MADDA WELABU UNIVERSITY

COLLAGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

FACTORS INFLUENCING LOAN REPAYMENT PERFORMANCE OF YOUTH REVOLVING CREDIT FUND PROGRAM IN BALE ZONE GOBA WEREDA

- **THESIS SUBMITTED TO DEPARTMENT OF ACCOUNTING AND FINANCE COLLAGE OF BUSINESS AND ECONOMICS MADDA WELABU UNIVERSITY, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR MSC DEGREE IN ACCOUNTING AND FINANCE**

By: Ayub Kasim

Advisor: Siwahili R. (PhD)

June: 2022

Bale Robe, Ethiopia

Research Approval Sheet

I Ayub Kasim, hereby declare that: The thesis proposal titled as "Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Goba Wereda by me in partial fulfillment of the requirement for master's degree in department of Accounting and finance, Collage of Business and Economics, Madda Walabu University, Ethiopia. This research work is my original work in study area and to the best of my knowledge; it has not been submitted in study area for academic achievement (any degree or diploma). The ideas and views of the other researchers, authors and scholars in this study are properly expressed and acknowledged.

Submitted by:

Ayub Kasim ______________ ______________

Name of student Signature Date

Approved by:

Siwahili R. (PhD) ______________ ______________

Advisor Signature Date

______________ ______________ ______________

Department head Signature Date

Certification

I hereby certify that I have read and evaluated this research titled as "Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda.'' and have been prepared under my guidance by 'Ayub Kasim. I recommend that it be submitted as fulfilling of the thesis requirement.

Siwahili R. (PhD)	______________	________________
Advisor	Signature	Date

As a member of the board of examiners of the open defense examination, I certify that I have read and evaluated the research prepared by "Ayub Kasim" and examined the candidate. I recommend that the thesis be accepted as fulfilling the requirements for the award of the Master of Science Degree in Accounting and Finance.

_________________________________	______________	_________________
Internal Examiner I	Signature	Date
_________________________________	______________	_________________
Internal Examiner II	Signature	Date
____________________________	________________	_________________
External Examiner	Signature	Date

Final approval and acceptance of the thesis is contingent upon the submission of its final copy to research his respective department for approval.

Acknowledgments

I would like to take this opportunity to acknowledge the help and encouragement of all who have supported and assisted me during this thesis research work. First and foremost, I would like to thank Allah Almighty for giving me the strength, knowledge, ability, and opportunity to undertake this research proposal and to persevere and complete it satisfactorily. I would like to thank my instructor Siwahili R. (PHD) whose give, suggestions, invaluable guidance, and encouragement helped me throughout vita advising and I would be grateful to giving this research which give me for experiencing in preparing thesis proposal.

Table of Contents

List of tables

Abstract

The major objective of this study is to assess factors influencing loan repayment performance of youth revolving credit fund program in Bale Zone Goba Wereda. In order to achieve the specified study objective data were collected using Primary data particularly questionnaire was distributed to sample of 147 from total 233 beneficiaries. The collected data were analyzed using descriptive and inferential statistics to investigate the main factors influencing loan repayment performance of youth revolving credit fund program. Descriptive, explanatory research design and mixed research approach were employed. The main independent variables those were used for this study include age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business and dependent variables those Influencing Loan Repayment Performance of Youth Revolving Credit fund. The result showed that- age, loan size, repayment period, financial knowledge and type of business factors have statistically significant effect on Loan Repayment Performance of Youth Revolving Credit Fund at 5% level. Whereas gender and educational level have statistically significant effect on Loan Repayment Performance of Youth Revolving Credit Fund at 10%. Based on the finding of the study it is suggested that encourage the participation of female youth, status of borrowers' education, loan repayment period should be revised and give enough time to borrowers, providing awareness creation training, continuous follow up and supervision mandatory.

Key words*; revolving loan repayment, loan size, repayment period, educational level, business experience, financial knowledge*

Acronyms

CSA: Central Statistics Agency

HELB; Higher Education Loan Board

LPDB; Indonesia Revolving Fund Institution Management

MLR; Multiple Liner Regression

RLF; Revolving Loan Fund

TOB = Type of Business

AG = Age

BE = Business Experience

CBE; Commercial Bank of Ethiopian

EDL = Educational Level

FKN = Financial Knowledge

GR = Gender

LRP = Loan Repayment Performance

LS = Loan Size

RP = Repayment Period

CHAPTER ONE

1. Introduction

1.1. Background of the study

As United nation youth means the person between the ages of 15 and 24. Youth unemployment is a problem that affects most countries. The ability of youth to engage in productive activities has both social and economic consequences for an economy. Youth unemployment is often higher than the unemployment rate for adults highlighting the concerns that many countries face in facilitating the transition from school to work. In developing countries, youth face not only the challenge of obtaining productive employment, but also obtaining safe and acceptable works (Broussar and Tekleselassie, 2012).

Youth job creation is one of the major activities in Goba Wereda; they put in place to overcome unemployment in the Wereda. MoLSA (2009) through the program many of the city youth have been able to create job and generate income for themselves and others, hence, one of the sources of financing is the youth ‘s revolving fund (Fund, 2017).

Revolving Loan Fund (RLF) was established to provide a source of financing, which may not otherwise be available, for expanding or start-up businesses (Wangari, 2014). It used to fill a financing gap in a business development project; the RLF offers an option to complete a financing package. A gap occurs when the business is unable to fully finance its projects with equity, conventional financing or other private and public sources. While the RLF is not a substitute for conventional financing, it can fill the gaps in existing local financial markets and attract additional capital, which would otherwise not be available for economic development.

According to European Commission (2008) when such funds are handled by the community itself rather than by a formal institution, record-keeping may be limited, so that it is often impossible to measure financial sustainability. However, the other three core performance areas can and measure the performance of revolving fund, especially collection performance.

According to Rahayu and Adi (2018) there are two types of factors that affected the performance of revolving fund which is economic and non-economic factors. Economic factor can be described as Debtors ‘business run smoothly; Bankruptcy of debtors and non-economic factors can be described as administrator poor capability in management, administrator lack of selection in loan distribution, Members used for personal purpose, Low repayment awareness among members. According to Rahayu and Adi (2018) economic factors measures the financial and business health of the organizations which means the business will be run smoothly or not it related to the performance of repayment of the loan and non-economy factors shows that the capability of management which means how the management monitor and evaluate work Performance and also how to create awareness to the debaters about the loan in order to perform the fund.

The Youth Revolving Fund (YRF, 2017): This Fund was approved on March 10, 2017 in Proclamation No. 995/2017. The proclamation dictated that the federal government should allot 10 billion ETB (427 million USD) for regional governments for the fund to serve as a permanent source of finance to assist youth to employ their capabilities in creating job opportunities. The target beneficiaries of the fund are the youth (aged between 18 and 34 years old) both in urban and rural areas organized under micro and small enterprises. In addition to land and finance, the implementation strategy of the Fund dictated that technology and human resource development were critical inputs that should be supplied to the youth Tigabu and Gebeyehu (2020). Ethiopian revolving Loan Fund (RLF) was established to provide a source of financing, for expanding or start-up businesses therefore, the government of Ethiopian established the youth revolving fund in 2017 in country level and it supported by proclamation No 993, 201.

The Fund shall have the aim is assisting the youth to employee their capability in creating a job opportunity, Providing financial assistance for organized income generating activities conducted by youth and ensuring the all-rounded participation and benefits of youth. The primary objective of urban Job Opportunity Creation Strategy is to increase rural job opportunities and to support job seekers to engage in job creation. The specific objectives of the strategy include: Expanding job opportunity alternatives for equitable benefit of all citizens Enhancing production and productivity through improved working culture and using improved technologies, strengthening the urban expanding market opportunities Facilitate migration for decent work, and reducing unsafe and unproductive migration, Enhancing the rural and urban socio-economic transformation through promoting and scaling up rural and urban entrepreneurship, Enhancing productive, decent, quality and sustainable jobs, Benefiting rural women and youth from created job opportunities and reducing rural unemployment and underemployment, and thereby contributing to the overall socio-economic development of the country. The primary target beneficiaries of the strategy are the rural and urban job seekers, primarily the unemployed and the underemployed aged above 15 years old who are without regular and sufficient income. Nevertheless, youth and women unemployed and underemployed individuals were given priority.

The amounts of the fund allocated to this program were almost 5,823,157.27 birr in Goba Wereda. The source of the fund is federal government and this fund is distributed to youth when criteria fulfill by the beneficiaries which is one of the criteria, they must fulfill is the unemployed age between 18 and 34 years old and they must save 10% of the proposed to get loan. They will be agreeing to pay the interest rate which is 8%. The business type can be any of the sectors including agriculture, industry, trade or service (Getahun and Fetene, 2020).

The governments formulate different stockholders such as, ministry of finance, appropriate authority, commercial Bank of Ethiopia (CBE), micro finance institution. The finance office responsibility is to calculated and communicate to the commercial bank of Ethiopian, determines in consultation with the appropriate entities, the term and conditions under which the bank transfer the proceeds of the fund to beneficiaries through micro financing institutions. Commercial bank of Ethiopian (CBE) is to transfer the proceeds of the fund to beneficiaries through micro-financing institutions and prepare report. Micro financing institution is especially in Goba Wereda, Oromia saving and credit institution is enter into agreement with and provide the required amount loan to beneficiaries in accordance with the terms and conditions set out by the ministry up on receipt of income generations project document by the appropriate authority and where it is satisfied that the project is feasible. Appropriate authorities responsibilities identify youth who qualify to benefit in accordance proclamation, facilitate the provision of technical, professional and business development training and consultancy service, evaluate, communicate and follow up the beneficiaries and accept the project with support document to micro-financing institution or the bank and prepare report in Goba Wereda in most case micro and small enterprise development offices are accomplished thus duties and responsibilities. Women, children and youth office also participated by coordinated the activities of the appropriate authorities with regard to the utilization of the fund and render the necessary assistance and evaluated the all activity and prepare report and submitted to the above administration.

Based on figure published the central statistical agency in this wereda has an estimated total population 100,659 of whom 49,157 are males and 45,017 are female, 41,977 are urban residents. In Goba Wereda more than 18.26% of the populations are youth and within this 11 % are unemployed. Hence, by revolving fund program created for 233 enterprises youths of the Goba Wereda. There are a number of factors that affects the loan repayment performance of the fund, hence this study undertaken to analyze the Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Goba Wereda.

1.2. Statement of the problem

According to national population and housing censes of 2017 30% of the population is under 30 years, in Goba Wereda which indicated that almost most population are youngest and unemployed rate of Goba Wereda is 11 percent According to the 2012 urban employment survey (CSA, 2012) hence, Ethiopian government formulated national youth policy in order to provide professional and technical support and facilitate faceable supporting conditions that would enable youth create new job for themselves based on their competency and talent and to benefit (Ministry of youth, 2004).

Revolving loan fund/RLF/ is establishing to provide a source of financing for youth for expanding or to start-up business hence this program 5,823,157.27 birr distributed for 233 Goba Wereda youth to create a job as small and medium enterprise development 2012 annual report and the administrator and different bodies follows and evaluate the performance of the program.

The fund was distrusted for five years of repayment period and up to 2020 and 75% of the loan must be repaid but according to the report almost 33.4 % of the fund repaid, therefore, there is a factor that affect the repayment performance revolving fund. Some of past studies have tried to find out the factors that affect the performance of the revolving fund and loan repayment in different institution and in different country, hence, the researcher determines different factors in different organization and country it shows that the factors are not the same in all institution and country. The problem of revolving fund loan default is affecting the lending capacity of a financial institution and denies new applicant youths' access to credit. In other words, it is disturbing the normal inflow and outflow of revolving fund of the financial institutions.

Most the studies were conducted in both in Ethiopia and out of Ethiopia such as Joyce (2015), Kipkinyor and Wahome (2016), Abdul et al., (2017), Sigei (2017), Baluka (2018), Njoki (2019), Sendeku (2020). Amanuel (2020) and Mirutse (2021). Generally, the privies researches on revolving fund performance in Ethiopia are not comprehensive enough to cover all situations. For instance, the various studies were concerned on loan repayment performance in different countries and they identified the most probable causes of loan default. Some of the study focuses basically on non-performing loans and limited to bank and credit association specific and borrowers 'specific factors to establish relationship between variables and non-performing loans. Some study 's focused on the role of revolving fund, financing micro and small enterprise through revolving fund and the impacts of the fund. Hence, most of the above empirical studies fail to address the Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program. Therefore, it is worthy to conduct empirical study on Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in order to examine which factors influence loan repayment performance so that the findings can be used to employ its credit programs for the better by considering the effect of different variables such as age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business factors.

Table 1.1: Goba Wereda revolving fund performance

Number	**Sup-Kebele**	**No of enterprise**		**Total number of enterprises**	**Amount of loan\ Distributed**	**Unpaid amount**
		Male	**Female**			
1	W/Mishirgee	26	16	4	410,000	492,937.12

2	W/Toshaa	26	2	28	1,365,000	590,000
3	Itituu Suraa	11	5	16	145,000	33,200
4	Shedam	6	3	9	75,000	51,100
5	W/Qubsaa	6	0	6	75,000	3,500
6	Alooshee Xiloo	14	1	15	290,000	162,600
7	Rira	48	8	56	1,245,000	743,950
Total		**137**	**35**	**172**	**3,605,000**	**2,077,287.12**

Source: 2021 Oromia microfinance and saving institution (currently Sinqee Bank) report

Table 1.2: Goba Town revolving fund performance

Number	**Sup-Kebele**	**No of enterprise**		**Total number of enterprises**	**Amount of loan Distributed**	**Loan repayments in birr**	**Unpaid amount**
		Male	Female				
1	Cafee hora	6	9	15	734,013.5	296,213.5	437,800
2	Odaa Bahaa	24	12	36	803,489.51	25,654	777,835.51
3	Odaa Bahaa Kibaa	7	2	10	680,654.26	94,4432.26	586.222
Total		**38**	**23**	**61**	**2,218,157.27**	**416,299.76**	**1,801,857.51**

Source: 2021 Oromia microfinance and saving institution (currently Sinqee Bank) report

From the above information the total fund 5,823,157.27 of was distrusted for five years of repayment period and up to 2020 and 75% of the loan must be repaid but according to the report almost 33.4 % of the fund repaid and the remaining is unpaid, therefore, there are diffrent factor that affect the repayment performance of revolving fund. Therefore, the researcher is initiated to investigate Factors Influencing Loan Repayment Performance of Youth Revolving Credit fund Program in Goba Wereda by considering the effect of different variables such as age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business factors.

1.3. Research Objectives

1.3.1. General Objective of the study

The general objectives of the study are to assess Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda.

1.3.2. Specific Objective of the study

In line with the above general objective of the study, the following specific objectives are set.

1. To examine the effect of age, gender, loan size factors on Loan Repayment Performance of youth revolving fund.

2. To examine the effect repayment period, educational level on the Loan Repayment Performance of youth revolving fund.
3. To examine the effect of business experience, financial knowledge, type of business on Loan Repayment Performance youth revolving fund.

1.4. Research Hypothesis

H1: Age has positive and significant influence on Loan Repayment Performance of youth revolving fund.

H2: Gender has positive and significant influence on Loan Repayment Performance of youth revolving fund.

H3: Educational level has negative and significant influence on Loan Repayment Performance of youth revolving fund.

H4: Loan size has positive and significant influence on Loan Repayment Performance of youth revolving fund.

H5: Repayment period has positive and significant influence on Loan Repayment Performance of youth revolving fund.

H6: Business experience has negative and significant influence on Loan Repayment Performance of youth revolving fund.

H7: Financial knowledge has negative and significant influence on Loan Repayment Performance of youth revolving fund.

H8: Types of business has positive and significant influence on Loan Repayment Performance of youth revolving fund.

1.5. Significance of the study

The study results are having significance in various respects. First, it may give signal to different stakeholders such as Oromia saving and credit association which is currently Sinqe Bank and Goba Wereda micro and small enterprise development office. Second, it have piece of contribution to the current knowledge in higher institution context in Ethiopia and invites for further research to explore the issue in detail at a country level. Thirdly, it gives the researcher the opportunity to gain deep knowledge of conducting research. Finally, it also helps as reference for individuals who want to conduct further study in similar or related topic in other organizations.

1.6. Scope of the study

The study was analyzing the Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda. The researcher tried to make representative samples in dealing with the research population. On the other hand, the variable used in this research was delimited which is Loan Repayment Performance of youth revolving fund /repayment performance of the revolving fund/ for dependent variable and eight independent variables i.e., age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business factors.

1.7. Limitation of the study

Some of limitations are assumed to happen in hindering the researcher included lack of experience to apply certain research model and tools effectively and financial resource in terms of Budget constraints, time, and some respondents may unable respond questionnaire. The researcher is hopes that overcome those limitations in order to reach to the valuable study finding.

1.8. Organization of the Paper

This thesis is organized into four chapters to assess investigate major factors that affect the Factors Influencing Loan Repayment Performance of Youth Revolving Credit fund Program in Bale Zone Goba Wereda. Chapter one discusses about introduction of the study that consist statement of the problem; objective of the study hypotheses of the study and significance, scope and limitation of the study of the study. Chapter two presents the reviews of literature about factors that affect the performance of youth revolving credit fund. Chapter three deals related research methodology which describes about the research design, sampling design, sources of data, data collection methods, method of data analysis, ethical consideration and gender consideration. The fourth chapter outlines data presentation, analysis, and interpretations; and finally, the fifth chapter deals with the summary, conclusion, recommendations and recommendations for further research.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Introduction

This chapter focuses on explaining the concept of Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program, in line with their definition, different theories. In addition to this, a detailed review of empirical studies on Youth Revolving Credit

Fund Program is discussed. It is helpful to provide the reader with relevant theories and previous studies related to the study area.

2.2. Theoretical Literature Review

2.2.1. Definitions of Revolving Fund

Revolving fund is defined as a fund whereby money is lent out to clients (poor women and men), collected, and re-lent. As the fund is replenished with loan repayments, money revolves so that the fund can continue to serve clients over time. Revolving funds are often also called credit lines or credit components. According to European Commission, 2008 guide line, revolving funds have often been part of a larger development project, which may focus on a variety of domains, such as agriculture, community development, infrastructure, irrigation, health, environment, post-conflict rehabilitation, vocational education, and social services. In many cases, the credit was targeted to a particular group of people for a specific purpose. For example, a revolving fund targeted small farmers in a specified region for the purchase of certain agricultural inputs. Or, a fund targeted women of a certain age group to change behavior with regard to family planning. The following actors are involved in managing and using revolving funds:

Grant Beneficiary: the organization that is the recipient of the grant funding for the revolving fund Management Agency: the institution that manages the revolving fund and on-lends it to end clients (final beneficiaries). This can be a financial institution (such as a bank or a microfinance institution), an organization with a social mission (such as an association, a local non-government organization, or a cooperative), a government agency, or in certain ongoing projects even a Program Management Unit. The Grant Beneficiary and Management Agency can be the same organization.

Final Beneficiaries: recipients of loans made from the revolving fund; they are also responsible for repaying the loans (European Commission, 2008)

2.2.2. General Overview of revolving fund

As we see different literature related to revolving fund dose not clearly stated the historical background of RLF, but revolving fund program was popular throughout the world according to (Kenneth, 1969) the revolving fund method accumulating for capital financing was first formalized in Europe in early nineteen century the RLF used to motivated agricultures to fit the gap of inputs and materials to locale community. In USA revolving loan were first used early 1970 the fund is one of the tools of federal government they used to provide access to create business, hence, the major objective of RLF program is to correct market imperfection second to promote social market and to stabilize economic activity (States, 1997).

However, the country used RLF program in different objectives for example Indonesia use RLF to financing small and micro enterprise (Nugroho et al., 2018) Uganda use RLF for support agricultural activity (Baluka, 2018), The RDF/revolving drug fund/ of the Ministry of Health in Khartoum state, the Sudan, was implemented with the financial support of Save the Children (in the United Kingdom) to improve chronic shortages of medicines in public health centers (Ali, 2009).

Ethiopia has introduced youth revolving fund program in 2017 in country level and it supported by proclamation No 993 Youth unemployment challenge has been a pressing issue for the Ethiopia government for a long period of time, but at no other time has it become such an issue of national concern. The churning out of innumerable graduates from a rapidly mushrooming out higher education institutions, wedded with the lack of jobs in both rural and urban areas, has fomented political instability in all states and city administrations, leading to injuries, destructions and even deaths. To address the problem, Ethiopia has announced an ETB 10(ten) billion Birr revolving youth fund and also Goba Wereda Administration has allocated a 5,823,157.27 for unemployed youth to help youths create the opportunities.

Oromia Credit and Saving Institution were given the responsibility to manage this finance. The previous loan policy was not easily accessible for the unemployed youth. In order to access it, they had to be organized in a group which comprises four or five individuals. As a result, in previous the process took a very long time and tested the patience of the youth. The youth were also required to save 10 percent of the total amount of loan they want. This requirement had also discouraged section of the youth who could not by any means save the required amount. The new loan policy has reduced the required saving to five percent Credit (Alemu, 2021).

2.2.3. Measurements of Revolving fund program Performance /Loan repayment performance/

Performance targets is included both quantitative aspects (such as budgets) and qualitative aspects (such as uninterrupted service). Quantitative targets is indicate the financial performance of each business line of the organization. Some projects or programs provide communities or other social groups with funds to finance loans to their members. When such funds are handled by the community itself rather than by a formal institution, record-keeping may be limited, so that it is often impossible to measure financial sustainability. (European Commission, 2008), However, the performance of revolving fund measure according to 1 Breadth of outreach /how many clients are being served? 2. Outreach Depth/Client poverty level. It measures the poverty levels of the beneficiary this indicator should be expressed as a percentage of per capita GDP. 3Portfolio quality/Collection performance it measures the performance of repayments of revolving fund this performance measurement indicator is further discussed below (Rosenberg, 2009).

2.3. Breadth of outreach

According to World Bank document Rosenberg (2009) the best measurement of outreach is straightforward: The number of clients or accounts that are active at a given point in time. The number of active clients includes borrowers, depositors, and other clients who are currently accessing any financial services. This indicator is more useful than the cumulative number of loans made or clients served during a period. Among other distortions, cumulative numbers make an MFI that offers short-term loans look better than one that provides longer term loans, even though the latter may be more valuable for borrowers. To reflect actual service delivery, membership-based organizations should report on active clients, not just the number of members: members may be inactive for long periods, especially in financial cooperatives. According to this in Goba Town how much youths are benefited or actively participated. Therefore, Breadth of outreach shows as the performance of fund program according to the numbers of beneficiaries with their objectives. According to the City Administration document, the revolving fund will be used to create jobs for about 700 thousand unemployed youth in the capital (Credit and Alemu, 2021).

2.3.1. Depth of outreach/Client poverty level

Average Outstanding Balance is roughly related to client poverty, because better off clients tend to be uninterested in smaller loans. But the correlation between loan balances and poverty is far from precise. Low loan sizes may be indicative of a poor clientele but not necessarily in all cases. Likewise, growth in average loan size does not necessarily mean that a MFI is suffering mission drift. As an MFI matures and growth slows, a lower percentage of its clients are first-time borrowers, and average loan sizes is rise even if there has been no shift in the market it is serving. Funders who want to reach very poor clients should usually look for MFIs that are already committed to a low-end clientele, rather than trying to encourage higher-end MFIs to change their market. Most MFIs that focus on the very poor use established tools to screen potential clients by income level. Therefore, Depth of outreach answers dose the fund reduces the poverty among the clients.

2.3.2. Portfolio quality/Collection performances or Repayment

According to (European Commission, 2008) Measuring repayment is crucial for revolving loan funds, because they are so prone to repayment problems (most externally financed revolving funds do not revolve for very long). Even if the purpose of the activity is to get resources into the hands of the community rather than to set up a permanent financial facility, a revolving fund with high default is not a good vehicle for the resource transfer. The distribution of benefits is likely to be inequitable, because the defaulters appropriate most of the value of the fund. Loans that do not have to be repaid are much more likely to be captured by local elites. Furthermore, distributing loans that don't get repaid can do harm by creating a culture of nonpayment that makes it difficult for responsible, sustainable lenders to serve the population involved. For these and other reasons, no revolving funds should be set up without ensuring at the very least that there is a system in place to track loan collection performance. Two of the collection measures described above loans at risk (LAR) and current recovery rate (CRR) can be maintained using simple manual systems.

2.3.3. Administration/management/ practice

According to Jayarathna and Weerakkody (2014) administration of an organization means facilitates planning, organizing, directing and controlling the activities across the organization to achieve the organizational success. An organization pays key attention on these administrative practices, since it has a direct impact on the employees' job performance, hence the senior managers as well the middle managers ensure that certain information flows and resources are employs efficiently across the organization. Though there are several practices in an organization.

Revolving fund is a pool of money belonging to a number of different youths to which is used to create a job administrate has the significant role of the performance. The administrator and manager can accurately distribute the fund to debtors. They distribute the fund selectively. Selection of debtors is one of the duties and responsibility of administrator which lead to the successfulness of the fund. Administrator or manager 's will have poor capability in management, they will fail to successfully accordingly, the administrator or manager has failed to make the required activities such as comprehensive assessment to debtors before approval is granted. Without careful and thorough assessment to debtors, the administrator/manager has granted the loan to debtors. The administrator/manager may not prepare periodical financial report; the administrator/manager has also failed to analyze the financial situation of debtor. Therefore, if the administrator poorly administers the fund many debtors fail to repay the loan, according to this the administrator and manager must capable to administer the fund. In Ethiopian different government Stakeholders have their duty and responsibility according to federal gazette (Fund, 2017) and (Getahun and Fetene, 2020).

Ministry of Finance calculate and communicate to the Commercial Bank of Ethiopia the share of each state from the proceeds of the fund on the basis of the size of the youth population of each state; Determine, in consultation with the appropriate entities, the terms and conditions under which the bank transfers the proceeds of the fund to beneficiaries through micro financing institutions; and Integrate the statement and reports on the utilization of the proceeds of the fund received from the bank into the consolidated Regional states were expected to identify youth who qualify to benefit in accordance with the Proclamation and organize youth under income generating activities where necessary, facilitate the provision of technical, professional and business development training and consultancy services to beneficiaries, facilitate the provision of technical assistance to beneficiaries in project preparation and evaluate, in cooperation with appropriate entities, the income generating project proposals of beneficiaries and communicate the accepted projects with a support document to micro financing institutions or the bank, as the case may be and finally follow up and evaluate the execution of beneficiaries‘ projects; prepare semi-annual and annual reports and submit same to the Ministry of Youth and Sport.

Commercial Bank of Ethiopia (CBE) was required to transfer the proceeds of the fund to beneficiaries through micro financing institutions, submit to the Ministry every six month a consolidate report of the utilization of the proceeds of the fund. The micro financing institutions were required to enter into an agreement with and provide the required amount of loan to beneficiaries in accordance with the terms and conditions set out by the Ministry upon receipt of income generating project documents of beneficiaries evaluated and approved by the appropriate authority and where it is deemed satisfactory and feasible

The Ministry of Women, Children and Youth will be coordinate the activities of the appropriate authorities with regard to the utilization of the fund and render the necessary assistance thereto and e valuate the semi-annual and annual reports on the implementation of beneficiaries' projects it receives from the appropriate authorities and submit an annual consolidated report to the Council of Ministers and the House of Peoples Representatives.

Performance management is a process that enables employees to perform their roles to the best of their abilities with the aim of achieving or exceeding established targets and standards that are directly linked with the organization ‘s objectives. Performance management is posited as a strategic management technique that supports the overall business goals of the firm through linking each individual ‘s work goals to the overall mission of the firm (Rausch, 2011). Therefore, in this study we will be focusing on different government program.

2.4. Factors Influencing the Loan Repayment Performance

2.4.1. Age and Loan Repayment Performance

Most of the old aged is less motivated to save and borrower while the young may incline to save or borrow more for investment. Some available theoretical discussion had been explaining the influence of the age of the owner/manager on MSEs growth. Accordingly, they advocate for the younger owner/manager. Thus, the arguments were based on the fact that the younger owner/manager has the necessary motivation, energy and commitment to work and is more willing to take. The possible reason stated by them is that the older owner/manager is likely to have reached his/her initial aspiration when compared with the younger individuals. They also added in the literature that younger individuals may be more willing to take risks and grow their business. Relying on Federico et.al argument, a younger individual owner- manager may have a higher need for additional income than the older individual. However, though younger individuals' owner-managers have more inspiration to expand their business, they also may have fewer financial resources and fewer networks. By summing, according to Francisco and Roberto, (2007) the limited empirical evidence suggests that the owner-manager's age tends to be negatively related to growth of MSEs (Tesfaye, 2019).

2.4.2. Gender and Loan Repayment Performance

Gender can either be male or female. As some previous research analysis result suggested, male-headed MSEs are likely to expand more rapidly than female-headed MSEs. Even when controlling for other variables such as sector and location of enterprises, however, enterprises owned by women grew at a significantly slower rate. One of the explanations stated here for this difference is that enterprises owned by women are often engaged in more slowly growing sectors. Possible explanations for these gender differences include such factors as possible differences in the business objectives of females and males (Tesfaye,2019).

2.4.3. Loan Size and Loan Repayment Performance

Loan size is the amount of money permitted for the borrowers. In case, the amount of money permitted/lent to borrowers have any influence or not was evaluated using this variable. In order to operate the investment with its full capacity and cover all necessary costs, sufficient amount of money is required Fikirte (2011) noted that efficient loan sizes fit borrowers' repayment capacity and stimulate enterprise. If amount of loan released is enough for the purposes intended, it will have a positive impact on the borrower 's capacity to repay. If on the other hand the amount of loan exceeds what the borrower needs and can handle, it will be more of a burden than help, thereby undermining repayment performance. Also positive or negative sign may be expected if the loan is too small. If the loan is too small it may be easy to repay such loans thus enhancing performance (i.e. positive sign). However, too small loan may not bring commitment on borrowers to use the loan productively Fikirte (2011). It may also encourage borrowers to divert the loan to other purposes, increasing credit risk and undermining performance.

As the absolute amount of the loan increases, the authority to delegate responsibility for it is more limited and the decision is made further up the management hierarchy of the bank. Furthermore, it is also argued that smaller amounts of loans are insufficient creating cash flow problems to the borrowers, significantly affecting the project.

2.4.4. Repayment period and Loan Repayment Performance

The pay period and method of paying back should be determined early and understood by both parties (lender and borrower) since the payback period can be used as a decision criterion to accept or reject the investment proposals. Timeliness of loan release: this variable was found to influence positively and significantly the borrowers' loan repayment rate at significance level. Loan which is timely disbursed used for the intended yet productive purposes. The complex loan processing procedures which might delay payout, most likely have high default rate. So when loans are timely disbursed it can increase the repayment performance of borrowers. This result is also agreed with findings of Kibrom, (2000) and Medihin,(2015).

2.4.5. Level of Education and Loan Repayment performance

Education is one of the factors that impact positively on growth of businesses. King and McGrath (2002) in their study suggest that those with more education and training are more likely to be successful in the micro enterprise sector. They also summarized that the entrepreneurs with higher education level and experiences have greater chances of succeeding than the people without education and experiences. Education and training are found to have positive impacts on the performance of the microenterprises indicating the higher the education and training facilities for the entrepreneurs the higher the performances of the enterprises Zainal. A (2011). According to Chemmanur and Paeglis (2005), well-educated micro entrepreneurs are better endowed with technical skills and business insight, which in turn is expected to have a positive impact on performance.

2.4.6. Business Experience and Loan Repayment performance

Management experience may provide entrepreneurs with prior knowledge of markets, ways to serve markets, and of customer problems. Zeleke (2009) conducts a study on the efficiency of management as a determinant of long-term survival in micro, small and medium enterprises in Ethiopia, and his research ascertains that high level of managerial skills significantly promotes long-term survival and profitability in small businesses and enterprises. Successful businesses are significantly associated with the ability to generate profit on a sustainable basis. Profitability has enabled successful businesses to achieve their next level of growth as well as the potential to stay competitive in business (Mizan, 2018).

2.4.7. Financial knowledge and Loan Repayment performance

Financial literacy helps in empowering and educating investors so that they are knowledgeable about finance in a way that is relevant to their business and enables them to use this knowledge to evaluate products and make informed decisions. It is widely expected that greater financial knowledge would help overcome recent difficulties in advanced credit markets. Financial literacy prepares investors for tough financial times, through strategies that mitigate risk such as accumulating savings, diversifying assets, and purchasing insurance. Individuals with the financial knowledge necessary to create household budgets, initiate savings plans, and make strategic investment decisions (Kipkinyor and Wahome, 2016).

2.4.8. Types of business and Loan Repayment performance

According to Walz et al., (2016) Starting a business takes talent, determination, hard work, and persistence. It also requires a lot of research and planning. Before starting the business, the entrepreneur must appraise the strengths and weaknesses and assess the objectives of the business. However, before starting the business the entrepreneur will be make decisions, hence, there are the basic questions must address: such as what, exactly, is my business idea? Is it feasible? What industry do I want to enter? What will be my competitive advantage? , Do I want to start a new business, buy an existing one, or buy a franchise? What form of business organization do I want? Therefore, they must answer this question before started the business and formulated business in order to success the business.

According to Colleg (2017) there are mainly 3 types of business which is sole proprietorship, partnership and A corporation hence, they have Owen characteristic ‘s A sole proprietorship is a type of business ownership in which a single individual owns the business, collects all profit from it, and has unlimited liability for its debt. The sole proprietorship is the simplest and least expensive option for business ownership. Because the owner and the business are one and the same, business income and costs are reported on the owner ‘s personal income tax return. Therefore, in a sole proprietorship, only one individual is responsible for the business and it has unlimited liability for any business debts

A partnership is a second type of business organization in which at least two individuals share the management, profit, and liability. This type is having two types which is general and limited partnership. In a general partnership, all partners have unlimited liability and in A limited partnership is structured so that at least one partner (the general partner) has limited liability for the debts of the business. General partnerships rely on the entrepreneurial skills and financial backing of at least two individuals. Because general partners have unlimited liability, they risk losing personal money and possessions to pay business

A corporation type of business ownership in which the business is considered a type of person‖ (or entity) under the law and limited liability is granted to the business owner(s) debts, and it characterized as the owners of a corporation are called its shareholders or stockholders. The share of stock is a unit of ownership in a corporation; each share may earn its owner a dividend, which is a portion of the corporation ‘s profit. Shareholders have a limited liability and they risk only the money they invested in the corporation.

2.5. Empirical Reviews

Joyce (2015) was done the study on factors influencing repayment of youth enterprise development fund loans by youth groups in chepalungu constituency, Bomet County, Kenya. To achieve the study objective the author was used descriptive survey design and the target population was 1832 respondents with a sample size of 305 comprising of 244 members and 61 youth group officials. Random sampling was used to identify 21 youth groups in the population. Questionnaires, and interview schedule were used to collect data and a pre-test of one tenth of the sample was taken to pilot the study. Descriptive statistics using percentages and frequencies was used to analyze data and then presented in tables. The findings indicated that funding process influenced loan repayment as the it took long before groups accessed funds. Group dynamics influenced repayment as groups had power struggles which affected cohesion and harmony in their project's performance. Entrepreneurial culture influenced repayment as the businesses collapsed leaving the groups with no money for repayment and lastly lack of adequate training before disbursement of loans influenced loan repayment as youth groups lacked necessary business skills.

Kipkinyor and Wahome (2016) were done the study on determinants of repayment of youth enterprise development fund loans in ol kalou constituency, Kenya. To achieve the study objective the authors were used descriptive research whose target population was 75 group leaders and three DDOs, and three DYOs in the Constituency. A sample of 63 respondents was drawn using simple random sampling. Data was collected through self-administered questionnaires and analyzed by descriptive analysis using SPSS 22. The study found that the disbursed loan amount is sufficient to improve the youth welfare, the grace period given is sufficient, loan repayment duration has been sufficient. They also agreed that the loan amount lend leads to slow repayment of loan and that the avenues of payment are efficient. The amount of loans disbursed is adequate. A significant proportion of the groups had not received training prior to being given loan. The study concludes that government's introduction of an entrepreneurship development fund with a view of encouraging the youth to venture into self-employment, is very generous move. Training should be given to groups before any government funding. Adequate resources in terms of additional personnel and funds should be provided to enable smooth monitoring of all funded youth groups.

Abdul *et al*., (2017) were done the study on Analysis of Determinants of Revolving Credit for Small and Medium Construction Enterprises: A Case of Gauteng Province the study identifies independent variables i.e. gender, age group, current position, organization ownership, tax number, location and collateral. The study found that SMEs are stifled from accessing credit because of lack of collateral/security, lack of cash flow statement and owners' equity despite the results suggesting that majority of SMEs received the full credit they applied for compared to those who did not receive the full credit. However, this is still alarming as partial credit can hinder the progress of these organizations economically and also the researcher concludes SMEs to access full credit from the financial institutions age group, current position in the organization of the respondent applying for credit predicated full accessibility. Furthermore, tax number and location of the business in the Gauteng province were also predicators of full credit accessibility

Sigei (2017) was done the study on factors influencing youth enterprise development fund loan repayment among youth in Kenya: To achieve the study objective the author reviewed relevant literature on Microenterprise funds and factors influencing loan repayment performance which included the business factors, loan factors and the group dynamics. The study adopted a descriptive research design. All the 221 funded youth groups in Konoin constituency formed the target population. Cluster sampling and random sampling techniques were applied to select 134 youth. Questionnaires were used to collect the data. The data collected was analyzed using descriptive analysis technique using SPSS. A multiple regression model was used to determine whether there is relationship between loan factors, business factor and group dynamics on the YEDF loan repayment. The findings were presented using charts, tables, percentages, frequencies and mean scores. The study results indicated that loan factors were significant in explaining loan repayment. Loan factors influencing loan repayment to a very great extent included training on the usage of loan, loan access procedures, loan supervision, loan diversion, and loan size. The study also established that business factors significantly influenced YEDF loan repayment performance. Poor proceeds from the business, business experience, and location of the business, inadequate capital, and nature of business, age of the business and size of the business were the majors that had a significant effect on loan repayment. The study results revealed that group dynamics significantly influence YEDF loan repayment. Group factors affecting loan repayment significantly included lack of trust among members, attitude of members and officials, group internal rules and regulations, peer pressure, group formation, group size and group family composition. The following recommendations were made. First, the youth that are advanced loans should be trained on basic financial management and business planning skills. Moreover, the government should supervise and monitor the businesses that benefit from the loans. Secondly, the national and county governments should have business and youth support centers where the youth that are starting small businesses are mentored and developed. Lastly, youth should improve their skills and have an impetus of risk taking.

Baluka (2018) was done the study on assessment of agricultural revolving fund performance in rural Uganda. The main objective of the study is to understand or analyses the factors that influenced access to agricultural inputs among farmers ‘groups. The researchers identify variables such as Cost of inputs, knowledge on repayment, grace period and group size, interest rate and experience. According to this the study conclude that cost of inputs, knowledge on repayment, grace period and group size significantly influenced access to inputs. While the interest rate and experience in managing savings and credit significantly influenced access to cash loans from the farmers ‘groups. Savings and credit management experience, sufficient grace period and location of the farmers significantly influenced repayment for the inputs.

Njoki (2019) was done the study on determinants of loan repayment of government funding to vulnerable groups, a case of Biashara fund in Kiambu County, Kenya. To achieve the study objective the author was targeted youth, women and persons with disability with emphasis on 60 groups and 865 individuals drawn across the 10 sub-counties in Kiambu County. The target category had advanced loans by the Biashara Fund from 2014 to 2017. A sample of 274 participants was used and was selected using stratified and simple random sampling. The study used a questionnaire as the sole primary data collection instrument. Data was analyzed using the Statistical Package for Social Sciences where both descriptive and inferential statistics were employed. Standard deviation means frequency tables, histogram pie chart, graphs and percentages. Further inferential statistics were applied using regression analysis. The study established a relationship between group leadership and loan repayment of government funding by venerable groups accessing Biashara Fund in Kiambu County. The study findings show that there is a significant negative relationship between the amounts of credit borrowed and loan repayment of government funding by venerable groups accessing Biashara Fund in Kiambu County. The study concludes that there is a relationship between loan size and capacity to repay. The study also concludes that most of the youth, women and persons with disability were partially conversant with the Biashara loan rules. Policy makers need to come up with viable interventions to stimulate and create an enabling economic environment for innovation and business competitiveness, hence inducing performance of youth, women and disabled business projects. The youth, women and disabled problem thus requires properly planned well-structured and broad-based programs. The study recommends that adequate liquidity should be ensured as depositors and borrowers should be able to access funds without subjecting the institutions to solvency and attainment of acceptable rates of return. Research and academicians with an interest in entrepreneurship and startup funding as they will understand the issues rose for future research.

Sendeku (2020) was done the study on an assessment of the contribution of revolving fund for youth employment opportunities: a case of lideta sub city. To achieve the study objective the descriptive study was employed to complete the objectives of this paper. In order to get relevant data from the target populations both quantitative and qualitative methods were used. So, instruments which were used to collect the data from the selected samples were questionnaire for MSEs as a major tool and focus group discussion for officials in Lideta Sub-City as a supportive tool. A total of 100 MSEs Members were selected to be the subjects of the study and other participants of focus group discussion who have connection in the sector. The data collected through questionnaires were analyzed using SPSS and figures and qualitative method of data analysis were executed to the data collected from focus group discussion. Both the qualitative and quantitative data were analyzed together according to the situation permits and due to convenience. The results of the study generally indicated that people starting MSEs under YRF were facing numerous difficulties both at startup and during the operation. The study indicated that lack of sufficient finance is the main problem of businesses followed by lack of managerial training and experience, lack of right business location, poor market access and information, shortage of working capital, infrastructure constraints and limitations from government rules and regulations. Finally, the study concludes YRF is not on the right truck to absorb youth unemployment and generate income to the economy, so the possible recommendations to alleviate the problems is all concerned organs should integrate and work jointly on youth revolving fund. Trainings like skill gap, perception towards organizing and awareness on the importance of MSEs should be prepared and delivered by government and micro financial institutions. Youth beneficiaries should build strong saving habit and use the fund for the intended purpose. Finally, both government loan providers should arrange special lending and repayment system.

Mirutse (2021) was done the study on factors influencing the performance of youth revolving credit fund program in Addis Ababa. To achieve the study objective 144 beneficiaries or respondent were included descriptive and logit regression model were employed and 9 variables was used to econometric model the result shows that to make business effective, the availability of sufficient loan size is one important factor. In this research shows that the revolving loan fund is not sufficient to do all the business and also the borrowers did not have interested to repay the loan because one of reason is the , weak legal enforcement for defaulters, low supervision by the stakeholder and also some reason is cost of doing business is higher than the revenue and some demography factors such as age, educational level gender affect the performance of revolving fund and the study has found that the collateral used by the loan providers were found to be reasonable for the majority of the borrowers and there is absence of market survey and continuous training and supervision hence ,this is the factors of the performance of RLF and thus, in logit model results shows that preferred amount of loan, administration supervision, levels of education, market survey and age is positive and business form and gender is negative relationships with the RLF repayment performance and it is recommended that the government and relevant body's needs to focus on monitoring loan utilization systems of borrowers and technical support needs of the target borrowers through delivering better awareness creation to organize the more viable borrowers, screaming the borrower effectively, make a market survey before borrowing or starting the business ,close supervision and follow-ups and strengthening their internal and external weaknesses though better integration with key partner stakeholders.

2.6. Research Gap

Revolving fund is a pool of money belonging to a number of different youths to which is used to create a job. However, the current study is concerned on the Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda. Based on the above literature reviews the following research gap is concluded.

This study is different with that of (Joyce, 2015) by employing both explanatory and descriptive research approach, logit model to obtain reliable finding, incorporating more variables in the model, incorporating more variables such age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business in those affect the Loan Repayment Performance of Youth Revolving Credit fund in the study area which is Ethiopia, Goba Wereda. This study is also different with that of Kipkinyor and Wahome (2016) by employing both explanatory and descriptive research approach, logit model to obtain reliable finding, incorporating more variables in the model, incorporating more variables such age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business in those affect the Factors Influencing Loan Repayment Performance of Youth Revolving Credit fund Program in Bale Zone Goba Wereda.

This study is different with that of (Abdul et al., 2017) by employing both explanatory and descriptive research approach, logit model to obtain reliable finding, incorporating more variables in the model, incorporating more variables such loan size, repayment period, educational level, business experience, financial knowledge and type of business in those affect the Loan Repayment Performance of Youth Revolving Credit fund in the study area which is Ethiopia, Goba Werda. This study is also different with that of Baluka (2018) by employing both explanatory and descriptive research approach, logit model to obtain reliable finding, incorporating more variables in the model, incorporating more variables such age, gender, loan size, educational level, business experience, financial knowledge and type of business in those affect the Loan Repayment Performance of Youth Revolving Credit fund in the study area which is Ethiopia, Goba Werda. This study also different with that of Njoki, (2019) by employing both explanatory and descriptive research approach, logit model to obtain reliable finding, incorporating more variables in the model, incorporating more variables such age, loan size, repayment period, educational level, business experience, financial knowledge and type of business in those Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda.

This study is different with that of Sendeku (2020) by employing both explanatory and descriptive research approach, logit model to obtain reliable finding, incorporating more variables in the model, incorporating more variables such age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business in those affect the Loan Repayment Performance of Youth Revolving Credit fund in the study area which is Ethiopia, Goba Wereda. This study is also different with that of Mirutse, (2021) by employing both explanatory and descriptive research approach, incorporating more variables in the model, incorporating more variables such repayment period, business experience, financial knowledge and type of business in those Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda.

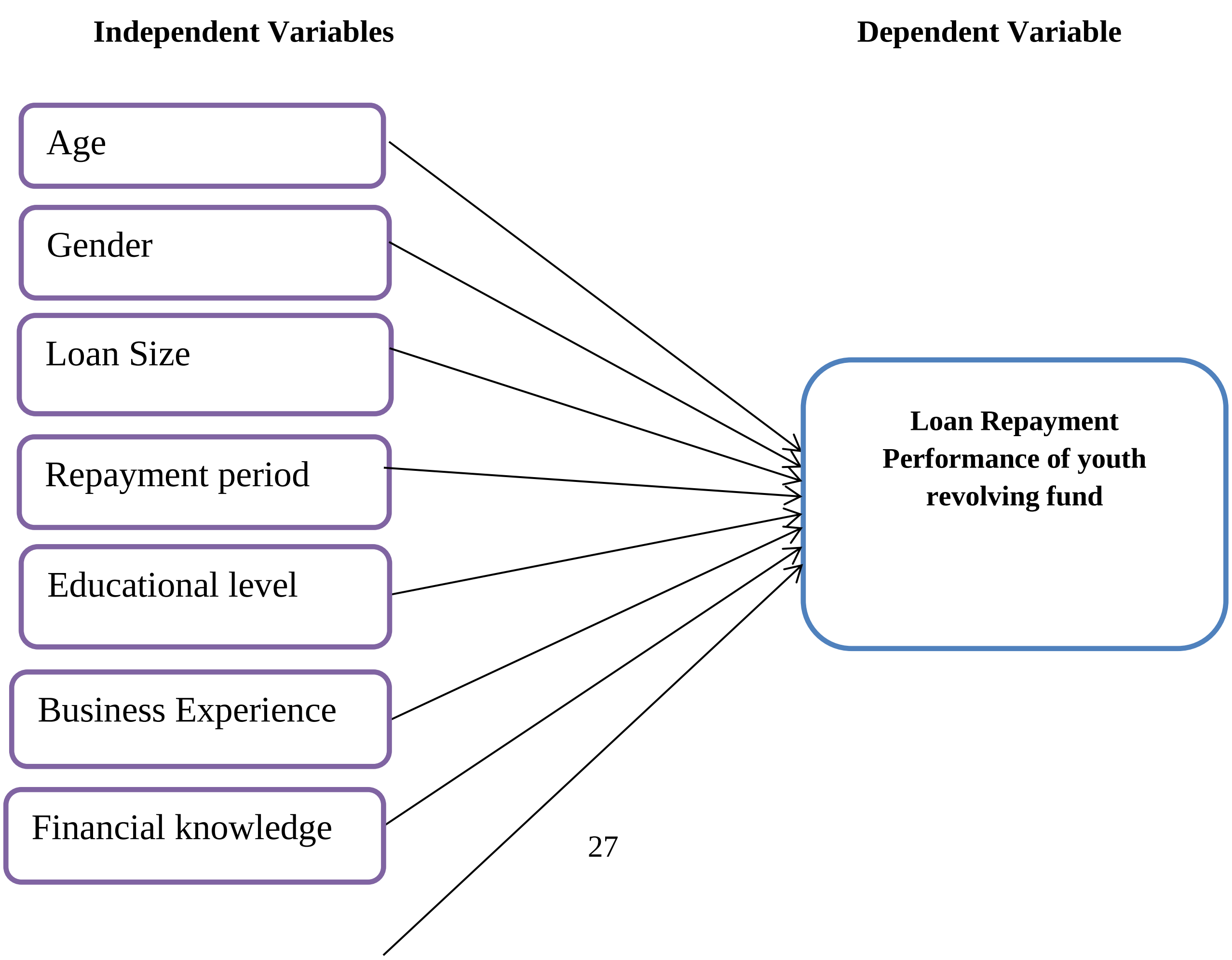
Amanuel (2020) was conducted the study on determinants of revolving fund loan repayment performance of youth groups in the case of Gondar City, Amhara national regional state, Ethiopia. To achieve the study objective the author was used primarily data was collected from respondents through structured questionnaire and secondary data was collected from different literature sources. A multi-stage sampling technique was used to select respondents. Among 6 sub-cities, 3 sub-cities were selected randomly. Again, a simple random sampling technique was applied to select three kebeles i.e. one kebele from each sub-city. At third stage, youth groups were stratified into loan defaulter and non-loan defaulter in the sampled kebeles. Finally, a total of 108 youth groups were selected from each stratum by a simple random sampling technique. This study was used a cross-sectional survey method of research design and it applied both descriptive and correlation or explanatory research approaches for the data collected through questionnaire. Both descriptive statistics and Econometric model were employed to analysis the data. As the researcher loan repayment was affected negatively by sex of the group leaders whereas it was positively affected by age of the group leader, tertiary and above education level, group formation process, loan repayment period, training, and business experience. In addition, the rate of loan repayment was affected negatively by sex of the group leader whereas it was positively affected by group formation process, peer support, repayment period, training and business experience. Loan repayment period suitability was found to significantly increase the probability and the rate of loan repayment. Therefore, MFI better to revise the loan repayment period and scheduled the time to collect the loan that would be suitable for selling the output of their business, so a flexible repayment period should be designed in order to improve the existing rate of repayment.

Finally, the researcher is initiated to conduct this study to fill above-mentioned knowledge, time, methodology, and literature and area related to gap regarding the Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda and contributes to the body of knowledge. Therefore, this research will be contributed towards filling the gap by identifying and analyzing the Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda by considering the independent variables such as age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business in those

Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in the study area.

2.7. Conceptual Framework

According to Creswell (2014) conceptual framework involves forming ideas about relationships between variables in the study and showing these relationships diagrammatically. This study adopted the conceptual framework as shown in figure below which demonstrates the relationship between the dependent variable and the independent variables. The relationship between one dependent variable and eight independent variables is shown in the conceptual framework on the following figure.



Type of business

Source: Own Formulated from Literature

CHAPTER THREE

3. Research Methodology

3.1. Description of the Study Area

The study was conducted in Goba Town Goba one of the towns of Bale zone, was established in 1970 and located in Oromia regional state. It is located to the Southeast of Ethiopia between the latitude and longitude of 7°39′N 59'E Coordinates: 7°39′N 59′E and an elevation of about 2743meters (8999 feet) above sea level. It is 446 km far from Addis Ababa (A.A). According to 2005 profile the total population was 32025. The Town is surrounded by Sinja in the North, Aloshe in the East, Fasil Sura in the South and Gama farmer associated in west.

3.2. Research Design

Research design is a procedural plan that is adopted by the researcher to answer questions validly, objectively, accurately and economically Learning and Cookbook (2011) and also it is a master plan specifying the methods and procedures for collecting and analyzing the needed information. It ensures that the study is relevant to the problem, different author suggested that there are three types of research design, namely exploratory (emphasizes discovery of ideas and insights), descriptive (concerned with determining the frequency with which an event occurs or relationship between variables) and explanatory (concerned with determining the cause-and-effect relationships).

In this study both explanatory (Causal) and descriptive design were used. Taking important of this the researcher was used explanatory research approach of doing research because it helps the researcher to explain the causality relationship between variables and measure the concepts quantitatively. The selection of this research design is appropriate for the study because it was established and analysis the factor influencing loan repayment performance of youth revolving fund in Goba Wereda.

3.3. Source of Data and Data

In order to achieve the objective of this study the researcher was used both primary and secondary data. For this study the primary data collection in the form of questionnaire which is the best instrument of survey was used. The study used questionnaires that was prepared in the form of Likert scale. The close-ended questions were covered the personal information, age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business-related questions. Secondary data: Secondary data were used as a source of data in this work to determine the performances of the youth revolving fund in the previous consecutive status of loan from such as documents, journals and publications reports of Sinqee Bank and other publications to support the primary data. The reason for choosing a survey method was more efficient and economical as compared to other methods such as observation (kothari, 2004).

3.4. Target Population

Population is the complete set of observation in relation to which would like to draw conclusions. It also the entire members from a formulation of people, events or objects that in real or hypothetical as researcher attempts to create a generalization of the finding from the results of the study. Target population of this study is covered 233 beneficiaries of revolving fund program in Goba Wereda.

3.5. Sample size and Sampling Techniques

Sampling is the process of selecting a sufficient number of elements from the population, so that a study of the sample and an understanding of its properties or characteristics would make it possible for us to generalize such properties or characteristics to the population elements. Sampling techniques are broadly categorized into two major types: Probability sampling methods and non-probability sampling methods. Probability sampling is also called as random sampling or representative sampling, in probability sampling every member of the population had a known (non-zero) probability of being included in the sample and Non-Probability Sampling Methods is also called as judgment or non-random sampling. Which means every unit of population does not get an equal chance of participation in the investigation.

Stratified random sampling was applied to get a representative number of the Town from all that was consider in this study. This technique is preferred because it is used to assist in minimizing bias when dealing with the population with this technique. The sample frame was organized into a relatively homogeneous group (Strata's), before selecting elements for the sample. This step increases the probability that the final sample was representative in terms of the stratified groups. Stratifying makes each sub-sample more homogeneous by eliminating the variation on the variable that is used for stratifying.

According to kothari (2004), the correct sample size in a study is dependent on the nature of the population and the purpose of the study. Although there are no general rules, the sample size usually depends on the population to be sampled. A sample is a small group of cases drawn from and used to represent the large group or whole population under investigation. To estimate the sample size or representative the use Yamane formula is used. Before formulated the formula state the population in selected Goba Wereda kebels then the researcher is determines the Sample size by using the formula proposed by Yamane (1967). So, the sample size for the study is calculated as follows and based on this the researcher was considering a level of acceptance margin of error is 5 %

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

Where,

N = total population

e = precision level (sampling error) Therefore, the desired sample was

$$n = \frac{233}{1 + 233\,(0.05)^2}$$

n= 147

As indicated in the above equation the population size of the study is 233 Therefore, the sample size was selected for the study under consideration is 147 which accounts around 63% of the total population. The sample size that is selected here is considered as representative and also large enough to allow for precision, confidence and generalize ability of the research findings. After calculating the total sample size, calculated sample size of the study questionnaires was distributed to each Goba Wereda kebels.

Table 3.1: Goba Wereda revolving fund beneficiary

Number	**Sub-Kebele**	**No of enterprise**		**Total number of enterprises**	**Sample**
		Male	**Female**		
1	W/Mishirgee	26	16	42	26
2	W/Toshaa	26	2	28	18
3	Itituu Suraa	11	5	16	10
4	Shedam	6	3	9	7
5	W/Qubsaa	6	0	6	4
6	Alooshee Xiloo	14	1	15	9
7	Rira	48	8	56	35
Total		**137**	**35**	**172**	**109**

Source: 2021 Oromia microfinance and saving institution (currently Sinqee Bank) report

Table 3.2: Goba Town revolving fund beneficiary

Number	**Sub-Kebele**	**No of enterprise**		**Total number of enterprise**	**Sample**
		Male	Female		
1	Cafee horaa	6	9	15	9
2	Odaa Bahaa	24	12	36	23
3	Odaa Bahaa Kibaa	7	2	10	6
Total		**38**	**23**	**61**	**38**

Source: 2021 Oromia microfinance and saving institution (currently Sinqee Bank) report

3.6. Methods of data collection

The researcher was collecting both primary and secondary sources of data so as to attain the specified research objectives. For this study the researcher was used primary data, specifically, survey technique of data gathering through using questionnaire.

3.7. Methods of Data Analysis

The data collected through the above stated techniques were analyzed and interpreted using both descriptive statistics and econometric analysis. Accordingly, the primary data were analyzed to establish the factors influencing loan repayment performance of youth revolving fund program in Goba Wereda using statistical package of SPSS22. To summarize demographic characteristics of respondents' charts, tables and percentages was used. The researcher was analyzed the data using descriptive statistics (frequencies, percentages, mean, and standard deviation) to obtain information on the factors affecting loan repayment performances revolving fund and binary logistic econometric model (logit) was used to identify the factors affecting loan repayment performance of youth revolving fund in Goba Wereda. Descriptive statistics were employed to analyze the data and the results were tested with non-parametric tests of significance, whereas econometric analysis, specifically binary logistic regression was used to identify statistically significant variables in relation to the dependent variable.

3.8. Model specification

For this research descriptive statistics is one of the techniques were used to summarize the data collected from the sample respondents. Frequency, table, mean, median, standard deviation and percentages were used for comparing defaulters and non-defaulters in various explanatory variables.

In addition, Binary Logistc Regrssion model is applied for analyzing the loan repayment performance youth revolving fund is a dependent variable, while age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business-related factors considered as independent variables.

The revolving fund Loan repayment is, therefore, a non-continuous dependent variable that does not satisfy the key assumptions in the linear regression analysis. When the dependent variable to be modeled is limited in its range, using ordinary least squares (OLS) may result in biased and inconsistent parameter estimates. To examine the factors affecting the performance of the fund loan repayment, discrete choice model should be used. Thus, the most widely used and appropriate qualitative response models are the logit models (Brooks, 2008).

The Logit model used for the estimation of performance of the fund loan repayment in the case of this study as a result the proxy of Loan Repayment performance indicated by Y = 1 means that the non-defaulter and y = 0 the individual is being defaulter.

$$log\frac{(yi=1)}{yi=0} = log\frac{(p(yi=1))}{1\text{-}p(yi=0)} = \beta0+xi'\beta$$

$$log\frac{(p(yi=1))}{1\text{-}p(yi=0)} = \beta0+xi'\beta+ui$$

$$\frac{(p(yi=1))}{1\text{-}p(yi=0)} = \exp\ \beta0+xi'\beta+u$$

$$p(yi=1)=(1\text{-}p(yi=1))^{\exp\ \beta0+xi'\beta+u}$$

$$p(yi=1)=\frac{(exp\ \beta0+xi'\beta+u)}{1+exp\ \beta0+xi'\beta+u}$$

$$p(yi=1)=\frac{(exp\ \beta0+xi'\square+u)}{1+exp\ \beta0+xi'\square+u}$$

Pi = β0 + β1X1+ β2X2 + β3X3+ β4X4+ β5X5+ β6X6+ β7X7+ β8X8 Ui

Where, Pi = the probability of an ith household is being non defaulter, Xi is the independent variable and Y = 1 means that the individual is non- defaulter and y = 0 the defaulter.

Where: β0 = Constant, βi = Coefficient of explanatory variable, X1 = Age, X2 = Gender, X3 = Loan Size, X4 = Repayment Period, X5 = Educational level, X6= Business Experience, X7 = Financial knowledge, X8 = Type of business, and Ui = error term.

LRP = Loan Repayment Performance of youth revolving fund

1. AG = Age
2. GR = Gender
3. LS = Loan Size
4. RP = Repayment period
5. EDL = Educational level

6. BE = Business Experience
7. FW = Financial knowledge
8. TOB = Type of business

Operationalization and Measurement of Variables

Table 3.2: Operationalization and Measurement of Variables

Dependent Variable	**Measurement**
Loan Repayment Performance (LRP)	1 , non- defaulter and y = 0 the defaulter
Independent Variables	**Measurement**
Age (AG)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)
Gender (GR)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)
Loan size (LS)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)
Repayment period (RP)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)
Educational level (EDL)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)
Business Experience (BE)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)
Financial knowledge (FW)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)
Type of business (TOB)	Five-point Likert scale (5 = strongly agree, 1 = strongly disagree)

3.9. Reliability test

Reliability and validity are two of the most vital factors that may be potentially considered in the process of evaluating or formulating a specific instrument (k0thari, 2004) Reliability is the extent to which a particular instrument is capable of measuring a set topic or reference phenomenon through population groups and time in a consistent manner (Creswell, 2014). In testing reliability piloting of the instruments were necessary hence 25 respondents are covered in pilot test this was determine whether the questionnaires needed any adjustment to fit the requirement of the study. In this study also tested using Cranach‘s alpha test of reliability with coefficients range from 0.00 to 1 to indicate the reliability of the questioners concerning the variables hence according to George and Mallery (2003) suggest that the acceptable value between 0.6 and 0.7 and they additionally state the acceptable level hence the value of cronbachs alpha is between 0.9 and 0.7 excellent, 0.7 and 0.6 good ,0.6 and 0.5 questionable and below 0. 5 poor, there for, all variables reached the acceptable level.

3.10. Ethical Consideration

The ethical issues for this research mainly related to all the data collected from Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Goba Wereda. Participants' willingness to respond genuinely for provided questioners were communicated and after data collection participants response confidentiality and secrecy has guaranteed, confidentiality about the information obtained from the organization was guaranteed according to the organization's policy. As much as possible ethical language was used in the questioners constructed and distributed to the respondents.

3.11. Gender consideration

Primarily, this study was emphasis to the involvement of females and males as part of the study. The researcher believes that for the research work was completed, it needs to have all around view which includes gender as one of the issues which can be directly as well as indirectly affected by the findings of the study.

CHAPTER FOUR

4. RESULTS AND DISCUSSION

In this chapter, data collected using survey method is analyzed. This section is containing descriptive statistical analysis is used to explain the demographic profile of the respondents, econometric model result that discussing factors influencing loan repayment performance of youth revolving credit fund program.

4.1. Survey distribution and response rates

This study was based on a survey of 147 respondents. The sample constitutes the target population which was calculated based on Yamane (1967) formula. Before all questionnaire were distributed to the sample respondents thirty (30) questionnaires were given to 30 respondents which have been checked for completeness, uncertainty and language. As a result, necessary adjustments were done before all data were collected using questionnaires. After that, the total of 147 questionnaires were administered and distributed to the whole respondents and at the end of the fieldwork, a total of 142 of questionnaires were returned that represents approximately 96.6% response rate and all questionnaires were used in the analysis. Kothari (2004) stated that, a response rate of 50% is sufficient, while a response rate greater than 70% is very good. This implies that based on these assertions; the response rate for this study was 96.6% which is reasonably very good.

To enhance the research ethics, the researcher was included all resulting responses on the outcomes of data collected during the study and make interpretations. The basic eight variables selected as factors affecting adoption of mobile banking services, analyses were performed by using statistical software package SPSS26. The hypothesis was tested at 95% confidence interval and the statistical outcome is discussed.

Table 4. 1: Sample size, returned and non-returned questionnaire

Table 4. 1: Sample, returned and non-returned questionnaire of Goba Wereda

Number	Sub-Kebele	Sample	Returned	Not Returned
1	W/Mishirgee	26	25	1
2	W/Toshaa	18	17	1
3	Itituu Suraa	10	10	-
4	Shedam	7	7	-
5	W/Qubsaa	4	4	-
6	Alooshee Xiloo	9	9	-
7	Rira	35	34	1
Total		**109**	**106**	**3**

Source: Own field survey, 2022

Table 4. 2: Sample, returned and non-returned questionnaire of Goba Town

Number		Sub-Kebele	Sample	Returned	Not Returned
1		Cafee hora	9	9	-
2		Odaa Bahaa	23	21	2
3		Odaa Bahaa Kibaa	6	6	-
	Total		**38**	**36**	**2**

Source: Own field survey, 2022

4.1. Demographic information of the respondents

Regarding the demographic information of the respondents' gender, age, level of education, and types of business which youth revolving credit fund program.

4.1.1. Gender of Respondents

Table 4.3: Gender distribution of Respondents

Gender		Frequency	Percent	Valid Percent	Cumulative Percent
	Female	44	31.0	31.0	31.0
Valid	Male	98	69.0	69.0	100.0
	Total	142	100.0	100.0	

Source: own computation from 2022 survey data

The gender of the respondents in the youths was as shown in table 4:3 of the total respondents 69% were male and 31% were female respondents. This indicate that the maximum of loan taker were males in the study area. This implies that the leading institution must to attention to men to create awareness.

4.1.2. Age of Respondents

Table 4.4: Age of respondents

Age		Frequency	Percent	Valid Percent	Cumulative Percent
	Less than 25 years	16	11	11	2.1
	25-34 Years	106	75	75	43.7
	35-44 Years	20	14	14	81.0
	Total	142	100.0	100.0	

Source: own computation from 2022 survey data

About the age group of the respondents, about (25 - 34) years which makes 75% of the respondents, followed by 35-44 years which make up 14% of the total respondents. The remaining 11% of the total respondents were in the above age group 45 years.

4.1.3. Education Level of respondents

Table 4.5: Educational level of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	38	26.8	26.8	26.8
	Degree	104	73.2	73.2	100.0
	Total	142	100.0	100.0	

Source: own computation from 2022 survey data

Concerning about the respondents' level of education, degree holder highest which is about 73.2% of the total respondents and followed by 26.8% of the respondents who had completed their diploma. In line with this, educated borrowers may develop the entrepreneurial skill and they may engage in new business.

4.1.4. Types of Business youth are engaged

Table 4.6: Types of Business youth are engaged

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Service	56	39.4	39.4	39.4
	Merchandising	53	37.3	37.3	76.8
	Manufacturing	7	4.9	4.9	81.7
	Construction	13	9.2	9.2	90.8
	Agriculture	13	9.2	9.2	100.0
	Total	142	100.0	100.0	

Source: own computation from 2022 survey data

Table 4.6 shows the share of the economy that youth groups operating under various income-generating activities. The youth groups were requested to indicate the type of business they were engaged in. Accordingly, majority of the respondents indicated that they were engaged in Service 39.34% and followed by Merchandising which accounted as 37.3%.

4.1.5. Monthly Income

Table 4.7: Monthly Income of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5,000	85	59.9	59.9	59.9
	Between 5,000 and 10,000	57	40.1	40.1	100.0
	Total	142	100.0	100.0	

Source: own computation from 2022 survey data

Table 4.7 shows monthly income of respondents. The youth groups were requested to indicate the monthly income they were earned. accordingly, majority of the respondents indicated that 59.9% of respondents stated their monthly income of less than 5,000 and followed by between 5,000 and 10,000 which accounted as 40.1%.

4.2. Diagnostics tests about assumptions of logistic regression analysis

According to Gregory and Foundation (2018) logistic regression does not require error terms (residuals) do not need to be normally distributed, homoscedasticity is not required and the dependent variable in logistic regression is measured in binary. However, still shares some assumptions with linear regression, with some additions of its assumption such as little or no multicollinearity among the independent variables.

4.2.1. Checking for the Problems of Multicolinearity

Multicollinearity means the existence of a "perfect" or exact, linear relationship among some or all explanatory variables Gujarati (2004). If multicollinearity is perfect, the regression coefficients of the explanatory variables are indeterminate and their standard errors are infinite. If multicollinearity is less than perfect, the regression coefficients, although determinate, possess large standard errors (in relation to the coefficients themselves), which means the coefficients cannot be estimated with great precision or accuracy. If there is no relationship between the explanatory variables (independent variable), they would be said to be orthogonal to one another. According to Gujarati (2004) multicollinearity could only be a problem if the pair-wise correlation coefficient among regresses is above 0.80. Therefore, for this study purpose to identify too highly correlated or not with each other of independent variables Correlation matrix was used as follows.

4.2.2. Correlation Analysis

The correlation coefficient describes the strength of the correlation between the variables. Testing the hypotheses, the P-value was compared with the level of significance (α=0.01). If the P-value is less than the level of significance, the hypothesis can be rejected. If the p-value is greater than the level of significance, the hypothesis is accepted. The values of the correlation of coefficient range between -1 and +1, indicating either a strong positive or negative correlation between the variables. Correlation coefficients between 0.0 to 0.4is seen as weak correlations, between 0.5 to 0.8 is a moderate correlation and above 0.8 a strong correlation (Anderson et al., 2010).

Table 4.8: Correlations among variables

LRP	Agr	GNDr	LNS	RP	BE	FW	TOB	EDULl	
LRP	1								
Agr	.645**	1							
	.000								
GNDr	.321**	.239**	1						
	.000	.004							
LNS	.119	-.110	-.051	1					
	.157	.192	.543						
RP	.609**	.388**	.215*	-.025	1				
	.000	.000	.010	.766					
BE	.171*	.214*	-.054	.084	-.065	1			
	.042	.011	.527	.323	.442				
FW	-.206*	.004	.062	-.138	-.220**	.170*	1		
	.014	.095	.464	.102	.008	.044			
TOB	.708**	.633**	.276**	.073	.332**	.316**	-.072	1	
	.000	.000	.001	.390	.000	.000	.393		
EDULl	-.422**	-.306**	-.055	-.148	-.430**	-.020	.094	-.239**	1
	.000	.000	.514	.079	.000	.811	.264	.004	

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

The correlation between Loan Repayment Performance of youth revolving fund and age, gender, loan size, repayment period and type of business have positively correlation. Hence, it can conclude that there is a positive relationship between age, gender, loan size, repayment period and type of business with Loan Repayment Performance of youth revolving fund.

The correlation between perceived educational level, business experience and financial knowledge and Loan Repayment Performance of youth revolving fund, which implies a negative correlation between the educational level, business experience and financial knowledge.

4.3. Econometrics result

To assess the main Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program the following independent variables were used to test their effect on the dependent variable of revolving fund loan repayment status. These variables include; age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business. The study used logistic regression model to evaluate the effect of dependent variable (Loan Repayment Performance youth resolving credit Fund) and independent variables namely age, gender, loan size, repayment period, educational level, business experience, financial knowledge and type of business. The result of the regression is shown below.

4.4. The goodness of the model

The Omnibus test of Model Coefficients

The Omnibus test of Model Coefficients is used to check that the new mode with explanatory variables included is an improvement over the baseline model. It uses chi-square tests to see if there is a significant difference between the log-likelihoods (specifically the -2lls) of the baseline model and the new model. If the new model has a significantly reduced -2ll compared to the baseline then it suggests that the new model is explaining more of the variance in the outcome and is an improvement. In other word Here the chi-square is highly significant (chi-square=150.363), Df=8, P less than .000). So, the model is significantly better.

Omnibus Tests of Model Coefficients

Table 4.9: Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	150.363	8	.000
	Block	150.363	8	.000
	Model	150.363	8	.000

Likelihood Ratio Test for logit Model

Model Summary

Under model summary we see that the -2 log likelihood statistic is 23.795[a], which tells us statistic measures how model predicts the decisions. R square values of Cox & Snell and Nagelkerke indicate how much variance in the dependent variable is explained by the model (from a minimum of 0 values to a maximum of approximately 1). These are described as pseudo-R square statistics, rather than the true values that you will see provided in the logit regression output. From the following table, between 65.3% and 92.4% of the variability is explained by this set of variables.

Table 4.10: Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	23.795[a]	.653	.924

a. Estimation terminated at iteration number 10 because parameter estimates changed by less than .001.

Table 4.11: Regression Result

		B	S.E.	Wald	Sig.	Exp(B)
Step 1[a]	Agr	3.729	1.319	7.991	.005	41.642
	GNDr	1.295	.742	3.044	.081	3.650
	LNS	2.924	1.366	4.584	.032	18.607
	RP	3.181	1.143	7.738	.005	24.068
	BE	-.198	.722	.075	.784	.820
	FW	-2.113	1.075	3.864	.049	.121
	TOB	3.507	1.168	9.012	.003	33.338
	EDULl	-2.705	1.423	3.615	.057	.067
	Constant	-26.364	9.512	7.681	.006	.000

Source: own computed from survey data, 2022

The results in Table 4.11 above shows that, eight Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program. The result showed that age, loan size, repayment period, financial knowledge and type of business factors have statistically significant effect on Loan Repayment Performance of Youth Revolving Credit Fund at 5% level. Whereas gender and educational level have statistically significant effect on Loan Repayment Performance of Youth Revolving Credit Fund at 10%. Finally, business experience statistically insignificant effect on Loan Repayment Performance of Youth Revolving Credit Fund.

4.5. Discussion on regression result

In this section presents detail analysis of the results for selected explanatory variables and their important of the revolving fund repayment states. According to the binary logit result the significant variable were different levels of significant which is discussed bellows,

The association between age and loan repayment performance status was positive and statistically at significant at 5% significant level. As a result, hypothesis 1 is accepted. This indicates for every one unit increase in age of borrowers, there is a predicted increase of 3.319 loan repayment status of the borrowers. Age of the borrowers 'was found to be positive as expected, which means as age increased, increase the performance of the repayments of revolving fund. The implication is that the borrowers were becomes elder, they might be more aware on the financial management and they feel responsibility. The implication is that the borrowers were becomes elder, they might be more aware on the financial management and they feel responsibility. This variable was significantly influence on the loan repayment performance. The possible reason is that aged borrowers may acquire more knowledge and experience during their life, and the increase in a year, also increase their honesties due to religions afraid, the person to repay the loan and to manage the loan properly than their counterpart young borrowers. This finding is similar with the finding of Amanuel (2020), Dawit, Fikadu and Badassa (2022) whose finds significant effect of age on loan repayment performance of youth resolving fund in the study area.

The result of regression analysis gender has a positive and significant influence on the loan repayment performance of revolving loan fund at 10% significant level. Therefore, hypothesis 2 is accepted. The coefficient of this variable was hypnotized to have positive sign but from the regression result the gender variable was positive influencing on loan repayment performance.

Being other factors held constant being females' borrowers are more repay their debt in time by 1.295 than males' borrowers. This is because of female borrower are not risk taker than male borrowers. This finding is similar with the finding of Amanuel (2020) , Fikadu and Debeli (2021) , Fikadu and Debeli (2021), Dawit , Fikadu and Badassa (2022) whose finds significant effect of gender on loan repayment performance of youth resolving fund in the study area.

Education level has negative and significant influence on loan repayment performance at 5% significant level. Hence, hypothesis 3 is accepted. This indicates for other factors being constant decrease in the levels of education of borrowers, the probability of being defaulter are increase by 2.07. The higher education levels enable the borrowers acquire more knowledge about the business that his efficiency in allocation of resources increases and so does the proper utilization of the loan. More educated owner is expected to use the loan effectively as compared to a less educated one. This indicates for increase the levels of education borrowers, the probability of being defaulter are decreased. This is most likely because more educated youth group leaders are better informed about the objective of revolving fund and have a better understanding of the advantages and disadvantages of loan repayment. Regardless of the change in other variables, as compared to the base category (read and write), being tertiary and above education level of the youth group leader would increase the probability of loan repayment. This finding is similar with the finding of Mikir and Milkessa (2020), Fikadu and Debeli (2021), Fikadu and Debeli (2021), Dawit, Fikadu and Badassa (2022) whose finds significant effect of education level on loan repayment performance of youth resolving fund in the study area.

Loan size has positive and significant effect on loan repayment performance resolving fund borrower's ant 5% significant level. As a result, 4 is accepted. This indicated that getting sufficient amount of loan increase the probability of the defaulting of loan. This indicate that the loan size positive relationship with the loan repayment performance it shows that increase the loan size likely increase the non-performing loan repayment capacity of the resolving und borrowers. Which means loan which is not taken as per work plan can a cause for being defaulter. When a borrower was not received a loan amount which is not as his/her work plans other things being constant his/her probability of being defaulter will increase by 2.824. This indicate that the loan size positive relationship with the LRP performance it shows that increase the loan size likely increase the loan repayment capacity of the LRP borrowers. This finding is similar with the finding of Njoki (2019), Mikir and Milkessa (2020), Yitbarek (2022), Megersa (2022) whose finds significant effect of loan size on loan repayment performance of youth resolving fund in the study area.

Repayment period has a positive and significant effect on loan repayment performance of revolving fund borrowers at 5% significant level. Therefore, hypothesis 5 is accepted. This indicated that other factors being constant for the change in 1 credit timely released, the probability of being creditworthy increases by 3.181. Meaning that as the requested loan is released to the borrower on time, there is a possibility that borrowers become successfully finance their business so that they are less likely to become defaulters. This result indicated that the repayment period that is not suitable for borrowers could adversely affects the business activities and then the profitability of the business, which in turn affects the repayment performance of the borrowers. This is highly anticipated since the availability of suitable loan repayment period offers the youth groups to have the opportunity of spreading loan burden in a manner that keeps pace with the cash flow of the enterprise. This implies that those borrowers who had a suitable loan repayment period reduce the rate of loan default as compared to their counterparts who had no suitable loan repayment period. This finding is similar with the finding of Mikir and Milkessa (2020), Yitbarek (2022), Megersa (2022) whose finds significant effect of repayment period on loan repayment performance of youth resolving fund in the study area.

Business experience has negative and insignificant effect on loan repayment performance of resolving fund at % significant level. Hence, 6 is rejected. The negative sign indicated that the less experience and talent of the borrower, the higher the risk loan repayment performance of borrowers. Managerial experience of a borrower and his/her loan repayment performance has positive relationship. Which means as the low borrower managerial experience other things held constant his/her probability to pay his/her loan will decrease by 0.198%. The result indicates that youth groups that have operated for a relatively shorter years, evidence less rate of loan repayment as compared to those youth groups who have long years of business experience. The reason may those who had long business experience have good skill and knowledge of managing and handling the financial aspects of their business are on a better situation that helped them to repay loans timely than those who never had such exposure. The reason is that borrowers who have longer business experience were more successful in their business because they have established consistent customers and stable sales compared to those borrowers who have just started their business.

Youths those have lack of experience in the business would be the more likely fail to repay their loan timely at the repayment schedule in the study area. has also similar conclusion that experienced borrowers have developed their credit utilization and management skills that helped them to pay loans timely. Therefore, the more the number of years in a business, the better would be the loan repayment performance. This finding is similar with the finding of Mirutse (2021) and Megersa (2022) whose finds significant effect of business experience on loan repayment performance of youth resolving fund in the study area.

Financial Knowledge has negative and significant effect on loan repayment performance at 5% significant level. Hence, hypothesis 7 is accepted. The implication is other factors being constant as financial Knowledge decrease by 1 loan repayment performance decrease by 2.113. This means that the better financially educated, the higher will be the probability of loan repayment performance of borrowers.

As the result of analysis of data through regression showed that type of business has positive and significant effect on loan repayment performance resolving fund of borrowers at 5% significant level. Therefore, hypothesis 8 is accepted. According to the result, borrowers who engaged in Service, merchanting, manufacturing, agriculture (Food Processing, wood and Metal work, Constructions and shop) business type have their own effect loan repayment performance. The maximum likelihood estimates of the logit regression model shows that borrowers engaged in food processing and shop somewhat better repayment performance than borrowers who engaged in the construction, urban agriculture wood and metal work This could be the fact that it is low risk business type compared to the other type of business because this can be preparing at home/ residence place of the borrowers and work place and shop distributed by the government. It is not needed some other special place for running the business. In addition, these were not required large amount of money for start up the business as compared to others business. This finding is similar with the finding of Mirutse (2021) who find significant effect of type of business on loan repayment performance of youth resolving fund in the study area.

Table 4.12: Summary of testing hypothesis

No	The effect of	Hypothesis	Result	Conclusion

H1	AG on LRP	Positive and Significant effect	Positive and Significant	Accepted
H2	GR on LRP	Positive and Significant effect	Positive and Significant	Accepted
H3	EDL on LRP	Negative and Significant effect	Positive and insignificant	Accepted
H4	LNS on LRP	Positive and Significant effect	Positive and insignificant	Accepted
H5	RP on LRP	Positive and Significant effect	Positive and insignificant	Accepted
H6	BE on LRP	Negative and insignificant effect	Negative and Significant	Rejected
H7	FW on LRP	Positive and Significant effect	Positive and Significant	Accepted
H8	TOB on AMB	Positive and Significant effect	Positive and Significant	Accepted

Source: Result of survey (2022)

CHAPTER FIVE

5. Summary, Conclusion and Recommendation

Introduction

This chapter presents summery of finding, conclusions and recommendations based on the analysis made in the previous chapter.

5.1. Summary of the finding

The major objective of the study was to assess factors influencing loan repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Wereda. To realize the study 147 objectives distributed a questionnaire for respondents however 142 questionnaires were completed successfully which makes the response rate 96.6% response rate and all questionnaires were used in the analysis. The descriptive result indicated from the total respondents 69% were male and 31% were female respondents. From the respondents, about (25 - 34) years which makes 75% of the respondents, followed by 35-44 years which make up 14% of the total respondents. From the respondents about 73.2% of the total respondents and followed by 26.8% of the respondents who had completed their diploma. The majority of the respondents indicated that they were engaged in Service 39.34% and followed by Merchandising which accounted as 37.3%. The majority of the respondents indicated that 59.9%

of respondents stated their monthly income of less than 5,000 and followed by between 5,000 and 10,000 which accounted as 40.1%.

The association between age and loan repayment performance status was positive and statistically at significant at 5% significant level. The implication is that the borrowers were becomes elder, they might be more aware on the financial management and they feel responsibility. The result of regression analysis gender has a positive and significant influence on the loan repayment performance of revolving loan fund at 10% significant level. Being other factors held constant being females' borrowers are more repay their debt on time. Education level has negative and significant influence on loan repayment performance at 5% significant level. This indicates for other factors being constant decrease in the levels of education of borrowers, the probability of being defaulter are increase.

Loan size has positive and significant effect on loan repayment performance resolving fund borrower's ant 5% significant level. This indicate that the loan size positive relationship with the loan repayment performance it shows that increase the loan size likely increase the non-performing loan repayment capacity of the resolving fund borrowers. Repayment period has a positive and significant effect on loan repayment performance of revolving fund borrowers at 5% significant level. This indicated that other factors being constant for the change in 1 credit timely released, the probability of being creditworthy increases. Business experience has negative and insignificant effect on loan repayment performance of resolving fund at % significant level. Which means as the low borrower managerial experience other things held constant his/her probability to pay his/her loan will decrease.

Financial Knowledge has negative and significant effect on loan repayment performance at 5% significant level. This means that the better financially educated, the higher will be the probability of loan repayment performance of borrowers. As the result of analysis of data through regression showed that type of business has positive and significant effect on loan repayment performance resolving fund of borrowers at 5% significant level. According to the result, borrowers who engaged in Service, merchanting, manufacturing, agriculture (Food Processing, wood and Metal work, Constructions and shop) business type have their own effect loan repayment performance.

As stated, study objectives such as examining the effect of age, gender, loan size factors on Loan Repayment Performance of youth revolving fund, examining the effect repayment period, educational level on the Loan Repayment Performance of youth revolving fund and of examining the effect of business experience, financial knowledge, type of business on Loan Repayment Performance youth revolving fund. The result showed that age, loan size, repayment period, financial knowledge and type of business factors have statistically significant effect on Loan Repayment Performance of Youth Revolving Credit Fund at 5% level. Whereas gender and educational level have statistically significant effect on Loan Repayment Performance of Youth Revolving Credit Fund at 10%. Finally, business experience statistically insignificant effect on Loan Repayment Performance of Youth Revolving Credit Fund in study area.

5.2. Conclusion

The descriptive result indicated from the total respondents 69% were male and 31% were female respondents. From the respondents, about (25 - 34) years which makes 75% of the respondents, followed by 35-44 years which make up 14% of the total respondents. From the respondents about 73.2% of the total respondents and followed by 26.8% of the respondents who had completed their diploma. The majority of the respondents indicated that they were engaged in Service 39.34% and followed by Merchandising which accounted as 37.3%. The majority of the respondents indicated that 59.9% of respondents stated their monthly income of less than 5,000 and followed by between 5,000 and 10,000 which accounted as 40.1%.

Male are more loan defaulters than their counterpart female. The reason for this, females may more skillful at administrating loans than their counterpart male youth which may lead them to be more likely to repay when the youth group leaders are being female. Age of the youth group leaders is the positive factors of the rate of loan repayment. This indicated that those youth group leaders that are more aged are to increase the rate of loan repayment as compared to those youth group leaders that are younger.

The suitable loan repayment period is also the positive and statistically significant determinant of both the probability and the rate of loan repayment. The availability of suitable loan repayment period offers the youth groups to have the opportunity of spreading loan burden in a manner that keeps pace with the cash flow of the enterprise. Training provided about loan usage is also the other positive and statistically significant influencing factor of both the probability and rate of loan repayment. The youth groups who had trained are better in repaying their loan than those youth groups who did not take the training.

Loan size has positive and significant effect on loan repayment performance resolving fund borrower's ant 5% significant level. This indicated that getting sufficient amount of loan increase the probability of the defaulting of loan. This indicate that the loan size positive relationship with the loan repayment performance it shows that increase the loan size likely increase the non-performing loan repayment capacity of the resolving fund borrowers. Which means loan which is not taken as per work plan can a cause for being defaulter.

Repayment period has a positive and significant effect on loan repayment performance of revolving fund borrowers at 5% significant level. Meaning that as the requested loan is released to the borrower on time, there is a possibility that borrowers become successfully finance their business so that they are less likely to become defaulters. This result indicated that the repayment period that is not suitable for borrowers could adversely affects the business activities and then the profitability of the business, which in turn affects the repayment performance of the borrowers.

Business experience has negative and insignificant effect on loan repayment performance of resolving fund at % significant level. The negative sign indicated that the less experience and talent of the borrower, the higher the risk loan repayment performance of borrowers. Managerial experience of a borrower and his/her loan repayment performance has positive relationship.

Financial Knowledge has negative and significant effect on loan repayment performance at 5% significant level. This means that the better financially educated, the higher will be the probability of loan repayment performance of borrowers.

As the result of analysis of data through regression showed that type of business has positive and significant effect on loan repayment performance resolving fund of borrowers at 5% significant level.

5.3. Recommendation

Depending on the finding of the study the following points are forwarded as a recommendation of the study.

- The male youth have a negative influence on loan repayment. Therefore, the MFI and other concerned bodies should encourage the participation of female youth in taking the revolving fund group leader role to improve the rate of loan repayment.
- The education level determines loan repayment positively and significantly. The borrowers who attained lower education level able to pay better than the borrowers who were in higher level schooling. Therefore, institution should motivate educated people by providing training to increase loan repayment performance. Most of the borrowers those who attained higher education level were non-defaulters whereas less educated borrowers are defaulters therefore, MFI should motivate less educated people to involved youths' foundations and also easy to provide training. Therefore, the concerning bodies should be emphasis on status of borrowers' education when made group formations.
- Loan repayment period suitability was found to significantly increase the probability of loan repaying and increased the rate of loan repayment. Therefore, MFI better to revise the loan repayment period and scheduled the time to collect the loan that will be suitable for selling the output of their business, so a flexible repayment period should be designed in order to improve the existing rate of repayment. The loan repayment period should be revised and the institution has to give enough time to borrowers so that they will be able to work with the loans they have borrowed and arranged the time to collect loan that will be suitable for them to sell their business output. Support loan supervision of the youths' members of the borrowers must be conducted by the loan officers of MFI.
- Business experience is main factor for loan repayment, so providing awareness creation training, continuous follow up and supervision mandatory.
- The study revealed that elder clients were more responsible and has better repayment performance than youngsters. On the word of this investigation, the researcher's suggestion is not excluding youngsters, nevertheless care must be taken while screening from applicants throughout repayment periods in each MFIs. The study found out that young borrowers were more responsible to repay loan than elders. The researcher not recommends excluding

elders. However, the care must be taken when starting from applicants' screening to through repayment periods, the special attention for follow up and supervision is necessary

- The concerned body have better provide training to borrowers they aware out their financial knowledge which is primarily financial management-based capacity building activities. Expanding additional business activities of the borrowers other than the one the loan is engaged for.
- According to loan size: large loan size highly defaulted compared to others. It is not recommended to exclude this group the only way is the lender should be provided Training before and after disbursement, adequate loan sizes, Timely disbursement of the loan, Flexible payment terms and period, and monitoring of clients among others. In order to make business effective, the availability of sufficient loan size is one important factor. In this research shows that the revolving loan fund is not sufficient to do all the business and also the borrowers did not have interested to repay the loan because one of reason is the weak legal enforcement for defaulters, low supervision by the stakeholder and also some reason is cost of doing business is higher than the revenue therefore the size of the loan ought to be in accordance with the pre-arranged marketable strategy. Reason for the loan in which the borrower is financed has a positive effect in the loan repayment performance. Accordingly, the loan suppliers should first appropriately assess the marketable strategy submitted and should give specialized help to borrowers so they can take part in a productive organization. When the loan account is utilized for utilization which is inefficient purposes, it would be hard for the borrowers to reimburse the loan back. More often than not, such occurs because of individual issues.
- Business type is success by using revolving fund is very important. Analysis how they select their business form and it will be analysis the income or profit generate from a business.

5.4. Recommendations for Further Research

This study was conducted in Goba Wereda and established the loan, business and group factors that influence loan repayment performance of youth resolving fund. Another study is recommended in other study area to establish the role played by the youth enterprise development fun in growing young business and also assess loan repayment in those areas. Moreover, a study would be recommended in areas that have high youth enterprise development fund repayment rate for and establish institution can learn from those result of the study.

References

Amanuel (2020) determinants of revolving fund loan repayment performance of youth groups in the case of gondar city, amhara national regional state, ethiopia.

Amanuel (2020) determinants of revolving fund loan repayment performance of youth groups in the case of Gondar City, Amhara national regional state, Ethiopia.

Brooks (2008) Introductory Econometrics for Finance Third Edition The ICMA Centre, Henley Business School, University of Reading

Brooks (2008) Introductory Econometrics for Finance Third Edition. The ICMA Centre, Henley Business School, University of Reading.

Broussar & Tekleselassie (2012). Youth Unemployment, Ethiopia Country Study. International Growth Centre (IGC) Working Paper, 1–39

Chemmanur and Pagels (2005). "Management Quality, Certification, and Initial Public Offerings," Journal of Financial Economics 76, 331–368.

Dawit, Fikadu and Badassa (2022) Factors Affecting Loan Repayment Performance of Smallholder Farmers: The Case of Microfinance Institutions in Toke Kutaye District, West Shoa Zone, Ethiopia

European Commission. (2008). EuropeAid Co-operation Office Guidelines for EC Support to Microfinance

Fikadu and Debeli (2021) Determinants of Loan Repayment Performance in Shashemene City Administration: The Case of Oromia Credit and Saving Share Company in Shashemene Branch, Oromia Region, Ethiopia

Fund (2017) Federal Negarit Gazette 55(24)

Getahun & Fetene (2020). Volume 5 No: 4 (2020) Enhancement of Employment and Income Opportunities for Rural Youth in Ethiopia : A Review of Four Large Youth Employment Initiatives

Handbook (n.d.) Revolving Fund Handbook Volume II Chapter 1 II

Joyce (2015) factors influencing repayment of youth enterprise development fund loans by youth groups in chepalungu constituency, bomet county, Kenya

King and McGrath (2002) Globalization, enterprise and knowledge: educational training and development international review of education. International Journal of Business and Management, 50: 74-76.

Kipkinyor and Wahome (2016) Determinants of repayment of youth enterprise development fund loans in ol kalou constituency, Kenya

Kothar (2004) research methodology

Megersa (2022 Factor Affecting Loan Repayment Performance of Micro and Small-Scale Enterprises in Western Ethiopia: The Case of Oromia Credit and Saving Share Company (Ocssco) Shambu Branch

Mikir and Milkessa (2020) Determinants of Loan Repayment Performance of Omo Microfinance Institution: In the Case of Mizan Aman Town, Southwest Ethiopia

Miruts (2021) factors influencing the performance of youth revolving credit fund program in Addis Ababa

Mirutse (2021) factors influencing the performance of youth revolving credit fund program in addis ababa

Mizan (2018) factors affecting performance of micro and small business enterprises in Addis Ababa

MoLSA (2009) National Employment Policy and Strategy of Ethiopia. November, 386 National Employment Policy and Strategy of Ethiopia

Njoki (2019)determinants of loan repayment of government funding to vulnerable groups, a case of biashara fund in kiambu county, kenya

Njoki (2019) determinants of loan repayment of government funding to vulnerable groups, a case of biashara fund in kiambu county, Kenya

Proclamation No. 995/2017 Ethiopian Youth Revolving Fund Establishment Proclamation

Rahayu & Adi (2018) Poverty Reduction through Community Economic Empowerment Program in Jakarta: A Study of Factors Influencing the Repayment of Revolving Fund

Sendeku (2020) an assessment of the contribution of revolving fund for youth employment opportunities: a case of lideta sub city

Sigei (2017) factors influencing youth enterprise development fund loan repayment among youth in Kenya: a case study of konoin constituency bomet county

Tesfaye (2019) assessment of factors affecting the growth of micro and small enterprises in oromia national regional state, Ethiopia

Tigabu and Gebeyehu (2020) Enhancement of Employment and Income Opportunities for Rural Youth in Ethiopia: A Review of Four Large Youth Employment Initiatives

creswell, (2014) research design

Wangari (2014). Factors influencing Performance of Revolving Loan Fund Programmes: a case of Women Groups in Kikuyu district, Kiambu County, Kenya.

Yitbarek (2022) Determinants of Loan Repayment Performance of Micro and Small Enterprises: Empirical Evidence from Somali Regional State, Ethiopia

Sanusi (2011) Survival Through Entrepreneurship: Determinants of Successful Micro-enterprises in Balik Pulau, Penang Island, Malaysia British Journal of Arts and Social Sciences ISSN: 2046-9578, Vol.3 No.1

Appendix research questionnaire

MEDDA WALABU UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

Research questionnaire

Dear respondent,

I, Ayub Kasim, am pursuing my Master's degree program in Accounting and Finance and as partial fulfillment, I am conducting research thesis entitled as "Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program in Bale Zone Goba Town". This study is conducted in partial fulfillment of the requirements for the master's degree in Accounting and Finance at Medda Walabu University. Its main objective is to identify the major Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program. The study is going to be conducted out on your responses and other pertinent data that could support it. The reason of this questionnaire is to get your perceptions and views about a variety of aspects of Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program. It forms a main part of the study and the information you will offer facilitates me to significantly analyze Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program. Your support to respond is very significant to this study since it represents thousands of others who are not incorporated in the sample.

General Instruction:

Part I – Demographic Information of the Respondents

1. **Gender:** Male ☐ Female ☐
2. **In which age group are you?**

I. Less than 25 years ☐
II. 25 - 34 years ☐
III. 35 - 44 year ☐
IV. 45 - 54 year ☐
V. 55 years and above ☐

3. **Education Level:**

i. Primary school ☐
ii. High school ☐
iii. Diploma ☐
iv. Degree ☐
v. Masters and above ☐

4. **Monthly Income**

i. Less than 5,000 ☐
ii. Between 5,000 and 10, 000 ☐
iii. Between 10,001 and 15,000 ☐
iv. 16,001 and above ☐

Part II – Question relating to Loan Repayment Performance of youth revolving fund (dependent variable)

Please indicate the statement by Loan Repayment Performance of youth revolving fund. Please tick (✓) on your appropriate answer based on the following indicating by statement Yes which indicated as paid on time and No indicated as not paid on time.

No	Statement	Yes	No
1	Do you repay your loan as per loan contractual agreement?		

Part III – Factors Influencing Loan Repayment Performance of Youth Revolving Credit fund Program Please indicate the level of agreement on the following factors that affect Factors Influencing Loan Repayment Performance of Youth Revolving Credit Fund Program Use (5= Strongly Agree 4= Agree, 3=Neutral, 2=Disagree and 1= strongly disagree)

S.N	**Factors Influencing Loan Repayment Performance**	**Scales**				
		1	2	3	4	5
1	**Age**					
1.1	Age of group members influence the performance of revolving loan fun					
1.2	Younger age borrowers are more expected repay their debt in time					
2	**Gender**					
2.1	Gender has influenced the performance of revolving loan fund					

2.2	Females' borrowers are more expected repay their debt in time					
3	**Loan Size**					
3.1	If the disbursed loan size is above the required, it is lead affect loan repayment performance					
3.2	As the size of loan increase the loan repayment performance decrease					
4	**Repayment period**					
4.1	As the repayment set by the government is suitable					
4.2	Youth enterprise fund has a reasonable repayment Period					
4.3	Loan repayment grace period assist on financial performance of enterprises					
4.4.	Loan repayment period affect the financial performance of enterprises.					
5	**Educational level**					
5.1	Level of education among group members affect the performance of revolving loan fund					
5.2	The typed of education/training the among group members enhance the performance of revolving loan fund					
5.3	There is a dire need to provide education and business training to enhance the financial management skills of the borrower					
5.4	The level of education enhances financial, knowledge and mission performance of the group					
6	**Business Experience**					
4.1	Business Experience practices influence the performance of revolving loan fund in your group					
6.2	Business experience of the youth groups has influence on both the probability of loan repayment and the rate of loan repayment of the youth groups					
6.3	Business experience of the borrower increased, their loan repayment habit					
6.4	The longer business experience was more successful in their business					
7	**Financial knowledge**					
7.1	Youth entrepreneurs have adequate financial literacy					
7.2	Financial literacy has enabled the youth to Prepare financial reports					
7.3	Financial literacy has enabled the youth to evaluate the business performance.					
7.4	Financial literacy has helped the youth to Cost the product effectively					
8	**Type of business**					

8.1	Service types of business is more Access to credit and has repayment performance					
8.2	Manufacturing types of business is more Access to credit and has repayment performance					
8.3	Merchandising types of business is more Access to credit and has repayment performance					

Thank you very much for your valuable time and information!!!