

ISLAMIC BANKING SYSTEM LOANS (QARD HASSAN) OF AMAL BANK BOSASO AND ECONOMIC GROWTH IN SOMALIA; A CROSS-SECTIONAL STUDY.

Mohamed Bashir Warsame*, Dr.Badru Kizza
Graduate School and Research Kampala University.

Page | 1

ABSTRACT

Background

This study aims to establish the relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia.

Methodology

This study adopted a correlation research design based on a quantitative research approach. Quantitative research involves the generation of data in quantitative form, which can be subjected to rigorous quantitative analysis formally and rigidly. The study population was composed of Islamic Banking System service providers in this case Amal Bank, Bosaso, and the Islamic Banking System service beneficiaries (Poor or low-income earners) living in Bosaso officials. The target population is 96 respondents and among these are 25 Amal Bank, Bosaso employees, and 71 Customers / Islamic banking system beneficiaries (poor and low-income earners).

Results

Findings on the relationship between Islamic Banking System loans (Qard Hassan) revealed that there is a strong positive significant relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia since ($r=.951$, $p<0.05$). This is indicated by Pearson Correlation co-efficient of 0.979 and significance of 0.000 which rejects the hypothesis and thus shows that there is a strong positive significant relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia.

Conclusion

The role of Islamic banking systems, with an emphasis on the effect of the Islamic banking system on economic growth, has been discussed. They showed how banking system systems can affect economic growth.

Recommendations

The study recommends that bankers should promote these products intensively via advertising and effective marketing strategies to increase the market share. The service quality of Islamic banking is an important factor driving bank customers.

Keywords: Relationship, Islamic Banking System loans (Qard Hassan), Amal Bank Bosaso, Economic Growth, Somalia.

Submitted: 2024-03-08 Accepted: 2024-03-12

*Corresponding author: Mohamed Bashir Warsame**

Graduate School and Research Kampala University.

Background to the Study

The study is about the Islamic Banking System and the economic growth of Somalia in Amal Bank Bosaso. The world of financing, the Islamic Banking System has flourished enormously with a significant trend (Gustina and Ihsan, 2010). Iqbal and Molyneux (2005) stated that the Islamic Banking System has been found as a rapidly growing industry compared to other industries. Islamic Banking System is embracing predominantly the welfarist approach and has only half percent of the total microfinance global outreach (Sibanda, & Makwata, et al, 2015). Islamic Banks in different countries around the world like Bangladesh, Pakistan, Bahrain, Indonesia, etc have been involved in the formation of education sector development

programs to improve educational provision to achieve economic development.

Islamic Banks in Bosaso like Amal Bank have implemented Islamic Banking systems including; Islamic Banking System loans (Qard Hassan), which have been effective in ensuring economic growth of Bosaso prevails in terms of boosting macroeconomic performance (gross domestic product (GDP), consumption, investment, and international trade) and stability (central government budgets, prices, the money supply, and the balance of payments) (Ainley, & Mashayekhi, et al. 2020). However, despite the availability of legitimate Islamic Banking systems; the economic growth of Bosaso, Somalia is still very low due to, a lack of proper institutional framework, lack of appropriate legal

framework, lack of equity institutions and diversification, to develop the capital market, risk of contract and documentation, risk of contagion and liquidity problem (Ahmad, & Iqbal, 2018). This study aims to establish the relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia

Methodology

Research Design

This study adopted a correlation research design based on a quantitative research approach. Quantitative research involves the generation of data in quantitative form, which can be subjected to rigorous quantitative analysis formally and rigidly. The aim of this study establish the relationship between the Islamic Banking System and the economic growth of Bosaso, Somalia. The design helped in the generation of data, which was subjected to rigorous quantitative analysis. The design is sufficient to provide the appropriate information needed for the facilitation of the attainment of both descriptive and inferential statistics for the study.

Study Population

A population is a complete set of individuals, cases, or objects with some common observable characteristics (Mugenda and Mugenda, 2003). The study population was composed of Islamic Banking System service providers in this case Amal Bank, Bosaso, and the Islamic Banking System service beneficiaries (Poor or low-income earners) living in Bosaso officials. The target population is 96 respondents and among these are 25 Amal Bank, Bosaso employees, and 71 Customers / Islamic banking system beneficiaries (poor and low-income earners). The choice of the population is because these are the people involved in the provision of the Islamic Banking System and others are concerned with the economic development of the district.

Sample Size

The sample size of this study was determined using the Krejcie and Morgan (1970) table. According to Morgan, a population of 96 was estimated to have a sample size of 63 respondents as illustrated in Table 1

Table 1: Population and Sampling in the Study

Category	Population	Sample size	Sampling Technique
Amal Bank, Bosaso Staff	25	22	Simple random
Customers / Islamic banking system beneficiaries (poor and low-income earners)	71	55	Simple random
Total	96	77	

Source: Primary Source, 2022, Sample determination by Krejcie and Morgan table in the Last page, (1970)

The sample size was determined using the Slovene formula which is described below;

$$n = N$$

$$1 + N(P)^2$$

Where:

n = the required sample size

N = the targeted population (75)

P - Critical value with a 95% level of confidence hence

$$P = 0.05$$

Therefore,

$$n = 96$$

$$1 + 96(0.05)^2$$

$$n = 96$$

$$1 + 96(0.0025)$$

$$n = 96$$

$$1 + 0.24$$

$$n = 96$$

$$1.24$$

$$n = 77$$

Therefore, the sample size is equal to 77 respondents.

Sampling Techniques

The study employed a probability sampling techniques for the selection of respondents from the categories of Amal Bank, and Bosaso employee staff members. Simple random sampling was employed in the form of a rotary to attain the respondents from their respective categories that were selected and another one was jumped until the total number of respondents needed was attained for the study. Simple random sampling was employed to attain information since it provides an equal chance for the respondents to collect the data.

Data Collection Method

Data collection refers to the methodology and the instruments that the study used during the data collection process (Kothari, 2004). These are the methods that were used to obtain information from the subjects of interest. There was the use of a questionnaire which was given to the respondents. The questionnaire was pre-tested before being administered to the selected sample. This method of data

collection was employed due to its flexibility and ability to clarify any difficult question. It was also good as it ensured cooperation and allowed the study to alleviate any confidentiality issues that arose.

Data Collection Instrument

Page | 3

Data collection was conducted using questionnaires. The research tool provided the input into a study and therefore the quality and validity of the output (the findings) was solely dependent on it. The study was based on primary data. The questionnaires will be closed open-ended questions. The closed-ended questions enabled the study to collect quantitative data. The questionnaire sought to collect demographic data measures of performance indices measures. Questionnaires were considered for the study since they provide a high degree of data standardization are relatively quick to collect information from people in a nonthreatening way and they will be cheap to administer. According to (Kombo and Tromp, 2006), a self-administered questionnaire is the only way to elicit self-reports on people's opinions, attitudes, beliefs, and values. Mugenda and Mugenda (2003) acknowledge that questionnaires give a detailed answer to complex problems. The questionnaire was divided into three dimensions with A, being demographic characters, the dimension having an Islamic Banking System, and dimension C being provided on Economic growth.

Validity and Reliability:

Validity

Validity refers to the degree to which results obtained from analysis of the data represent the phenomenon under study. The study distributed the research instrument (questionnaire) to four experts to rate the relevance of the questions using a five (5) point scale anchored relevant, quite relevant, somewhat relevant, and not relevant. The Content Validity Index for the questionnaire should be above 0.7 for the questionnaire to be declared valid. This would mean that the questions therein are relevant to the variables under study. According to Validity of the instrument is determined by the formula;

$$CVI = \frac{\text{Number of items declared valid by the judges}}{\text{Total number of items}}$$

Reliability

To establish the reliability of the research instruments, the study conducted a pilot study, using the test-retest method, on selected respondents from the study area. The results were entered into the SPSS program and a reliability test was carried out using Cronbach's Alpha as the measure of reliability. If the Alpha is above 0.7, the instruments were declared as reliable (having internal consistency).

Data Gathering Procedures:

An introduction letter was obtained from Kampala University in postgraduate studies for the study to solicit approval to conduct the study in Amal Bank, Bosaso-Somalia. After approval, the study got to the respondent's organizations' authorizations. The respondents were explained about the study and were requested to sign the Informed Consent Form. The study produced more than enough questionnaires and interview guides for distribution. The study selected research assistants who assisted the study in the data collection; they were briefed and oriented for them to be consistent in administering the questionnaires.

Data Analysis:

Different statistical techniques were used namely: Simple frequency counts and percentage distributions were used to analyze data on the profile of respondents. Data from the field was compiled, sorted, edited, and coded to have the required quality, accuracy, and completeness. The study used Statistical Package for Social Sciences (SPSS) to analyze the data gathered, to analyze quantitative data based on frequency and percentages, and then mean as a descriptive analysis of the effect between the variables. Univariate analysis was performed to analyze the relationship between one independent variable and the dependent variable at a time based on Pearson correlation analysis, the statistical significance was accepted at a 5 % probability level, i.e. a p-value of less than 0.05.

Ethical Considerations:

In conducting the study, the study undertook the following ethical considerations

The study respected the anonymity of the respondents by ensuring the confidentiality of the respondents and the data provided. This was done through assurance that the information they provided was purely for academic purposes and that their identity was not disclosed to anyone. This was highlighted in the introductory part of the questionnaire. All the sources of literature have been acknowledged through citations and referencing. Lastly, objectivity is considered during report writing to avoid personal bias

The study sought clearance from the University to be able to collect data in the targeted area. The study ensured and assured the respondents that all their responses were treated in strict confidentiality.

The study obtained informed consent from authorities to interview their citizens and also interviewed the caretakers. The study explained to the people in the study area the objectives of the study, introduced him he explained why the particular respondents were chosen, the benefits, discomforts, and harms of the study, and requested to also ask questions about the study.

**Results
General
Findings**

In general, there were 77 respondents targeted respondents by the study, and with these, the study produced 77

questionnaires which were distributed amongst each study respondent, these 63 questionnaires were returned filled, and answered while only 14 questionnaires were left unanswered. This implies that the number that responded and returned their questionnaires represented 81.18% and those who did not respond represented 18.82% as represented in Table 2;

Table 2: Showing the General Response of Respondents

Response	Frequency	Percentage
Responded	63	81.18%
Did Not Respond	14	18.82%
Total	77	100%

Source: Field Data, 2022

Socio-Demographic Characteristics of the Respondents

Age of the Respondents

About the Age of respondents, it shows that respondents were in the age range from less than 40 years, 40 to 49 years, 50–59 years, 60-69, and 70 years and above. Table 3, summarizes the results. The findings indicated that

responders range in age. It was discovered that 71.4 percent of respondents were less than the age of 40 years, 17.5 percent were between the ages of 40 and 49, 6.3 percent were between the ages of 50 and 59, 1.6 percent were between the ages of 60-69 and 3.2 were 70 years and above. These findings indicate that the lowest observed ages are those of 60-69 years. However, individuals aged less than 40 years were found to be the most mature.

Table 3: Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 40 years	45	71.4	71.4	71.4
	40-49	11	17.5	17.5	88.9
	50-59	04	6.3	6.3	95.2
	60-69	01	1.6	1.6	96.8
	70 and above	02	3.2	3.2	100.0
	Total	63	100.0	100.0	

Source: Primary Data, (2022)

Gender

Respondents were questioned about their gender. The results of the study indicated that among the respondents, 51

(81%) were male while 12(19%) were female. This indicated that male employees dominated Amal Bank in Bosaso. Hence there is gender discrimination in the study area.

Table 4. The gender of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	51	81.0	81.0	81.0
Valid Female	12	19.0	19.0	100.0
Total	63	100.0	100.0	

Source: Primary Data, (2022)

Education Level

The results indicated that respondents had varying levels of education, including 4.8 percent with a diploma level of education, 52.4 percent with a bachelor's degree level of education, 33.3 percent with a master's degree level of

education, and 9.5 percent with a Ph.D. level of education. The greatest level was observed to be those holding a bachelor's degree, followed by those holding a master's degree level, and the lowest level was observed to be those holding a diploma, followed by those holding others.

Table 5: The highest level of education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	3	4.8	4.8	4.8
	Bachelor degree	33	52.4	52.4	57.1
	master degree	21	33.3	33.3	90.5
	others(specify)	6	9.5	9.5	100.0
Total		63	100.0	100.0	

Source: Primary Data, (2022)

Marital Status

The findings of the results in Table 6 indicate that 17(27%) of respondents were single, 44(69.8%) of the respondents

were married and 2(3.2%) of the respondents were divorced when respondents were asked to indicate whether they are single, married or divorced since the findings of the study indicated that the majority of the respondents were married.

Table 6. Marital status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	17	27.0	27.0	27.0
	Married	44	69.8	69.8	96.8
	Divorced	02	3.2	3.2	100.0
	Total	63	100.0	100.0	

Source: Primary Data, (2022)

Number of Years of Experience

As a result Table 7, shows the majority of respondents 30(47.6%) had worked for the organizations for 6-10 years. 9(14.3%) have been with the company for less than one year, 11(17.5%) for 1-5 years, and 13(20.6%) for over 10 years.

Table 7. Years that the employee has been serving at Amal Bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than one year	9	14.3	14.3	14.3
	1-5 years	11	17.5	17.5	31.7
	6-10	30	47.6	47.6	79.4
	over 10 years	13	20.6	20.6	100.0
	Total	63	100.0	100.0	

Source: Primary Data, (2022)

Designation of the respondents

The findings of the results in Table 8 indicate that 8(12.7%) of respondents were department heads, 10 (15.9%) of the respondents were supervisors, 44 (69.8) of the respondents

were junior employees while 1(1.6%) of the respondents was others when respondents were asked to indicate Designation. The findings of the study indicated that the majority of the respondents answered junior employees.

This indicates that the employees of Amal Bank in Somalia have more junior employees to perform tasks efficiently and effectively.

Table 8. Designation of the respondent

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Department head	08	12.7	12.7	12.7
Supervisor	10	15.9	15.9	28.6
Junior employee	44	69.8	69.8	98.4
Other	01	1.6	1.6	100.0
Total	63	100.0	100.0	

Source: Primary Data, (2022)

Descriptive analysis of the study objectives To establish the relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia.

to establish the relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia is to get an answer for this specific objective, the respondents were requested to rank various questions in the questionnaire by showing the level of their agreement or disagreement based on a five-point Likert Scale (Strongly Disagree, Disagree, undecided, Agree and Strongly Agree). From the Likert scale 1 denotes

strongly disagree, 2 denotes Disagree, 3 denotes undecided, 4 denotes Agree and 5 denotes strongly agree. Respondents were requested to show the extent to which they agreed or disagreed with this study. In the first about this objective, the study sought to determine whether the Salaam African Bank uses return on assets as a measure of its performance. The responses from these 9, indicated that 3 (4.8%) of the respondents were undecided, 7 (11.1%) of the respondents agreed 53 (84.1%) of the respondents strongly agreed when respondents were asked to indicate whether the Amal Bank uses loans (Qard Hassan) as a measure of its performance. That the majority of the respondents strongly agreed with this question, since the greatest number of the respondents answered in agreement.

Table 9. The primary objective of Qard-al-Hassan is to help the poor get on their feet to become part of economic activities in a dignified and cost-effective manner

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Undecided	3	4.8	4.8	4.8
Agree	7	11.1	11.1	15.9
strongly agree	53	84.1	84.1	100.0
Total	63	100.0	100.0	

Source: Primary Data, (2022)

Table 10 presents study results that indicated 9 (14.3%) of the respondents were undecided, 21 (33.8%) of the respondents agreed, while 33 (52.4%) of the respondents strongly agreed when respondents were asked to indicate whether Amal Bank’s loan (QardHassan) has been steadily

improving. Since the findings of the study indicated that the majority of the respondents answered in agreement, indeed this indicated Amal Bank’s return on assets has been steadily improving.

Table 10. Qard Hassan is a loan extended on a goodwill basis, mainly for welfare purpose

	Frequency	Percent	Valid Percent	Cumulative Percent
undecided	9	14.3	14.3	14.3
Valid Agree	21	33.3	33.3	47.6
strongly agree	33	52.4	52.4	100.0
Total	63	100.0	100.0	

Source: Primary Data, (2022)

The findings of the results in Table 11 indicated that 5 (7.9%) of respondents disagreed, 2 (3.2%) of the respondents were undecided, 9 (14.3%) of the respondents agreed, 25 (46.3%); 47 (74.6) of the respondents answered strongly agreed when respondents were asked to indicate

whether Other than loan (QardHassan) of Amal Bank Bosaso uses QardHassan as a measure of its performance. The findings of the study indicated that the majority of the respondents answered in agreement.

Table 11. Qard-al-hassan also provides an incentive for the poor to perform and be able to have access to such credit in the future

	Frequency	Percent	Valid Percent	Cumulative Percent
disagree	5	7.9	7.9	7.9
Valid undecided	2	3.2	3.2	11.1
Agree	9	14.3	14.3	25.4
strongly agree	47	74.6	74.6	100.0
Total	63	100.0	100.0	

Source: Primary Data, (2022)

In Table 12 the findings indicated that 2 (3.2%) of the respondents disagreed, 2 (3.2%) of the respondents undecided, 9 (14.3%) of the respondents were agreed, while 50 (79.4) of the respondents strongly agreed when the respondents were asked to indicate whether Amal Bank's loan (QardHassan) has been steadily improving according to

his knowledge. Since the findings of the study indicated that the majority of the respondents answered in agreement, indeed this indicated that Amal Bank's loan (QardHassan) has been steadily improving according to the knowledge of the employees

Table 12. Qard Hasan helps share the burden of the less privileged social class with the rich segment of society

	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	2	3.2	3.2	3.2
Valid Undecided	2	3.2	3.2	6.3
Agree	9	14.3	14.3	20.6
strongly agree	50	79.4	79.4	100.0
Total	63	100.0	100.0	

Source: Primary Data, (2022)

According to Table 13, 3(4.8%) of the respondents strongly disagreed, 30 (47.6%) of the respondents agreed, and 30 (47.6%) of the respondents strongly agreed when respondents were asked to indicate whether Amal Bank uses loans (QardHassan) as a measure of its performance. Since

the findings of the study indicated that the majority of the respondents answered in agreement, indeed this indicated that the AMAL Bank uses loan(QardHassan) as a measure of its performance.

Table 13: Qard-al-Hassan also provides an incentive to the poor to perform and be able to have access to such credit in the future.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	3	4.8	4.8	4.8
Agree	30	47.6	47.6	52.4
strongly agree	30	47.6	47.6	100.0
Total	63	100.0	100.0	

Source: Primary Data, (2022)

Discussion

Findings on the relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia.

The study findings show that there is a strong positive significant relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia since ($r=.951, p<0.05$). This is indicated by Pearson Correlation co-efficient of 0.979 and significance of 0.000 which rejects the hypothesis and thus shows that there is a strong positive significant relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia. Finally, regression analysis, predicting financial performances from loans (QardHassan) is statistically significant. R square, 97.9% means there is a strong positive relationship between Islamic Banking System loans (Qard Hassan) of Amal Bank Bosaso and the economic growth of Somalia. In this research, therefore, loan (Qard Hassan) plays a higher significant role in improving the economy.

Qard Hassan is a loan extended on a goodwill basis, mainly for welfare purposes and hence Amal Bank does offer Islamic Banking System Loans to enable different customers to fulfill their financial needs and desires as they bear different interests in return. Such loans are normally injected into personal businesses, education, agricultural development, and construction of personal houses or homes. Should a borrower encounter difficulty, the lender must extend the repayment time(Askari, &Hossein et al, 2015). Alshebami and Khandare (2015) argued that Islamic Banking System loans (Qard Hassan) provide an interest-free source of funding and the institution of Qard-al-Hassan can be effectively used by people in Bosaso Somalia. Saad and Duasa (2010) confirmed that higher levels of education correlated to higher levels of per capita income. The Islamic

micro-finance drive for financial inclusion through Qard-al-Hassan is seen to bring improvements in human capital development, skills development, better provision of physical capital, and wider access to micro-credit for the productive poor.

Fianto and Gan (2017) argued that (Qard-al-Hassan) based lending has been practiced throughout the Muslim communities and induces economic growth for microfinance and financial inclusion is relatively recent. In general, Qard-al-Hassan can serve as a tool to enhance financial and social inclusion in the society in Bosaso, Somalia.

Conclusions

The role of Islamic banking systems, with an emphasis on the effect of the Islamic banking system on economic growth, has been discussed. They showed how banking system systems can affect economic growth. In addition, the advantages of Islamic banking regarding economic growth have been considered. There are several advantages in Islamic banking in this regard including efficient use of money, distribution of risk between entrepreneurs and depositors, importance of quality of a business plan rather than credit rating of the borrowers, stability, control of excessive credit, creation and decreasing moral hazard and adverse selection.

Recommendations

The findings of the research managed to reveal certain issues in the Islamic banking system in Bosaso that need to be addressed for corrective action. Due to the lack of public awareness of Islamic investment products, bankers should promote these products intensively via advertising and effective marketing strategies to increase the market share. The service quality of Islamic banking is an important factor

driving bank customers; emphasis on service quality is, therefore, essential to attract more customers. A “Shariah audit” is also necessary to ensure that Shariah-compliant products are recommended to the public through the Islamic banking system. The staff involved in Islamic banking should be well trained to equip themselves with sufficient shariah knowledge and principles for the Islamic banking product development process as well as for the operation of the system.

These recommendations have been made

- The banks should understand the concept of the Islamic banking system and Sharia complement: the Islamic banking system is important for banks it plays an important role in banks and it is the backbone of banks so the banks should respect and understand the meaning and concept of the Islamic banking system and how it works.
- The Marketing department should arrange together functions, and create knowledge of Islamic banking in customers' minds: because the customers are very important in the banks because banks work for people and they deposit their finances and also invest and help entrepreneurs whenever business increases and the economic is become growth.
- Banks should complete all the functions of Islamic investment and its products: our banks provide Mudaraba, Murabaha, and Musharaka so the banks should provide the other services such as Salam, Ijarah, Intisna, and whole functions of Islamic investment and give the customers full information about Islamic investment.
- The government should assist the banks in practicing the Islamic banking system: banks play an important role in economic growth and employee opportunity of the country for the economy of the country to be stable in high opportunity at the side of the employee.
- In Bosaso, nowadays there is a good Islamic banking system, but, it is not enough for Bosaso Puntland Somalia to let it go on being good only; it would be much better to improve it to be very good or excellent. Thus, the implementation of these recommendations below can help in Islamic banking improvement.

Acknowledgment

Every good work is certainly impossible to accomplish single-handedly. Therefore, it is with heartfelt gratitude and appreciation that I convey thanks to all who made this dissertation writing a success.

My sincere gratitude and thanks go to my Supervisor **Dr. Badru Kizza** for the countless efforts and sacrifices towards my research process. May **ALLAH** continue rewarding you with more blessings and good health to deliver beyond expectations.

My heartfelt appreciation goes to my sweet loving siblings; for their countless financial support since the time of Primary studies up to my university level.

Other special thanks are accredited to the staff of the Faculty of Business Administration of the International University of East Africa Uganda for the advice, guidance, and support given from time to time.

Finally, I also extend my sincere appreciation to my brother for the encouragement and good care they have shown me.

MAY ALLAH BLESS YOUALL

LIST OF ABBREVIATIONS

ATMS.....	Automatic Teller Machines
ADB.....	Asian Development Bank (ADB)
DHF.....	Hope Foundation
IMFIs.....	International Microfinance institutions
UNICEF.....	United Nations Child Emergency Fund

Source of funding

The study was self-funded.

Conflict of interest

The author declares no conflict of interest.

Author Biography

Mohamed Bashir Warsame, Master Student of Business Administration Graduate School and Research Kampala University

Dr. Badru Kizza, Lecturer at the Graduate School and Research Kampala University

References

- 1) Ahmad and Zamir Iqbal. (2015). Banking and the Risk Environment. In Islamic Finance: The Regulatory Challenge, eds. Simon Archer and Rifaat Ahmed Abdel Karim, pp 11-39. Singapore: John Wiley & Sons (Asia)
- 2) Ainley, M., & Mashayekhi, A. (2020). Financing infrastructure projects based on risk sharing model: Istisna Sukuk. *Journal of Emerging Economies & Islamic Research*, 5(3), 72–84
- 3) Alshebami, A. S., & Khandare, D. M. (2015). Islamic Banking System industry in Yemen: Challenges and opportunities. *International*

- Journal of Social Work, 2(2), 15–23.
doi:10.5296/ijsw.v2i2.7937
- 4) Askari, Hossein; Iqbal, Zamir; Mirakhor, Abbas (2015). Introduction to Islamic Economics: Theory and Application. Wiley. p. 314. ISBN 978-1118732960.
 - 5) Fianto, B. A., & Gan, C. (2017). Islamic Banking System in Indonesia. In G. Christopher, & V. N. Gilbert (Eds.), *Microfinance in Asia* (pp. 227–270). Singapore: World Scientific. doi:10.1142/9789813147959_0007
 - 6) Gustina, & Ihsan, H. (2010). Integrating Islamic banking, Zakat, and Waqf with Islamic microfinance in poverty alleviation. *Jurnal Akuntansi & Manajemen*, 5(1), 45–52.
 - 7) Kothari, C.R. (2004) *Research Methodology: Methods and Techniques*. 2nd Edition, New Age International Publishers, New Delhi
 - 8) Kombo, K.D. and Tromp, L.A.D. (2006) *Proposal and Thesis Writing: An Introduction*. Paulines Publishers, Nairobi, Kenya.
 - 9) Krejcie, R.V., & Morgan, D.W., (1970). Determining Sample Size for Research Activities. *Educational and Psychological Measurement*.
 - 10) Mugenda, O.M. and Mugenda, A.G. (2003) *Research Methods, Quantitative and Qualitative Approaches*. ACT, Nairobi
 - 11) Saad & Duasa, A. K. M. (2010). Islamic Home Financing Through Musharakah Mutanaqisah: A Crowdfunding Model. In *Concept and Application of Shari'ah for the Construction Industry: Shari'ah Compliance in Construction Contracts, Project Finance and Risk Management*, 181.
 - 12) Sibanda, V., Makwata, R., Gwenhamo, F., & Policies, M. Osunde, C. (2015). The Challenges Facing Microfinance Institutions in Poverty Eradication: A Case Study in Mogadishu. *International Journal of Humanities Social Sciences and Education*, 6(2), 1–14.

Publisher details:

SJC PUBLISHERS COMPANY LIMITED



Category: Non-Government & Non-profit Organisation
Contact: +256775434261(WhatsApp)
Email: admin@sjpublisher.org, info@sjpublisher.org or studentsjournal2020@gmail.com
Website: <https://sjpublisher.org>
Location: Wisdom Centre Annex, P.O. BOX. 113407 Wakiso, Uganda, East Africa.