

**THE ANALYSIS OF THE ROLE OF MICROFINANCE IN DEVELOPING WOMEN  
ENTREPRENEURS IN RWANDA  
A CASE STUDY OF COOPEDU**

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**ABSTRACT**

Women workers throughout the world contribute to the economic growth and sustainable livelihoods of their families and communities but certain obstacles such as poverty, unemployment, low household income and societal discriminations hinder their effective performance of that role. This is why the rate of their participation in the informal sector of the economy is higher than males, and microfinance could have positive effect on business performance.

While there is a shared understanding and general consensus on the functions of microfinance institutions (MFIs), their potential for the empowerment of women entrepreneurs has been much debated. This study focuses on the nature of this debate. Studies have indicated both the promise of MFIs and the challenges they present for women's development. In this context, various factors economic, organizational, political and cultural have been emphasized. The present study, while acknowledging all these factors, makes a case for a role of microfinance in developing women entrepreneurs in Rwanda for a deeper understanding of the linkages between MFIs and women's entrepreneurship development, and suggests areas of enquiry for informed people.

The study took a case study of COOPEDU which is the unique microfinance institutions in the service of the women. The sampling procedures involved groups' clients which were found to be a reliable representation of the population since groups are made by several people who can share the same feelings. From groups' active clients, the research used purposive sampling using Amin (2005) table to decide on 181 groups to be questioned. However, out of the 181 questionnaires distributed, 175 questionnaires were turned back fulfilled with the requested data.

The study found out that microfinance institutions are an important channel of resources required to boosting women innovation and creativity and that training helped women in increasing the output and profit in their businesses. Further, social capital helped the proper management of business decisions; and it was revealed that opportunities do not alone mediate the relationship between COOPEDU services and successful investment and employment, the research found out that there is huge influence of microfinance in developing women entrepreneurship.