The Effects of Family Culture and Marital Decisions of the Business Owners on Access to Financing of Very Small Businesses: A Study in the North West Region of Cameroon

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Research Article

Abstract

Purpose: *This study seeks to examine the effects of family culture (presence during family meetings, assistance in important family events, and strong family bonds) as well as marital decisions (mutual participation, joint savings decisions, and joint ventures) on access to financing of very small businesses in the North West Region of Cameroon.*

Methods: *The study made use of a series of exogenous and control variables adapted from the model of Gikonyo, Agwata, & Anyango (2011) who proposed a strategic model for quantitative research. Primary data were collected through convenient sampling from 293 very small business owners in each divisional headquarters of the North West Region of Cameroon. We used the multiple correspondence analysis to construct indexes for family culture, marital decisions as well as access to financing of very small businesses. The hypotheses of the study were then tested using the ordinary least square estimation technique.*

Results: *The results obtained showed in aggregate, a positive and significant effect of family culture and marital decisions on access to financing. More precisely, the coefficients of presence during family meetings, assistance in important family events as well as strong family bonds are positive. These results were statistically significant at 1% level.*

Implications: *This study has significant practical implications on the financial health of very small businesses in the context of developing countries like Cameroon in general and the North West Region of Cameroon in particular plagued by the crisis and COVID-19. The study therefore concluded that if very small business owners can improve on the respect of family cultures and can jointly decide on their financial actions with their spouses, they will have better access to financing, especially in developing countries like Cameroon and more particularly in the North West Region of the country.*

Keywords: Access to Financing, Family Culture, Marital Decisions, Cameroon.

1. Introduction

The role played by very small businesses in any economy and more particularly in developing nations like Cameroon is very remarkable. Though there is no standard definition of very small businesses (VSBs), Robert *et al.,* (2021) stated that VSBs refer to “enterprises with a limited number of employees, low annual turnover and a small market presence." This is in line with the postulations of Maryam et al., (2022) who tried to identify the characteristics and significance of small businesses including very small businesses. A good number of studies on VSBs identify not only economic factors that affect their creation, development, and survival but also cultural and marital factors that affect most especially their access to financing. Most studies on the financing of VSBs (Abdulsaleh & Worthington, 2013; Wamba & Niyansaba, 2014), do not make any distinction amongst very small businesses. Very small businesses often turn to informal or semi-formal financing networks to seek solutions to their financing problems (Atangana & Um-Nguem (2019). VSBs in Cameroon face a range of challenges, including limited access to financing wherein banks and other financial institutions often require collateral and may have strict lending criteria, making it difficult for them to secure loans. This can restrict their growth potential and limit their ability to compete with larger businesses. Another pertinent problem faced by VSBs remains limited access to information and technology which can make it difficult for them to keep up with market trends and adopt new business practices, not forgetting the fact that these VSBsoperate in the informal economy which can make it difficult for them to access formal financing, training, and other resources.

Informal businesses also often face regulatory challenges and limited legal protections. Several international organizations such as the United Nations (UN), Organization for Economic Co-operation and Development (OECD), and European Investment Bank (EIB) have formulated policies for the financing of responsible very small businesses (EIB 2020; OECD 2017; UNEP 2017) as part of their future agenda. These policies have a "holistic approach" (UNEP 2017) in common. This means that they are following a multi-dimensional concept that combines economic, environmental, and social development goals for VSBs. Inspired by such policies, worldwide, many governments have implemented dedicated programs for the financing of responsible very small businesses (for example the UNEP 2017; European Commission 2019). Although the investment activities of such programs have developed dynamically in the last years (such as the EIB 2020), the specific approaches of implementing the suggested financing of a responsible very small businesses international political agenda in specific national governmental support programs for financing responsible very small businesses are still under-investigated (Priyabrata & Shumon 2020). Due to the legal form and size, many very small businesses often face challenges regarding financing (Priyabrata & Shumon 2020). Moreover, alternative and more innovative financing instruments compared to loans such as private equity or mezzanines are still seldom used, unknown, or not available depending on the geographical location of the very small businesses (Block, Colombo, Cumming, & Vismara 2017; Lucia & Thompson, 2018). This situation makes new investment projects challenging in general. For example, often, projects with a focus on sustainability goals have a longer payback time than conventional projects (for example Business at OECD and G20 Germany 2017).

Literature holds that very small businesses are a major driver of the US economy, accounting for 44% of economic activity (US Small Business Administration, 2021) with approximately 30.7 million very small businesses in the United States and the number of small businesses in the US increased by 8.5% between 2013 and 2020. These VSBs employ approximately 60 million people in the US, which represents about 47% of the country's total workforce (US Small Business Administration, 2021). The survival rate for small businesses in the United States has been improving in recent years. In 2020, 81% of small businesses survived their first year, up from 79.9% in 2019 (US Bureau of Labor Statistics, 2019). In the same light, we can see the case of Sweden just like in most European countries, the largest source of external capital to finance an established business or to a new start-up business is bank loan (Cressy & Olofsson 1997; Berger & Udell 2005). However, access to bank loans or propensity to use bank loans may vary between different groups, male, female, immigrants and non-immigrants, and regions. In a study in the United Kingdom conducted on a sample from the 2003 Household Survey of Entrepreneurship, it is found that women, especially women with ethnic backgrounds, are less likely to seek external finance when launching a new

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business and these differences in access to finance are affecting adversely the transition into self-employment (Sena, Scott, & Roper, 2010). More concretely in VSBs in their quest for access to financing, the following determinant factors are identified to pose a problem in Cameroon in general and in the North West Region of the national triangle in particular which Sena, Scott, & Roper, (2010) stressed that economic factors are not only responsible for access to financing of VSBs but in the modern times, cultural factors, most especially family values and beliefs of owners as well as marital arrangements of the couple seriously pose a threat to access to financing. In line with this reasoning, the study sets forth the following research questions:

i. What are the effects of family culture (presence during family meetings, assistance to family members, strong family bonds) on access to financing of very small businesses in the North West Region of Cameroon?
ii. To what extent do marital decisions (mutual participation, mutual savings decisions, joint ventures) affect access to financing decisions of very small businesses in the North West Region of Cameroon?

2. Literature Review and Hypotheses Development

This section seeks to review existing literature concerning family culture, marital decisions, and access to financing. The section also develops hypotheses related to the variables. The research framework will be developed at the end of the section.

2.1. Conceptual Literature Review

2.1.1 Family culture

Greet Hofstede defined culture as "the common characteristics and values that distinguish a group of individuals from other groups" (Hofstede, Gert Jan, & Minkov, 2010). Family culture in the words of Bronislaw Malinowski (2004) refers to the unique set of beliefs, values, customs, traditions, and behaviors that are shared and transmitted within a family unit. It encompasses the patterns of interaction, communication styles, roles, and norms that shape the overall atmosphere and dynamics within the family. While there may not be specific authors who have provided a universally accepted definition of family culture, various scholars and researchers have explored the concept in the field of family studies and anthropology. Bronislaw Malinowski (2004) highlighted the role of family rituals, child-rearing practices, and kinship systems in shaping the cultural norms and values within a society. From these works of Bronislaw (2004) amplified by Hofstede *et al.*, (2010) and strongly supported by other researchers, the most outstanding indicators of family culture that are more likely to affect access to financing of VSBs especially in the North West Region of Cameroon are the presence of very small business owners in family meeting, their assistance in very important family events as well as strong family bonds as elaborated in the following paragraphs.

2.1.1.1. Presence during family meetings

In line with the words of Fiese, & Tomcho (2001), presence during family meetings refers to the act of being physically and emotionally present when families gather to discuss important matters, make decisions, or address conflicts. It involves actively engaging in the meeting, listening attentively, expressing thoughts and opinions, and demonstrating support and understanding for other family members. These authors therefore underline the significance of family meals as a context for fostering presence and meaningful connections among family members. It highlights the importance of regular family meals in promoting communication, bonding, and emotional well-being, and these ideas were strongly supported by McCubbin and McCubbin (2013). In the same lane, Nichols and Schwartz (2018) provide an overview of family therapy approaches and techniques in which they emphasize the role of the therapist in facilitating

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family meetings and creating a safe space for members to be present, express themselves, and work through relational issues.

2.1.1.2. Assistance in important family events

According to Pillemer & Suitor (2017), assistance in important family events refers to the support, help, and involvement provided by family members during significant milestones, celebrations, or challenges within the family. Pillemer & Suitor (2017) focused on intergenerational relationships and the assistance exchanged between generations within families. They highlight the importance of families providing support and assistance during significant life events, such as weddings, births, or illnesses, and the impact of this assistance on family dynamics and relationships. This assistance can take various forms, such as emotional support, practical assistance, financial contributions, or logistical coordination, and is aimed at ensuring the success and well-being of family members during these important occasions. This inspiration came from the works of Sarason, Sarason & Pierce (1990) who tried to explore the concept of social support, including the assistance provided within family relationships. They discuss the various dimensions of social support and its positive effects on individual and family well-being during important life events. They discuss the importance of family assistance during times of crisis or transition, emphasizing the role of intergenerational support and cooperation in helping family members navigate challenges and maintain well-being.

2.1.1.3. Strong family bond

Strong family bonds in the words of Bengtson & Allen (2009) refer to the deep emotional connections, mutual support, and close relationships that exist within a family unit. These bonds are characterized by trust, love, respect, and a sense of belonging among family members. They contribute to the overall cohesion, stability, and well-being of the family. Bengtson & Allen (2009) discussed the life course perspective applied to families, emphasizing the importance of strong family bonds throughout the various stages of life. They explore how family bonds evolve and adapt over time, and how they contribute to the well-being and resilience of family members. Bengtson & Allen (2009) provides an overview of family communication research, including the study of strong family bonds. The handbook explores various aspects of family communication, such as disclosure, conflict resolution, and support, highlighting their role in nurturing and maintaining strong family bonds. Therefore, in summary, we can say that these authors and their works offer insights into the concept of strong family bonds, emphasizing their significance in promoting family well-being, resilience, and overall family functioning. Exploring their research can provide a foundation for further understanding the dynamics, processes, and factors that contribute to the development and maintenance of strong family bonds.

2.1.2 Marital decisions

Gottman & Silver (2015) defined the concept of "marital decisions" as the choices, agreements, and actions made by married individuals or couples regarding various aspects of their marital relationship. These decisions can encompass a wide range of topics, including major life decisions, such as career choices, financial planning, parenting, and household responsibilities, as well as more everyday decisions, such as leisure activities, communication styles, and conflict resolution strategies. Marital decisions are essential for establishing and maintaining a healthy, functional, and satisfying marital relationship. The importance of making effective marital decisions to foster a successful and fulfilling marriage. They provide practical guidance on how couples can communicate, problem-solve, and make decisions together to strengthen their marital bond. In the same light, Fincham & Beach (2010) reviewed the research on marriage in the 2000s, including the dynamics of marital decision-making. They highlight the significance of shared decision-

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making and flexibility in adapting to changing circumstances within the marital relationship. Their views were similar to those of Markman, Stanley, & Blumberg (2010) that examined the process of decision-making within marriages and its influence on marital satisfaction and longevity. They provide strategies and techniques for couples to navigate differences, resolve conflicts, and make decisions that strengthen their relationship.

From the principles postulated by Gottman & Silver (2015) and with backup from other researchers, marital decisions on strategic issues like mutual participation in business ventures, mutual savings decisions arrived at by couples as well as joint ventures of the couple and support from the children can seriously affect access to financing of VSBs as elaborated in the following points.

2.1.2.1. Mutual participation in business ventures

As identified in the works of Huston & Melz (2004), mutual participation of couples refers to the active involvement, collaboration, and shared engagement of both partners in various aspects of their relationship and daily life. It implies that both individuals contribute their perspectives, opinions, efforts, and resources in decision-making, problem-solving, and the division of responsibilities and tasks. Mutual participation fosters a sense of equality, respect, and shared ownership within the couple, promoting relationship satisfaction and well-being. Huston & Melz (2004) explored the concept of mutual influence in newly wedded marriages. They examine how couples mutually shape and influence each other's behaviors, attitudes, and decision-making, highlighting the importance of mutual participation for relationship development and adjustment. This inspiration came from the study of Baucom, Epstein, & LaTaillade, (2002) who discussed the cognitive-behavioral couple therapy approaches, emphasizing the role of mutual participation in the therapeutic process. They explore how therapists can foster collaboration, shared problem-solving, and decision-making skills within couples, promoting greater mutual participation and relationship satisfaction. These authors from their conclusions signaled the impact of stress on close relationships, including the role of mutual participation in coping with stressors. They highlight the importance of couples' joint efforts, support, and shared decision-making in buffering the negative effects of stress on relationship quality and marital satisfaction.

2.1.2.2. Mutual savings decisions

A good number of authors have tried to advance their viewpoints on the definition of mutual savings decisions between couples in marriages. First, we can identify that of Xiao & Noring (1994) of which "mutual savings decisions of couples" according to them, refers to the joint process of planning, managing, and making financial decisions together as a couple. It involves shared discussions, goal-setting, and collaborative efforts in determining how income is allocated, budgeting, saving, investing, and making major financial choices. Mutual savings decisions reflect a sense of financial partnership, transparency, and shared responsibility within the couple, contributing to financial stability, trust, and overall relationship well-being. Before arriving at this idea, these authors examined the relationship between family structure and saving behaviors, including mutual savings decisions. They explore how factors such as income, family size, and marital status influence couples' savings patterns and the decision-making processes related to saving. Dew (2007) explores how couples' financial behaviors, including joint decision-making about saving, impact their overall financial well-being and relationship quality. In the same light, Hanna & Lindamood (2010) explored the impact of perceived spending behaviors on relationship satisfaction, including the mutual savings decisions of couples. The study examines how couples' financial behaviors, attitudes, and joint decision-making regarding saving and spending influence their overall relationship satisfaction and the conclusions were not far different from those tabled by Dew (2007).

2.1.2.3. Joint ventures

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Hennart (1988) is considered as the pioneer in the concept of joint ventures in business. According to him, joint ventures refer to business collaborations between two or more independent entities for a specific project or purpose. In a joint venture, the participating entities contribute resources, expertise, and capital to achieve mutual goals while sharing risks and rewards. Joint ventures can take various forms, such as contractual agreements, partnerships, or the creation of a separate legal entity. Hennart's seminal work presents a transaction costs perspective on joint ventures, focusing on the choice between equity joint ventures and alternative modes of international business transactions. The study highlights the importance of minimizing transaction costs and provides insights into the factors that influence the formation and performance of joint ventures. Gomes-Casseres (2003) provided a comprehensive analysis of the strategic implications of joint ventures and alliances in the modern business landscape. The book explores the changing nature of competition, the motivations behind forming alliances, and the challenges involved in managing and governing joint ventures effectively.

2.1.3 Access to Financing

In line with the works of Atieno (2001), access to financing refers to the ability of individuals, businesses, or organizations to obtain the necessary funds or capital to support their activities or ventures. It involves the availability, affordability, and sustainability of financial resources that can be assessed through various channels such as banks, financial institutions, venture capitalists, angel investors, or government programs. Access to financing is crucial for individuals or businesses to start new ventures, expand existing operations, invest in capital assets, innovate, or meet financial obligations, it plays a vital role in economic growth, job creation, and overall development by facilitating investments, business prospects, and productive activities. Microfinance traces its origins to 1976 when Dr. Mohammed Yunus started a small microfinance scheme as an experiment in the rural areas of Bangladesh. The experiment evolved from its initial success into the Grameen Bank, the world's first microfinance institution, which popularized group lending, in which loans were issued to individual members of small, homogeneous groups, who collectively guaranteed loans issued to their members. This microfinance model eventually spread around the world, especially in third-world countries (Roy, 2009). Habibulla (2010) and John (2011) in their studies found that MFI loans increased the income of very small business operators and poor people in Bangladesh and Zimbabwe respectively. Besides, the empirical evidence emerging from various studies such as Mkazi (2007) about the MFIs lending on very small businesses' performance has so far yielded mixed results that are inconclusive, especially for developing countries like Cameroon. Microloans often come with more flexible requirements and terms compared to traditional bank loans (Meh, Diangha, & Ofeh 2021). We equally have business grants in which small companies can explore grants provided by government agencies, foundations, or corporate entities. Business grants are non-repayable funds awarded to support specific activities, such as research and development, innovation, job creation, or environmental sustainability. Moreover, we have supplier financing, also known as trade credit or vendor financing, which involves negotiating extended payment terms with suppliers. This arrangement allows small companies to delay payment for goods or services received, freeing up cash for other business needs.

2.2. Hypotheses Development

2.2.1. Family culture and access to financing of very small businesses

The problem of the family culture and family identity in societies and organizations is one of the main preoccupations in business literature. It is one of the pillars of international business management that helps to identify the differences and family financial background and their business initiatives as well as cultural differences among the countries of the world and to understand the behaviors, cultural values shared as well as actions of people in all spheres of life. Families with low income may face significant financial constraints, making it challenging to access financing. They may have limited savings, high levels of debt, or lack of collateral, making it difficult to qualify for traditional loans or secure favorable terms. Ironically, one might be tempted to think that families with high incomes will not face problems again as to what concerns the financing of very small business ventures by their family members. Unfortunately, Purwidianti (2018) made it clear that the availability of a family member during important family gatherings, his assistance in important life events in the family as well as his strong familial bond will determine his access to financing if he should venture into a business project irrespective of the size, as long as his family financial background can permit. We therefore put up the following hypothesis:

H1: The family culture of very small business owners has a significant effect on access to financing of very small businesses in the North West Region of Cameroon.

Looking at the marital decisions of business owners and their spouses, Making (2015) whose viewpoints were strongly supported by Dew (2018), that the degree of trust by the spouse, personal savings accumulated either from past activity or salary of the spouse as well as the presence of children in the matrimonial home greatly affect the access to financing of very small business owners as it does not only suffice to see where you can get finances for your business but equally to be considered "qualified" to receive the funds. Guarantee is the counterpart of funds borrowed from banks other financial institutions or even other physical persons. The nature of the collateral or assets held by the company reflects its degree of access to financing. Collateral varies from one person to another, and by business sector. A commercial company's collateral may include machinery, buildings, etc., whereas the assets of innovative or fledgling companies are limited to ideas, research and development processes, and software, just to name a few, making it difficult for them to access financing. The collateral requirements of financial institutions are also a constraint on access to credit for very small businesses. These businesses often do not have assets, or assets that are not suitable as collateral for financing. Individuals with stable economic characteristics tend to marry each other, whereas economically disadvantaged individuals will cohabit and delay marriage until they have attained a measure of economic stability (Oppenheimer, 2003; Smock *et al.*, 2005). Although selection may produce wealth differences, married couples still have considerably more assets (and save at higher rates) than other families even after statistically controlling for economic factors and the number of earners in the home (Lupton & Smith, 2003; Schmidt & Sevak, 2006). We therefore put up the following hypothesis:

H2: Marital decisions of very small business owners constitute a significant element in the access to financing of very small businesses in the *North West Region of Cameroon.*

2.3. Conceptual link between the variables

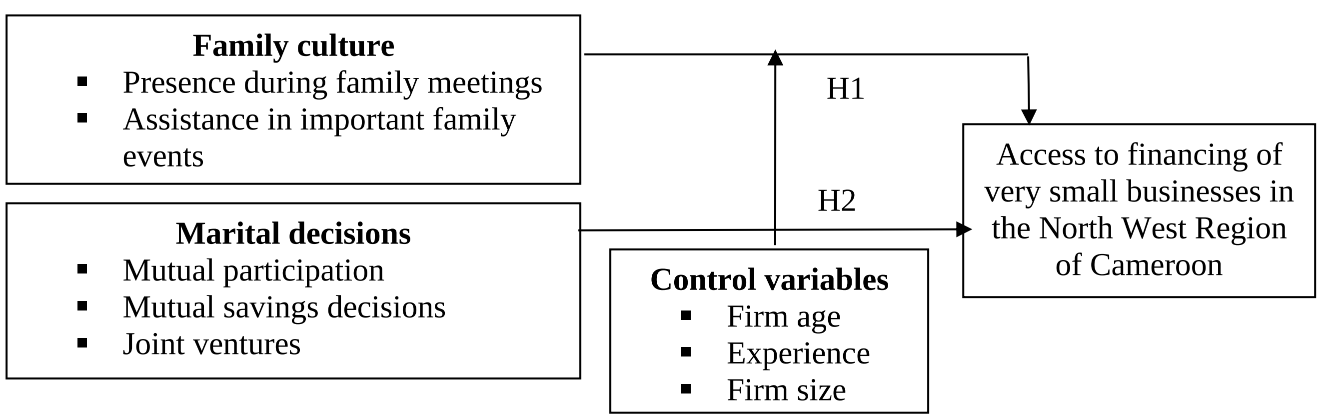

Fig. 1: Conceptual framework

3. Methodology

To better capture the determinants of access to financing as presented in the conceptual framework above, we used a quantitative design made up of both surveys and causal research design to describe the effects of family culture as well as marital decisions of very small businesses in the North West Region of Cameroon. Our model identified and made use of key determinants of the family culture that can affect access to financing of VSBs such as presence during family meetings, assistance during important family events, and strong family bonds. In the same light, as to what concerns marital decisions, the model identified and made use of mutual participation, mutual savings decisions, and joint ventures of couples of very small business owners as determinants of family decisions. From the determinants, indexes we built to better capture the behavior of these variables where the model of Gikonya (2011) was adapted for all the exogenous and control variables. This author proposed a strategic model for quantitative research which the researchers saw it useful for this research. The constructed indexes were, presence during important family meetings (PDFM), assistance in important family events (AiIFE), and strong family bonds (SFB) on one hand and mutual participation (MP), mutual savings decisions (MSD) and joint ventures (JV) on the other hand. Based on the inspiration from Baker (1987), the disaggregated model is specified as follows

$$AcceF_i = \alpha_0 + \alpha_1 PDFM_i + \alpha_2 AiIFE_i + \alpha_3 SFB_i + \alpha_4 FA_i + \alpha_5 Ex_i + \alpha_6 FS_i + \varepsilon_i \ldots\ldots(1)$$

Where: AcceF is access to financing index, PDFM is presence during family meetings index, AiIFE is Assistance in important family events index, SFB is strong family bonds index, FA is firm age, Ex is the experience of very small business owners, FS is firm size, α_0 to α_6 are the parameters to be estimated. Precisely, α_0 is the constant term or intercept while from α_1 toα_6 are the coefficients of the independent variables that are to be estimated. ε_i is the error or disturbance term that captures the unexplained component of the model.

Similarly, to examine the effect of marital decisions on access to financing of very small businesses, we built the following model.

$$AcceF_i = \beta_0 + \beta_1 MP_i + \beta_2 MSD_i + \beta_3 JV_i + \beta_4 FA_i + \beta_{3_5} Ex_i + \beta_{3_6} FS_i + \mu_i \ldots\ldots(2)$$

Where: AcceF is access to financing index, MP is mutual participation index, MSD is mutual savings decisions index, JV is joint ventures index, FA is firm age, Ex is the experience of very small business owners, FS is firm size. $\beta_0$to β_6 are the parameters to be estimated. Precisely, $\beta_0$is the constant term or intercept while from β_1 to β_6 are the coefficients of the independent variables which are to be estimated. μ_i is the error or disturbance term that captures the unexplained component of the model.

The study focused on very small business owners in the North West Region of Cameroon as its target and relied on primary data obtained from these owners of very small businesses in the North West Region of Cameroon. To better collect data for reliable conclusions on the subject matter, the questionnaire was developed based on a method recommended by Gikonya (2011) who brought up quantitative methods to be used in the review of strategies. This model of Gikonya (2011) helped us to bring up structured questionnaires on the various determinants of access to financing using the Likert scale with possible responses from which the more convenient responses were expected from the respondents that were administered both physically and online using a random sampling technique where respondents were chosen at random from outstanding VSBs in the main subdivisions of the North West Region of Cameroon to make up our sample. It is important to highlight here that participation in the study was voluntary and the responses of very small business owners were kept confidential, and their identities also kept anonymous. A Likert scale of 1-5 was used where 1 represents Strongly Disagree, and 5 represent Strongly Agree. Among 300 sampled questionnaires, 293 were returned. Collected data was coded into SPSS version 21 for analysis. The indexes for family culture, marital decisions, and access to financing of very small businesses

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in the North West Region of Cameroon were constructed using the multiple correspondence analysis, and the ordinary least square estimation technique was used to test the hypotheses of the study.
The variables of the model were used to examine the 293 responses using Cronbach's Alpha and the reliability test were used to determine the internal consistency of the constructs in the model. To perform this, Cronbach's Alpha was used with an accepted threshold of at least 0.6 as shown in Appendix 1 with the internal consistency of the participants not violated for any of the variables as Cronbach Alpha coefficients values ranged between 0.6076 and 0.8029 were obtained. These exceeded Vallis (2003) who recommended a threshold of 0.60. Thus, the instruments and constructs were valid and reliable for the study.

4. RESULTS

4.1 Demographic profile of respondents

Results from Table 1 indicate that there was almost a balance between male and female very small business owners to ensure gender representativeness though women slightly dominated the sample as they represent 53.6% corresponding to 157 of the sampled very small business owners as against 46.4% (136) male very small business owners. According to results from Table 1, the majority of respondents were aged between 30 and 40 years as 73.0% of the sample belonged to this age range corresponding to 214 very small business owners followed by very small business owners in the age bracket less than 30 years with a percentage of 19.4% (57) while 0.4% (13) of the sample had between 40 and 50 years 0.2% (6) had more than 60 years and 0.1% (3) had between 50 and 60 years. Further, descriptive analysis shows that the majority of the respondents had a higher level of education given that this category represents 81.2% (238) of the sampled as opposed to 0.9% (27) who reported to have secondary level of education, 0.6% (20) who reported to have primary level of education and 0.2% (8) who were reported to have no education.

Table 1: Demographic profile of respondents

Variable	Categories	Frequency	Mean	Std. Dev.	Min	Max
Gender	Male	136	0.4641638	0.4995673	0	1
	Female	157	0.5358362	0.4995673	0	1
Age	Age <30	57	0.1945392	0.3965228	0	1
	Age [30 – 40[	214	0.7303754	0.444524	0	1
	Age [40 – 50[	13	0.0443686	0.206265	0	1
	Age [50 – 60[	3	0.0102389	0.1008404	0	1
	Age ≥60	6	0.0204778	0.1418703	0	1
Level of education	None	8	0.0273038	0.1632459	0	1
	Primary	20	0.0682594	0.252622	0	1
	Secondary	27	0.0921502	0.2897327	0	1
	Higher	238	0.8122867	0.3911511	0	1

Source: Authors' computation, 2024

4.2. Inferential Statistics

For analysis, the variable age has been rearranged and summarised and defined as age [30 - 40[and age≥40 as seen in Table 2. Results from Table 2 reveal that the coefficient of presence in family meetings is positive (0.267) which implies that presence in family meetings is associated positively with the access to financing of very small businesses in the North West Region of Cameroon. Precisely, a unit point increase in presence in the family meetings index will lead to about 0.267 point rise in access to financing index everything being equal. Furthermore, it should be noted that this result is statistically significant at 5% level. Thus, there is a positive significant effect of presence during family meetings on access to financing of very small businesses in the North West Region.
Just like the previous results, the coefficient of assistance in family events is positive (0.221) which signifies that there is a positive effect of assistance during family events on access to financing of very small businesses in the North West Region. As the assistance during important family events improves, very small business owners are more likely to access financing. Going by the marginal effect, a unit point increase in assistance during important family events index will lead to about 0.221 point rise in access to financing

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index everything else held constant. However, it should be noted that this outcome is statistically significant at 1%. Therefore, we can conclude that there is a positive and significant effect of assistance in important family events by very small business owners on access to financing of very small businesses in the North West Region.

Table 2: OLS results for aggregated and disaggregated composite indexes of family culture on access to financing

	Aggregated results	Disaggregated results
VARIABLES	Afi	Afi
Presence in family meetings index		0.267**
		(0.104)
Assistance to family events index		0.221***
		(0.0618)
Family bonds index		-0.108
		(0.103)
Firm age	-0.00430*	-0.00284
	(0.00246)	(0.00206)
Experience	0.00369	0.00322
	(0.00427)	(0.00440)
Firm size	-0.00214	-0.00207
	(0.00273)	(0.00264)
Age [30 – 40[	0.0571***	0.0567***
	(0.0197)	(0.0197)
Age ≥40	0.0628	0.0916**
Family culture index	0.410***	
	(0.100)	
Constant	-0.00164	-0.0555
	(0.0647)	(0.0572)
Observations	293	293
R-squared	0.198	0.231
F-statistics	3.53	3.71
Prob > F	0.0001	0.0000
Breusch Pagan p-value	0.0000	0.0000
Mean VIF	2.13	2.09

Note: robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1
Source: Authors' computation, 2024

When aggregating (equation 1 of table 2), results from data analysis reveal that the coefficient of family culture index is positive (0.410) which implies that family culture relates positively with access to financing by very small businesses in the North West. In effect, a unit point increase in the family behavior index will lead to about 0.410-point increase in the access to financing index. Moreover, this outcome is significant at 1% level. Thus, family culture significantly enhances access to finance by very small businesses in the North West Region of Cameroon.

Going by the control variables, results from the OLS estimation technique show that the coefficient of firm age is consistently negative in both (-0.004) revealing that an increase in firm age by one year decreases access to financing of very small businesses by 0.004-point ceteris paribus. In addition, it should be noted

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that this result is significant at the 10% level. Thus, as the very small business grows older, it is significantly less likely to have access to finance.

Further results reveal that the experience of managers/owners increases access to financing of very small businesses given that the coefficient of experience is positive in both models. Precisely, having experience increases the index of access to financing by 0.003 points. However, this finding is statistically insignificant. Thus, there is no significant effect of experience on access to financing by very small businesses in the North West Region of Cameroon.

In addition, the business size decreases access to financing of very small businesses given that the coefficient of firm size is negative (-0.002 average) in both models. Precisely, firm size decreases the index of access to financing by 0.002 points. This implies that as the number of employees in the business increases, the very small business finds it difficult to access finance. Once again, this finding is statistically insignificant. Thus, there is no significant effect of firm size on access to financing by very small businesses in the North West Region.

In terms of age groups, results from data analysis indicate that the coefficient of the age range of age [30 – 40[and age ≥40 are consistently positive. This implies that business owners of 30 years and above are more likely to have access to financing. Moreover, the coefficient of age [30– 40[is statistically significant at 1% while age 40 and above is insignificant for the aggregated results.

In terms of the validity of the results, it should be noted that the model was globally significant at a 1% level given that the probability value of the Fischer Statistics (Prob > F = 0.0000) is far lower than 0.01. An R-squared of 0.198 indicates that about 19.8% of variations in access to financing of very small businesses in the North West Region are accounted for by a joint variation of family culture alongside the firm age, experience, and firm size (all the variables included in the model). It should also be noted that multicollinearity was not a problem in the model given that the mean VIF is less than 2.5 as prescribed by Gujarati (2004). The model however suffered from heteroscedasticity (given that the Breusch Pagan p-value 0.0000 is less than 1%) which was catered for by the use of robust standard errors in the regression.

Moreover, looking at the results of the marital decisions, we obtained the following. Results from Table 3 reveal that the coefficient of mutual participation is positive (0.148) which implies that mutual participation is associated positively with the access to financing of very small businesses in the North West Region of Cameroon. Precisely, a unit point increase in the mutual participation index will lead to about 0.148 point rise in access to financing index everything being equal. Furthermore, it should be noted that this result is statistically significant at a 1% level. Thus, there is a positive significant effect of mutual participation on access to financing of very small businesses in the North West Region.

Just like the previous results, the coefficient of mutual savings decisions is positive (0.429) which signifies that there is a positive effect of mutual savings decisions on access to financing of very small businesses in the North West Region. As mutual savings improve, very small business owners are more likely to access financing. Going by the marginal effect, a unit point increase in the mutual savings decisions index will lead to about 0.429-point rise in access to financing index everything else held constant. Also, it should be noted that this outcome is statistically significant at 1%. Therefore, we can conclude that there is a positive and significant effect of personal savings by very small business owners on access to financing of very small businesses in the North West Region.

Further results indicate that there is a positive effect of joint ventures on access to financing given that the coefficient of the joint ventures index was found to be positive (0.197). Specifically, a unit point increment in the joint ventures index will bring about a 0.197-point increment in access to financing of very small businesses in the North West Region of Cameroon. Unlike the previous variable, this result is significant at a 5% level. Thus, there is a significant positive effect of in presence of children on access to financing of very small businesses in the North West Region. When aggregating (equation 1 of table 3), results from data analysis reveal that the coefficient of the marital decisions index is positive (0.401) which implies that marital decisions relate positively with access to financing by very small businesses in the North West. In

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effect, a unit point increase in the marital decisions index will lead to about 0.401 point increase in the access to financing index. Moreover, this outcome is significant at a 1% level. Thus, marital decisions significantly enhance access to finance by very small businesses in the North West Region of Cameroon.

Table 3: OLS results for aggregated and disaggregated composite indexes of marital decisions on access to financing

	Aggregated results	Disaggregated results
VARIABLES	Afi	Afi
Mutual participation index		0.148***
		(0.0422)
Mutual savings decisions index		0.429***
		(0.0981)
Joint ventures index		0.197**
		(0.0768)
Firm age	-0.00374**	-0.00294
	(0.00188)	(0.00186)
Experience	0.00418	0.00470
	(0.00417)	(0.00407)
Firm size	-0.000937	-0.00177
	(0.00272)	(0.00269)
Age [30 – 40[	0.0504**	0.0462**
	(0.0208)	(0.0207)
Age ≥40	0.0853*	0.0837*
	(0.0437)	(0.0429)
Marital decisions index	0.401***	
	(0.0672)	
Constant	-0.0424	-0.0314
	(0.0587)	(0.0582)
Observations	293	293
R-squared	0.248	0.262
F-statistics	5.36	6.17
Prob > F	0.0000	0.0000
Breusch Pagan p-value	0.0000	0.0000
Mean VIF	2.13	2.02

Note: robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

Source: Authors" computation, 2024

Going by the control variables, results from the OLS estimation technique show that the coefficient of firm age is consistently negative in both (-0.003) revealing that an increase in firm age by one year decreases access to financing of very small businesses by 0.003-point ceteris paribus. In addition, it should be noted that this result is significant at the 5% level. Thus as the very small business grows older, it is significantly less likely to have access to finance.

Further results reveal that the experience of managers/owners increases access to financing of very small businesses given that the coefficient of experience is positive in both models. Precisely, having experience increases the index of access to financing by 0.004 points. However, this finding is statistically insignificant. Thus, there is no significant effect of experience on access to financing by very small businesses in the North West Region of Cameroon.

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In addition, the business size decreases access to financing of very small businesses given that the coefficient of firm size is negative (-0.0009 and -0.00177) in both models respectively. Precisely, firm size decreases the index of access to financing by 0.0009 points. This implies that as the number of employees in the business increases, the very small business finds it difficult to access finance. Once again, this finding is statistically insignificant. Thus, there is no significant effect of firm size on access to financing by very small businesses in the North West Region.
In terms of age groups, results from data analysis indicate that the coefficient of the age range of age [30 – 40[and age ≥40 are consistently positive. This implies that business owners of 30 years and above are more likely to have access to financing. Moreover, the coefficient of age [30 – 40[and age 40 and above are significant at 5% and 10% respectively. In a nutshell, as the age group of the owners/managers increases the access to financing significantly increases.
In terms of the validity of the results, it should be noted that the model was globally significant at a 1% level given that the probability value of the Fischer Statistics (Prob > F = 0.0000) is far lower than 0.01. An R-squared of 0.24 indicates that about 24% of variations in access to financing of very small businesses in the North West Region is accounted for by a joint variation of marital decisions alongside the firm age, experience, firm size, (all the variables included in the model). It should also be noted that multicollinearity was not a problem in the model given that the mean VIF is less than 2.5 as prescribed by Gujarati (2004). The model however suffered from heteroscedasticity (given that the Breusch Pagan p-value 0.0000 is less than 10%) which was catered for by the use of robust standard errors in the regression (as seen in the note at the end of the table 3).

5. Discussion

Just like the previous finding and in line with a priori expectations, results from our estimation framework reveal that there is a positive and significant effect of family culture on access to financing of very small businesses. Specifically, components of family culture such as presence in family meetings, assistance in important family events, and strong family bonds were found to exert a significant effect on access to financing. More precisely, the sign-on assistance in important family events was positive as postulated by Catarina & Ana (2020) but the sign-on family bonds came out negative confirming the work of Patel and Kellermanns (2010) on which the more you make your state of affairs known by many external parties, the less you get access to financing.
According to the result from the effect of marital decisions on access to financing of very small businesses, the results are equally in line with those postulated a priori by Rajat & Devi (2022) and Evren (2014). Looking at the signs of the determinants of marital decisions, we acknowledge the existence of coherence in the results with the postulations of Wood, Downer, Lees, & Toberman, (2012) according to which if wives and husbands shared preferences regarding consumption and savings behaviors, marital arguments regarding money would not arise.
However, finances continue to be problematic for some couples given that when wives control the finances, expenditures on women's and children's goods increase and child well-being increases (Vohs, Mead & Goode, 2008). These differences should not occur under the common preference model. Historical analyses have also thrown much doubt into the idea of husbands serving as altruistic family heads. Primary historical sources show that even in the 1930s, husbands certainly neither were not altruistic heads nor were many wives happy with the husbands' distribution of their husband's wages. In the early twentieth century, wives had to beg their husbands to share their wages so that they could have adequate funds to run the home (Wood, Downer, Lees & Toberman, 2012). Some wives had to resort to "sexual blackmail" or "stealing from their husbands" when they gave them less than what was needed to run the home.

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6. Conclusion and policy implications

This study had as its primary objective to investigate the relationship between family culture as well as marital decisions on access to financing of very small businesses. To achieve this, the study adopted a quantitative design comprising surveys and causal research design and employed an adapted model from Gikonyo, Agwata, & Anyango (2011) to guide the research process**.** Overall, family culture as well as marital decisions was found to have a significant effect on access to financing. Looking at the disaggregated composite indexes of the three variables of presence during family meetings on access to financing, the coefficient of assistance in important family events index as well as the strong family bonds index are positive. However, these results were statistically significant at 1% level. Consistently, all other family culture indicators exhibit a positive association with access to financing of very small businesses.

In the same light, according to the findings of the research, the coefficient of marital decisions was found to be positive which signified that there is a positive effect of marital decisions on access to financing of very small businesses in the North West region of Cameroon. Equally, it should be noted that this outcome was found to be significant at a 1% level. As such, we accepted the second hypothesis of the study which states that there is a significant effect of marital decisions on access to financing of very small businesses in the North West region of Cameroon. Looking at the disaggregated composite indexes of the three variables of mutual participation, mutual savings decisions, and the joint ventures on access to financing of very small businesses were found to be statistically insignificant.

7. Limitations and directions for further study

The study has a few limitations. First, the study is conducted on very small business owners in the North West Region of Cameroon. As such the results should not be generalized. Therefore, a study including all the cities of Cameroon should be conducted. The owners in the other parts of the country might have other determinant factors apart from family culture and marital decisions that may affect their access to financing. Future studies may include other determinants in the investigation. Second, the study was conducted using a quantitative methodology. Hence, future studies could consider adopting a mixed method methodology which is likely to produce more insights on access to financing of very small businesses in a developing country like Cameroon.

Authors' Contributions: Kongnyuy Stanley Wirkom conceived the idea, reviewed the literature, analyzed the data, and prepared the first draft. Urie Eleazar Jumbo did the econometric analysis, supervised it, and finally edited the paper. Kueda Wamba Berthelo reviewed the paper and suggested improvements. All authors approved the final version of the manuscript.

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