



**AN ASSESSMENT OF CONTRIBUTIONS OF MICRO LOAN TO ECONOMIC
DEVELOPMENT AND EMPOWERMENT OF RURAL AND MARKET
WOMEN IN NIGERIA**

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Abstract

This study investigates women's economic empowerment in relation to micro-credit schemes in Nigeria. The study also evaluates the benefits and limitations of micro-credit as a resourceful means of enhancing women's economic activities in the labour market and eliminating poverty among market and rural women. Micro-credit schemes and institutions which provide soft loans to women have become a critical tool in development programmes aiming to empower them. Besides, it is widely accepted among development practitioners that micro-credit schemes not only contribute to poverty reduction but also empower the have-nots. This study will employ as its methodology, ethnographic field research. This includes semi-structured interviews and participant observation. In addition, data will be obtained from state databases, archives and development websites. Throughout, both qualitative and quantitative methods and analysis will be used. This study will examine whether micro-credit provides finance to enhance market and rural women's participation in production and trade. All this may render empowerment for women more difficult to achieve if not properly handled although it makes a practical contribution to their everyday lives. Based on the findings of this work, relevant recommendations will be made to the loan providing institutions, women affair supervising ministry at both central and state levels.

Keywords: Micro-credit, Women empowerment, Poverty alleviation, Market women, Development

INTRODUCTION

Micro credit is the extension of very small loans (micro loans) to the unemployed, poor entrepreneurs and others living in poverty that are not bankable. These individuals lack collateral, steady employment and a veritable credit history and therefore cannot meet even the most minimal qualifications to gain access to traditional credit. Micro credit is a part of micro finance which is the provision of financial services to the very poor, apart from loans; it includes savings, micro insurance and other financial institutions. Today, women have become the focus of many micro credit institutions and agencies worldwide. The reason behind this is the observation that loans to women tend to often benefit the whole family than loans to men do. It has also been observed that giving women the control and the responsibility of small loans

raises their socio-economic status, which is seen as a positive change to many of the current relationships of gender and class. However, there is an ongoing debate about whether micro credit loans have the power to truly change established political and economic relationships. Empowerment means the ability to make a strategic choice, which requires power, choice, option, and control in one's day to day affairs. This also includes self-esteem, autonomy, agency, and self-determination over life and economic resources to affect positively their own and dependent's well-being (Malhotra, Schuler, & Boender, 2002). It refers to the ability of women to own and control material assets, explores their full potential, freedom of making choice, determining her own destiny, choice of mobility, and autonomy that directly or indirectly affect their lives and lives of their family members (Vaessen, 2014). According to Kabeer (1999) resources, agency and outcomes (achievements) are the important dimensions of empowerment. Resources mean decision making regarding the available resources. Agency means the ability and authority to make a decision and implement accordingly. Kabeer (2005) describes empowerment as, "the expansion in people's ability to make strategic life choices in a context, where this ability was previously denied to them". Women empowerment could be implied in multiple dimensions. Culture, religion, socio-political and socio-economic factors are affecting the empowerment issue.

According to the Neha (2017), putting resources into women's hands to attain gender equality in society will result in significant development. Females have the God-gifted ability to be more responsible, committed, and innovative. So in this way, if they get financial support then they could serve their families well and could contribute towards building a better future of the society (Malhotra, et. al., 2002). Microfinance is considered to be an effective mechanism of economically empowering women which results in better living standard, social status, the condition of household, quality of life and welfare (wellbeing) of the whole family. Access to micro-credit empowers women psychologically and socially. Microfinance positively contributed towards decision making power, skill development, participation in family development, knowledge, confidence, courage, legal awareness, self-worthiness and social status (economic and social situation) which ultimately translated into the betterment of income level, household assets, savings, the standard of living, and well-being of the family (Ifelunini, & Wosowei, 2012). For this very reason many Micro Finance Institutions particularly targeting women (through direct lending and/or through Self Help Groups), providing them financial and non-financial services. Thus, the present study is initiated to inquire into the impacts of micro credit on empowering women through entrepreneurship development (ED) in Nigeria.

STATEMENT OF PROBLEM

Women form an important segment of the labour force and the economic roles played by them cannot be isolated from the frame work of development. The role of women as business owners is gradually increasing all over the world. Women entrepreneurship development is the instrument of women empowerment. Empowerment leads to self-fulfillment and women become aware of where they are going, what their position is in the society, their status existence and rights and women are becoming more empowered, personally and economically through business ownership.

However, rural women in Nigeria are confronted with plethora of challenges. Access to easy and affordable finance and marketing is identified as prominent challenge by majority of women entrepreneurs (Panandikar, 1985). Hefty prices of raw materials, cumbersome procedures of licensing and registration and exclusion from banking and financial services create obstacles for rural women entrepreneurs (Vinze, 1987). Rural women entrepreneurs are often plagued with very weak financial status owing to which they are constrained. Lack of social and family cooperation, illiteracy and unawareness about various government schemes and programs hinder development of women entrepreneurship (Rao, 1991). Women entrepreneurs often report challenges associated with financial, labour and marketing problems (Chandra, 1991). Lack of cash flow and working capital, lack of manufacturing experience and burden of household responsibilities pose a serious challenge to women entrepreneurs of Nigeria (Das, 1999).

Social conditioning renders women to be shy, introvert and more concerned with family obligations. Shyness in business interactions, low achievement motivation, risk averse attitude, lower level of education, burden of family obligations, gender bias at the level of family and society, lack of managerial skills and experience, lack of business related information, non availability of finance are some of the challenges, (Singh & Saxena, 2000).

OBJECTIVES OF THE STUDY

1. To evaluate the benefits and limitations of micro credit to women economic empowerment
2. To assess the contribution of micro credit to reduction of poverty among women
3. To examine the impacts of micro credit on women participation in home decision making and community development

LITERATURE REVIEW

Low-income women that do not have access to formal financial institutions are the typical clients of microfinance banks. Microfinance clients are typically self-employed, often household-based entrepreneurs. In rural areas, they are usually small farmers and others who are engaged in small income-generating activities such as food processing and petty trade. In urban areas, microfinance activities are more diverse and include shopkeepers, service providers, artisans, street vendors, etc. Microfinance clients are poor and vulnerable non-poor who have a relatively stable source of income (Ehingiamuse, 2008).

Iweala (2005) opines that the latent capacity of poor for entrepreneurship would be significantly enhanced through the provision of microfinance services to enable them engage in more economic activities and be more self-reliant, increase employment opportunities, enhance household income and create wealth. Fashola (2008) asserted that with microfinance, graduates roaming the streets in search of jobs would have a new orientation to start their own business and become employers of labour and generate wealth for themselves, their families and the nation. Niekerk (2008) believed that robust economic growth could not be achieved without putting in place a well structured framework that could be meaningfully supported economic activities at the grassroots, such as the microfinance platform. He stressed that micro credit is an important liberating force in an economy and must be extended not only to poor but, to the active sector of the economy.

Ojo (2009) agreed that women play a crucial role in the economic development of their families and communities but certain obstacles such as poverty, unemployment, low household income and societal discrimination mostly in developing countries have hindered their effective performance of that role. They hypothesized that: credit, savings, training and social capital are positively related to women entrepreneurs' performance in Nigeria; credit; credit, savings, training and social capital are positively related to opportunity for entrepreneurial activity of women entrepreneur in Nigeria; and that opportunity for entrepreneurial activity acts as a link between microfinance factors and women entrepreneurs' performance.

Alade, Amusa & Adekunle (2013) argued that the extent to which microfinance, entrepreneurship and sustainability are interrelated is dependent on the extent to which it addresses the economic development process and concluded that the economic benefits of sustainable micro-entrepreneurship in LDCs are compelling, and its potential effects on the development process are equally promising. In terms of development and social impact, the microfinance industry allows significant improvements in quality of life for the micro-entrepreneurs of LDCs around the world and makes them to stabilize the cash flow of their economic activity, bringing security to the enterprise. This allows them to better manage spending, which often generates savings; and provides better standards of living to their family, and dependents in terms of housing, nutrition, health and education. Finally, an access to banking and increased security promotes a sense of entrepreneurship, and thus their self-esteem and reputation increase.

Buvinic, Mayra and King (2007) opined that the under-performance of women's businesses should be of concern, as it indicates an underutilization of women's economic potential. While women's enterprises are often smaller than men's, they are nonetheless important for income and job generation. Moreover, their income produces a multiplier effect on society, given the evidence that income in the hands of women is more likely to be invested in their families and communities. Sabarwal and Katherine (2008) in a World Bank research on Eastern Europe and Central Asia has found those women's returns to scale are significantly higher than those of male-owned businesses, indicating that women would gain more from increasing their scale of operations

Underlying the current debate are three 'paradigms' on micro-finance and gender:

Financial self-sustainability paradigm: currently dominant within most donor agencies and in the models of micro-finance promoted in publications by USAID, World Bank, UNDP, CGAP and the Micro-credit Summit Campaign. Here the main consideration in programme design is provision of financially self-sustainable micro-finance services to large numbers of poor people, particularly micro-and small entrepreneurs. The focus is on setting of interest rate "right" to cover costs, to separate micro-finance from other interventions to enable separate accounting, to expand programmes so as to capture economies of scale, to use groups to decrease costs of delivery. Gender lobbies have been able to argue for targeting women on the grounds of high female repayment rates and contribution of women's economic activity to economic growth. In this paradigm, it is assumed that increasing women's access to micro-finance services will in itself lead to individual economic empowerment, well-being and social and political empowerment.

Poverty alleviation paradigm: underlies poverty-targeted programmes. Here the main considerations are poverty reduction among the poorest, increased well-being and community development. The focus is on small savings and loan provision for consumption and production, group formation, etc. This paradigm justifies some level of subsidy for programmes working with particular client groups or in particular contexts. Some programmes have developed effective methodologies for poverty targeting and/or operating in remote areas. Gender lobbies in this context have argued for targeting women, because of higher levels of female poverty and because of women's responsibility for household well-being. Poverty alleviation and women's empowerment are seen as two sides of the same coin. The assumption is that increasing women's access to micro-finance (together with other interventions to improve household well-being) will in itself increase women to bring about wider changes in gender inequality.

Feminist empowerment paradigm: underlies the gender policies of many NGOs and the perspectives of some of the consultants and researchers looking at gender impact of micro-finance programmes (eg. Johnson, 1997). Here the underlying concerns are gender equality⁴ and women's human rights. Micro-finance is promoted as an entry point in the context of a wider strategy for women's economic and socio-political empowerment. The focus here is on gender awareness and feminist organization. Some programmes have developed very effective means for integrating gender awareness into programmes and for organizing women and men to challenge and change gender discrimination. Some also have legal rights support for women and engage in gender advocacy.

Naturally, most micro-finance programmes cannot be neatly grouped under any one of these three paradigms. Programmes following the same model of micro-finance provision may have very different gender policies and/or emphases and strategies for poverty alleviation. Even within many donor agencies, there is considerable disagreement. Staff involved in micro-finance, often follows financial self-sustainability, those concerned with human development have generally more sympathy for the poverty alleviation paradigm, emphasizing participation and integrated development and gender lobbies who favour at least some elements of the feminist empowerment paradigm.

ADVANTAGES OF ENTREPRENEURSHIP AMONG RURAL WOMEN

Empowering women particularly rural women is a challenge. Micro enterprises in rural area can help to meet these challenges. Micro – enterprises not only enhance national productivity, generate

employment but also help to develop economic independence, personal and social capabilities among rural women. Following are some of the personal and social capabilities, which were developed as result of taking up enterprise among rural women.

- Economic empowerment
- Improved standard of living
- Self confidence
- Enhance awareness
- Sense of achievement
- Increased social interaction
- Engaged in political activities
- Increased participation level in community meeting
- Improvement in leadership qualities
- Involvement in solving problems related to women and community
- Decision making capacity in family and community

RESEARCH METHODOLOGY

The study targeted the existing customers of the MFBs. Here key less city markets in Ibadan, Oyo State, Nigeria were selected for data collection. Branches of different MFBs of said areas were approached for identification of customers and in the same region, data was also collected from the non-users of microfinance. Individual users and non-users of microfinance are taken as the unit of analysis in this study. A questionnaire extracted from the works of Kabeer (1999), Pitt, Khandker, & Cartwright (2006) and Rahman & Naoroze, (2007) has been used. Data of a total of 385 respondents have been incorporated in the analysis.

A multilevel empirical investigation is used to analyze the impact of microfinance on the poor women of Nigeria. This research analyzes the impact of microfinance on poverty alleviation and the social and economic empowerment of women, simultaneously. Primary data of women using microfinance have been collected through a questionnaire. The questionnaire was administered by interviewee due to the inability of respondents to fill it. From the responses gathered a score of empowerment has been calculated for further empirical investigations.

DISCUSSION OF RESULTS

Table 1: Distributions of the respondents based on Socio-demographics

Variables		Frequency	Percent
Age	25-29 years	74	19.2
	30-34 years	86	22.3
	35-39 years	72	18.7
	40-44 years	91	23.6
	45-49 years	16	4.2
	50-54 years	23	6.0
	55-59 years	23	6.0
Religion	Muslim	226	58.7
	Christianity	159	41.3
Educational qualification	Primary school cert.	193	50.1
	Secondary school cert.	113	29.4
	OND/NCE	43	11.2
	HND/B.sc	36	9.4
Activity	Trading	349	90.6

	Artisan	36	9.4
Years of engagement in trade/business	.00	13	3.4
	1-5 years	64	16.6
	5-10 years	165	42.9
	10-15 years	45	11.7
	15-20 years	26	6.8
	20-25 years	42	10.9
	Above 25 years	30	7.8
Amount of capital	Undisclosed	24	6.2
	#20,000-#50,000	198	51.4
	#50,000-#100,000	83	21.6
	#100,000-#150,000	59	15.3
	#150,000-#200,000	9	2.3
	Above #200,000	12	3.1
Major source of capital	Personal savings	142	36.9
	Relatives/Friends	26	6.75
	Microfinance banks	217	56.36
Household expenditure	No response	11	2.9
	Below #10,000	138	35.8
	#10,000-#20,000	114	29.6
	#20,000-#30,000	110	28.6
	#30,000-#50,000	12	3.1
Married to a husband	No response	14	100.0
	Yes	278	72.2
	No	93	24.2
Age of marriage	No response	16	4.2
	15 years-20 years	47	12.2
	20 years-25 years	252	65.5
	25 years-30 years	36	9.4
	30 years-35 years	11	2.9
	35 years upward	23	6.0
Numbers of children	1-3	69	17.9
	3-5	207	53.8
	5 upwards	109	28.3
Husband average monthly income	Don't know	60	15.6
	Below #20,000	32	8.3
	#20,000-#50,000	270	70.1
	#50,000-#100,000	13	3.4
	#100,000-#150,000	10	2.6
	Total	385	100.0

Table 1, demonstrates that the larger percentage of the respondents 91(23.6%) were of the age range of 40-44 years, 19.2% were 25-29 years, 18.7% were 35-39 years, 6.0% were 55-59 years while the 4.2% were on the age range of 45-49 years of age. About half of respondents (193(50.1%) obtained primary school certificate, 29.4% obtained secondary school cert., 11.2% obtained OND while the least obtained HND. Majority of the respondents 349(90.6%) were traders while 9.4% were artisans. 42.9% of the respondents reported their years of engaging from 5-10 years, 16.6% reported from 1-5 years, 11.7% reported from 10-15 years as year of engaging while 7.8% reported their years of engaging from 25 years and above. About one-third (35.8%) of the respondents have expenditure below #10,000, 29.6% expends #10,000-#20,000, while the least spent #30,000-#50,000.,Larger percentage had husband while 24.2% do not have husband. Two-third (65.5%) of the women got married between the age 20 years – 25 years, 12.2% below the age of 20 years (15 years -20 years), 2.9% within the age 30 -35 years and 6.0% above the of 35 years. 53.8% reported that they had 3-5 children, 17.9% reported 1-3 children while 28.3% reported 5 children

and above. Larger percentage of the respondents 270(70.1%) reported their husband average income as ranging from #20,000-#50,000, 8.3% reported that their husbands earn below #20,000 as husband average monthly income while 2.6% reported #100,000-#150,000 as husbands' average monthly income.

Table 2: Income level and sources

	Response category	Frequency	Percent
Multiple source of Income	Yes	241	62.59
	No	144	37.4
Number of income source	No response	144	37.4
	2.00	80	20.8
	3.00	108	28.1
	4.00	46	11.9
	5.00	7	1.8
Total range of income	No response	90	23.4
	Below #20,000	55	14.3
	#20,000-#50,000	184	47.8
	#50,000-#100,000	51	13.2
	#100,000-#150,000	5	1.3

Table 2 reveals that about two-third 76.6(62.59%) of the respondents have more than one sources of income compared to 37.4% with only one source of income. The multiple sources of income range from 2 (20.8%) 3(28.1%), 4 (11.9%) to 5 (1.8%). Less than half (47.8%) of the women earn an income range of #20,000-#50,000, 14.3% earned below #20,000, 13.2% earned between #50,000-#100,000, while 1.3% earned income range from #100,000-#150,000.

Table 3: Involvement and participation in microcredit program

		Frequency	Percent
Currently Participation in microcredit programme	Yes	331	88.5
	No	37	9.6
Since when have you been accessing microcredit loans	2010.00	54	14.03
	2011.00	27	7.01
	2012.00	26	6.75
	2013.00	44	11.43
	2014.00	126	32.73
	2015.00	108	28.05
Loan and micro-credit sources	Personal loan	145	37.7
	SME	48	12.5
	SEAP	137	35.6
	Microfinance bank	55	14.2
Perceived benefit of microcredit	No	9	2.3
	Yes	376	97.7
benefits of microcredit	No response	9	2.3
	To boost business	199	51.7
	It profitable	17	4.4
	For saving and creating capital	94	24.4
	It increase turnover	26	6.8
	Makes me independent	40	10.4
Number of micro credit stream benefitted from	1 stream	174	45.2
	2 streams	132	34.3
	3 streams	79	20.5
Duration for micro-credit streams	3 Month	30	7.8

	6 month	236	61.3
	A year	119	30.9

Table 3 shows that larger percentage of the respondents (84.9%) currently were involved and participating in microcredit programmes while 11.4% did not participated. The women have been involved in micro-credit schemes since 2010 (14.0%), 2011 (7.01%), 2012 (6.75%), 2013 (11.43%), 2014(32.73%) and 2015 (28.05%). Demonstrating that the women have a history of participating in micro-credit finance programmes. Major sources of loans and micro-credit include SEAP (35.6%) personal loan (37.7%) from partner, family and friends with, government SMEs intervention programmes (12.5%)and micro-finance banks (10.1%). Majority of the respondents (97.7%) viewed that involvement in micro credits beneficial to them. The women listed the perceived benefits to include; microcredit boosting their businesses (51.7%),creating capital (24.4%),making the women financially independent (10.4%),increasing business turnover(6.8%) and profitability (4.4%).Most of the women benefitted from a single (45.2%), 2 (20.5%)3 (34.3%)streams of micro-credit. Majorly the streams runs for 6 months (61.3%), 3 months (30.9%) or the a whole year (7.8%).

Table 4: Loan utilisation, repayment pattern and perception of the interest rates

	Response	Frequency	Percent
What the loan was used for	Business	385	100.0
Loan to business has improve turnover	Yes	376	97.7
	No	9	2.3
Pattern of repayment	Weekly	128	33.2
	Monthly	257	66.8
Convenient repayment schedule	Yes	376	97.7
	No	9	2.3
Perception of the interest rate	High	32	8.3
	Moderate	353	91.7

Table 4 shows that all of the respondent reported that loan was for business. Majority of the respondents 376(97.7%) reported that it turnover while the least did not turnover. Two-third (66.8%) of the respondents repay their loan monthly while 33.2% repay weekly. 97.7% of the respondent were convenient with the repayment schedule while 2.3% were not convenient. Larger percentage of the respondents 353(91.7%) moderately have interest in the rate while 8.3% reported high interest.

Table 5: Women’s Material and social Empowerment

	Yes	No
Can buy clothes without husband or family member assistance	293(76.1%)	92(23.9%)
Own major goods for the household such as TV presently	251(65.2%)	134(34.8%)
own a landed properties	164(42.6%)	221(57.4%)
own valuables like jewelries	211(54.8%)	174(45.2%)
Independent saving personally controlled	136(35.3%)	249(64.7%)
Involved in decisions on whether to buy or sell properties	138(35.8%)	247(64.2%)
Involved in decisions on number of children to have	134(34.8%)	251(65.2%)
Involved in decisions whether to work outside the home	100(26.0%)	285(74.0%)
Feel comfortable giving personal opinion in the presence of husband or the other family member	204(53.0%)	181(47.0%)
Have opportunity of travelling outside the town without taking permission from my husband or other family member	118(30.6%)	267(69.4%)
Have opportunity of doing business with another man without taking permission from husband or other family member	238(61.8%)	147(38.1%)

Table 5, demonstrated that more than two-third (76.1%) of the respondents were empowered to clothe themselves with relying on their spouse or family members and many have procured major assets for the household (65.2%). More than half of the respondents own valuable like jewelries (54.8%) and were confident of expressing their opinion in the presence of their husband and family members (53.0%). The larger percentage of the women (61.8%) were empowered to do business with opposite sex without permission from their spouses. However, the majority of the women do not own land of their own (57.4%), do not have independent savings(64.7%), do not have the right to buy or sell properties (64.2%) do not have a say to work outside their home (65.2%) and many do not have opportunity to travel outside the town without telling their husband (69.4%).

Table 6: Socio-economic Development of the women

	Yes	No
Ability contribute to the family expenses on parent and family without husband consent	171(44.4%)	214(55.6%)
Opportunity to expresses ideas, opinions and be listen to by the people in the community	74(19.2%)	311(80.7%)
Enhancement in social status due to participation in the community development activities	238(61.8%)	147(38.1%)
Influences on other women in my group or community association	213(55.3%)	172(34.6%)
See status increased in the community	202(52.5%)	183(47.5%)

Table 6 shows that larger percentage of the respondents 214(55.6%) reported that they can't contribute to the expenses of their parent without informing their husband.80.7% reported that they do not have chance for community people to listen their ideas and opinions. Close a two third of the respondents (61.8%) sees improvement in their status due to being empowered to participate in the community developments activities. More than half (55.3%) reported having increased ability to mobilize and influence other women in their community associations. The greater percentage of the women (52.5%) also reported that they sees status increased in their community.

Table 7: Zero order correlation showing the relationship between income & capital, micro-credit utilizations, micro credit loan utilisation, ease of micro-credit payment were significantly associated with enhanced women's material/social empowerment and socio-economic development.

	Mean	S.D	1	2	3	4	5	6
Women empowerment	17.1091	1.7980	1	.336**	.286**	.012	.153**	.211*
Socio-development	6.9143	2.2811		1	.073	.064	.170**	.205*
Level of income capital	9.3325	2.2612			1	.067	.004	.460*
Micro credit involvement	15.6571	4.6834				1	.203**	.162*
Micro credit loan utilisation	8.2000	1.5458					1	.251*
Ease of micro-credit payment	5.6312	.66854						1

Table 7, shows that there was significant positive relationship between size of income & capital ($r=.29, p<0.05$), micro credit loan utilization ($r=.15, p<0.05$), ease of micro-credit repayment($r=.21, p<0.05$) and women's material/social empowerment. This shows that increase in income & capital, micro credit loan utilisation, ease of micro-credit repayment were significantly associated with enhanced women's material/social empowerment. Also, micro credit loan utilisation ($r=.17, p<0.05$), ease of micro-credit repayment ($r=.21, p<0.05$) were significantly associated women's social development.

H_{01} = There is no significant impact of micro-credit delivery on women economic empowerment. This hypothesis was analysed using t-test for independence and the result displayed in Table 7:

Table 8: t-test summary table showing the influence micro-credit delivery on women economic empowerment

	Micro-credit involvement and utilization	N	Mean	S.D	df	t-cal	t-tab	P
Women economic empowerment	Low	219	17.36	1.85	383	3.12	1.96	<0.01
	High	166	16.78	1.68				

Result in Table 8, demonstrate that there was significant impact of micro-credit delivery on women economic empowerment ($t(383) = 3.12, p < .01$). Women who received more in terms of microcredit reported better economic empowerment ($M = 14.58, S.D = 1.90$) compared to women who received lesser and utilized lesser micro credit. Thus, micro credit delivery influences empowerment of women. The null hypothesis is rejected and the alternate hypothesis accepted.

H_{02} = There is no significant impact of micro credit involvement and utilisation on poverty reduction among rural women. This hypothesis was analysed using t-test for independence and the result displayed in Table 9:

Table 9: t-test summary table showing difference between micro credit involvement and utilisation on poverty reduction among rural women.

	Micro-credit involvement and utilization	N	Mean	S.D	df	t-cal	t-tab	P
Socio economic development	Low	219	6.12	2.20	383	2.01	1.96	<0.05
	High	166	7.86	2.36				

The result demonstrated that there was significant impact of low micro-credit utilisation on socio-economic development of the women ($t(383) = 2.01, p < .05$). Women with high level of involvement in micro-credit utilization ($M = 7.86, S.D = 2.36$) reported better and higher socio-economic development than women with low micro-credit utilization and involvement ($M = 6.12, S.D = 2.20$). Thus self-help group influence socio-economic development women. The null hypothesis is rejected and the alternate hypothesis accepted.

Discussion

This result is in line with Kabeer (2001) who reveals that, credit households had higher incomes and consumption compared to non-credit households. Also, the findings corroborates Khandker and Cartwright (2006) who found that credit programs in Bangladesh led to greater household decision making, access to financial and economic resources, social networks, spousal bargaining power and greater.

CONCLUSION AND RECOMMENDATIONS

The study has been able to discover that microfinance bank is a powerful tool for women empowerment. It implies provision of financial services to poor and low-income women whose economic standing excludes them from formal financial systems. Access to services such as, credit, venture capital, savings, insurance, remittance is provided on a micro-scale enabling participation of women with severely limited

financial means. The provision of financial services to the poor helps to increase household income and economic security, build assets and reduce vulnerability; creates demand for other goods and services especially nutrition, education, and health care, and stimulates local economies.

We therefore recommend that:

- 1) Microfinance banks should encourage the formation of cooperatives so that a number of beneficiaries that are engaged in the similar business can collectively enjoy their services and hence a reduction in operating cost as well as a reduction in the likelihood for borrowers to default
- 2) Since microfinance has been proven by IMF and others as the institution that facilitates financial inclusion, alleviate poverty, improve health, income level, and educational level of the poor, government should as a matter of urgency provide fund for the rural women at a bearest minimum cost in which microfinance will provide the platform for the on lending.
- 3) Rural women and persons with latent capacity for entrepreneurship should be given training by the government such as workshop, symposium, seminars and as well as funds to be self reliant, engaged in economic activities, enhance household income and create wealth which microfinance will be in a better position to provide the platform for the exercise
- 4) The use of more solidarity groups inform of Self Help Groups (SHGs) in Nigeria could increase the amount of funds that are available to a group of borrowers.
- 5) Continue partnering and establishing referrals to microcredit providers in states to promote women's entrepreneurship development.
- 6) In partnership with women's business associations, promote the potential of banks reaching out to female customer
- 7) Highlight the continued disparities in women's access to finance and promote legal and regulatory solutions, such as the expansion of credit registries at the country level to take into account women's repayment records in microfinance or facilitate the use of moveable assets, such as equipment or accounts receivable as security for loans.

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