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Strategies Microbusiness Owners in Ghana Use for Managing Microloans

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This is to certify that the doctoral study by

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2017

Abstract

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Stephen Ekow Edusah

MS, Long Island University, 2003

MBA, Long Island University, 2002

Doctoral Study Submitted in Partial Fulfillment

of the Requirements for the Degree of

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Abstract

High interest rates, many mortgage defaults, and availability of capital are challenges for microbusiness owners. The purpose of this phenomenological study was to explore the strategies used by Ghana's microbusiness owners to manage microloans for sustainable businesses in Cape Coast, Ghana. Putnam's social capital theory was the conceptual framework for the study. A purposive and snowball sample of 10 participants completed semistructured interviews and described their perceptions and experiences of the phenomena. Data were analyzed using Moustakas' modified van Kaam method to catalog, group, and code information into themes. The study findings indicated there are high-interest rates and many mortgage defaults in the microfinance industry, and operating capital for microbusiness owners is insufficient. Results indicated savings must yield interest, microborrowers must have a business plan, microbusiness owners must seek professional advice where needed, and government must offer savers protection against a Microfinance Institution financial crunch. Engaging these issues could help microbusiness owners improve microloan management for sustainable enterprises. Participants said interest from savings could increase capital. They agreed that lower interest rates could prevent mortgage defaults. MFIs should organize entrepreneurial orientation workshops to help business owner's structure better financial plans and management strategies that could contribute to improving the socioeconomic lives of microborrowers. Implications for positive social change include the growth of microbusinesses, reduced mortgage defaults, and increased employment and tax revenues.

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Dedication

This research is dedicated to the Creator, and to my Lord and Savior Jesus Christ. Creative wisdom gave the ability to strive through the DBA program. If I had the strength, courage, and peace of mind during the most trying times of my life to continue the program, it is because I know my redeemer lives. I also dedicate this research to my late parents, O. K. Edusah and M. A. Ntsimah, who raised this researcher to know, have faith in, and worship God. From eternal paradise, I know you watched over me as I toiled through this rigorous program. I thank you, Mom and Dad, for contributing to make me who I am today. Your transition opened chapters that I never envisaged or dreamt could ever occur. However, through it all, I thank the true, loving, never failing and living God for giving me sweet Jesus, the Christ.

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Section 1: Foundation of the Study

Approximately three billion people with insufficient collateral have no access to credit (Wong & Richards, 2014). In such cases, microfinance institutions may step in to provide microloans for those without collateral (Baklouti, 2013). Microfinance programs provide funds to the disadvantaged borrowers using modern means such as group lending under joint liability in weak sectors of emerging economies (Wong & Richards, 2014). The appeal of microfinance programs is that it can make a positive impact on poverty alleviation (Baklouti, 2013; Ulrich & Hoback, 2014). This qualitative phenomenological research study concerns the strategies and experience of Ghana's microbusiness owners in managing microloans for sustainable microenterprises in Cape Coast, Ghana.

Background of the Problem

A little under half of Sub-Saharan Africa's communities of 313 million people survive on less than $1 a day, which causes immense hardships (Hudon & Sandberg, 2013; Nino-Zarazua, 2013). The commercial banking sectors do not dispense mortgages to indigent people who lack collateral (Toindepi, 2016). However, the restrictions on traditional financial sectors in dispensing credit services to the disadvantaged have spurred development of microfinance programs. Microfinance is the provision of microloans to the indigent without collateral in order to help them structure or improve an income-generating project (Girabi, Elishadai, & Mwakaje, 2013; Morse, Lowery, & Steury, 2014). In this study, I explored the strategies and experiences of Ghana's microbusiness owners in managing microloans.

Interest rate levels have been controversial in microfinance in recent years (Wong

& Richards, 2014). Some researchers accused the microfinance institutions (MFIs) of increasingly adopting extortionate interest rates (Hudon & Ashta, 2013; Hudon & Sandberg, 2013). Microborrowers' growing dependence upon microloans coupled with high-interest rates means siphoning off the unreliable income of the deprived to cover interest charges by investors (Wong & Richards, 2014). Microborrowers find it difficult to honor mortgage repayments; as a result, some microloan beneficiaries committed suicide in India (Hudon & Sandberg, 2013).

Problem Statement

Microfinance loan defaults have significantly increased in Ghana since 2000 (Anane, Cobbinah, & Manu, 2013). Out of 400 microloan respondents in the Ashanti and Brong Ahafo Regions of Ghana, 88 loan respondents could not pay off their loans on demand (Anane et al., 2013). The general business problem was that microloan beneficiaries often started microbusiness initiatives but were financially unable to pay off their loans (Annim, 2012; Epstein & Yuthas, 2013). The specific business problem was that some Ghanaian microbusiness owners lacked strategies to manage microloans for sustainable businesses.

Purpose Statement

The purpose of this phenomenological study was to gain an understanding of the strategies Ghanaian microbusiness owners use to manage microloans for sustainable businesses. The target population consisted of microbusiness owners who have strategies and experience on how to manage microloans for sustainable businesses within the Cape Coast Municipality. The implications for positive social change include the potential for scholars and business leaders to use this study as a basis for developing financial models to reduce mortgage defaults and interest payments on borrowed capital. Increasing business sustainability increases tax revenues and decreases unemployment.

Nature of the Study

For this study, I used a qualitative method to delve into the participants' perceptions and lived experiences of the microfinance phenomenon. Rauch, van Doorn, and Hulsink (2014) stated that qualitative exploration relates to the experiences of those who have lived the phenomenon. I explored the experiences of microloan recipients in managing microloans for sustainable microenterprises in Cape Coast, Ghana. The qualitative method of analysis is appropriate for accomplishing a thorough investigation of a phenomenon (Bailey, 2014; Marshall & Rossman, 2016). The use of a qualitative research process helps to obtain peoples' lived experiences in an attempt to capture and give meaning to thematic concepts that appear (McCusker & Gunaydin, 2015; Moustakas, 1994). The focus of qualitative research is accuracy (Houghton, Casey, Sharo, & Murphy, 2013). Houghton et al. (2013) asserted qualitative research is resolute on perspective, depth, and richness, which can cause the development of a model, a new theory, or enhancement of a valid instrument. Therefore, I used a qualitative research method to obtain an in-depth understanding of microborrowers' perceptions of how Ghanaian microbusiness owners manage microloans for sustainable businesses in the Cape Coast Municipality. A quantitative methodology analyzes factual theories by examining the relationships among variables and research cause-effect phenomena (Frels & Onwuegbuzie, 2013; McCusker & Gunaydin, 2015). Therefore, for the purposes of this study, a quantitative research method would not adequately describe the viewpoints of the study participants and the importance of those perspectives. The quantitative component renders a mixed method approach inappropriate for this study as well.

Moustakas (1994) asserted the goal of phenomenological design is to state the facts and discuss the situation accurately without referring to any preset guidelines. Therefore, I used a phenomenological design to realize the value of human experiences concerning a phenomenon as described by the participants (Marshall & Rossman, 2016). Marshall and Rossman (2016) reported that a phenomenological model uses open-ended questions that allow the contributors to provide detailed insight into personal encounters and perceptions. The phenomenological design can elicit information about individual viewpoints and realities of a situation (Kenny & Fourie, 2014). I used a phenomenological design to note and analyze the encounters with participants to determine their perceptions. The phenomenological design offers a structured, logical, and credible means for transmitting the analysis and synthesis required to perform accurate descriptions of experience (Moustakas, 1994; Rubin & Rubin, 2012). Rubin and Rubin (2012) alleged a phenomenological design is the appropriate option for exploring the perceptions and experiences of a phenomenon. A quantitative design requires a theory (Yin, 2014). A quantitative design, therefore, does not match the exploratory approach of this study. The qualitative designs and practices considered, but not selected, included the case study, narrative, and ethnography; the use of such designs cannot perform accurate descriptions of experience and perceptions.

Research Question

RQ: What strategies do Ghana’s microbusiness owners use to manage microloans for sustainable businesses?

Interview Questions

The interview questions constructed to focus on the general research question and for data collection were the following:

1. What are your experiences as a microloan beneficiary in abiding by the rules and norms of the MFIs regarding your mortgage loan?
2. What are your perceptions of how trustworthiness between you and the MFI loan officer enhance your ability to secure a mortgage loan?
3. How did networking and sharing information among microbusiness owners help you to manage mortgage loans?
4. What do you consider as the common characteristics of microloans that make mortgage repayments difficult?
5. Which information is most beneficial to you for successfully obtaining a mortgage?
6. What method do you find works the best to secure a mortgage extension?
7. What other information or recommendations would you like to add pertaining to managing microloans for sustainable business?

Conceptual Framework

The conceptual framework for this proposed qualitative research was social capital. Lyda Judson Hannifan developed the modern theory of social capital. Hannifan

(1916) described social capital as wisdom, solidarity, caring, and community interaction among individuals and kinfolks who make up a unit. Putnam (1993) extended the works of Hannifan. Putnam alleged social capital represents trust, norms, and networks that can increase productivity by facilitating organized actions. The social capital theory explains the standards and networks that allow citizens to use collective action for business investment growth (Estrin, Mickiewicz, & Stephan, 2013; Hunt, Durham, & Menke, 2015). Estrin et al. (2013) asserted the fundamental concepts of the theory are (a) trustworthiness, (b) networks, and (c) standards or norms.

I used the constructs of the social capital theory to explore microborrowers' perceptions and experiences as they relate to making mortgage repayments and the cost of borrowed capital. Microfinance institutions lend money to the needy based on trust because of the absence of collateral (Wong & Richards, 2014). The level of trust increases whenever the individual or group secures a mortgage. Furthermore, the promise of future credit guarantees extension as long as all members in the group are trustworthy and repay their mortgage (Estrin et al., 2013; Wong & Richards, 2014). Therefore, if a member defaults on the mortgage repayment, the member remains responsible for the group's failure for being eligible for a future mortgage (Estrin et al., 2013). The microborrowers have to abide by the rules and norms of the MFIs and the community it serves. In order to be successful in business, groups of Ghana's microbusiness owners at Cape Coast will network and share information so that every team member can perform well and remain capable of finishing loan repayments.

Operational Definitions

Microbusiness: For the purpose of this doctoral study, microbusiness refers to a business with 10 or fewer workers (Blanco, Pino-Mejias, Lara, & Rayo, 2013).

Microcredit: Microcredit is a small-scale financial service that provides small amounts of running credit to needy farmers and small-size enterprises (Farida, Siregar, Nuryartono & Intan, 2015).

Microenterprise: Microenterprise is microcredit invested economic activity where the investor is doing work that is beyond the self-employment for sustenance (Farida et al., 2015).

Microfinance: Microfinance is the process of making small loans to individuals who would traditionally be poor candidates for loans due to the absence of income and collateral (Baklouti, 2013; Wong & Richards, 2014).

Mutual responsibility contracts: A mutual responsibility contract is when a member of a group, typical neighbors in the village, help reduce business lending rates to levels that banks and government sponsored agencies would not accept (Morse et al., 2014).

Social capital: Social capital is the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit (Estrin et al., 2013).

Sustainable microenterprise disappointment: Sustainable microenterprise disappointment is a condition in which the business enterprise ends an activity because it is incompetent to generate enough income to pay its operating cost (Farida et al., 2015).

Assumptions, Limitations, and Delimitations

Assumptions, limitations, and delimitations were associated with this study. Assumptions are phenomena that are relatively out of a researcher's control (Yin, 2014). The accuracy of participants' answers to interview questions is assumptions. Limitations are potential weaknesses in a study that the researcher cannot influence (Horga, Kaur; & Peterson, 2014; Yin, 2014). Limitations, such as having ready access to the participants, the availability of the participants on interview day, and the number of trips from New York to Ghana exist. Delimitations are issues within a researcher's influence that restricts the scope and classify the boundaries of the study (Yin, 2014). The delimitation of the research included keeping the interviews applicable only to microbusiness owners within the Cape Coast Municipality. The three classifications expound as follows:

Assumptions

Horga et al. (2014) asserted if assumptions recede a study would become irrelevant. The first assumption was that the sample was representative of the population. The second assumption was that participants might share their encounters ethically during a face-to-face interview, and answer honestly. A third assumption was that I will obtain a rich and detailed understanding of the experiences and strategies Ghanaian microbusiness owners use to manage microloans for sustainable businesses. A fourth assumption was that data obtained from microbusiness owners will be reliable, measurable, and received promptly. Morse et al. (2014) and Starke (2013) asserted the saturation point is where there is no significant difference between the former and later interview data. Therefore, the final assumption was that the in-depth interviews would continue to the saturation point.

Limitations

Limitations are the deficiencies, circumstances or influences outside the investigators' control that places boundaries on the methodology and decisions (Yin, 2014). The first limitation was that only microbusiness owners in the Cape Coast area were participants. Therefore, the result was not a reflection of all NGO operated MFIs in Ghana. Horga et al. (2014) stated that data collected and analyzed by the same person makes the researcher liable to bias interpretation. The second limitation was that I was the sole person to collect and analyze data gathered. The use of NVivo10 software helped to solve any limitation posed by coding and recording. The third significant limitation was travel cost from the United States to Ghana to contact the study participants and collect data. Financial constraints limited my time spent in Ghana.

Delimitations

Delimitations are issues within a researcher's influence that restricts the scope and classifies the boundaries of the study (Yin, 2014). A delimitation to the study's overall design was the business problem. The focus was on strategies Ghanaian microbusiness owners use to manage microloans for sustainable businesses. I did not include other issues of the microfinance phenomenon. Another delimitation was that I did not include other research questions and different conceptual frameworks to explore the phenomenon under discussion. The research questions and social capital theory aligned to give an in-depth understanding of the phenomenon under study. A third delimitation was that I conducted the research in the Cape Coast geographical area in Ghana. Thus, the interview results were confidential and not generalized. The study participants were Ghanaian microbusiness owners who have experience and information on how to manage mortgage loans and maintain sustainable businesses.

Significance of the Study

Contribution to Business Practice

Microfinance institutions serve as useful providers of credit to indigent borrowers, playing a significant role in programs to promote economic activities in impoverished nations around the developing world (Morse et al., 2014; Shivarajan & Srinivasan, 2013). The primary focus of this study was on exploring the experiences Ghana's microbusiness owners have in managing mortgage loans for sustainable businesses in Cape Coast. The findings of the study add to and address gaps in the existing literature. In addition, the results may contribute to positive social change by supporting further studies that eventually may create a financial model that offers knowledge in the reduction of mortgage defaults and sustaining microbusinesses. The findings may also contribute to positive change by providing long-term job opportunities, a reduction in the cost of microloans, and an increase in tax revenues.

Reduction of Gaps

A regulatory framework to guide the operations of nonprofit microfinance in most developing countries is virtually nonexistent (Ahmed, Brown, & Williams, 2013). Developed economies might suggest a more detailed financial sector with less enthusiasm for microfinance (Galinski, 2013; Hossain, 2013). Nongovernmental organizations (NGOs) operate most microfinance institutions with a mission to help the needy and eradicate or alleviate poverty (Hossain, 2013; Shivarajan & Srinivasan, 2013). The goal of this study was to develop models to regulate mortgage default and microfinance interest rates. The idea was to protect small loan recipients from exploitative moneylenders (Ahmed et al., 2013; Wong & Richards, 2014). Substantial research support exists in terms of microfinance operations in developing countries. However, the need for microborrowers' microenterprises to be sustainable and investigations into why interest rates on loans to the needy are so high was virtually absent in the literature in both quality and excellence (Wong & Richards, 2015).

I examined microloan recipients understanding of the problems they face in making mortgage atonements. Professional application of the study findings may include recommendations, and strategies to exercise in a developed business. The study results may also suggest a regulatory framework that could help control interest rates and save the needy from usurious interest rates or exploitative moneylenders (Epstein & Yuthas, 2013). The findings of the study offered clarity into how Ghanaian microbusiness owners manage microloans for sustainable businesses within the Cape Coast Municipality. Furthermore, the study findings explained why more than 50% of new businesses collapse after a year of operation (Wong & Richards, 2015). Only one in 10 recently created companies continue beyond 10 years in the current business settings (Hunt et al., 2015). The study findings might benefit people who want to take microloans to create or improve a microenterprise by providing them with a snapshot of the microfinance landscape in Ghana. To understand problems microborrowers experience in making credit atonement and why some microbusiness owners manage their microloans for sustainable business may help new microborrowers make the right decisions to retain businesses and complete loan repayment obligations on time.

Implications for Social Change

Research on social capital theory reveals that the social capital framework, if efficiently implemented, may contribute significantly to the reduction or alleviation of poverty worldwide, by investments for the good of society (Espedal, Gooderham, & Stensaker, 2013). Interpretations of information collected in studies revealed whether microborrowers were financially self-sustainable and obtained better living standards after benefitting from microloans (Toindepi, 2016). The difficulty microborrowers face in the repayment of loans and the failure to create sustainable businesses, is a serious impediment to business growth in the community (Epstein & Yuthas, 2013). However, the production of a plan that will reduce the interest charged to microborrowers could trigger positive social change by increasing the savings of individuals (Hudon & Sandberg, 2013; Riggins & Webber, 2016). A plan to reduce high-interest rates, or the cost of borrowed capital could promote the growth of business in the community by making available more loans (Wong & Richards, 2014). The production of a plan that may streamline the cost of borrowed capital may help prevent suicides by some microborrowers who have delinquent microloans (Riggins & Webber, 2016). The overall standard of living of microborrowers and their communities may improve.

A Review of the Professional and Academic Literature

The purpose of this qualitative phenomenological study was to explore the strategies and experiences that Ghanaian microbusiness owners use to manage mortgage loans and succeed in business. An overview of the proposed research literature portrays little rigorous research on the capability of MFIs to supervise the economic development of microborrowers. MFIs do not help loan recipients to structure sustainable microenterprises in the communities where they live (Toindepi, 2016; Ulrich & Hoback, 2014). The focus of this study was on microborrowers and microbusiness owners. The research question that led the exploration and discussion of this study was the following: What strategies and experiences do Ghanaian microbusiness owners use to manage microloans for sustainable businesses?

In order to understand what constitutes microfinance influence on Ghana's microbusiness owners in Cape Coast, I reviewed the literature to find out how other researchers investigated the phenomenon. The literature review broadened my concept of MFIs microloans. In order to create a case for furthering the research, the literature review included 11 sections as follows: (a) microfinance and microcredit definition and meaning, (b) emergence of microfinance, (c) the failure of sustainable microenterprises in Ghana, (d) group and personal microfinance, (e) interest rates, (f) regulation and supervision of MFIs, (g) framework for microfinance poverty projects, (h) literature review of the research planning and design, (i) differing methodologies, (j) literature gaps, and (k) emerging themes from reviewed literature. Detailed analysis of this literature increased my knowledge of issues influencing potential mortgage defaults, high-interest rates, and the inability of most microborrowers to establish sustainable microenterprises.

I found the literature on microfinance poverty projects in databases such as Microfinance Information Exchange, the World Bank, and other online library websites that focus on microfinance. I retrieved the reports from 50 dissertations from Walden and other Universities, 111 peer-reviewed journals, seven books, and three government sources. The various journals include the *International Journal of Business Research, Journal of Financial Management and Analysis*, *International Journal of Social Research Methodology*, *Journal of Accountancy*, academic journals, and other peer-reviewed scholarly articles. Microfinance Information Exchange provided information on the operations of over 1,081 MFIs. Specifically, the *International Research Journal of Finance and Economics* provided vital information on the constraints to the development of microenterprises. Additional information from the reviewed literature was produced or published within the last 5 years. The research relating to potential mortgage defaults and high-interest rates came from the following databases: Business Source Complete/Premier, ScienceDirect, ABI/INFORM Complete, Google Scholar, and Health Science & Nursing databases. The literature search comprised some keywords linked to the themes of the proposed study, involving *microbusiness*, *microcredit, microenterprise, microfinance, mutual responsibility contract, and social capital*. Table 1 shows the sources of literature reviewed in the Professional and Academic Literature.

Table 1

Source Identification: A Review of the Professional and Academic Literature

Total number of sources in literature review	Total number of sources less than 5 years old	Total number of sources older than 5 years	Total number of Peer reviewed sources in literature review	Total number of nonpeer reviewed sources in literature review
87	79 = 90.8%	8 = 9.2%	83 = 95.4%	4=4.6%

For this study, the literature review provides direct influence of research on the conceptual framework of the social capital theory. Hannifan's (1916) social capital theory was the basis for the study of microborrowers' perceptions and experiences in making mortgage repayments and setting up microenterprises in Cape Coast, Ghana. Social capital theory is the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit (Estrin et al. 2013). The key constructs of the social capital theory considered were: (a) trustworthiness, (b) standards or norms, and (c) communications or networks. The study also included the exploration of factors contributing to high-interest rates on mortgages and the inability of loan recipients to structure sustainable microenterprises (Toindepi, 2016; Wong & Richards, 2014).

Defining Microfinance and Microcredit

The literature sometimes delineated differences between microfinance and microcredit. Microcredit refers specifically to small loans while microfinance includes microsavings, microsecurity, and investment advice and marketing subsidies (Johnson, 2013; Kar, 2013; Morse et al., 2014). Microfinance is the provision of loans and financial services for small and low-income clients who have no collateral, by MFIs (Baklouti, 2013). MFIs seek alternative methods developed over the last 30 years to produce tiny loans to borrowers taking no security. The operations include group lending and credits, preloan savings requirements, gradually increasing loan sizes, and a strong indication of easy access to future loans if existing loans are paid fully and promptly. Morse et al., (2014) alleged microcredits, a central theme of microfinance, refer to extremely small loans for borrowers with no collateral, provided by legally registered institutions. Despite the definitions, the terms microfinance and microcredit are interchangeable for purposes of this study.

Emergence of Microfinance

The motivation for the microfinance phenomenon was to provide financial services for the poor and eliminate or alleviate poverty around the world (Casselman & Sama, 2013; Hudon & Ashta, 2013; Wong & Richards, 2014). For more than 30 years, microfinance emerged as a key policy and program intervention for poverty reduction and social development (Hudon & Ashta, 2013; Olasupo, Afolami, & Shittu, 2014). Microfinance began with the work of Mohammad Yunus in Bangladesh in 1976 (Baklouti, 2013). Yunus's concept of microfinance envisioned a world in which poor households have access to financial services. Toindepi (2016) said the financial services support their income-producing activities, protect against risks, create resources, and stabilize consumption.

Most nonprofit MFIs depend on funding from government and international donors, justified by MFI claims that they were reducing poverty, deprivation, and unemployment. In the 1980s, however, the expanding microfinance model worked in transformed political and ideological issues (Cardon, Post, & Forster, 2017). Opponents of donor support for microfinance programs contended that the needy should pay the maximum fee of any assistance received. The opponents' alleged donor funding rather imposes an additional tax burden on others (Cardon et al., 2017). Hermes and Lensink (2007) revealed that between December 1997 and December 2005, the number of MFIs increased from 618 to 3,133 globally. In addition, the number of people who received recognition from microfinance institutions rose from 13.5 million to 113.3 million during the same period. Eighty-four percent of the recipients were women (Hermes & Lensink, 2007; Hudon & Ashta, 2013).

The majority of microfinance is aimed at the estimated 2.8 billion people who live on less than $2 a day in the developing world (Baklouti, 2013; Benjamin, 2013). About one billion people live in households with per capita incomes of less than $1 per day (Hudon & Sandberg, 2013). Increasingly, microfinance operates in developed countries for those who want to be microentrepreneurs, but cannot access credit (Benjamin, 2013). Wong and Richards (2014) reported prior solutions to end poverty in the developing world have been the purview of mainly intergovernmental organizations such as the World Bank. Growth economists operating with the donor and recipient governments devised strategies to stimulate economic growth. Much research on poverty exists, but there are fewer studies on the influence of microfinance on the people it serves and the cost of borrowed capital. Fewer studies exist on the higher reimbursement rates on loans to the impoverished, in the rural sectors of developing nations. Repayment interest rates are as substantial as 95% or more (Wong & Richards, 2014). The cost of borrowed capital, high interest rates, sustainable enterprises, and the influence of microfinance in the communities they serve were the subject of the qualitative research.

The limitations of traditional economic sectors in providing credit services encouraged microcredit programs to improve (Blanco et al, 2013); microloan programs were initiated with the purpose of providing loans to poor people with little credit and without collateral (Hudon & Sandberg, 2013). The harmonies among family affiliates, the meticulous authority in offering credit and collecting payments, and management of debtor's actions in the microcredit system have supplanted the term collateral. Hudon and Ashta (2013) revealed that Mohammad Yunus called this tradition of support replacing the freeing of credit from the bondage of collateral. Yunus won the Nobel Peace Prize in 2006, and he is the founder of the Grameen Bank in Bangladesh.

Yunus condemned security stipulations for keeping poor people beyond the credit facilities of recognized financial sector institutions, asserting it constituted a variety of business apartheid (Hudon & Ashta, 2013). Yunus (2010) alleged poor people did not cause distress but the economic and social systems designed for the wealthy class created and sustained misery, with financial institutional concepts and governing policies. The Grameen Bank paved the way for future microfinance programs in developing and developed countries (Hossain, 2013). Hossain (2013) asserted the work of the Grameen Bank and other MFIs serves as a regional response to global poverty. Therefore, it anticipates that there exist inconsistencies between the works of different parts of the world.

Yunus believed that the standard development projects pursued by multilateral financial institutions such as the World Bank only strengthened the global elite and ignored the needy (Hudon & Sandberg, 2013). Yunus was critical of assistance programs that resemble luxury (Girabi et al., 2013). Based on the idea that access to credit is a fundamental human right, Yunus (2010) believed that the poor could be fully capable microbusiness owners and investors if given the opportunity. In his book *Creating a World Without Poverty*, Yunus (2009) described how capitalistic businesses could operate with social consciousness. Yunus' original version of microfinance, which has experienced significant growth in Grameen Bank, had operational practices that evaluated financial and social returns, the two bottom lines in microfinance. In the contemporary debate on microfinance, Yunus openly criticized the for-profit version of microfinance employed by, for example, Compartamos in Mexico.

Toindepi (2016) addressed the role of microfinance or microcredit and the capitalist approach to poverty reduction. Galinski (2013) addressed the shortcomings that were inherent in attempting to relieve poverty through an NGO, noncommercial approach, explicitly identifying inefficiency and sustainability as the main problems. Galinski also discussed the risks and high cost involved in engaging in monetary transactions with informal money lenders, and saw capitalistic microenterprise increase as the most convenient way to reduce poverty in developing countries. Hudon and Ashta (2013) claimed that the problem of poverty and approaches to reduce it, remain the most pressing problem in the international development debate. Most of poverty alleviation programs shut down after a short period, but poverty reduction and eradication are ongoing processes. As noted by Galinski, for poverty alleviation to succeed, a long-term program must be in place.

Collapse of Sustainable Microenterprises in Ghana

Commercial banks in Ghana provide financial services for 10% of the population while MFIs cater for 15% of the citizenry (Pollio & Obuobie, 2010). Pollio and Obuobie (2010) revealed microfinance operations in Ghana have increased by 20% to 30% annually during the past decade. Furthermore, MFIs provided an average loan size of 33% of that provided by rural and community banks and 25% of funds from savings and mortgage companies, yet, the majority of microenterprises were not sustainable. A number of NGOs organized by private parties as care entities or charitable organizations under the provision of the Law on Trust and Charitable Institutions offered both microloans and nonfinancial services to their client base. Administration of the loans and services were without subjection to regulation or supervision by government agencies (Pollio & Obuobie, 2010).

Annim (2012) wrote about evidence of microfinance institutions in Ghana, revealing institutional incapability to reach needy consumers. Annim suggested all MFIs should operate together for sustenance. Likewise, Adams and Bartholomew (2010) asserted microfinance had a negligible influence on both the social and economic comfort of microborrowers in Ghana. Adams and Bartholomew revealed deficient entrepreneurial skills and absence of market for farm produce added to the failure of most of the loan recipients to pay off their mortgage. However, Adams and Bartholomew (2010), and Annim (2012) did not address why interest rates are so high probably resulting to mortgage defaults for the needy. Microfinance institutions supposedly are to help the needy get out of poverty. Usurious interest rates and mortgage defaults are the heart of this proposed study.

The absence of strategic plans to include entrepreneurial training, investment advice, sufficient funds for microenterprise setup, studies on the higher reimbursement rates on loans and positions critical to operations contribute to insufficient sustainable microenterprises (Grafin, Boivie, & Carpenter, 2013; Tehulu, 2013). In order to be sustainable, microenterprises need intergenerational management succession (Chung & Luo, 2013). A plan of succession is an imminent and purposeful plan for microbusiness owners to assess, appraise, and develop a set of talented individuals to fill ranks as desired (Ahearne, Lam, & Kraus, 2014; Chung & Luo, 2013). The theory of succession planning had existed from the time when children took over the family business (Mussolino & Calabro, 2014). Succession planning is not merely satisfying a position now, but also a responsibility to ensure a smooth transition of effective leaders. This way, a request to fill a position in the future is met (Betchoo, 2014; Hudon & Ashta, 2013). Microenterprises that do not take steps to prepare for future leaders and capacity needs could lead to establishment decline. Such microenterprises could experience disruptions and disasters when key employees leave (Ahearne et al., 2014). In addition, the absence of plans for growth and development could leave the enterprise behind the pack or at the bottom of the ladder (Bahng, 2013; Betchoo, 2014). Mussolino and Calabro (2014) indicated succession planning in a family owned businesses is the complete means by which authority shifts from one family member to another.

A review of the literature identified the leading causes of sustainable microenterprise failure as the following:

- The repeated absence of adequate financial resources (Ahmed et al., 2013; Estrin et al., 2013).
- Inadequate money management skills (Moss, Neubaum, & Meyskens, 2015).
- Inept governance (Estrin et al., 2013).
- Low-level managerial and business skills (Alvarez & Barney, 2014).
- Frequent mortgage defaults (Moss et al., 2015),

For the purpose of this study, sustainable microenterprise disappointment is a condition in which the business enterprise ends an activity. The enterprise is incompetent to generate enough income to pay its operating cost (Farida et al., 2015). Leen (2013) suggested entrepreneurs and managers have to train in business management skills for effective entrepreneurship. Such business skills help the process of adjusting to changing market conditions and the environment. Leen stated that a close-knit family ties hold together microbusinesses that persist in rural areas. Inadequate infrastructure and managerial procedures contribute to microbusiness collapse in emerging countries (Leen, 2013). Farida et al. (2015) revealed businesspersons must be resourceful to safeguard the continued existence of their enterprises once confronted with doubts.

The inability to honor mortgage atonement is of prime concern to the microloan recipients (Hudon & Sandberg, 2013). Adams and Bartholomew (2010) alleged inadequate entrepreneurial skills and the absence of ready markets for the farm produce of microloan recipients contributed to the inability of most of the recipients to pay off their debts. The mortgage defaults resulted to enterprise closure. Gyamfi (2012) revealed there are no data on the amount of unpaid small loans and modest savings in Ghana. Therefore, few MFIs have shown satisfactory performance in relevant categories such as leadership, outreach, and sustainability. Despite the operating rules and guidelines, there is no information available about the welfare of microborrowers before and after the loans. Nor does the literature indicate any attempt by governments to investigate the problem microloan beneficiaries' face in making mortgage repayments, or setting up sustainable microenterprises. This unfortunate reality represented the actual schism in the controversy involving nonprofit microfinance, which lies at the heart of this proposal. Toindepi (2016) asked whether, and to what extent, microfinance trust had contributed to reducing poverty. Can the destitute of Cape Coast, Ghana or the less-developed sectors of the world receive enhanced services by MFIs that operate under a controlled model based on social returns?

Group and Personal Microfinance

Microcredit operations are small and short term. The borrowers and creditors are neighbors from similar societies (Hudon & Sandberg, 2013), making it easier for intervening power when it was time for atonement. Many microfinance systems included area credits where partners were personally and mutually accountable for the loans. Personal microloans are common in some countries but throughout the world microfinance group lending or joint liability contract, is the greatest reputable lending target by the Grameen Bank (Benjamin, 2013; Hudon & Sandberg, 2013). Benjamin (2013) revealed three known models of group lending currently coexist as follows:

- Joint liability lending has debtors who teams up to get personal loans and are jointly liable. Joint liability lending was the first goal of Grameen Bank.
- Individual liability group lending has debtors who respect other essentials of group lending but are not legally responsible for the joint liability burden. Groups of borrowers meet in their neighborhood for regular weekly or biweekly repayment meetings with microfinance representatives. The loan settlements take place in public, and often the contract is valid until all loan repayment plans are covered; this design is to encourage peer pressure in the revered venue.
- The village banking system has units of persons who mutually seek a loan amount that they provide to their affiliates. The community banks demonstrate leadership functions among associates who are responsible for overseeing the lending activities. Group members guarantee each other's loans.

Addae-Korankye (2014) alleged every one of the group lending situation depends on social networks, the behavior of small units, and positive motivations to reduce the uncertainty and adverse selection problems. The challenging business problem confronted by lenders was that of adverse selection, that is, determining the potential credit risk of the debtor (Benjamin, 2013; Quaye & Hartaska, 2016). Benjamin (2013) asserted market letdown happens because mortgagees, who pay off their debts, have to pay for risky debtors who are likely to default. In addition, since banks cannot distinguish a standard mortgagee from a risky one at a glance, they have to consider the same rate to all borrowers depending on the combination of sound and risky borrowers in the population. Furthermore, when the ratio of risky debtors is amply large; the funding needed for the creditor to break even on all debtors is so high. The needed funds are so significant that the creditor has to find a remarkably high percentage rate for all borrowers (Bailey, 2014; Hudon & Sandberg, 2013). If the interest rate is sufficiently high, safe mortgagees are not likely to apply for funding, thereby, harmfully changing the structure of the borrower pool (Hudon & Ashta, 2013; Quaye & Hartaska, 2016). In severe cases, this may lead to market letdown, a situation in which investors do not offer loans because only the insecure debtors remain in the business (Toindepi, 2016).

Interest Rates

Studies on the higher interest rates on microloans to the needy in the rural sectors of developing nations, where repayment interest rates are as high as 95% or more, are scarce (Andaman, 2013; Hudon & Ashta, 2013). The common characteristics of MFIs are their tendency to fill up the gap left by traditional, commercial, or government-sponsored companies. Microfinance institutions step in the distribution of investment services to needy families and small enterprises (Baklouti, 2013). In addition, MFIs seem to indicate the position to provide a highly useful set of assistance to needy sectors of society (Riggins & Webber, 2016). Centered on this assurance, the evolution of MFIs gained support by foreign NGOs or authorized donors, national governments, domestic NGOs, and multilateral development banks (Hudon & Sandberg, 2013). These events triggered the issue of whether or not MFIs deserve such support, and if so, how it can be proficient. Microfinance borrowing relates to all financial and budget decisions and is an indication of values; therefore, it is time for the microfinance strategy to rededicate itself to eliminate, or alleviate poverty (Lewis, 2008).

Comparatively enormous interest rates in microfinance have remained a subject for debate amongst system architects and researchers alike (Lewis, 2008). Lewis (2008) presumed Banco Compartamos of Mexico operated as an NGO from 1990 until 2000, collecting $4.3 million from international development organizations and individual donors. In 2000, the company reached 60,000 debtors. The NGO and other financiers transformed Compartamos to a for-profit organization, and by the end of 2006, the company was tending some 616,000 debtors (Lewis, 2008). In 2007, Compartamos made an initial public offering, which capitalized the company at $1.5 billion compared to a book value of $126 million (Lewis, 2008). The excessive profits came from high-interest rates between 95% and 129% per year, making the world wonder whether this supports the goal of MFIs (Hudon & Sandberg, 2013; Toindepi, 2016).

Lewis (2008) required an upper limit on interest rates to prevent exploitation of the needy by microfinance investors. The design was to save the poor from paying excessive mortgage rates while Hudon and Ashta (2013) alleged the top limit on interest rates would be dangerous for the poor. Hudon and Ashta argued that this would cause excessive desire for microfinance loans, which would increase rent-seeking behavior in the industry. Ahmed et al., (2013) revealed growing dependence upon microloans, combined with exorbitant interest rates, implied that a mounting ratio of the unsteady income of the needy is siphoned off to secure interest payments and reassure investors. Hudon and Ashta (2013) and Riggins and Webber (2016) contended the high-interest rates were the reasons behind the microfinance crisis in Andra Pradesh, India. In Andra Pradesh, poor families augmented their relationships with local loan sharks to pay microloans they obtained from their local MFIs (Hudon & Sandberg, 2013).

Untenable microcredit indebtedness is commonplace throughout emerging countries and most of Africa (Hudon & Ashta, 2013; Quaye & Hartaska, 2016). These days, a rising number of specialists in microfinance depended on procedures that were unlawful or improper in mainstream financial markets. The criminal acts include such deeds as inappropriate information, illegal seizure, and usurious interest rates (Riggins & Webber, 2016). The absence of sufficient customer care in developing markets unlocked the gateway to manipulation of poor people (Ahmed et al., 2013). In the circumstance of Compartamos in Mexico, the first remunerations have run to tens of millions of dollars for chief executives. However, the interest rates for its mostly female customers remained unusually high, with APR of 129%, in 2008 (Lewis, 2008). The Compartamos situation revealed microfinance could make outrageous interest rates. Lewis (2008) queried whether microfinance must be about poverty eradication or value creation. The concern was that rare monetary streams were gushing out of the deprived communities. A retention of the monetary streams could recycle within the communities to encourage productive investment as the forerunner to a breakout from poverty (Ahmed et al., 2013; Dattasharma, Kamath, & Ramanathan, 2016). Commercial MFIs are serving fewer of the real clients whom they planned to help; that is, the poor and needy (Dattasharma et al., 2016).

The most famous and compelling reason for high-interest rates was that they should encourage investment, competition, development, and ultimately raise rates for clients (Lewis, 2008). In addition, high-interest rates lead to a fee for MFIs to protect their individual budgets through better commercialization, privileged proprietorship, and earnings motivated inducements with market based interest rates (Hudon & Sandberg, 2013). Market forces and profits would make sure of financial self-sustainability, creating a cost free rise in the provision of microfinance to the needy (Hudon & Ashta, 2013). It is unknown how the institutions designed to provide finance to the needy seek financial sustainability when they do not seek it for the microborrowers (Dattarsharma et al., 2016; Wong & Richards, 2014). Microfinance funders and experts should establish an MFI interest rate pricing if it exploited the poor.

Microfinance foundations, technical assistance providers, government agencies, and investment vehicles should identify themselves from exploiting MFIs; microfinance investment vehicles should not support MFIs that utilize the marketplace (Andaman, 2013). Jointly, the application requires behavioral rules to which every member must sign. Furthermore, community stakeholders, institutions, and government aid agencies ought to achieve a unified set of principles and standards that explain prospects and raises the bar for legal lending rules. The mission of microfinance is to promote change in the livelihoods of poor households and to prevent the risk of need, but not to make a stable base group founded on profiteering (Mirghaed, Daliri, & Beigi, 2016; Toindepi, 2016). If one gives a borrower a loan and does not tend to their other needs, they may become worse off because of an obligation to repay but still have no sanitation, no health care, and no training (Lewis, 2008).

Regulation and Supervision of MFIs

As a rule, MFIs work toward a double bottom-line, business and social; or work to alleviate poverty and market developments (Alvarez & Barney, 2014). The conventional financial institutions, however, operate solely toward a business bottom-line (Ahmed et al., 2013; Hossain, 2013). Concerning microfinance regulation, government involvement in microfinance can be a positive change. Improved monitoring can increase the sector by advancing technical capacity, increasing competition, and improving the quality and value of microfinance products (Ahmed et al., 2013; McNulty, Zatoni & Douglas, 2013). Alternatively, state leaders may be tempted to pass legislation that has universal appeal, but argues to reduce the size and growth of the sector. Hossain (2013) contended the regulatory environment determines the costs associated with what MFIs can and cannot do. Since a control can affect the value of lending, the consumer bears additional costs.

The variation in state policy influences MFIs ability to attract borrowers (Daher & Saout, 2013). In addition, within-sector competition or the emergence of other types of MFIs will determine how many borrowers an MFI can reach. The commercialization of microfinance was more prevalent in Latin America than in Asia, Eastern Europe, and Africa (Daher & Saout, 2013). Many traditional institutions or banks were entering into the microfinance sector while NGOs were professionalizing to become certified lending organizations (Andaman, 2013; Kar, 2013). NGOs mostly operate MFIs across the globe where they offered small-scale loans to individuals or small groups of borrowers, and were working toward alleviating poverty and improving individuals' socioeconomic status (Li, de Zubielqui, & O'Connor, 2015; Mirghaed et al., 2016).

The most crucial component of monitoring is interest rate controls, or whether the government stipulates MFIs must comply with an interest rate ceiling. In Brazil, lenders that required state funding earned an interest rate ceiling (Hossain, 2013). As a result, even licensed financial institutions felt pressured to stay below this rate, which in effect created a sector-wide ceiling (Hossain, 2013). In contrast, other developing countries (Kar, 2013), such as Mexico and Ghana, do not undertake an interest rate cap.

Another significant regulation is whether the institution can accept deposits. Microfinance advocates support this legislation since deposits maintain a constant low cost source of funds (Ahmed et al., 2013; Kar, 2013). With financial autonomy, deposit accepting MFIs can walk away from relying solely on generous donations, state funding, or expensive resources (Kar, 2013). Depositors were not in a position to observe the risks taken by organizations. Thus, prudential supervision of deposit-taking institutions is of utmost importance for the security of the microfinance sector as a whole (Ahmed et al., 2013; Hossain, 2013; Wong & Richards, 2014).

Framework for Microfinance Poverty Projects

The conceptual framework for this proposed research was social capital. Social capital refers to the standards and links that allow citizens to act mutually to influence investment growth and poverty reduction (Estrin et al., 2013). Hanifan (1916) invoked the modern theory of social capital, describing social capital as compassion, fellowship, caring, and social intercourse among individuals and families who make up a social unit. Interaction among members of the society may accumulate sufficient social capital for the improvement of living conditions in the whole community. Putnam (1993) later extended the works of Hanifan. Putnam described social capital as elements of social institutions that can increase the efficiency of society by allowing organized activities. Furthermore, he explained that faith and standards of debate and communications could help alleviate global poverty. Faith and norms of reciprocity in a society enhance participants' preference for mutual benefits, with the standard of reciprocity relying on the presence of dedicated individuals (Kwon & Adler, 2014). The financial and organizational future of societies, from villages to international communities, depends on how members of the community solve the problem of collective action (Wiener, Remus, Heumann, & Mahring, 2015). Kwon and Adler (2014) alleged social capital implies there is intrinsic value in fostering a common belief among family members.

The social relation is the major source of social capital (Kwon & Adler, 2014) and there are mainly two forms of social capital namely structural and cognitive (Li, & Ye, 2014). Structural social capital is tangible and recognizable and helps in knowledge sharing, combined exploit, and ruling through conventional roles. Cognitive social capital is intangible and includes communal attitudes and beliefs, norms, values, and trusts (Li, & Ye, 2014). Furthermore, social capital increases cooperative actions for problem solving, facilitates innovation, reduces information imperfection, and promotes informal insurance (Kwon & Adler, 2014). Networks of relations create an important resource for the conduct of social affairs, financing their affiliates with communal capital and a credential that entitles them to mortgage (Hossain, 2013). Social capital characterizes communal sharing and represents networking that is dependent on norms, rules, values and trust (Li, & Ye, 2014; Kwon & Adler, 2014). Li and Ye (2014) viewed social capital as an attribute of individuals and their relationships that enhanced their ability to solve collective action problems. In addition, Kwon and Adler (2014) interpreted social capital as fixed values that might develop in humans a judgment of conduct for the convenience of the kindred.

The features of social organization such as networks, norms, closeness and trust, accommodates a variety of traditional cultures and morals that can increase a community's productive capacity, or turn the anchor that keeps a community together, enabling members of the community to perform better (Hunt et al., 2015). This concept upholds group lending or the united accountability relationship of MFIs. Under the mutual responsibility contract, the members of the group, typical neighbors in the village, can help reduce business lending rates that banks and government agencies would not accept. Mutual accountability lending, thus, transfers this business cost from the banks onto the group of borrowers, who can provide the services above more efficiently. Therefore, undertaking microfinance poverty projects by members of a community based on trust and for mutual benefit could ensure investment growth and reduce or eradicate poverty (Kwon, & Adler, 2014).

Estrin et al. (2013) alleged traditional values provided humanity with the logic of collective action by implanting in mortals a sense of direction for the common good. Espedal et al. (2013) posited faith and norms of reciprocity enhance participants' preference for mutual benefits. The standard of reciprocity in a society indicates that significant measures of dedicated individuals reside in the region (Espedal et al., 2013). The financial and organizational future of nations depends critically on how the members of the community solve the problem of collective action (Kwon & Adler, 2014; Wiener et al., 2015). Li and Ye (2014) revealed the diversity of forms of physical and human resources was an indication that various forms of social capital existed. Estrin et al. (2013) alleged three types of social capital that features in collective action or joint lending are (a) trustworthiness, (b) networks, and (c) standards or norms.

The problem microloan beneficiaries experience regarding mortgage rates reflects the number of sustainable enterprises in the community. The process of giving out loans to groups and making each family member accountable for the measures of a defaulting party could be security in disguise (Wong, & Richards, 2014). Social organization based on networks, norms and trust increases a nation's productive capacity, thus, diminishing poverty in poor societies (Li, & Ye, 2014; Wong, & Richards, 2014).

As applied to this study, the social capital theory holds that I would adopt the principal concept adduced to explore microborrowers' perceptions and experiences pertaining to mortgage repayments or the cost of borrowed capital. MFIs lend money to the needy based on trust because of the absence of collateral. The level of trust increases whenever the individual or group secures a loan. Furthermore, the promise of future credit guarantees extension as long as all members of the group are trustworthy and repay their mortgage (Estrin et al., 2013; Wong & Richards, 2014). Therefore, if a member defaulted on the mortgage repayment, he or she remains responsible for the groups' failure for being eligible for further loans (Al-Azzam, Heracleous, & Sarangi, 2013). In addition, the microborrowers have to abide by the rules and norms of the MFIs and the community it serves. In order to safeguard the continued existence of the group, the group members' network and share information so that every member can perform well and remain capable of repaying the mortgage. Espedal et al (2013), Kwon and Adler (2014) alleged through networking the members remain cautious about their microenterprises so that it could ensure sustainability and their economic survival. Additionally, through networking and group decision-making they can improve their living standards and thereby reduce poverty.

The various forms of social capital contributed to successful collective action, usually, by enhancing trust among the actors. Trust is the core relationship between social capital and collective action (Li, & Ye, 2014). Enhancement of faith is when individuals are trustworthy, network with one another and are within organizations that pay ethical behavior (Hunt et al., 2015). Hunt et al. (2015) affirmed another crucial aspect of trust is it involves an opportunity for both the MFIs and the microborrowers to increase their wealth. Microfinance institutions (MFIs) group lending or joint liability agreement ensures transparency and thrives on responsibility for family members. As long as all members in the group repay their loans, the promise of future credit was extensive (Al-Azzam et al., 2013; Wong, & Richards, 2014).

Another aspect of social capital theory pertains to a need that emanates from appreciation, which in turn, generates standards of dialog that could cause the tragedy of the commons, whereby different pragmatism leaves common property resources underdeveloped (Putnam, 1993). The tragedy of the commons can be that situation where a member of a dependency group defaults on interest payments and the body does not receive additional loans until there is a settlement of the remaining balance. The default possibly slows the development of other members of the joint liability or prevents the setup of a microenterprise that could have benefited the community. The lessening of faith leads to lower levels of social capital in a group and has adverse effects on the quality of life (Li, & Ye, 2014). If any member of the microfinance group defaults on a loan, then all members have no access to future credit until the loan balance is fully discharged (Wong, & Richards, 2014).

Networks are also essential for success in business, in the job market, in academia, in the arts, and in relation to physical well-being,, as well as the worlds of theory and practice (Wiener et al., 2015). Never before have social networks and associational life been featured among leading development organizations as prescriptions for sustainable development and economic development (Feigenberg, Field, & Pande, 2013; Wiener et al., 2015). Hunt et al. (2015) asserted communities characterized by both bonding and bridging assets are more effective in solving critical problems than those who only have direct networks or loose connections to the outside world. Bonding social capital permits area residents to engage in demanding forms of collective action, establishing additional investments in development activities and coping effectively with environmental threats. The community is more than a social network; it is also a commitment to a set of shared values, norms, and meanings (Li, & Ye, 2014).

Hunt et al. (2015) revealed social capital theory refers to the standards, relationships, and organizations, which affect the quality and quantity of a community's social relationship. Economists embraced social capital to regulate domestic and business failure (Kwon & Adler, 2014). This comment formed the basis of the current global confidence in NGOs and nonprofit institutions rooted in civil society as the most appropriate organizations to carry out development. Most NGOs operate microfinance institutions with the desire to alleviate global poverty (Blanco et al., 2013; Ulrich & Hoback, 2014). The World Bank and other educational establishments have focused more on poverty alleviation, emphasizing the issue of microloans, literacy, and women empowerment. The social capital theory explains microfinance could be a tool to eliminate or reduce global poverty, by providing finance on a massive scale to the poor in the disadvantaged communities without collateral (Kwon & Adler, 2014).

The dark side of social capital can include police gaining confidence in each other to cooperate, so as not to show or report excessive force used by another officer. In addition, the dark side of social capital could be corporations or nations colluding with one another to create cartels, or members of organized crime conspiring to stop illegal economic activities (Li, & Ye, 2014). Thus, social capital is not only set up but also transformed, destroyed, weakened, or strengthened. In addition, Hunt et al. (2015) revealed social capital may improve the outcomes of a few without any effect on others or advantages to a few may occur at the expense of others. Alternatively, the benefits to a few may also promote tangible benefits for others. A system of microfinance projects based upon quality lending and joint liability can reduce other forms of social capital while building its own (Kolk, 2016). World Bank researchers discovered up to 50% of microenterprises failed within 1 year of their business setup (Feigenberg et al., 2013). Such deficiency can lead to mortgage defaults and unrecoverable poverty.

Included in the goals of the proposed research was to understand the challenges microborrowers experience in making mortgage payments, and the problems some of them experience in setting up sustainable microenterprises. Investigators such as Espedal et al. (2013) and Betchoo (2014), who analyzed the factors of small business failure, alleged companies collapse due to poor managers and leaders' failure to make smart decisions, resulting in mortgage repayment defaults. Microentrepreneurs need entrepreneurial orientation, and education in making investment choices; they need an entrepreneurial mindset (Blanco et al., 2013; Kolk, 2016). Social capital should embrace transparency in its practices to cleanse and eliminate the negative sides (Kwon & Adler, 2014; Li & Ye, 2014).

Literature Review of Research Method and Design

Uses of qualitative research methods include the study of social phenomena, the circumstances and procedures that engage people, and clarifying them from a diversity of perspectives (Hazzan & Nutov, 2014). A review of the literature revealed the use of different methodological approaches in addressing different parts of the phenomenon under investigation (Bailey, 2014). The following studies helped to develop and defend a qualitative analysis using a phenomenological design for this proposed research. Bailey (2014) used a qualitative procedure to trace the history of qualitative research in an academic source conscious of the business-related significance of applied psychology, drawing upon techniques that explored and explained human behavior. Likewise, Feigenberg et al. (2013) used group assignments to produce the first experimental evidence on the economic returns to social interaction and provided an alternative explanation for the success of the group-lending model in reducing microfinance default risk. Researchers such as Leen (2013), Onwuegbuzie and Byers (2014) conducted qualitative interviews to obtain in-depth information from their research communities. The qualitative tools used captured understandings of experiences and perceptions of participants; therefore, I used a qualitative approach to this study, for in-depth understanding of issues.

Farida et al. (2013) used qualitative studies to monitor microborrowers initially assigned to weekly groups, for two years, to determine the causes of mortgage failures. The study revealed the participants interact more often and exhibit a higher willingness to pool risk with group members from their first loan cycle. They were also three times less likely to default on their second loan. The investigators revealed that educating microloan recipients on basic business concepts such as profit margins, responsible fiscal spending, capital allocation, and success strategies begun to achieve the maximum capacity of microloans. Hudon and Ashta (2013) conducted a study to reveal that for microfinance to ensure sustainable growth, it should expand across sectors and be inclusive of the large part of the labor force. Hudon and Ashta, also discussed the steps MFIs can choose to place emphasis on success in the alleviation of poverty. Inclusive growth and development will sustain growth. Likewise, Epstein and Yuthas (2013) revealed an operation issue arises from pursuing different approaches to poverty reduction, and addressing multiple and changing stakeholder involvements. Epstein and Yuthas said operation drift arises from commercialization and renovation activities aimed at enhancing ratings and achieving scale.

Blanco et al (2013) used a qualitative method to investigate the current system of social capital formation through the microfinance program of the Grameen Bank. Blanco et al., collected primary data using focus group discussions and in-depth interviews. The research findings revealed that the Grameen Bank follows a unique model of operating social capital through microfinance to achieve the sustainability of the bank. Without social capital, the goals of poverty eradication and socioeconomic development could not be achievable (Blanco et al., 2013). Casselman and Sama (2013) used a qualitative method to look into the need for regulation of MFIs, and international experiences in regulation that could help the industry. The study revealed MFIs would assist the client as well as the industry at large when they involve themselves in both academic and statutory regulations.

Different Methodologies

Other research methods might determine the improvement in the lives of microloan recipients. Researchers such as Hoare and Hoe (2013), Bramwell and Eddie (2014) using quantitative methods but did not provide detailed justification and in-depth understanding of the experiences of the microfinance phenomenon. Baklouti (2013) used a quantitative method, binary logistic regression model, to examine the elements that affect loan default among microborrowers, and addressed the key loan-repayment determinants relevant to microcredit borrowers. The data collected was from 5022 individual loans spanning a period from 2001 to 2009. The study revealed 39.7% of the total loans were default loans. Factors such as the business sector, educational level, credit amount, and borrower's age, number of previous loans, marital status, and gender have a significant impact on the loan repayment strategy. Baklouti did not meet microborrowers face-to-face to explore in-depth causes of the loan defaults because of the absence of a qualitative phenomenological approach.

Toindepi (2016) used a quantitative research method to examine the determinants of return on equity for MFIs. The quantitative method lessened the ability to explore the phenomenology in detail. Bahng (2013) used a quantitative plan to conduct a case study of microloan dropouts in leading microfinance banks. The researcher tried to find out why microfinance institutions were losing most of their borrowing customers at the initial stages of the loan program. However, the results of the study failed to provide conclusive causation and a deeper understanding of the experience. A qualitative system would have provided an in-depth analysis of the issue (Marshall & Rossman, 2016). Blanco et al. (2013) used mixed methods, and the Morgan Stanley credit analysis, to provide an assessment of the credit risk of the Vietnamese microfinance industry. The quantitative component prevented a full understanding of whether microfinance programs reached the intended targets in the small villages and whether the borrowers improved their livelihoods through microfinance.

Researchers who used structured interviews and questionnaires to assess the inability of microborrowers to set up sustainable microenterprises, failed to provide the critical problems the loan beneficiaries faced (Baklouti, 2013; Toindepi, 2016). Using structured interviews when investigating experiences, controls participants' answers and avoid in-depth analysis of the phenomenon (Hazzan & Nutov, 2014). On the reverse side, semistructured or unstructured interviews help to receive individual accounts or similar opinions on the same subject from the participant's viewpoint (Onwuegbuzie & Byers, 2014; Prowse & Camfield, 2013).

Olasupo et al. (2014) tested a thesis to determine the causal dynamics of financial sustainability of MFIs. The researcher analyzed a variety of 702 MFIs from 83 countries. The investigator affirmed that the use of appropriately high-interest rates that spawn a profit is necessary for the financial sustainability of MFIs. Olasupo et al., did not support the main determining factors in the financial sustainability of MFIs as explained by in-depth analysis associated with qualitative methods that use 20 participants (Bailey, 2014). I concentrated on knowing the whole experience and developing themes or identifying designs that may be deficient in quantitative information by using a semistructured qualitative approach (Whiting & William, 2013; Uprichard, 2013).

Blanco et al. (2013) conducted a mixed-method study using surveys to ascertain whether microfinance programs reached the intended recipients in vulnerable small villages, and whether the borrowers improved their lives through microfinance programs. The study revealed that small loans could affect the development of rural microenterprise, skills, and spending on family members. The research findings, however, did not support in-depth test results that highlight other factors that contributed to the inability of borrowers to pay mortgage atonement and the failure of sustainable microenterprises. On the other hand, semistructured and unstructured interviews could provide in-depth answers to the causes of phenomena (Hazzan & Nutov, 2014; Hudon & Sandberg, 2013; Kelley, Belcourt-Dittloff, Belcourt, & Belcourt, 2013). Consequently, I did not view surveys for this qualitative phenomenological research because they use structured interviews and closed-ended questionnaires that could limit answers of participants.

Focus groups could provide qualitative data that supports group experiences of a phenomenon (Al-Azzam et al., 2013; Hammersley, 2014). Hammersley (2014) posited focus groups require questioning persons as a group to elicit their perceptions of the experience. Because MFIs provide microloans to groups, the use of groups as data collection tool is realistic when interviewing family borrowers (Al-Azzam et al., 2013). Group discussions, however, lack detail and may take up confidentiality and security of the participants causing controlled responses (Reilly, 2013). Benjamin (2013) asserted participants might also respond to excite family members and not of necessity offer accurate insights of their experiences. Szkudlarex, Mcnett, Romani, and Lane (2013) emphasized separate interviews may be suitable for contributors who are unwilling to talk about some issues in a group setting. Given that nonprofit MFIs provide microloans to both individuals and groups, I considered both options.

The qualitative method of analysis was appropriate for accomplishing a thorough investigation of a phenomenon (Bailey, 2014; Marshall & Rossman, 2016; Palinkas, Horwitz, Green, Wisdom, Duah, & Hoagwood, 2015). The use of qualitative research process helped to get peoples' lived experiences in an attempt to capture and give meaning to thematic concepts that appeared (Hussien, 2015; McCuster & Gunaydin, 2015; Moustakas, 1994). Moustakas (1994) alleged the purpose of phenomenological design, is to discuss the situation accurately without referring to any preset guidelines but sticking to the facts. Disclosing information about individual encounters and realities of the situation is a viable method named phenomenology, or the field of natural phenomena (Kenny & Fourie, 2014). A phenomenological research for that reason narrates and analyzes the encounters of participants to explore their perceptions (Hazzan & Nutov, 2014; Moustakas, 1994). I used a qualitative research method to obtain an in-depth understanding of the experience and knowledge of how microfinance has influenced the financial lives of microloan recipients. I also explored the problems they face in making mortgage payments.

Literature Gaps

A review of the literature provided limited information on why microborrowers experience problems to make microloan repayments as it pertains to potential loan defaults, and are not able to structure sustainable enterprises. Toindepi (2016) presumed microfinance is not a cure for poverty, and the extent of services to the indigent remains unclear. Moreover, Anim (2012) did not provide causes of high-interest rate on microloans including the role of the national government in microfinance operations and any other social and cultural factors involved. The reasons provided in the literature, regards the inability to meet mortgage obligations and setup sustainable microenterprises was unclear. The relationship is ambiguous when attempting to understand the causes of potential mortgage defaults and high-interest rates (Hudon & Ashta, 2013; Hudon & Sandberg, 2013).

Themes Emerging From Literature Review

After reviewing the literature on microborrowers' perceptions and experiences in managing mortgage and setting up microbusinesses, and the influence of mortgage loans on their economic lives, predictable themes revealed related to the microfinance phenomenon. The issues disclosed include the following:

- Little information on profit margins, responsible fiscal spending, capital allocation, and having a success strategy.
- Financial management.
- The need for entrepreneurial orientation.
- Microloan customer dropouts.
- High- interest rates.
- Microfinance, group lending.
- The environment and economic factors.

Transition and Summary

The existing literature on the operations of microfinance covered a variety of topics and strategies. The opportunities provided by research into the activities of MFIs for poverty eradication or alleviation in the weak sectors of developing nations were unique because of the recognition in 2006 by the Nobel Committee, of Mohammad Yunus, the founder of microcredit, as a significant liberating force (Hudon & Sandberg, 2013). Microfinance spans a variety of financial instruments including retirement plans, insurance, credit, mortgages, and savings, all stamped in controlled measures making them available to individuals previously neglected by the conventional financial institutions. Proponents of poverty eradication see microfinance as a sought after tool for eliminating poverty around the world (Benjamin, 2013). Based on existing literature reviews, the scope of this study questions whether exorbitant interest rates charged by MFIs on loans to the poor are economically viable depending on microeconomic performance (Hudon & Sandberg, 2013). The research interest included exploring the extent to which nonprofit microfinance projects reduce poverty, thereby improving the financial lives of microborrowers.

In Section 1, I addressed the problem statement and prompted analysis of the inability of microloan recipients to honor loan repayments, and develop sustainable businesses. Section 2 covered the purpose of the project, the study participants, and their qualifications for participation. The second section portrayed an overview of the data collection methodology for the study, including a more detailed presentation of the research planning and design. Issues addressed include the instrument used in the collection and analysis of the data and methods for ratifying reliability and validity of the data. Section 3 was a discussion of the application of the study to professional practice and implications for social change, an overview of the study, and presentation of the findings. The section ended with reflections and recommendations for actions, and future research.

Section 2: The Project

For this qualitative phenomenological study, I tried to induce perceptions from the study participants. The goal was to understand why some Ghanaian microbusiness owners in Cape Coast, lacked understanding on how to manage microloans for sustainable businesses. An analysis of the experiences of 10 microloan recipients, by semistructured interviews that incorporated open-ended questions (see Appendix B), permitted the participants to provide personal information about the microfinance phenomenon. The focus of the investigation was to explore the strategies used by Ghanaian microbusiness owners to manage microloans for sustainable businesses. This section includes the purpose statement, the role of the researcher, and an examination of the participants. The section also covers the research method and style, population and sampling, ethical research, data collection, data organization techniques, the process of data analysis, validity, and reliability.

Purpose Statement

The purpose of this phenomenological study was to gain an understanding of the strategies Ghanaian microbusiness owners use to manage microloans for sustainable businesses. The target population consisted of microbusiness owners who have strategies and experience on how to manage microloans for sustainable businesses within the Cape Coast Municipality. The implication for positive social change includes the potential for scholars and business leaders to use this study as a basis for developing financial models to reduce mortgage defaults and interest payments on borrowed capital. Increasing business sustainability increases tax revenues and decreases unemployment.

Role of the Researcher

The instrumental role I played in this qualitative study as the researcher was to obtain and present information on the participants' knowledge and lived experience (Ferguson, 2016) of the microfinance phenomenon. A researcher must discuss the interview questions with interviewees (Bramwell & Eddie, 2014; Marshall & Rossman, 2016; Starke, 2013). As the sole researcher, I have the responsibility of discussing the operating questions with the participants. Researchers set aside biases, prejudgments, and preconceived ideas during data collection (Marshall & Rossman, 2016; Moustakas, 1994; Onwuegbuzie & Leech, 2010). Another role I performed as the researcher was to minimize any bias during the data collection or analysis process. In-depth interviews provides rich judgments (Girabi et al., 2013; Marshall & Rossman, 2016; Starke, 2013). The study was designed to elicit judgments from the interview participants.

Through personal contacts with some microloan recipients and knowledge of some microbusiness project sites, access to other microloan beneficiaries was feasible. As an accounting, tax, finance, and banking professional, I have personal experience of some of the challenges facing the needy in developing nations, especially in Ghana. Some of the problems involve trading profit and loss and the effects of interest rates and prices on the setting up of sustainable enterprises and the repayment of failing microloans. Working as loans and advances officer in a bank provided me with 3 years' experience of one-on-one interviewing of personal loan beneficiaries.

I earned a certificate from the National Institutes of Health Office of Extramural Research validating expertise in treating human participants with dignity (see Appendix

C). The Belmont research protocol has three core principles that are relevant to research involving human subjects. The principles are (a) respect for persons, which means- treating individuals as autonomous agents and assuring that persons with diminished autonomy are entitled to protection (b) beneficence, which- covers acts of kindness or charity that go beyond strict obligation; and (c) justice, meaning- persons ought to be treated equally.

Adhering to Institutional Review Board (IRB) standards and practices regarding consent forms ensured participants' confidentiality and the safety and protection of human subjects. Ethical issues were important because endangering trust might diminish the credibility of the researcher. I treated the participants with respect in order to build confidence and ensure a researcher-participant working relationship. Therefore, I used tact and took precaution to maintain ethical standards throughout the process. IRB guidelines helped me to ensure that the investigation procedure yielded information that related to the microfinance poverty projects under review. An interview protocol, designed to assist in gathering information and ensuring consistency of questioning, was the benchmark in the course of the interviews (see Appendix D). When the selected participants consented to participate, each selected participant received a notice of invitation to participate. Participating members' responses remained confidential, and no identifying information accompanied responses. The use of NVivo10 software to organize thematic statements emerging from the data gathered, and using Moustakas' (1994) modified van Kaam approach gave meaning to the collected data and helped to avoid biases.

Qualitative research involves setting aside prejudgments and opening the research interview with an unbiased receptive presence, known as the *epochẻ* (Moustakas, 1994). Denzin and Lincoln (2011) stated qualitative research rests on the report of genuine descriptive data, and in the process of bracketing the researcher has the prospect to consider the data in all its forms equally. Denzin and Lincoln alleged the idea of bracketing is to hold the phenomenon to critical inspection and recommended the following steps:

1. Locate within the personal experience keynote expressions and statements that address the phenomenon in question.
2. Interpret the values of these phrases as an informed reader.
3. Obtain the participants' clarification of these findings, if possible.
4. Inspect these meanings for what they reveal about the essential, recurring features of the phenomenon under study.
5. Offer a tentative statement or definition of the phenomenon in terms of the essential recurring features identified in Step 4.

Denzin and Lincoln (2011) concluded that bracketing allows the researcher to find details of tension and conflict. The researcher, in addition, finds what does not fit. After exhibiting total interest in the setting, the researcher requires time for analysis and review of the data. By allowing sufficient time to go over the data carefully, the researcher opens up possibilities for uncovering the meaning in participants' lives. The purpose of this analysis is to describe and to explain the essence of experience and meaning in participants' lives. Denzin and Lincoln elaborated further by suggesting that thick description makes thick interpretation possible. Bracketing is a scientific process in which researchers suspend or hold in abeyance their presuppositions, biases, assumptions, theories, or previous experiences in order to see and describe the phenomenon clearly (Denzin & Lincoln, 2011). To overcome the potential bias or fabrication of information in this study, participants received a letter with distinct directives that there was no donor money offered and that they were freely participating in the study. I am not conscious of any biases that would influence results of the proposed study. All data were gathered and reported regardless of whether I agreed with the results.

The qualitative method of analysis is appropriate for accomplishing a thorough investigation of a phenomenon (Bailey, 2014; Marshall & Rossman, 2016; Palinkas et al., 2015). The use of the qualitative research method helps the researcher to obtain participants' lived experiences in an attempt to capture and give meaning to thematic concepts that appear (McCuster & Gunaydin, 2015; Moustakas, 1994). The goal of a phenomenological design is to discuss the situation accurately without referring to any preset guidelines, adhering only to the facts (Kolk, 2016; Moustakas, 1994). Phenomenology, or the field of natural phenomena, involves the pursuit of information about individual encounters and realities of a situation (Kenny & Fourie, 2014). A phenomenological research project, for that reason, includes recording and analyzing the encounters with participants' in order to determine their perceptions (Kolk, 2016; Marshall et al., 2013; Moustakas, 1994). In order to understand how microfinance has influenced the financial lives of microborrowers and the problems microbusiness owners face in managing mortgage, I used a qualitative research method and design to obtain an in-depth understanding of their experiences.

Participants

Cape Coast Township links many smaller villages and is a place where the indigenous citizens could identify most of the microbusiness owners. Familiarity with the municipal zones made it easier to reach prospective participants. The community provided convenience sampling, making accessible several microbusiness sites. I employed contacts, perceptions, and references from the early participants in a process known as snowball sampling. To be eligible, a participant had to be a microborrower and a microbusiness owner, must have operated a sustainable microbusiness for at least 6 months within the Cape Coast Municipality, and must have had strategies to manage microloans. A participant must also have provided proof of microloans received, interest rates for the period, and mortgage payment records. These documents were verified, where necessary and, with the participants consent, at the respective operational MFI.

Non participants, other researchers, and other institutions or organizations did not partake in the study. English and Akan were the languages of instruction, and participants at Cape Coast understood both languages (Blunch, 2014; Laitin & Ramachandran, 2016). I am proficient in both languages and required no translator. Most of the target group had at a minimum, primary education. The selected participants signed a letter of Informed consent. The consent letter indicated optional or volunteer support and pointed out the fact that they would receive no compensation from me or any other person. The interview participants reserved the right to rescind their agreement on any occasion devoid of penalty. Participants were not privy to any information in my possession, nor did they know who disclosed what accomplishment during the interview. After approval by the Walden University IRB, and about a week before the commencement of the study, I gave consent forms to all potential interviewees to solicit their participation in the study. The consent form explained the purpose of the research. Ten purposefully selected microbusiness owner participants helped me to understand the problem and answer the research question (Fusch & Ness, 2015; Marshall & Rossman, 2016; Morse et al., 2014).

The aim of this research was to gain an understanding of how Ghanaian microbusiness owners manage mortgage loans for sustainable businesses. Acquiring a thorough understanding of individual lived experiences with fewer participants was a critical factor and was preferred to achieving only limited information from many participants (Hazzan & Nutov, 2014; Marshall & Rossman, 2016; Morse, et al., 2014). The selected participants signed an informed consent form to confirm they were partaking in the investigation without restrictions. Participants had full knowledge of the project and its value, their rights as participants, and the assurance that no harm would happen to them or their microenterprises. Participants could withdraw from the study at any time by notifying me by e-mail, phone, or in person. Completing the interview was optional and attracted no rewards, and no names of contributors were revealed in the study. The signed consent forms will be stored for a period of 5 years as proof of authority to partake in the study.

Working Relationship with Participants

Each participant was a microloan beneficiary, and their background and information concerning the microfinance experience was necessary to answer the research question. Describing to the participants the purpose of the study and its potential advantages to society established trust in the working relationship (Hossain, 2013; Hunt et al., 2015; Marshall & Rossman, 2016). I maintained the participants' privacy and confidentiality at all times. All research data collected from the participants flowed into the computer by my operation, and electronic copies of digital audio files and text files were "burned" onto data storage discs for safe storage. The desire was to put on record, alphabetically, all data collection documents and lock them at a secure storage facility. All information would be copied digitally and placed on a hard drive in a separate, secure storage. As per IRB regulation, the archived data will be stored for 5 years, after which time slicing and destruction of the digital files and the study materials will occur.

Research Method and Design

The credibility and dependability of research conclusions rest on how well the research strategy and the design match the subject under consideration (Hazzan & Nutov, 2014; Marshall & Rossman, 2016). After a reviewing other research methods, I chose a qualitative research method with a phenomenological design (Houghton et al., 2013; Marshall & Rossman, 2016; McCuster & Gunaydin, 2015). I developed an appropriate procedure to explore the experiences of microbusiness owners in managing mortgage loans. The setting up of microenterprises in Cape Coast, Ghana by microborrowers was of great interest. The use of a phenomenological design involved the in-depth exploration of how nonprofit microfinance projects influence the economic lives of microloan recipients and mortgage repayment defaults.

Research Method

Methodology is the overall philosophical assumption the researcher uses for designing and developing the study. Methodology is a worldview of how one acquires knowledge (Moon, 2015). There are three basic research methods: (a) qualitative, (b) quantitative and (c) mixed method. The qualitative method is a means for exploring and understanding the meaning individuals or groups ascribe to a business problem (Bailey, 2014; Hazzzan & Nutov, 2014). The qualitative approach reflects the social constructivist worldview. The quantitative method is a means for testing objective theories by examining the relationship between variables (Frels & Onwuegbuzie, 2013). The quantitative method reflects the post-positivist worldview. The mixed-method approach is an inquiry that combines or associates both quantitative and qualitative forms (Zachariadis, Scott, & Brrett, 2013). Mixed-method studies reflect the pragmatic worldview.

I completed the proposed research, by using a qualitative method to explore the experiences of participants (Marshall & Rossman, 2016; McCuster & Gunaydin, 2015). A qualitative research methodology provides a better understanding of a phenomenon through one-on-one interviews. Observation of participants' conduct during the interviews provides rich descriptions (Denzin & Lincoln, 2011; Marshall & Rossman, 2016; Moustakas, 1994). The focus of this qualitative research involved analyzing the microfinance phenomenon from the views of participants who have experienced the phenomenon and obtained information needed to help me to answer the research question and reveal the research problem. Moustakas (1994) revealed a qualitative method offers a deeper and a more thorough understanding of the phenomenon since the researcher emphasizes in-depth understanding of the issues. Moustakas alleged a qualitative method investigates a person's perceptions on the issue with the purpose of creating a shared meaning; such research helps me to understand the reasons relevant to a problem identified by the study participants. Onwuegbuzie and Byers (2014) indicated the inductive process of qualitative research method provides for better understanding of complex problems. The qualitative method offers a way for participants to share their real feelings about their experiences (Marshall & Rossman, 2016; McCuster & Gunaydin, 2015; Onwuegbuzie & Byers, 2014) of the microfinance phenomenon.

The qualitative method was ideal for this study because a qualitative researcher uses minimal illustrations. The qualitative researcher identifies phenomenon from the views of participants who have lived that experience (Denzin & Lincoln, 2011; Marshall & Rossman, 2016; McCuster & Gunaydin, 2015). Researcher's perception or bias can direct or influence a study (Bailey, 2014; Denzin & Lincoln, 2011). I annulled researcher discrimination by setting aside prejudgments, and preconceived ideas about previous knowledge and experiences. The exploratory approach to this study does not require a hypothesis; therefore, a quantitative method does not match the purposes of this study.

A quantitative methodology was not appropriate because it determines if a treatment influences an outcome. Quantitative methods have the goal of generalizing from a sample of the population, or the collection and comparing of different types of numerical data, aimed at practical robustness (Frels & Onwuegbuzie, 2013; Hussien, 2013). The study questions were untestable, have no experiments and the anticipated benefits of developing sustainable microenterprises and alleviating poverty are indeterminable. Marshall and Rossman (2016) alleged the quantitative method does not require a thorough understanding of experience, and illogical statistical analysis makes quantitative systems hard to explain. A quantitative methodology analyzes factual theories by examining the relationships among variables and research cause-effect phenomena (McCuster & Gunaydin, 2015). Prior to a quantitative study, researchers theorize the variables and dependable (Frels & Onwuegbuzie, 2013). Quantitative researchers use the relationship between the variables and measurements to draw conclusions (Frels & Onwuegbuzie, 2013; McCuster & Gunaydin, 2015). These variables help to understand numbered or batched data using statistical techniques and hypothesis testing (Frels & Onwuegbuzie, 2013; Hussein, 2015). For the purposes of this study, quantitative research method would not adequately describe the viewpoints and importance of the study participants (Hoare & Hoe, 2013). Participants' position concerns problems they face with microloan mortgage management, and the inability to set up sustainable microenterprises, therefore, it was not the preferred method. An approach to the study does not require the testing of a hypothesis.

The basis of mixed-methods is to dwell on the strengths of qualitative and quantitative methods, reducing the weaknesses in both the qualitative and quantitative methods (Frels & Onwuegbuzie, 2013; Hussein, 2015). Hussein (2015) revealed the mixed-methods system would result in gathering rich data. The problem with the mixed-method, however, is that both the quantitative and qualitative segments of the study deserve the same attention (Frels & Onwuegbuzie, 2013; McCuster & Gunaydin, 2015). Furthermore, the quantitative element of a mixed-method approach will lessen the ability to assess the phenomenon critically (Hussein, 2015). Therefore, a mixed method procedure was not viable for this study.

This qualitative research methodology involved interviewing 10 purposefully selected participants (maximum 20) with semistructured interviews that incorporated seven open-ended questions (Morse et al., 2014; Starke, 2013). I conducted telephone calls to clarify responses by the participants, and then selected significant statements relating to the microfinance situation to reveal meanings and secure prevailing thematic elements presented (Shivarajan & Srinivasan, 2013). The deductions of this study depended on results of the interpretations of the interviews. Conventional themes and conceptions showed how microloans have affected the financial lives of beneficiaries, and propositions depended on the results of research and thematic elements presented.

Research Design

There are several designs available for DBA qualitative studies. The designs include (a) phenomenological design, (b) case study design, (c) grounded theory design, (d) narrative design and, (e) ethnographic design. The purpose of a phenomenological design is to describe the meaning of the lived experiences of study participants about a concept or phenomenon (Marshall & Rossman, 2016). I used a phenomenological design to explore and investigate individuals or groups attributes to social or physical impediment. The qualitative phenomenological design included semistructured interviews that incorporated seven open-ended questions. The open-ended questions achieved real and descriptive data from study participants. Further discussions allowed the creation of an analysis of the meaning of the data and emerging themes (Marshall & Rossman, 2016; Moustakas, 1994; Rubin & Rubin, 2012). The qualitative phenomenological design was ideal for this study because it identified microfinance experience from the views of participants who have lived that experience. The qualitative design, however, exposes researcher bias. The researchers' perceptions can direct or influence the study (Bailey, 2014; Denzin & Lincoln, 2011; Morse et al., 2014). A qualitative researcher uses minimal illustrations (Marshall & Rossman, 2016). In cases where intuition is an indication of research, a qualitative phenomenological design is suitable for investigating the facts (Denzin & Lincoln, 2011; Marshall & Rossman, 2016; McCuster & Gunaydin, 2015).

The investigative approach to this study does not require a theory; therefore, a quantitative design does not match the purposes of this study. The qualitative designs and practices considered, but not selected, included the case study, grounded theory, narrative, and ethnography. The case study requires the collection of data from the selected persons or unusual circumstances (Turner & Danks, 2014; Yin, 2014). Case studies call for the development of the concept to grasp the situation instead of understanding based on lived encounters (Pavlovic, Todorovic, Mladenovic, & Milosavljevic, 2014; Yin, 2014). In addition, the case study design involves analyzing or investigating a case or unit bound by time and events (Pavlovic et al., 2014; Yin, 2014). Pavlovic et al. (2014) asserted the case study design helps in the in-depth demonstration of cases making it easy for readers and researchers to conclude. The exploration of individuals' perceptions of microfinance focused on persons who have experienced the phenomenon without restrictions; therefore, a case study design for this research is unacceptable.

The goal of this study was to understand the situation from the viewpoint of selected participants who have lived the experience. A qualitative narrative design did not get affirmation because the model reports personal stories (Betchoo, 2014; Marshall & Rossman, 2016; McCuster & Gunaydin, 2015). The drive of this study was to explore the perceptions and experiences of microborrowers to obtain insight into factors to reduce microborrowers potential mortgage defaults. Furthermore, the qualitative, ethnographic design was not suitable for the study because it focuses on small ethnic communities and their values (McCuster & Gunaydin, 2015; Starke, 2013).

McCuster and Gunaydin (2015) indicated the inductive technique of qualitative research design presents enhanced understanding of complex problems. A qualitative, phenomenological design, therefore, was more appropriate than the other designs. I had a chance to engage in face-to-face interviews with participants using open-ended questions, and follow-up questions, to let the interviewees give an in-depth insight into lived experiences and perceptions about the microfinance phenomenon. For a deeper understanding of the microfinance phenomenon, Moustakas (1994) recommended following the seven-step process of the modified van Kaam method as follows:

1. Cataloging and early grouping of data.
2. Reduction and purging of information.

3. Gathering and putting into themes the different elements.
4. The definitive ranking of invariant components and themes by diligence.
5. Utilizing the relevant validated invariant constituents, and themes to make for each researcher a textual explanation of the occurrence
6. Creating for each co-researcher an operative report of the incident centered on the textual description and imaginative adaptation.
7. Constructing for each participant, a textual-structural explanation of the meanings and substances of the event, combining the invariant elements and ideas.

Investigating a person's perception of failure to pay mortgage atonement or inability to structure a sustainable business makes inroads into a subject not shared or studied thoroughly before. The qualitative research design is the best approach for this study because, the goal of the research was to explore in detail, participants' understanding of how microbusiness owners and microborrowers manage mortgage loans and succeed in business. Furthermore, qualitative research design bestows enriched understanding of such challenging problems (Denzin & Lincoln, 2011; McCuster & Gunaydin, 2015; Rubin & Rubin, 2012).

In qualitative research, a smaller number of participants provide a larger amount of data (Houghton et al., 2013; Marshall & Rossman, 2016). A population of 10 participants applied to this study. The small sample size for a qualitative study allows for dependability and increases the credibility of the results (Fusch & Ness, 2015; Houghton et al., 2013; Marshall & Rossman, 2016). Marshall and Rossman (2016), Morse et al.

(2014) and Starke (2013) revealed the saturation point is when the in-depth interviews continue until there is no significant difference between the former and later interview data. Therefore, face-to-face interviews with participants continued until that point where current information gathered was not different from the earlier data. The goal was to gain insights into the experiences and perceptions of participants' towards the development of models to reduce mortgage defaults, and protect small loan recipients from exploitative moneylenders.

Population and Sampling

The study population or sample universe is the total of persons from which research participants legally agree to partake in the study (Robinson, 2014). In scholarly research, choosing the right sampling size of the population is necessary to ensure saturation and the absence of researcher bias on accurate and useful data (Uprichard, 2013). Robinson (2014) revealed to choose a study population or sample universe, a set of inclusion conditions or exclusion criteria, or a blend of both must show in the study. Inclusion benchmarks should stipulate an attribute that study participants must possess to qualify for the study. Exclusion measures must specify conditions that disqualify a population from the study. Mutually, the inclusion and exclusion principles draw a boundary around the target population or sample universe (Robinson, 2014; Uprichard, 2013). The sampling method supports the appropriate sample population for the research question and purpose of the study.

Population

The variety of subjects for qualitative studies should be purposive (Houghton et al., 2013). Qualitative studies include qualified participants to discuss their experiences in a manner that provides extensive knowledge of the situation (Fusch & Ness, 2015; McCuster & Gunaydin, 2015). The size of this study was small and participants were selected from three zones within the Cape Coast Municipality in Ghana. Selected participants possessed similar characteristics or attributes. The target population consisted of Ghanaian microbusiness owners who have strategies to manage microloans for sustainable microbusinesses within the Cape Coast Municipality.

A rationale for choosing a few members of the population was to achieve an in-depth interview. Marshall et al. (2013) revealed that in-depth interviews of small groups might provide details to help understand the method or phenomenon. Fusch and Ness (2015) and Hilliera, Cannusciob, Griffin, Thomas, & Glanz, (2014) did not specify what number was ideal for conducting phenomenological interviews. Hilliera et al. (2014) revealed that 15 was the least suitable contributing size in a qualitative study. Marshall and Rossman (2016) recommended interviewing a sample of 20 participants for data collection in a phenomenological study. Marshall et al. (2013) and Marshall and Rossman (2016) noted that investigators should interview a small number of people to gain in-depth insight of the phenomenon. A smaller sample enables researchers to explore interview responses in detail, and identify thematic expressions that provides for and substantiate meaningful and significant claims effortlessly (Fusch & Ness, 2015; Marshall & Rossman, 2016). A large number of participants will reduce the researchers’ capability to explore the matter in detail (Marshall & Rossman, 2016; Palinkas et al, 2015). This study consisted of valuable and accurate data, and a small number of participants offered answers to understand the microfinance phenomenon better through the precise analysis of data.

Qualitative researchers frequently face the task of identifying a saturation point especially when there is no precise regulation (Starke, 2013). The number and length of interviews conducted and the relevance and extensiveness of the discussion determine the saturation point (Houghton et al., 2013; Rubin & Rubin, 2012). Marshall et al. (2013) challenged the approval of the concept of saturation; they question its credibility and transferability across all qualitative approaches. However, Marshall and Rossman (2016) asserted many qualitative researchers meet a saturation peak where they do not distinguish further information from data acquired from transcripts after interviewing 17 participants. According to Houghton et al. (2013) and Starke (2013), the saturation point is when the in-depth interviews continue until there is no significant difference between the former and later interview data. The interviews with the contributors continued to a saturation point where no new themes emerged (Frels & Onwuegbuzie, 2013; Marshall et al., 2013; Rowlands, Waddell, & Mckenna, 2015). The concept of saturation is a parameter for assessing appropriate sample size (Houghton et al., 2013). Therefore, I continued to interview the selected participants until I reached a saturation point where no new themes emerged. I reached the saturation point after interviewing 10 participants.

Sampling

The purpose of this qualitative phenomenological study was to gain an understanding of how Ghanaian microbusiness owners manage mortgage loans for sustainable businesses. Sampling in qualitative research is concerned with the richness of information (Fusch & Ness, 2015; Houghton et al., 2013; Rowlands et al., 2015). Individuals or groups that meet the sampling criteria must connect with operations of microfinance. The individuals or groups must organize the information they would make available to the study for the purpose of quality assurance (Frels & Onwuegbuzie, 2013; Fulgoni, 2014; Robinson, 2014). A purposeful sampling method helps to gain insight into the lived experiences of participants as posed by Marshall and Rossman (2016) and Uprichard (2013). The process of gathering qualitative information entails in-depth discussions with a sample size of up to 20 participants (Marshall & Rossman, 2016; Starke, 2013). The sample size is sufficient to meet the demands of extracting relevant information or finding generalized patterns. Moustakas (1994) said the most crucial aspect of gathering qualitative information is to describe the importance of the event. The gathering of data must involve a small number of individuals who have experienced the phenomenon for a deeper understanding of the issue until different themes no longer appear (Robinson, 2014).

I used a purposeful sampling and snowball method to determine the participants. Purposeful sampling is a form of nonprobability sampling. Purposeful sampling focuses on a group of people and involves the collection of group elements based on the researcher's needs (Palinkas et al., 2013). The views are representative of the larger community of interest (Haines-Saah, Bell, & Dennis, 2015; Uprichard, 2013). Purposeful sampling applies when the number of the behavior or characteristics is so prevalent in the population that to obtain sufficient numbers for the research requires selecting participants strategically (Uprichard, 2013). The purposeful sampling process may increase the likelihood of gaining a whole range of views (Houghton et al., 2013). Uprichard (2013) indicated the power of purposeful sampling rests with choosing information-rich cases for in-depth research related to the heart of the study.

There are three purposeful sampling methods considered for the study, namely homogeneous sampling, criterion sampling, and convenience sampling. Homogeneous sampling is the selection of participants based on membership in a unit that has unique characteristics (Denzin, 2012; Frels & Onwuegbuzie, 2013), as in microloan recipients. In criterion sampling, participant selection hinges on a benchmark. Operating a microenterprise after receiving a microloan will be a criterion for selecting members. Denzin and Lincoln (2011) asserted criterion sampling is convenient for purposes of quality assurance. Convenience sampling involves selecting members who happen to be available and are willing to participate at the time (Onwuegbuzie & Leech, 2010; Uprichard, 2013). Because of long-term work experience in the accounting, banking and finance institutions, and from information sharing relative to the study by microloan officers and research participants, available candidates might help. Frels and Onwuegbuzie (2013) affirmed homogeneous sampling, criterion sampling, and convenient sampling complement each other. However, for the purpose of this study, criterion sampling is appropriate because participants must be microbusiness owners who have strategies to manage microloans for sustainable businesses. Participant selection was from current or former microloan beneficiaries with more than 6 months of business operating experience. The characteristics of the purposefully selected participants would be their involvement in setting up microenterprises, expanding existing businesses, and having had experience with mortgage payments while operating their microbusiness within the Cape Coast Region. The underlying plan for such selection, was to get answers from those who have lived through the phenomenon with the possibility of enhancing credibility, dependability, and transferability of the results (Marshall & Rossman, 2016; Moustakas, 1994).

Additional conditions to determine the purposeful sample participants will be as follows:

- A microenterprise owner must independently own the business.
- A microentrepreneur and the project must be within the Cape Coast Municipality.
- A microborrower or microbusiness owner must be available for review with reachable contact information.

The selection of qualified respondents will be in the order in which they respond to the invitation, to avoid possible unfairness in sample selection. I have no knowledge of the career advancement or retrogression experiences of the participants to make bias decisions. Each meeting with purposefully selected participants took no longer than two hours at the business location of the participant, or a suitable place of the participants' election. The meetings occurred through a typical workday, when appropriate, or occurred at other times agreed by the participants.

Ethical Research

Researchers rate risk, and mitigate any anticipated impairment among participants. Researchers also eschew favoritism, support possible involvement in the design, distribution, and presentation of research findings (Hazzan & Nutov, 2014; Hoare & Hoe, 2013; Palinkas et al, 2015). Information gathering commenced after Walden University's IRB approved the research proposal by issuing approval number 03-17-17-0243965. I treated participants with dignity, to establish a cautious researcher-participant working relationship (Kelley et al., 2013; McGuire, Rankin, & Matthew, 2016). I understand the ethical considerations concerning the protection of human subjects. At a minimum, the principle of respect forbids treating persons as mere means to an end, or only as data points and not as human beings (Addissie, Davey, Newport, Addissie, MacGregor, Feleke, & Farsides, 2014; Hammersley, 2014). The Office of Human Research Protection (2012) presented the Belmont report protocol, which has three core principles that are relevant to research involving human subjects. The principles are (1) Respect for Persons - treating individuals as autonomous agents, and knowing that persons with diminished autonomy are entitled to protection (2) Beneficence - covers acts of kindness or charity that go beyond strict obligation (3) Justice - equal persons ought to have equal treatment (Office of Human Research Protection, 2012).

I earned a certificate from the National Institutes of Health Office of Extramural Research validating expertise in treating human participants with dignity (see Appendix

C). To add to trust, the participants audited the interpreted interview transcripts to confirm correct interpretations of their answers. The confirmation of recorded and transcribed sessions was through member checking to ensure credibility and dependability.

Informed Consent

All Selected participants received a letter of Informed consent that contained my name and contact information. In addition, all participants signed an informed consent form to grant permission for the use of information contributed. The consent form contained the research details including background information, the purpose of the study, the purpose of the consent form, and reasons for selecting a candidate. Nishimura, Carey, Erwin, Tilburt, Murad, & McCormick, (2013) asserted participant's information gathering requires confidentiality and protection. The consent form also stipulated the length of the interview sessions and contained a statement that required the storage of the information collected from the interview in a secure place for 5 years.

Participants may call, email, or text the Walden University representatives to discuss their privileges as research participants. In addition, the consent form contained a Walden University's IRB approval number and the expiration date. The researcher and participants signed a section in the consent form to indicate agreement to all the stated terms. The participants received a copy of the signed consent forms for their records.

The Walden consent form stipulates provisions for social standards and maintenance of participants' confidentiality. Meetings commenced by informing the selected individuals of their voluntary participation and their right to withdraw from the study at any time without reason. No participant received any incentive or compensation from me or any other person (Appendix D). A refusal to proceed with the study incurs no penalty, and the participants had the pleasure of answering inquiries for clarity anytime and where necessary.

The participant's name or those of their business entity were unused to ensure participants' confidentiality in the study. I used a coding system for all names or any other identifiable information of individuals or organizations (see Appendix E). Participants could refuse to respond to any doubt that they regarded as an infringement of their privacy. Furthermore, the participants could request, in writing, to exclude their collected data from the study. Any information gathered up to that point might be stored in a protected, fireproof strongbox for 5 years after the research. Destruction of the stored data occurs at the end of 5 years in accordance with Walden University's doctoral research protocol (see Appendix D).

Adverse Events

The participants did not go through any new processes; therefore, the chance of participants' experiencing any pain or adverse events during the study was minimal or nonexistent. To address uneasiness on overseeing research in a country other than the United States, I complied with the IRB Guidance for International Research. The International Compilation of Human Research Standards (Office for Human Research Protections, U.S. Department of Health and Human Services, 2012), which includes over 1,000 laws, code of practice, and guiding principles that govern human subject research in 103 countries, was observed. I accepted both sets of laws and procedures within

Ghana and all U.S. laws and protocols concerning the management of human participants. Because of the voluntary nature of the study, the interviewees did not receive any compensation for their participation to avoid bias, exaggeration, or misleading information. For that reason, there was no anticipation that participants will encounter any adverse events for the duration of the study. The information gathered were stored in soft copy on a password-protected computer, and printed in hard copy for preservation in a fireproof strongbox for 5 years.

Data Collection Instruments

Data collection procedures in qualitative research comprise participant observation, review of documents, in-depth interview, and focus group discussion (Chan et al., 2013; Hazzan & Nutov 2014; Yin, 2014). It takes a long time to collect data in a qualitative study (Hussein, 2015; Rauch et al., 2014). Data collection in a qualitative study results from directly working with the study participants (Chan et al., 2013; Hazzan & Nutov 2014). I, as the sole data collector, used a meticulous assessment procedure documented with semistructured interviews and open-ended questions relating to microbusiness owner's strategies and experiences regarding microloan management for sustainable businesses. Other data collecting instruments included a diary, Microsoft Office Works, pens, notebook, NVivo10 software, and a recording device to record a conversation with the participants' consent. Participants approved the securing of digital recordings and notes of answers provided. The recording device helped to tape interviews. The pen and diary aided in documenting the interview in the event that a participant refused the recording. The pen and diary also facilitated chronicling of information from documents reviewed. Microsoft Office Works assisted in organizing the data, and NVivo10 software enhanced data analysis.

The confirmation of recorded and interpreted sessions was done through member checking to ensure trustworthiness. Chan et al. (2013) and Reilly (2013) acknowledged member checking is an important quality control procedure in qualitative research. Participants had a chance to go over translated reports for exactness, consistency, and dependability. Member checking comprised examination of documented reports by participants after transcription of data. Furthermore, member checking helped to discuss all of the results with the participants and let them examine the conclusions and comment on them for authenticity before completion of the study (Reilly, 2013). This unit checking or evaluation provided an opportunity for each participant to give an answer. The participant's approval indicated the report was reflective of their account (Chan et al., 2013; Rubin & Rubin, 2012; Starke, 2013).

Qualitative dependability implies that a researcher's methodology was consistent throughout the study (Denzin & Lincoln, 2011; McCusker & Gunaydin, 2015; Rauch et al., 2014). The use of a semistructured and open-ended interview strategy was to maintain an ongoing process in comparison to structured investigators. The recording of the procedures in a meticulous technique and the repeated use of those methods during the study helped to ensure credibility and dependability of the study (Chan et al., 2013). Qualitative credibility is to determine whether the research accurately measures its intended performance or how safe the research results are (Bailey, 2014).

I conducted face-to-face interviews with the participants using semi-structured interviews and open-ended questions (see Appendix B) as a data collection instrument. The face-to-face interview was preferred for this study because it is extensive and richer in terms of tones and depth (Chan et al., 2013; McCusker & Gunaydin, 2015). The interview questions were open-ended to seek detailed information, and not limit the participants' responses (Chan et al., 2013; Marshall & Rossman, 2016; Rauch et al., 2014). Each participant responded to the same open-ended questions to ensure consistency (Morse et al., 2014). Marshall and Rossman (2016) used semistructured interviews to explore how to write a proposal using a qualitative methodology. Likewise, Onwuegbuzie and Byers (2014) found that semistructured interviews were a good way to construct an interrogation approach to determine HIV researchers. Onwuegbuzie and Byers revealed semistructured interviews elicit perceptions and probe for information. Rubin and Rubin (2012) posed that semistructured interviews are the "most excellent method" to focus on investigations where participants have to discuss their experiences. Pavlovic et al. (2014) used semistructured interviews to present a methodology that defined the defects that have an adverse influence on the final quality evaluation of higher education and how to resolve these flaws. The authors' presumed qualitative empirical research, and many of its methods provide useful tools to understand and develop a process, phenomenon, or the perspectives and worldviews of the people involved. Therefore, the use of semistructured dialog to explore the productive lives of microbusiness owners was paramount. Using semistructured interviews, that incorporated seven open-ended questions and a phenomenological design, facilitated understanding of voiced descriptions of participants' lived experiences (Chan et al., 2013; Rauch et al., 2014).

I did not adjust the interview instruments as originally conceived, developed, and approved for the study. Data collection process in the phenomenological analysis includes focus groups and assessment methods (Chan et al., 2013; McCusker & Gunaydin, 2015). Interviews of individuals in a family or group leaders took place, and as McCusker and Gunaydin (2015) explained, this revealed other attributes of the research not previously disclosed in personal interviews. Some individuals may take action more dominantly than others in the group, while others may not respond at all (Liu, Ke, Wei, & Hua, 2013), possibly leading to a weak or skewed data (Chan et al., 2013). In this study, I examined the perceptions of both individuals and family microbusiness owners; therefore, the focus group activity factored in the study. The participant observation method was not viable for this proposed study because data on strategies to manage microloans for sustainable microenterprises are uncollectible by observation.

Written notes of answers provided by 10 participants were available and convenient. Participants could request for copies of their personal interview transcripts and review for accuracy and proof of answers they provided during the interviews. A recording of the information collected was on the NVivo10 software for analysis and coding of themes that emerged from the raw data.

Data Collection Technique

The selected participants were from the Cape Coast Municipality in Ghana. I interviewed participants face-to-face to gather information relating to microborrowers' perception and experience in managing mortgage loans for sustainable microenterprises. Participants discussed their experiences and perceptions of the microfinance phenomenon. Each meeting with purposefully selected participants took no longer than two hours, at the business location of the participants or a convenient place of their election. The meeting occurred through a typical workday, when appropriate, or occurred at other times agreed by the participants. Each participant received a designated number throughout the duration of the study to protect the participants' confidential information and relationship. The semistructured interviews incorporated seven open-ended questions. Pavlovic et al. (2014) revealed qualitative preliminary investigation and many of its procedures produce available learning tools to develop a process, phenomenon or the perceptions and worldviews of the people involved. The interview questions provided a consistent starting point for all members, and avoided limiting participants' responses and researcher bias by not allowing the participants to see the answers. As the sole researcher, I engaged in the Epoche or bracketing process prior to and during the interview. The Epoche process implied that past association, understandings, facts, and biases were set aside and do not direct the interview (Moustakas, 1994). The bracketing process involved treating the data in all its forms equally. Bracketing is a scientific process in which a researcher suspends or holds in abeyance his or her presuppositions, biases, assumptions, theories or previous experiences to see and describe the phenomenon (Denzin & Lincoln, 2011). I commenced the research interviews with prejudgments and biases set aside. The aim of the interview was to prolong the discussions further than the questions to elicit perceptions and experiences of participants. Using probing questions helped me to explore how MFIs microloans have influenced microbusiness owners.

Purposefully selected interviewees participated in semistructured face-to-face interviews with open-ended questions (see Appendix B) in a personal and convenient setting familiar to the participants (Rauch et al, 2014). Face-to-face interviews provide a more representative sample of the population than delivery questionnaires but have advantages and disadvantages as a data collection instrument (Chan et al, 2013; Marshall & Rossman, 2016). Rauch et al. (2014) said the advantages include the following:

- The researcher can detect any difference throughout the investigation.
- The conversation can be private and partakers cannot talk to each other before answering.
- Individuals act in response to a request for confidential discussions in c ontrast to answering mailed questionnaires

McCusker and Gunaydin (2015), and Rauch et al. asserted the disadvantages include the following:

- Traveling cost and time required assembling and conducting interviews could be too expensive.
- Flexibility in personal interviews may leave the room for bias analysis.

- Participants may not be satisfied with the investigator and may refuse to answer perplexing probes, or join on a controversial subject.

To mitigate the disadvantages, a maximum of two trips emerged from New York to Cape Coast, Ghana to minimize traveling cost. The first visit was a connection call before the actual meeting. The exposure visit helps build a foundation for the interview relationship (Marshall & Rossman, 2016; McCusker & Gunaydin, 2015). Marshall and Rossman (2016) revealed the more attention and thoroughness researchers put into making contact, the better cause they make for the interviewing relationship. As noted by Saldana (2012), the purpose of the contact visit is as follows:

- To prepare the groundwork for the mutual respect necessary for the interview process.
- To determine potential participants for the study.
- To begin the process of informed consent, which is necessary for research interviews.
- To read the appropriateness of participants for the interview.
- To allow interviewers to find their way to potential participants to enable them to connect and keep their interviewing appointments.

The goal of the exposure visit is to determine the best dates, times, and places to assess potential participants (Saldana, 2012), but not to engage participants until IRB approval. The next visit happened when the IRB approved the proposal, gave permission to select participants, and prepare to start the interviews. To build trust and respectful working relationship with the interviewees, they received courteous treatment.

Interviews lasted for no more than two hours and participants could refuse to respond to any doubt that they regarded as an infringement of their privacy. The places of the interviews were uninterrupted, convenient, and familiar to the participants. The meeting places were ones in which the participants felt safe and secured (Chan et al., 2013; Marshall & Rossman, 2016; Rauch et al., 2014).

McCusker and Gunaydin (2015) alleged a pilot study offers a fantastic way to verify the viability of the study. Kombluh (2015) revealed a pilot test has the advantage of cautioning the researcher on potential areas of a letdown of the study. A pilot test is conducted to find out whether recommended methods or instruments are appropriate or complicated or where research methodology may not comply with the testing protocol (Kombluh, 2015). A field test may be appropriate if the interview questions are untested. Participants from a field test cannot be included in the actual study. Pilot studies help to understand oneself as a researcher and helps remove obstacles such as mistrust of the researchers agenda (Marshall & Rossman, 2016). Based on the view that even without a pilot study, the researcher can demonstrate his ability to manage qualitative research by describing initial observations or interviews is a basic premise that a pilot study is not necessary for studies of this type (Marshall & Rossman, 2016; McCusker & Gunaydin, 2015; Rubin & Rubin, 2012).

Interview

After the interviewees have signed a consent form, the conversation started with an informal presentation and discussion of the study case. Maintaining a relationship with the participants made them feel relaxed and in high spirits (Hussien, 2015; Prowse &

Camfield, 2013; Rubin & Rubin, 2012). The participants could look for any clarification with the consent form, or if they have any queries linked to their involvement in the study. Participating members responded to the questions as best as they could with integrity. Confidentiality of information was high on the ethical list during and after participation in the study. A professional relationship with the interviewees was necessary to establish a convenient, relaxed, event idea that gave credence to participants to share their insights and understandings regarding how microfinance poverty projects have affected their financial lives. Digital recordings and notes of answers provided are safe with the approval of all participants.

Formal interviews began after the introductions, prompting participants sharing of lived experiences regarding microfinance microloans. Individual questioning, or as members of a group all had an opportunity to respond (Marshall & Rossman, 2016). Each participant could clear doubts, if any, prior to the start of the meeting. Furthermore, participants had a plan of the conference structure in order to know what to expect, and the meetings began with the review of the consent form. Interviewees received copies of the translated study to evaluate before inclusion in the study. The open-ended questions related to participants sharing their experiences of the microfinance phenomenon. Participants had ample time to offer their answers (Chan et al., 2013). Approximately two weeks was required to collect data from the 10 participants, and each interview session lasted for no more than two hours. The depth and scope of the participants responses to the questions asked eventually influenced the length of the interview.

The interviews were face-to-face and digitally recorded with the participants' permission, to make sure of exactness in stating the outcome. Written records of interviews occurred if any participant declined to have an interview recorded. After completing interview sessions to the saturation point, about 10 sessions, participants validated records of their contribution and answers through member checking to endorse acceptable understanding of their responses. Member checking data, or respondent validation, include sharing interpreted information with participants, ensuring the accuracy of information (Marshall & Rossman, 2016; McCusker & Gunaydin, 2015). Member checking involves testing the data, analytic categories, interpretations and deductions with participants who provided the original data as an essential and outstanding way to ensure trustworthiness and validity (Reilly, 2013). Member checks give participants opportunities to correct errors and challenge what they perceived as erroneous interpretations (Reilly, 2013). If the participant doubted the correctness of any part of the information gathered, additional interpretation of their original responses ensued within the transcriptions. I stored all supporting documents that added to microborrowers' perceptions in confidence as per Walden University directives. All data gathered from the interview gadgets and acoustic and other records, involved the use of NVivo10 software for analysis and understanding of thematic elements.

Note taking took place throughout the interviews to ensure understanding of the information. There were records of gestures and body languages that related to the analysis. There was storage of all data collected in the form of printable copies and password-protected computers, in a safe locality for 5 years, to prevent any loss of information. Regular reviews of transcripts and meeting notes to identify patterns and themes as suggested by Moustakas (1994) took place. The process of data set to put all the information obtained during the interviews together began after transcribing.

Data Organization Technique

The role and merits of highly inductive research design in qualitative research are well established (O'Connor, 2013). Inductive analysis means that categories, themes, and patterns come from the data (Palinkas et al., 2015). In-depth interviewing calls for detailed organization and managing of information to enable integration and utilization of data across the study (Chan et al., 2013; Hussein, 2013; Marshall & Rossman, 2016). During the course of the study, data records were on an Excel spreadsheet. Data gathered from interviews were easily retrievable (Bailey, 2014; Starke, 2013). To work with the information gathered from interviews, I made it accessible by organizing it because even the minimal impact of misfiling a consent form from a trusted participant can cause extra hours of work. The participant information form was the method to track the whereabouts of candidates. The purpose of transcribing information into a Microsoft Word document was to code the documenting of each contributor as MF01 through MF020, in the order in which the information trickled in, for concealment. A code in a qualitative investigation is for the most part a word or short phrase that ascribes a comprehensive, significant, essence-capturing, and characteristic feature of a portion of language-based or visual information (Saldana, 2012; Starke, 2013).

I kept a reflective journal to record deficiencies in prevailing microfinance questionnaires. Reflective journals serve as a variety of self-directed appropriate inquiry, as a moment to pause, reflect, and energize (Denzin & Lincoln, 2011; Lawrence, 2013; Marshall & Rossman, 2016). To avoid any loss of data, storage of information gathered was in the form of paper copies, digital audiotapes of interviews, data storage discs, and password protected computers, in a safe location. To prevent any accidental erasure duplication of files took place at ordered intervals during the probe. Organization and recording of information gathered was by time and data type. Saldana (2012) revealed the design of this arrangement is to be able to find the interview data to the source on the interview tape at all stages of research, and contact a participant readily.

The organized, categorized, and type-labeled information showed differences between the classifications (Palinkas et al., 2015; Prowse & Camfield, 2013; Starke, 2013). The coded data ensured proper coordination and could be retrieved, viewed or described with no difficulty, using NVivo10 software. All research document hard copies stays in a tamper-proof strong cabinet at a secure locked storage capacity for 5 years. Finally, a hard drive protected and kept in a secure separate storage area contains digital copies of all research data gathered. The erasure of digital files and shredding of paper documents terminates the investigation.

Data Analysis

Data analysis is the process used to provide explanations, discernment, scrutiny, and understanding of experiences, people, or situations under study (Chan et al, 2013; Frels & Onwuegbuzie, 2013; Prowse & Camfield, 2013). Chan et al. (2013) stated data analysis consists of exploring, categorizing, connecting threads and patterns, and organizing information. The objective of the data analysis was to interpret conclusions related to the study's purpose statement, research question and conceptual framework (Palinkas et al., 2015). Thematic analysis is the method of compressing data into themes or categories (Cardon et al., 2017; Marshall & Rossman, 2016). The data analysis technique related to this phenomenological design was thematic analysis. Thematic analysis helps to draw conclusions and support decision-making (McCusker & Gunaydin, 2015; Moustakas, 1994; Palinkas et al., 2015). Jonnson and Tolstoy (2014) asserted the strategy for data analysis was to examine, design, and modify the data with the use of thematic analysis to draw conclusions and support decision-making.

Qualitative studies use case study analysis (triangulation) or phenomenological analysis (member checking) for the research design. Denzin (2012) described the four basic types of triangulation for case studies as data, investigation, theory, and methodological.

- In data triangulation, Denzin proposed the synthesis and evaluation of different data sources at different places, times and persons.
- Investigation triangulation involves using several different investigators, interviewers or observers in the analysis in order to control or regulate the discriminatory bias of the individual. The nature of this study, however, does not involve other researchers or observers for evaluation.
- Theory triangulation involves the use of different perspectives and concepts to collect a set of data using experts outside the field of study. Various theoretical points of view go through revision for their value and potential. This study

involves microloan recipients who have experienced the microfinance phenomenon; it includes no other professionals.

- Methodological triangulation involves the use of qualitative-quantitative methods to study the program to maximize the validity of field efforts. A comparison of results from surveys, focus groups, and interviews will show similar results. Establishment of the validity occurs if conclusions from each of the methods are the same.

The appropriate data analysis for the research design is Moustakas' phenomenological review. Moustakas' (1994) modified van Kaam approach has a seven-step process as follows:

1. Cataloging and grouping of data collected.
2. Reduction and purging of information.
3. Gathering and putting into themes the invariant constituents.
4. Definitive ranking of alternative elements and themes by diligence as they appear.
5. Utilizing the significant ongoing constituents and themes to make for each co-researcher, a textual explanation of the occurrence.
6. Create for each co-researcher a report of the incident, centered on the textual description, and imaginative reconstruction.
7. Construct for each research participant a textual-structural explanation of the meanings and substances of the event, combining the invariant elements and themes.

Moustakas' (1994) modified van Kaam system allowed expression of common themes and perceptions relative to the purpose of inquiries and answers offered by the participants.

The interview questions were the leading source of information gathering for the study. An overarching argument started the conversation to explore the challenges microloan recipients experience in making mortgage atonement, setting up sustainable microenterprises, and dealing with exorbitant interest rates. The overarching question for this proposal was as follows: What strategies do Ghanaian microbusiness owners use to manage microloans for sustainable businesses? This question led the data analysis. The objective of the overarching question was to understand and create designs that will improve the economic lives of microloan beneficiaries. The goal was to build a business regulating strategy to streamline microfinance interest rates, reduce mortgage defaults, and explore how these business processes may develop new sustainable microbusinesses that could provide jobs to citizens of the community. Listed in Table 2 are the interview questions, designed to focus on the general research question, and for data collection. Data analysis follows by understanding the content of the text and noticing the words that participants use frequently while assigning a value to thematic lexes.

A theme is an outcome of coding, categorization, and analytic reflection (Palinkas et al, 2015; Rubin & Rubin, 2012; Saldana, 2012). In order to provide thematic coding and understanding of themes, I loaded transcriptions into NVivo10 software to further aid in the coding and identification of common themes. The NVivo10 software is a coding and retrieval data analysis that allowed input of interview content and processed it to analyze the data for common themes. The use of NVivo10 software allowed coding data automatically, quickly, and easily visualize the results. Using this software permitted ideas needed to explain participants' perceptions of the phenomenon under investigation. The NVivo10 software helped me to organize, file, sort, and reconnect exchange information and place them in categories based upon emerging themes created during the literature review; staying true to the original raw data. The qualitative plan to use to analyze the data is content analysis. The content analysis utilizes data categorization to identify emerging perceptions concerning the experiences (Rubin & Rubin; 2012) of microborrowers in managing mortgage loans and setting up microenterprises. After data organization, a review of the information helped to understand the quality and reliability of the outcomes before in-depth evaluation (Bartula &Sherman, 2015). Coding of all possible names ensued from the information gathered, and substituted with numbered letters. This coding protected the participants' name or entity and ensured privacy (see Appendix E). To code is to organize and arrange data chronologically (Saldana, 2012). Coding entails easing comprehensive volumes of unprocessed data into a workable system and making the information retrievable (Palinkas et al., 2015; Rubin & Rubin, 2012; Saldana, 2012). The codes MF01 through MF20 enhanced confidentiality, where the first participant interviewed was assigned MF01, the next participant MF02; until all participants had their names replaced by codes. I explained the concluding evaluation of the report by choosing appropriate excerpts while relating the analysis to the research question, purpose statement, problem statement, the conceptual framework, and the knowledge acquired to provide a scholarly report of the study.

As the process of labeling and tracking data bits progressed, categorizing, dividing and splitting of information from the transcripts took place. To code from the transcriptions and organize them by subject the first step was to review records in order to identify key themes and then code appropriately (Marshall & Rossman, 2016; Palinkas et al. 2015). I read the answers garnered during the interviews, copied responses onto a Word document, and organized information by using codes, with labels, pertinent to the research questions. Saldana (2012) submitted that during the first stage of coding, writing notes elaborate on ideas from the initial coding. The notes helped to explain rising categories. A second review of the records, initial coding, and presentation at this point helped to create the categories that emerged from the discussion. A review of the information to evaluate the original codes and memos ensured an adequate capture of all relevant concepts, a redefine of categories and the creation of summarized results in a tabular report (Palinkas et al., 2015; Saldana, 2012). To keep track of information that are participant inspired rather than researcher generated reduced sensitivity (Saldana, 2012). Detection of themes was by using Microsoft word based techniques to single out information recurrences, homegrown terms, and key-words-in-contexts. Data analysis ensued by understanding the content of the text and noticing the words that participants use frequently while assigning a value to thematic lexes. After identifying and representing the themes according to Moustakas' (1994) modified van Kaam technique, I meticulously put together the results of the study. I was attentive to lessons learned, emerged concepts, how the results consented to or varied from the literature review information and conceptual framework, and the unique questions that evolved from the judgments. The data analysis section answered the research questions and provided a better grasp of the phenomenon. Backing up all files, occasionally, helped to avoid accidental erasures or data loss. Referring to the dialogue transcripts and audio recordings helped to organize files, describe and interpret data in an explanatory style (Palinkas et al., 2015). The control of validity threats was by using triangulation, or member checking, to explore and analyze themes and research problems from different perspectives (Denzin, 2012). In addition, analysis of research problems at various levels of the information verified and confirmed the validity in the studies (Chan et al., 2015).

The data to gather in this study relates to Putnam's (1993) theory of Social capital. Putman interpreted social capital as elements of social institutions that can increase the efficiency of society by enabling organized activities. Social capital further implies that there is intrinsic value in fostering a common belief among family members (Wiener et al., 2015). Undertaking microfinance poverty projects by members of a community based on trust and for mutual benefit could structure or improve microbusiness, and reduce or eradicate poverty.

I used member checking to enhance the credibility and dependability of data collected from participants in the study. Participants will receive a 1-2 page summary of the research results and copies of the completed study for their personal use. Recommendations for further study of the management of microloans for sustainable businesses by Ghana's microbusiness owners were incorporated in the final report. Table 2 shows the flow from the research question to the final data analysis technique.

Table 2

Overall Data Analysis Plan for the Study

Research Question	Conceptual Framework	Theoretical Constructs	Interview Questions	Elicited Information	Data Type Generated	Modified van Kaam Method of Analysis (1994)	Trust-worthiness Technique
What strategies do Ghana's microbusiness owners use to managing micro loans for sustainable businesses?	Social capital	Trustworthiness, Norms or Standards, and Networks or Information.	1. What are your experiences as a microloan beneficiary in abiding by the rules and norms of the MFIs regarding your mortgage loan?	Elicits information about rules and norms in relation to micro-borrowers experience.	Coded themes, lived experiences, rich thick descriptions.	Listing and preliminary grouping (Horizonalization)	Research question alignment; Ensuring data saturation level is met; thick descriptions, and member checking;.
						Reduction and elimination.	
			2. What are your perceptions of how trust-worthiness between you and the MFI loan officer enhance your ability to secure a mortgage loan?	Elicits information about factors that promote sustainable micro-enterprises through trust-worthiness.	Coded themes, lived experiences, rich thick descriptions.	Clustering and thematizing the invariant constituents.	
			3. How did net-working and sharing information among micro-business owners help you to manage mortgage loans?	Obtains information about networking and the stability of microfinance.	Coded themes, lived experiences, rich thick descriptions.	Final identification of the invariant constituents and themes.	
						Using the relevant, validated invariant constituents and themes.	
						Creating operational report based on textural description.	

(table continues)

Research Question	Conceptual Framework	Theoretical Constructs	Interview Questions	Elicited Information	Data Type Generated	Modified van Kaam Method of Analysis (1994)	Trust-worthiness Technique
What strategies do Ghana's microbusiness owners use to manage micro loans for sustainable businesses?	Social capital	Trustworthiness, Norms or Standards, and Networks or Information.	4. What do you consider as the common characteristics of microloans that make mortgage repayments difficult?	Elicits information regarding participants' lived experience in making mortgage payments, and governance of interest rates.	Coded themes, lived experiences, rich thick descriptions	Construct substances of proceeding with invariant elements and themes.	
			5. Which information is most beneficial to you for successfully obtaining a mortgage?	Elicits information about participants' understanding of the constitution and composition of MFI	Coded themes, lived experiences, rich thick descriptions		
			6. What method do you find works the best to secure a mortgage extension?	Obtains information about the stability of micro-enterprises and the availability of funds.	Coded themes, lived experiences, rich thick descriptions.		
			7. What other information or recommendation would you like to add pertaining to managing microloans for sustainable businesses?	Follow-up request to clarify previous statements.	Coded themes, lived experiences, rich thick descriptions.		

Note. The phenomenological research design follows the seven-step Modified van Kaam Method of Analysis of Phenomenological Data (Moustakas,1994). Interviews incorporated semistructured and probing questions.

Reliability and Validity

Researchers appraise the quality of a study by its reliability and validity (Denzin & Lincoln, 2011). When judging qualitative research, dependability relates to reliability, and credibility corresponds to validity (Bartula & Sherman, 2015). To maintain the rigor and trustworthiness in qualitative research, Houghton et al. (2013) revealed the following criteria, (a) credibility, (b) confirmability, (c) dependability, and (d) transferability. These standards will allow future investigators to repeat and affirm responsibility in the qualitative research study.

Reliability

Reliability refers to the accuracy of measuring the researh instrument (Reilly, 2013). The dependability of a research could be greater when the selected research design is consistent during the study (Houghton et al., 2013; McCusker & Gunaydin, 2015). The research design must reflect an exact depiction of the target population (Hazzan & Nutov, 2014). If the reproduction of a study yields the same result on a similar methodology, it may enhance the credibility of the instrument and the dependability of the findings (Hussein, 2015). To ensure consistency, I did not deviate from the proposed research strategy. With a semistructured interview process and regular procedure, the participants provided insight into personal experiences concerning a microfinance phenomenon. Qualitative dependability implies a researcher's methodology is consistent throughout different developer and varied projects (Chan et al., 2013 McCuster & Gunaydin, 2015). Denzin and Lincoln (2011) suggested documenting of the research process in detail, and the constant use of those procedures during the study helped to ensure the dependability of the research. Likewise, Chan et al. (2013) asserted the recording of the procedures in a meticulous technique and the repeated use of those processes during the study helps to ensure credibility and dependability of the study.

Audit trial reflects information discrepancies (Marshall & Rossman, 2016). Any information not assured by the research findings showed in an audit trail. I audio-recorded the interviews with the candidate's consent and transcribed them onto NVivo10 software. The transcribed interviews and the audio recording have to match to verify the accurateness of the transcript. To confirm the knowledge acquired, there was member checking. Member checking is sharing of the interpretation of data with participants to verify the accuracy of information before inclusion in the final study (Reilly, 2013). Member checking provided participants with a chance to volunteer additional or clarifying information. A review of participant contributions stimulated additional information. These additions deepened and extended my understanding and analysis (Reilly, 2013). The research results were reported without bias because prejudice concerning a research paper could affect the applicability, credibility, dependability, and transferability of the findings (Denzin & Lincoln, 2011). Participants were not privy to documents in order to avoid swaying the outcome of future dialogues.

Validity

Validity refers to the extent with which a study precisely replicates or evaluates the specific idea that the researcher was attempting to measure (Reilly, 2013). Qualitative credibility is to determine whether the study accurately evaluates its intended deed (Denzin & Lincoln, 2011). Qualitative credibility also determines how safe the research results are by showing transferability, dependability, and confirmability (Hazzan & Nutov, 2014; McCusker & Gunaydin, 2015). Credibility is the extent to which deductions drawn from a study are relevant or believable from the viewpoint of the participants (Denzin, 2012). Member checking helped me to establish the credibility and accurateness of the information gathered. Member checking data included sharing interpreted information with participants, to ensure the accuracy of information (Marshall & Rossman, 2016; Reilly, 2013). Member checking also affords participants the opportunity to assess the adequacy of the data and the preliminary results and confirms or disconfirms particular aspects of the data (Reilly, 2013). Member checking of the data interpretation is part of the quality control process as it affords the participants the chance to evaluate their statements for precision (Reilly, 2013). The use of member checking is to enhance the credibility and dependability of data collected from participants in the study. The goal was to produce findings from understanding the phenomenon under study from the participants' perspective (Denzin, 2012). Therefore, Ghana's microbusiness owners are the only ones to reasonably judge the accuracy and credibility of the findings (Marshall & Rossman, 2016; Palinkas et al.2015).

Validity procedures are useful for methodically evaluating the quality of review work (Denzin & Lincoln, 2011). I used data triangulation to explore and analyze themes and research problems from different perspectives in order to control validity threats.

Controlling validity threats at different levels of information verifies and confirms the validity in the studies. Denzin and Lincoln (2011) described four basic types of triangulation: data, investigation, theory and methodological as follows:

1. In data triangulation, Denzin and Lincoln proposed the synthesis and evaluation of different data sources at different places, times and persons. In-depth interviews conducted with each of these data sources provided insight into participant perspectives on the microfinance phenomenon.
2. Investigator triangulation involves using several different researchers, interviewers or observers in the analysis in order to control or regulate the discriminatory bias from the individual. The nature of the study, however, does not involve other researchers or observers for evaluation.
3. Theory triangulation involves the use of different perspectives and concepts to collect a set of data, using experts outside the field of study. Assessment of various theoretical points of view ensures value and potential. This study involved microloan recipients who have experienced the microfinance phenomenon; it involved no other professionals.
4. Methodological triangulation involves the use of qualitative and quantitative methods to examine the program to maximize the validity of field efforts.

A comparison of results from surveys, focus groups, and interviews will show similar results. Establishment of the validity occurs if conclusions from each of the methods are the same. The same semistructured and open-ended questioning applied to all participants from the different zones to ensure consistency and ease researcher prejudice. Triangulated results from individuals and groups helped me to verify the validity where conclusions were the same. I used Denzin and Lincoln's (2011) idea of using multiple sources of data in order to triangulate the information.

Dependability refers to whether researchers would achieve consistent results if they observe the same thing twice (Bailey, 2014). The notion of dependability highlights the need for the researcher to account for the ever-changing situation within which research occurs. Transferability refers to the degree at which inferences derived from the research influence external or other populations (Espedal et al., 2013). The qualitative researcher can boost transferability by systematically describing the study perspective and the statements that were key to the research (Denzin & Lincoln, 2011). Morse et al (2014) said disparities between the target population and other populations adversely affect transferability.

Confirmability refers to the level at which the findings could be definite or confirmed by other researchers (Houghton et al., 2014; Marshall & Rossman, 2016). Confirmability increases by recording the methods for checking and rechecking the information throughout the study (Denzin & Lincoln, 2011). Hazzan and Nutov (2014) asserted a researcher could vigorously search for and pronounce any adverse instances that refute prior observations. After the study, I organized a data audit that investigated the data collection and analysis methods and made a ruling about bias or misrepresentations.

The saturation point is only conceptual and should not be a determinant of sample size (Starke, 2013). The saturation point is when the in-depth interviews continue until there is no significant difference between the former and later interview data (Rauch et al., 2014; Starke, 2013). The interviews with the contributors continued to a saturation point where no new themes emerged (Frels & Onwuegbuzie, 2013; Marshall, et al., 2013; Rowlands et al., 2015). Multiple research interviews continued to the point where emerging themes were not different from earlier ideas (Reilly, 2013). I continued the in-depth interviews until I reached a saturation point where there was no significant difference between the former and later interview data.

Transition and Summary

The existing collection of information linked to nonprofit microfinance poverty projects covered a variety of topics and policies. The opportunity presented by examining the qualitative phenomenological study relating to what are the strategies and experiences that Ghanaian microbusiness owners use to manage mortgage loans and succeed in business in Cape Coast, is unique. The core mission of MFIs is to eliminate or alleviate poverty in the impoverished sectors of the developing world (Blanco et al., 2013; Hudon & Sandberg, 2013). Data collection was by face-to-face interviews of the participants, and by thematic analysis using NVivo10 software to establish relationships within the data (Marshall & Rossman, 2016; Palinkas et al., 2015).

One of the main challenges to any qualitative design is creating a coding framework that depends on the balance between outsider and insider knowledge

(O’Connor, 2013; Saldana, 2012). Developed themes helped me to explain the inability to setup sustainable microenterprises and the failure to make mortgage atonement, reflecting microloan recipients’ perceptions and the role such perceptions played in their financial lives. Steps to ensure dependability and credibility of information included reduction of bias, member checking, and follow-up interviews whenever necessary, using a proven process throughout the study. In section 3, I did my findings of the study; demonstrated the importance of the information to professional practice, and made suggestions for change and recommendations for action and future research.

Section 3: Application to Professional Practice and Implications for Change

The purpose of this study was to gain an understanding of the strategies Ghanaian microbusiness owners use to manage microloans for sustainable businesses. The objective of the study revolved around the overarching research question: What strategies and experience do Ghana's microbusiness owners use to manage microloans for sustainable businesses? The problems of high-interest rates, microloan defaults, and challenges in securing microloans, are concerns for microloan beneficiaries in the last 30 years (Baklouti, 2013).

The study findings might help prospective microborrowers to have a business plan before securing microloans, and microloan beneficiaries could use others management strategies to sustain their businesses. The study contains recommendations for action and a suggestive plan on how microbusiness owners can affiliate and restructure some proven microenterprise methods and managerial practices to improve securing microloans and reducing microloan defaults.

The purpose of this section was to prepare a summary of the exploration of collected data that led to the results through a series of verifications (Yin, 2014). Participants provided some management procedures that might influence microloan beneficiaries and sustainable microbusinesses. The research findings depicted participants' personal experiences with securing microloans, microloan management and defaults, and perceived causes of microenterprise failures on the phenomenon studied. Grouping of participants' responses revealed six key themes. The result of the investigation revealed no interest on fractions of loans kept as savings by borrowing institutions, lack of adequate time to start loan repayments, and lack of effective entrepreneurial orientation to prepare borrowers for loan management.

Microbusiness owners could use experiences shared by the participants in deciding what to fine-tune or substitute in their strategies to manage microloans for sustainable microbusinesses.

Presentation of the Findings

The overarching research question for the study was: What strategies do Ghana's microbusiness owners use to manage microloans for sustainable businesses? Microborrowers have to deal with issues of high-interest rates, microloan defaults, and challenges in securing microloans, lack of transparency, and no proper business direction (Baklouti, 2013; Hudon & Sandberg, 2013).

Preceding researchers have discussed financial sustainability for the poor, sustainable small-scale enterprises, reaching poor microborrowers, and high-interest rates, but there are not enough studies on effective mortgage repayments, microloan management strategies, microloan defaults, and request for collateral in nonprofit microfinance. Enticing prudent microborrowers to reduce microloan defaults and avoid worsening the plight of the poor has been a problem with most MFI's (Hudon & Sandberg, 2013; Shivarajan & Srinivasan, 2013).

An evaluation of microloan beneficiaries' lived experiences helped to identify how those perceptions highlighted the microfinance phenomenon. I interviewed 10 participants. Rowlands et al. (2015) asserted the saturation point is where there is no significant difference between the former and later interview data. I used Putnam's (1993) theory of social capital to show how the identified causes of microloan defaults, lack of business direction, and the absence of government intervention, required modifications. This study may increase the understanding of microbusiness owners on how to strategize loan management to reduce microloan defaults and sustain their businesses.

I adopted a phenomenological design with semi-structured, face-to-face interviews using open-ended questions. Employing data triangulation by analyzing and distinguishing themes from different data levels improved the validity of the study. Member checking enhanced the credibility and dependability of data collected from participants in the study. Member checking is the sharing of interpreted data with participants to verify the accuracy of their answers.

Each interview session began with asking the participant to describe their experiences as a microloan beneficiary in abiding by the rules and norms of the MFIs regarding their microloans. To help address the overarching research question, I asked each participant seven semi-structured, open-ended interview questions. The result of the study revealed no interest payment on contributions or fractions of loans kept as savings, lack of adequate time to start loan repayments, and lack of effective entrepreneurial orientation to prepare borrowers for loan management as significant issues. Microbusiness owners could use experiences shared by the participants in deciding what to adjust or change in their strategies to manage microloans for sustainable microbusinesses. The study findings could help prospective microborrowers to prepare a business plan before securing microloans. MFI's could use the study to understand customer needs and productively structure loan advancement procedures to attract prudent borrowers.

The data-collection technique used to gather information was a phenomenological probe with semistructured interview questions. Ten participants participated in the interviews because at that point, no new themes emerged. The thematic analysis technique (Jonsson & Tolstoy, 2014) helped to analyze data. Jonsson and Tolstoy (2014) revealed a thematic analysis could lead to a better perception of the processes and objectives that strengthen strategies for managing microloans for sustainable businesses.

The use of NVivo10 software enabled the analysis and coding of data, transcription, corroboration of answers with participants, and data organization. The use of member checking enhanced credibility and dependability of the data gathered. Participants confirmed the exactness of their answers in the transcripts. A review of the literature and the interviews facilitated effective triangulation. Using a modified van Kaam analysis as depicted in Section 2 helped to translate data and categorize the results by themes. The use of the modified van Kaam technique allowed for the recognition of valuable data and removal of the inconsequential data, thereby helping to determine the full value of the data collected. Themes that emerged from the study were important issues that could influence the growth of microbusinesses, microloan defaults, and high-interest rates.

The collection of data and analysis of participants' answers generated six key themes that addressed the research and interview questions. The themes (see Appendix F) from the analysis of data are as follows:

1. required savings before securing microloan,
2. group members as collateral,
3. high interest rates and mortgage defaults,
4. strategies for managing microloans,
5. lack of established business processes, and
6. essential government protection.

The themes helped to explain the strategies for managing microloans for sustainable microenterprises. These topics facilitated the detection of some concerns that microbusiness owners should strive to manage. A few of the themes portrayed some management practices approved by some microbusinesses owners that others should replicate. The findings, summary, and conclusion of the investigation incorporated an implementation plan for microbusiness owners to study.

The interview questions constructed to focus on the general research question and facilitate data collection were as follows:

1. What are your experiences as a microloan beneficiary in abiding by the rules and norms of the MFIs regarding your mortgage loan?

2. What are your perceptions of how trustworthiness between you and the MFI loan officer enhance your ability to secure a mortgage loan?
3. How did networking and sharing information among microbusiness owners help you to manage mortgage loans or succeed in businesses?
4. What do you consider as the common characteristics of microfinance that make mortgage repayments difficult?
5. Which information is most beneficial to you for successfully obtaining a mortgage?
6. What method do you find works the best to secure a mortgage extension?
7. What other information or recommendations would you like to add pertaining to managing microloans for sustainable businesses?

The results of the data analysis of participants' responses to questions 1and 2 helped to explain the concepts of social capital in regard to microborowers' experiences in securing microloans as individuals or in groups as well as repayment timeframes. The explanation resulted in themes 1-6 (see Appendix F). The result of the data analysis on responses to interview question 3 helped to inform the prudent repayment of microloans and the economic effect of microbusinesses, which led to themes 2, 3, and 4. The analysis of responses to interview questions 4 and 5 helped to identify problems participants encountered in making loan repayments and the need to have a business plan. The analysis led to themes 3, 4, 5, and 6. Analysis of the results on question 6 obtained information about the stability of microborrowers' microenterprises, leading to themes 2, 3 and 6. The result of the data analysis on participants' responses to question 7, helped to clarify previous statements and set up business procedures and prudent managerial practices; this led to themes 4 and 5.

Interview Question 1

Interview question 1 was: What are your experiences as a microloan beneficiary in abiding by the rules and norms of the MFIs regarding your mortgage loan? The objective of this query was to gather information about the relationship between the concept of social capital and the microborowers' experiences. As shown in Table 3, 80% of the participants have between 6 months and 8-years of microbusiness experience, while 20% had more than 8-years. Participants' answers to question 1 depicted that all were microborrowers who had operated microbusinesses for a minimum of two years.

Table 3

Participants' Experience as Microloan Beneficiary

Years of Experience	*n*	%
1/2-2years of experience	1	10
3-5 years of experience	5	50
6-8 years of experience	2	20
10-30 years of experience	2	20

Note. *n* = the number of individuals (out of 10 participants) within that range,
% = the percentage of individuals (out of 10 participants) with that particular response.

Interview Question 2

Interview question 2 was: What are your perceptions of how trustworthiness between you and the MFI loan officer enhance your ability to secure a mortgage loan?

Participants' responses indicated that 30% had loan amounts retained by the MFI as savings that yielded no interest to the borrower. Fifty percent of the participants made contributions for 4 weeks or more (called Susu) with the MFI, and 20% provided guarantors before consideration for microloans. Participants never expected collaterals.

Table 4

Trustworthiness in Securing Microloans

Savings/Contributions/Guarantors	*n*	%
Savings from loan amount	3	30
Contributions before loan – 4 weeks	2	20
Contributions before loan – 6 weeks	3	30
Guarantors before loan	2	20

Note. *n* = the number of individuals (out of 10 participants) with that response, % = the percentage of individuals (out of 10 participants) with that particular response.

Interview Question 3

Interview question 3 was: How did networking and sharing information among microbusiness owners help you to manage mortgage loans or sustain your business? The objective of this query was to obtain information about the advantages of networking and intelligence sharing in microbusiness, about social capital. As shown in Table 5, 50% of the participants indicated that information sharing was more beneficial working with groups and 30% preferred networking with family members. Individual's main networking message was to focus on meeting repayment target. Individuals did not want others to determine their flow of business.

Table 5

Networking and Information Sharing

Influence on Individuals/Groups/Family	*n*	%
Beneficial as Group members	5	50
Beneficial as Work-family	3	30
Beneficial as Individuals	2	20

Note. *n* = the number of individuals (out of 10 participants) with that response,
% = the percentage of individuals (out of 10 participants) with that particular response.

Interview Question 4

Interview Question 4 was: What do you consider as the common characteristics of microfinance that make mortgage repayments difficult? Participants' responses stimulated information about problems microborrowers encounter in making microloan repayments. The study results depicted that, for one to be successful with microloans, one must be a careful and astute business planner. As the results in Table 6 shows, all 10 participants (100%) stated high-interest rate as the primary cause of loan defaults. All participants unanimously agreed with the other causes of microloan defaults as highlighted in Table 6.

Table 6

Causes of Mortgage Repayment Defaults

Factors affecting loan repayments	*n*	%
High interest rates	10	100
No business plan	8	80
Delays in loan re-approval	6	60
Misuse of loans	8	80
Lack of financial planning	8	80
Short repayment periods	6	60

Note. *n* = the number of individuals (out of 10 participants) with that response, % = the percentage of individuals (out of 10 participants) with that particular response.

Interview Question 5

Interview question 5 was: Which information is most beneficial to you for successfully obtaining a mortgage? As depicted in Table 7, 100% believed informing the loan officers about economic hardships secured loans. Eighty percent agreed that the formation of a group used as collateral, secured those loans. Another 80% believed that trusting a burden to be eased could secure a loan. Four participants (40%) took loans to pay children's school fees.

Table 7

Information for Obtaining a Mortgage

Most Beneficial Information	*n*	%
Economic Hardships	10	100
Group formation	8	80
Household maintenance	3	30
Payment of school fees	4	40
Trust that loan will ease a burden	8	80

Note. *n* = the number of individuals (out of 10 participants) with that response, % = the percentage of individuals (out of 10 participants) with that particular response.

Interview Question 6

Interview Question 6 was: What method do you find works the best to secure a mortgage extension? The design of this question was to elicit information about what microborrowers must do to sustain their microbusinesses. As shown in Table 8, all participants (100%) agreed that loans must settle in full to secure mortgage extension. Business capital must be secured and part of profits saved to continue in business. Eighty percent of the participants (8) believed that one must be passionate about one's business, and make wise investments. All participants (100%) shared the view that when one's business grows, one can always secure a loan. Participants solidly share the opinion that only secured capital can sustain a business.

Table 8

Securing Mortgage Extension

Methods	*n*	%
Loans must settle in full, always	10	100
Secure business capital	10	100
Expand or grow business	10	100
Be passionate about business	8	80
Make wise investments	8	80
Make compulsory savings from profit	10	100

Note. *n* = the number of individuals (out of 10 participants) with that response, % = the percentage of individuals (out of 10 participants) with that particular response.

Interview Question 7

Interview Question 7 was: What other information or recommendations would you like to add pertaining to managing microloans for sustainable businesses? The focus of question 7 was to elicit other management strategies from participants. As shown in Table 9, at least 80% of the participants agreed with all the recommendations for managing microloans for sustainable microenterprises. These recommendations for managing sustainable microenterprises mirror the methods for securing mortgage extension in Table 8.

Table 9

Managing Microloans for Sustainable Businesses

Recommendations	*n*	%
Have a business plan	10	100
Focus on business	10	100
Have a loan repayment plan	10	100
Be judicious with spending	8	80
Save part of profits religiously	8	80
Be an astute financial planner	10	100

Note. *n* = the number of individuals (out of 10 participants) with that response, % = the percentage of individuals (out of 10 participants) with that particular response.

Results From the Evidence Gathered

The problem of this study was the strategies microbusiness owners use to manage microloans for sustainable businesses. Some Ghanaian microbusiness owners lack the approaches to arrest the challenges posed by microloan defaults. The overarching research question that guided the study was: What strategies do Ghana’s microbusiness owners use to manage microloans for sustainable businesses? I constructed semistructured interview questions to collect information from microbusiness owners who are in business or have been in business before, for at least six months. Only one of the participants had 30-years' experience in managing microbusiness, 60% had 4-8years experience in microbusiness management, and 30% had 1-3 years' experience. Unique views relating to causes of microfinance defaults, strategies for managing microloans for sustainable businesses and strategies for dealing with high-interest rates persisted. I classified, coded, arranged, and uploaded data into NVivo10 qualitative data analysis software from the seven semistructured interview questions constructed to focus on the general research question. Emerging themes from the analysis provided understanding on problems with high-interest rates, microloan management, and the unsustainable business phenomenon. The themes that emerged, and how they connect to the literature, the conceptual framework, and their application to effective business practice are as follows:

Theme 1: Required savings before securing microloans. All the 10 participants indicated that savings was needed before microloans were given out. Participants' perceptions helped to confirm the leading cause of microenterprise failure, and many mortgage defaults as mentioned in the literature. Moustakas (1994) asserted the goal of the phenomenological design is to state the facts and discuss the situation accurately without referring to any preset guidelines. I, therefore, captured some of the responses without any stated format. Some of the replies obtained are as follows:

Participant IBABMF02 stated, "A tenth of the loan amount was compulsory savings. The savings amount yielded no interest, yet, I paid interest on the full amount." Participant IBADMF06 said, "I made contributions (Susu) for six weeks after which period I borrowed three times the total amount contributed." Participant IBCCMF07 said, "I paid a processing fee, and also deposited 20% of the loan amount that I requested for, as savings."

All participants indicated that while their savings or contributions yielded no interest, they paid high interest on the loan amounts. Participant IBABMF04 moaned "The balance of the loan after savings deductions or the deposit from contributions, reduces their working capital; not much is realized as profit to prevent mortgage defaults." The reduced or inadequate capital supports Ahmed, Brown, & Williams' (2013) study, which stated that the repeated absence of financial resources leads to enterprise closure. Insufficient capital frequently results to mortgage defaults, making the microenterprise incompetent to generate enough income to pay its operating cost (Leen, 2013; Moss et al., 2015). Leen's (2013) study aligned with participant IBABMF04's lament as Leen stated that inadequate infrastructure and managerial procedures contribute to microbusiness collapse in emerging countries.

Theme 2: Group members as collateral. Twenty percent of the participants applied for individual loans and 10% secured a loan through a guarantor. Seventy percent of the participants alleged that to ensure a loan as a group member was much easier because group members were the firms collateral. If a team member defaulted, loan extension ceased until loan obligation ends. This is in alignment with Benjamin's (2013) revelation that in joint liability lending debtors team up to get personal loans and are jointly liable. All seven participants agreed that "If the defaulting party and the group members fail to discharge the loan, their savings or deposits were used to pay the mortgage interest until full refund." The repayment process synchronized with Hudon and Ashta's (2013) assertion that group lending makes it easier for intervening power when it was time for atonement. Participant IBABMF02 said, "Once you form a group, you are guaranteed a microloan." Participant OBCCMF01 contributed that "MFI's use groups as security. For individuals, one must provide a guarantor, preferably somebody maintaining a savings account with the borrowing institution."

Participants IBCCMF07 and IBCCMF03 said, "To succeed as a group, we have to be telling each other to work hard and save for us to get loan extension." Alvarez and Barney (2014) agree with the comment. Alvarez and Barney asserted the group lending situation depends on social networks, the behavior of small units, and positive motivations to reduce the uncertainty and adverse selection problems. Benjamin, (2013) said throughout the world microfinance group lending or joint liability contract, is the greatest reputable lending target by the Grameen Bank. The aim of microfinance is to give microloans to the needy without collateral. This objective is in alliance with Baklouti's (2013) statement that microfinance institutions step in the distribution of microcredit to needy families and small enterprises without collateral.

Theme 3: High interest rates and mortgage defaults. One hundred percent of the participants agreed that "The interests on the loans are too high, and we have only two weeks to start payment." Participant IBCCMF07 remarked, "It will be of tremendous help if interest rates were low with repayment time extended." Participants were of the opinion that the two weeks' period to start repayment of the loan was economically too short to have used the small loan for any meaningful gains to make an effective refund of the loan and high interest. Participant IBCCMF07 remarked, "The payment time is not enough to turn over the loan gainfully to make loan atonement." Participant OBCCMF01 noted, "Because of the lack of financial orientation, microloan recipients must focus on the business at hand if they do not want to default."

Some of the participants believed if the interest rate was low with an operating limit, most microenterprises could be sustainable instead of paying all the little profits on high interests to the borrowing institutions. This response harmonizes with Lewis' (2008) study findings. Lewis required an upper limit on interest rates to prevent exploitation of the needy by microfinance investors. Participant IBABMF02 and IBCCMF10 said, "Interest repayment is high and that result to microloan defaults." Most of the participants repeated that, "Interest payment is the cause of the many difficulties that they go through. The loan duration is six months, and many cannot pay." This contention is in line with Riggins and Webber (2016) study findings. Riggins and Webber contended the high-interest rates were the reasons behind the microfinance crisis in Andra Pradesh, India. In Andra Pradesh, low-income families augmented their relationships with local loan sharks to pay microloans they obtained from their local MFIs (Hudon, & Ashta, 2013).

Participant IBADMF06 believed that the difficulty in honoring mortgage atonement, even though interest is high, was because some microborrowers use the little profits for unplanned purposes. The waiting period to get loan extension approvals was often very long, resulting in the use of available personal savings for food and shelter. Participant IBCCMF10 stated, “Sometimes the loan money was used for unnecessary personal expenses, resulting in full repayment defaults.” Participant IBCCMF05 said, “The interest rates are too exorbitant, resulting in defaults.” This response is in line with Lewis’ (2008) study findings. Lewis revealed that the interest rates for Compartamos customers remained unusually high, with APR of 129% in 2008. Participant OBADMF08 alleged, “Knowing the terms of the interest and the loan payment will prepare one to spend judiciously thereby helping to reduce the loan defaults.”

Theme 4: Strategies for managing microloans. Ninety percent of the participants acknowledged, “The fear of defaulting resulted in regular loan repayments.” That fear drove participant IBABMF02 to “Make daily and weekly personal savings from business profits.” Forty percent of the participants concurred. Participant IBCCMF03 stated, “I saved with group members (Susu), to have money for loan repayment always.” None of the prudent borrowers wanted to be a bane to other members of the group by default. Al-Azzam et al. (2013) support this assertion. Al-Azzam et al. posited that if a member defaults on the mortgage repayment, the member remains responsible for the groups' ineligible for further loans. Microbusiness owners' focus, therefore, was on loan repayment.

Participants IBADMF09 and IBCCMF10 believed that proper business management calls for preparing a business plan to serve as a road map. Thirty percent agreed to "Complete an economic cycle before touching realized profits. This way, business is sustained before any attempt to use profits." Three participants (30%) added that for prudent management and spending, there should be control and careful use of money. Participants IBADMF09 and IBCCMF10 alleged that "Ask for professional advice, where necessary, and invest wisely." Participant IBCCMF05 and IBCCMF07 said that they "Manage their finances by using the business capital for business, growth, and expansion programs only."

Eighty percent of the participants believed that "Networking with group members helped them to focus on business and loan repayment." This response echoes some findings from the literature. Espedal et al. (2013) alleged through networking, members remain cautious about their microenterprises to ensure sustainability and economic survival. Ulrich and Hoback (2014) said to safeguard the continued existence of the group the members' network and share information so that every member can perform well and remain capable of repaying the mortgage. Kwon and Adler (2014) revealed that through networking and group decision-making the needy could improve their living standards and thereby reduce poverty. Networks are essential for success in business (Ulrich & Hoback, 2014).

Theme 5: Lack of established business process. Microenterprises are multifaceted and similar to the socio-cultural environment. Microbusinesses are mostly individually owned or few family member owners just working for daily sustenance. There is nothing like room for development and growth in individually owned microbusinesses. Only the family owned microbusiness have some form of succession planning; the eldest son takes over, and the next in line follows. Most types of businesses involved, like basket weaving, selling of phone cards, bread baking, and much more, have no enterprise policy and vision to give workers a clear sense of direction.

Eighty percent of the participants indicated that the only form of evaluation was the ability to make mortgage repayments on schedule. This type of appraisal was when one secured a mortgage extension. Participant OBADMF08 remarked, “The borrowing institutions are not interested in what you do as long as you make your loan repayments.” The less concern informs why many loan beneficiaries do not know what to do with the loans initially and fall behind on payments. Some borrowers just apply for the loans because they saw others secure the loans.

Based on the information collected and scrutinized, the MFI’s must establish some form of business procedures for all microbusiness owners to follow. Borrowing institutions must approve a plan of activities from the borrowers to give them a sense of direction. This area must be of great concern to MFI’s loan officers to address. To accomplish such a feat will require that MFI’s loan officers adhere to the recommendations in this study. Observing the proposals and executing the required changes will help microbusiness owners reduce microloan defaults, make some gains, and eventually work themselves out of poverty.

Theme 6: Essential government protection. One hundred percent of the participants declared, “Government protection was critical if the MFI’s go bankrupt or disappear.” Participant OBCCMF01 commented, “I lost all the monies that I put into a retirement protection fund, a welfare account, and savings because the MFI folded and the loan officers disappeared. The government is to protect investments, so monies are paid back.” Participant IBCCMF05 purported that “The MFI kept 25% of the loan amount as savings, while I made interest payments on 100% of the loan amount. Savings of 25% capital yielded no interest. I made weekly contributions and never defaulted on loan payments yet when it was time to collect the contributed amount, I only had 45% of the total amount.” The government must provide protection and look into such dishonesty.

McNulty et al. (2013) highlighted providing protection for microbusiness owners. McNulty et al. asserted that government participation in microfinance control could be an encouraging change. Perfected checking could increase the sector by increasing competition, advancing technical capacity, and refining the value and quality of microfinance products (Ahmed et al., 2013; McNulty et al., 2013). Depositors were not in a position to observe the risks taken by MFI’s. Thus, the prudential guidance of deposit-taking MFI’s is of paramount significance for the safety of the microfinance sector as a whole (Ahmed et al., 2013).

All the participants contended that given the rate at which MFI’s disappear after some few years of operation, there was the need for the government, to enact policies that will protect the poor from losing their livelihood. Banks and Specialized Deposit-Taking Institutions could take the supervisory role. Participants IBADMF06 and IBADMF09 commented, “After all, the mission of microfinance is to encourage transformation in the livelihoods of poor households and to avert the risk of need, and eliminate or alleviate poverty.” The key element of government protection is interest rate controls, or whether the government instructs MFIs to comply with an interest rate upper limit.

Findings of a Larger Body of Literature

The literature on microbusiness owners and microloan management identified causes of microenterprise failure, microloan defaults, and repeated absence of financial resources. I strive to find and understand perceptions and methods that were undesirably bothering microbusiness owners in the management of microloans for sustainable microenterprises. I related the research results to the current literature on microbusiness owners and microloan management. The study findings offer differences on the topical discussions in the literature.

Required savings before securing microloans. All participants indicated that there was a request for compulsory savings before securing microloans if one does not have a guarantor. Eighty percent of the respondents stated that the monies saved or contributed affected their operating capitals. The participants said their savings yielded no interest while paying interest on the total loan amount made the cost of borrowed capital high. All monies held in the form of savings was used to create money, therefore, paying interest on savings amount will help reduce the problem of inadequate capital, many mortgage defaults, and microenterprise failure.

Group members as collateral. Seventy percent of the participants indicated applying for loans in a group makes them jointly liable because of the use as collateral. If a team member defaulted, loan extension ceased until the loan obligation ends. The waiting time affects the flow of business and slows down prudent microbusiness owners. The savings or deposits of serious minded microbusiness owners pay for the mortgage interest of the defaulting party. Flushing defaulting parties from a group will ensure continuity of business for the remaining group members and in addition, keep their savings intact. Only the defaulting party's savings pays for the mortgage interest until the loan is fullydischarged.

High-interest rates and mortgage defaults. One hundred percent of participants said interest rates on borrowed capital were exorbitant with short repayment time. The two weeks repayment period does not allow enough operations to generate profit for loan repayment, resulting in mortgage defaults. Eighty percent alleged the waiting period to get loan extension approvals was often very long, leading to the use of available personal savings for food and shelter. All the participants

(100%) contended that lower interest rates with an upper ceiling limit could lead to the structuring of sustainable microenterprises. Setting an interest rate upper bound could increase microbusiness profits. Proper financial planning to prevent the misuse of loans and encourage judicious spending, could prevent loan defaults and put a smile on the faces of the needy.

Strategies for managing microloans. Ninety percent of the respondents asserted that the fear of defaulting helped them to focus on loan repayment. Eighty percent believed networking with business members was instrumental in focusing on their business. All the participants alleged that being an astute financial planner accounted for obligatory personal savings from profits. One hundred percent of the participants said that without a business plan enterprise could fail. Boosting networking and putting in place a loan payment plan could help microbusiness owners to stay on course. A solid business plan, wise spending, and prudent financial planning are required to manage microloans for sustainable businesses. A professional advice and wise investment could help grow and expand microbusinesses.

Lack of established business process. Microbusiness group members, only stick together, to secure loans. With the disbursement of loans, they each pursue different goals or follow different career paths, making it impossible to establish a business process. If the group pursues a common business goal, it will be easier to establish a business process for all business owners to follow. It will serve as a guidance map. Approving business plans before loan approval will help microborrowers to focus on intended purposes, and a loan payment plan will help business owners to focus on mortgage repayments. Controlling the use of money will keep some profits and prevent microloan defaults.

Essential government protection. All 10 participants declared that interest rates are too high, causing loan defaults. One hundred percent of the respondents also said there should be some protection in the event of a financial crisis. Proper and efficient controls could increase the sector by increasing competition, advancing technical capacity, and refining the value and quality of microfinance products. The key element of government protection is interest rate controls, or whether the government instructions comply with an interest rate upper limit.

Findings Related to Conceptual Framework

Hanifan's (1916) theory of social capital, extended by Putnam (1993) was the basis of the conceptual framework for this study. Social capital characterizes mutual sharing and represents networking that is dependent on norms, rules, values and trust. Furthermore, social capital increases cooperative actions for problem-solving, facilitates innovation, reduces information imperfection, and promotes natural protection. The social relation is the primary source of social capital, and the features of social organization such as networks, norms, closeness and trust, accommodates a variety of traditional cultures and morals that can increase a community's productive capacity. The fundamental concepts of the theory are (a) trustworthiness, (b) networks, and (c) standards or norms.

Required savings before securing loan. Eight participants (80%), revealed that the monies saved or contributed, negatively impacted their working capitals, therefore, paying interest on their savings amount will help ease the problem of small capital which, in turn, will contribute to generating income to eliminate or alleviate poverty. Putman (1993) support the findings. Putnam asserted social capital is an element of social institutions that can increase the efficiency of society by allowing organized activities. Furthermore, he explained that faith and standards of deliberation and communications could help alleviate global poverty.

Group members as collateral. MFIs loan administrators must pay interest on savings from creditors and remove defaulting parties from a group to ensure continuity of business for the remaining group members. Participants indicated applying for loans in a group made them jointly liable because of the use as collateral. If a team member defaulted, loan extension ceased until the loan obligation ended. The social capital theory describes such situations as “The tragedy of the commons.” This finding aligned with Putman’s (1993) social capital theory explained as the standards and networks that allow citizens to use collective action for business investment growth. Microfinance institutions must lend money to the needy based on trust, and not collateral.

High-interest rates and mortgage defaults. All participants alleged that interest rates were exorbitant and contributed to mortgage defaults. Participants contended that lower interest rates could lead to the structuring of sustainable microenterprises, and setting an interest rate upper limit could increase microbusiness profits. Putnam (1993) supports this finding when he alleged social capital concepts could enhance productivity by facilitating coordinated actions. Borrowing institutions must lower interest rates and set an interest rate upper limit that could help increase microbusiness profits.

Strategies for managing microloans. Eighty percent of the participants believed networking with business members was instrumental in focusing on their business. Boosting networking, therefore, could help microbusiness owners to stay on course to sustain their businesses. This outcome aligned with the social capital construct of networking expounded by Putnam (1993).

Lack of established business process. Seventy percent of the participants alleged that to secure a loan as a group member was much easier. Microbusiness group members only come together to secure loans. After securing the loan, they go in different directions thereby making it difficult to establish an effective common business process. Putnam (1993) explained that cognitive, social relation is the leading source of social capital. Putman's social organization explains why microborrowers come together as networks, norms, closeness and trust.

Essential government protection. One hundred percent of the respondents said there should be some protection of their savings and contributions in the event of a financial crisis. This finding aligned with Putnam’s (1993) theory of social capital. Putnam said the dark side of social capital could be corporations or nations colluding with one another to create cartels or members of organized crime conspiring to stop illegal economic activities. The government must protect the meager savings and contributions of the needy borrowers from spurious MFIs.

Findings Related to Existing Literature on Effective Business Practice

Microfinance Institutions loan administrators must realize that trust is the core relationship between social capital and collective action. Another crucial aspect of trust is it involves an opportunity for both the MFIs and the microbusiness owners to increase their wealth. Bonding social capital permits area residents to engage in demanding forms of collective action, establishing additional investments in development activities and coping effectively with environmental threats.

For sustainable businesses, microbusiness owners need to secure loan extensions; the cost of borrowed capital must reduce, and have protection in the event of economic crises. MFIs group lending or joint liability agreement must ensure transparency to thrive on responsibility for family members. As long as all colleagues of the group repay their loans, the promise of future credit was extensive. Microborrowers must incorporate effective business practice. Effective business practice is performances that increase competitiveness, steer developments in the environment, and generate economic profits.

Required savings before securing loans. Eighty percent of participants had part of their loans kept as savings, or they made daily contributions for six weeks or more, before securing loans. Participants said inadequate capital, because of compulsory savings, and the short repayment period often resulted to microloan defaults. MFIs should realize that increased capital and the guarantee of mortgage extension could ensure a sustainable business. Honoring loan repayments ensures the promise of future credit is extensive (Al-Azzam et al., 2013), and minimal mortgage default will increase profitability for both the borrower and the borrowing institution.

Group members as collateral. In the literature, Benjamin (2013) revealed that in joint liability lending, debtor's team up to get personal loans and are jointly liable. Seven participants (70%) said it was easier to secure loans as a group because of group member usage as collateral. Baklouti (2013) stated that microfinance institutions distribute microcredit to needy families and small enterprises without warranty. Al-Azzam et al. (2013) stated bonding groups for lending permits, prepare area residents to engage in demanding forms of collective action, establishing additional investments in development activities, and coping effectively with environmental threats. Alvarez and Barney (2014) asserted group lending situation depends on social networks, the behavior of small units, and positive motivations to reduce the uncertainty and adverse selection problems, and effectively promote business and alleviate poverty. The findings from the study indicated MFIs used group lending as collateral instead of offering loans to debtors based on trust.

High-interest rates and mortgage defaults. One hundred percent of the participants indicated the cost of borrowed capital was too high. Moss et al. (2015) alleged high-interest rates led to many mortgage defaults. The literature revealed that studies on the higher interest rates on microloans to the needy in the rural sectors of developing nations, where repayment interest rates were as high as 95% or more, were scarce (Andaman, 2013; Hudon & Ashta, 2013). All the participants (100%) asserted that lower interest rates with an upper ceiling limit could lead to the structuring of sustainable microenterprises. Hudon and Ashta (2013) alleged the top limit on interest rates would cause excessive desire for microfinance loans. Untenable microcredit indebtedness is commonplace throughout developing countries because of high-interest rates. Riggins and Webber (2016) contended the high-interest rates were the reasons behind the microfinance crisis in Andra Pradesh, India. Participant IBCCMF05 remarked, “When it was time to collect my contributed amount, I was only paid 45% of the total contributed.” Some MFIs engage in criminal acts such as inappropriate information, illegal seizure, and usurious interest rates (Riggins & Webber, 2016). Results from the study indicated MFIs must be transparent with borrowers, set interest rate limit, pay interest on savings, and approve debtor’s business plan before approval of loans.

Strategies for managing microloans. Eighty percent of participants (80%) believed networking with industry members was instrumental in focusing on their business. All the respondents agreed that a solid business plan, wise spending, and prudent financial planning are required to manage microloans for sustainable businesses. McNulty et al. (2013) contended efficient management could increase the sector by advancing technical capacity, increasing competition, and improving the quality and value of products. Some participants managed their finances by using the business capital for business, growth, and expansion programs only. Bahng (2013) said the absence of plans for growth and development could leave the enterprise behind the pack or at the bottom of the ladder.

Lack of established business process. In the reviewed literature, Putnam (1993) noted that the cognitive, social relation is the key source of social capital. Microloan beneficiaries togetherness, therefore, depends on the social capital constructs of, network, norm, closeness, and trust. MFIs need to request for a business plan from debtors to give them a sense of direction. Monies kept by MFIs as savings were used to create money. Thus, depositors savings must, as a business procedure, yield interest.

Essential government protection. All 10 participants expressed the need for government protection against loss of deposit should the borrowing institutions close down. Thus, prudential supervision of specialized deposit-taking institutions is of utmost importance (Ahmed et al., 2013; Kar, 2013) for the security of the microfinance sector as a whole. Participants believed that if the government could set a limit to the high-interest rates, they could be better poised to make mortgage repayments and possibly help improve their socioeconomic status. Moss et al. (2015) revealed the most crucial component of monitoring is interest rate controls. To enact any effective protectionist policy, the government officials must bear in mind that the core mission of MFIs is to finance the needy, without collateral, in an attempt to eradicate or alleviate poverty.

Applications to Professional Practice

The research results revealed significant applications to professional practice that relate precisely to microbusiness owners and other money taking institutions with similar disputes. Participants stated some influences as key for improving microbusiness management, microloan defaults, and high-interest rates. The findings of the study, highlighted inadequate capital, short mortgage repayment periods, high-interest rates, long waiting periods for mortgage extension, the lack of established business process, and the absence of government protection as the challenges microbusiness owners face in managing microloans for sustainable businesses. The significance of the study to business practice was that knowledge of these problems could help MFI leaders to understand the impacts of the causes of management of microloans, high-interest rates and loan defaults, and sustainable businesses.

A thorough knowledge of the impacts of these causes on the challenges was the motivation to the practical application of the study findings. Participants offered data that microbusiness owners could use to improve strategies for microloan management, borrowed capital extension period, and networking with group members. Executing the strategies proposed by participants may help to reduce microloan defaults, low capital, and the cost of borrowed capital. Participants declared that providing government protection in the event of a financial crisis could guarantee the safety of their little savings or contributions kept with the MFIs. Providing government protection will be in the best interest of the microbusiness owners. The main driver of government protection will be the control of high-interest rates, and the payment of interest on savings.

In the study findings, there were suggestions of some concerns that MFIs and microbusiness owners should address. It emerged that some microbusiness owners failed to realize the worth of a business plan. The lack of a business plan to guide the operations of microloan beneficiaries could lead to the unplanned use of the borrowed capital. To ensure judicious use of the loan, and meet repayment targets (Baklouti, 2013), MFIs must address the issue of a business plan before loan approval. Establishing a business procedure for microborrowers to follow could lead to a loan repayment plan, government protection, and microbusiness owners could focus on their business and make some meaningful savings, which in turn, could result in sustainable businesses and the alleviation of poverty.

Required savings before securing a loan. Based on the study findings, compulsory savings, and contributions with no interest payment is prevalent within the borrowing institutions. Compulsory savings reduces microbusiness owner's capital, which is critical to operational success. Inadequate capital may lead to fewer operations and profits that may result in microloan repayment defaults. Microfinance institutions should focus on establishing a business process, paying interest on savings, and reviewing a business plan before the approval of a microloan. The institutional attention will help borrowers to focus on the purpose of their activities; giving them a sense of business direction.

Group members as collateral. Participants alleged making group members accountable for a defaulting party, and refusing loan extension until default obligation ends, are leading causes of mortgage defaults. Seventy percent of the participants suggested that removing the defaulting party from the group to ensure continuity of business by the mortgage paying members, was an effective tool for reducing microloan defaults, and will help to alleviate poverty. The defaulting party must be individually liable.

High interest rates and mortgage defaults. Based on participants' responses, there was the need for the government to set a limit for interest rates. The high-interest rates with very short repayment periods, was a leading cause of mortgage default. All the participants believed that lower interest rates with shorter waiting periods for loan extension approvals could lead to sustainable microenterprises, and improve loan repayments. Microfinance lending links to all financial and budget judgments and is an indication of values; consequently, it is time the microfinance approach commited itself to reduce or improve poverty (Ahmed et al., 2013). Depositors savings must yield interest.

Strategies for managing microloans. Ninety percent of the participants made daily and weekly personal savings because of the fear of default. Eighty percent of the participants believed networking with industry members was instrumental in focusing on their business. All the respondents agreed that a solid business plan and prudent financial planning were required to manage microloans for sustainable businesses.

Ahearne et al. (2014) noted effective management could enhance the sector by improving technical capacity, grow rivalry, and increase the quality and value of products. Some participants managed their finances by using professional advice where necessary, and by embarking on growth, and expansion programs. The control and careful use of money were key factors for managing microloans.

Lack of established business process. Based on participants' responses, there was the need for MFIs to structure a business procedure for microloan beneficiaries. Microborrowers stick together as groups for loans and later go their separate ways without any formal guidelines. The separateness often results in loan defaults. Microfinance institutions must request for a "business plan" from debtors to give them a sense of direction. A participant remarked that the only thing that the MFIs cared about the borrowers was the repayment of the exorbitant interest rates.

Essential government protection. One hundred percent of the participants expressed the need for government protection against loss of deposit in the event of a financial crisis. Participants believed if the government could set a limit to the high-interest rates they would be better poised to make mortgage repayments, and possibly help improve their socioeconomic status. Moss et al. (2015) revealed the most crucial component of monitoring is interest rate controls. The officials in charge of enacting a protective policy must remember that the goal of MFIs is to finance the needy with the view to improving their lifestyles and to reduce or improve poverty.

Implications for Social Change

With high interest rates, no interest yield on savings, reduced operating capital, and loss of deposit in the event of a financial crisis, microbusiness owners risk diminished productivity, profitability, microloan defaults, essential government protection, and sustainability. Exploring strategies for managing microloans for sustainable microbusinesses and offering recommendations may help microbusiness owners to implement strategies for reducing microloan defaults and structure sustainable businesses. Based on the findings of this study, the implications for social change is the MFI spun around its significance in the Ghanaian economy as it caters for 15% of the citizenry (Pollio & Obuobie, 2010). The success of microbusiness owners might provide positive economic contributions to the society, and might reduce or alleviate poverty.

The study findings were in line with the literature. Information provided by participants on the causes of mortgage defaults and managing microloans may serve as a nucleus for good decision-making and restructuring of microbusiness processes. Microbusiness owners may be able to execute better management and default prevention strategies that may reduce mortgage defaults, improve profits, and increase deposits. Implementing better entrepreneurial orientation strategy, sound financial planning, a business plan, and seeking professional advice where necessary could help microbusiness owners to sustain their businesses and might change their socioeconomic wellbeing. Grafin et al. (2013) revealed the absence of strategic plans to include entrepreneurial training, investment advice, sufficient funds for microenterprise setup, studies on the higher reimbursement rates on loans, and positions critical to operations contribute to insufficient sustainable microenterprises.

Microborrowers, may therefore, be able to increase profits and savings, reduce mortgage defaults, and grow sustainable microbusinesses. Microenterprises need continuous management succession to be sustainable. Ahearne et al. (2014) agreed with this finding. Ahearne et al., asserted a plan of succession is an immediate and purposeful plan for managers to assess, appraise, and develop a set of talented individuals to fill ranks as desired. The study results might contribute to positive social change by supporting further studies that eventually may create a financial model that offers knowledge in the reduction of mortgage defaults and sustaining microbusinesses. Sustainable businesses might result in communities benefitting from employment; and employment might increase tax revenues.

Recommendations for Action

It is important for microbusiness owners to understand how to improve strategies necessary to overcome the high-interest rates, mortgage defaults, and no yield on savings problems they are facing. Microborrower groups should improve on networking. Networking was a leading factor that helped participants to focus on the business at hand and microloan repayments. Microbusiness owners must ask for professional advice where required to structure growth and expansion programs. A participant who thought of quitting received only 45% of total savings on demand.

MFIs must be transparent in their dealings with microborrowers. Transparency in any business ensures trust and confidence. Transparency upgrades performance and could be responsible for entrepreneurship orientation (Moss et al., 2015; Turner & Danks, 2014). Participants' savings yield no interest. The MFIs create money with participant's savings and contributions; it is, therefore, good business practice to pay interest on the savings. MFIs should realize that the compulsory savings reduce participants' working capital, and if interest is high on the total loan amount (the savings portion inclusive), then there is the need to pay interest on the monies kept as savings. The borrowing institutions must approve mortgage extensions within the shortest possible time to ensure smooth continuity of business. Waiting too long for a loan could force participants to spend their little personal savings thereby, making them vulnerable to mortgage defaults.

The MFIs should create a real business process that microbusiness owners could follow and have some focus. Microbusiness owners' inspiration could enhance the workflow and consequently, output. Participants expressed the need to have a business plan to guide their business operations. Microfinance institutions could devise a program to conduct borrower's needs evaluation to reveal the type of activity that would help microbusiness owners in achieving their goals of activities, before mortgage approval. Microbusiness owners entertained the fear of loss of deposits in the event of a financial crisis if they have no protection; participants also complained about usurious interest rates. Government support is crucial for deposit protection and interest rate gap. Shielding participant's savings and operating with a lower interest rate, microbusiness owners could manage microloans for sustainable businesses.

The core mission of the nonprofit MFI is to offer the needy small amounts of loan to help them start a microbusiness to improve their social lifestyles and eliminate or alleviate poverty in the impoverished sectors of the developing world. It was evident in participants' responses that MFIs need to improve their borrowing processes and implement strategies that will leave out none serious microborrowers. Some borrowers took the loans just because they saw other applications approved; they had no plans to start any business, and that resulted in mortgage defaults. Monies earmarked for microborrowers should be well spent and pledged to reduce poverty and to improve the socioeconomic well-being of the indigent.

Based on the results of this study and reinforced by Moss et al. (2015) study findings, I recommend that microbusiness owners have a business and loan repayment plan. The plan will help in developing an industry value that may contribute to reducing the microloan default rate. MFIs must be transparent in their dealings with microborrowers, and must pay interest on their savings and contributions. The MFIs should realize that the compulsory savings reduce microbusiness owners operating capital and repayment of the exorbitant interest on borrowed capital includes the savings amount. MFIs should extend the loan repayment time from 2 weeks to 8 weeks; organize financial planning and entrepreneurship orientation seminars to help microbusiness owners sustain their businesses. I recommend that microbusiness owners save one-half of business profits religiously, and be judicious with spending. I also recommend government protection. Microbusiness owners and MFI officials need to make these changes to help the players to eradicate or alleviate poverty from the communities.

The primary target audience of this study were microbusiness owners and microborrowers while the extended target audience included MFIs and other industries that support sustainable development. The results of this study will be valuable only if they can influence the appropriate audiences. Because of social change, I plan to propagate the study results generally through publications and presentations at professional seminars, training, and meetings. Each participant will receive a copy of the research summary upon request. Issuance of the study synopsis will appear in a microfinance journal, and the study will be available on ProQuest dissertation and theses database.

Recommendations for Further Research

The past forty years has seen the discussion of microfinance in academia but investigation on strategies microbusiness owners use to manage microloans is scanty. Researchers such as Moss et al. (2015) revealed that many mortgage defaults are a leading cause of sustainable microenterprise failure. Ahmed et al. (2013) alleged the repeated absence of adequate financial resources contributed to mortgage defaults and operational failure. I cannot apportion much importance on the discussion of strategies used by microbusiness owners to manage microloans for sustainable businesses in the literature or this research. There is, therefore, a greater need for studies that would provide institutions with more strategies for managing microloans for sustainable microenterprises and mitigate mortgage defaults.

I also recommend further studies on nonprofit NGOs acting as MFIs that use borrowing group members as collateral. The goal of MFIs is to give the needy small amounts of loans without collateral. This type of research may prevent microloan defaulters from being arrested and imprisoned if the mission of microfinance is to help improve the socioeconomic life of the needy. This kind of investigation may also furnish microborrowers with the information they need before applying for loans to structure sustainable microenterprises.

I did not take into account the issue of taxation in the study. As nonprofits, NGOs are tax exempt, but when they start operating as MFIs, their tax status must change. The transformation of nonprofits to banks must attract financial institutional taxes as stipulated by government policy. The tax issue might be an area of interest to future researchers.

The study took place in the Cape Coast Metropolis, Ghana; future researchers may focus on other geographical locations in the country. Another area for potential future study is the government licensing of MFIs such that they will be accountable to depositors in the event of a financial crunch. This type of study might inform MFIs and microbusiness owners on how they might mutually plan meetings that could help in preparing microborrowers for microenterprises. How has MFIs improved the financial lives of microborrowers?

Reflections

The overall research experience was a success chronicle. The data collection phase was more demanding than initially predicted partly due to known microenterprise zones now cleared for urban development, and in part due to hitches in requesting potential participants for the study. The difficulties may have stemmed from not offering participants remuneration for their time. Offering payment would have been an enticement and reason for potential participants to offer even false information, but on the other hand, could prejudice or bias the study results.

Metropolitan development in the heart of Cape Coast has resulted in dislodging many known microbusinesses from their sites. Such circumstances limited the areas visited. However, I was able to make some personal contacts and benefited from referrals, but some potential participants were hesitant to contribute to the study primarily for painful reminders, and for concerns about the privacy of their answers. The participants, however, offered meaningful information on the issue studied. During the interview, the participants and I were able to converse fully through open-ended questions and participants had no problem grasping and responding to inquiries.

During data collection, I was able to gather information relating to the importance of managing microloans for sustainable microenterprises. Participants indicated that insufficient capital, high-interest rates, and essential government protection were of concern to them. The no yield savings is another issue that participants revealed MFIs must reconsider. Based on participants' responses, adequate operating capital, lower interest rates, interest on savings, and government protection of deposits could help reduce microloan defaults and increase sustainable microbusinesses. There should be microfinance transparency to protect microborrowers in transparent pricing of microloans and proper customer assessment to preclude adverse inclusion and over-indebtedness.

Summary and Study Conclusions

High interest rates and insufficient operating capital are the leading causes of microloan defaults (Hudon & Ashta, 2013; Hudon & Sandberg, 2013). High interest rates resulted in low expenses, making microbusinesses less profitable and at risk of mortgage defaults. Microbusiness owners, therefore, need the knowledge or information that could inform them on how to reduce mortgage defaults and manage microloans for sustainable businesses. The purpose of this study was to gain an understanding of the strategies Ghanaian microbusiness owners use to manage microloans for sustainable businesses. In this study, I used a phenomenological design with purposeful and snowball sampling to explore the lived experiences of 10 participants in Cape Coast, Ghana.

The research revealed usurious interest rates, insufficient capital, and no yield on savings deposit are causes of loan defaults. Other causes include short mortgage repayment periods, lack of transparency from MFIs, lack of a business plan, long waiting periods for loan extension approvals, lack of entrepreneurial orientation, lack of government protection of deposits in the event of a financial crisis, and the lack of government to set limits for interest rates. Tackling these issues could help microbusiness owners improve microloan management for sustainable enterprises. Religiously saving about one-half of profits made, judicious spending, and becoming an astute financial planner, were also factors mentioned by participants that might promote efficient loan repayment and sustain microbusinesses.

MFIs and microbusiness owners could use the study findings as a guide for implementing strategies for savings to yield interest to augment operating capital, reduce high-interest rates, and decrease mortgage defaults that disturb MFIs. MFIs should organize workshops for entrepreneurial orientation and managerial practices that could help improve the socioeconomic lives of microborrowers. Implications for positive social change include the sustainability and growth of microbusinesses in the communities. As microbusinesses grow sustainably, nonprofit MFIs would have taken a giant step to achieving its core mission of alleviating or eliminating poverty in the impoverished sectors of the developing world.

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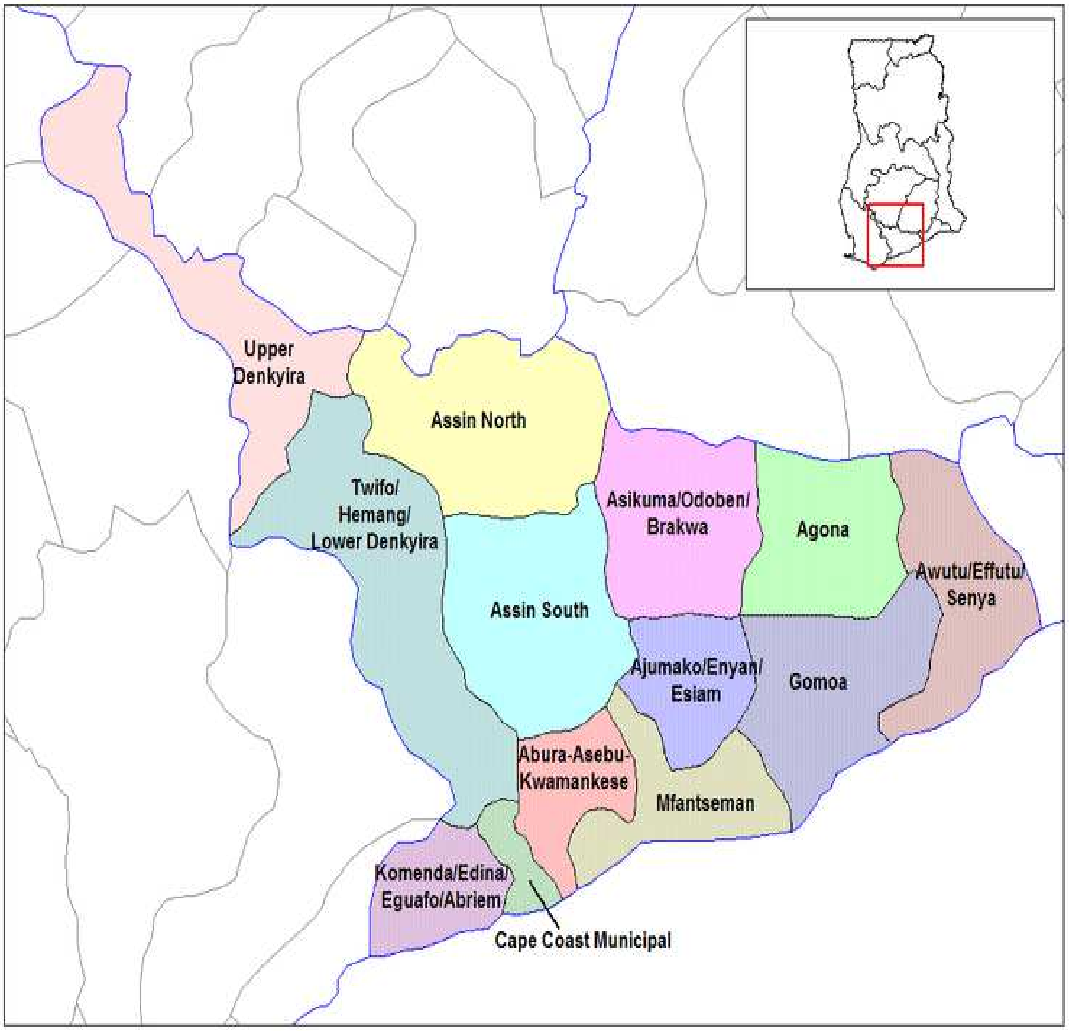
Appendix A: The Study Location

The study location continued



Appendix B: Interview Questions

The interview questions constructed to focus on the general research question and for data collection are the following:

1. What are your experiences as a microloan beneficiary in abiding by the rules and norms of the MFIs regarding your mortgage loan?
2. What are your perceptions of how trustworthiness between you and the MFI loan officer enhance your ability to secure a mortgage loan?
3. How did networking and sharing information among microbusiness owners help you to manage mortgage loans or succeed in businesses?
4. What do you consider as the common characteristics of microfinance that make mortgage repayments difficult?
5. Which information is most beneficial to you for successfully obtaining a mortgage?
6. What method do you find works the best to secure a mortgage extension?
7. What other information or recommendations would you like to add pertaining to managing microloans for sustainable businesses?

Appendix C: The Certificate of Completion

Certificate of Completion

The National Institutes of Health (NIH) Office of Extramural Research certifies that **Stephen Edusah** successfully completed the NIH Web-based training course “Protecting Human Research Participants”.

Date of completion: 11/07/2016

Certification Number: 2231555

Appendix D: The Interview Protocol

The interview protocol will be as follows:

1. Upon obtaining the names, and contact information of microbusiness owners and microborrowers who have launched and maintained a small business for at least six months, a personal request for an interview will be communicated to them. The personal request follows:

Dear XX,

As an entrepreneur that has started a small business for a minimum of six months, you are invited to participate in a doctoral study regarding how microbusiness owners manage mortgage loans for sustainable businesses. If you agree to participate in this study, you will be asked to allow me to interview you for no longer than two hours. Your participation in this doctoral study is strictly voluntary. Should you agree to contribute your insights to this study, I will provide you the semistructured, open-ended questions and the purpose of the study prior to the interview. Any information provided will be kept confidential, and the data from all the interviews presented in aggregate format. I plan to conduct my interviews from …………… to…... ….. I would be grateful if you provide me with a good time and phone number to call you. If you have any questions, please feel free to contact either the researcher or faculty chair. The researcher's name is Stephen Edusah; phone: 0201560164 or email:

stephen.edusah@waldenu.edu. The researcher's faculty chair is Dr. Scott Burrus; email: scott.burrus@waldenu.edu; phone: (623) 688-0537

Thank you for your consideration.

Sincerely,

S. Ekow Edusah

2. Upon receipt of acknowledgement of the volunteer's willingness to participate, I will ensure I obtain the signed Consent to Participate documentation from each participant prior to the interview. I will store the documents in a locked safe for a minimum of 5 years. No one else will have access to the data other than me.

3. I will call each participant at the time/date that the volunteer designates. I will remind each participant that he/she may withdraw from the study at any time and that all data will remain confidential. I will thank each participant for volunteering to share his or her insights. I will remind each participant that the focus of the interview will relate to success factors of small business entrepreneurs. Each participant will answer the following interview questions:

1. What are your experiences as a microloan beneficiary in abiding by the rules and norms of the MFIs regarding your mortgage loan?
2. What are your perceptions of how trustworthiness between you and the MFI loan officer enhance your ability to secure a mortgage loan?

3. How did networking and sharing information among microbusiness owners help you to manage mortgage loans or succeed in business?
4. What do you consider as the common characteristics of microloans that make mortgage repayments difficult?
5. Which information is most beneficial to you for successfully obtaining a mortgage?
6. What method do you find works the best to secure a mortgage extension?
7. What other information or recommendations would you like to add pertaining to managing mortgage loans for sustainable businesses?

4. Upon completion of the interview, I will send the following thank you letter to each participant.

Dear <Participant>:

I want to take the opportunity to say thank you for participating in my research on microbusiness owners' perceptions and experiences on mortgage loan management for sustainable businesses. I recognize you are very busy and truly appreciate your time and effort. The results of the study are currently being put together and explored. Thank you again for sharing your insights!

Sincerely,

Stephen E. Edusah

Doctor of Business Administration Candidate

Walden University

Appendix E: Name Replacement Codes

Table E1

Name Replacement Codes

Code and Identifier	Definition
Microloan Recipients	
IB	In Business
OB	Out of Business
Municipal zone	
AB	Abura
CC	Cape Coast
LB	London Bridge
AD	Adisadel
UH	Uhuru
Serial number	
MF01 to MF20	Participant code number

Note. To protect anonymity of all participants through name replacement codes, the first two letters will identify whether the participant is a microborrower in business or out of business. The second parts of the code are letters that identifies the municipal zone of the participant. The last characters in the code are numbers from MF01 through MF20 given to each participant prior to data analysis. Therefore, a participant's identification code that reads IBCCMF10 refers to a microborrower in business from Cape Coast with an interview sheet numbered MF10.

Appendix F: Themes from the Study.

The themes that emerged and connected to the literature, the conceptual framework, and their application to effective business practice were the following:

- Required savings before securing a microloan.
- Group members as collateral.
- High interest rates and mortgage defaults.
- Strategies for managing microloans.
- Lack of established business process.
- Essential government protection.