

Loan Procurement of Microfinance Institutions to Entrepreneurs and its Impact on Organizational Growth in Quetta for the Period 2008-17

Shaiza Jamil¹ & Asma Azhar²

ABSTRACT

The purpose of this research paper is to analyze the loan procurement of microfinance institutions to entrepreneurs and its impact on organizational growth. For achievement of this main objective the primary data was collected from clients of two MFIs providing loans in district Quetta for ten years before 2008-17 and secondary data was collected from the reports of microfinance institutions and bank. The study is quantitative and time series. Cross-Sectional review project has been framed to achieve the aim of research intentions for this study. In this study initiation of entrepreneurship, income generation and business asset (net worth) are dependent variables whereas loan procurement from microfinance institutions is independent variable. Correlation, linear regression, ADF and granger casualty tests are applied for the finding of the study. The result of the study shows positive impact of loan procurement of microfinance institution on initiation of entrepreneurship, income generation and business assets. The descriptive statistics analysis show significant relation of loan procurement of microfinance institution on initiation of entrepreneurship, income generation of entrepreneurs and business asset of entrepreneurs. It has been also observed from the literature that those customers who have used loans efficiently can influence the entrepreneurship more effectively.