling block to women entrepreneurs and SME financing in Sub-Saharan Africa. However, Othieno, (2010), further argued that the gap between banks and SMEs can be narrowed by developing financial systems that are more adapted to local contexts.

In the context of UK, it is believed that access to finance by SMEs is closely affected by the differences in commercial banks or the practices and the policies of the supply side of finance. The WBGS (2003) identified a number of factors that constitute constraints by SMEs to access finance. These factors include distortions of financial sectors, lack of know-how on the banking part, information asymmetry and the high risk in lending to small businesses. This study is also set to find out whether this constrains are the same as these faced by women entrepreneurs in Bindura Urban.

On the other hand, the study of Beck (2007) identified that the weaknesses in financial and legal systems present, in the developing countries, an obstacle in accessing finance products. When Beck analyzed 70 developing countries, he concluded that the local government has actually the entire responsibility to build institutions.
This scenario also applies to the women entrepreneurs as they operate in the same environment with the SMEs here discussed. Some studies, (Yitayal, 2004), postulated that, with the main focus on the developing countries, observed that the lack of collateral requirements, high risks, information asymmetries, small credit transactions particularly of rural households, and the distance between lender-borrowers as the main causes for credit variation among the different and existent sources of credit. In addition, the same researchers state that the policy and the type of financial institution in one or in other way determine access to finance.

It has been remarked that interest rates charged by banks in Sub-Saharan Africa create disincentives for most borrowers to acquire funds to invest in their businesses on one hand. On the other hand, the interest rates charged by banks discourage most small businesses from applying for bank financing (Foltz, 2004). Fatoki, et al., (2011) in South Africa grouped the major factors that influence the low access to finance by SMEs in two ways; internal and external. The internal factors include the business information, collateral, networking, and managerial competences. External factors constitute the legal environment, crime and corruption, ethical perceptions, and macro-economy and these factors seriously affect the financial inclusion on women entrepreneurs than any other sector since in most cases they are excluded in formal sector.

Olomi, et al., (2008), in the study based in Tanzania, identified three major groups of constraints of access to finance by SMEs. The first group of factors included the capacity (low level of knowledge and skills), under-developed culture of business, non-separation of the business between personal issues and family, credit history of SMEs, and lack of knowledge of available finance services. These severely impact on women since they can hardly acquire training due to the cultural and gender dimensions which say women should always be at home with the kids, thereby depriving them of the time to acknowledge through workshops and trainings.

The second group of factors included the number of competent personnel and lack of experience of SMEs (Bougie, 2013), as for women this has a bearing on not wanting to separate between business and personal and family issues. The third group of factors is related to the regulation of the environment where transactions occur between lenders and borrowers, lack of system identification, and credit reference bureaus (Jack 2014). It is
further stated that in most cases the loan period and the size present obstacles for accessing bank financing and the interest rate affects access to finance in some few cases. Several studies (Kaufmann, et al (2006), found that the major problems concerning access to finance for small businesses in Southern Africa are basically related with the high interest rate charged on financial products and the inefficient banking services, than would be justified by economic reasons.

The loans made on the domestic currency carry higher interest rates than those made in US dollar (USAID, 2007). Leffileur, (2009), postulated that the commercial banks of Southern Africa impose excessively high interest rates and fees in various services, such as transfer of funds, account statements, banking guarantees, and letters of credit. The World Bank Survey (2003) shows that 90% of working capital and 64.9% of new investments were financed by SMEs’ own capital, compared to 6.9% working capital and 8.2% of new investments which were financed by the banking institutions indicating low access to finance by SMEs in Southern Africa.

Bokea, et al., (2000), suggested that security for loans must actually be capable of being sold under the normal conditions of the market, at a fair market value and also with reasonable promptness. However, in most banks, in order to finance SMEs and to accept loan proposals, the collateral must be 100% or more, equal to the amount of credit extension or finance product. Moral hazard issues can be reduced by collateral requirements by increasing and adding a potential cost to borrowers when those are not making their best effort (Bokea, et al., 2000).

The governments implementing financial inclusion have also sort some strategies and initiatives associated with the promotion of financial inclusion on SMEs and women entrepreneurs and these were discussed below:

2.6 Strategies and Initiatives Associated with the Implementation of Financial Inclusion.
Governments all over the world have designed a number of support services for SMEs which include the policy initiatives and support programmes for the purpose of creating and developing the SME sector. Support programmes are designed to assist SMEs in order to link
them to the larger developmental vision of the nation with the main focus being poverty reduction and growth of small firms (Charbonneau, et al., 2013).

A number of initiatives for SME support are in place in many countries which include Brazil, Argentina, Chile, Uruguay, and Mexico. In the European Union and other countries, such initiatives are covered by the specific acts of SMEs: in India by Micro and SME Development Act, in Kenya by Micro and Small Enterprises Act, in Malaysia by SME Master Plan, in Tanzania by the SME Development Policy, and in the USA by the Small Business Act (Charbonneau, 2013).

Charbonneau, et al., (2013), further suggest that for their sustenance, SMEs need to use ICT in order to become more competitive and to provide opportunities to participate in the global value chains. Small business support services are provided by national agencies, both private and public. Indeed, most SMEs are not aware of funding programmes and that most SMEs face difficulty in accessing funds to invest in their projects.

It is pointed out that in South Africa there are a number of financial schemes and funding programmes that support the SMEs’ access to finance. In this context, these schemes and funding programs are promoted by both the private and the public agencies.

Despite availability of those funding programs in South Africa, there was a low awareness of funding programmes, especially, government support schemes (Mas, et al., 2010). In Mozambique, a number of difficulties in supporting SMEs have been discussed. In resolving these difficulties, some initiatives have been developed for the purpose of dealing with the issue of access to finance by SMEs. One of such initiative was the conference of “Know and Use Financing SMEs” organized by IPEME, entrepreneurs, banks, and insurers to discuss finance constraints by SMEs (Hidayati, et al., 2011).

The government plays a crucial role by leveraging small business owners to implement additional funding mechanisms for SMEs by encouraging, promoting and supporting private initiatives (MIC, 2007). In addition, Menon, et al., (2013) said, the Institute for the Promotion of Small and Medium Enterprises has several programmes for creating and strengthening businesses, providing integrated assistance in management and business development. However, these programmes seem not to be enough as the rate of rejection is
higher particularly for bank sponsored schemes in financing SMEs (IPEME, 2013), especially for the women micro enterprises the rejection is extremely high as compared to man entrepreneurs.

Scott, et al (2001), indicated that the ownership structure of banks may influence the relation between access to finance, market power, and costs of external financing. Local domestic banks are more likely to pursue more information, better enforcement mechanisms than the foreign owned banks, and foreign banks may be willing to lend to opaque borrowers (Cetorelli, et al., 2001).

2.7 Awareness of Funding Opportunities
The flow of information in the financial market is crucial for both SMEs and financial providers (Falkena et al., 2001). In order for SMEs to identify potential supplier of financial services, they require enough information. The financial institutions require information to enable them to evaluate the potential risks associated with the SMEs that apply for bank financing and also to access the location where the same SMEs will be operating and its market segments (Othieno, 2010). Information is concerned with awareness of funding opportunities by SMEs.

A study by Agostino (2008), conducted on agricultural sector, pointed out that the failure of the current African market is because of the number of the current agricultural credit problems. These problems are associated with the imperfection of the information in the risk presences.

Access to finance For SMEs, there are two external financing that are mostly important for financing the businesses. The first is the equity financing which is provided in form of venture capital and available for new small businesses (Deakins, 2008). However, due to lack of equity financing, the small businesses go after debt financing that is mostly provided by the banks and non-banking institutions. Indeed, access of debt financing is very limited especially for SMEs due to the requirements for the provision of debt (Deakins, 2008).
2.8 Equity financing
The equity financing method refers to the extent to which the company issues a certain portion of shares of its stock and in return receives money (Diagne, et al., 2002). Depending on how the SMEs raise the equity capital, the debtors have to relinquish a certain portion of the business often 25 to 75% of the business (Covas, 2006).

Gomes et al. (2006) pointed out that equity financing is a method for raising funds for any investments. In this context, equities are issued in the form of common stocks which gives a claim to share in the net incomes after expenses and taxes. In South Africa, as in other countries in the world, there is a misperception that a broad supply of debt financing to SMEs will overcome most development problems that SMEs face. In practice, SMEs without a proven track record experience debt financing’s shortage (Mahembe, 2011).

2.9 Failure in the Provision of SMEs Financing
These include insufficient SME risk capital being available to SME sector, mainly to high growth potential SMEs and illiquid equity market for small firm sectors (Falkena et al., 2001).

2.9.1 Debt financing
Debt financing refers to the case where companies get finance products in a form of loan from lending institutions and give their promise to repay back at a given period of time and interest rate (Cooper, et al., 2003). Furthermore, debt financing is the most common instrument used in the financial market for obtaining funds for investments and to finance new businesses including SMEs. The maturity date of a debt of less than 1 year is considered as short-term debt and more than a year is considered as the long-term debt (Mahembe, 2011). Debt financing includes, therefore, the secured loans which involve the collateral requirements for securing bank financing.

When the SMEs default on the loan commitments, banks usually rely on collateral to recover the money invested in a particular business (Falkena et al., 2001). In the case of unsecured loans, the lender provides loans taking into account the borrower’s reputation. For that transaction to take place, a strong relationship between the borrowers and the banks is
needed. Loans of this kind are usually short term and the rate of interest is often high (Cole, 2003).

Most of the lenders are more unlikely to provide unsecured loans to the small businesses unless there was a lot of business that were made in the past between the borrower and lender, otherwise the lender will still insist that the borrower provide collateral for the loans. Rocha, et al., (2010), indicate that the insistence of the lenders on collateral relies on the borrower’s present financial and economic conditions.

Bank financing is important for the growth of small firm Brownbridge, (2002). Fatoki, et al., (2011) suggest that young businesses and any other enterprises in the world including SMEs depend mostly on bank financing to boost the business and to carry out new investments and projects.

2.10 Successes of Financial Inclusion Implementation
This research is also going to look at the successes and failures that the implementation of financial inclusion of women entrepreneurs has achieved.

2.10.1 Mobile money
Mobile money platforms allow clients to perform various functions such as transfer of funds and payments for goods and services using a cell phone (Maurer et al., 2013). Mobile money is an important solution to financial exclusion (Ndlovu, 2013). With the cash-in and cash-out services through the agents or cash merchants, there has been a rapid increase in people using mobile money transfers in the world (Mavhiki et al., 2015). Mobile money has provided opportunities for individuals to conduct financial transactions without being a bank account holder (Suarez, 2016). Mobile money transfers in Zimbabwe have been conducted through the use of agents. Mobile network operators (MNOs) are the main operators of mobile money in the World and they have been using their mobile networks and access to subscribers to the exclusion of traditional banks (Mavhiki et al., 2015).

2.10.2 Agent banking
Agents are usually individuals with social capital and business relationships with potential clients for mobile money in their communities (Maurer et al., 2013). Local MMAs have been
instrumental in extending financial services to the unbanked rural and remote areas, thereby promoting financial inclusion (Ndlovu, 2013). Zeng et al., (2017) say liquidity management and availability of cash float is critically important for agent banks to perform their cash-in and cash out function. Failure to secure cash would lead to customers to bypassing them. As commissions from cash-in and cash-out are their main revenue source, this has a negative connotation on the economic sustainability of their business (Hughes, 2007).

Combined with agent banking, the mobile phone based banking channels created more benefits than disadvantages to the financial market and the newly banked public (Meredith, et al., 2013). MMAs provide a better service to the customers in the form of less waiting time, higher market decentralization and democratization of banking services by making it available to poor communities (Zeng et al., 2017). The new distribution channels are more cost-effective such that the general public transact at a fraction of the cost. This ultimately leads to lower costs to the consumer (Frei, et al., 2010).

Ndlovu (2013) observed that mobile agents were impactful as most rural residents have reduced their travel to urban areas for the sole purpose of accessing banking services. The technology used delivers quickly. The poor live at the margin; hence, the speed of mobile transactions becomes beneficial for them (Eijkman et al., 2010).

**2.11 Challenges of Financial Inclusion Implementation**

These are divided into financial and non-financial challenges as indicated below:

**2.11.1 Financial Challenges**

Financial barriers for women entrepreneurs gravitate around the following issues:

**2.11.2 Lack of Collateral**

According to Tobbin, (2010), most financial institutions require collateral, with the average value taken often being much higher than that of the requested loan. In most cases, the required collateral is a fix asset in form of a land title or property deed. This form of collateral is usually very difficult for women to provide (Chagonda, 2012). Duncombe, (2012), estimated that women own roughly one percent of registered land titles. Moreover, Kapoor, (2014), said, when women have access to property they are often reluctant to present it as collateral, as losing it would not only impact them, but their family members as well.
2.11.3 Inadequate Financial Infrastructure
Kalba, (2016), said that collateral registries or credit bureaus would facilitate access to finance for women as it would provide alternative credit evaluation and collateral options such as moveable assets, machinery receivables and others, thus enabling them to circumvent the need for title deeds. Furthermore, Kapoor, (2014), said evidence shows that credit significantly increases in countries where security interests are protected and there is a predictable priority system for creditors in cases of loan default.

2.11.4 Inadequate Perception and Evaluation Of Risk
Marumbwa, (2014), confirmed that financial institutions perceive women to be riskier, higher cost and/or lower return due to their size. This negatively influences their appetite to lend to women regardless of whether the perception of higher risk is based on facts, experience, or on conjecture. Mas, et al., (2010), state that financial institutions are more likely to lend to clients whom they know well.

2.11.5 Lack of a customized approach and unfavourable lending policies
Jack, et al., (2014), postulated that most commercial banks don’t consider women as a specific market segment with different characteristics to take into account and as a result banks offer generic products and services which are most likely not suitable for the types of businesses women are running. Women also cite loan repayment periods to be considerably short and with high interest rates (WDF Report 2017). These factors lower their appetite towards asking for credit, as well as other potential products and services that could be valuable to them.

2.11.6 The High Cost of Funding
Afande, (2015), said that geographic distances and high transaction costs for banks operating in remote locations raises costs of finance, thus undermining the growth of women-owned SMEs in remote locations. Jack, et al., (2014) added that as the majority of commercial banks have most of their operations in urban centres, women in remote areas are limited by lower mobility and have to revert to alternative mechanisms to fund their operations. Additionally, De Koker, et al., (2013) said, the limited time women have due to family and time constraints; and the high safety and theft risks they face in travelling long distances to conduct their banking transaction severely hampers their business growth.
2.11.7 Non-Financial Challenges
According to Mayoux, (1995)... Access to finance for women-owned SMEs is also heavily linked to other challenges, which are of a non-financial nature, but which have high negative impacts on their growth potential. Sikwila, (2013), said these can include investment climate conditions that may affect women differentially, the size of women enterprises and the industry in which they operate, women entrepreneurs’ risk averseness, access to education and information, and access to markets.

2.11.8 Investment Climate Conditions
Paelo, (2014) argued that a weak investment climate limits SMEs’ productivity. Particularly relevant for women are the formal gaps in legal capacity and property rights. LWB Survey, (2014), blamed the Constitution by Constitutional and statutory provisions may constrain women in entering into contracts in their own name, for example, the Patriarch System in the Sub-Saharan African countries disallow women to own and control land and property Minniti, et al., (2003), In some cases women may lack the legal documents, such as a national identity document or passport, which are pre-condition for banking transactions.

2.11.9 Limited Business Skills
Peruta, (2018), outlined that, women enterprises often lack the level of business acumen and skills to grow in a profitable and competitive manner. Mills, (2011), supported Peruta by saying; most enterprises have difficulty keeping track of their accounts, handling taxes and understanding compliance rules and regulations. The Department of SMEs also indicated that, they also lack the strategic focus and the long term plan with specific markets, product/service innovation and growth projections to attract banks and investors and encourage them in taking the risk.

2.11.10 Limited Networks
Women who start businesses tend to know fewer entrepreneurs than male entrepreneurs. In other words, men have more social connections that enable them to access business opportunities, information, and contacts than do women (Raymaekers, 2015), In this way, women are disadvantaged from the start, having fewer professional connections, role models, and mentorship opportunities, which can adversely affect their businesses in the long run (Pickens, 2009).
2.11.10 Social and Cultural Roles Also Impact Women’s Entrepreneurship Growth

WBG Survey Report (2014) postulated that cultural and societal views on gender roles can make it difficult for women who want to start their own businesses, and in some instances run it properly. In support, Narain, (2009), said in some societies, running a business is often seen as a male venture, women are traditionally associated with home and health. (Mills, 2011) said, this heavily impacts their perception and path as self-employed, but most importantly impacts their decision-making process and their confidence in taking risks.

2.11.11 Fragile Economy

In a fragile economy such as Zimbabwe's where incomes are low, not many economic agents seek the services of financial institutions to save or invest. Inversely, very few financial institutions are willing to loosen up on credit provision because the probability of default is invariably high (World Bank Group Survey Report, 2016).

2.12 Women’s Financial Inclusion

For the purpose of this research it is of paramount importance to define women’s financial inclusion as the study seeks to establish the factors that influence the implementation of micro small and medium enterprises owned by women (Klapper, et al., 2013).

There is no single accepted definition or indicator for levels of financial inclusion (Blackden, 2010). But we can agree that women’s financial inclusion occurs when women have effective access to a range of financial products and services that cater to their multiple business and household needs and that are responsive to the socioeconomic and cultural factors that cause financial exclusion in women and men to have different characteristics (IFC 2011). In support Coleman, (2002) defined women’s financial inclusion as a state in which all working age women adults, including those currently excluded by the finance system, have effective access to the following financial services provided by formal institutions, credit, saving defined broadly to include current accounts, payments and insurance. In this context, it is of great importance to define the women micro small and medium enterprises in relation to financial inclusion.

Women entrepreneurs are the smallest and marginalised informal and formal businesses run by women in their individual capacity in an endeavour to increase their income base and reduce poverty thereby improving their livelihoods (Deshpande, et al., 2001)
Women entrepreneurs make significant contributions to their economies. Morawczynski, (2010), postulated that in many developed economies, women are starting businesses at a faster rate than men and are making significant contributions to job creation and economic growth. In the United States, for example, women-owned firms are growing at more than double the rate of all other firms (23 percent and 9 percent respectively) and have done so for nearly three decades. IFC Report (2010) indicates that they contribute nearly $3 trillion to the U.S. economy and are directly responsible for 23 million jobs. New data projections also suggest that future job growth in the United States will be created primarily by women-owned small businesses.

Raymaekers, (2015) also added that in many developing countries, women are also making a significant economic contribution. It is estimated that there are about 8 to 10 million formal SMEs with at least one women owner in developing countries (WBG Report 2016). These businesses are contributing to economic growth and poverty reduction. For example, a survey of 1,228 women business owners in the Middle East North Africa (MENA) region found that women are running well-established businesses that are generating revenues well over USD $100,000 per annum, comparing favourably to the number of women-owned firms in the United States generating similar amounts (Xavier, 2011).

2.12.1 Importance of Women’s Access to Finance

According to Women’s World Banking., (2014), increasing access to finance is good for women’s labour market opportunities as well as for the growth of women’s businesses. Women own a minority share of formal SMEs in most countries, generally in proportion to women’s share of total employment. However, AFI (2015), argued that there are many countries where women entrepreneurs are under-represented relative to their share in the labour force. Women not only are more likely to become gainfully employed after credit is extended to them, but are also able to significantly increase their income, which in turn positively impacts their families and communities. For example, the opening of Banco Azteca in Mexico increased the overall, total employment of women, including informal business owners and wage earners, by 1.5 percent (Bruhn and Love, 2009).

2.12.2 Women’s Financial Inclusion Survey: Nigeria

Preparatory work for the National Financial Inclusion Strategy revealed five barriers to financial inclusion in Nigeria, largely demand-side barriers identified on the basis of the findings from the EFInA 2010 Survey: (1) lack of income, (2) physical access (whether by
physical distance or a “bricks and mortar” approach that does not work for women), (3) financial literacy, (4) affordability and (5) eligibility. This analysis is backed up by EFInA research, which identifies irregular income, unemployment and distance to the nearest bank branch (EFInA 2014).

The results of an Inter-Media survey (2015), framed the barriers to financial inclusion (use of banking services) as very low levels of income, lack of need for a bank account, and lack of knowledge about how an account works (Ghosh, 2013). The barriers to mobile money adoption (identified by the same survey results) are similar: lack of awareness of mobile money, limited knowledge of how mobile money works, and low levels of trust (Inter-media, September 2014), barriers are mainly demand-side driven (lack of awareness, irregular income, unemployment, low levels of education and financial literacy) (Creswell, 2014). Connectivity is also a factor on both the demand and supply side. While gender is not mentioned specifically, all these factors are consistent with the principle barriers and constraints to women’s financial inclusion (Gormley, 2007).

2.12.3 Opportunities to Expand Women’s Financial Inclusion
Two related opportunities have been identified at the global level to advance women’s financial inclusion, and both are applicable to the Nigerian market: (1) digital financial services and (2) the development of new products and services of particular interest to women (Alliance for Financial Inclusion Survey Report, 201).

2.12.3 Policies In Support Of Women’s Financial Inclusion: Nigeria
It prioritizes issues, including the retail agent banking framework, tiered risk-based KYC, incentives to move into rural areas, a deadline for enforcing terminal interoperability and card agnosticism, and independent ATM deployment. While the framing of the Strategy may have been a missed opportunity to make women’s financial inclusion an explicit goal, the policy recommendations are of particular importance to women (LWB Survey Report, 2014). They are, in short, “gender friendly.” To facilitate a complete financial inclusion process for women, Jansen, (2010) said, a Financial Inclusion Steering Committee and Technical Committee were subsequently established in 2015. The Technical Committee validates data through various lenses and oversees specific interventions in response to special problems.
Currently the Working Group is focusing on how to incorporate gender considerations into the development of financial products and services. For example, the Working Group is engaging with the Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) to increase access to agricultural finance for women (NIRSAL 2013).

Its efforts are similar to those of other industry players, such as Diamond Bank’s BETA account and the Bank of Industry’s 1 billion Naira fund for the country’s fashion industry to support women-owned small and medium-sized enterprises (SMEs) (launched by the Bank’s Gender Unit). (AFI 2014). The CBN believes that closing the gender gap requires the engagement of both the public and private sectors. Within the public sector, the Federal Ministry of Women’s Affairs is an important partner. Under the Strategy, the WMSME Development Fund, established in 2014, operates under an explicit target to issue at least 60% of its loans to women (CBN 2014).

2.12.4 Policy Achievements that Support Women’s Financial Inclusion

In Policy Frameworks to Support Women’s Financial Inclusion, AFI and Women’s World Banking framed a set of seven policy areas to provide a solid policymaking foundation for women’s financial inclusion as illustrated below: (Alliance for Financial Inclusion Report 2016).

Makanyeza, (2017) suggested that greater focus on the value proposition of women’s financial, with explicit policy objectives and quantitative targets, can lead to transparent, women-inclusive policies; gender-disaggregated data collection and research set the stage for fine-tuning policy; reforms to legal and regulatory frameworks can create space for innovation that supports greater financial inclusion for women.; the development of financial infrastructure is a critically important part of implementing sound policy; refined and strengthened financial consumer protection regulation can address the concerns and issues of women clients, balancing protection with expanded outreach; financial education and financial literacy programs for women are a critical investment to promote women’s financial inclusion.

The study has established that Nigeria has made a number of smart policy moves in terms of promoting women’s financial inclusion, which is the main purpose for this study to find out
ways to improve on the country’s policy on the implementation of financial inclusion of women micro small and medium enterprises in Bindura urban and Zimbabwe in general.

2.13 Conceptual Framework
After having read widely about the concepts of financial and the implementation process, the researcher came up with a conceptual framework be used for the implementation of financial inclusion for women micro small and medium enterprises as indicated in figure 2.6 in the next page.

Figure 2.7: Conceptual Models.

The framework is made up of the financial inclusion and its element as the independent variable, stakeholders which comprises of financial institutions, government and non-governmental organisations as intervening variables plus supporting strategies to help implement the financial inclusion on women entrepreneurs as dependent variables. The straight arrow indicates the implementation process to attain growth of WMSMEs which in turn lead to poverty reduction and an increase in the country’s GDP.
2.14 Research Gap
Exclusion of women from financial services has been reported by a number of studies that women are more excluded than men both at firm and individual levels. Studies report that female-owned MSMEs face more financial constraints than male-owned businesses (Henderson, et al., 2015). Using WMSMEs level data from countries in the Sub-Saharan, Presbitero, et al., (2014) reported that women-led businesses are more likely to be financially constrained than other comparable firms. More recently, Demirgüç, et al., (2015) confirmed the existence of a gender gap in financial inclusion even after controlling for a host of individual characteristics including income, education, employment status, rural residency and age. 2.3.0

2.15 Chapter Summary
This chapter has covered literature review, introduction of the topic, conceptual and theoretical frameworks, empirical evidence and research gap to the study of the modalities influencing the implementation of financial inclusion on women entrepreneurs operating micro small and medium enterprises in Bindura Urban Mashonaland Central Province in Zimbabwe. The next chapter is going to cover research design and research methodology.
CHAPTER III

RESEARCH METHODOLOGY

3.1 Introduction
The chapter covered the research methodology used by the researcher and involved the research design, the research population and sample size, the sampling procedures and the research instruments that was used to collect the data. It also examined the validity and reliability of the research instruments.

A research method is a logical design for conducting research. Creswell (2009) defined research methodology as the overall research plan that summaries the technique in which the research is to be conducted and, among other things, establishes the approaches to be used in it. The procedures, described in the methodology, outline the ways or methods of data gathering or, sometimes, how specific outcomes are to be calculated. The study utilized both qualitative and quantitative research methodology.

3.2 Research Design
In this research, descriptive research design was used to expound on the study of the factors influencing the implementation of financial inclusion on women entrepreneurs in Bindura Urban. The design was chosen because it suitably addresses the research problem as well as the objectives. Carson et al., (2001), advised that well-designed research has been of critical importance in finding a solution to the research problems because it enabled the researcher to get accurate and useful information. Availability of accurate information enhanced reliable decisions to be made. The researcher kept this notion in mind when deciding on the best design to adopt for the purpose of this study.

According to Gliem, and Gliem, (2013), a research design is a blue print with detailed information and it is used as a guide in completing the research objectives stated. The research design becomes a master plan that gives specific methods and procedures used in gathering and analyzing of the collected data.
3.2.1 Descriptive Research Design

The research used descriptive design. According to Rangaraja (2013), descriptive research design is a valid method for researching specific subjects and as a pre-cursor to more quantitative studies. Jackson (2009) indicated that descriptive research can be either quantitative or qualitative. Shields (2006) suggests that it can involve collections of quantitative information that can be tabulated along a continuum in numerical form, such as scores on a test or the number of times a person chooses to use a certain feature of a multimedia program, or it can describe categories of information such as gender or patterns of interaction when using technology in a group situation. Descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Glass & Hopkins, 1984). It often uses visual aids such as graphs and charts to aid the reader in understanding the data distribution.

Basing on the analysis above, the researcher can safely say, the advantages of the descriptive research design to this study are that, it is effective to analyze non-quantified topics and issues as the topics of this research; this research provides a possibility to observe the women entrepreneurs in a completely natural and unchanged natural environment they operate in; it gave the opportunity to integrate the qualitative and quantitative methods of data collection which are key in this research and it is less time-consuming than quantitative experiments.

However, Rangaraja, (2013), on the other hand argued that descriptive research design has its on disadvantages, as research results may reflect certain level of bias due to the absence of statistical tests; the majority of descriptive studies are not ‘repeatable’ due to their observational nature and the descriptive studies are not helpful in identifying cause behind described phenomenon, however, in this study the cause was established.

3.3 Research Philosophy

3.3.1 Research Paradigm

The study adopted positivism and interpretivism paradigms because the study was aimed at establishing the factors influencing the implementation of financial inclusion on women entrepreneurs in Bindura Urban using both quantitative and qualitative data.
Yeasmin and Rahman (2012:22) defined a paradigm as a “worldview” or a set of assumptions about how things work. Bryman (2012) categorized variable hypothetical paradigms as positivist (post-positivist), constructivist, interpretivist, transformative, emancipatory, critical, pragmatism and de-constructivist, post-positivist. On the other hand, Neuman (2011) defines a paradigm as an all-embracing perspective regarding suitable research practice, founded on ontological and epistemological supposition. The two paradigms are characterized by contrasting world views pertaining to which reality are understood (ontology) and the construction of knowledge epistemology (Neuman, 2011).

3.3.2 Positivism Research Paradigm
Holloway and Wheelar (2013) claims that a positivist study uses numerical and seeks generalization by way of applying scientific approach. The current study also gathered quantitative data using closed questions on a five-point Likert scale questionnaire. Positivism viewpoint considers that social observations are related to physical phenomena, and can thus be researched in the similar fashion as pure scientific investigation, the investigation comprises an isolated entity, and the researcher is being isolated from the entity. Positivism is associated with quantitative research and it involves hypothesis testing to obtain “objective” truth (Potter, 2011).

Nevertheless, while positivism has shown to be very popular with social science and management research, its purist narrative has been critiqued for yielding to obstacles in the study robustness as a result of a narrow definition of the idea of science. Bell (2015) reveals that while positivism supports the philosophy of objectivity towards validation and falsification, this position does not consider the point that many human judgments are created during the conducting of the research, and that researchers constitutes a part of a social perspective predisposed to subjectivism, for example in determining what to research, creating research tools and interpreting the outcomes.

3.3.3 Interpretivism Research Paradigm
Interpretivism paradigm was also adopted in relation to qualitative data that was gathered by the study through interviews. Interpretivism is occasionally referred to constructivism due to the fact that it stresses the capacity of individuals to hypothesize meaning as was done in this study on factors influencing the implementation of financial inclusion on women entrepreneurs in Bindura Urban. The study concentrated on the perceptions of the women
entrepreneurs; officials from MWACSMED and from financial institutions, as their perceptions were very vital to this study. The method sought to gather and construes all the details and values as perceived by the respondents. Kumar (2012) pointed out that interpretivism reveal the meaning or explain or understand behaviour. In this study the researcher engrossed himself in the study perspective of modalities influencing the implementation of financial inclusion on women entrepreneurs in Bindura Urban.

3.4 Research Strategy

3.4.1 Survey Research Method
The study used the survey and the case study research approaches. According to Lynn, (2008), a field of applied statistics of human research surveys, survey methodology studies the sampling of individual units from a population and associated techniques of survey data collection, such as questionnaire construction and methods for improving the number and accuracy of responses to surveys. Survey methodology includes instruments or procedures that ask one or more questions that may or may not be answered. There are several different designs, or overall structures, that can be used in survey research. The three general types are cross-sectional, successive independent samples, and longitudinal studies, however, in this case the researcher used the longitudinal study.

Longitudinal studies take measure of the same random sample at multiple time points. Unlike with a successive independent samples design, this design measures the differences in individual participants’ responses over time. This means that a researcher can potentially assess the reasons for response changes by assessing the differences in respondents’ experiences; this is the reason why the researcher of this study chose Longitudinal over the other two. Longitudinal studies are the easiest way to assess the effect of a naturally occurring event, such as divorce that cannot be tested experimentally (Groves, 1989).

3.4.2 Case Study Research Approach
Single-case research is best viewed as a sub-class of intra-subject research in which aggregation across cases is avoided and the generality of one's findings is addressed through replication on a case-by-case basis.” (Hilliard, 1993: 373-4) The case study offers a rich method for investigating and researching a single case. The effectiveness of the approach being researched can be verified by replication of outcomes across similar cases. Due of the
level of detail kept in the case record, outcomes of different but similar cases can be compared, and the specific variables which might have impacted upon the difference in outcome can then be investigated separately.

### 3.5 Population and Sampling Techniques

#### 3.5.1 Target Population

In this study the researcher focused on 112 registered and licensed women micro small and medium enterprises in the 10 wards in Bindura Urban and had also participated in programs spear headed by the Department of Small and Medium Enterprises Development for the period 2016 to the first quarter of 2019 and 5 officials from the parent ministry and 6 from the financial institutions. According to Meslin (2012), a population comprises of specified aggregations of study objects from which the researcher expects and wants to collect data from. Kumar (2003) defined a population as the set of all objects that possess some common set of characteristics with respect to some research problem.

#### 3.5.2 Sampling Procedure

The study used simple random sampling in selecting women micro small and medium enterprises in Bindura Urban that that have registered and licensed by Bindura Municipality and participated in programs spear headed by the Department of Small and Medium Enterprises Development. Simple random sampling (also referred to as random sampling) is the purest and the most straightforward probability sampling strategy (Denzin and Lincoln, 2011). It is also the most popular method for choosing a sample among population for a wide range of purposes. In simple random sampling each member of population is equally likely to be chosen as part of the sample (Cooper and Schindler, 2014). It has been stated that “the logic behind simple random sampling is that it removes bias from the selection procedure and should result in representative samples (Creswell, 2014). 34 individuals were randomly picked from a group of 112. Purposive sampling was also used to select officials from the Department of Small and Medium Enterprises Development and financial institutions.

#### 3.5.3 Sample size

Thirty percent (30%) of the women micro small and medium enterprises registered with the Department of Small and Medium Enterprises and licensed with Bindura Municipality (112)
that is 34 were used as the sample size and also programme officers (4) and Head of the section. According to Mugenda and Mugenda (1999) 10-30% of the total population can be used to collect data where the population is large descriptive survey research. In this case sampling was advantageous in that it saved time as well as financial and human resources. Bethlehem and Silvia (2012) define a sample as “a proportion of a population”. Furthermore, Silverman (2008:404) avers that sampling, “allows you to estimate the representativeness of the cases you study, and thereby the degree of confidence in any inferences you draw from them”. The sample size is as shown in Table 3.1.

### Table 3.1: Sample matrix

<table>
<thead>
<tr>
<th>Category</th>
<th>Target population</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Women MSMEs</td>
<td>112</td>
<td>34 (30% of the population)</td>
</tr>
<tr>
<td>Department of SMEs Officials</td>
<td>13</td>
<td>5 (purposive)</td>
</tr>
<tr>
<td>Financial Institutions Officials</td>
<td>16</td>
<td>6 (purposive)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>141</strong></td>
<td><strong>43 (30% of the total population)</strong></td>
</tr>
</tbody>
</table>

#### 3.6 Data Collection Methods

Data collection is the process of gathering and measuring information on targeted variables in an established systematic fashion, which then enables one to answer relevant questions and evaluate outcomes (Creswell, 2014).

#### 3.7 Research instruments

The study used questionnaires and key informants’ interviews. According to Cooper and Schindler (2014), a research instrument is a tool used to collect data. An instrument is a tool designed to measure knowledge attitude and skills.

##### 3.7.1 Questionnaires

A questionnaire is an orderly accumulation of questions that are directed to a sample of population from which relevant information is anticipated (Griffin, 2013). This is in line with Kumar (2012) who viewed a questionnaire as a list of questions, the answers to which are recorded by respondents. Structured self-completed research questionnaires were distributed.
to the target population and collected after five days. The questionnaires were sent to the participants by hand delivery.

The researcher used the questionnaires based on the following advantages according to Saunders (2009); the respondents can put thought and verification into the process as they are not under pressure to respond immediately, if the questions have been prepared and designed correctly, the questionnaire can provide accurate and straightforward responses; hence relevant information for the project can be obtained, it is the cheapest method of gathering data relative to other data gathering methods such as interviews, a questionnaire allows for better comparability of responses because of the uniformity in the questions that all respondents are asked. The questionnaires were administered to 34 women micro small and medium enterprises, 6 financial intuitions and 3 Department Officers.

### 3.7.2 Key informant interview

An interview is a conversation between the researcher and the respondents in which the researcher takes down the response (Creswell, 2009). In this research, interviews were conducted with officials from the Department of Small and Medium Enterprises Development and financial institutions.

Advantages of interviews are that they produced immediate responses with a higher response rate, they offer the researcher an opportunity to probe for more information and therefore enhanced understanding since during these conversations, the researcher tried to create a good rapport with the respondents and researcher will have an opportunity to clarify questions and can judge adequacy of honesty of the replies given by the respondents.

### 3.8 Research Procedure

#### 3.8.1 Pilot Study

Pilot testing (pre-testing) refers to the testing of the research instrument on a small portion of the respondents with a view of identifying and correcting the flaws and limitations in the questionnaire (Taylor, 2013). According to Galloway (2007), it is difficult to give the exact number for the pilot group, but as a rule of thumb, it is recommended that researchers pilot 5-10% of the final sample. 4 participants were chosen to complete the questionnaire and
provide feedback focusing on the design and length of the questionnaire, as well as whether they thought the questions were leading, relevant and understandable.

Four participants was chosen to pilot the interview, and provide feedback on its relevance, length, possibilities of bias and layout. The data collected from pilot testing was not used in the research, but the feedback provided was taken into consideration, and relevant changes made to the questionnaire and interview to insure valuable data, relevant to the research question was collected. According to Teijlingen and Hundley (2001), conducting a pilot study might give advance warning about where the main research project could fail, where the research protocols may not be followed, or whether proposed methods or instruments are appropriate or too complicated.

3.8.2 Reliability and validity
Validity referred to the appropriateness and accuracy in each step in finding out what you set out (Kumar, 2012). Validity can be evidenced when the data provided reflects a true picture of what was being studied (Bethlehem and Silva, 2013). To establish the validity of the research, instruments, opinions of experts in the field of study, especially the research supervisor, was sought and also pilot testing was conducted to ensure validity and reliability of focus group and interview guides. This led to the revision and modification of the research instruments thereby enhancing the overall validity of this study.

Sherman et al (2011) explained reliability as the degree of consistency with the instruments which measure an attribute. The less the variation the instrument produces in repeated measurements of an attribute the higher the reliability (Kaliappen and Hilman, 2013). Thus, the greater the reliability of an instrument the less likely the errors of measurement occurs (Bethlehem and Silvia, 2012). In this study reliability of the questionnaire was also examined through Crocbachs’ Alpha value generated by SPSS.

3.8.3 Data analysis and presentation
Kerlinger (2006) defines data analysis as categorizing, manipulating and summarizing of data in order to obtain answers to research questions. The researcher examined the completeness of questionnaires and performed editing, coding and cleaning of the data. Data collected was analyzed using Statistical Package for Social Sciences (SPSS Version 21.0) programme and Microsoft Excel for generation of reports. For descriptive analysis, the mean and standard
deviation was used to determine the respondents’ agreement or otherwise with statements under each variable. Thematic analysis was used to analyze qualitative data that was collected through key informant interviews.

Data was presented using tables, pie charts and bar graphs that were generated by making use of SPSS version 21.0 and qualitative data was presented in themes. The choice of tables as data presentation tools was based from their ability to clearly classify different data.

3.9 Research Limitations

Nonetheless, these results must be interpreted with caution and a number of limitations should be borne in mind. The researcher was limited to access data from financial institutions due to their strict legal framework; however, the researcher had to directly seek permission through their main Bank branches.

Secondly, the researcher was time constrained due to the workloads tasked on his part by his employer which further, negatively impacted on his time for data collection. To overcome this, the researcher had to take time off from work to successfully collect data.

Lastly, which there was conflict arising from political bias which the researcher dealt with by making sure that data-gathering process was carried out appropriately.

3.10 Ethical Considerations

The ethical principle of informed consent was employed whereby respondents were allowed to choose to participate, or not to participate in research after receiving all relevant information about the risk of harm that might arise if they participate in the research (Braun and Clarke, 2006). As such in this research, permission was sought from MWACSMED, financial institutions and the respondents asking them to participate in the research. Debriefing or disclosure ethic was employed prior to data collection and potential respondents were oriented on who was conducting the study, purpose, potential benefits and anticipated outcome. The participants’ voluntary freedom to participate or withdraw from the exercise was clarified. All study participants were treated with respect, fairness and dignity.
3.11 Chapter Summary
This chapter discussed the research design, target population, sampling techniques and sample size, research instruments, data collection procedure and data analysis. The next chapter is going to cover data analysis, presentation and interpretation.
CHAPTER IV

DATA PRESENTATION

4.0 Introduction
This chapter covered data presentation of the findings of the study. Data was presented in the sequence of the researcher’s objectives for this research. As part of the presentation tables, pie charts and bar graphs were used present data analysed by the use of SPSS. Data was analyzed from the findings obtained through questionnaires. Data was analysed using both inferential and descriptive statistics.

4.1 The Response Rate of instruments
A sample size of 48 was used and thus, questionnaires were distributed to 45 respondents, while 3 interviews were conducted.

Table 4.1 Response rate of instruments

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questionnaires Administered</td>
<td>45</td>
<td>100%</td>
</tr>
<tr>
<td>Completed and returned</td>
<td>40</td>
<td>89%</td>
</tr>
<tr>
<td>Not returned</td>
<td>5</td>
<td>11%</td>
</tr>
<tr>
<td>Interviews conducted</td>
<td>3</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Researcher Primary Data 2019

On the study, 45 questionnaires were distributed to participants and 40 were filled and returned and this attributed to 89% response rate. All the interviews were conducted. This means that the response rate was adequate. To obtain such a high response rate the researcher made a close follow up of respondents and some of the questionnaires were filled and returned on the spot. The study response rate was 95%, therefore, was deemed excellent. According to Khan (2012), ideal response rates are in the following order: 50% adequate, 60% good, 70% very good and above 80% is excellent. This response rate was considered sufficient for the purpose of the study. According to Mugenda and Mugenda (2003), a 50% response rate is adequate, 60% good and above 70% rated very well.
4.2 Demographics of respondents

The demographics of the respondents included factors like age, educational qualifications and period of business operation. Demographics are important when analysing the responses of the respondents because they influence individual perceptions and behaviour. Perception and behaviour differs between different groups of demographics. The researcher also used demographics to note similarities and differences on aspects under analysis. Generally, demographics are important for a deep analysis of responses given by respondents using their perceptions and behaviour.

4.2.1 Age of respondents

![Age Distribution Pie Chart]

Source: Researcher Primary data 2019

The results presented on Figure 4.1 above depicts that the majority of respondents 57% were aged above 45 years. The second highest 24% were within the age bracket of 35-45 years. However, 15% of the respondents were between 25-35 years old and the least 4% were less than 29 years of age.

4.2.2 Level of education

Education is amongst the most essential traits that may have an impact on one’s attitude and to how he perceives a certain phenomenon. How one responds can be determined by his level of education therefore having knowledge of respondent’s educational background is vital. Therefore, the respondents’ level of education was assessed and the outcome was as shown in Figures 4.2 below
Among the participants, 45.7% had attained secondary school level of education, 25.7% had tertiary level of education, and 14.3% did not go to school, while the remaining 14.3% had only reached primary level as shown in Figure 4.3 above. This means that most of the participants have rudimentary educational levels and hence are able to read and understand the contents of a questionnaire and they were also able to read and understand the questions that are in the questionnaire administered by the researcher and, therefore, express their views through filling the questionnaire appropriately.

**4.2.3 Years in business operation**

Source: Researcher Primary Data 2019

Source: Primary data 2019
The participants were asked to indicate the number of years they have been operating in business and 12.9% had less than 5 years of operating their business. However, figure 4.3 showed that majority of the respondents had at least five years of operating their enterprises. This is shown by 80% of the participants who indicated that they had been operating their enterprises for 5 years and above. This means that the respondents were knowledgeable of the topic under study as they have been engaged with their enterprise for a long time.

### 4.3 Reliability Statistics

The questionnaire was tested for reliability for every item using Cronbach Alpha value on SPSS

**Table 4.3 Instrument Reliability Statistics**

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.908</td>
<td>19</td>
</tr>
</tbody>
</table>

Source: SPSS.21

Instrument reliability was tested and Cronbach Alpha and a value of 0.908 was obtained for the all items on the questionnaire. The alpha value indicated that the instrument was highly reliable. The alpha coefficient ranges from 0 to 1, and it is common practice to take 0.60 as the minimum acceptable alpha value. Kingsley, (2013), argued that a reliability coefficient in the order of 0.60 is acceptable, while andMbutor, &Uba, (2013), suggest a minimum alpha value of 0.70 and 0.80, respectively, for reliability purposes.

### 4.4 Level of Financial Inclusion Amongst the Women

The research probed on the level of financial inclusion amongst the women using a 5 point likert scale (*no extent*=1; *little extent*=2; *uncertain*=3; *great extent*=4; *very great extent*=5) and the responses were computed using mean values as shown on table 4.2.
<table>
<thead>
<tr>
<th>Activity</th>
<th>N</th>
<th>Mean Statistic</th>
<th>Std. Deviation Statistic</th>
<th>Std. Error Statistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>The government and partners are frequently monitoring and evaluating women micro small and medium enterprises.</td>
<td>40</td>
<td>4.8857</td>
<td>.07693</td>
<td>.14365</td>
</tr>
<tr>
<td>Women entrepreneurs are frequently engaged by government on research and development on financial services.</td>
<td>40</td>
<td>4.6714</td>
<td>.11205</td>
<td>.23749</td>
</tr>
<tr>
<td>I’m aware of the financial inclusion implementing stakeholders.</td>
<td>40</td>
<td>3.5714</td>
<td>.13340</td>
<td>.11864</td>
</tr>
<tr>
<td>Women entrepreneurs are fully involved and participate in financial inclusion issues</td>
<td>40</td>
<td>2.3857</td>
<td>.14140</td>
<td>.18558</td>
</tr>
<tr>
<td>I’m fully aware of the financial services being provided for women entrepreneurs.</td>
<td>40</td>
<td>2.0714</td>
<td>.15032</td>
<td>.25769</td>
</tr>
<tr>
<td><strong>Valid N (listwise)</strong></td>
<td>40</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source: Researcher Primary Data 2019**

From the findings presented on table 4.2 above, it was indicated that to a very great extent government and partners are frequently monitoring and evaluating women micro small and medium enterprises. (*Mean*=4.9; *SD*=0.1) and women entrepreneurs are frequently engaged by government on research and development on financial services (*mean*=4.8; *SD*=0.2). The study also revealed that to a great extent the entrepreneurs are aware of the financial inclusion implementing stakeholders (*mean*=3.6; *SD*=0.1). However, it was further indicated that to a lesser extent women entrepreneurs are fully involved and participate in financial inclusion issues (*mean*=2.4; *SD*=0.2) and the entrepreneurs are fully aware of the financial services being provided for women entrepreneurs (*mean*=2.1; *SD*=0.3).
The study also examined level of financial inclusion amongst the women entrepreneurs in Bindura Urban through key informants. All the key informants concurred with information that was gathered through the questionnaires. An official from one of the local banks who was interviewed as a key informant reported that;

“...quiet a great number of women entrepreneurs are financially excluded and majority of them are ignorant or unaware about financial inclusion issues.... this is despite the fact that majority of them use ecocash, one-wallet or telecash...”

It was further revealed by the key informants that the level of financial inclusion of women entrepreneurs in Bindura Urban is still at its lowest level. An official from SMEs department in the Ministry of Women Affairs lamented that;

“...Majority of women entrepreneurs in Bindura Urban are facing limited access to financial services from both micro and macro financing institutions. The challenges by the women entrepreneurs to access the financial services have not improved despite the adoption of multi-currency regime in 2009...”

The current study findings are in sync with the report by RBZ (2017) that despite the implementation of National Financial Inclusion Strategy (NFIS) since 2016, the level of financial inclusion of women entrepreneurs in the country is still minute. The Ministry of Women's Affairs, Community, Small and Medium Enterprise Development has also been involved in various projects in districts around the country of empowering women through financial inclusion but there are very few women that are fully involved and participate in financial inclusion issues. Pertaining to the fact that the government and partners are frequently monitoring and evaluating women micro small and medium enterprises, the current study results confirmed Kuhlase (2012) view that several nations and developmental agencies are engaging in various projects aimed at involving women in financial inclusion in recognition of the fact that women around the world are resilient and resourceful economic agents, overcoming persistent, gender-based barriers to advance the health, education, and economic survival of their families. Regarding the issue that very few entrepreneurs are fully involved and participate in financial inclusion issues, the current study results collaborated with the observation by Kapoor, (2014) that concluded that in developing nations few women entrepreneurs partake in financial inclusion programs despite that providing low-income woman worldwide with effective and affordable financial tools to save and borrow money, make and receive payments, and manage risk is critical to both women’s empowerment and
poverty reduction. The study indicated that some women entrepreneurs are aware of the financial inclusion implementing stakeholders, however according to Malik et...al (2016), the path to greater women’s financial inclusion is dependent upon the creation of a more gender inclusive financial system that addresses the specific demand- and supply-side barriers faced by women, supported by an inclusive regulatory environment. Regarding to the revealed issues that very few women entrepreneurs are not fully aware of the financial services being provided for women entrepreneurs, these current study results are in agreement with Chitokwindo et...al (2016) who assert that yet untapped opportunities exist to provide a broader array of financial services for the poor and particularly for women entrepreneurs. Conventional financial products and services still do not seem to reach women entrepreneurs well as the case in Bindura Urban. Furthermore, the International Finance Corporation estimates that over 70 percent women-owned small and medium enterprises (SMEs) have inadequate or no access to financial services (Gatchalian, 2014).

4.5 Strategies Associated with the Implementation of the National Financial Inclusion Strategy

The study examined the strategies associated with the implementation of the national financial inclusion strategy and the findings are shown on Table 4.3 below.
Table 4.3 Strategies

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you have any microfinance which offers services to you satisfactorily?</td>
<td>40</td>
<td>2.4286</td>
<td>.57689</td>
</tr>
<tr>
<td>Are you able to measure the success or failure of your business?</td>
<td>40</td>
<td>2.3000</td>
<td>.07973</td>
</tr>
<tr>
<td>Are you able to use a computer for your business purposes?</td>
<td>40</td>
<td>2.2714</td>
<td>.10340</td>
</tr>
<tr>
<td>Is there any suitable infrastructure to enhance your business operation?</td>
<td>40</td>
<td>1.8000</td>
<td>.08291</td>
</tr>
<tr>
<td>Have you ever received any form of training in financial literacy?</td>
<td>40</td>
<td>1.0571</td>
<td>.15878</td>
</tr>
<tr>
<td>Have you ever received any loan from the government to start or expand your business?</td>
<td>40</td>
<td>1.0145</td>
<td>.12345</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>40</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher Primary Data 2019

The research outcomes on Table 4.3 revealed that to a less extent there are microfinance which offers services to the entrepreneur satisfactorily (mean=2.4; SD=0.1), and the aspect was ranked on first position. The study further revealed that to a less extent the entrepreneurs are able to measure the success or failure of their business (mean=2.3; SD=0.3), there are suitable infrastructure to enhance their business operations (mean=2.3; SD=0.2) and the entrepreneurs received some form of training in financial literacy (mean=1.8; SD=0.1). It also emerged that the entrepreneurs received some loans from the government to start or expand their business (mean=1.0; SD=0.0).

The study also solicited responses from key informant on Strategies associated with the implementation of the national financial inclusion strategy. All the key informants revealed that the Reserve Bank of Zimbabwe created a National Financial Inclusion Strategy (NFIS)
(2016) identifying women SMEs as one of the targets for financial inclusion. The respondents also emphasized that successful strategies coordinate efforts with the main stakeholders, define responsibilities among them, and state a clear planning of resources by, for example, prioritizing targets. Participants showed that RBZ had the role of ensuring financial literacy in Zimbabwe. It was also held that banks were direct beneficiaries of financial inclusion and were also to take the initiative for financial literacy. One of the key informants, a bank official said;

“....the NFIS is a five (5)-year road map of coordinated actions that will be followed to achieve the country’s financial inclusion objectives during the period 2016 to 2020.....the NFIS seeks to address barriers to financial inclusion, prioritize and address the needs of special target groups which are currently underserved, through the implementation of key priority measures that will facilitate the building of robust financial infrastructures with the view to reducing the level of financial exclusion....”

It emerged during the interviews that there are some financial education programs targeted at females to enable them to develop a reasonable understanding about the language used by banks, benefits of owning a bank account, and how to apply for it. Such programs were also said should enable females to develop skills in household financial management that leads to their empowerment and increased involvement in household financial decisions.

The study revealed that the microfinance offers services to the women entrepreneurs not in a satisfactorily. However according to Allen (2016), there is need for strengthening financial service providers to expand the outreach of financial services to females through provision of affordable and convenience microfinance service is a vital strategy Accessibility to financial service providers and their ability to design products that suit the needs of individuals will make them ideal for many females in Bindura district. However, as noted by Mudenda(2018) some microfinance institutions may not have the technical know-how of managing financial services of women entrepreneurs and may also lack resources to satisfy the needs of their clients. The study current results also echoed Chitokwindo, (2014) who avered that out of 143 economies, 67 percent have a mandate to promote financial inclusion and more than 50 countries have set formal targets and ambitious goals for financial inclusion. Pertaining to the issues that the women entrepreneurs have not received any form of training in financial literacy, this could be explained on the basis of the findings by Mudenda, (2018) that RBZ
was financially constrained and not in a position to provide adequate support to banks to ensure financial inclusion. The incapacity by RBZ to provide necessary support to banks is a major challenge to financial inclusion in Zimbabwe. This is because central banks naturally take a leading role in financial inclusion. According to WBG (2015), financial inclusion is key to developing a vibrant community of women entrepreneurs and women-owned businesses, which in turn can provide jobs. The International Finance Corporation’s (IFC) Banking on Women Program, for example, helps IFC partners and financial institutions invest in women-owned businesses in sustainable and profitable ways another example is UN Women’s Fund for Gender Equality, which has supported over 10 million beneficiaries through economic empowerment projects, however all these institutions are still yet to contact or assist women entrepreneurs in Bindura Urban.

4.6 The Level of Success/Failure (Effectiveness) of the Financial Inclusion Programmes
The study sought to establish the level of success/failure (effectiveness) of the financial inclusion program. Findings were presented using descriptive statistics as shown on table 4.4.
Table 4.4 level of success/failure (effectiveness) of the financial inclusion programmes

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean Statistic</th>
<th>Std. Deviation Statistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you ever made any credit payment using your phone?</td>
<td>40</td>
<td>4.8286</td>
<td>.08132</td>
</tr>
<tr>
<td>Are you an account holder of any bank or microfinance institution?</td>
<td>40</td>
<td>4.7429</td>
<td>.15852</td>
</tr>
<tr>
<td>Have you ever visited a women’s desk for opinion in any microfinance or bank?</td>
<td>40</td>
<td>2.5286</td>
<td>.17590</td>
</tr>
<tr>
<td>Are you capable of internet banking or mobile phone usage?</td>
<td>40</td>
<td>2.4714</td>
<td>.15915</td>
</tr>
<tr>
<td>Are you aware of any money transfer services provided by microfinance institutions?</td>
<td>40</td>
<td>2.3143</td>
<td>.13013</td>
</tr>
<tr>
<td>Have you have accessed a loan from government or any microfinance institution?</td>
<td>40</td>
<td>2.2094</td>
<td>.11054</td>
</tr>
<tr>
<td>Have you realized any increase in your monthly income for the past 12 months?</td>
<td>40</td>
<td>2.0145</td>
<td>.00455</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>40</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher 2019

The study results revealed that to a great extent the entrepreneurs have made credit payment using their mobile phones (mean=4.8; SD=0.2) and they have bank accounts with a bank or microfinance institution (mean=4.7; SD=0.3). It was revealed that to a less extent the entrepreneurs have ever visited a women’s desk for opinion in any microfinance or bank (mean=2.5; SD=0.5), there are capable of using internet banking or mobile phone transactions (mean=2.4; SD=0.3), there are aware of some money transfer services provided by microfinance institutions (mean=2.3; SD=0.1), there have accessed a loan from government or any micro finance institution (mean=2.2; SD=0.0) and have realized some increase in their monthly income for the past 12 months (mean=2.0; SD=0.1).
Information regarding the level of success/failure (effectiveness) of the financial inclusion programs was also gathered through use of key informant interviews. The key informants revealed that having a bank account and access to credit is a crucial step towards rising above poverty, granting women greater control over their finances. Yet the gender gap regarding bank account ownership remains stagnant. One the key informants, an official from SMEs department in the Ministry of Women Affairs reported that;

“…off late many women entrepreneurs have embraced mobile banking or transactions to pay for their goods/services as well credits among others …”

Another key informant indicated said;

“…many women entrepreneurs now have mobile account due to increase in usage of platforms such as Ecocash, Telecash and One Wallet….increasing access to and use of quality financial products and services is essential to inclusive economic growth and poverty reduction. Offering finance services (i.e., microloans, business training, saving programs) through financial inclusion is currently one of the most prominent means to reduce poverty and empower the disadvantaged, including women…”

The current study outcomes indicated that women entrepreneurs in Bindura Urban are conducting their transaction using mobile phones. These could also be attributed to high mobile tele-density in Zimbabwe. However, these current study results are contrary to the findings by Mudenda, (2018) that, despite significant investments in mobile platforms and some prominent successes digitizing payments and transfers, women tend to face barriers to accessing and using digital financial services and also Makanyeza, (2017) who estimated that women are 14 percent less likely than men to own a mobile phone. According to Lawack, (2013) there is a smaller gender gap in Sub-Saharan Africa, though there are substantial variations across the region. If fewer women own mobile phones, fewer women are able to register phone-based financial accounts in their names, preventing them from fully accessing various digital financial services, like making or receiving money transfers, receiving credit, paying bills, and making decisions about their use. Pertaining to the issue that very few women entrepreneurs are capable of internet banking or mobile phone usage, the current study results collaborated with the findings of Chakravarty and Pal (2013), that another key asset that women lack is technology and low internet connectivity and remaining gaps in mobile phone usage are limiting women financial inclusion and economic potential. Mobile
phones allow women in remote areas to access banking and credit, get paid, receive market information, and grow their networks.

The study also revealed that few women entrepreneurs have accessed a loan from government or any microfinance institution and this could be as a result of the fact that few women have bank accounts which is also a primary requirement to access loans. According to Chiteli (2013), in developing countries women are 20% less likely than men to have an account at a formal financial institution. In 2011, 47% of women and 54% of men worldwide had an account; in 2014, 58% of women had an account, compared with 65% of men (Mudenda, 2018). This was echoed by the current research results as few women entrepreneurs in Bindura Urban also indicated that they have an account with bank or microfinance institution. Besides, there is a gender gap in financial inclusion which is highest in developing countries, with account penetration being lower among women. Although access to finance has not been directly spelt either in the Millennium Development Goals (MDGs) or in the new Sustainable Development Goals (SDGs), access to financial services is an important direct or indirect contributor to the achievement of most of the goals of women entrepreneurs (Makanyeza, 2017).

4.7 Challenges Impeding Adoption of the Financial Inclusion of Women Micro Small and Medium Enterprises

The study solicited responses on the effect challenges impeding adoption and the effective running of the financial inclusion of women micro small and medium enterprises. Findings were presented using descriptive statistics as shown on table 4.5.
Table 4.5 Challenges

<table>
<thead>
<tr>
<th>Challenge</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A weak investment climate limits enterprises’ productivity and access to finance for women micro small and medium enterprises.</td>
<td>40</td>
<td>4.8286</td>
<td>.10953</td>
</tr>
<tr>
<td>Fragile economy (economy where incomes are low).</td>
<td>40</td>
<td>4.7857</td>
<td>.09521</td>
</tr>
<tr>
<td>Financial markets develop where countries develop</td>
<td>40</td>
<td>4.7714</td>
<td>.12897</td>
</tr>
<tr>
<td>Investment climate constraints hit smaller firms harder, and women entrepreneurs are particularly affected since they are more likely to run smaller businesses.</td>
<td>40</td>
<td>4.6857</td>
<td>.08523</td>
</tr>
<tr>
<td>Weak creditors’ rights and a lack of credit information can disproportionately disadvantage women, particularly if they have little collateral or control over assets.</td>
<td>40</td>
<td>4.3709</td>
<td>.34219</td>
</tr>
<tr>
<td>Some non-financial constraints have a direct gender dimension (Legal restrictions on their ability to enter contracts or open a bank account in their own name).</td>
<td>40</td>
<td>4.3401</td>
<td>.03123</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>40</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher Primary Data 2019

The study results on table 4.5 reviewed that to a very great extent there is a weak investment climate limits enterprises’ productivity and access to finance for women micro small and
medium enterprises \( (mean=4.8; SD=0.1) \), fragile economy (economy where incomes are low) \( (mean=4.8; SD=0.2) \), financial markets development where countries develop \( (mean=4.8; SD=0.1) \) and investment climate constraints hit smaller firms harder, and women entrepreneurs are particularly affected since they are more likely to run smaller businesses \( (mean=4.7; SD=0.7) \). The study further revealed that to a great extent weak creditors’ rights and a lack of credit information can disproportionately disadvantage women, particularly if they have little collateral or control over assets \( (mean=4.4; SD=0.4) \) and some non-financial constraints have a direct gender dimension (Legal restrictions on their ability to enter contracts or open a bank account in their own name) \( (mean=4.3; SD=0.3) \).

The study explored the challenges impeding adoption and the effective running of the financial inclusion of women micro small and medium enterprises in Bindura Urban using key informant interviews. The respondents revealed that there are a plethora of challenges that militate against adoption and implementation of financial inclusion and the first step to a broader financial inclusion is the accessibility and affordability of a wide range of financial products to the intended customers. One of the key informants reported that;

‘…low financial literacy also challenges the ability of women to access and optimally use financial services...”

Another key informant from one of the local banks said;

“...the principle barriers to women’s financial inclusion are inappropriate services that do not meet client demand, and the high cost of financial services due to inefficiencies in delivery channels. Demand-side constraints include information asymmetries, lack of documentation, irregular income patterns, lower income than men and low financial literacy....”

Interviewees consistently cited lack of financial literacy and awareness as a key constraint to accessing and using financial services, saying it was the most serious constraint to women’s financial inclusion. It was also revealed during the interviews that in Zimbabwe, the focus on women financial inclusion in the NFIS was informed by the disproportionate lower levels of financial inclusion among women, despite women comprising the majority of the population and having higher levels of engagement in small scale enterprises. The key barriers to women’s financial inclusion that were identified by the respondents facing women in the
country include higher financial illiteracy levels, lack of acceptable collateral and general economic meltdown.

An official from SMEs department in the Ministry of Women Affairs narrated that;

“...Women, in particular, often bear the brunt of poverty and limited access to economic opportunity, including unfavorable financial access...Inequality is not just a moral issue it is a macroeconomic issue...Growth has to be more inclusive, and for this, finance has to be more inclusive...to close the gender and inequality gap.”

Other challenges cited by the respondents included socio-economic factors (e.g. financial education, low and irregular income), regulatory factors (stringent account opening requirements e.g. provision of identity documentation and proof of residence to open accounts) and product design factors (e.g., minimum account balance requirements and bank charges which are high). On the other side, the bank officials, cited high information assymetry, transaction and monitoring costs, inaccessibility due to poor infrastructure, dispersed and intermittent demand for financial services, seasonality of deposits, lack of collateral and finding the regulatory space to innovate as impediments to women financial inclusion.

The current study results concurred with Anzoategui and Rocha (2010) who opined that inadequate financial infrastructure, such as a lack of interoperable digital payment platforms, credit bureaus and collateral registries, can restrict women’s financial inclusion. Pertaining to the issue of weak creditors’ rights and a lack of credit information that can disproportionately disadvantage women, the current study results are in agreement with Charbonneau and Menon, (2013) who assert that barriers to women’s financial inclusion are inappropriate services that do not meet client demand, and the high cost of financial services due to inefficiencies in delivery channels. Also, according to Rambo, (2013), women have difficulty providing immovable collateral given existing land and property rights and cultural norms that discriminate against women. The current study results also echoed sentiments by Jack and Suri, (2014) that banks are averse to lending to clients without traditional collateral, which women often lack. They are particularly risk-averse to lending to those in the SMEs and agricultural finance sectors, segments with large percentages of women.
4.7 Chapter summary
The overall results revealed financial inclusion of women entrepreneurs in Bindura Urban is still low despite government efforts through the National Financial Inclusion Strategy. The next chapter is going to cover conclusion and recommendation to the study.
CHAPTER V

RESEARCH CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
The broad aim of this research was to find out the factors influencing the implementation of financial inclusion of women entrepreneurs operating micro small and medium enterprises in Bindura urban Mashonaland Central Province. The sub-research objectives of this study were to ascertain how Financial Inclusion strategies were being implemented; to find out strategies associated with the implementation of the national financial inclusion strategy; to find out the effectiveness of the financial inclusion programmes and to find out challenges impeding adoption of the financial inclusion on women micro small and medium enterprises.

The major research questions answered by this study were, how were the financial inclusion programmes on women micro small medium enterprises in Bindura urban implemented?; what were the programmes associated with the implementation of the national financial inclusion strategy?; what was the effectiveness of the implementation of financial inclusion on women micro small and medium enterprises in Bindura urban?; and lastly, what were the challenges impeding adoption of the financial inclusion on women micro small and medium enterprises in Bindura urban?

This chapter presents the conclusions of the study. The chapter also provides policy recommendations based on the findings of the study. Results revealed that existing government policies should focus more on promoting the financial inclusion on women micro small and medium enterprises, as they contribute 50% to GDP (RBZ Monetary Policy, 2016).

After having analysed the theoretical foundations of financial inclusion in general and those of women entrepreneurs in particular and the benefits of universal access of financial services in chapter two, the study then tested the extent to which such benefits were realised by women micro small and medium enterprises, sector in Bindura Urban Mashonaland Central Province Zimbabwe.
5.2 Level of Financial Inclusion amongst the Women Micro Small and Medium Enterprises

In summary the study found out that quite a great number of women entrepreneurs are financially excluded and majority of them are ignorant or unaware about financial inclusion issues this is despite the fact that majority of them use ecocash, one-wallet, telecash or ecosure.

Furthermore, the majority of women entrepreneurs in Bindura Urban are facing limited access to financial services from both micro and macro financing institutions. The challenges by the women entrepreneurs to access the financial services have not improved despite the adoption of multi-currency regime in 2009, government engaging women SMEs through monitoring and evaluation of the financial inclusion implementation process and the continuous provision of financial policies and infrastructure.

The current rules and legislation meant to protect consumers is just on paper but not enforced to protecting consumers from being exploited by the banks. This implies that customers such as women entrepreneurs do not feel protected in their engagement with banks. Limited customer protection by the existing legislation has discouraged most women entrepreneurs from getting financial products and services from banks. Banks also lack enough resources to increase the density of branches as well as purchasing and transaction infrastructure to reduce the financial institutional distance from the targeted groups such as women entrepreneurs. Limited infrastructure by banks in terms of ATMs due to malfunction, point-of-sale and other related support systems has affected the rate and capacity of women entrepreneurs to achieve full financial inclusion.

Therefore, recommendations to government, banks and women entrepreneurs are provided.

The study recommends that the government to resource for a specific budget which is meant for the financial inclusion of women entrepreneurs that involves experts in monitoring and evaluation of women entrepreneurs’ activities and experts in research and development in the implementation process of financial inclusion, including the establishment of free interest loans and free holding bank accounts.
Government stakeholders such as banks to allow for a free collateral and low affordable and accessible loans to promote financial inclusion on women entrepreneurs in order to achieve vision 2030 that of reaching the upper middle class economy.

Moreover, the entrepreneurs should be involved in the planning, budgeting and in such programmes as research and development and monitoring and evaluation since planning should be bottom to top rather than top to bottom.

5.3 Strategies Associated with the Implementation of the National Financial Inclusion Strategy

The study revealed that the Reserve Bank of Zimbabwe created a National Financial Inclusion Strategy (NFIS) (2016) identifying women SMEs as one of the targets for financial inclusion. The study showed that RBZ had the role of ensuring financial literacy in Zimbabwe. It was also held that banks were direct beneficiaries of financial inclusion and were also to take the initiative for financial literacy. Moreover, the study founded that facilities and initiatives meant to for the women entrepreneurs (e.g. women development fund and the Zimbabwe Women Microfinance Bank) were used to benefit the few working class with the payslips to use as collateral at the expensive of the marginalised women operating micro businesses.

The study, therefore, recommends that successful strategies need coordinated efforts with the main stakeholders, define responsibilities among them, and state a clear planning of resources by, for example, prioritizing targets.

Secondly, there is need for strengthening financial service providers to expand the outreach of financial services to females through provision of affordable and convenience microfinance services since it is a vital strategy.

Thirdly, accessibility to financial service providers and their ability to design products that suit the needs of individuals will make them ideal for many females in Bindura district. Furthermore, the International Finance Corporation’s (IFC) Banking on Women Programme, for example, helps IFC partners and financial institutions invest in women-owned businesses in sustainable and profitable ways, another example is UN Women’s Fund for Gender Equality, which has supported over 10 million beneficiaries through economic empowerment.
projects, however all these institutions are still yet to contact or assist women entrepreneurs in Bindura Urban.

5.4 The Effectiveness of the Financial Inclusion Programmes
The study found that off late many women entrepreneurs have embraced mobile banking or transactions to pay for their goods and services as well credits among others; however, this is being crippled by high services charges associated with the use of mobile phones, especially transacting with ecocash.

The study also revealed that many women entrepreneurs now have mobile accounts due to increase in usage of platforms such as Ecocash, Telecash and One Wallet and increasing access to and use of quality financial products and services is essential to inclusive economic growth and poverty reduction. The current study outcomes indicated that women entrepreneurs in Bindura Urban are conducting their transaction using mobile phones however the major hinderance to transacting using mobile phones is the largely experienced shortage of cash. These could also be attributed to high mobile tele-density in Zimbabwe.

The study, therefore, recommends that the government should monitor and evaluate the process of financial inclusion if women entrepreneurs are to realise the benefits of financial inclusion embracement. The bank which was opened for women have after attainment of the license adopted the systems used by commercial banks that of requesting collateral security from borrowers.

The study recommends that offering finance services (i.e., microloans, business training, saving programmes) through financial inclusion is currently one of the most prominent means to reduce poverty and empower the disadvantaged, including women.

Secondly, the study recommends that the formulation of financial inclusion policies and strategies, need followed by strict regulations to control commercial banks and microfinance institutions from charging high interest rates from borrowers and be enforced and respected.

Thirdly, the study recommends that services charges associated with transacting be monitored and controlled since the charges are detrimental to the promotion of financial inclusion to women entrepreneurs in Bindura urban and the world in general.
5.5 Challenges and Factors Influencing Financial Inclusion.

In line with the findings highlighted, a number of conclusions can be deduced. Limited financial inclusion of women entrepreneurs in Zimbabwe is caused by demand-side, supply-side and infrastructural factors. Low-income levels of women entrepreneurs and irregular income flows, which are uncertain, have contributed to the low financial inclusion of women entrepreneurs.

The level of literacy also influences the capacity of financial inclusion that is, a higher level of literacy implies that individuals can access information on the available financial services and products and hence may influence their decisions.

In term of loans offered by banks, the study found out that most of them require solid collateral before granting loans. Most women entrepreneurs lack the required collateral security and thus are generally not able to get a bank loan.

The study also noted that women entrepreneurs do not have accurate, appropriate and reliable information on the financial services and products offered by banks. Limited information on the available financial services and products has, therefore, also reduced the rate of financial inclusion of women entrepreneurs. The 2017 to 2019 hyperinflationary period negatively affected the perception of women entrepreneurs of the banking system.

The found out that a number of women entrepreneurs lost substantial sums of money that had been entrusted with banks due to the change of USD accounts to RTGs accounts while maintaining the contents as RTGs. A number of women entrepreneurs had to start afresh after losing thousands of USD. This resulted in their having a negative perception of the banking sector.

A limited understanding of and a lack of confidence in the banking system is therefore one of the factors that has affected the financial inclusion of women entrepreneurs in a negative way. The study also found that a number of bank branches located within areas where women entrepreneurs are working are limited and ATMS are not also located in areas where women entrepreneurs are situated.

The study comprehensively recommends that the government has to ensure the NFIS is a policy mandate which widens the range of securities acceptable as collateral, which in turn may boost lending to women entrepreneurs. Once women entrepreneurs have acceptable collateral, the banks can afford to lend to them.
In the same manner banks should adopt infrastructural programmes that improve financial deepening among women entrepreneurs. Introduction of efficiently working ATMs and point-of-sale machines in the high density and rural areas in which most women entrepreneurs operate would help extend financial services to women micro small and medium enterprises.

Another mechanism that would help with accessibility would be if the central bank enhanced policies that promote branches opening in remote parts of the country to capture women micro small and medium enterprises.

Legislation to protect the women entrepreneurs from being exploited by large banks must be put in place. Protective policies will ensure that women micro small and medium enterprises’ confidence in the financial system of the country can be restored. The Reserve Bank of Zimbabwe must make use of the developed consumer protection legal and regulation framework.

In view of the conclusions given, this study recommends that the Reserve Bank of Zimbabwe must encourage banks and other financial institutions to introduce new products and services that are aligned to the needs of the income streams of women entrepreneurs. This will enhance financial inclusion.

5.6 Area of Future Study
The study provides an opportunity for in-depth research on the causes of financial inclusion exclusion among women entrepreneurs. Furthermore, as an area of future research, it would be useful if data was made available to enable an assessment of indigenous women that are primarily served by banks and microfinance institutions.

5.7 Chapter Summary
This chapter dealt with research conclusions and recommendations laid out as introduction; main findings of the study on (implementation process; strategies used in the implementation process; effectiveness of the facilities used for the implementation process; challenges and factors influencing the implementation process) and the recommendations for future research.
REFERENCES


Mckenzie, D. 2009. Why is more capital not enough to grow women’s businesses. World Bank A research paper.


Othieno, O., (2010), Bank lending, information on asymmetry, credit. 5th ed. Kampala: Makerere University. Tanzania.


Sahrawat, R., (2010), Financial Inclusion From Obligation to Opportunity, Tata Consultancy Service Ltd.


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Appendix 1: Questionnaire

My name is **Tshabalala Benedict** a postgraduate student at Bindura University of Science Education pursuing a **Master’s Degree in Business Leadership**. I am required to carry out a research project in partial fulfillment of the requirements for the degree.

I am carrying out a research on the factors influencing the implementation of financial inclusion on women micro small and medium enterprises in Bindura Urban Mashonaland Central Province Zimbabwe. I am kindly asking for your assistance as respondent to the research under study by responding to my questionnaire. The responses you will provide will be treated with utmost confidentiality and will be used solely for academic purposes.

Your co-operation will be greatly appreciated.

Your name or identity is not required.

### SECTION A: GENERAL INFORMATION

#### 1.1. Gender

<table>
<thead>
<tr>
<th>Male</th>
<th>female</th>
</tr>
</thead>
</table>

#### 1.2 Age of respondent

<table>
<thead>
<tr>
<th>&lt;29 years</th>
<th>29-39yrs</th>
<th>40-59yrs</th>
<th>&gt;59yrs</th>
</tr>
</thead>
</table>

#### 1.2 Academic Qualification.

<table>
<thead>
<tr>
<th>Primary level</th>
<th>Secondary level</th>
<th>Tertiary level</th>
<th>Non</th>
</tr>
</thead>
</table>

#### 1.3 Type of business

<table>
<thead>
<tr>
<th>Retailing</th>
<th>Manufacturing</th>
<th>Service Provision</th>
</tr>
</thead>
</table>

#### 1.5 Years in business operation

<table>
<thead>
<tr>
<th>0-5</th>
<th>6-10</th>
<th>more than 10</th>
</tr>
</thead>
</table>

#### 1.6 Bank account Ownership: Are you any account holder?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>
The implementation of financial inclusion programmes of Women Micro Small and Medium Enterprises in Bindura Urban can reflect by the following provisions.


<table>
<thead>
<tr>
<th>The implementation Process: Indicate the extent to which you agree or disagree.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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</thead>
<tbody>
<tr>
<td>(i) I'm fully aware of the financial services being provided for women entrepreneurs.</td>
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<tr>
<td>(ii) The government and partners are frequently monitoring and evaluating women micro small and medium enterprises.</td>
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<td>(iii) Women entrepreneurs are frequently engaged by government on research and development on financial services.</td>
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<tr>
<td>(iv) I'm aware of the financial inclusion implementing stakeholders.</td>
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<tr>
<td>(v) Women entrepreneurs are fully involved and participate in financial inclusion issues</td>
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Other:........................................................................................................................................
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Section B (1b)

The major strategies that promote financial inclusion on women entrepreneurs in Bindura urban are as follow:


<table>
<thead>
<tr>
<th>Strategies associated with financial inclusion promotion. Kindly indicate the extent to which you agree or disagree.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Have you ever received any form of payment from the government to start or expand your business?</td>
<td></td>
<td></td>
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<tr>
<td>(ii) Is there any suitable infrastructure to enhance your business errands?</td>
<td></td>
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</tr>
<tr>
<td>(iii) Do you have any microfinance which offers services to you satisfactorily?</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(iv) Are you able to measure the success or failure of your business?</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(v) Are you able to use a computer for your business purposes?</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(vi) Have you ever received any form of training in financial literacy?</td>
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Other:...............................................................
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Section C Q (1a).

The effectiveness of financial inclusion strategies of women entrepreneurs in Bindura urban can be measured by the following:


<table>
<thead>
<tr>
<th>Kindly indicate the extent to which you agree or disagree on the success/failure of financial inclusion strategy.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Have you have accessed a loan from government or any micro finance institution?</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(ii) Are you capable of internet banking or mobile phone usage?</td>
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<tr>
<td>(iii) Have you ever visited a women’s desk for opinion in any microfinance or bank?</td>
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<td></td>
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<tr>
<td>(iv) Have you ever made any credit payment using your phone?</td>
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<tr>
<td>(v) Are you aware of any money transfer services provided by microfinance institutions?</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(vi) Are you an account holder of any bank or microfinance institution?</td>
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<td></td>
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</tr>
<tr>
<td>(vii) Have you realized any increase in your monthly income for the past 12 months?</td>
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</tbody>
</table>

Other………………………………………………………………………………………………….
Section C Q (1b).

Financial Factors influencing the implementation of the financial inclusion on women entrepreneurs in Bindura urban are as follow:


<table>
<thead>
<tr>
<th>(i)</th>
<th>Kindly indicate the extent of agreement about the factors influencing financial inclusion implementation on women entrepreneurs in Bindura Urban:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Women entrepreneurs have adequate business information from government and micro finance institutions.</td>
</tr>
<tr>
<td>(ii)</td>
<td>There is good relationship between microfinance institutions and women entrepreneurs</td>
</tr>
<tr>
<td></td>
<td>Microfinance instructions request affordable collateral security.</td>
</tr>
<tr>
<td>(iv)</td>
<td>I have all the skills to run my business.</td>
</tr>
<tr>
<td>(v)</td>
<td>The government has created a friendly environment for financial networking</td>
</tr>
<tr>
<td>(vi)</td>
<td>There is friendly legal framework for women entrepreneurs.</td>
</tr>
<tr>
<td>(vii)</td>
<td>I can not separate my business from my personal issues and family</td>
</tr>
<tr>
<td>(viii)</td>
<td>Competition in the financial structure reduces cost of financial services for women entrepreneurs.</td>
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Other:........................................................................................................................................
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Section D Q (1).

Challenges impeding adoption of the financial inclusion of women micro small and medium enterprises in Bindura urban are as follow:


<table>
<thead>
<tr>
<th>Challenges impeding adoption of the financial inclusion of Women Entrepreneurs? Indicate the extent to your position.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) A weak investment climate limits enterprises’ productivity and access to finance for women micro small and medium enterprises.</td>
<td></td>
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<tr>
<td>(ii) Financial markets develop where countries develop</td>
<td></td>
<td></td>
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<tr>
<td>(iii) Investment climate constraints hit smaller firms harder, and women entrepreneurs are particularly affected since they are more likely to run smaller businesses.</td>
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<tr>
<td>(iv) Weak creditors’ rights and a lack of credit information can disproportionately disadvantage women, particularly if they have little collateral or control over assets.</td>
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<tr>
<td>(v) Some non-financial constraints have a direct gender dimension (Legal restrictions on their ability to enter contracts or open a bank account in their own name).</td>
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<tr>
<td>(vi) Fragile economy (economy where incomes are low).</td>
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Other: ..........................................................................................................................................................
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APPENDIX 2: INTERVIEW GUIDE

Interview Guide For Implementing Stakeholders

Date: ........................................................................................................................................

Duration: ....................................................................................................................................

Interviewee Background Information

Academic Qualifications: ...........................................................................................................

Years of experience: ...................................................................................................................

Period of services in the current Position: ..................................................................................

Interview Question:

Section B. Q. (1a)

1. How are the financial inclusion programmes of Women Entrepreneurs in Bindura Urban implemented?

Section B (1b)

2. What are the major strategies that promote financial inclusion on the Women Entrepreneurs in Bindura urban?

Section C Q (1a).

1. What is the effectiveness of financial inclusion strategies of Women Entrepreneurs in Bindura urban?

Section C Q (1b).

2. What are the major factors that influence the implementation of financial inclusion on women operating micro small and medium enterprises?

Section D Q (1).

1. What challenges have you faced in the implementation of financial inclusion of women operating micro small and medium enterprises?
APPENDIX 3: LETTER OF CONSENT

My name is Tshabalala Benedict a postgraduate student at Bindura University of Science Education pursuing a Master’s Degree in Business Leadership. I am required to carry out a research project in partial fulfillment of the requirements for the degree.

I am carrying out a research on the factors influencing the implementation of financial inclusion on women micro small and medium enterprises in Bindura Urban Mashonaland Central Province Zimbabwe.

I am kindly asking for your assistance as respondent to the research under study by responding to my interview questions. The responses you will provide will be treated with utmost confidentiality and will be used sorely for academic purposes. Your co-operation will be greatly appreciated.

Your name or identity is not required.