

Determinants of Access to Finance to All Enterprise

Authors : Dilang Thouk Tharjiath

Abstract : This study seeks to examine determinants of access to finance: the case of micro and small enterprises in Bonga town. It identifies the sector as the key to unlocking the economic potentials of the country. For the achievement of the objective of the study simple random and stratified sampling has been used to select 179 respondents, primary and secondary data were used, primary data were collected through face to face interview and preparing questionnaire and secondary data were collected through reviewing firms record and reports, quantitative research approach were used and the data obtained were analyzed using descriptive research design. Access to finance is one of the key obstacles of MSE's not only when starting the business project but also when operating. Identifying the major determinants of access to finance is therefore quite crucial. Based on descriptive result the financiers specially formal financiers tend to grant credit easily for enterprises which are located near to town, having operators with higher educational level, experienced and with a positive attitudes towards or fulfill their lending procedures, and a firm having collateralized asset, prepare business plan, maintain accounting practice ,large and old enough. Finally the study recommended that As Educational level of entrepreneurs has significant effect on access to credit from bank and the managers or owners education level is low in Bonga town the concerned bodies of both the government and non-governmental institutions in collaboration with Bonga town MSE development office are recommended to create awareness and facilitate the provision of additional training for those with lower educational level.

Keywords : credit, entrepreneur, enterprise, manager

Conference Title : ICABE 2023 : International Conference on Accounting, Business and Economics

Conference Location : Boston, United States

Conference Dates : April 17-18, 2023