

# The Role of Women's Business Performance in Promoting Sustainable Development

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# The Role of Women's Business Performance in Promoting Sustainable Development

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#### **Abstract**

The relationship between women's business performance and sustainable development is a topic of increasing importance and interest. Research has shown that empowering women in business can have positive effects not only on their individual performance but also on the broader sustainable development goals of society. Therefore, recognizing and fostering the relationship between women's business performance and sustainable development is crucial for achieving gender equality and realizing the United Nations' Sustainable Development Goals. The objective of this study was to identify the factors affecting Micro and Small-Scale Enterprises in Karat Town of Konso Zone in Southern Ethiopia. Hence, the researchers use a quantitative research approach with an explanatory research design where the effect caused by the independent variables on the dependent variable is observed through regression analysis. Simple random sampling techniques have been used by the researcher in order to select 251 sample sizes of women small business owners. The primary data was collected using a structured questionnaire in the form of a five-point Likert scale. Then, both descriptive and inferential statistics analyses were done through SPSS version 21.0 in order to get reliable research findings. Accordingly, the regression result showed that customer satisfaction, access to finance, marketing skill, information technology, and access to entrepreneurship training have positive and statistically significant effects on women's business performance. Based on the findings of the study, the researcher forwarded possible recommendations for the women's micro and small-scale enterprises operating in Karat town.

*Key Terms:* Women Business Performance, Micro and Small-Scale Enterprise, Sustainable development

#### **1. Introduction**

The role of women's business performance is crucial for sustainable development on multiple fronts. Firstly, women's economic empowerment through successful business ventures can contribute to poverty reduction and improved livelihoods. By generating income and creating employment opportunities, women-owned businesses can uplift individuals, families, and communities, fostering social and economic well-being. Secondly, women's entrepreneurship can promote gender equality and social inclusion, challenging traditional gender roles and norms. It provides women with opportunities to exercise leadership, build networks, and gain financial independence, leading to greater gender parity and empowerment. Lastly, women's businesses often prioritize sustainability and social impact, considering environmental stewardship and community development in their operations. Their focus on ethical practices, social responsibility, and innovation can contribute to sustainable and inclusive economic growth, addressing social and environmental challenges. In summary, women's business performance plays a vital role in advancing sustainable development by driving economic empowerment, promoting gender equality, and fostering sustainable and socially responsible practices (Boahen, Kwakwa, & Dankwah, 2022).

The business performance of women entrepreneurs is a crucial subject that will leverage their business goals and end in success. Studying the factors affecting women's micro and small-scale enterprises (SMEs) business performance in Karat Town is of significant importance for several reasons. Firstly, women-owned businesses play a crucial role in the economic development and empowerment of women. Understanding the factors that influence their performance can help identify barriers and opportunities for these enterprises, leading to targeted interventions and policies that support their growth and success(Ezilda and David, 2017).

Secondly, studying the factors affecting women's MSEs' business performance can contribute to addressing gender disparities in entrepreneurship. Women entrepreneurs often face unique challenges, such as limited access to finance, lack of networks and mentorship, and societal biases. By examining the specific factors that impact their performance in Karat Town, researchers and

policymakers can design strategies and initiatives to address these challenges and create a more equitable entrepreneurial ecosystem.

Thirdly, the success of women MSEs has broader socio-economic implications. When womenowned businesses thrive, they contribute to job creation, income generation, and poverty reduction. By studying the factors that influence their performance, researchers can identify areas for improvement, such as access to markets, business skills training, and support services, which can enhance the overall economic impact of women's MSEs in Karat Town.

Furthermore, understanding the factors affecting women's MSEs' business performance can provide valuable insights for business owners and aspiring entrepreneurs. It can help identify best practices, success factors, and potential pitfalls to avoid. This knowledge can inform decision-making, strategic planning, and resource allocation for women entrepreneurs, enabling them to make informed choices and improve their business performance (Isidore et al., 2011).

Lastly, studying the factors affecting women's MSEs' business performance in Karat can contribute to the existing body of knowledge on entrepreneurship and gender studies. It can provide empirical evidence and contribute to academic research, policy discussions, and practical interventions aimed at supporting women's economic empowerment and fostering inclusive economic growth (Amos & Walowe, 2020).

In summary, studying the factors affecting women's MSEs' business performance in Karat Town is important for promoting economic empowerment, addressing gender disparities in entrepreneurship, and enhancing the overall socio-economic development of the region. The findings can inform targeted interventions, policy reforms, and support mechanisms that enable women entrepreneurs to overcome barriers and thrive in their businesses, ultimately leading to a more inclusive and prosperous society.

Many researchers studied the issue in countries outside Ethiopia. For instance, empirical studies conducted by Gitonga.(2016); Nasima (2014); Ryu & Sueyoshi, (2021); Hughes (2012); Caroline, & etal. (2017).; Getamesay(2017) and Maziku et al. (2014) revealed that lack of training, lack of

land primes, access to finance, and lack of access to technological resources were determinants of women's MSEs' performance.

Out of the research reviewed above, only (Maziku et al., 2014); Gebremariam (2017); and Getamesay(2017) used a binary logistic regression model and found that lack of training, lack of land primes, access to finance, lack of access to technological resources were determinants of women MSEs' performance. However, using the logit model is not scientifically recommended for measuring business performance since it is a continuous variable that should be measured through the Likert scale and analyzed by means of multiple linear regression models.

On the other hand, Tatiana and Galina (2010) and Afzal et al. (2018) employed the multiple linear regression model to measure the determinants of women's MSEs' performance, respectively. The current study was similar to (Tatiana and Galina, 2010) and (Afzal et al., 2018) in using the multiple linear regression model but incorporating more than one explanatory variable, such as communication skills, in which they are not incorporated/ involved in their study as determinants of women MSE business performance in the study area by measuring the performance of women business through non-financial indicators.

In Ethiopia, researchers like Mulugeta (2010), Zinash (2014), Jemal (2013), Fesseha (2017), Getamesay (2017), Getu (2015), and Zinashbizu (2017) used descriptive statistics. However, the present research is different from that of Mulugeta (2010); Zinash (2014); Jemal (2013); Getu (2015); Zinashbizu (2017) and Fesseha (2017) by employing empirical model study factors affecting women's business performance in Karat town more scientifically than a mere description of the existing scenario.

Hence, this research paper set out to identify the determinants of women's micro and small-scale enterprises' business performance in Konso Zone, Karat town of southern Ethiopia, while filling the above-mentioned time, variable incorporation and methodological gaps.

#### **1.1 Objectives of the study**

The overall objective of the study is to analyze the determinants of women entrepreneurs' business performance in micro and small-scale enterprises in Karat town, southern Ethiopia.

Based on the general objective, the specific objectives of the study are identified as follows:

- 1. To investigate the effect of customer satisfaction on the business performance of women smallscale enterprises in Karat Town
- 2. To examine the effect of access to finance on the business performance of women's small-scale enterprises in Karat Town.
- **3.** To investigate the effect of marketing skills on the business performance of women small-scale enterprises in the Karat Town
- **4.** To examine the effect of access to information technology on the business performance of women MSEs
- **5.** To identify the effect of access to Entrepreneurship training on the business performance of women small-scale enterprises in Karat Town

## **1.2 Research Hypothesis**

After systematically reviewing empirical studies, the researcher has developed the following research hypotheses:

H1: Customer satisfaction has a significant relationship with women's business performance

H2: Access to finance has a significant relationship with women's business performance

H3: marketing skills have a significant relationship with women's business performance

H4: access to information technology has a significant relationship with women's business performance

H5: Entrepreneurship training has a significant relationship with women's business performance

## 2. Literature Review

# 2.1 Women's business performance & sustainable development

The role of women's business performance in sustainable development is multifaceted and critical for achieving long-term economic, social, and environmental goals. Firstly, women's entrepreneurship contributes to economic growth and poverty reduction. By starting and running successful businesses, women create job opportunities, generate income, and contribute to local and national economies. This economic empowerment enhances household and community well-being, reducing poverty and improving livelihoods.

Women's business performance plays a pivotal role in promoting gender equality and women's empowerment. Entrepreneurship allows women to challenge traditional gender roles, break barriers, and assert their economic independence. By owning and managing businesses, women gain decision-making power and influence, leading to greater gender parity and social inclusion. This empowerment has broader societal benefits, as it enables women to participate more actively in public life, shape policies, and advocate for gender equality (Tripathi & Rajeev, 2023).

Women's entrepreneurship contributes to sustainable development by fostering innovation and addressing social and environmental challenges. Women-led businesses often prioritize sustainable practices, such as eco-friendly production methods, ethical sourcing, and social responsibility. Their focus on sustainability helps to conserve natural resources, reduce waste, and mitigate environmental impacts. Moreover, women entrepreneurs are more likely to address social issues and create businesses that benefit their communities, such as providing access to clean energy, healthcare, education, and other essential services (Anandharaman & Rangasamy, 2023).

Normally, women's business performance promotes diversity and enhances business outcomes. Research has consistently shown that diverse teams and leadership are associated with better decision-making, innovation, and financial performance. By increasing the representation of women in entrepreneurship and business leadership, organizations benefit from a wider range of perspectives, ideas, and approaches. This diversity leads to more robust and sustainable businesses, as they are better equipped to adapt to changing market dynamics and customer needs.

Women's business performance has a multiplier effect on future generations. Successful women entrepreneurs serve as role models and inspire young girls and women to pursue their entrepreneurial aspirations. By breaking barriers and achieving business success, they challenge societal norms and encourage other women to strive for economic independence and leadership positions. This cycle of empowerment and inspiration creates a positive ripple effect, fostering a more inclusive and sustainable entrepreneurial ecosystem (Al-Shami et al., 2019).

The role of women's business performance in sustainable development is instrumental in driving economic growth, promoting gender equality, fostering innovation, enhancing diversity, and inspiring future generations. By recognizing and supporting the contributions of women entrepreneurs, societies can unlock their full potential, leading to more sustainable, inclusive, and prosperous communities.

#### 2.2 Determinants of Women's Business Performance

There are many factors affecting women's business performance, but this study focused on the effect of customer satisfaction, access to finance, marketing skill, information technology, and access to entrepreneurship training on women's business performance in Konso Zone, Karat town.

#### 2.2.1 Customer Satisfaction and Women's Business Performance

The relationship between customer satisfaction and women's business performance is crucial for the success and sustainability of women-owned businesses. Research has shown that customer satisfaction is a key driver of business performance, as satisfied customers are more likely to become repeat customers, refer others to the business, and contribute to positive word-of-mouth. For women entrepreneurs, customer satisfaction becomes even more significant as it can help them overcome gender biases and stereotypes, build a strong reputation, and differentiate their businesses in competitive markets. A study by El Ferachi, H., Cherkaoui, M., & Sbai, S. (2022) supports this relationship, finding that customer satisfaction positively impacts financial performance and market share. Therefore, prioritizing customer satisfaction and delivering exceptional customer experiences can contribute to the success and growth of women-owned businesses.

H1: There is a positive relationship between Customer Satisfaction and Women's Business Performance

#### 2.2.2 access to finance and women's business performance

The relationship between access to finance and women's business performance is crucial for the growth and success of women-owned businesses. Limited access to formal financing is a persistent challenge that women entrepreneurs face, often due to factors such as gender biases, lack of collateral and limited networks. However, studies have consistently shown that improved access to finance positively impacts women's business performance. Adequate funding allows women entrepreneurs to invest in business expansion, purchase necessary equipment, hire skilled employees, and develop marketing strategies. This, in turn, leads to increased productivity, higher revenue generation, and enhanced competitiveness. Moreover, access to finance enables women entrepreneurs to take advantage of growth opportunities, seize market gaps, and innovate. A study by Kanbiro & Addisu (2018) supports this relationship, highlighting that access to finance for womenowned businesses is essential for fostering their growth, economic empowerment, and overall contribution to sustainable development.

H2: There is a positive relationship between access to finance and Women's Business Performance

#### 2.2.3 Marketing skill and women's business performance

The relationship between marketing skills and women's business performance is crucial for the success and growth of women-owned businesses. Effective marketing skills enable women entrepreneurs to promote their products or services, reach their target audience, and create a strong brand identity. By developing and implementing strategic marketing plans, women entrepreneurs can attract and retain customers, increase sales, and expand their market share. Moreover, marketing skills allow women entrepreneurs to differentiate their businesses in competitive markets, effectively communicate their value proposition, and build strong relationships with

customers. A study by Teka(2022) supports this relationship, finding that women entrepreneurs with strong marketing skills achieve higher levels of business performance. Therefore, acquiring and honing marketing skills is essential for women entrepreneurs to enhance their business performance and contribute to sustainable development.

H3: There is a positive relationship between marketing skills and Women's Business Performance

#### 2.2.4 access to information technology and women's business performance

The relationship between access to information technology (IT) and women's business performance is crucial for the success and competitiveness of women-owned businesses. It has become a powerful tool for business growth, enabling women entrepreneurs to streamline operations, improve efficiency, and reach a wider customer base. Access to IT infrastructure, such as computers, internet connectivity, and software applications, empowers women entrepreneurs to enhance their business processes, automate tasks, and make data-driven decisions. Moreover, IT provides opportunities for women entrepreneurs to expand their market reach through online platforms, e-commerce, and digital marketing strategies. A study by Woldesenbet & Ram (2019) supports this relationship, showing that women entrepreneurs who have access to IT resources and skills experience improved business performance and competitiveness. Therefore, ensuring equal access to IT resources and promoting digital literacy among women entrepreneurs is essential to unlock their full potential, foster innovation, and drive economic growth.

H4: access to information technology has a positive relationship between marketing skills and Women's Business Performance

#### 2.2.5 Entrepreneurship training and women's business performance

The relationship between entrepreneurship training and women's business performance is crucial for the success and sustainability of women-owned businesses. Entrepreneurship training equips women entrepreneurs with the necessary knowledge, skills, and tools to effectively manage and grow their businesses. Through training programs, women entrepreneurs can gain insights into various aspects of business management, including financial planning, marketing strategies, operational efficiency, and leadership development. This training enhances their understanding of market dynamics, customer needs, and industry trends, enabling them to make informed decisions and adapt to changing business environments. Studies have consistently shown that entrepreneurship training positively impacts women's business outcomes. Moreover, training programs often provide opportunities for networking, mentorship, and access to resources, further enhancing women entrepreneurs' business performance. Therefore, investing in entrepreneurship training for women entrepreneurs is crucial to empower them, bridge skill gaps, and foster their economic empowerment and success (Alnemer, 2021).

H5: entrepreneurship training has a positive relationship between marketing skills and Women's Business Performance.

## 2.3 Conceptual framework

In this conceptual framework, variables such as customer satisfaction, access to finance, marketing skill, information technology, and access to entrepreneurship training are independent variables. But the variable in the circle on the right side is the dependent variable.

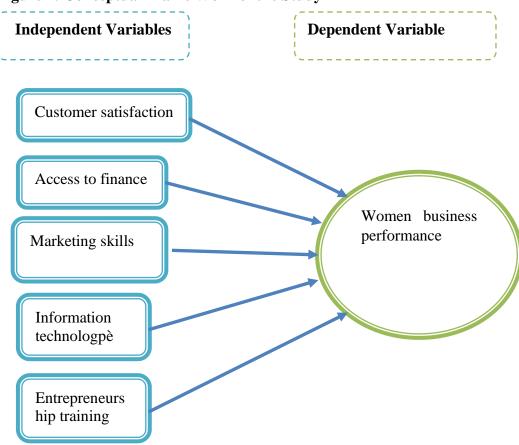


Figure 1: Conceptual Frame Work of the Study

Source: Researchers' development based on literature review (2023)

# 3. Methods

## **3.1 Research Design**

Research design refers to the overall plan or strategy that a researcher adopts to answer research questions or test hypotheses in a systematic and organized manner. It outlines the specific steps, procedures, and methods that will be used to collect and analyze data, ensuring that the research study is conducted in a rigorous and valid manner. A well-designed research study is essential for generating meaningful and credible findings that can contribute to knowledge in a particular field or discipline. The researchers adopted an explanatory research design where the effect caused by the independent variables on the dependent variable is observed through regression analysis.

## **3.2 Research Approach**

The research approach refers to the general strategy or perspective that guides the overall conduct of a research study. It provides a framework for how the research questions will be addressed and how data will be collected, analyzed, and interpreted. There are two main research approaches: quantitative and qualitative. The researchers employed a quantitative research approach due to the quantitative nature of the questionnaire.

#### **3.3 Data Sources**

It's important for researchers to carefully select and evaluate their data sources to ensure their reliability, validity, and relevance to the research objectives. Multiple data sources are often utilized to triangulate findings and increase the overall robustness of the study. In order to prepare the report of this study, primary data sources were used by the researcher.

#### **3.4 Sampling Design**

The target population of this study is 680 women in micro and small-scale enterprises. The researchers used simple random sampling to select study participants. In order to calculate the sample size, the formula of (Yamane, 1967) was used by the researcher. The formula in the figure will be used to calculate the sample size. 95% confidence level and p = 0.5 were assumed to be appropriate for this equation.

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

The formula used to calculate the sample size of the study (Yamane, 1967) Where n = the sample size, N= population size, and e = level of precision.

$$n = \frac{680}{1 + 680 \ (0.5) \ 2} = 251$$

The sample size for the study was 251 MSEs.

N <u>o</u>	Sector	Calculation Proportion				
		Total population	Sample			
1	Manufacturing	130	48			
2	Service	290	107			
3	Trade	150	56			
4	Construction	110	40			
	Total	680	251			

# Table 1 Number of Samples from each Sector

Source: survey result, 2023

## **3.5 Collection tools**

Collection tools in research refer to the instruments or methods used to gather data from research participants or sources. These tools are designed to systematically and effectively collect relevant information that aligns with the research objectives. Common collection tools include surveys, interviews, questionnaires, observations, and focus groups. Surveys involve the use of structured questionnaires to gather data from a large number of participants, allowing for quantitative analysis. Interviews provide a more in-depth understanding by engaging in direct, face-to-face or virtual conversations with individuals or groups. Questionnaires are self-administered written or online forms that participants complete independently. Observations involve the systematic recording of behaviors or events in real-time, either through direct observation or the use of technology. Focus groups bring together a small group of participants to engage in guided discussions, allowing for the exploration of shared experiences and perspectives. Researchers select and tailor collection tools based on the research questions, target population, data type, and feasibility, ensuring that the chosen tools are appropriate and valid for gathering the necessary data. In this study, the primary data were collected through a structured questionnaire.

## **3.6 Methods of Data Analysis**

Methods of data analysis in research refer to the techniques and procedures used to analyze and interpret the collected data in order to draw meaningful conclusions and answer research questions. The choice of data analysis methods depends on factors such as the research design, data type, research objectives, and the nature of the research questions. Quantitative data analysis methods typically involve statistical techniques such as descriptive statistics, inferential statistics, regression analysis, or factor analysis. These methods allow for the examination of relationships, patterns, and statistical significance in numerical data. Qualitative data analysis methods, on the other hand, involve techniques like thematic analysis, content analysis, or grounded theory. These methods focus on identifying themes, patterns, and meanings within textual or non-numerical data. Data analysis methods aim to organize, summarize, and interpret the data in a systematic and rigorous manner to generate reliable and valid findings that contribute to the overall research objectives. In this study, both descriptive and inferential statistics analyses were done with the help of SPSS Version 21.

## 3.7 Model specification

The multiple regression model is a statistical technique used to analyze the relationship between a dependent variable and multiple independent variables. It extends the simple regression model by incorporating additional predictor variables, allowing researchers to examine the unique contribution of each independent variable in explaining the variation in the dependent variable. In multiple regressions, the model estimates the coefficients for each independent variable, indicating the strength and direction of their relationship with the dependent variable while controlling for other variables. The model also provides information on the overall fit of the regression equation and allows for hypothesis testing to determine the statistical significance of the relationships. Multiple regressions are widely used in various fields, including social sciences, economics, and business, to explore complex relationships and make predictions or explanations based on multiple factors. In this study, the regression model was specified as follows:

Business performance =  $\beta 0+\beta 1$ \*customer satisfaction +  $\beta 2$ \*access to finance +  $\beta 3$ \*marketing skills+ $\beta 4$ \*information technology +  $\beta 5$ \* Entrepreneurship training +error.

# 4. Results

#### 4.1 Response Rate

Data were collected from one hundred (170) respondents out of one hundred seventy-eight (251) sample respondents from Hawassa city revenue authority. The response rate was 68 % which implies more than 50% of respondents have participated in the process of data collection.

#### 4.2 Test of a questionnaire

The reliability test of a questionnaire is a statistical analysis conducted to assess the consistency and stability of the measurements obtained from the questionnaire items. It measures the internal consistency of the questionnaire, indicating how well the items within the questionnaire are measuring the same construct or concept. The most commonly used measure of reliability is Cronbach's alpha, which ranges from 0 to 1. A higher Cronbach's alpha value indicates greater internal consistency. Reliability testing helps researchers evaluate whether the questionnaire items are reliable and whether they can be considered valid measures of the intended construct. A reliable questionnaire ensures that the responses obtained from participants are consistent and dependable, enhancing the overall quality and credibility of the research findings.

Table 2: Reliability Test

Cornbrash's Alpha	N of Items
0.928	30

Source: survey result, 2023

The above table 1 shows that the reliability of all items incorporated in the model is acceptable because it is more than 70%, which is the minimum acceptable value of the reliability test.

## 4.3 Descriptive statistics analysis

Descriptive statistics analysis in research involves the use of statistical measures to summarize and describe the main characteristics of a dataset. These measures provide a concise and meaningful representation of the data, helping researchers gain a better understanding of the variables under investigation. Descriptive statistics commonly include measures such as measures of central tendency (e.g., mean, median, mode) that provide information about the average or typical value of a variable, and measures of variability (e.g., range, standard deviation) that describe the spread or dispersion of the data. Additionally, descriptive statistics can include measures of frequency or proportions to examine the distribution of categorical variables. By utilizing descriptive statistics, researchers can effectively summarize and communicate important features of the data, identify patterns or outliers, and make initial interpretations or comparisons. Descriptive statistics serve as a foundation for further data analysis and enable researchers to draw meaningful conclusions and insights from their research findings.

Variables	Ν	Minimum	Maximum	Mean	Std. Dv
Business performance	170	1.00	5.00	2.8235	1.18847
Customer satisfaction	170	1.00	5.00	2.7647	1.16301
Access to finance	170	1.00	5.00	2.9647	1.28668
Marketing skills	170	1.00	5.00	2.9665	1.11607
Information technology	170	1.00	5.00	2.7706	1.20662
Entrepreneurship training	170	1.00	5.00	2.8706	1.28522

# Table 3: Summary of descriptive statistics

Sources: Survey data, 2023

Women's business performance was the dependent variable of this study. As indicated in the above table, the women's business performance shows that Karat town has an overall mean of the variable was 2.8235 (neutral), a maximum of 5 and a minimum of 1 Likert scale value. The standard deviation value is 1.18847, which indicates there was a variation in actual responses from the mean. With regard to other variables, the Salary (S) is 2.7647 (neutral) with (SD) 1.16301, access to finance (P) is 2.9647 (neutral) with SD of 1.28668, marketing skills 2.9665 with SD of 1.11607, information technology (R) 2.7706 (neutral) with SD of 1.20662, Entrepreneurship training (W) 2.8706 (neutral) with 1.28522 with SD have the overall mean and standard deviation respectively. In summary, all variables incorporated in the model have a moderate contribution to the response variable Women's business performance. As the result of Table 4.3 indicates, the

ranges of values were presented as disagreeing if the mean score is between 1.00 and 2.60, neutral if the mean score is between 2.60 and 3.40 and agree if the mean score is above.

## **4.5 Correlation Analysis**

Correlation analysis is a statistical method used to measure the relationship between two or more variables. It examines the extent to which changes in one variable are associated with changes in another variable. Correlation analysis assesses the strength and direction of the relationship between variables, indicating whether they are positively correlated (increase or decrease together), negatively correlated (one variable increases while the other decreases), or not correlated (no significant relationship). The result of correlation analysis is expressed as a correlation coefficient, typically denoted as "r." The value of the correlation coefficient ranges from -1 to +1, with values closer to -1 or +1 indicating a stronger correlation, while values closer to 0 indicate a weaker or no correlation. Correlation analysis helps researchers and analysts understand the interrelation between variables and can be useful in various fields, including economics, social sciences, and business, to identify patterns, make predictions, and inform decision-making.

Variables	1	2	3	4	5	6	
Women Business performance	Pearson Correlation	1					
Customer satisfaction	Pearson Correlation	.629**	1				
Access to finance	Pearson Correlation	.522**	.588**	1			
Marketing skills	Pearson Correlation	.626**	.552**	.491* *	1		
Information technology	Pearson Correlation	.496**	.299**	.235* *	.304* *	1	*
Entrepreneurship training	Pearson Correlation	.306**	.086	- .157*	.126	.172*	1
**. Correlation is significant at the 0.01 level (2-tailed).							
*. Correlation is significant at the 0.05 level (2-tailed).							

# Table 4: Correlation Matrix

Source: Survey data, 2023

Table 4 shows the relationship between the dependent variable, which is women's business performance, and the independent variables with a coefficient of correlation 1, indicating that each variable is perfectly correlated with the other. The result shows that variables such as customer satisfaction, access to finance, marketing skills, information technology and **entrepreneurship** training have a positive and significant relationship with employees' motivation and are

statistically significant at 1% as the p-value was less than 5%. The correlation coefficient of salary with employees' motivation was (0.629 =Strong), promotion and employees' motivation (0.522 = Moderate), marketing skill and business performance (0.626 = Strong), information technology and entrepreneurship training (0.496 = moderate), and entrepreneurship training and performance (0.306 =weak) respectively. Customer satisfaction has a strong correlation coefficient, while entrepreneurship training has a weak correlation coefficient.

# 4.6 Regression Analysis

# Model assumptions

Before running the regression analysis, the most common assumptions to be tested before running the final regression result are normality, multicollinearity, autocorrelation, and heteroscedasticity have been approved by the researcher.

Model		Unstandardized Coefficients		Standardized Coefficients	Т	Sig.	95.0% Confidence Interval for B	
		В	Std Error	Beta			Lower Bound	Upper Bound
1	(Constant)	668	.221		-3.025	.003	-1.104	232
	Customer satisfaction	.262	.065	.257	4.044	.000**	.134	.390
	Access to finance	.202	.058	.219	3.493	.001**	.088	.316
	Marketing skills	.290	.063	.272	4.593	.000**	.165	.415
	Information technology	.240	.050	.243	4.822	.000**	.141	.338
	Entrepreneurship training	.224	.046	.242	4.856	.000**	.133	.315

# Table 5: Regression Result

R .801a, R Square.641, Adjusted R Square .630, Std. Error of the Estimate 0.72295, F Change 58.543, Sig. F Change .000, Durbin-Watson 1.884 \*\*. Regression is significant at the 0.01 l

Source: survey result, 2023

The coefficient of explanatory variables such as Customer satisfaction 0.262, access to finance 0.202, marketing skills 0.290, access to information technology 0.240,

and Entrepreneurship training 0.224 implies that a 1% increase in the variables leads to 26.2%, 20.2%, 29%, 24%, and 22.4% increase in the dependent variable.

#### 4.7 Discussion of regression analysis

The result of this study shows that customer satisfaction with a coefficient of regression [ $\beta$ = 0.262] has a positive and statistically significant at a 1% level of significance since (p-value of 0.000 <0.01). Hence, hypothesis H1 is accepted. This finding is consistent with the idea of the study result by El Ferachi et al. (2022), who evidenced that there is a positive relationship between customer satisfaction and women's business performance. Secondly, access to finance [ $\beta$ =0.202] is positive and statistically significant with a p-value (0.001 > 1% level of significance. Therefore, hypothesis H2 is accepted by the researchers. This finding is consistent with the empirical finding of Kanbiro & Addisu (2018) found that business performance is positively influenced by access to finance. The result showed [ $\beta$ =0.290] is positive and statistically significant at a 1% level of significance because (p-value of 0.000 < 0.01) relationship between marketing skills and business performance. Therefore, hypothesis H3 is not rejected by the researchers. This finding is inconsistent with the empirical evidence by Orkaido & Youna (2020). Marketing skill has a positive effect on women's business performance. The result of regression information technology is  $[\beta = 0.24]$  positive and statistically significant at a 1% level of significance effect on business performance since (p-value of 0.00 < 0.051. Hence, hypothesis HA4 stated as is accepted. This finding is similar to the findings of Kanbiro et al. (2018) and Banja & Mukhopadhyay (2000) showed that the existence of information technology has a positive and statistical effect on business performance. When it comes to entrepreneurship training, the unstandardized coefficient of regression of the variable is  $[\beta=0.224]$  and is positive and statistically significant with a p-value (of 0.000 > 1% and a 1% level of significance. Therefore, hypothesis H5 is accepted by the researcher. This finding is consistent with the empirical result of Entrepreneurship training Butnta, M., Abebe, A., Orkaido, K., & Balgud, B. (2022 found out good entrepreneurship training has a positive effect on women's business performance.

# 5. Conclusion

The conclusion that can be drawn from the findings in the first hypothesis is that hypothesis H1 suggested that improvement in customer satisfaction has a positive and statistically significant effect on performance at a 1% level of significance since (p-value of 0.000 < 0.01). This implies that customer satisfaction positively contributes to women's business performance.

The conclusion that can be drawn from the findings in the 2nd hypothesis is that hypothesis H2 suggested that access to finance has a positive and statistically significant effect on business performance at a 1% level of significance since (p-value of 0.000 < 0.01). This implies that more access to finance positively contributes to women's business performance. The conclusion that can be drawn from the findings in the 3rd hypothesis is that hypothesis H3 suggested that improvement of marketing skills has a positive and statistically significant effect on performance at a 1% level

of significance since (p-value of 0.000 < 0.01). This implies that more marketing skill positively contributes to women's business performance. The conclusion that can be drawn from the findings in the 4th hypothesis is that hypothesis H4 suggested that improvement of information technology utilization has a positive and statistically significant effect on employee motivation at a 1% level of significance since (p-value of 0.000 < 0.01). This implies that more recognition positively contributes to women's business performance. The conclusion that can be drawn from the findings in the 5th hypothesis is that hypothesis HA5 suggested that improvement of *entrepreneurship training* has a positive and statistically significant effect on employee motivation at a 1% level of significance since (p-value of 0.000 < 0.01). This implies that more recognition at a 1% level of significance since (p-value of 0.000 < 0.01). This implies that more motivation at a 1% level of significance since (p-value of 0.000 < 0.01). This implies that more motivation at a 1% level of significance since (p-value of 0.000 < 0.01). This implies that more *entrepreneurship training* positively contributes to women's business performance.

In the end, the role of women's business performance in promoting sustainable development cannot be overstated. Empowering women in entrepreneurship and business leadership not only benefits individual women but also contributes to broader societal goals. Women-owned businesses have shown resilience, innovation, and a commitment to social and environmental sustainability. By providing equal opportunities and support, societies can unlock the full potential of women entrepreneurs, leading to economic growth, job creation, poverty reduction, and social well-being. Moreover, investing in women's businesses has a multiplier effect, as women tend to reinvest a higher portion of their income into education, healthcare, and community development initiatives. Recognizing and fostering the relationship between women's business performance and sustainable development is crucial for achieving gender equality and realizing the United Nations' Sustainable Development Goals. It is imperative that governments, organizations, and stakeholders continue to prioritize and support women's entrepreneurship as a key driver of sustainable development.

## 6. Recommendations

The study has shown a clear understanding of factors affecting women's business performance in Karat town of Konso zone of southern Ethiopia. The finding of this research demonstrated that customer satisfaction, access to finance, marketing skill, information technology, and access to entrepreneurship training has a positive and statistically significant effect on women's business performance. Hence, the recommendation was forwarded to the Karat town MSEs based on statistically significant variables. The first hypothesis is verified that an increase in customer satisfaction has a positive and statistically significant effect on women's business performance. So, it is recommended that Karat town and other concerned bodies work on customer satisfaction improvement to improve the business performance in achieving an organizational goal. The second hypothesis proved that an increase in the value of access to finance leads to an increase in women's business performance. Hence, Karat town should work on access to finance for businesses in more than current status due to the fact that it has a positive influence on business performance. The third hypothesis proved that an increase in the value of marketing skills leads to an increase in business performance. Hence, the Karat town MSEs developing authority should work on marketing skills more than current status due to the fact that it has a positive influence on the business performance. The conclusion that can be drawn from the fourth hypothesis suggests that information technology utilization has a positive and statistically significant on business performance. Hence, Karat Town MSE developing agency should encourage women's business performance using new technology and innovations. To conclude, the conclusion drawn from the fifth hypothesis shows that *entrepreneurship training* positively contributes to women's business performance. Hence, it can be recommended that Karat Town small business owners' women and concerned bodies should work on entrepreneurship training more than the current status due to the fact that it has a positive influence on women's business performance.

# 7. Limitation of the current study for future research implication

The Adjusted-R- squared statistics of the model were 64.1 percent. The result indicates that 64.1 per cent variation in the dependent variable was jointly explained by the explanatory variables in the model. Whereas the remaining 35.9 per cent of the variation in the women's business performance (as measured by the Likert scale) is explained by other variables which are not included in the model. The other researcher should incorporate more variables to improve R2 with the same topic in the same study area and use financial statements to obtain women's business performance. In another way, the findings of this study may be difficult to generalize about all regions, Ethiopia, and all countries in Africa in particular and in the world in general. Hence, this study can be improved if it is done at the national, continental, and international levels by comparing factors affecting women's business performance.

## **Declarations**

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