

إقرار

أنا الموقع أدناه مقدم الرسالة التي تحمل العنوان:
إلى أي مدى يعتبر برنامج تمويل المشاريع الصغيرة المدار من قبل وزارة الاقتصاد الوطني ناجحا
(من وجهة نظر المستفيدين)

To What Extent Does The Small Projects Financing Program Which Is
Implemented By The Ministry Of National Economy Succeed
(From The Perspective Of Beneficiaries)

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**To What Extent Does The Small Projects Financing
Program Which Is Implemented By The Ministry Of
National Economy Succeed
(From The Perspective Of Beneficiaries)**

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نتيجة الحكم على أطروحة ماجستير

بناءً على موافقة شئون البحث العلمي والدراسات العليا بالجامعة الإسلامية بغزة على تشكيل لجنة الحكم على أطروحة الباحثة/ آلاء طلعت حسن القيسي لنيل درجة الماجستير في كلية التجارة/ قسم إدارة الأعمال وموضوعها:

إلى أي مدى يعتبر برنامج تمويل المشاريع الصغيرة المدار من قبل وزارة الاقتصاد الوطني ناجحاً (من وجهة نظر المستفيدين)

To What Extent Does the Small Projects Financing Program Which Is Implemented by the Ministry of National Economy Succeed (From the Perspective of Beneficiaries)

وبعد المناقشة التي تمت اليوم السبت 23 شوال 1436هـ، الموافق 2015/08/08م الساعة الحادية عشرة صباحاً، اجتمعت لجنة الحكم على الأطروحة والمكونة من:

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وبعد المداولة أوصت اللجنة بمنح الباحثة درجة الماجستير في كلية التجارة/قسم إدارة الأعمال.

واللجنة إذ تمنحها هذه الدرجة فإنها توصيها بتقوى الله و لزوم طاعته وأن تسخر علمها في خدمة دينها ووطنها.

والله ولي التوفيق ،،،

مساعد نائب الرئيس للبحث العلمي والدراسات العليا

أ.د. فؤاد علي العاجز

DEDICATION

- ❖ To my father and mother for their endless support.
- ❖ To my husband for his unlimited encouragement.
- ❖ To all my brothers, sisters, colleagues and friends for their sustainable support.

ACKNOWLEDGEMENT

- ❖ I wish to express my profound gratitude to Dr. Faris Abu Mu'amer for his continuous guidance, supervision and comments throughout the course of this research.
- ❖ I would like to express my appreciation to the staff of Small Projects Financing Program, especially my boss at work Allam Ghabayn for his support and encouragement.
- ❖ My grateful thanks to my sisters Asma' and Amani who helped me to accomplish this study.
- ❖ Finally, I would like to thank my parents, husband, brothers and sisters for their love, support and for tolerating me the time I spent working on the research.

Abstract

This study aimed to determine to what extent does the Small Projects Financing Program which is implemented by The Ministry Of National Economy in Gaza Strip succeed? from the perspective of beneficiaries.

The study focused on the importance of small projects to the national economy. And it shed the light of Small Projects Financing Program and analyze the relationship between the success of the program and a group of variables such as (loan amount, number of employees, efficiency of employees, program promotion, guarantees, integrity, and field visits).

To achieve the objectives of the study, the researcher used a descriptive analytical approach and used a questionnaire as the main tool of data collection. The study population consisted of Small Projects Financing Program beneficiaries and the questionnaire was distributed to a random sample of (200) beneficiaries. SPSS program used to analyze the results.

The results showed a statistical significant relationship between (SPFP) and all of the independent variables (loan amount, number of employees, efficiency of employees, program promotion, guarantees, integrity, field visits).

The study came out with several recommendations including:

- The Ministry of Finance should increase the program portfolio to provide funding to a large number of beneficiaries. Thus contribute to solve the unemployment problem which is increased year after year because of the huge number of graduates.
- Establishing a joint data base for beneficiaries of lending institutions in Gaza Strip. So as to provide funding to a large number of beneficiaries and reduce the financial obligations on them, as well as to ensure the recovery of the loan amount.
- Communicating with lending institutions in Arab and Islamic countries, in order to support the program portfolio. And thus focusing the support toward development side instead of relief side.
- Activate the social role of Islamic Banks and large organizations working in Gaza Strip. Thus through providing free interests loans to the owners of creative ideas by communicating with (SPFP).

ملخص البحث

هدفت هذه الدراسة إلى تحديد إلى أي مدى يعتبر برنامج تمويل المشاريع الصغيرة الذي تنفذه وزارة الاقتصاد الوطني في غزة ناجحاً؟ وذلك من وجهة نظر المستفيدين.

وقد تمحور موضوع الدراسة حول التعريف بأهمية المشاريع الصغيرة على الاقتصاد الوطني، وتسهيل الضوء على برنامج تمويل المشاريع الصغيرة الذي تنفذه وزارة الاقتصاد الوطني، وتحليل العلاقة بين نجاح البرنامج ومجموعة من العوامل تمثلت في: مبلغ القرض، عدد موظفي البرنامج، كفاءة موظفي البرنامج، الترويج، والضمانات، النزاهة، ومتابعة المشاريع (الزيارات الميدانية).

ولتحقيق هدف الدراسة استخدمت الباحثة المنهج الوصفي التحليلي، وكانت أداة الدراسة عبارة عن استبانة طبقت على عينة عشوائية من المستفيدين حجمها 200 مستفيد، وتم استخدام برنامج التحليل الإحصائي SPSS لتحليل النتائج.

وأظهرت نتائج الدراسة أن هناك علاقة ذات دلالة إحصائية بين نجاح برنامج تمويل المشاريع الصغيرة الذي تنفذه وزارة الاقتصاد الوطني وبين مجموعة المتغيرات المتمثلة بـ: مبلغ القرض، عدد موظفي البرنامج، كفاءة موظفي البرنامج، الترويج، والضمانات، النزاهة، ومتابعة المشاريع.

وتوصلت الدراسة إلى العديد من التوصيات أهمها:

1. ضرورة زيادة قيمة محفظة البرنامج لإتاحة التمويل لأكثر عدد من المستفيدين.
2. العمل على تكوين قاعدة بيانات مشتركة للمستفيدين من مؤسسات الإقراض في قطاع غزة.
3. التواصل مع مؤسسات الإقراض في الدول العربية والإسلامية بهدف دعم محفظة البرنامج؛ وبذلك يتم توجيه الدعم وتركيزه على الجانب التنموي بدلاً من الجانب الإغاثي الذي سرعان ما يتلاشى أثره.
4. تفعيل الدور الاجتماعي للبنوك الإسلامية، والمؤسسات الكبيرة العاملة في قطاع غزة وذلك من خلال أو عبر تقديم القروض الحسنة لأصحاب الأفكار الإبداعية وذلك بالتواصل مع إدارة برنامج تمويل المشاريع الصغيرة.

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LIST OF ABBREVIATIONS

SPFP	Small Projects Financing Program
CHF	Cooperative Housing Foundation
PICTI	Palestinian Information & communications Technology Incubator
SMEs	Small Projects Financing Program
NGOs	Nongovernmental Organizations
MFIs	Microfinance Institutions
GB	Grameen Bank
CMP	Community Mortgage Program
DEEP	Deprived Families Economic Empowerment Program
NHMFC'S	National Home Mortgage Finance Corporation
IT	Information Technology
SMBs	Small & Medium Sized Business
WTO	World Trade Organization
ILO	International Labor Organization
GDP	Gross Domestic Product
UNIDO	United Nations Industrial development Organization
EU	European Union
US	United States
AUS	Australia
PIPA	Palestinian Investment Promotion Agency

LIST OF ITEMS

Program	Small projects financing program which is implemented by the Ministry of National Economy
Loan Amount	Loan provided by the program to the beneficiary
Committee	SPFP committee
Committee Chairman	Head of SPFP committee
Program Manager	SPFP manager
Fund	Amount of fund provided to the beneficiaries of the program
Beneficiaries	People get loans from SPFP
Small Business	Small projects
Program employees	Program staff
Ministry	Ministry of National Economy
Microfinance	Small projects financing program
Follow up project	Field visit

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Chapter One

Study Framework

1.1 Introduction

Project success means different things to different people. A successful project starts with the germ of an idea. The idea must be good, and it must fit in with corporate strategy (Pinkerton, 2003).

Projects come in all sizes and types, with price tags ranging from a few thousand dollars to many millions. Regardless of size, type, or cost, a project is an investment in a company's future. Each project impacts, either negatively or positively, the company's ability to produce a profit. Poorly managed projects will almost certainly have a negative effect on the company ; a succession of such projects may result in the failure of the company itself. Projects that are well managed will enhance the company's profit- making and competitive abilities. (Pinkerton, 2003).

A project is a temporary endeavor because it should have a clearly defined start and finish date. It involves a connected sequence of activities that are linked together to achieve a successful outcome. (Jones& Murray, 2008).

Also it can be defined as a discrete undertaking with finite objectives- often including time, cost and technical performance goals. The reasons for success or failure of projects are varied, and a number of studies have been executed to identify the principal factors for success and failure. For example, a project that does not meet its time, cost and technical performance objectives would appear to be a failure, but this is not necessarily so. The standard of success or failure is whether the project sponsor, owner, client and other parties concerned, including the project manager's parent company, are satisfied with the final outcome of the project (Harrison, 1993).

Good project management and startups are absolutely paramount to the success of any company. The cost of poorly planned and implemented projects often exceeds the cost of the capital investment, effectively forcing the stockholders to pay in many cases double what they should for their investment (Pinkerton, 2003) .

Before starting any project, management and project team have to ask some questions such as : Is this project viable? Is the market right? Have we read the trends? If the project fails, can we survive a failure? What are the project benefits? What are the risks of doing the project now? What are the risks of not doing the project now? What are the successful and failure factors? (Pinkerton, 2003).

Micro, Small and medium enterprises are considered as key element for growth and economic development in the world, and especially in Palestine. Because they depend on local production elements, and because they provide essential goods to Palestinian community, in addition to providing job opportunities and constant income for individuals. Which confirms the need to encourage small and medium enterprises, especially because the Palestinian economy suffers of resources scarcity and the lack of output, and the closure of commercial gateways in front of the movement of the goods (Ali and Atyani, 2009).

Therefore, this study focuses on the success of the small projects financing program which is implemented by the Ministry of National Economy in Gaza Strip from the perspective of beneficiaries.

1.2 Problem Statement

Small projects play an important and vital role in economic and social activities in Palestinians life, through the reduction of the unemployment problem and employing most of the unemployed. The Ministry of National Economy have been allocated a program to finance small projects, because of the importance of these projects to the life of individual and society. The small projects financing program was founded in February 2008 based on the decision of Palestinian Council of Ministries. It is a governmental program to fund small projects with soft loan systems. The total program budget till now is \$ 2,500,000, by \$ 100,000 per month. The number of applicants is nearly 2,200 and the number beneficiaries is 386 till now. (December, 2014. (www.ipa.ps).

So with the increase of number of applicants and beneficiaries of this program, it is important to the existence of a study to illustrate the success of this program. So the problem of this study can be addressed in the main following question:

"To what extent does the small projects financing program which is implemented by the Ministry of National Economy succeed? (From the perspective of beneficiaries)".

1.3 Research Objectives

1. Mention the role of small projects financing program related to the Ministry of National Economy in Gaza.
2. Shed the light on the importance of the small projects financing program .
3. Point out the factors affecting the success of small projects financing program.
4. Evaluate small projects financing program.

1.4 Research Importance

1. The study may help decision makers in the government and ministries to develop positive trends and efforts towards promoting such programs and facilities to people willing to start new projects.
2. Government is the most significant element for supporting this program by fund. Hence, this study helps government to shed the light on the importance of having and implementing such program to help people and encourage their innovative ideas.
3. Conducting such a study in Gaza Strip, it could help researchers and interested people to get benefit from such studies to improve their studies and researches.
4. The study can help the program's managers and directors to develop this program by implementing the recommendations of the study.

1.5 Research variables

The dependent variable is :The success of small projects financing program.

Independent Variables are:

1. Loan Amount.
2. Number of Program's Employees.
3. Efficiency of Employees.
4. Program Promotion.
5. Guarantees.
6. Integrity.
7. Following up Projects.

1.6 Research hypothesis

1. There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Loan Amount at level of significance ($\alpha \leq 0.05$).
2. There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Number of Program's Employees at level of significance ($\alpha \leq 0.05$).
3. There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Efficiency of Employees at level of significance ($\alpha \leq 0.05$).
4. There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Program Promotion at level of significance ($\alpha \leq 0.05$).
5. There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Guarantees at level of significance ($\alpha \leq 0.05$).
6. There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Integrity at level of significance ($\alpha \leq 0.05$).
7. There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Following Projects up at level of significance ($\alpha \leq 0.05$).

1.7 Conceptual Map

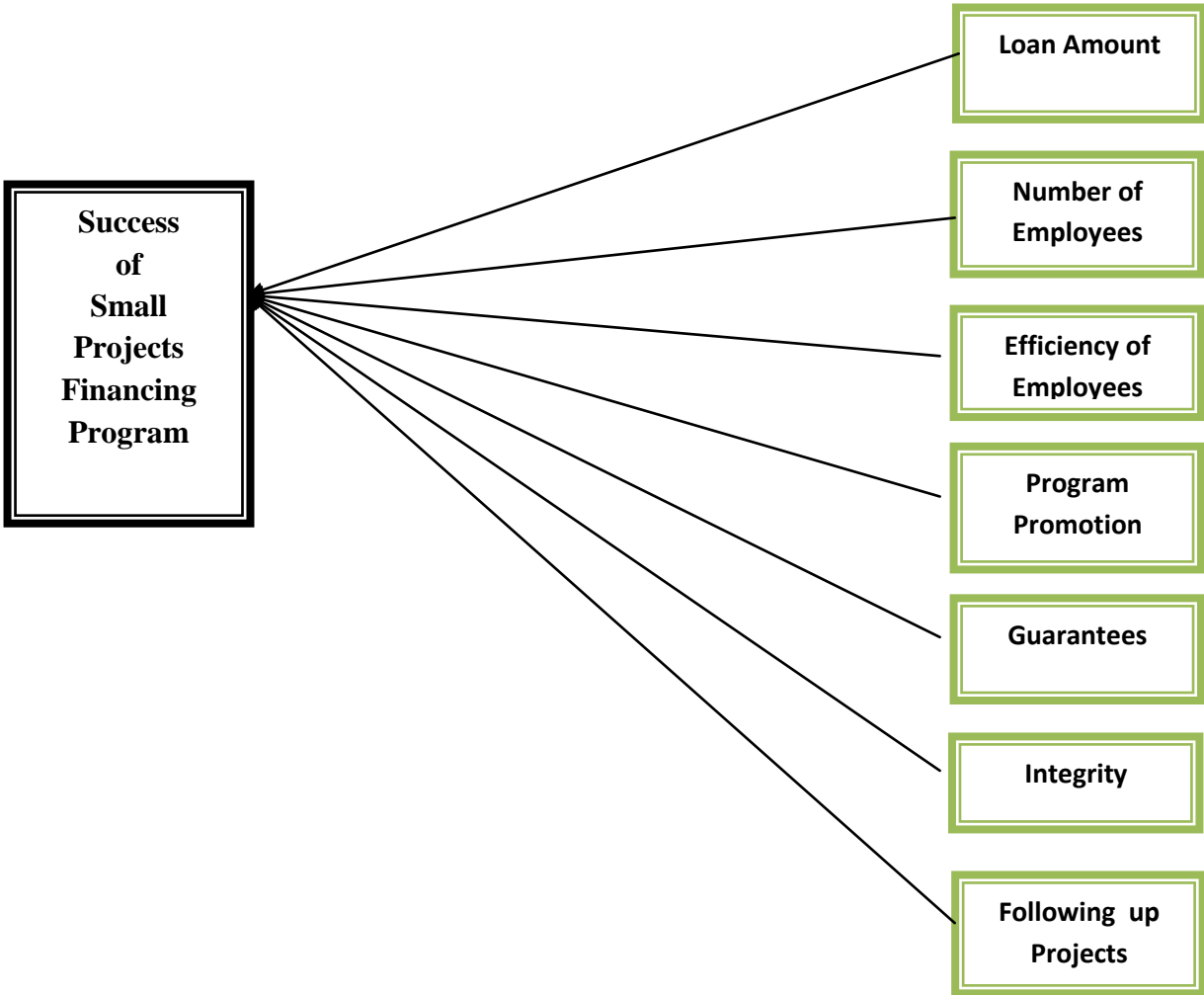


Figure (1.1) Research variables :conceptualized by the researcher depending on different references.

1.8 Research Methodology

To achieve the purpose of this study, a quantitative descriptive analytical method is adopted; the researcher depends on the following types of data:

- **Secondary data:** The researcher used secondary data sources relevant to the study analysis, including books, articles, theses, websites, journals, etc...
- **Primary data:** Due to scarcity of secondary data and to test hypotheses, the researcher used questionnaire distributed to the beneficiaries.

1.9 Research Population

The research population consisted of the beneficiaries from all Gaza governorates which equals 386, between (2008-2014).

1.10 Research Sample

The random sample was selected from all Gaza governorates as follows:

Table (1.1): Sample Size

Governorate	Population	Required Sample
North	88	46
Gaza	213	110
Middle Area	33	17
Khan- Younus	25	13
Rafah	27	14
Total	386	200

The large sample was on Gaza governorate, and the low sample was on Khan- Younus. This is related to the population density in each governorate.

1.11 Research Limitations

- **Human Limitations:** This study is limited to the beneficiaries of small projects financing program related to Ministry of National Economy.
- **Location limitations:** This study is limited to the five governorates of Gaza strip.
- **Time Limitations:** This study is limited to the period of (2008- 2014).

1.12 Previous Studies

1.12.1 Arabic Studies

1. (El Jewefel, 2013) : The Role of Islamic Banks in Financing Jordanian Small &Medium Sized Enterprises in Jordan "Empirical Study"

This study aimed to identify the role of Islamic banks in the financing of Jordanian small and medium-sized enterprises, the researcher used a descriptive analytical method .The population of the study consists of all Jordanian Islamic banks ,namely: Jordan Islamic Bank and the Islamic International Arab Bank, also the sample consists of all employees of these two banks.

The study showed that: There is a role for Islamic banks in financing the small and medium sized enterprises, in addition there is some difficulties facing Islamic Banks in financing these projects.

The research ended of some recommendations:

- Stability of economic and political situation is a key factor in the success of banks performance.
- Authorities must contribute to the success of Islamic banks because of its impact.
- Banks must give attention to plan and support economic feasibility studies for projects.

2. (El Thalathene, 2013) :Effectiveness Of Micro Grants In The Economic Empowerment Of Poor Palestinian Families (Case Study On Economic Empowerment Program In Gaza Strip (DEEP))

This study aimed to identify the effectiveness of micro grants in the empowerment of the Palestinian families that suffer from extreme poverty through the transfer of assets for them to start generating-income economic activities to improve their livelihood strategies and provide them with skills and experience to have the ability to Microfinance institutions taking Deprived Families Economic Empowerment Program (DEEP) as a case study. Also the study aimed to identify the difficulties and problems that beneficiaries faced. To achieve the study objectives, the researcher applied the analytical descriptive approach and used a questionnaire as the main tool of data collection. The study population consisted of DEEP program beneficiaries and questionnaire was distributed to a strata random sample of (170) beneficiaries.

The results showed a statistical significant relationship between the effectiveness of DEEP program in the economic empowerment of families that suffer extreme poverty and all of the independent variables (family resources analysis, families involvement in project, project type, grant value, monitoring & supervision, and training).

The study came out with several recommendations: marketing projects and focus on industrial and productivity projects because of their ability to participate in the process of economic development, the grant amount has to be enough for the capital required, continuous monitoring of the progress and solving problems and providing advisory services to improve the status of the project to ensure reaching the stability.

3. (El Nakhalah, 2012): The Reality Of Business Incubators And Their Role In Supporting Small Projects With Young People In The Gaza Strip

This study aimed to identify the reality of business incubators in the Gaza Strip, and to identify the role they play in supporting small enterprises through offering many services that they need. The researcher used the descriptive analytical method, and used the questionnaire and the interview as tools to collect the required data. Study sample consists of five institutions working in the field of business incubators in Gaza Strip. These institutions are CHF, World Mercy of Kuwait, Islamic University of Gaza, Gaza PICTI, Enter pad. The number of participants involved in this study is (23) participants of managers and coordinators of the projects and incubators.

The study showed that there are no incubators for projects in Gaza Strip, except business incubator and technology which is in the Islamic University and PICTI incubator which is starting its work. Furthermore, small projects in Gaza are suffering from many problems that can cause a failure at the beginning of their start. Also services which provided by business incubators are low and do not work to support projects significantly, and this is due to lack of experience in this area and low possibilities available to it.

The most important recommendation is to establish project incubators in Gaza Strip, and to focus on providing these projects more financial and marketing services. Also the need for the cooperation between all incubators.

4. (Ali, El Rawe and Bitai, 2011): The Role of Private Banks In Financing Small and Medium Enterprises in Iraq

This study aims to shed light on the experience of Iraqi commercial banks in financing SMEs and under policies of the transition from the planned economy to the economy based on the forces of supply and demand. The available data shows that there are two channels through which the financing of SMEs by Iraq commercial banks, the first channel is through the Iraq company for bank guarantees, while the other channel is the Iraqi company for financing SMEs. Which reflected by increasing the volume of loans funded by commercial banks, the total gross loans are approximately 40 billion dinars, and is expected to double in one year based on current monthly growth. The researchers used the descriptive analytical method.

The most important result is that Iraqi private banks played a positive role in financing small and medium enterprises and through the guarantees provided by the Iraqi Company for Bank Guarantees. The Banks also contributed to the success of the experience of Iraqi Company for financing SMEs, where the number of loans granted is (925) loans. The total volume of loans is more than (21) billion Iraqi dinars until the mid of 2011.

5. (Aqel, 2010): Factors Influencing The Decision To Grant Credit In Microfinance Institutions In Gaza strip

The aim of this study was to identify the factors that affect the credit decision at the microfinance institutions in Gaza strip. The study also aimed to identify and determine the degree of effect of these factors in credit decision at these institutions. Also, the final objective of the study was to assess the effect of the personal variables (gender, age, job title, years of experience, academic qualification) on the credit decision. The researcher used the analytical descriptive methodology, where the study population consisted of (69) credit officers working at (10) institutions of the microfinance field in Gaza Strip. The researcher used the comprehensive survey method where the research instrument (questionnaire) was used to collect data and it was distributed among (69) of credit staff working in the targeted institutions. However, only (68) questionnaires were collected.

The study main conclusion is that the financial reputation of the credit agents was the most effective factor in credit decision at the microfinance institutions in Gaza strip. The study concluded with a number of recommendations, which can significantly contribute to the determination of the factors affecting the credit decision at the microfinance institutions operating in Gaza Strip, as follows:

Unifying the factors affecting the credit decision at the microfinance institutions operating in Gaza Strip. Also developing the abilities and skills of credit employees, working in microfinance institutions in Gaza strip, and the ability to make credit decision and dealing with the audience.

6. (El Dammagh, 2010) : The Role Of Financing In The Development Of Small Enterprises (An Empirical Study On Women's Projects Funded By Lending Institutions In the Gaza Strip) NGOs 2008 - 1995

The study aimed at identifying and analyzing the role of funding from lending institutions, NGOs in the development of small women's projects in the Gaza Strip for the period 1995 – 2008. The study has explained the difference in the role of funding among the lending institutions, and the impact of such difference on the economic indicators of the projects. The study was applied on 130 women projects selected by three lending institutions based on the number of funded projects. The questionnaire has been designed specifically to serve the objective of the study , and distributed to the owners of these projects. Therefore, the inputs were analyzed to address the most important variables affecting the funding process by using a standard model obtained after assessing the general logarithmic function converted to give the final model.

The most important result of the research is that there is no link between the number of loans presented from lending institutions, and high or low capital invested in the project.

The most important recommendations of the research:

Establishing Business Incubators through a systematic strategy including official bodies (ministries) and semi-official bodies (private sector) to provide training, upgrading, and information on how to set up and manage projects, in addition to present financial and lending support. Seeking to reduce the interest rate applied by the lending institutions to fit the conditions of micro-entrepreneurs.

7. (El Ajez, 2008) : The Extent Of The Application Of The Pillars Of Total Quality Management And Its Impact On The Financial Performance In The Women's Lending Institutions In Gaza Strip From The Viewpoint Of Workers

This study aims to recognize the extent of applying the pillars of total quality management in the women's lending institutions operating in Gaza Strip (concentration on clients , concentration on employee's needs , concentration on operation improvements and concentration on managerial & technology needs for competition), and their impacts on institutional performance .

The researcher used the descriptive method and the comprehensive survey to collect data to meet the research objectives. And this includes all personnel women's lending institutions of all administrative levels, the population consists of 109 person. The researcher used the questionnaires to collect data.

The study concluded that there is a positive relation between applying the pillars of total quality management in women's lending institutions and institutional performance (profitability, productivity, efficiency operational).

The study summaries the most important recommendations which is the necessity of concentrating in the women's lending institutions working in the Gaza Strip on Continue applying the pillars of total quality management in specialized way in order to expanding and increasing the efficiency and effectiveness of the application.

8. (El Dammgh, 2006): Proposed Framework For The Development Funding Policy To Support Finance Operations In Palestinian Islamic Banks

This study aims at suggesting a model framework that would assist in developing the financial policies needed to support financial procedures in Palestinian Islamic Banks. The Sample of the study included the seventeen branches of three Islamic Banks registered in the Palestinian Monetary Authority and covering the Palestinian Territories. The Study depended on a questionnaire specially designed to serve the research objectives, as it included all the required data to verify the study hypotheses. 112 questionnaires were distributed, where 90 questionnaires were collected.

The main Findings of the study have been:

- There are no written policies in Palestinian Islamic Banks.
- There is direct relation between the success of financing strategies and the role of the Shari'a Control Committee.
- The success of the financing policies depends on the validity of the loan guarantees provided by client.
- The success of the financing policies depends on the proper assignment/distribution of financing authorities by the bank board of directors.

In light of the study findings the following recommendations have been deduced:

- The Islamic Banks need to produce a clear Financing Policies Manual to support its financing activities.
- The Shari'a Control Committee must participate in the preparation of the Financing Policies Manual.
- The need to identify standards and measures that assist in the management of the financing wallet in the Palestinian Islamic Banks.
- The need to take the financing period and geographic distribution in the preparation of the financing policies.

- The need to identify the financing decision making process in the preparation of the financing policies.

9. (El Safadi, 2004) : Lending Methodology By Group Guarantee (Case Study For Lending Programs In Gaza Strip)

This study aims to introduce group guaranteed lending methods and how they operate in two microfinance institutions in Palestine: Faten and Asalah. The Study outcome has been determined based on questionnaires sent to a sample comprising 20% of the study population (the borrowers) including the two organizations working in group guaranteed lending and savings; responses attained 75% of the total questionnaires in addition to the results obtained of questionnaires distributed to the group guaranteed lending and saving programs managers and staff in both institutions.

The study concluded that group members are well informed before applying for such loans; however, upon formation of the group, the credit institution nominates borrowers to such women groups in order to complete the number; borrowers do not choose their group members.

The study findings show that most borrowers have positively evaluated their experience and that most of them prefer to obtain new loans upon repayment of their current ones. However, some of the sample members expressed their preference for individual loans in order to be more independent in obtaining and repaying loans.

1.12.2 Foreign Studies

1. (Nguta and Huka, 2013) :Factors Influencing Loan Repayment Default in Micro-Finance Institutions: The Experience of Imenti North District, Kenya

This study was carried out in order to establish the causes of such repayment defaults in Imenti North District, Kenya. Using a descriptive survey design individual microfinance loan beneficiaries and microfinance institution officials were studied. A representative random sample of 400 respondents was selected from the study population using census and cluster sampling procedures for micro finance institutions officers and loan beneficiaries respectively. Data collected using both structured and unstructured questionnaires were analyzed using descriptive and inferential statistics.

The findings of the study revealed that there was significant relationship between the type of business ($p=0.000<0.05$), age of the business ($p=0.000<0.05$), number of employees ($p=0.011<0.05$), business profits ($p=0.000<0.05$) and loan repayment default. The study further indicates a strong link between technical training for loan beneficiaries and the performance of entrepreneurial businesses among the remote communities.

The study therefore recommends that the stakeholders in the microfinance sector should ensure that the loan borrowers have access to adequate relevant technical training in entrepreneurial microfinance businesses

2. (Samuel, Sharon, Charlotte, Ekow and Mary, 2012) : The Role Of Microfinance Institutions

The study is a critical examination of the role of Micro Finance Institutions in the empowerment of the rural women in Ghana's economic development. The general objective of the study is to assess and evaluate the contribution of microfinance institutions to the empowerment women with particular emphasis on women in the rural of areas Ashanti region. However, both primary and secondary data was used in gathering information for the study. The secondary data came as a review of documented materials, while the primary data was obtained with the help of questionnaire. A total of 150 questionnaires were distributed. Simple statistical techniques such as descriptive statistics including tables, graphical presentations such as line graph and bars were used in analyzing and summarizing the data.

From the findings of this study, it was realized that the loans offered by MFIs have significant impact on the empowerment of rural women. Interestingly, this study found that most women in this association experienced increased income and therefore improved their economic status, political and social conditions after receiving the loans. They also expressed concern about high interest rate that is charge on the loan. In addition to that the respondent were also worry about application procedures, short repayment period and long training session before disbursement of loans.

Most important recommendations:

- The government should also provide the enabling environment for the development and growth of the micro-finance sector.
- The micro finance sector itself needs be strengthened and supported to effectively play their roles as financial intermediaries.
- MFIs should repackage its training program to make it more acceptable to clients.

3. (Ramzan and Sh, 2012) : Microfinance and Entrepreneurship

This research report shows how micro-entrepreneurship, social entrepreneurship and micro-finance serve as a combined tool to reduce poverty, empower people and contribute towards sustainable development in Pakistan by taking Akhuwat foundation as a proper case. Akhuwat lends loan without interest to poor people of society taking only one time membership fee which is used for operating expenses.

The study reveals that combination of Microfinance and Entrepreneurship is a very effective development tool. This can alleviate poverty, empower people with more speed and bring new ways for micro businesses.

Researchers are of the opinion that there is a dire need to innovate production processes so as to reinforce economic viability of the micro businesses also to investigate into micro entrepreneurship as in developing countries, micro businesses with traditional ways are apprehended not to succeed.

4. (Lindsay, 2010) : An Evaluation on the Effectiveness of Micro Finance Institutions

This thesis evaluated the effectiveness of different types of micro finance institutions; differentiated by their motivation to or not to profit from their services. Also will evaluating the effectiveness of micro finance institutions in measurable terms like loan repayment rates and number of people served. Evaluating the strengths and weaknesses of each type of micro finance institution will expose which institution type should be used to create wealth in impoverished nations today and in the future.

The results of the study showed that the most effective type of micro finance institution cannot be determined based on numbers alone. Also Nonprofit institutions don't measure their effectiveness in the amount of money they have given out or the percent of loans they have been repaid. To them it is more important to assess that each person they help can afford food, water, clothing and shelter. Even if they lose money on a borrower, they aren't concerned because they know they have helped them.

Finally, and most importantly, the future of micro finance institutions should be specifically focused on social development, not just loan repayment. The ideal micro finance institution would also strive to see economic development for the whole community, not just individuals.

5. (Al Mamun, 2009): Evaluating The Factors That Led To The Success Of Microfinance In Bangladesh: A Case Study On Grameen Bank

The aim of this study was to assess the factors that led to the success of Micro-finance, in particular, Grameen Bank, in Bangladesh. This study was investigated the innovation, design and implementation of GB. Besides, this research also examined the adaptation and learning practice of GB and the motivation and contribution of GB and some environmental factors that supported GB especially in Bangladesh.

This study revealed that some innovation, design and implementation of GB such as group based lending, the collateral free lending system, peer group monitoring system, the designed training staff of GB were the major factors that contributed to the success of micro-finance; the adaptation and learning practice such as flexibility of obtaining a loan, a housing loan with lower interest rate, mandatory and voluntary savings were the most significant issue; the motivation of GB such as incentive schemes to staff, encouragement for financial independent by the borrowers of GB, borrowers motivated to mobilize and allocate resources were also the most leading issue, the contribution of GB such as microfinance program contributed to

female's control over resources and decision making at family level enormously as well as the environmental issues such as ongoing population growth that favored GB very significantly.

The researcher recommended that GB should necessitate the expansion of the organizational capability to recognize the appropriate innovation, creating the cultural innovation, , sustainable development program on the basis of demands and problems of the borrowers, the initiative for an appropriate macro-economic policy and financial designs in order to alleviate the poverty from the rural economy.

6. (Espallier, Guerin and Mersland, 2009): Women and Repayment in Microfinance

This paper analyzes gender-differences with respect to microfinance repayment-rates using a large global dataset covering 350 Microfinance Institutions (MFIs) in 70 countries.

The results indicate that more women clients is associated with lower portfolio-at-risk, lower write-offs, and lower credit-loss provisions, *ceteris paribus*. These findings confirm common beliefs that women in general are a better credit-risk for MFIs. Interaction effects reveal that the effect is stronger for NGOs, individual-based lenders, 'finance plus'-providers and regulated MFIs. This indicates that two types of MFIs benefit more than others from focusing on women: First, those MFIs that develop hands-on, women-friendly procedures tailored to individual women's need, and Second, those MFIs that apply coercive enforcement methods to which women are more responsive.

The findings indicate that MFIs with higher proportions of female borrowers have a lower portfolio-at-risk. A dummy indicating whether the MFI consciously practice a woman gender bias yields similar results. Using loan-loss write-offs and loan-loss provisions as alternative dependent variables yield similar results. These combined findings provide compelling evidence that that focus on women clients enhances microfinance repayment, and that women in general are a better credit risk.

7. (Philippine Institute for Development Studies, 2001) : Microfinance Approach to Housing: The Community Mortgage Program (CMP)

The paper provides an assessment of the Community Mortgage Program as a government-housing program for households belonging to the lowest income deciles. The assessment was carried out using the case study approach. Four CMP communities in Quezon City, Rizal and Quezon Province were selected as case study areas. The study identified three major problems facing CMP: low collection rate, NHMFC's (National Home Mortgage Finance Corporation) slow processing of papers and funding requirements. Institutional changes have been recommended in the paper to make the CMP a more efficient and effective housing program. The feasibility of linking the CMP to the formal sector (e.g. banking sector) was likewise assessed.

The paper observes that the present set-up, where the government provides low-income households with loans for housing while the banks grant higher income households with housing loans, remains to be the optimal one. The household data gathered by the study was used to estimate a housing demand function for low-income households.

1.12.3 Commentary on the Previous Studies

The previous studies had indicated to the following:

1. The role of microfinance institutions.
2. Evaluating the factors that led to the success of Microfinance.
3. Evaluation on the effectiveness of Microfinance institutions.
4. Lending methodology by group guarantee.
5. The role of financing in the development of small enterprises.
6. Factors influencing the decision to grant credit in Microfinance institutions.
7. The role of private banks in financing small and medium enterprises.
8. Effectiveness of Micro grants in the economic empowerment of poor Palestinian Families.
9. Microfinance obstacles.

After reviewing the previous studies, the following observations can be summarized:

1. It is clear that there is a growing interest and trends toward small projects, which include agricultural, industrial, commercial and service projects.
2. Previous studies have used several tools to collect data, including: the questionnaire and personal interviews.
3. The current study participated with the previous studies in the use of statistical methods to answer the questions of the study, and to prove or reject the assumptions.
4. The current study is trying to find out the success factors of Small Projects Financing Program.
5. To the best of my knowledge the current study is considered one of the few studies that discussed this topic.
6. Thus, the current study is not repeated, but considered as complementary to the previous studies and enrich the subject of project financing.
7. The current study agreed with the study of (El Dammagh, 2010) that the project relies mainly on the funding from lending institutions, and with the study of (Al ajez, 2008) that there is a need to give attention to grant employees power and effective delegation to resolve problems facing them to improve the working methods of lending programs, and with the study of (Aqel, 2010) that there is a need to give attention to the lending institutions to prepare feasibility study for the presented projects to ensure the possibility of its success, and with the study of (Samuel, Sharon, Charlotte, Ekow and Mary, 2012) that players in the lending sector must be qualified, experienced, honest and morally upright, and with the studies of (Lindsay, 2010), and (Aqel, 2010) that guarantees must be found to guarantee the beneficiaries in the case of default and agreed with the studies of (Al Dammagh, 2010) and (Al Nakhalah, 2012) that there is a need to follow up the projects of beneficiaries to help them and ensure the success of these projects.
8. The current study disagreed with the study of (Al Mamun, 2009) where Al Mamun study is considered the lack of guarantees as a significant success factor of microfinance and disagreed with the study of (Al safadi, 2004) where Al safadi study said that there is no necessity and no relationship between the project success and the field visits or technical follow up.
9. From all the above, the importance of current study which accomplished by the researcher stands out, because it shed the light on the role of this SPFP in financing small projects to the category of graduates and unemployed people, so that they can get

out of the unemployment and poverty circle and depend on themselves to open new projects.

Chapter Two

LITERATURE REVIEW

2.1 The Nature of Projects

2.2 The Nature of SMEs

2.1 The Nature Of Projects

2.1.1 Introduction

For thousands of years projects have existed. A project is a set of related tasks that work to achieve a specific set of objectives. There are many reasons to consider work as a project, including the following: (Lientz, 2013).

1. It is organized: means that you can track and measure the work.
2. You have all projects goals that help in motivating employees, gaining resources and dealing with problems.
3. You have the satisfaction of success once you have achieved the final milestones.
4. The collection of the work into a project gives the purposes more visibility and support.

Projects have a clearly defined objectives which must be achieved in a set amount of time and cost. At the end, the project will have produced the predefined deliverables. The deliverables are for the project customer- who will use it- and are created by the project team, under the guidance of the project manager, successful projects end in a controlled way, with the project manager making sure all the loose ends are tidied up. This often requires testing the deliverables, and making sure your customer understands how to use them. (Newton, 2006).

2.1.2 Project

A project is usually a one- time activity with a well- defined set of desired end results. It can be divided into subtasks, these subtasks must be accomplished in order to achieve the project goals. The project is complex enough that the subtasks require careful coordination and control in terms of timing, precedence, cost and performance. Often, the project itself must be coordinated with other projects being carried out by the same parent organization. (Meredith, Mantel, JR., 2003).

A project can be defined as the allocation of resources directed toward achieving defined, specific objectives using a planned and organized approach. (Lientz, 2013).

The project is a task with a known end point. Projects can be used to complete many different types of tasks. Once the project is complete, something will have changed. (Newton, 2006). After you have an idea for a project, you can develop a project concept. It is developed before the detailed project plan and provides an overall approach, strategy, and justification for the project.(Lientz, 2013).

2.1.3 Program

A program is set of related projects. (Lientz, 2013).

2.1.4 Task

Is an activity that must be done in the project. (Lientz, 2013).

2.1.5 Project Objectives

If there is no evidence of an objective then you have to know that there is definitely a problem.

Putting objectives for any project is essential to:

Understand the overall resource requirements (technical, financial, human), identify project customers, understand the feasibility and level of risk., and ensure that the project is understood and approved by relevant parties (Jones, 2007).

2.1.5.1 SMART Objectives

SMART can be broken down into the following characteristics of a well-defined objectives statement: (Jones, 2007).

- **Specific.**
- **Measurable.**
- **Attainable/ Achievable:** is it actually possible to achieve the objectives.
- **Realistic/ Relevant:** whether the project team is capable of achieving the objective.
- **Timed:** when will the project be completed.

2.1.6 Roles and responsibilities in the project

Identifying who will be involved in the project and identifying the responsibilities of people in the project and what will they do (Lientz, 2013).

2.1.7 Purposes of the project

Project has many goals such as : (Lientz, 2013).

1. Business goal: related to costs, revenues and so on, for example, how to achieve a competitive position.
2. Technical goal: related to achieving a specific result as well as not encountering problems.
3. Political goal: related to how you expect the organization, processes, and people to change after the project is over.
4. Social goal: related to how the human resources in and outside of the team interact after the project is completed.

2.1.8 Project risk

Means the potential impact of a problem on a project. Also it is related to the uncertainty generated by the presence of a project problem. (Lientz, 2013).

Because the future is not fully predictable, risks are present in everything that you do. You can manage risks by: Making sure that risks are identified and understood, developing a risk strategy, finding actions to resolve the risk and selecting someone to be responsible for managing the risk (Newton, 2006).

2.1.9 Project Management

The aim of project management is to ensure that projects are completed and the end point is actually achieved. (Newton, 2006).

Refers to the structure and discipline for planning, analyzing, organizing and managing the work and resources to achieve the objectives of the project. Here are some of the benefits of using project management: (Lientz, 2013).

1. Providing a structural approach for defining a project and developing the project plan.
2. Providing the rules for managing multiple projects.
3. Being able to track work and objectives through the project plan.
4. Employing methods and techniques for tracking and managing work.
5. Establishing a structure for building and managing a project team.
6. Supporting the measurement of the project work and project results.

2.1.9.1 Project Management Process

It includes the following: (Cleland, 1999).

1. Planning: what are we aiming for and why?
2. Organizing: what's involved in the project and why?
3. Motivation: what brings out the best performance of people in supporting the organization's purposes and goals?
4. Directing: who decides what to do and when to do things?

2.1.10 Why it is vital to manage projects well?

Good management of a project will provide you with critical information to help make good decisions and activities and keep the project on track. (Jones, 2007).

2.1.11 Project Life Cycle

Project Life- Cycle stages include the following: (Lientz, 2013).

1. Identification of the project and development of the project concept.
2. Development of the project plan.
3. Project Execution: this is the work involved achieving the purposes of the project as defined in the project concept and plan.
4. Project Implementation and Closure: the last stage, this is the use of project results to change organizations and business processes that the benefits of the projects are achieved.

2.1.12 Project Plan

Is a formal, approval document used to guide both project execution and project control. Consists of all tasks completed and milestones passed to achieve the project purposes along with their start dates, durations, end dates, assigned resources, and dependencies. The roles and responsibilities of people and organization involved in the project: Benefits of the project, costs

of the project, scope of the project, problems likely to be encountered in the project, definition of project success and the impact on the organization if the project is not undertaken. (Lientz, 2013).

2.1.12.1 Benefits of project plan

It Shows how you will do your project, provides information you can use to explain the project to other people, allows you to allocate work to different people in the project and it is the basis for managing your project to a successful completion. (Newton, 2006).

2.1.12.2 If there is no project plan

The project will be in trouble and you'll not know if you're late, if you need to speed up. Also the team can't review against progress. Finally, the team will not know how to identify problems early and resolve them before they become crises. (Jones, 2007).

2.1.13 Purposes of Evaluation Projects

Projects must be evaluated to : Identify problems earlier, improve project performance, reduce costs, speed up the achievement of results, provide information to the client, and identify mistakes and avoid them in the future. (Meredith, Mantel, JR., 2003).

2.1.14 Project Manager

The person with overall responsibility for ensuring a project is delivered.(Newton, 2006). Directs the daily work, track progress, works on problems, and communicates with team and business units. Also maintains project files, makes project analysis, and provides required reports .(Lientz, 2013).

2.1.14.1 Critical skills for a good project manager

Project manager must have the following: capability of performing project analysis, ability to get along with people, ability to select, build and motivate the project team, ability to identify, solve, and implement decisions related to problems, communicating effectively with management, ability to manage time effectively, ability to manage time effectively, ability to deal with changes in requirements and project directions, ability to gather, organize, and use the lessons learned to improve performance, and capability of being well organized to perform the administrative tasks efficiently.(Lientz, 2013).

Also he/she must:

Ensure there is a clear understanding why a project is being done, and what it will produce, plan the project, manage the project, resolve any problem, make sure that the project objectives relevant to customers and complete the project properly. (Newton, 2006).

2.1.15 Project Team

Is an employee or an outside consultant or a contractor who is assigned to work full or part time on specific tasks in the project. Team members involved in task definition, estimation, and measurement in addition to doing the work. They must be participated in project management to get them more committed to the project. So they can identify, investigate and suggest possible solutions for some problems.(Lientz, 2013).

As a project manager you have to ask yourself these questions about your team:

What skills are required in project team?, How many people with each type of skill do you need?, Which people have these skills?, Are they available?, Can you afford them?, Do they have the right attitude? (Newton, 2006).

2.1.15.1 Characteristics of the team

High performance, well organized, well planned, and good team interdependency. (Cleland, 1999).

2.1.15.2 Responsibilities of team members

The execution of the tasks, finding gabs and errors in the plan, identifying risks, updating the work regularly, and informing the project manger of their ongoing availability for the project. (Jones, 2007).

2.1.16 Project Problem

There are two important factors that you will need to understand identifying if there are major problems with the project: (Jones, 2007).

- You need to know if the team is competent enough to run a project to know where they really are.
- You need to know if the team knows what they are doing.

Problem is something that could impact the performance and progress of a project. A problem can appear or surface after a project starts. (Lientz, 2013).

2.1.16.1 Areas of project problems

Project problems can be internal or external. (Lientz, 2013).

- **Internal such as:**
 1. Project problems (single project, multiple projects, project leader, project team, risk management, project methods & tools, project plan, project work).
 2. Information technology problems (IT infrastructure, IT system, IT management, IT staff, IT methods & tools).

- **External such as:**

1. Business problems (business units, business employees, business process).
2. Management problems (management, company organization, company policies & procedures).
3. Vendor problems (vendor staff, vendor methods and tools, vendor work).
4. Problems related to government & culture (government regulations, country culture and society).

Types of project problem:

A problem in a project can be: (Lientz, 2013).

1. Active: the problem now has surfaced & must be dealt with.
2. Closed: the problem has been solved.
3. Merged: it was active but now it is combined with another problem.
4. Potential: based on past experience with similar projects.

2.1.17.2 How to prevent problems?

Review all problems related to the project, determine which problem could potentially occur, map these potential problems to the tasks in the project plan, now identify preventive measures, so problems are less likely to occur.(Lientz, 2013).

2.1.17 Project Success

In general, success relates to the achievement of goals and objectives in the sector of human life. Success can have different forms e.g. survival, profit, return on investment, sales growth, happiness, reputation and so on. Success can be seen to have different meanings by different people. In business life, success is a key term in the field management. In business studies, the concept of success is often used to refer to a firm's financial performance. (Chittithaworn, Islam, Keawchana, Yusuf, 2010).

Most people think of project success as getting the project work completed on time and within budget. But this is incorrect since many projects end well, but the organization fails to implement the project results. Defining success can help you resolve problems and select from alternative solutions. Total success for a project is defined as meeting the following five conditions: (Cleland, 1999).

1. The project is completed largely within time and budget constraints.
2. The project objectives and goals were met in terms of project work.
3. The results of the project were executed successfully and achieved the planned benefits.
4. Lessons learned from past projects and problems were helped later projects and work.
5. The results of the projects and benefits were long lasting.

Also it means that the project has met its cost, schedule, and technical performance objectives. A successful project means that the organization has been successful in positioning itself for the future. (Cleland, 1999).

The success of any project is dependent not only on how well you design or build, but also on how well you train those who will operate and maintain. (Pinkerton, 2003).

It defines how the world will be different if the project benefits are achieved. A project is successful if the benefits from changes are measured and reach or exceed those that were estimated in the project plan. Also if the planned benefits were achieved and are lasting. (Lientz, 2013).

2.1.17.1 Critical Success Factors

Project success factors such as: selecting the activities to be outsourced., having clear requirements and performance criteria, having long term view instead of getting short- term results, planning carefully, having sufficient resources, understanding business problems carefully, project leaders and managers should understand the concepts & techniques of change management and treating changes in technical manner. (Lientz, 2013).

Also having satisfied team, delivering on time, and meeting an agreed budget. (Nonember, 2014. (www.martinbauer.com))

2.1.17.2 To have a successful project

To have a successful project, you should ask these key questions before starting your project: Why do you want to do this project?, What will you have at the end of this project that you don't have now?, Will you deliver anything else?, Is anything explicitly excluded from the project?, Are there any gaps with other projects?, What assumptions are you making?, Are there any significant problems you aware of that you must overcome?, Has the customer set any specific conditions on the way you do this project? (Newton, 2006).

2.1.18 Project Failure

It means that the project has failed to meet its cost, schedule, and technical performance objectives, or it does not fit in the organization's future. (Cleland, 1999).

When you make all your efforts and good actions and despite qualified people, good intentions, and talented managers, projects of all kinds have a high rate of failure. Project Failure can occur in several ways such as: failure to complete the work, failure to plan properly for the project, failure to identify and select the right projects, failure to implement project results and obtain benefits, and failure to learn from the past problems. (Lientz, 2013).

Projects can be partial or total failure. (Lientz, 2013).

- **A total failure:** is when the project is stopped before it is finished or it is finished but with only a few benefits.
- **A partial failure:** if a project is completed but there is no change or benefits.

2.1.18.1 Causes for project failure

Changes in project scope, changes in the business, the technology changes, and sever staffing turnover and turmoil make it impossible to finish a project. (Lientz, 2013).

2.1.18.2 Critical Failure Factors

Project failure such as: Not identifying problems clearly, there is no formal method for managing change, involving wrong people in the implementation team, not taking into account the resistance to change, lack of good management, too many changes are introduced in too short time, and team members don't share information and lessons learned.(Lientz, 2013).

2.2 The Nature Of SMEs

2.2.1 The Definition of Small & Medium Enterprises

The definition of small & medium sized enterprise (SME) varies. Because of the diversity of small business, every simple definition is subject to criticism. (Chittithaworn, Islam, Keawchana, Yusuf, 2010).

Small and Medium- sized enterprises (SMEs; sometimes also small and medium enterprises) or small and medium sized business (SMBs) are business whose personnel numbers fall below certain limits. The abbreviation (SME) is used in the European Union and by international organizations such as the World Bank, United States and the World Trade Organization (WTO).

Small and Medium- sized enterprises (SMEs) are non- subsidiary, independent firms which employ fewer than a given number of employees. This number varies across countries. The most frequent upper limit designating an SME is 250 employees. However, some countries set the limit at 200 employees. While the United states considers SMEs to include firms with fewer than 500 employees.(Jan., 2014. www.oecd.org).

2.2.1.1 World Bank Definition for SMEs

The World Bank depends on its definition of small and medium enterprises on the standard of employment, turnover and annual outcome. (Sabella, 2009).

- Micro- enterprises have up to 10 employees, 10,000 \$ total assets, 100,000 \$ annual sales.
- Small- enterprises have up to 50 employees, 3 million \$ total annual budget.
- Medium- enterprises have up to 300 employees, 15 million \$ total annual budget.

2.2.1.2 European Union Definition for SMEs

- Micro- enterprises have up to 10 employees.
- Small- enterprises have up to 50 employees.
- Medium- sized enterprises have up to 250 employees.

The European definition of SME follows " The category of micro, small, and medium- sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro and annual balance sheet total not exceeding 43 million euro. (Sabella, 2009).

2.2.1.3 International Labor Organization (ILO) Definition

- Small- enterprises have up to 10 employees.
- Medium- sized enterprises from 10- 99 employees.
- Big businesses with over 99 employees. (Suleiman, 2009).

2.2.1.4 (UNIDO) definition for SMEs

Those projects run by one owner, and hold the full responsibilities, and the number of employees ranging from 10- 50 employees. (Suleiman, 2009).

2.2.1.5 SMEs in Egypt

Definitions of the SMEs sector in Egypt differ from one entity to another. All definitions include either/ or: number of workers, size of capital, and the existence of certain legal or industrial conditions. But the most common used criteria are based on: number of workers in the enterprise and fixed assets the enterprise has. (Ministry of Foreign Trade, 2002).

- Micro-enterprise (1-4) workers.
- Small enterprise (5-14) workers.
- Medium enterprise (15-49) workers.
- Big enterprise (over 50) workers.

2.2.1.6 SMEs Employees

Table(2.1): SMEs employees

Type	AUS.	US.	EU.
Micro	1-2	1-6	<10
Small	< 15	<250	<50
Medium	<200	<500	<250
large	<500	<1000	<1000

Table (2.1) explains the number of employees in United States, Australia, and European Union in micro, small, medium and large projects.

2.2.2 Advantages of small businesses

Easily create and configure it, the close link between ownership & management & regulation, it is a center for mobilizing private savings, and it is a center for innovation & creation (Lippert, 2006).

2.2.3 Sources of funding for SMEs

Here are some options for funding SMEs such as: personal savings, family and friends, banks, government guaranteed loans, offices of economic development, finance companies, and grants (Feb.,2015. (www.scorerochester.org)).

You have to know when starting your small project:

You should ask yourself the following questions: Where are we and why are we doing this project?, What are we going to do?, How will we do it and who will do it?, How will we know when it's done?, What will we do next? (Jones, 2007).

2.2.4 Factors affecting business success of SMEs

Some studies said it is related to: (Chittithaworn, Islam, Keawchana, Yusuf, 2010).

1. The way of doing business, management know-how and external environment are most significant factors in determining the business success of SMEs.
2. Characteristics of the entrepreneurs.
3. Characteristics of SMEs.
4. Products & services.
5. Customers & markets.
6. Resources & finance.

Other studies said it can be grouped into: (Chowdhury, Alam, Arif, 2003).

- Demographic characteristics (age, education, experience).
- Environmental characteristics (marketing, technology, capital access, government, political, infrastructure, information access).

Chapter Three

3.1 Unemployment in Palestine

3.2 SMEs in Palestine

3.3 Small projects financing program (SPFP)

3.1 Unemployment in Palestine

3.1.1 Introduction

Unemployment is considered as social and economic problem that individuals in all communities are suffering from it. It is also considered a natural phenomenon in the economic situation, since it is difficult to reach full employment for all members of the labor force in any economy level. (Ajamia, Atia and Abelwahab, 2006).

World Bank report says Israeli blockades, war and poor governance have left 43% of people out of work and the strip facing dangerous financial crisis (April, 2015. www.theguardian.com).

So this chapter talks about unemployment that affects the Palestinian society, which can be decreased through working on such financing programs such as SPFP.

3.1.2 Unemployment definitions

ILO definition

ILO defined the unemployed as everyone who is able and willing to work and looking for it, and accept it at the prevailing wage, but do not find it. (March, 2015. www.ILO.org).

European Union Definition

Eurostat, the statistical office of the European Union, defines unemployed as those persons age 15 to 74 who are not working, have looked for work in the last four weeks, and ready and want to start work within two weeks, which conform to ILO standards (Case, Fair & Oster, 2012).

Employed: Any person 16 years old or older : (Case, Fair & Oster, 2012).

- (1) who works for pay, either for someone else or in his or her own business for 1 or more hours per week,
- (2) who works without pay for 15 or more hours per week in a family enterprise.
- (3) who has a job but has been temporarily absent with or without pay.

Unemployed: Any person 16 years old or older who is not working, is available for work, and has made specific efforts to find work during the previous 4 weeks. (Case, Fair & Oster, 2012).

Not in the labor force: A person who is not looking for work because he or she does not want to work (Case, Fair & Oster, 2012).

Labor Force: The number of people employed plus the number of people unemployed. (Case, Fair & Oster, 2012).

The total labor force in the economy is the number of people employed plus the number of unemployed:

$$\text{labor force} = \text{employed} + \text{unemployed}$$

The total population 16 years of age or older is equal to the number of people in the labor force plus the number not in the labor force:

$$\text{population} = \text{labor force} + \text{not in labor force}$$

Unemployment rate: The ratio of the number of people unemployed to the total number of people in the labor force. (Case, Fair & Oster, 2012).

$$\text{unemployment rate} = \frac{\text{unemployed}}{\text{employed} + \text{unemployed}}$$

Labor force participation rate: The ratio of the labor force to the total population 16 years old or older. (Case, Fair & Oster, 2012).

$$\text{labor force participation rate} = \frac{\text{labor force}}{\text{population}}$$

3.1.3 Types Of Unemployment (Case, Fair & Oster, 2012).

- **Frictional unemployment:** The portion of unemployment that is due to the normal working of the labor market; used to denote short-run job/skill matching problems.
- **Structural unemployment:** The portion of unemployment that is due to changes in the structure of the economy that result in a significant loss of jobs in certain industries.
- **Cyclical unemployment:** Unemployment that is above frictional plus structural unemployment. The increase in unemployment that occurs during recessions and depressions.

3.1.4 Social Consequences

The personal and social costs of unemployment include severe financial hardship and poverty, debt, homelessness and housing stress, family tensions and breakdown, boredom, alienation, shame and stigma, increased social isolation, crime, and ill health (McClelland & Macdonald, 98).

In addition to economic hardship, prolonged unemployment may also bring with it social and personal ills: anxiety, depression, deterioration of physical and psychological health, drug abuse (including alcoholism), and suicide. (Case, Fair and Oster, 2012).

3.1.5 Palestine Unemployment Rate (1995-2015)

Unemployment Rate in Palestine decreased to 25.60 percent in the first quarter of 2015 from 26.50 percent in the fourth quarter of 2014. Unemployment Rate in Palestine averaged 22.82 percent from 1995 until 2015, reaching 35.60 percent in the third quarter of 2002 and a record low of 8.80 percent in the second quarter of 2000. Unemployment Rate in Palestine is reported by the Palestinian Central Bureau of Statistics.



Figure (3.1): Palestine Unemployment Rate

In Palestine, the unemployment rate measures the number of people actively looking for a job as a percentage of the labor force. (April, 2015. www.tradingeconomics.com)

3.1.6 Unemployment rates in Palestine

The number participants in labor force in Palestine was about 1,253,600 in the 1st quarter 2014: with a labor force participation of 812,200 and 441,400 in the West Bank and Gaza Strip respectively, according the results of the January-March round of the labor force survey conducted by the bureau. The labor force participation rate in the West Bank and Gaza Strip was 47.2% and 44.8% respectively and the labor force participation rate of persons aged 15 years and above was 46.3%. The number of unemployed increased from 301,200 in the 4th quarter 2013 to 328,000 in the 1st quarter 2014; the number increased from 159,600 to 180,200 and from 141,600 to 147,800 in the Gaza Strip and West Bank respectively in the same period. In regard to unemployment rate, it increased from 38.5% in the 4th quarter 2013 to 40.8% in the 1st quarter 2014 while it remained steady in the West Bank at 18.2% in the same period. The unemployment rate for females remained higher than that of males; It reached 36.5% compared to 23.3% in the 1st quarter 2014. Based on the relaxed definition of unemployment, the survey indicated that unemployment rate increased from 28.6% in the 4th quarter 2013 to 29.3% in the 1st quarter 2014. In regard to number of employees in the local market, it increased from 786,700 in the 4th quarter 2013 to 814,600 in the 1st quarter 2014; it increased by 21,500 and 6,400 respectively in the West Bank and Gaza Strip. (www.English.wafa.ps).

3.1.6 The causes of unemployment in Palestine

These causes such as: the large number of universities graduates, unstable political situation, the scarcity of natural and non-natural production factors, high population growth and low land area, and the low level of income for the Palestinian Individuals. (Dweekat, 2006).

3.1.8 The effect of unemployment

Unemployment affects not just the person himself but also his/her family and in the long run the society where he lives. Unemployment brings with it despair, unhappiness and anguish. It forces people to live their lives in a way they do not wish to – The life expectancy is negatively affected. Life expectancy is the ease by which people living in a time/place are able to satisfy their needs/wants. Here are the main aspects: (May, 2015. www.job-interview-site.com).

1. **Mental health:** Mental health problems like: Low self-confidence, feeling unworthy, depression and hopelessness
2. **Health diseases:** The unemployment overall tension can increase dramatically general health issues of individuals.
3. **Tension at home:** Quarrels and arguments at home front which may lead to tension and increased numbers of divorces etc.
4. **Political issues:** Loss of trust in administration and the government which may lead to political instability
5. **Insecurity amongst employees:** The prevailing unemployment and the plight of the unemployed people and their families may create fear and insecurity even in the currently employed people.
6. **Crime and violence:** Increase in the rate of crime.
7. **Suicide cases:** Increase in the rate of suicide attempts and actual suicides as well.
8. **Social outing:** Unemployment may bring a decrease in social outings and interactions with other people, including friends.
9. **Stigma:** Unemployment brings with more than just 'no work'. It also brings with it the disgrace that the person has to bear. Nobody likes to be termed as unemployed.

3.2 SMEs in Palestine

3.2.1 SMEs definition in Arab States

The definition is based on several criteria including: employment, capital, sales volume, the quality of technology used. But the labor standard is the most widely used due to the ease of collecting information on the number of workers, and the ease of comparison between sectors and countries using this standard. The Arab Organization For Industrial Development And Mining defined them as: (Abu Hantash, Mohammed, Obaida, 2009).

- Micro- enterprises have up to 5 employees, with fixed assets less than 5,000 \$ (excluding land, building and working capital).
- Small- enterprises from 6- 15 employees, with fixed assets less than 15,000 \$.
- Medium- sized enterprises from 15- 50 employees, with fixed assets from 15,000- 25,000 \$.

In The Palestinian Territories, there is no national definition of small project, where a mechanism to deal with economic projects in the Palestinian Territories vary depending on the nature of the activity, the responsible, and varies from one institution to another. For example the public administration for companies and licensing at the Ministry of National Economy classified projects according to the nature of its work, while the Ministry of Finance classified projects according to taxes, and the investment promotion Act 1998 gives privileges to projects according to capital categories. Palestinian Central Bureau of Statistics uses the following classification for economic projects depending on the volume of employment: (Dec., 2014. www.ipa.ps)

- Micro- enterprises from 1- 4 employees.
- Small- enterprises from 5- 19 employees.
- Big businesses with over 50 employees.

3.2.2 SMEs in Palestine

Data from the Palestinian Central Bureau of Statistics indicates that more than 99% of the enterprises working in the Palestinian territories are very small, small and medium enterprises, and employs less than 20 employees. However, these enterprises operate in the field of light industry and the production of basic consumer goods(Ali and Atyani, 2009).

3.2.2.1 Suggestions to support SMEs in Palestine

To support SMEs and improve them in Palestine, some steps should be done such as: The establishment of business incubators and creating environment to assist in the growth & development of SMEs, establishing a fund to finance SMEs, encouraging SMEs to the trend of export, developing SMEs licensing policies, strengthening the legal & legislative environment, working to develop the capacity and skills of SMEs employees, working on the development of production skills, the participation in regional and international business exhibition, expansion in the establishment of training centers for training skilled & talented workers, get some tax

exemptions for an appropriate period of time, and encouraging banks to provide the required funding for SMEs (Ali and Atyani, 2009).

3.2.2.2 Problems facing SMEs in Palestine

The most important problems such as: Israeli policies and procedures led to inflict heavy losses to the Palestinian economy in all its different sectors. This led to the weakness of its competitiveness and to close thousands of workshops and shops and most of large enterprises turned to micro, small and medium enterprises. And to prove this, the average number of employees in the industrial sector dropped from 4.84 to 4.22 worker in the project from 1999 to 2004. The data indicated that there are 3,650 economic projects closed permanently in the Palestinian territories in 2007. 77% of them are in West Bank and the rest are in Gaza strip, the absence of legal and legislative environment that governing the work of SMEs, SMEs also suffers from low funding ratio presented to them, the absence of clear action plans, poor management, lack of capital and difficulty of financing, weak marketing experience, family work, the small size of the local market, poor experience and skills among workers, and weak competitiveness (Ali and Atyani, 2009).

3.2.2.3 The importance of SMEs in Palestine

It is one of the most important element of steadfastness tools and building the Palestinian economy, also it is reduce the state of dependency of the Palestinian economy to the Israeli economy, contributing to the creation of new jobs & reducing the widespread of unemployment in Palestinian society, agricultural projects working to increase the Palestinian self- sufficiency and enhance food security, SMEs are considered as social, political and economic stability factor, one of the most important means in the integration of Palestinian women, and involving them in the social and economic development process, increase the ability of self- employment for low- income people and graduates of universities and institutes (Ali and Atyani, 2009).

3.2.2.4 The economic role of SMEs in Palestine

SMEs are considered the main engine of economic activity in most countries of the world, especially on the Palestinian territories. According to data from the Palestinian Central Bureau of Statistics used by the study that 99% of economic projects in Palestine are SMEs, and each one employs less than 20 workers. Thus, the importance of these projects are great. As micro, small and medium sized enterprises are considered the main component of the Palestinian Economy.(Ali and Atyani, 2009).

3.3 Small Projects Financing Program

3.3.1 First: General Policies and Restrictions

The Small Projects Financing Program was founded in February 2008 based on the decision of Palestinian Council of Ministers. It is a governmental program to fund small projects with soft loan systems (Jan, 2014. www.ipa.ps).

3.3.1.1 Program Objectives

The program seeks to achieve many objectives within strengthening resilience of the Palestinian citizen and provide local employment opportunities, these objectives include the following: (PIPA Annual report , 2013).

1. To develop existing small projects and increase its products and sustainability to provide more employment opportunities.
2. To establish new small businesses to provide more employment opportunities to decrease the high rates of unemployment in the Palestinian community.
3. To reduce the extreme poverty among out Palestinian people especially under the political circumstances and the blockade imposed on the Gaza Strip.
4. To improve the poor people situation who depend on other to become self-dependent and can contribute to the local production and improve the Palestinian economy.
5. To support Palestinian industry and other economic activities which do not benefit directly from the program by providing inputs though funded projects.
6. To encourage activities of good income and provide new additional employment opportunities.
7. To encourage initiation spirit among beneficiaries to participate in the Palestinian economy .

3.3.2 Beneficiaries

Program beneficiaries are: Unemployed workers, fresh graduates, small business owners who want to develop their projects, people with different occupations who want to expand their activities, poor families, and families in need, wounded and disabled people due to the intifada. And prisoners' families (Jan, 2014. www.ipa.ps).

3.3.1.3 Terms and conditions of fund

Based on the variety of small businesses in Palestine, the program focuses on a certain economic sector. Thus, the benefiting sectors are expected to include all kinds of agricultural, industrial, commercial, and service projects. (The committee will compare between projects based on several standards like: demand, value of available fund, the committee may add more projects if needed) (Jan, 2014. www.ipa.ps).

3.3.1.4 Conditions related to beneficiaries (Jan, 2014. www.ipa.ps).

1. To be a Palestinian residing permanently in Palestine.
2. To be between 20-60 years old.
3. To be of a good moral and financial reputation.
4. To have the technical and administration skills to implement the projects (certificates, trainings, experiences)
5. To show proof and official papers clarifying percentage of participation in case of having donors for the project.
6. Preference will be for people with special needs, wounded, and martyrs and prisoners' families.
7. Preference will be for actual contribution to funding the project.

3.3.1.5 Terms and Conditions of the project (Jan, 2014. www.ipa.ps).

1. The project should be the main source of income for the applicant.
2. The project should not include any prohibited actions or procedures in terms of Shari'ah or the enacted laws and legislations in Palestine.
3. The projects should not affect the environment or public health negatively.
4. The project should provide extra employment opportunities "high employment rate".
5. The product of project should be of high quality and easy marketing.
6. The project should be of a proper technical and economic benefit.
7. The project should provide opportunities of integration with other local development projects.
8. The project implementation period should be 6 months, and could reach 9 to 12 months in case of agriculture projects.
9. Raw material, tools, and equipment should be easy to provide.
10. Sustainability and development should be maintained.
11. The amount of benefit of the project.
12. Preference should be given to vulnerable and poor families.

3.3.1.6 Financial Terms and Conditions (Jan, 2014. www.ipa.ps).

1. The maximum amount of fund should not exceed 10,000\$.
2. Repayment should be on monthly basis.
3. The maximum period for repayment is 36 months starting from the first due payment related to the amount of loan.
4. All guarantees should be attained before implementation.

3.3.1.7 Guarantees (Jan, 2014. www.ipa.ps).

1. All guarantees should be revised and approved by the program manager.
2. Guarantees could include some or all the following: (debt bond, sponsors, or any other), this depends on the amount of loan and reputation of beneficiary. (sponsors should sign the organized debt bond)
3. Sponsor: whether one or more, there should be at least one sponsor who is a governmental employee whose salary is on any bank dealing with the government.

3.3.1.8 Documents and commitments

The following documents should be provided to the program committee: (Jan, 2014. www.ipa.ps).

1. Any applicant should provide documents to prove that he owns or rents the premises where he'll start his business.
2. It is preferred to provide all needed official permits for any type of projects in accordance with enacted laws and legislations in Palestine.
3. The loan should be repaid even if the project fails or shuts down, taking into consideration rescheduling in case on insolvency.
4. Applicant should provide the program employee with supporting documents of the beneficiary.
5. Applicant should provide the program employee with supporting documents of sponsors.
6. Law No.7 for 2000 should be implemented on the project.

3.3.2 Second: Procedures and Mechanisms

3.3.2.1 Mechanism of application (Jan, 2014. www.ipa.ps).

1. Application should be submitted to the Palestinian Investment Promotion Agency - Gaza. It should be signed by applicant and program employee, (Project Fund Form).
2. All documents should be submitted with the application (copy of ID, permits, rent contracts ... etc.)
3. Application should be entered to the database.
4. In case the project copes with the general policies of the program, a field visit should be made and documented.
5. In case the employee agreed on the application, a feasibility study for the project should be made to help make the decision.
6. Application and all other documents should be reported to the project coordinator in Palestinian Investment Promotion Agency to accept or decline the application.

3.3.2.2 Mechanism of decision making at the committee (Jan, 2014. www.ipa.ps).

1. After preparing the application, the project manager reports to the committee, taking into account prioritizing based on the kind and date of application.
2. The project coordinator will prepare the application to be displayed to the technical committee to study applications, taking into account dates of application, where priority should be given to quality projects.
3. The committee will discuss the files and make the right decisions (accept, refuse, accept with conditions)
4. In case of final approval, the amount of money should be determined so as the period of permitting and repayment, and any other guarantees.
5. The employee will inform the applicant to complete other procedures of fund the next day of the approval.
6. The decision of the committee will be entered to the database.

3.3.2.3 Mechanism of loan implementation (Jan, 2014. www.ipa.ps).

1. In case of conditional approval, the employee will contact the applicant to meet the needed conditions.
2. In case of approval, the employee will contact the applicant to finish all other legal procedures and papers.
3. Applicant should provide the ministry with all needed guarantees.
4. All contracts should be signed between the ministry and beneficiary.
5. In case of cash, money should be issued from the financial department to the beneficiary at one of the required banks.
6. In case of adopting payment to the supplier, the ministry should make bids to three suppliers for goods that applicant needs to buy.
7. Approval to buy needed goods should be coordinated with the applicant.
8. After completing all needed papers and documents, the program employee should prepare a memo to be submitted to the financial department to prepare payment to the supplier, as well as the needed items.
9. The memo should be revised and approved by the program manager.
10. Purchase of goods should be started.
11. Practical data about cash and guarantees should be entered to the database.
12. The employee should submit the needed papers to the financial department and keep a copy from all the documents in the beneficiary's file.
13. The financial department should schedule repayments on the computer and give a copy to the beneficiary.

3.3.2.4 Follow-up implementation of the project

Follow-up of the implemented projects aims at: (Jan, 2014. www.ipa.ps).

- Assist the beneficiary to provide fund requirements and encourage commitment to fund conditions.
- Make sure that the loan is being used as allocated.
- Provide financial and admin consultancy to the applicant.
- Follow-up due repayments.
- Provide new field information about the project and its owner.
- Make the needed recommendations for the ministry about the project to make decisions about new funds.

Follow-up of loan programs should be done through: (Jan, 2014. www.ipa.ps).

- Regular and ongoing follow-up for projects (at least one field visit every 3 months for existing projects. It should be documented with follow-up form of the ministry)
- Weekly meeting of the projects department employees to discuss any barriers or bottlenecks facing them within follow-up.

The following reports about work in projects should be prepared: (Jan, 2014.
www.ipa.ps).

1. Visit report: after every field visit, a report should be made to document it; it should be kept in the file.
2. Monthly report of work: at the end of every month, the program employee should prepare a report of activities within the month along with any bottlenecks or suggestions.
3. Quarter report: the program manager should prepare a report every 3 months and submit it to the minister.
4. Annual report: the program manager should prepare an annual report and send it the minister's office.

Chapter Four

Methodology

4.1 Introduction

This chapter presents the methodology of the study including , the questionnaire that was used in the study and the way it was designed, pilot study, data collection, response rate and data analysis.

4.2 The Questionnaire Design

The questionnaire was designed in the Arabic language to make it more understandable. Unnecessary personal data, complex and duplicated questions were avoided. The questionnaire was provided with a covering letter which explained the purpose of the study, the way of responding, the aim of the research and the security of the information in order to encourage high response. A structured questionnaire was specially designed for the study and it consisted as two main sections:

- The first section was general information about the respondents.
- The second section was the main body of the questionnaire and it was divided into two sub sections. The first one is about the variables of Small Projects Financing Program, the second one is about the factors affecting the small projects.

The process adopted by the researcher was as follows:

1. Proceed to setting up appointment with the targeted beneficiaries.
2. The researcher has acted as a facilitator to the questionnaire parts.

4.3 Pilot Study

A pilot study for the questionnaire was conducted before collecting the results of the sample. It provides a trial run for the questionnaire, which involves testing the wordings of questions, identifying ambiguous questions, testing the techniques that used to collect data, and measuring the effectiveness of standard invitation to respondents. A group of academic experts and professionals participated in this step. (30) questionnaires were distributed as pilot study. After analyzing the pilot study it confirmed the validity and reliability of the questionnaire. Then the questionnaires were distributed to the sample.

4.4 Research Location

The research was carried out in Gaza Strip, which consists of five governorates, the North, Gaza, The Middle, Khan- Younis, and Rafah.

4.5 Data Measurement

In order to be able to select the appropriate method of analysis, the level of measurement must be understood. For each type of measurement, there is/are an appropriate method/s that can be applied and not others. In this research, ordinal scales were used. Ordinal scale is a ranking or a rating data that normally uses integers in ascending or descending order. The numbers assigned to the important (1,2,3,4,5) do not indicate that the interval between scales are equal, nor do they indicate absolute quantities. They are merely numerical labels. Based on Likert scale we have the following:

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
Scale	5	4	3	2	1

4.6 Test of Normality

Table (4.1) shows the results for Kolmogorov-Smirnov test of normality. From Table (4.1), the p-value for each field is greater than 0.05 level of significance, then the distribution for each field is normally distributed. Consequently, Parametric tests used to perform the statistical data analysis.

Table (4.1): Kolmogorov-Smirnov test

Field	Kolmogorov-Smirnov	
	Statistic	P-value
The impact of loan amount on the success of microfinance	0.699	0.713
The impact of number of employees on the success of the microfinance	0.747	0.633
The impact of efficiency of employees on the success of microfinance	0.869	0.437
The impact of promotion on success of microfinance	0.661	0.774
The impact of guarantees on the success of microfinance	0.996	0.274
The impact of integrity on the success of microfinance	1.030	0.239
The impact of project follow-up (field visits) on the success of microfinance	0.682	0.740
Independent Variables	0.798	0.547
To what extent is the beneficiary project successful	0.850	0.465
All paragraphs of the questionnaire	0.536	0.937

4.7 Statistical analysis Tools

Both qualitative and quantitative data analysis methods used in the research. The Data analysis will be made utilizing (SPSS 22). The following statistical tools utilized in the research:

- 1) Kolmogorov-Smirnov test of normality.
- 2) Pearson correlation coefficient for Validity.
- 3) Cronbach's Alpha for Reliability Statistics.
- 4) Frequency and Descriptive analysis.
- 5) Parametric Tests (One-sample T test).

T-test is used to determine if the mean of a paragraph is significantly different from a hypothesized value 3 (Middle value of Likert scale). If the P-value (Sig.) is smaller than or equal to the level of significance, $\alpha = 0.05$, then the mean of a paragraph is significantly different from a hypothesized value 3. The sign of the Test value indicates whether the mean is significantly greater or smaller than hypothesized value 3. On the other hand, if the P-value (Sig.) is greater than the level of significance $\alpha = 0.05$, then the mean a paragraph is insignificantly different from a hypothesized value 3.

4.8 Validity of Questionnaire

Validity refers to the degree to which an instrument measures what it is supposed to be measuring. Validity has a number of different aspects and assessment approaches. Statistical validity is used to evaluate instrument validity, which include internal validity and structure validity.

4.8.1 Internal Validity

Internal validity of the questionnaire is the first statistical test that used to test the validity of the questionnaire. It is measured by a scouting sample, which consisted of 30 questionnaires through measuring the correlation coefficients between each paragraph in one field and the whole field.

Table (4.2) clarifies the correlation coefficient for each paragraph of the " The impact of loan amount on the success of microfinance " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.2): Correlation coefficient of each paragraph of " The impact of loan amount on the success of the microfinance " and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	Helps the beneficiary buy machinery-equipment- raw material needed to run the project	.723	0.000*
2.	The loan amount received by the beneficiary is enough	.297	0.047*
3.	The beneficiary would like to contribute financially to the loan amount	.670	0.000*
4.	To receive the loan amount with payments helps to know what is required and not required for the project needs	.750	0.000*
5.	The beneficiary would like to receive a new loan after the current one	.508	0.001*
6.	The loan amount is appropriate with the amount of fund needed for the project	.340	0.026*

* Correlation is significant at the 0.05 level

Table (4.3) clarifies the correlation coefficient for each paragraph of the " The impact of number of employees on the success of the microfinance " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.3): Correlation coefficient of each paragraph of " The impact of number of employees on the success of the microfinance " and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	Number of employees is enough to complete transactions	.574	0.000*
2.	Number of employees is enough to receive applications	.938	0.000*
3.	Number of employees is enough to answer questions and reviews	.906	0.000*
4.	Number of employees is enough for field visits	.898	0.000*
5.	Number of employees is enough to process the applications.	.761	0.000*
6.	Number of program employees is enough to enter data of beneficiaries	.907	0.000*
7.	Financing the project is done easily and quickly	.359	0.020*

* Correlation is significant at the 0.05 level

Table (4.4) clarifies the correlation coefficient for each paragraph of the " The impact of efficiency of employees on the success of microfinance " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.4) : Correlation coefficient of each paragraph of "The impact of efficiency of employees on the success of microfinance" and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	The team of employees working in microfinance is experienced and efficient.	.551	0.000*
2.	The team deals appropriately with beneficiaries.	.737	0.000*
3.	The team gives a chance for beneficiaries to express their project comfortably.	.647	0.000*
4.	The problems of beneficiaries are solved quickly.	.805	0.000*
5.	Questions and concerns are immediately answered and taken care of	.796	0.000*
6.	The team is qualified to evaluate projects.	.908	0.000*
7.	The team is qualified to prepare feasibility studies with beneficiaries.	.728	0.000*
8.	Direct communication is done with beneficiaries to complete procedures, after acceptance of project.	.693	0.000*
9.	Efficiency of employees leads to increase beneficiaries satisfaction	.795	0.000*

* Correlation is significant at the 0.05 level

Table (4.5) clarifies the correlation coefficient for each paragraph of the " The impact of promotion on success of microfinance " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.5) : Correlation coefficient of each paragraph of "The impact of promotion on success of microfinance" and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	There's a website for microfinance program	.402	0.010*
2.	The microfinance uses print media to promote its activities.	.857	0.000*
3.	The microfinance publishes about its projects in video and audio media	.907	0.000*
4.	The program provides brochures and pamphlets about how to benefit from it.	.918	0.000*
5.	Hanging ads about the project reaches beneficiaries easily.	.904	0.000*
6.	Online applications are filled through the website of the commission	.633	0.000*

* Correlation is significant at the 0.05 level

Table (4.6) clarifies the correlation coefficient for each paragraph of the " The impact of guarantees on the success of microfinance " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.6) : Correlation coefficient of each paragraph of "The impact of guarantees on the success of microfinance" and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	There should be sponsors to ensure recovery of fund	.718	0.000*
2.	The guarantee is strong since the sponsor is a governmental employee.	.784	0.000*
3.	Guarantees provided by beneficiary are certified before giving the fund.	.719	0.000*
4.	Guarantees are enough to recover the amount of loan in case beneficiary couldn't return back the loan.	.843	0.000*
5.	Contract with beneficiary ensures return of the loan	.728	0.000*
6.	Guarantees by the program ensure sustainability.	.621	0.000*
7.	Guarantees lead to receive more beneficiaries.	.636	0.000*

* Correlation is significant at the 0.05 level

Table (4.7) clarifies the correlation coefficient for each paragraph of the " The impact of integrity on the success of microfinance " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.7) : Correlation coefficient of each paragraph of "The impact of integrity on the success of microfinance" and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	Project is accepted based of qualifications and experience of beneficiary.	.649	0.000*
2.	Project is adopted based on provided and adopted form by beneficiary in the program.	.476	0.003*
3.	Applications are replied to in the assigned time for application.	.567	0.000*
4.	Beneficiaries are dealt with a sense of equity and credibility	.685	0.000*
5.	Credibility is available among the committee of field research of the program.	.806	0.000*
6.	Applications are screened in order and according to time of application.	.563	0.000*

* Correlation is significant at the 0.05 level

Table (4.8) clarifies the correlation coefficient for each paragraph of the " The impact of project follow-up (field visits) on the success of microfinance " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.8) : Correlation coefficient of each paragraph of " The impact of project follow-up (field visits) on the success of microfinance " and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	Primary periodical visits are done	.822	0.000*
2.	Field visits encourage beneficiary to complete his project well.	.298	0.046*
3.	Field visits are conducted from the beginning of the project until recovery of fund.	.769	0.000*
4.	Project is checked to meet the program standards.	.679	0.000*
5.	Program employees provide advice and consultation for beneficiaries to help him/her implement and develop his/her project.	.581	0.000*
6.	Periodical reports about field visits are prepared.	.886	0.000*
7.	There's a work plan for team of field visits.	.879	0.000*
8.	Monthly follow-up for the project contributes to its success and meeting the needs	.507	0.001*

* Correlation is significant at the 0.05 level

Table (4.9) clarifies the correlation coefficient for each paragraph of the " To what extent is the beneficiary project successful " and the total of the field. The p-values (Sig.) are less than 0.05, so the correlation coefficients of this field are significant at $\alpha = 0.05$, so it can be said that the paragraphs of this field are consistent and valid to be measure what it was set for.

Table (4.9) : Correlation coefficient of each paragraph of "To what extent is the beneficiary project successful" and the total of this field

No.	Paragraph	Pearson Correlation Coefficient	P-Value (Sig.)
1.	Products of project serves a big sector of the community.	.734	0.000*
2.	Beneficiary project hires a number of workers.	.754	0.000*
3.	The project provides a good income for beneficiary.	.662	0.000*
4.	The project has elements of continuity	.662	0.000*
5.	The beneficiary promotes well for his/her project.	.763	0.000*
6.	The beneficiary constantly develops his/her project.	.684	0.000*
7.	Place of project is good to present the product.	.546	0.001*
8.	The project owner has the needed experience for the success of the project	.783	0.000*
9.	Prices of products are competitive in the market.	.802	0.000*

* Correlation is significant at the 0.05 level

4.8.2 Structure Validity of the Questionnaire

Structure validity is the second statistical test that used to test the validity of the questionnaire structure by testing the validity of each field and the validity of the whole questionnaire. It measures the correlation coefficient between one field and all the fields of the questionnaire that have the same level of liker scale.

Table (4.10) clarifies the correlation coefficient for each field and the whole questionnaire. The p-values (Sig.) are less than 0.05, so the correlation coefficients of all the fields are significant at $\alpha = 0.05$, so it can be said that the fields are valid to be measured what it was set for to achieve the main aim of the study.

Table (4.10): Correlation coefficient of each field and the whole of questionnaire

No.	Field	Pearson Correlation Coefficient	P-Value (Sig.)
1.	The impact of loan amount on the success of microfinance	.644	0.000*
2.	The impact of number of employees on the success of the microfinance	.754	0.000*
3.	The impact of efficiency of employees on the success of microfinance	.860	0.000*
4.	The impact of promotion on success of microfinance	.605	0.000*
5.	The impact of guarantees on the success of microfinance	.643	0.000*
6.	The impact of integrity on the success of microfinance	.667	0.000*
7.	The impact of project follow-up (field visits) on the success of microfinance	.614	0.000*
	Independent Variables:	.635	0.000*
	To what extent is the beneficiary project successful	.681	0.000*

* Correlation is significant at the 0.05 level

4.9 Reliability of the Research

The reliability of an instrument is the degree of consistency which measures the attribute; it is supposed to be measuring. The less variation an instrument produces in repeated measurements of an attribute, the higher its reliability. Reliability can be equated with the stability, consistency, or dependability of a measuring tool. The test is repeated to the same sample of people on two occasions and then compares the scores obtained by computing a reliability coefficient (George and Mallery ,2003).

4.9.1 Cronbach's Coefficient Alpha

This method is used to measure the reliability of the questionnaire between each field and the mean of the whole fields of the questionnaire. The normal range of Cronbach's

coefficient alpha value between 0.0 and + 1.0, and the higher values reflects a higher degree of internal consistency. The Cronbach's coefficient alpha was calculated for each field of the questionnaire.

Table (4.11) shows the values of Cronbach's Alpha for each field of the questionnaire and the entire questionnaire. For the fields, values of Cronbach's Alpha were in the range from 0.507 and 0.895. This range is considered high; the result ensures the reliability of each field of the questionnaire. Cronbach's Alpha equals 0.919 for the entire questionnaire which indicates an excellent reliability of the entire questionnaire.

Table (4.11): Cronbach's Alpha for each field of the questionnaire

No.	Field	Cronbach's Alpha
1.	The impact of loan amount on the success of microfinance	0.507
2.	The impact of number of employees on the success of the microfinance	0.891
3.	The impact of efficiency of employees on the success of microfinance	0.898
4.	The impact of promotion on success of microfinance	0.881
5.	The impact of guarantees on the success of microfinance	0.803
6.	The impact of integrity on the success of microfinance	0.600
7.	The impact of project follow-up (field visits) on the success of microfinance	0.855
	Independent Variables:	0.895
	To what extent is the beneficiary project successful	0.873
	All paragraphs of the questionnaire	0.919

Thereby, it can be said that the researcher proved that the questionnaire was valid, reliable and ready for distribution for the population sample.

Chapter Five

Data Analysis and Discussion

5.1 The characteristics of the sample

5.1.1 Age

Table No.(5.1) shows that 38.5% of the sample are "from 20 – less than 30 years ", 33.0% of the sample are of "30 – less than 40 years ", 20.5% of the sample are of "40 – less than 50 years " and 8.0% of the sample are of "50 years and older ".

Table (5.1): Age

Age	Frequency	Percent
20 – less than 30 years	77	38.5
30 – less than 40 years	66	33.0
40 – less than 50 years	41	20.5
50 years and Older	16	8.0
Total	200	100.0

The table shows that 38.5% of the sample are " 20 – less than 30 years .

5.1.2 Gender

Table No.(5.2) shows that 80.5% of the sample are Males and 19.5% of the sample are Females

Table (5.2): Gender

Gender	Frequency	Percent
Male	161	80.5
Female	39	19.5
Total	200	100.0

The table shows that 80.5% of the sample are Males because most applicants are workers want to start projects such as groceries, factories, carpentries and bakeries which more suitable for males.

5.1.3 Qualification

Table No.(5.3) shows that 56.5% of the sample are " High school or less " holders, 21.0% of the sample are " Diploma " holders, 17.0% of the sample are " Bachelor " holders and 5.5% of the sample are " High school or less " holders .

Table (5.3): Qualification

Qualification	Frequency	Percent
High school or less	113	56.5
Diploma	42	21.0
Bachelor	34	17.0
High school or less	11	5.5
Total	200	100.0

The Table shows that 56.5% of the sample are " High school or less " holders, because most of beneficiaries are workers and the most important thing is to have experience.

5.1.4 Years of Experience

Table No.(5.4) shows that 21.5% of the sample have experience " Less than 3 years", 22.5% of the sample have experience "3 – Less than 5 year ", 26.0% of the sample have experience "5- less than 10 years " and 30.0 % of the sample have experience " 10 years and more " .

Table (5.4): Years of Experience

Years of Experience	Frequency	Percent
Less than 3 year	43	21.5
3 – Less than 5 year	45	22.5
5- less than 10 years	52	26.0
10 years and more	60	30.0
Total	200	100.0

Experience is one of the most important program conditions.

5.1.5 Nature of Project

Table (5.5): Nature of Project

Nature of Project	Frequency	Percent
Industrial	62	31.0
Agriculture	34	17.0
Services	69	34.5
Commercial	35	17.5
Total	200	100.0

The table shows that the services sector has the highest percentage because the services sector has many fields and activities more than any type of project. These services projects such as: training centers, computer maintenance centers, kids academies ...etc.

5.1.6 Marital Status

Table (5.6): Marital Status

Marital Status	Frequency	Percent
Married	146	73.0
Single	46	23.0
Divorced	6	3.0
Widowed	2	1.0
Total	200	100.0

The table shows that Married category has the highest percentage, because program committee gives the priority for the people who are married and have families which have many responsibilities and duties.

5.1.7 Monthly income

Table (5.7): Monthly income

Monthly income	Frequency	Percent
Less than 1000 NIS	49	24.5
1000- less than 1500 NIS	55	27.5
1500 – less than 2000 NIS	59	29.5
2000 NIS or more	37	18.5
Total	200	100.0

Income varies depending on the nature of each project, and according to the efficiency of the beneficiary and if the project is fresh or old.

5.1.8 Governorate

Table (5.8): Governorate

Governorate	Frequency	Percent
North	44	22.0
Gaza	107	53.5
Middle Area	19	9.5
Khanyounis	15	7.5
Rafah	15	7.5
Total	200	100.0

Gaza has the highest percentage because it is the major governorate and maybe because the location of the program is in this governorate.

5.2 Analysis for each field

1. The impact of loan amount on the success of SPFP

Table (5.9) shows the following results:

- The mean of paragraph #1 “Helps the beneficiary buy machinery- equipment- raw material needed to run the project” equals 4.01 (80.10%), Test-value = 15.24, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

Because without the loan the beneficiary will not be able to start the project, and purchase the machinery and equipment needed and required.

- The mean of the field “The impact of loan amount on the success of microfinance” equals 3.39 (67.73%), Test-value = 9.65, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this field is significantly greater than the hypothesized value 3. This means that the respondents agreed to field of “The impact of loan amount on the success of microfinance ”.

This reflects the satisfaction of beneficiaries of the loan amount and how the payment is received.

Table (5.9): Means and Test values for "The impact of loan amount on the success of SPFP "

	Item	Mean	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	Helps the beneficiary buy machinery-equipment- raw material needed to run the project	4.01	80.10	15.24	0.000*	1
2.	The loan amount received by the beneficiary is enough	3.18	63.50	2.29	0.012*	5
3.	The beneficiary would like to contribute financially to the loan amount	2.88	57.68	-1.19	0.119	6
4.	To receive the loan amount with payments helps to know what is required and unrequired for the project needs	3.54	70.80	6.44	0.000*	2
5.	The beneficiary would like to receive a new loan after the current one	3.44	68.89	4.28	0.000*	3
6.	The loan amount is appropriate with the amount of fund needed for the project	3.27	65.40	3.91	0.000*	4
	All paragraphs of the field	3.39	67.73	9.65	0.000*	

* The mean is significantly different from 3

2. The impact of number of program's employees on the success of the SPFP

Table (5.10) shows the following results:

- The mean of paragraph #3 “Number of employees is enough to answer questions and reviews” equals 3.86 (77.29%), Test-value = 13.51 and P-value = 0.000 which is smaller than the level of significance $\alpha=0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3 . This means that the respondents agree to this paragraph.

- The mean of paragraph #4 “Number of employees is enough for field visits” equals 3.66 (73.20%), Test-value = 73.20, and P-value = 0.000 which is smaller than the level of significance $\alpha=0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3 . This means that the respondents agree to this paragraph.

- The mean of the field “The impact of number of employees on the success of the microfinance” equals 3.79 (75.89%), Test-value = 75.89, and P-value=0.000 which is smaller than the level of significance $\alpha=0.05$. The sign of the test is positive, so the mean of this field

is significantly greater than the hypothesized value 3. This means that the respondents agree to field of "The impact of number of employees on the success of the microfinance ".

This reflects the satisfaction of beneficiaries for the number of program staff in terms of answering phones, reception, field visits and preparing feasibility studies. So any beneficiary can come and he/ she will find the answer for all his/ her required questions because the results show that the number of employees is suitable for beneficiaries requirements.

Table (5.10): Means and Test values for "The impact of number of program's employees on the success of the SPFP "

	Item	Mean	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	Number of employees is enough to complete transactions	3.79	75.88	12.21	0.000*	4
2.	Number of employees is enough to receive applications	3.86	77.10	13.29	0.000*	2
3.	Number of employees is enough to answer questions and reviews	3.86	77.29	13.51	0.000*	1
4.	Number of employees is enough for field visits	3.66	73.20	9.15	0.000*	7
5.	Number of employees is enough to process the applications.	3.79	75.78	12.49	0.000*	5
6.	Number of program employees is enough to enter data of beneficiaries	3.78	75.58	11.78	0.000*	6
7.	Financing the project is done easily and quickly	3.81	76.20	12.51	0.000*	3
	All paragraphs of the field	3.79	75.89	14.53	0.000*	

* The mean is significantly different from 3

3. The impact of efficiency of program's employees on the success of SPFP

Table (5.11) shows the following results:

- The mean of paragraph #2 "The team deals appropriately with beneficiaries" equals 4.51 (90.20%), Test-value = 32.87, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of paragraph #4 “The problems of beneficiaries are solved quickly” equals 4.24 (84.70%), Test-value = 19.86, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3 . This means that the respondents agree to this paragraph.

- The mean of the field “The impact of efficiency of employees on the success of microfinance” equals 4.40 (88.03%), Test-value = 88.03, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this field is significantly greater than the hypothesized value 3. This means that the respondents agree to field of “The impact of efficiency of employees on the success of microfinance ”.

These ratios indicate to the percentage of beneficiaries' opinion that the program employees have high skills and efficiency. Because when beneficiaries dealt with the program employees, they found them polite, efficient, good, kind and have high skills.

Table (5.11): Means and Test values for “The impact of efficiency of employees on the success of SPFP”

	Item	Mean	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	The team of employees working in microfinance is experienced and efficient.	4.49	89.80	34.10	0.000*	2
2.	The team deals appropriately with beneficiaries.	4.51	90.20	32.87	0.000*	1
3.	The team gives a chance for beneficiaries to express their project comfortably.	4.42	88.44	26.38	0.000*	5
4.	The problems of beneficiaries are solved quickly.	4.24	84.70	19.86	0.000*	9
5.	Questions and concerns are immediately answered and taken care of	4.31	86.20	23.40	0.000*	8
6.	The team is qualified to evaluate projects.	4.37	87.30	25.69	0.000*	6
7.	The team is qualified to prepare feasibility studies with beneficiaries.	4.36	87.20	24.76	0.000*	7
8.	Direct communication is done with beneficiaries to complete procedures, after acceptance of project.	4.48	89.60	30.91	0.000*	3
9.	Efficiency of employees leads to increase beneficiaries satisfaction	4.44	88.79	27.51	0.000*	4
	All paragraphs of the field	4.40	88.03	37.44	0.000*	

* The mean is significantly different from 3

4. The impact of promotion on success of SPFP

Table (5.12) shows the following results:

- The mean of paragraph #1 “There’s a website for microfinance program” equals 3.42 (68.40%), Test-value = 4.15, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of paragraph #6 “Online applications are filled through the website of the commission” equals 2.27 (45.45%), Test-value = -7.71, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is negative, so the mean of this paragraph is significantly smaller than the hypothesized value 3. This means that the respondents disagree to this paragraph.

- The mean of the field “The impact of promotion on success of microfinance” equals 2.64 (52.89%), Test-value = -4.53, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is negative, so the mean of this field is significantly smaller than the hypothesized value 3. This means that the respondents disagree to field of “The impact of promotion on success of microfinance ”.

The views of beneficiaries were negative for the most paragraphs of this field except the first paragraph. Because there is a website for the program to publish all announcements, conditions, and payments and all what the beneficiary need. The average of the rest of the paragraphs was less than 3, which reflects the failure of the program to promote properly about its activities in video and audio media. Also not providing brochures about program and lack of reaching to all audiences. Because of all above, the respondents disagree to these paragraphs of the field because the program must promote more and more for its activities to make all people knew about it.

Table (5.12): Means and Test values for “The impact of promotion on success of SPFP”

	Item	Mean	Proportional mean	Test value	P-value (Sig.)	Rank
1.	There’s a website for microfinance program	3.42	68.40	4.15	0.000*	1
2.	The microfinance uses print media to promote its activities.	2.66	53.17	-3.72	0.000*	2
3.	The microfinance publishes about its projects in video and audio media	2.51	50.10	-5.59	0.000*	4
4.	The program provides brochures and pamphlets about how to benefit from it.	2.50	50.05	-5.23	0.000*	5
5.	Hanging ads about the project reaches beneficiaries easily.	2.51	50.20	-5.26	0.000*	3
6.	Online applications are filled through the website of the commission	2.27	45.45	-7.71	0.000*	6
	All paragraphs of the field	2.64	52.89	-4.53	0.000*	

* The mean is significantly different from 3

5. The impact of guarantees on the success of SPFP

Table (5.13) shows the following results:

- The mean of paragraph #3 “Guarantees provided by beneficiary are certified before giving the fund” equals 4.58 (91.50%), Test-value = 37.32, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of paragraph #7 “Guarantees lead to receive more beneficiaries” equals 3.98 (79.50%), Test-value = 79.50, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of the field “The impact of guarantees on the success of microfinance” equals 4.46 (89.25%), Test-value = 44.37, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this field is significantly greater than the hypothesized value 3. This means that the respondents agree to field of “The impact of guarantees on the success of microfinance ”.

All views about guarantees were positive. Actually because if the guarantees were absent, the program will be unable to continue and recover the payments to finance other projects. Also guarantees were not difficult because everyone of beneficiaries can bring two governmental employees. So without guarantees the program will stop and fail and can't finance more projects, because beneficiaries will postponed payments because there is nothing force them to pay payments.

Table (5.13): Means and Test values for “The impact of guarantees on the success of SPFP”

	Item	Mean	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	There should be sponsors to ensure recovery of fund	4.54	90.81	34.19	0.000*	5
2.	The guarantee is strong since the sponsor is a governmental employee.	4.47	89.40	32.82	0.000*	6
3.	Guarantees provided by beneficiary are certified before giving the fund.	4.58	91.50	37.32	0.000*	1
4.	Guarantees are enough to recover the amount of loan in case beneficiary couldn't return back the loan.	4.56	91.26	35.83	0.000*	2
5.	Contract with beneficiary ensures return of the loan	4.56	91.16	34.77	0.000*	3
6.	Guarantees by the program ensure sustainability.	4.56	91.10	36.21	0.000*	4
7.	Guarantees lead to receive more beneficiaries.	3.98	79.50	13.59	0.000*	7
	All paragraphs of the field	4.46	89.25	44.37	0.000*	

* The mean is significantly different from 3

6. The impact of integrity on the success of SPFP

Table (5.14) shows the following results:

- The mean of paragraph #1 “Project is accepted based of qualifications and experience of beneficiary” equals 4.56 (91.16%), Test-value = 35.22, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of paragraph #3 “Applications are replied to in the assigned time for application” equals 4.27 (85.33%), Test-value = 20.88, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of the field “The impact of integrity on the success of microfinance” equals 4.41 (88.21%), Test-value = 37.47, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this field is significantly greater than the hypothesized value 3. This means that the respondents agree to field of “The impact of integrity on the success of microfinance ”.

The results show that most of beneficiaries are convinced with the integrity, objectivity and transparency of those in charge of program, where they are funding projects based on experience, qualifications and efficiency of beneficiaries and not for any other considerations. Because the acceptance of any project depends on qualifications, skills and practical experience. Also all beneficiaries are dealt with the same way in equity and credibility.

Table (5.14): Means and Test values for “The impact of integrity on the success of SPFP”

	Item	Mean	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	Project is accepted based of qualifications and experience of beneficiary.	4.56	91.16	35.22	0.000*	1
2.	Project is adopted based on provided and adopted form by beneficiary in the program.	4.32	86.40	19.03	0.000*	5
3.	Applications are replied to in the assigned time for application.	4.27	85.33	20.88	0.000*	6
4.	Beneficiaries are dealt with a sense of equity and credibility	4.43	88.69	27.18	0.000*	3
5.	Credibility is available among the committee of field research of the program.	4.50	90.05	33.57	0.000*	2
6.	Applications are screened in order and according to time of application.	4.42	88.38	29.84	0.000*	4
	All paragraphs of the field	4.41	88.21	37.47	0.000*	

* The mean is significantly different from 3

7. The impact of project follow-up (field visits) on the success of SPFP

Table (5.15) shows the following results:

- The mean of paragraph #8 “Monthly follow-up for the project contributes to its success and meeting the needs” equals 4.38 (87.60%), Test-value = 25.44, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of paragraph #3 “Field visits are conducted from the beginning of the project until recovery of fund” equals 4.08 (81.61%), Test-value = 17.02, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3. This means that the respondents agree to this paragraph.

- The mean of the field “The impact of project follow-up (field visits) on the success of microfinance” equals 4.22 (84.32%), Test-value = 27.46, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this field is significantly greater than the hypothesized value 3. This means that the respondents agree to field of “The impact of project follow-up (field visits) on the success of microfinance ”.

Results reflect the satisfaction of beneficiaries to the field visits system, where beneficiaries are monitored continuously and provided advices, which contributes to motivate and help them to accomplish their projects successfully. Also field visits encourage beneficiaries to work hardly to improve their projects properly.

Table (5.15): Means and Test values for “The impact of project follow-up (field visits) on the success of SPFP”

	Item	Mean	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	Primary periodical visits are done	4.25	84.90	20.21	0.000*	4
2.	Field visits encourage beneficiary to complete his project well.	4.32	86.33	25.03	0.000*	3
3.	Field visits are conducted from the beginning of the project until recovery of fund.	4.08	81.61	17.02	0.000*	8
4.	Project is checked to meet the program standards.	4.34	86.70	26.30	0.000*	2
5.	Program employees provide advice and consultation for beneficiaries to help him/her implement and develop his/her project.	4.16	83.10	18.32	0.000*	5
6.	Periodical reports about field visits are prepared.	4.12	82.40	16.51	0.000*	6
7.	There’s a work plan for team of field visits.	4.10	81.92	16.35	0.000*	7
8.	Monthly follow-up for the project contributes to its success and meeting the needs	4.38	87.60	25.44	0.000*	1
	All paragraphs of the field	4.22	84.32	27.46	0.000*	

* The mean is significantly different from 3

In General for (Independent Variables)

Table (5.16) shows the mean of all paragraphs equals 3.96 (79.12%), Test-value =34.98, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of all paragraphs is significantly greater than the hypothesized value 3. This means that the respondents agreed to all paragraphs.

Results reflect the satisfaction of beneficiaries to the questionnaire fields and paragraphs in terms of loan amount, number of employees, efficiency of employees, program promotion, guarantees, integrity and field visits. Which demonstrates the beneficiaries satisfaction to the program and its mechanism of action and exchange and the way of following up projects and providing advices . So all of these will lead to the success of projects which in turn reflects the success of the program.

Table (5.16): Means and Test values for all paragraphs

	Mean	Proportional mean (%)	Test value	P-value (Sig.)
All paragraphs	3.96	79.12	34.98	0.000*

*The mean is significantly different from 3

To what extent is the beneficiary project successful

Table (5.17) shows the following results:

- The mean of paragraph #1 “Products of project serves a big sector of the community” equals 4.28 (85.56%), Test-value = 85.56, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3 . This means that the respondents agree to this paragraph.
- The mean of paragraph #2 “Beneficiary project hires a number of workers” equals 3.29 (65.70%), Test-value = 3.94, and P-value = 0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this paragraph is significantly greater than the hypothesized value 3 . This means that the respondents agree to this paragraph.

- The mean of the field “To what extent is the beneficiary project successful” equals 3.75 (75.06%), Test-value = 15.05, and P-value=0.000 which is smaller than the level of significance $\alpha = 0.05$. The sign of the test is positive, so the mean of this field is significantly greater than the hypothesized value 3. This means that the respondents agree to field of “To what extent is the beneficiary project successful”.

Beneficiaries expressed their approval to this field paragraphs by 75.06% . This demonstrates the success of beneficiary project in terms of introducing products to serve community, providing an adequate income and providing jobs which leads to the program success. This means that most of beneficiaries expect or feel the success of their projects in terms of hiring workers, serving a big sector of the community, earning good income, developing their projects continuously and promoting for their products and services.

Table (5.17): Means and Test values for “To what extent is the beneficiary project successful”

	Item	Mean	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	Products of project serves a big sector of the community.	4.28	85.56	25.79	0.000*	1
2.	Beneficiary project hires a number of workers.	3.29	65.70	3.94	0.000*	9
3.	The project provides a good income for beneficiary.	3.45	68.94	6.42	0.000*	8
4.	The project has elements of continuity	3.49	69.85	6.59	0.000*	7
5.	The beneficiary promotes well for his/her project.	3.71	74.20	10.64	0.000*	5
6.	The beneficiary constantly develops his/her project.	3.86	77.10	12.41	0.000*	3
7.	Place of project is good to present the product.	3.79	75.74	12.84	0.000*	4
8.	The project owner has the needed experience for the success of the project	4.23	84.50	25.64	0.000*	2
9.	Prices of products are competitive in the market.	3.71	74.20	10.83	0.000*	5
	All paragraphs of the field	3.75	75.06	15.05	0.000*	

* The mean is significantly different from 3

5.3 Research Hypotheses

1. **There is a significant relationship between the success of SPFP implemented by the Ministry of National Economy in Gaza and Loan Amount at level of significance ($\alpha \leq 0.05$).**

Table (5.18) shows that the correlation coefficient between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Loan Amount equals .142 and the p-value (Sig.) equals 0.022. The p-value (Sig.) is less than 0.05, so the correlation coefficient is statistically significant at $\alpha = 0.05$. We conclude there exists a significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Loan Amount.

Capital is considered one of the most important elements of any project success. Since the Finance Committee estimates the amount exactly needed to set up any project through feasibility studies and field visits which ensures estimating the required amount to implement the project without any increasing or decreasing. So without the loan, the beneficiary will not be able to start the project and purchase the machinery & equipment needed and required. The respondents agree to this variable because the loan amount was sufficient for them, which will lead to project success and thus to program success.

- The study of Al Dammagh (2010) resulted that the project relies mainly on funding from lending institutions.

Table (5.18): Correlation coefficient between the success of SPFP implemented by the Ministry of National Economy in Gaza and Loan Amount

	Pearson Correlation Coefficient	P-Value (Sig.)
There is a statistical significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Loan Amount.	.142	0.022

* Correlation is statistically significant at 0.05 level

2. There is a significant relationship between the success of SPFP implemented by the Ministry of National Economy in Gaza and Number of Employees at level of significance ($\alpha \leq 0.05$).

Table (5.19) shows that the correlation coefficient between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Number of Employees equals .222 and the p-value (Sig.) equals 0.001. The p-value (Sig.) is less than 0.05, so the correlation coefficient is statistically significant at $\alpha = 0.05$. We conclude there exists a significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Number of Employees.

This is because there is adequate number of employees for reception, answering phones, field visits, ..etc. also there is a financial staff specialized in lending loans, dealing with banks and repayments. So this reflects the satisfaction of beneficiaries for the number of program staff, so anyone can come to make or ask for any transaction he/ she will find the answer for all required questions. This will lead to program success.

- The study of Al ajiz (2008) recommended with the need for getting the attention to grant the employees the power and effective delegation to resolve the problems facing them to improve the working methods of lending programs.

Table (5.19): Correlation coefficient between the success of SPFP implemented by the Ministry of National Economy in Gaza and Number of Employees

	Pearson Correlation Coefficient	P-Value (Sig.)
There is a statistical significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Number of Employees	.222	0.001*

* Correlation is statistically significant at 0.05 level

3. There is a statistical significant relationship between the success of SPFP implemented by the Ministry of National Economy in Gaza and Efficiency of Employees at level of significance ($\alpha \leq 0.05$).

Table (5.20) shows that the correlation coefficient between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Efficiency of Employees equals .295 and the p-value (Sig.) equals 0.000. The p-value (Sig.) is less than 0.05, so the correlation coefficient is statistically significant at $\alpha = 0.05$. We conclude there exists a significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Efficiency of Employees.

This indicates that the program employees have high efficiency, skills and experience. And they are dealing kindly with the public, communicating effectively with them and always providing them advices and good ideas. So because of that the respondents agreed to the efficiency of the employees without any problems or objections, which will lead to the program success.

- The study of Aqel (2010) recommended with the need for getting attention to lending institutions to prepare feasibility study for the presented projects to ensure the possibility of its success. And this is what the small projects financing program staff is doing.
- The study of Al ajiz (2008) demonstrated the need to focus attention to the customer through continuous communication between them and enhance the level of attention in solving the problems faced by customers as soon as possible.
- The research of Al mamoun (2009) revealed that effective human resources and more training for lending staff will lead to the success of microfinance.
- The study of Samouel, Sharon, Charlotte, Ekow and Mary (2012) recommended that players in the lending sector must be qualified, experienced, honest and morally upright.

Table (5.20): Correlation coefficient between the success of SPFP implemented by the Ministry of National Economy in Gaza and Efficiency of Employees

	Pearson Correlation Coefficient	P-Value (Sig.)
There is a statistical significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Efficiency of Employees	.295	0.000*

* Correlation is statistically significant at 0.05 level

- 4. There is a statistical significant relationship between the success of SPFP implemented by the Ministry of National Economy in Gaza and Program Promotion at level of significance ($\alpha \leq 0.05$).**

Table (5.21) shows that the correlation coefficient between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Program Promotion equals .377 and the p-value (Sig.) equals 0.000. The p-value (Sig.) is less than 0.05, so the correlation coefficient is statistically significant at $\alpha = 0.05$. We conclude there exists a significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Program Promotion.

This means that when the promotion increase, the success of the program will increase. Also when there are more workshops and seminars about the program, and more brochures distributed about it, this will increase the success of it. So the program must promote more for its activities in video and audio media and provide more brochures to make it known to all public and to make the program succeed.

Table (5.21): Correlation coefficient between the success of SPFP implemented by the Ministry of National Economy in Gaza and Program Promotion

	Pearson Correlation Coefficient	P-Value (Sig.)
There is a statistical significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Program Promotion	.377	0.000*

* Correlation is statistically significant at 0.05 level

5. There is a statistical significant relationship between the success of SPFP implemented by the Ministry of National Economy in Gaza and Guarantees at level of significance ($\alpha \leq 0.05$).

Table (5.22) shows that the correlation coefficient between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Collaterals equals .335 and the p-value (Sig.) equals 0.000. The p-value (Sig.) is less than 0.05, so the correlation coefficient is statistically significant at $\alpha = 0.05$. We conclude there exists a significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Guarantees.

Guarantee is considered a key factor for the success and the sustainability of the program. And all beneficiaries agree on it. If the guarantees are not exist so no one of beneficiaries will pay

the outstanding loans. Then the program will stop and fail, because there is nothing will force the beneficiary to pay.

- The study of Aqel (2010) resulted that guarantees provided by the credit sectors affect the decision to grant credit in microfinance institutions in Gaza Strip. The study recommended with the need for mitigations in respect of guarantees so as to ensure the right of lending institutions and programs of recovery loans.
- The study of Ali, Alrawi and Bitat (2011) resulted that Iraqi private banks contributed to a positive role in the financing of small and medium enterprises through the guarantees provided by the Iraqi Company for Bank Guarantees.
- The study of Al dammagh (2006) recommended with the need to prepare an assessment guide of the guarantees provided by the customers.
- The results of the study of Lindsay (2010) showed that the person who comes to get advantage of the loan must has guarantees in case of defaults.
- The study of Al mamun (2009) demonstrated that the collaterals free lending system is considered a significant success factor of microfinance.

Table (5.22): Correlation coefficient between the success of SPFP implemented by the Ministry of National Economy in Gaza and Guarantees

	Pearson Correlation Coefficient	P-Value (Sig.)
There is a statistical significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Guarantees.	.335	0.000*

* Correlation is statistically significant at 0.05 level

6. There is a statistical significant relationship between the success of SPFP by the Ministry of National Economy in Gaza and Integrity at level of significance ($\alpha \leq 0.05$).

Table (5.23) shows that the correlation coefficient between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Integrity equals .309 and the p-value (Sig.) equals 0.000. The p-value (Sig.) is less than 0.05, so the correlation coefficient is statistically significant at $\alpha = 0.05$. This means that there exists a significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Integrity.

The integrity and transparency encouraged all community groups and sects to apply for funding their projects without fear. As the sole criterion for project acceptance is the practical experience. So the program committee must deal with integrity and transparency to make the

program succeed without any discrimination. The acceptance of the project must depend only on the experience and efficiency of the beneficiary. This will make the program has a goodwill which will lead to program success.

- The study of Aqel (2010) resulted that the granting decision of credit is due to years of experience and scientific degree. The study recommended that lending institutions working in Gaza Strip must take care of practical experience.

Table (5.23): Correlation coefficient between the success of SPFP implemented by the Ministry of National Economy in Gaza and Integrity

	Pearson Correlation Coefficient	P-Value (Sig.)
There is a statistical significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Integrity	.309	0.000*

* Correlation is statistically significant at 0.05 level

7. There is a statistical significant relationship between the success of SPFP implemented by the Ministry of National Economy in Gaza and Following Projects up at level of significance ($\alpha \leq 0.05$).

Table (5.24) shows that the correlation coefficient between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Following Projects up equals .155 and the p-value (Sig.) equals 0.014. The p-value (Sig.) is less than 0.05, so the correlation coefficient is statistically significant at $\alpha = 0.05$. This means that there exists a significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Following Projects up.

Field visits are considered a key element to the beneficiary to develop and improve the project, which will lead to project success and thus to program success.

- The study of Al safadi (2004) resulted that there is no statistically significant relationship between the care of lending institutions to provide technical and financial

consulting for projects and the development of these projects, but not statistically strong.

- The study of Al dammagh (2010) showed the need to have a unit to follow and care of project.
- The study of Al nakhala (2012) resulted with the need to follow beneficiaries of the incubators after financing their projects and try to help them.

Table (5.24): Correlation coefficient between the success of SPFP implemented by the Ministry of National Economy in Gaza and Following Projects up

	Pearson Correlation Coefficient	P-Value (Sig.)
There is a statistical significant relationship between the success of Small Projects Financing program implemented by the Ministry of National Economy in Gaza and Following Projects up	.155	0.014*

* Correlation is statistically significant at 0.05 level

Chapter six

Results

and

Recommendations

6.1 Results

The study aimed to determine to what extent does the Small Projects Financing Program which is implemented by the Ministry of national economy succeed? From the perspective of beneficiaries. The following are the most important findings of the study, we also offer recommendations proposed in the light of those results:

6.1.1 The results of descriptive analysis:

1. Services projects occupied the largest percentage of sample size which is 34.5% . This is consistent with the general trend toward increasing the proportion of the contribution of the service sector in the GDP.

2. 73% of the sample size are married, because there is apriority for financing entrepreneurs with dependency.

3. 53.5% of sample size are projects funded in Gaza Province. This is due to several reasons including: the existence of headquarter of the program is in Gaza City, and because of the weaknesses of the program promotion in the rest of the Cities of Gaza Strip.

4. Those in charge of this program caring about preparing feasibility studies for presented projects. Where there is a staff to prepare these studies with the beneficiaries, which is considered as indicator for accepting or rejecting the project.

5. There are several reasons for the failure of the projects that have been funded including:

- Israeli siege imposed on the Gaza Strip since nine years.
- The war on Gaza Strip in 2014 which led to the complete destruction of some projects and partial destruction of other projects.
- The low purchasing power of people in Gaza Strip as a result of the previous reasons.

6.1.2 The results of quantitative analysis: (Hypotheses Testing)

Pearson Correlation Test was used to test the hypotheses and it is suitable, where the data distribution follows a normal distribution, and the results were as follows:

- There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Loan Amount at level of significance ($\alpha \leq 0.05$).
- There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Number of Program's Employees at level of significance ($\alpha \leq 0.05$).
- There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Efficiency of Employees at level of significance ($\alpha \leq 0.05$).
- There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Program Promotion at level of significance ($\alpha \leq 0.05$).
- There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Guarantees at level of significance ($\alpha \leq 0.05$).
- There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Integrity at level of significance ($\alpha \leq 0.05$).
- There is a statistical significant relationship between the success of small projects financing program implemented by the Ministry of National Economy in Gaza and Following Projects up at level of significance ($\alpha \leq 0.05$).

6.2 Recommendations

Through the results of the study, the following recommendations can contribute in increasing the effectiveness of the program from the perspective of the researcher:

1. The Ministry of Finance should increase the program portfolio to provide funding to a large number of beneficiaries. Thus contribute to solving the unemployment problem which is increased year after a year because of the huge number of graduates.
2. Establishing a joint data base for beneficiaries of lending institutions in Gaza Strip. So as to provide funding to a large number of beneficiaries and reduce the financial obligations on them, as well as to ensure the recovery of the loan amount.
3. Establishing business incubators and creating environment to assist in the growth & development of SMEs.
4. Communicating with lending institutions in Arab and Islamic countries, in order to support the program portfolio. And thus focusing the support toward development side instead of relief side.
5. Activating the social role of Islamic Banks and large organizations working in Gaza Strip. Thus through providing free interests loans to the owners of creative ideas by communicating with Small Projects Financing Program.
6. Organizing a lot of seminars, meetings and workshops about small projects and its importance to the Palestinian Economy, especially in the current bad circumstances where it is difficult to establish a huge and large projects because of the Israeli Occupation.
7. Organizing regular exhibitions with the participation of local universities, to present the products of small projects in order to market these products.
8. Using an effective strategy to promoting the program through different video and audio media. As well as effective communication through the social networking sites, and providing brochures about the program at all Gaza governorates.
9. Advertising about financial and non-financial awards for the best project which was funded, to ensure the success of projects funded.
10. Expanding the work with banks working in Gaza Strip.
11. Adapting new guarantees plus the governmental employees.
12. Held a series of training courses for the program employees, to develop their skills and abilities.

13. Due to the political situation and the big risks facing the establishment of large projects in Gaza Strip, attention must support establishing small businesses through: providing tax exemptions and facilitating registration and licensing procedures.
14. Preparing a guidebook including the most important projects that can be established in Gaza Strip and compatible with the needs of the local market, and with the experiences of beneficiaries. And update this guidebook on a regular basis.
15. Supporting the important and eco-friendly projects through: providing part of the loan amount as a grant, or by increasing the permitting period.
16. Coordinating the efforts between governmental and nongovernmental organizations working in the field of lending, in order to strengthen the development efforts that improve the Palestinian Economy. `

6.3 Recommendation for further studies

1. The role of governments in encouraging financing programs.
2. The role of private sectors in encouraging financing programs as social responsibility.
3. The impact of microfinance on individuals and society.
4. The relationship between microfinance and development.
5. The mechanism of financing small projects through soft loans in all funding programs.

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Appendixes

Appendix A

Refereeing book

ملحق رقم (1): كتاب التحكيم

بسم الله الرحمن الرحيم



الجامعة الإسلامية

عمادة الدراسات العليا

كلية التجارة

قسم إدارة الأعمال

الدكتور الفاضل/ حفظه الله

السلام عليكم ورحمة الله وبركاته،،،

الموضوع/ تحكيم استبانة

تقوم الباحثة بإجراء دراسة ماجستير بعنوان " إلى أي مدى يعتبر برنامج تمويل المشاريع الصغيرة المدار من قبل وزارة الاقتصاد الوطني ناجحاً" (من وجهة نظر المستفيدين)، وذلك استكمالاً لمتطلبات الحصول على درجة الماجستير في إدارة الأعمال. وبهدف إعداد وتطوير الاستبانة فقد استندت الباحثة في فقراتها على دراسة استطلاعية للفئة المستهدفة والى أدبيات الدراسة والإجراءات المتبعة في برنامج تمويل المشاريع الصغيرة، إضافة إلى الخبرة الشخصية للباحثة.

إن خبرتكم الكبيرة في هذا المجال وثقة الباحثة بكم جعلتها تضع استبانة الدراسة المرفقة بين أيديكم للوقوف على صحة وصدق فقراتها وكذلك مدى صلاحيتها وملاءمتها. وتتطلع الباحثة إلى ملاحظاتكم وآرائكم النيرة التي ستكون ذات تأثير كبير في إخراج الاستبانة بشكل يتسم بالمنهجية العلمية وتحقيق الأهداف المرجوة منها، وذلك بإبداء ملاحظاتكم وإجراء تعديلات أو إضافات ترونها مناسبة وتثري هذا الاستبانة.

شاكرين لكم حسن تعاونكم معنا

وتفضلوا بقبول فائق الاحترام والتقدير،،،

الباحثة

آلاء طلعت القيسي

Appendix B
Questionnaire Referees

Name	University
Dr. Samir Safi	Islamic University of Gaza
Dr. Khalil El Namroti	Islamic University of Gaza
Dr. Wasim El Habil	Islamic University of Gaza
Dr. Yousif Ashour	Islamic University of Gaza
Dr. Wael El Daya	Islamic University of Gaza

Appendix C Questionnaire (Arabic Version)



الجامعة الإسلامية
عمادة الدراسات العليا
كلية التجارة
قسم إدارة الأعمال

ملحق رقم (3): الاستبانة باللغة العربية

أخي ... الكريم

أختي الكريمة

تحية طيبة وبعد ،،،

تهدف هذه الاستبانة إلى معرفة إلى أي مدى يعتبر برنامج تمويل المشاريع الصغيرة المدار من قبل وزارة الاقتصاد الوطني ناجحاً من وجهة نظر المستفيدين، وذلك استكمالاً لمتطلبات الحصول على درجة الماجستير في إدارة الأعمال.

لذا ترحو الباحثة قراءة فقرات استبانة الدراسة بتمعن والإجابة عنها بدقة وموضوعية من أجل تحقيق هدف الدراسة، علماً أن المعلومات التي ستدلون بها ستعامل بسرية تامة ولن تستخدم إلا لأغراض البحث العلمي.

شاكرين لكم حسن تعاونكم

الباحثة

آلاء طلعت القيسي

القسم الأول: بيانات عامة/

يرجى الإجابة بوضع إشارة (✓) داخل المربع الذي يتفق وحالتك لكل مما يأتي:

العمر	<input type="checkbox"/> 20 سنة- أقل من 30 سنة	<input type="checkbox"/> 30- أقل من 40 سنة
	<input type="checkbox"/> 40- أقل من 50 سنة	<input type="checkbox"/> 50 سنة فأكثر
الجنس	<input type="checkbox"/> ذكر	<input type="checkbox"/> أنثى
المؤهل العلمي	<input type="checkbox"/> ثانوية فما دون	<input type="checkbox"/> دبلوم
	<input type="checkbox"/> بكالوريوس	<input type="checkbox"/> دراسات عليا
عدد سنوات الخبرة في مجال المشروع الممول	<input type="checkbox"/> أقل من 3 سنوات	<input type="checkbox"/> 3 - أقل من 5 سنوات
	<input type="checkbox"/> 5- أقل من 10 سنوات	<input type="checkbox"/> 10 سنوات فأكثر
طبيعة عمل المشروع	<input type="checkbox"/> صناعي	<input type="checkbox"/> زراعي
	<input type="checkbox"/> خدماتي	<input type="checkbox"/> تجاري
الحالة الاجتماعية	<input type="checkbox"/> متزوج	<input type="checkbox"/> أعزب
	<input type="checkbox"/> مطلق	<input type="checkbox"/> أرمل
الدخل الشهري	<input type="checkbox"/> دون 1000 شيكل	<input type="checkbox"/> 1000- أقل من 1500 شيكل
	<input type="checkbox"/> 1500- أقل من 2000 شيكل	<input type="checkbox"/> 2000 شيكل فأكثر
المحافظة	<input type="checkbox"/> الشمال	<input type="checkbox"/> غزة
	<input type="checkbox"/> الوسطى	<input type="checkbox"/> خان يونس
	<input type="checkbox"/> رفح	

القسم الثاني:

1. أثر مبلغ القرض على نجاح برنامج تمويل المشاريع الصغيرة:

بند	درجة كبيرة جدا	درجة كبيرة	درجة متوسطة	درجة قليلة	درجة قليلة جدا
1- يساعد مبلغ القرض المستفيد في شراء الآلات- المعدات - المواد الخام اللازمة لتشغيل المشروع.					
2- يعتبر مبلغ القرض الذي حصل عليه المستفيد كافياً.					
3- يرغب المستفيد بإضافة مساهمة مالية إلى مبلغ القرض.					
4- يساعد استلام المبلغ على دفعات في معرفة المطلوب وغير المطلوب لمستلزمات المشروع.					
5- يرغب المستفيد في الحصول على قرض جديد بعد انتهاء القرض الحالي.					
6- يتناسب مبلغ القرض مع حجم التمويل اللازم للمشروع.					

2. أثر عدد الموظفين العاملين في برنامج تمويل المشاريع الصغيرة على نجاحه:

بند	درجة كبيرة جدا	درجة كبيرة	درجة متوسطة	درجة قليلة	درجة قليلة جدا
1- يعتبر عدد موظفي البرنامج كافياً لإنجاز المعاملات.					
2- يعتبر عدد موظفي البرنامج كافياً لاستقبال الطلبات.					
3- يعتبر عدد موظفي البرنامج كافياً للرد على الاستفسارات والمراجعات.					
4- يعتبر عدد موظفي البرنامج كافياً للزيارات الميدانية.					
5- يعتبر عدد موظفي البرنامج كافياً لمعالجة الطلبات المقدمة.					
6- يعتبر عدد موظفي البرنامج كافياً لإدخال طلبات وبيانات المستفيدين.					
7- تتم عملية تمويل المشروع بسهولة ووقت قصير.					

3. أثر كفاءة الموظفين العاملين في برنامج تمويل المشاريع الصغيرة على نجاحه:

بند	درجة كبيرة جدا	درجة كبيرة	درجة متوسطة	درجة قليلة	درجة قليلة جدا
1- يتمتع فريق عمل برنامج تمويل المشاريع الصغيرة بالخبرة والكفاءة.					
2- يتعامل فريق العمل مع المستفيد بشكل لائق وحسن.					
3- يفسح فريق العمل المجال للمستفيد للتعبير عن مشروعه بكل أريحية.					
4- يتم حل المشكلات التي تواجه المستفيد بأقصى سرعة.					
5- يتم الاهتمام والاستجابة الفورية للاستفسارات والاقتراحات المطروحة من المستفيد.					
6- يتوفر لدى فريق العمل الكفاءة لتقييم المشاريع المقدمة.					

بدرجة قليلة جدا	بدرجة قليلة	بدرجة متوسطة	بدرجة كبيرة	بدرجة كبيرة جدا	البند
					7- يتوفر لدى فريق العمل الكفاءة لإعداد دراسة الجدوى مع المستفيد
					8- يتم التواصل مباشرة مع المستفيد لاستكمال الإجراءات، بعد قبول المشروع.
					9- تؤدي كفاءة موظفي البرنامج إلى ارتفاع معدل رضا المستفيدين.

4. أثر الترويج لبرنامج تمويل المشاريع الصغيرة على نجاحه:

بدرجة قليلة جدا	بدرجة قليلة	بدرجة متوسطة	بدرجة كبيرة	بدرجة كبيرة جدا	البند
					1- يوجد موقع على الإنترنت لبرنامج تمويل المشاريع الصغيرة.
					2- يستخدم برنامج تمويل المشاريع الصغيرة وسائل الإعلام المقروءة للترويج عن نشاطاته.
					3- ينشر برنامج تمويل المشاريع الصغيرة في الإذاعات المرئية والمسموعة عن نشاطاته ومشاريعه.
					4- يوفر البرنامج منشورات وكتيبات توضيحية عن آلية الاستفادة من البرنامج.
					5- تصل الإعلانات المتعلقة بالاستفادة من البرنامج إلى الجمهور بكل سهولة ويسر.
					6- يتم تعبئة طلبات التقديم عبر موقع الهيئة على الإنترنت.

5. أثر الضمانات على نجاح برنامج تمويل المشاريع الصغيرة:

بدرجة قليلة جدا	بدرجة قليلة	بدرجة متوسطة	بدرجة كبيرة	بدرجة كبيرة جدا	البند
					1- يشترط وجود كفلاء تضمن استرداد قيمة التمويل.
					2- يعتبر الضمان الذي يطلبه البرنامج قوياً، كون الكفيل موظفاً حكومياً.
					3- يتم التأكد من سلامة الضمانات المقدمة من المستفيد قبل منحه التمويل اللازم.
					4- تعتبر الضمانات التي يطلبها البرنامج كافية لاسترداد المبلغ المقترض في حال عجز المستفيد عن السداد.
					5- يضمن إبرام العقد مع المستفيد إرجاع قيمة مبلغ القرض.
					6- تتيح الضمانات التي يطلبها البرنامج الفرصة لاستمراره.
					7- يؤدي وجود الضمانات إلى إقبال المستفيد للاستفادة من البرنامج.

6. أثر النزاهة على نجاح برنامج تمويل المشاريع الصغيرة :

بدرجة قليلة جدا	بدرجة قليلة	بدرجة متوسطة	بدرجة كبيرة	بدرجة كبيرة جدا	البند
					1- يتم قبول المشروع بناءً على خبرات المستفيد ومؤهلاته.
					2- يتم اعتماد المشروع بناءً على تقديم المستفيد على النماذج المعتمدة في البرنامج.
					3- يتم الرد على الطلبات المقدمة خلال الفترة الزمنية المحددة للتقديم.
					4- يتم التعامل مع المستفيدين بكل مساواة ومصداقية.
					5- تتوفر المصداقية في لجنة البحث الميداني التابعة للبرنامج.
					6- تدرس طلبات التقديم بالترتيب وحسب زمن تقديمها.

7. أثر متابعة المشروع (الزيارات الميدانية) على نجاح برنامج تمويل المشاريع الصغيرة:

بدرجة قليلة جدا	بدرجة قليلة	بدرجة متوسطة	بدرجة كبيرة	بدرجة كبيرة جدا	البند
					1- تتم زيارات مبدئية ودورية لكل مشروع.
					2- تحفز الزيارات الميدانية المستفيد على إتمام المشروع على أكمل وجه.
					3- تتم متابعة المشاريع التي يمولها البرنامج ميدانياً منذ بداية المشروع حتى سداد مبلغ التمويل.
					4- يتم التحقق من تنفيذ المستفيد للمشروع حسب معايير البرنامج.
					5- يقدم موظفو البرنامج النصيحة والمشورة للمستفيد، لمساعدته في انجاز مشروعه وتطويره.
					6- يتم إعداد تقارير دورية عن الزيارات الميدانية للمستفيد.
					7- يوجد خطة عمل لفريق عمل الزيارات الميدانية.
					8- تعتبر المتابعة الدورية للمشروع لها دور في نجاحه وتحقيق أهدافه.

❖ إلى أي مدى يعتبر مشروع المستفيد ناجحاً:

بدرجة قليلة جداً	بدرجة قليلة	بدرجة متوسطة	بدرجة كبيرة	بدرجة كبيرة جداً	البند
					1- تخدم منتجات المشروع شريحة كبيرة من المجتمع.
					2- يوظف مشروع المستفيد عدداً من العمال.
					3- يوفر المشروع دخلاً مناسباً لصاحبه.
					4- يتوفر في المشروع مقومات لاستمراره.
					5- يقوم المستفيد بالترويج للمشروع بالشكل المناسب.
					6- يعمل صاحب المشروع على تطوير مشروعه باستمرار.
					7- يعتبر مقر المشروع مناسب لتقديم المنتج.
					8- يتوفر لدى صاحب المشروع الخبرة اللازمة لنجاح المشروع.
					9- تعتبر أسعار منتجات المشروع منافسة في السوق.

شاكرين لكم حسن تعاونكم

Appendix D Questionnaire (English Version)

ملحق رقم (4): الاستبانة باللغة الإنجليزية

The Islamic University of Gaza

Deanship of Higher Studies

Faculty of Commerce

Business Administration Department.

Dear brothers and sisters,

Very warm greetings....

This questionnaire aims at knowing to what extent this program of small projects fund that was managed by the Ministry of Economy is considered to be successful from the beneficiaries' perspective, in order to complete the requirements to get the master degree in business administration.

So, the researcher would like you to read the questionnaire carefully and answer the questions accurately and objectively to attain the goal of the research, taking into consideration that the information you will provide, will be kept and dealt with confidentially and will only be used for scientific research.

Thank you for your cooperation

Researcher

Alaa' Talat Al kaisi

First Part: General Information

Please tick (/) inside the square that best suits your situation:

Age

- 20 years- less than 30 years
- 30- less than 40 years
- 40 – less than 50 years
- 50 years or more

Sex

- Male
- Female

Qualification

- High school or less
- Diploma
- Bachelor
- Higher Education

Years of Experience in the field of the sponsored project

- Less than 3 years
- 3- less than 5 years
- 5 – less than 10 years
- 10 years or more

Nature of Project

- Industrial
- Agriculture
- Services
- Commercial

Marital Status

- Married
- Single
- Divorced
- Widowed

Monthly income

- Less than 1000 NIS
- 1000- less than 1500 NIS
- 1500 – less than 2000 NIS
- 2000 NIS or more

Governorate

- North
- Gaza
- Middle Area
- Khanyounis
- Rafah

To what level do you think your project is successful?

- Very high level
- High level
- Medium level
- Low level
- Very low level

Second Part:

1. The impact of Loan Amount on the Success of Microfinance:

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
1. Helps the beneficiary buy machinery- equipment- raw material needed to run the project					
2. The loan amount received by the beneficiary is enough					
3. The beneficiary would like to contribute financially to the loan amount					
4. To receive the loan amount with payments helps to know what is required and un required for the project needs					
5. The beneficiary would like to receive a new loan after the current one					
6. The loan amount is appropriate with the amount of fund needed for the project					

2. The impact of Number Of Employees on the Success of Microfinance

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
1. Number of employees is enough to complete transactions					
2. Number of employees is enough to receive applications					
3. Number of employees is enough to answer questions and reviews					
4. Number of employees is enough for field visits					
5. Number of employees is enough to process the applications.					
6. Number of program employees is enough to enter data of beneficiaries					
7. Financing the project is done easily and quickly					

3. The impact of Efficiency of Employees on the Success of Microfinance:

Item	Very High degree	High degree	Medium degree	Low degree	Very low degree
1. The team of employees working in microfinance is experienced and efficient.					
2. The team deals appropriately with beneficiaries.					
3. The team gives a chance for beneficiaries to express their project comfortably.					
4. The problems of beneficiaries are solved quickly.					
5. Questions and concerns are immediately answered and taken care of					
6. The team is qualified to evaluate projects.					
7. The team is qualified to prepare feasibility studies with beneficiaries.					
8. Direct communication is done with beneficiaries to complete procedures, after acceptance of project.					
9. Efficiency of employees leads to increase beneficiaries satisfaction					

4. The impact of Promotion on Success of Microfinance:

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
1. There's a website for microfinance program					
2. The microfinance uses print media to promote its activities.					
3. The microfinance publishes about its projects in video and audio media					
4. The program provides brochures and pamphlets about how to benefit from it.					
5. Hanging ads about the project reaches beneficiaries easily.					
6. Online applications are filled through the website of the commission					

5. The impact of Guarantees on the Success of Microfinance:

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
1. There should be sponsors to ensure recovery of fund					
2. The guarantee is strong since the sponsor is a governmental employee.					
3. Guarantees provided by beneficiary are certified before giving the fund.					
4. Guarantees are enough to recover the amount of loan in case beneficiary couldn't return back the loan.					
5. Contract with beneficiary ensures return of the loan					
6. Guarantees by the program ensure sustainability.					
7. Guarantees lead to receive more beneficiaries.					

6. The impact of Integrity on the Success of Microfinance:

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
1. Project is accepted based of qualifications and experience of beneficiary.					
2. Project is adopted based on provided and adopted form by beneficiary in the program.					
3. Applications are replied to in the assigned time for application.					
4. Beneficiaries are dealt with a sense of equity and credibility					
5. Credibility is available among the committee of field research of the program.					
6. Applications are screened in order and according to time of application.					

7. The impact of Project Follow-Up (Field Visits) on the Success of Microfinance:

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
1. Primary periodical visits are done					
2. Field visits encourage beneficiary to complete his project well.					
3. Field visits are conducted from the beginning of the project until recovery of fund.					
4. Project is checked to meet the program standards.					
5. Program employees provide advice and consultation for beneficiaries to help him implement and develop his project.					
6. Periodical reports about field visits are prepared.					
7. There's a work plan for team of field visits.					
8. Monthly follow-up for the project contributes to its success and meeting the needs					

❖ To What Extent Is The Beneficiary Project Successful:

Item	Very high degree	High degree	Medium degree	Low degree	Very low degree
1. Products of project serves a big sector of the community.					
2. Beneficiary project hires a number of workers.					
3. The project provides a good income for beneficiary.					
4. The project has elements of continuity					
5. The beneficiary promotes well for his project.					
6. The beneficiary constantly develops his project.					
7. Place of project is good to present the product.					
8. The project owner has the needed experience for the success of the project					
9. Prices of products are competitive in the market.					

Thank you for your cooperation