

Review of: "Factors Affecting the Social Outreach of Microfinance Institutions: Evidence from Ethiopian Microfinance Institutions"

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Potential competing interests: No potential competing interests to declare.

Main comments:

Introduction.

This section lacks focus. After stating the problem at hand and the gap in the literature, it should introduce the reader to what can be expected in the subsequent sections of the manuscript. In its current format, the introduction is more a review of the literature on the topic of the manuscript than a description of the work done in the manuscript.

Literature Review

It is more a methodological literature review aiming at the description of the selection of the variables to be used rather than a real literature review on the gap and research question covered by this manuscript. I suggest a change of the section title as "Variable selection" or "Hypotheses setting" or something similar that gives a clear idea of what can be expected when reading this section of the manuscript.

Hypotheses

- H7: could you check this hypothesis? It seems that the opposite is explained in the preceding paragraph? The relation is set as negative in the last sentence and positive in the hypothesis.

- Deposits to Loan ratio. As not all the MFIs are collecting deposits (such as NGOs or NBFIs), how are you dealing with this difference in business models in your analysis? Here, you need to separate MFIs on their statute of deposit collector or not.

Research design and Data and Sampling design

Those two sections lack clarity. Could you improve them, keeping in mind that the reader can be able to reproduce your experiment/ analysis?

Conclusion and Recommendations

This section needs to be more structured, so a reader can grasp all the content of the manuscript by just reading this section.

You should start with a summary of the research question and the answer found by the analysis you conducted. Then you should explain how your work covered the gap in the literature identified in the first section of the manuscript and what has not been covered by your work; elements where more research is needed. The same for the recommendations section. It is the only way to provide meaningful information to the reader.

After doing that you can rewrite a more precise, concise, and informative abstract for your manuscript.

Minors comments:

- p.2 Not all the MFIs are "earning profits" oriented. Depending on their ownership statute, some of them are just looking for economic sustainability without generating profits, for instance, cooperatives or NGOs. There is a lot of literature showing that they often focus too much on the poor at the expenses of their financial viability. It is also what you wrote in p.3 "some of the MFIs in Ethiopia cannot cover their operating expenses, but are good in terms of breadth outreach."
- p.8. The last sentence of the paragraph about Age, belongs to the paragraph on "size of microfinance institutions"
- The abbreviations are not consistently introduced in the manuscript. For instance, in p.12. we have NAB and ANB
- Please read with great attention your manuscript before re-submitting it to correct all the remaining typos in the text.