

UNIVERSITY OF GHANA  
COLLEGE OF HUMANITIES

MICRO-CREDIT AND THE SOCIOECONOMIC WELLBEING OF WOMEN. A CASE  
STUDY OF QUEEN OF PEACE CO-OPERATIVE CREDIT UNION

BY  
THELMA OGER ABAYATEYE  
(10314618)

THIS THESIS IS SUBMITTED TO THE UNIVERSITY OF GHANA, LEGON IN PARTIAL  
FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF MA DEVELOPMENT  
STUDIES DEGREE

INSTITUTE OF STATISTICAL SOCIAL AND ECONOMIC RESEARCH

JULY 2017

## DECLARATION

I hereby declare that this theses is the outcome of my work produced from research undertaken under supervision towards the award of Master of Arts Degree in Development Studies. To the best of my knowledge, it contains no work previously published by another person or organization which has been accepted for the award of any degree, except where reference has been made in the text, which has been duly acknowledged.

.....

.....

Thelma Oger Abayateye

Date

ID: 10314618

(Student)

.....

.....

Dr. Charles Godfred Ackah

Date

(Supervisor)

## **ABSTRACT**

Women lack economic resources, and have limited access to financial and non-financial resources. Over the years, credit facilities have been made available to women in the hope of improving their wellbeing. However, some school of thought have remained critical about the role micro-credit plays in the wellbeing of women. Given this, this study sought to explore the extent to which micro-credit can improve or contribute to the wellbeing of women, with emphasis on their income levels, asset accumulation and how they dealt with health issues.

The study was conducted in the context of La Nkwantanang Madina Assembly. A qualitative approach was used to gain the experiences of women members of Queen of Peace Co-operative Credit Union.

Findings from the study show that majority of the women experienced increases in their income levels, bringing about increased contribution to household expenditures and in the education of their wards. Support from spouses of the women also played a role in this regard. The findings from the study also showed that a significant number of the women experienced increases in asset accumulation as well as the credit enabling them to deal with health issues. The study also found out that the purpose for which the loan was put, played a significant role in the socioeconomic wellbeing of the women.

Organizations seeking to improve the wellbeing of women through the provision of micro-credit can focus on helping the women invest in income generating activities, as this might trickle down to other areas of their wellbeing such as their health and the education of their wards.

## **DEDICATION**

This work is dedicated to the Almighty God for seeing me through this study, and to my mother, Ms. Margaret Sottie for her immense support.

## **ACKNOWLEDGEMENT**

I will like to give thanks to the almighty God for seeing me through this program. My profound gratitude also goes to my supervisor, Dr. Charles Ackah- a Senior Research Fellow and Head of the Economics Division at the Institute of Statistical, Social and Economic Research, University of Ghana, for his guidance, comments, and constructive criticisms, which helped shape this dissertation. God richly bless you.

I would also like to thank Dr. Simon Bawakyillenuo, a Research Fellow at the Institute of Statistical, Social and Economic Research, University of Ghana for his encouragement and advice during the period I was a student of the Institute. Many thanks also go to all my lecturers who taught me during the period of my study at ISSER.

I am also indebted to the Staff of Queen of Peace Corporative Credit Union for the support they offered me during the period of my data collection. The immense contribution of Mr. Lenin Commodore is also acknowledged.

Lastly, my sincere thank you goes to my course mates of the M.A Development Studies 2016/2017 class for their support.

## Table of Contents

DECLARATION .....	ii
ABSTRACT .....	iii
DEDICATION .....	iv
ACKNOWLEDGEMENT .....	v
LIST OF FIGURES .....	ix
LIST OF TABLES.....	x
LIST OF ABBREVIATIONS .....	xi
CHAPTER ONE .....	1
1.0 Background to the Study .....	1
1.1. Problem Statement.....	4
1.2. Research Questions .....	5
1.3. Research Objectives .....	5
1.4. Justification and Significance of study.....	5
1.5. Scope of the study.....	6
1.6. Organization of the study .....	6
CHAPTER TWO .....	8
2.0. Introduction.....	8
2.1. Historical Overview.....	8
2.2 Conceptualizing Micro-credit .....	9
2.3 Rationale for micro-credit .....	10
2.4. Micro-credit and Microfinance.....	11
2.5. Wellbeing approach.....	13
2.6 Micro-credit approach and wellbeing of women.....	14
2.6.2. Micro-credit and social wellbeing of women .....	19
2.7 Approaches to measuring the impact of micro-credit .....	20
2.8. Conceptual Framework .....	23
CHAPTER THREE .....	27
3.0 Introduction.....	27

3.1 Profile of the study area .....	27
3.2 Research Design .....	30
3.2.1 Case study .....	30
3.2.2 Sampling Strategy .....	31
3.2.3 Data collection/ research process.....	32
3.2.4 Organising interviews and interview schedule .....	33
3.3.1. Interview transcription .....	35
3.3.2. Thematic analysis .....	35
3.3.3 Coding .....	36
3.3.4 Analysis and write-up of report .....	36
3.3.3. Ethical Considerations.....	37
CHAPTER FOUR .....	38
4.0 Introduction.....	38
4.1 Demographic profile of women.....	40
4.1.1. Age of women.....	40
4.1.2. Marital Status .....	42
4.1.3. Educational level .....	42
4.1.4. Number of children.....	42
4.1.5. Family structure .....	43
4.1.6. Elder dependents.....	44
4.2. Analysis of qualitative findings.....	45
4.2.1. Access and utilization of loans by the women.....	45
4.2.2. Socioeconomic wellbeing of women.....	49
4.3. Discussion of key findings.....	60
4.3.1. Access and utilization of loans .....	60
4.3.2. Socioeconomic wellbeing of women.....	61
CHAPTER FIVE .....	65
5.0. Introduction.....	65
5.1. Summary of key findings.....	65
5.2. Conclusion drawn from discussion .....	67
5.3. Recommendations .....	68
5.4. Limitations and future research directions .....	69
BIBLIOGRAPHY.....	70

APPENDIX I: Participant’s Consent Form..... 78

APPENDIX II: Information Letter to the Participants ..... 79

APPENDIX III: Interview Guide ..... 81

## LIST OF FIGURES

FIGURE 2. 1 CONCEPTUAL FRAMEWORK .....	24
FIGURE 3. 1 MAP .....	29
FIGURE 4. 1 FAMILY STRUCTURE .....	44

## LIST OF TABLES

TABLE 4. 1 OVERVIEW OF THEMES USED .....	39
TABLE 4. 2 SUMMARY OF AGE OF WOMEN .....	40
TABLE 4. 3 AGE OF THE WOMEN .....	41
TABLE 4. 4 MARITAL STATUS AND EDUCATIONAL LEVEL OF THE WOMEN .....	41
TABLE 4. 5 NUMBER OF CHILDREN .....	43
TABLE 4. 6 ELDER DEPENDANTS .....	44

## **LIST OF ABBREVIATIONS**

AMA	Accra Metropolitan Assembly
CGAP	Consultative Group to Assist the Poorest
ESRC	Economic and Social Research Council
FINCA	Foundation for International Community Assistance
ICA	International Co-operative Alliance
ISSER	Institute of Statistical Social and Economic Research
LANMA	La Nkwantanang Madina Municipal Assembly
MFI	Micro-finance Institutions
NABARD	National Bank for Agriculture and Rural Development
NGO	Non-governmental Organization
OECD	Organization for Economic Co-operation and Development
UNDP	United Nations Development Programme
USAID	United States Agency for International Development

# CHAPTER ONE

## INTRODUCTION

### 1.0 Background to the Study

Although women constitute over 50 percent of the world's population, they are mostly economically deprived and vulnerable with respect to opportunities, and thus constitute the bulk of the marginalized groups in society (UNDP Human Development Report, 2016)<sup>1</sup>. They tend to be disadvantaged compared to men on virtually every gauge of social, physical and economic wellbeing. For instance, most women work for extended hours but earn a lesser amount of income despite the fact that they are responsible for meeting the majority of the family's basic needs as well as contribute immensely to all sectors of development (Lingam, 2005). Due to this, poverty tends to be more prevalent among women than men. Micro-credit, due to its multiplier effect in poverty reduction has been encouraged and used as a means to alleviate poverty among the poor of which women constitute the majority.

According to Lott (2008), micro-credit has been associated with poor women who are both borrowers and primary beneficiaries of the programs. She asserts that women are noted for both productive and reproductive roles in the economy and have a track record for putting scarce resources into maximum use. In their reproductive roles, women bear and rear children as well as maintain the family needs. They also contribute to family income by participating in household production or work in the formal and informal sector where they double as facilitators of economic growth and household poverty reduction (Lott, 2008). Over the years, the emphasis has been placed on the reproductive role of women through programs such as

---

<sup>1</sup> Hdr.undp.org

nutrition, basic health care, and household management at the expense of the productive role of women and this has further worsened the poverty of women.

This notwithstanding, micro-credit programs have focused on the role of women as income producers for the family. Harris (2009) reported that women make up about 71% of the total borrowers in the world and also make up about 84% of the poorest borrowers. Women, compared to men, tend to capitalize on micro-credit schemes for three reasons. First, women are disadvantaged when it comes to borrowing through the formal banking sector because they have less control of assets that could be used as collateral for borrowing (Lott, 2008). This is because women especially in developing countries have lesser access to resources and are limited in their abilities to own assets that might enable them to get credit from formal financial institutions. Second, women are more ready to accept conditions of borrowing, such as attending meetings and training programs because they have fewer options in borrowing and also find the training and meetings beneficial to them. Third, women mostly engage in small scale production and petty trading and therefore require small loans often provided by micro-credit. This is due to the fact that they are often sidelined from employment opportunities in industries, or stay home to take care of the family (Lott, 2008).

The positive impacts of micro-credit on the socioeconomic wellbeing of women are well documented in several studies. Research has shown that credit to women have a greater influence on their families as compared to men because women have different spending pattern (Lott, 2008). Increasing a woman's income, therefore, results in an increase in household expenditures on both food and non-food items. Muhammad Yunus for example, reported that women tend to devote their increased income to the welfare of their children and household while men, on the other hand, spent more on themselves. This he cites as one of the motives for the Grameen Bank targeting women as clients for micro-credit in the first place (cited in Lott, 2008). This, therefore, makes micro-credit one of the essential factors for enhancing the

socio-economic wellbeing of the women. Studies conducted by Latiffee (2003), Hussain and Nargis (2008), Khandker (2003), and Hoque (2008), on the clients of numerous microfinance institutions in Bangladesh noted that involvement in credit programs enhanced the ability of poor households to generate income which eventually brings about an improvement in households income, working capital, asset accumulation, children's schooling, increased spending on food, and improved access to medical facilities (cited in Al-Mamun et al, 2014).

In Africa, an example of the impact of micro-credit on women is the program by The International Co-operative Alliance (ICA). Under this alliance, each member is allowed to borrow half of what she contributed, which she pays back with an interest of two percent compared to a higher interest rate charged by commercial banks. In addition to getting access to credit, these women have also been trained in bookkeeping, savings and credit management. In Ghana, the concept of micro-credit is not a recent phenomenon because there has always been the practice of people saving with 'susu collectors' and taking loans in smaller amounts from individuals, family members or groups so as to embark on business activities. This notwithstanding, there has been a surge of micro-credit programs, mainly targeting women in the quest of improving their socioeconomic wellbeing.

Given the variability of the impact of micro-credit on beneficiaries in Ghana and elsewhere, this study aims at exploring the influence of micro-credit on the socioeconomic wellbeing of women in the context of a corporative credit union, i.e. Queen of Peace, and second, to examine the utilization of micro-credit by beneficiaries.

## **1.1. Problem Statement**

As indicated earlier, micro-credit is a tool for the alleviation of poverty as well as enhancing the socioeconomic wellbeing of women. Women have been disadvantaged in the access of loans in formal financial institutions due to lack of collateral and micro-credit has emerged as an alternative to this difficulty. Micro-credit has been used as a strategy to address the sidelined condition of women with the hope that access to these credits will give women the opportunity to exploit income earning opportunities as well as meet necessities in life.

However, some school of thought remained critical about the role micro-credit plays in improving the wellbeing of women. For example, while acknowledging that micro-credit plays a role in decreasing poverty, Malinza (2009) admitted that involvement in credit schemes can result in debts, simply because there are no profitable income-earning activities to invest in. It is also argued that micro-credit has perpetrated great burdens on women by compelling them to meet demanding repayment schedules (Goetz and Gupta, 1996). Further, the majority of micro-credit assessments still stems from Asia, where microfinance program originated. It has also been advocated however that microfinance works in different ways in different regions due to the fact that the population density, group-cohesion, attitudes to debt, financial literacy, entrepreneurship and financial institutions all vary (Armendariz de Aghion and Morduch, 2005).

This, therefore, calls for an increasing need to understand and assess the effectiveness of micro-credit on women in the Ghanaian context. In this regard, this study seeks to find out the relationship between micro-credit and the socioeconomic wellbeing of women.

## **1.2. Research Questions**

- I. What challenges do women face in accessing and utilizing micro-credits?
- II. Does micro-credit improve the personal income of women?
- III. What role does micro-credit play in the acquisition of assets by women?
- IV. Does micro-credit play a role in enabling the women deal with health issues?

## **1.3. Research Objectives**

The general objective of this study is to examine the role of micro-credit on the socioeconomic wellbeing of women.

### Specific Objectives

- I. To understand the experiences of women in accessing and utilizing micro-credits.
- II. To explore the effects of micro-credit on the personal income of women.
- III. To understand the role of micro-credit in the acquisition of assets by women.
- IV. To understand the role micro-credit plays in enabling the women deal with health issues.

## **1.4. Justification and Significance of study**

The findings of this study will contribute greatly to the benefit of society considering that micro-credit plays an important role in the wellbeing of the poor. The use of micro-credit as a means for poverty reduction, therefore, necessitates further study in that area considering the fact that different regions experience it differently. This study which seeks to explore the role of micro-credit on the socioeconomic wellbeing of women within the Ghanaian context will

help financial institutions design credit programs that will help improve its impact on the wellbeing of women as well as identify shortcomings in their operations.

Furthermore, the information provided by this study will be useful to policy makers especially in the La Nkwantanang District Assembly who could utilize it to regulate the activities of cooperatives and credit unions in the assembly.

### **1.5. Scope of the study**

This study is limited to the La Nkwantanang Municipal Assembly and will be based on the socio-economic wellbeing of women. As a result of ISSER limiting the area of study to three Municipal Assemblies in Greater Accra, La Nkwantanang Municipal Assembly was chosen to suit this study.

The main focus of the study will be to explore the role of micro-credit in the socioeconomic wellbeing of women. Due to time constraints, this research will only focus on one credit union in the municipality; Queen of Peace Cooperative Credit Union and will target women who are members of the credit union.

### **1.6. Organization of the study**

The study is organized into five chapters. Chapter one introduces the research topic by giving a brief background to the topic. This is then followed by the problem statement, research questions, and objectives. The significance of the study, the scope of the study and the organization of the study are also discussed.

Chapter two reviews existing literature on micro-credit and women and relevant research associated with the problem addressed in the study. The conceptual framework/ theory is also

presented in this chapter. Chapter three presents the methodology and procedures used in collecting and analyzing the data. Chapter four contains a presentation of findings from data collected, as well as analysis and discussion of findings. Finally, chapter five gives a summary, conclusion and recommendations for further research.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0. Introduction**

This chapter focuses on reviewing literature related to micro-credit and the wellbeing of women in developing countries and underdeveloped countries. Key terms, as well as researched works of others, pertaining to the topic under study, will also be analyzed.

#### **2.1. Historical Overview**

Micro-credit is a notion most linked with Muhammad Yunus, who quickly became the public face of the micro-credit industry (Bateman, 2014), although micro-credit, in one form or another, has been practiced in different parts of the world for a long time (Gonzalez et al, 2009). Micro-credit programming, as a development initiative, arose out of the rural credit and cooperative finance movement of the early 1970s, pioneered in Bangladesh by the Grameen Bank, headed by Dr. Muhammad Yunus (Goetz, 2001). The arrangement involved small loans that were given to small mutual guarantee groups and were directed at improving the welfare of beneficiaries in rural areas (Goetz, 2001). In the 1980s, indicators such as the number of borrowers drawn to the program and the percentage of loans invested, disbursed and recovered from recipients was high and this defined success for the Grameen Bank's micro-credit program among poor Bangladeshi women (Rahman, 1999). This result was therefore key in making micro-credit programming a successful, equitable, and sustainable poverty intervention development initiative which attracted international interest (Rahman, 1999). Available data from the Micro-credit Summit showed that by 2010, 69% of the poor in Asia and the Pacific, 32% in Latin America, and 11% in Africa and the Middle East were benefiting from micro-credit (Maes and Reed, 2012). The remarkable attainment of micro-credit programs, after the

Grameen Bank's success story in getting to poor women in rural areas, coupled with the remarkably high level of loan retrieval, soon appealed the attention of the international donor community (Elahi and Rahman, 2006). As a result, by the mid-2000s, the micro-credit model became one of the global development community's most financed initiative and assumed the role of being an effective anti-poverty intervention (Bateman, 2014).

It's further been argued that micro-credit has emerged as a potential solution to the shortage of credit for the poor, allowing that loans that are given out to individuals trigger some income generating activities as well as jobs, in order to break the cycle where people are unable to accumulate income because they have no access to credit and have no access to credit because they are unable to accumulate assets which mostly serve as collateral (Gonzalez and Brito, 20013).

## **2.2 Conceptualizing Micro-credit**

Different authors have defined the term micro-credit in diverse ways. Rahman (1999, pp 67) defined micro- credit as “the extension of a small amount of collateral free institutional loans to jointly liable poor group members for their self-employment and income generation”. In the view of Lott (2008), micro-credit involves providing small loans to poor people to increase their productive abilities. Anderson et al (2002), also defined micro-credit as the provision of a lesser amount of credit to help the poor in income generating activities in developing countries.

Further, NABARD (2010) states that “Micro-credit refers to the provision of small amounts of credit to the poorest of poor who were not served by the formal financial institutions for many reasons and remain unreached”.

With the above definitions by various scholars, it is clear that micro-credit is a small amount of loans that are collateral free and targeted at the poor. According to Elahi and Rahman (2006), the methods used in micro-credit systems include lending to groups, social collateral, compulsory savings, regular repayment, loan size tied to savings and small initial loan size

Further, Muhammed Yunus has identified various categories of micro-credit providers and they include traditional informal micro-credit; micro-credit based on traditional informal groups; activity-based micro-credit through conventional or specialised banks; rural credit through specialised banks; co-operative micro-credit (credit unions, savings and loan associations, savings banks, etc.); consumer micro-credit; bank/NGO partnership-based micro-credit; Grameen-type micro-credit; other types of NGO micro-credit; and other types of non-NGO non-collateralised micro-credit (Yunus, 2003). For the purpose of this study, the focus of micro-credit will be on co-operative micro-credit.

### **2.3 Rationale for micro-credit**

A study by Burgess and Pande (2004) is of the view that obtainability of credit lessens poverty and improves the well-being of borrowers. “Credits are also claimed to create economic power that would generate into social power, lifting the poor out of poverty” (Yunus, 1999, p. 150). Moreover, it is also reasoned that micro-credit enhances human capital such as skills, abilities, and training, just to mention a few, regardless of poverty level. Micro-credit is also considered as a remedy to the monetary problems that poor households face; it is supposed to get them out of poverty and offers a respectable living by providing viable income-generating activities (Waheed, 2009).

The immense benefit of micro-credit to the population, especially to the poor, has also been emphasized as the rationale for giving out credit. Access to credit can contribute to a sustainable

increase in income levels as a result of an increased investment in income-generating activity; it can contribute to an increase in accrual of assets; it can reduce the vulnerability experienced due to illness because funds are now available to pay off medical bills, and it can contribute to the provision of better education for wards, and housing of the borrower and health. In addition, provision of micro-credit can contribute to the social and economic wellbeing of women (Hermes and Lensink, 2007).

Starting in 2007, however, the micro-credit model began to come under unrelenting attack from a variety of directions (Bateman, 2014). Notwithstanding the largely positive assessment of micro-credit, several other authors express uncertainty that micro-credit can contribute to a significant decline in poverty (Hermes and Lensink, 2007). Many critics show that micro-credit programs do not necessarily extend to the poor, or that the poor are knowingly left out from micro-credit programs (Simanowitz 2002).

According to Malinza (2009), partaking in credit schemes can sometimes lead to indebtedness, especially if credits are not utilized efficiently by recipients to invest in a profitable income-earning activity. In such situation, women may end up being even more reliant on credit than they were before, (Malinza, 2009).

#### **2.4. Micro-credit and Microfinance**

The term micro-credit and microfinance are often used interchangeably. This has created misinterpretations in both development discourse and policy making (Elahi and Rahman, 2006).

Micro-credit was initially devised to refer to institutions that were concentrating on providing credit to the poor like the Grameen Bank. Emphasis was therefore, clearly on reducing poverty

and social change, with the main actors being NGOs. Further, a lot of micro-credit programs are run by NGOs, although a few are not run by NGOs.

The drive to microfinance came with the acknowledgment that households can gain access to other broad financial services aside savings which were the main focus at first, and not just credit for the poor. Microfinance thus ‘refers to loans, savings, insurance, transfer services, micro-credit loans and other financial products targeted at low-income clients’ (International Year of Micro-credit, 2005)<sup>2</sup>.

Also, microfinance is defined as an approach towards development that provides both social and financial interventions and intermediations. Financial intermediation here implies the provision of insurance services, savings, and credit while social interventions involve grouping individuals to enable them to have a voice so as to make their aspirations known to policy makers and to develop their self-confidence (Elahi and Rahman, 2006). Further, microfinance institutions also aim at providing credit to the deprived who are limited in their access to commercial banks due to the lack or inadequate access to collateral. Microfinance also plays an important role in providing some sort of training to potential borrowers on how to run a firm, bookkeeping, effective financial discipline and to deal with health provision (Hermes and Lensink, 2007).

Creditors that provide microfinance services have been categorized and they include formal institutions, which includes rural banks and cooperatives; informal sources like moneylenders and shopkeepers; and semi-formal institutions such as NGOs (Elahi and Rahman, 2006).

In all, the basic differences between micro-credit and microfinance thus lie in the type of services that they provide. Micro-credit programs on one hand provide services such as loan distribution and retrieval of the loan, which is also linked to obligatory savings while microfinance programs on the other hand provide all kinds of financial service, such as the

---

<sup>2</sup> [www.yearofmicrocredit.org](http://www.yearofmicrocredit.org)

provision of micro-credit, savings, insurance, and development of the community and also make enough profit in order to achieve self-sufficiency (Elahi and Rahman, 2006).

## **2.5. Wellbeing approach**

The term wellbeing, although widely used, seem not to have a universally agreed definition of just what it is, as it can mean different things to diverse groups of people. Moreover, wellbeing is often interchanged with improved quality of life and life satisfaction (OECD, 2013).

According to the ESRC Research Group on Wellbeing in Developing Countries, “wellbeing is a state of being with others, where human needs are met, where one can act meaningfully to pursue one’s goals, and enjoys a satisfactory quality of life”<sup>3</sup>.

OECD (2013) also argues that wellbeing requires meeting various human needs, including being in good health, and the ability to chase one’s aims, to succeed and feel fulfilled with their life. OECD’s Better Life Initiative, presented in OECD (2013), categorises three pillars for understanding and determining people’s wellbeing: economic well-being, which defines people’s consumption potentials and their command over resources; quality of life, which is defined as a set of characteristics of the individual which is non-monetary and shapes their chances to opportunities in life, and is seen as significant in diverse cultures and settings; and the sustainability of the socio-economic and natural environment where people live and work.

According to the Report by the Commission on the Measurement of Economic Performance and Social Progress, to define what wellbeing is, means that an all-encompassing definition has to be used, and has identified the following crucial dimension that should be considered; material living standard which includes wealth, consumption and income; education; health;

---

<sup>3</sup> Economic and Social Research Council. [www.esrc.ac.uk](http://www.esrc.ac.uk)

personal activities including work; political voice and governance; social connections and relationships; environment ( thus current and future conditions of the group of interest); and insecurity (Stiglitz et al, 2010).

For the purpose of this study, personal income, accumulation of assets and health, which have been categorized into economic wellbeing, and social wellbeing respectively are used as dimensions of socioeconomic wellbeing.

## **2.6 Micro-credit approach and wellbeing of women.**

The Routledge Studies in Development (2004) asserts that the bulk of the worlds poor are women. According to them, women make up about 50 percent of the world’s population and do about 67 percent of work in the world. However, they earn only 10 percent of wages earned in the world and hold 1 percent of its wealth. Their work continues to remain invisible, unpaid, unaccounted for, and they experience the burden of poverty within the household the most. (Routledge Studies in Development Economics, 2004)<sup>4</sup>.

Due to this, women have become the primary beneficiaries and borrowers of micro-credit programs. According to Lott (2008), the initial focus of micro-credit was not the provision of loans to women but loans for the poor. However, whiles engaging in the business of borrowing to the poor, these institutions realised that their most responsible borrowers were mostly women borrowers, due to the fact that were willing to borrow under conditions of these institutions and are able to repay the loans on time compared to men (Lott, 2008).

It’s also been argued that focusing on women is a good idea because they have been side-lined economically and socially, and this has negatively influenced their wellbeing and entrenched

---

<sup>4</sup> [www.routledge.com](http://www.routledge.com)

their poverty (Kireti et al, 2014). According to World Bank 2011, women having access to resources expands their opportunities, accelerates growth and development payoffs.<sup>5</sup>

Micro-credit in the form of small loans given to women who have no access to formal banking service offers them financial assistance to engage in income generating activities in order to move them out of poverty. The premise is that lending to poor women will effectively assist them in attaining socio-economic empowerment (Nader 2008; Sultana and Hasan 2010).

Also, the economic status of women may be improved through their access to micro-credit (Campbell, 2005). There have also been studies that have argued that micro-credit programs have the potential of improving the wellbeing of its beneficiaries. Studies by Pitt, Khandker, and Cartwright (2003), showed that partaking in micro-credit programs helps the women clients to play a better role in making decisions in the household; it allows the women to have more access to commercial and economic resources; it enables them to have larger social networks, better-negotiating power in relation to their husbands, and to have more freedom of mobility. Moyle, Dollard, and Biswas (2006) also reported that the involvement of women in income generating activities allows them to be personally and economically empowered.

Additionally, research has shown that credit given to women tend to have a higher influence on poor families due to the fact that women's spending patterns are not the same as men (Lott, 2008). A rise in women's income, therefore, results in more expenditures on the household in terms of both food and non-food items than related increases in the income of men. Further, women tend to spend more of their income on the health and education of their children and the household; increases in income of women also brings about better health of women and a higher use of contraceptives. (Lott, 2008).

---

<sup>5</sup> <http://go.worldbank.org/S9B3DNEZ00>

Studies by Meade (2001) has also shown that the micro-credit programs help borrowers build up household assets, which can be sold when needed or used as a form of collateral or proof of credit worthiness when taking credit from lending institutions .

Further, studies have shown that borrowing from a micro-credit program such as the Grameen Bank can result in an increase in consumption, it can enable women to accumulate non-land assets, as well as increase women's labor supply to income earning activities, increase children's enrollment in school, and increase contraceptive use and fertility. (Samad et al, 1998)

However, it's been argued that women's participation in micro-credit programs may bring about situations where they are unable to challenge overbearing institutions due to the burden to continue their associations with the institution to ensure repayment of loans and survival of their families (Ashraf Ali, 2014).

Further, feminists argue that development strategies such as credit provision focus on productive parts of women's work while ignoring or minimizing women's reproductive work (Pyle and Ward, 2003), considering the fact that women may already be overburdened physically and psychologically with tasks such as child rearing.

Also, critics argue that often, women are sometimes forced to give these loans to the men, who often use them for their own purpose. Women are therefore faced with the problem of paying off the loans alone. This may lead to an added burden for women, as in most cases, women are held responsible for the settlement of loans (Ashraf Ali, 2014).

The other argument is that micro-credit does not necessarily build assets for poor borrowers, but rather, increases the incomes of the borrower which is enough to meet their daily expenses. It, therefore, becomes difficult to evaluate the benefits of micro-credit on borrowers. In certain situations, it rather reduces assets acquired by the borrower because the request for repayment of the loan is so strong that borrowers are sometimes forced to sell their assets to repay loans

(Waheed, 2009). Settling micro-credit installment therefore sometimes becomes difficult for poor borrowers whose income and assets are at a survival level, and this further depletes household assets and income.

### **2.6.1. Micro-credit and the economic wellbeing of women**

As previously discussed, micro-credit has been argued to increase the incomes of women and taking them out of poverty. In the study undertaken by Nader (2008), which sought to find out if a positive relationship exists between micro-credit and the socioeconomic wellbeing of women, confirmed a positive relationship in terms of income. According to her study, improvement in women's income played a vital role in improving their economic independence and also improved their sense of self-confidence. The increases in income also helped break the cycle of poverty that these women lived in and it enabled them to have more control over their lives and economic decision. However, these increases seen were small and this was attributed to some of the strategies followed by some programs offering micro-credit. Most of the credit given to the women only helped them to survive and therefore did not help transform the lives of recipients. According to the study, this was mainly caused by the size of loan disbursed and that these women did not have the necessary skills needed to engage in high profit-making businesses.

Further, a study was undertaken by Li, Gan, and Hu (2010), on the welfare impact of micro-credit on rural households in China and found that micro-credit programs help improve the welfare of households by raising household income and consumption. The results further showed that the total amount of loans obtained by households tend to have a positive and significant impact on both income and consumption, signifying that the more involved households are in micro-credit programs, the more they benefit. However, the main

beneficiaries were non-poor households, implying that the significant impacts of micro-credit on increasing household income do not automatically mean that micro-credit can reduce poverty. According to Li et al (2010), the impact of micro-credit on the household's economic life in the study demonstrates the potential influence of micro-credit programs on rural economic development.

The study by Waheed (2009) on micro-credit and the wellbeing of borrowers in the Punjab (Pakistan) also proves significant in establishing the relationship between micro-credit and incomes. The result showed that micro-credit played a significant role in improving the incomes of beneficiaries. In the sample, 80 percent of the credit was invested in ongoing economic activities and 20 percent went to satisfying consumption needs; in all of its uses, incomes of the borrowers increased. However, this increase was dependent on what the credit was invested into. Also, it was found out that it was not just credit that improved the incomes of the borrowers, but that education was an important factor.

In relation to the accumulation of assets, a study by Nader (2008) concluded that micro-credit had a positive association with the accumulation of assets of the recipients. According to the study, increases in the income of the women is invested into the assets they possess. However, an increase in incomes only occurred in the household and personal assets like television, fridges, and others, and not in assets to increase production. This is because most of them lacked the appropriate skills and know how on how to invest their extra income in projects.

Another study by Salia, (2014), on the effects of micro-credit on household welfare, concluded that micro-credit had contributed to the improved wellbeing of the household of women borrowers by aiding them to own long term assets like houses and land. The study further revealed that borrower's household had acquired more household assets than those of nonborrowers.

Drawing from the various studies of the economic wellbeing of women, it can be observed that micro-credit seems to have a positive relationship with the increase in incomes of the beneficiaries as well as improving asset accumulation of the borrower. However, this increase was not necessarily related to micro-credits. Several factors such as credit size, educational level of the beneficiary and what the micro-credit was invested into, were determinants of an increase in incomes and assets of the beneficiary.

### **2.6.2. Micro-credit and social wellbeing of women**

Further, in finding out if micro-credit helped improve the health of women, a study conducted by Nader (2008), did not establish an association between micro-credit and the social wellbeing of women in relation to health perception. The result of the study showed that women placed less regard to their health on their list of priorities whiles education of their wards, feeding of family members and other household expenditures, as well as the provision of some other allowances, came first (Nader, 2008). This can be attributed to the way in which women have been socialized to think that they are inferior to others and that the need of their family members should come first. They, therefore, consider expenditures related to their personal wellbeings as inferior and of less priority. Further, according to the study, most women still depended on free services provided by the government medical health insurance although it is generally not very effectual due to the low quality of services offered (Nader, 2008).

In contrast, the study by Mohindra, Haddad, and Narayana (2008), on the associations between female participation in a micro-credit program and women's health in the Indian State of Kerala concluded that micro-credit could facilitate the improvement of the health of poor women by addressing certain issues of relevance. According to the study, participation in micro-credit programs helps poor women get access to better health care and aid in the promotion of their

mental health. This is because participation helps them to sufficiently access health care without sinking into debt or more hardship while promoting their mental health.

Drawing from the various studies, micro-credit although improves the wellbeing of women does not automatically bring about improvement in health. Additional factors such as the sociocultural environment, education, family life and group dynamics, and the way women have been socialized all interact to determine if there will be an improvement in the wellbeing of women as a result of micro-credit.

## **2.7 Approaches to measuring the impact of micro-credit**

Two approaches to measuring the impact of micro-credit have been identified: The institutionalist approach and the welfarist approach (Nader, 2008). Welfarists perceive micro-credit as part of efforts to fight against poverty, vulnerability and improving the wellbeing of the poor. The approach also favors provision of financial services and non-financial services such as training and technical assistance to microentrepreneurs. (Bangoura, 2012). In the work of Paris (2013), she asserts that welfarist organizations primarily target core poor households and are not for profit organizations lending smaller average loan balances.

It should be noted that welfarist, on one hand, emphasizes depth of outreach. According to Woodworth et al (1999), welfarist are quite obvious in their emphasis on instantly improving the well-being of participants. They are less attentive in using financial services such as insurance, and savings, as a means of poverty alleviation among participants and communities. “Their objective tends to be self-employment of the poorer or the economically active poor, especially women, whose control of modest increases in income and savings is assumed to empower them to improve the conditions of life for themselves and their children” (Woodworth et al, 1999: pp 3). The most noticeable examples of institutions that are welfarist include the

Grameen Bank in Bangladesh and its duplicates in different places, and FINCA-style village banking programs in Latin America, Africa and Asia.

However, the welfarist approach has over the years been widely criticized because of its subjectivity and cost and operational difficulties it entails (De Briey 2005, cited in Bangoura, 2012)

Under the institutionalist approach, it's been argued that institutions providing micro-credit should be able to cover their financial and operational cost through their businesses and also have the ability to generate enough profits to ensure their sustainability and financial viability (Bangoura, 2012).

Further, institutionalist organizations seek to maximize their profits in order to maintain services to their clients; because of this, they target the poor who are engaged in some form of income generating activity, who are considered to hold less risk than the core poor and lend larger amounts to these households as a result (Paris, 2013).

Thus, the institutional approach emphasizes the domination by several extensive, profit-seeking financial institutions that ensure that quality financial services are provided to a large number of poor clients (Woodworth et al, 1999) and they, therefore, avoid subsidies of any kind. Institutions such as the World Bank and the Consultative Group to Assist the Poorest (CGAP) in the World Bank, and USAID all support the institutionalist view in their literature (Woodworth et al, 1999).

Drawing from the various perspectives of the institutionalist approach and the welfarist approach, both can be summarised as follows; the welfarist approach faces the problem of sustainability and therefore enjoy subsidies, low returns rates, and rising operating costs, while the institutionalist approach prefers customer who are micro-entrepreneurs close to the poverty line (\$ 2 per day) (Bangoura, 2012). Also, welfarist organizations lend more to core poor

households than institutionalist organizations; while institutionalist organizations tend to lend more to entrepreneurial poor households than welfarist organizations. Further, while welfarist organizations distribute a higher volume of loans in terms of the number of loans to clients, the institutionalist organization lends larger levels of capital in smaller overall volume to mostly the entrepreneurial poor (Paris, 2013).

For this study, the institutionalist approach is used due to the reason that the organization under study is a profit-seeking financial institution, avoids subsidies and lends larger levels of capital in smaller volume to its clients.

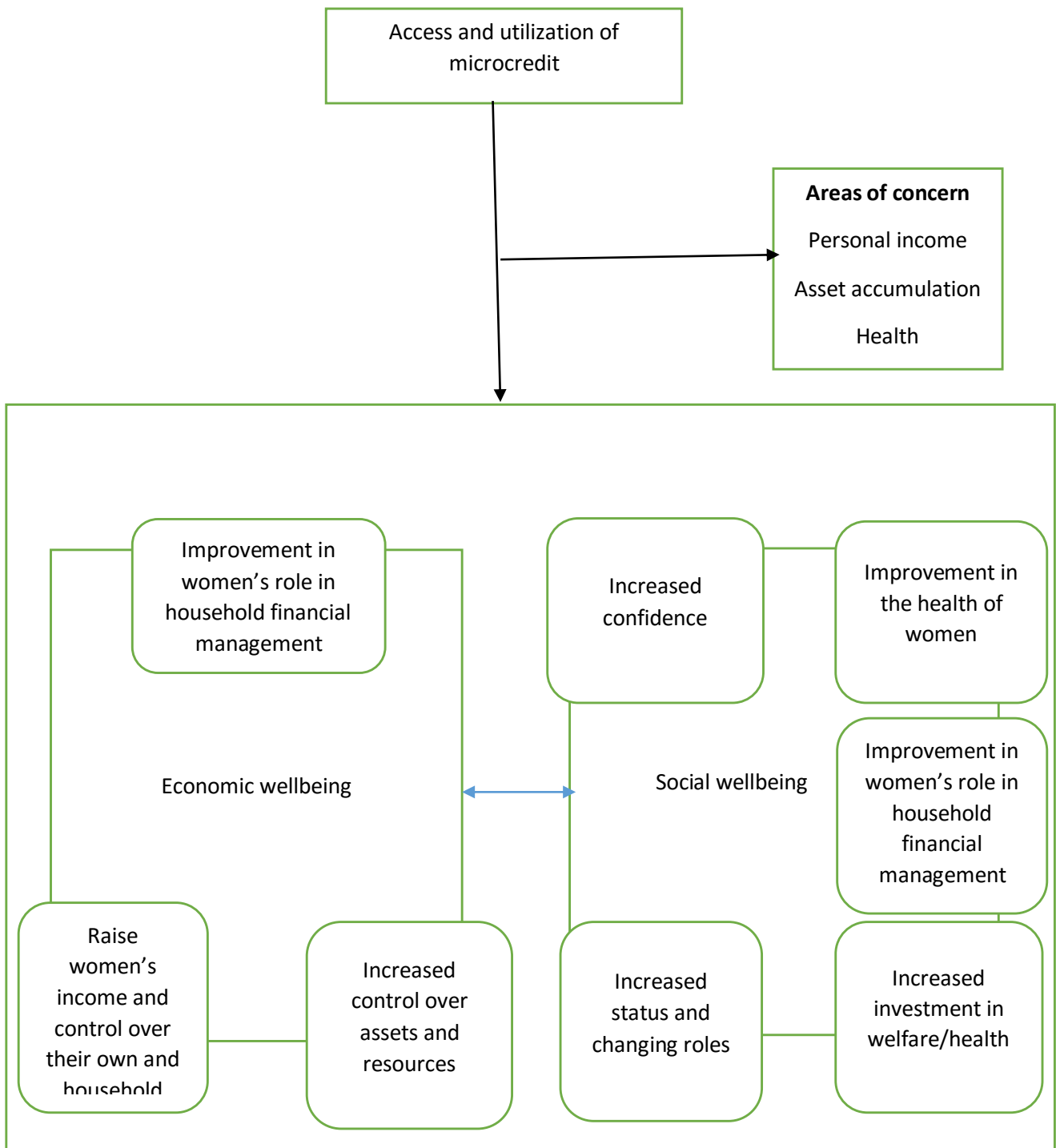
Furthermore, although pertinent literature reveals that there is no clear consensus on the complex link between access to micro-credit and women's wellbeing, in general, two different approaches are used; the minimalist approach and the 'micro-credit plus' approach (El-Solh, 1999). According to El-Solh (1999), with the micro-credit plus approach, there is an increasing recognition of poor women's need for training to acquire a wide range of skills if their income generating activities and micro-enterprise efforts are to be profitable and sustainable. The minimalist approach on the other hand "is based on a relatively narrow perception of empowerment, where access to micro-credit is assumed to function as a catalyst for positive changes in women's socioeconomic status" (El-Solh, 1999). According to El-Solh, (1999), evidence suggests that, where the minimalist approach is applied, poor women are generally given no opportunity to acquire skills relevant to their trade and will, therefore, tend to engage in economically unprofitable income generating activities.

However, it is also increasingly recognized that training alone is insufficient; acquisition of skills must be linked with access to affordable micro-credit and other supportive measures in order to address the constraints affecting women's role and status. (El-Solh, 1999).

## **2.8. Conceptual Framework**

The conceptual framework below (Figure 2.1.) shows the various aspects of wellbeing the women undergo as a result of their access and utilization of micro-credit. According to Webster et al (2008), the framework describes the wellbeing of individuals and society as a whole. In the wellbeing framework, the fundamental building block is the area of concern that makes an important contribution to the wellbeing of individuals and they include the family and community, education and training, culture, health, economic resources, housing, crime and justice, work culture and leisure; and these areas constitute the fundamental building blocks of the wellbeing framework. However, for the purpose of this study, areas of concern have been limited to health, personal income, and accumulation of assets.

Figure 2. 1 CONCEPTUAL FRAMEWORK



Source: Adapted from Webster, Bode and Posselt (2008) and Mayoux and Hartl (2009).

Further, within the population are a group of interest to either government or the community, and they include old and retired people, children, youth, women, people living in urban areas, among others (Webster et al, 2008). According to the framework, these groups of people may be disadvantaged based on their circumstances or the environment at hand. Of particular interest to this study are women who have had access to micro-credit.

Also, the wellbeing framework makes mention of transactions which refers to the social exchanges that take place within the environment of the population group that affects their wellbeing. Exchanges between social and economic well-being all contribute to the socioeconomic well-being of the women. For instance, an increase in income brings about an increase in investment in health and subsequent improvement in the health of women.

Also, in the framework presented by Mayoux and Hartl, (2009), women's access to micro-credit can lead to their economic wellbeing. First, women's access to micro-credit might enable them to start their own economic ventures, enabling them to invest more in existing activities, or raise their status in household economic activities through increasing their capital contribution to household expenditures. Further, increased participation in economic activities may enable women to increase long-term investment as well as engagement in the market to further increase their capital. (Mayoux and Hartl, 2009). Also, women's access to micro-credit might enable them to acquire and increase their control over assets and resources as well as raise women's income and control over their own and household income (Mayoux and Hartl, 2009).

In the area of social wellbeing, micro-credit helps by decreasing women's vulnerability as well as their household in the area of health. According to Mohindra et al (2008), micro-credit could improve the health of poor women by helping them against exclusion to health care and aid in promoting their mental health. Increased access to micro-credit also enables women to increase

their investment in the family's welfare and health. This brings about increased status and changing roles of women. This further gives women greater confidence and sense of self-worth. (Mayoux and Hartl, 2009).

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter gives an overview of the methodology adopted for this study. It provides an understanding of the design adopted for the study and data sources. It also describes the sampling procedure as well as the data collection techniques used.

#### **3.1 Profile of the study area**

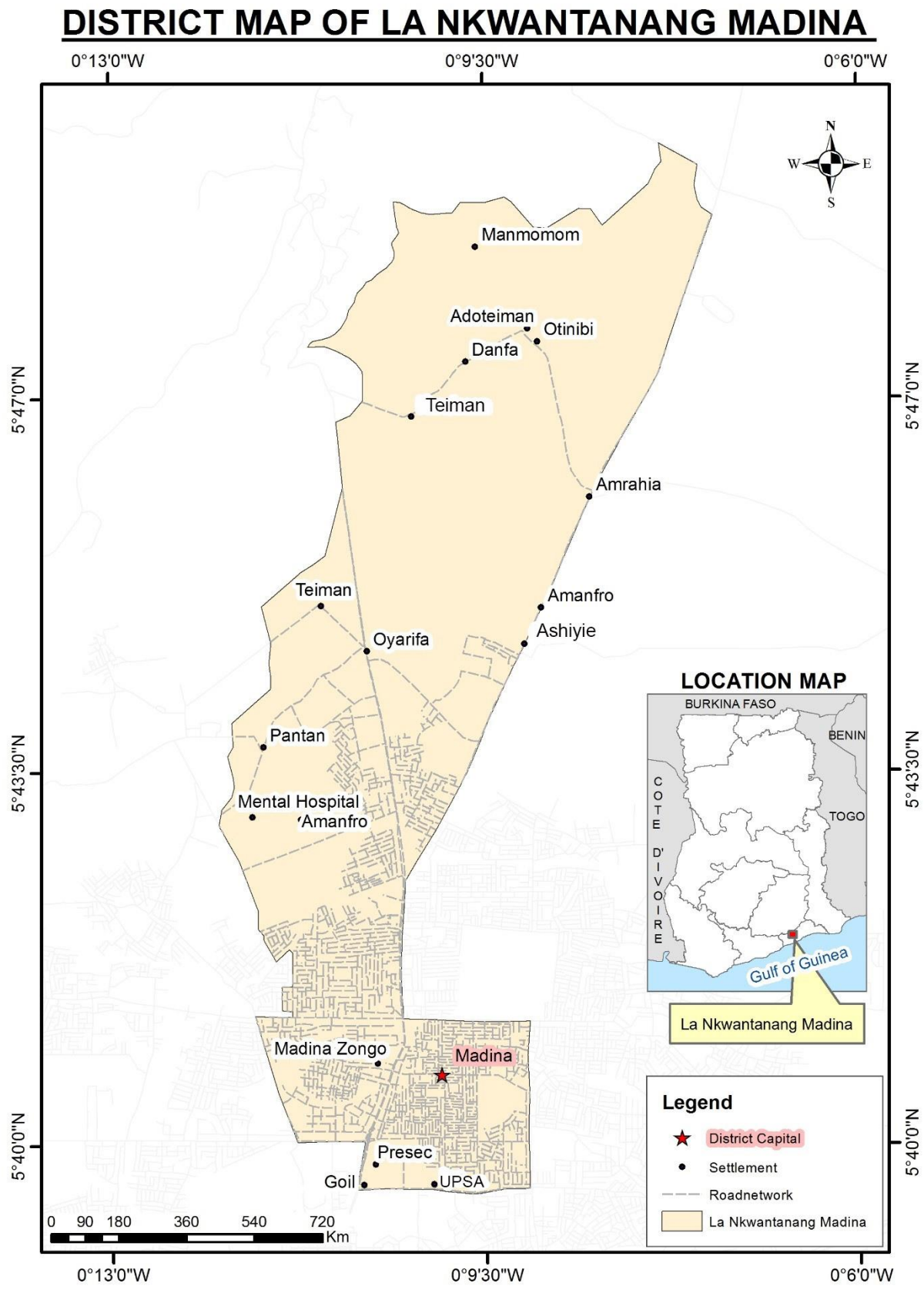
The La Nkwantanang Madina Municipal Assembly (LANMA) is located in the northern part of the Greater Accra Region, carved out of the Ga East Municipal Assembly and inaugurated on June 2012. It covers a land area of 166 sq km and shares common boundaries on the east with the Adentan Municipal Assembly (Adma), on the west with the Ga East Municipal Assembly (GEMA), on the south with Accra Metropolitan Assembly (AMA) and the north by the Akwapim South District Assembly. The municipality is mainly urban with pockets of rural settlement which are rapidly growing into peri-urban settlements. Some of the major urban areas include Madina which is the Municipal Capital, La Nkwantanang, Okanagan, North Legon, Social Welfare Institute area and Akatsi Abor. The main rural communities include Oyarifa, Kweiman, Ayimensa, Dana, Otinibi, and Pantang (LANMA, 2014).

According to the 2010 Population Census, the Municipality has a population of about 111,926, with a growth rate of about 2.3 %. The population, however, is mainly concentrated in the urban and peri-urban areas of the district. The structure of the population has about 51.5% males and 48.5% female with an average household size of 6.

La Nkwantanang Madina Municipal Assembly is an economically active area. According to the 2000 population and housing census, it's been estimated that 82.3 percent of the economically active population aged between 15 and 65 years are employed in the Municipality. The economically active population are engaged in the public sector, private formal and private informal organizations. Service and sales workers constitute a majority of the employed population (LANMA, 2014).

The municipality is also made up of numerous financial institutions such as banks and Microfinance institutions who provide financial services to businesses and individuals in light of the numerous business opportunities available in the municipality. The municipality has about 30 co-operative societies and 20 women's group that are engaged in various economic activities and skills training for its members (LANMA, 2014).

Figure 3. 1 MAP



## **3.2 Research Design**

This study is based on a qualitative case study analysis that helps to explore and understand the socio-economic wellbeing of women as a result of micro-credit. The process of using this methodology involves an interpretative approach (anti-positivist) which will be utilized to answer research questions.

### **3.2.1 Case study**

A case study approach was selected based on its practicality and aptness for this particular study. According to Yin (1994), a case study is a distinctive kind of qualitative work that probes into current occurrences within a specified boundary or context. Further, case study characteristics include the investigator examining a particular case bounded over time and space, through detailed description about the case setting, gathering in-depth data from multiple sources to give an in-depth outlook of the case (Creswell, 1998). For this study, the exact area studied was Queen of Peace Corporative Credit union, and the phenomenon under investigation was the credit and its influence on wellbeing. The case for the study were women who are members of the credit union and have had access to the credit facility provided by the union.

The Queen of Peace Credit Union has been serving the Madina community and its environs since 1982 with the aim of providing an alternative to the commercially centered and largely inaccessible banking system. It also aims at becoming the credit union of choice that makes an impact on the economic and financial lives of their members in the communities they serve.

As a credit union, the Queen of Peace Credit Union provides a variety of products tailored to meet the needs of all categories of people. Products provided by the union include savings account, personal loans, and microfinance loans. The credit union gives out credit at the lowest interest rate of 3% monthly on reducing balance with a flexible payment term which can be

done weekly, monthly or as specified in the terms. To qualify for the credit, one will have to be a member of the union, should have bought minimum shares, coupled with a savings history. Although the credit is given to different categories of people, this study focuses on credit given to women who are engaged in some form of business activities such as petty trading and are located within the Madina market.

### **3.2.2 Sampling Strategy**

The sampling approach used for this study is purposive sampling, to select women loan beneficiaries. According to Maindonald (2011), the reason for using purposive sampling is to have those that can provide the most relevant and plentiful data, in relation to the study. According to Patton (2002, pp. 230), “the logic and power of purposeful sampling lie in selecting information-rich cases, from whom one can learn a great deal about issues important to the purpose of the inquiry”.

This is mirrored in the sample size of 22 women loan beneficiaries employed for this study who were selected based on their importance to providing detailed information on how the loan has improved or decreased their wellbeing. Further, the sample of 22 women for the study falls within the recommended range of Bryman (2012) that a good qualitative sample should range between 20 to 30 interviews.

In order to recruit prospective clients for the study, recruitment criteria were established so as to capture diverse sample and opinions. The participants of the study were recruited based on the following:

- a) Women who were engaged in the informal sector.
- b) Women who have been members of the credit union for at least two years.

c) Women who are either single, married, divorced or are single parents.

The reason for keeping the conditions flexible and varied was to enable the researcher to get different accounts of the women to play and to include as many viewpoints as possible. Further, women who were either married, single, divorced or single parents were chosen to bring to light their experiences on the various aspects of their wellbeing. Initial contact was made with the women at the credit union or the premise of their business to decide on the appropriate day and location for the interview. All the details concerning the study to be carried out were discussed with the women and the chosen participants who agreed to participate in the study were given the option of choosing their venue of the meeting, either at home or at their business premises.

### **3.2.3 Data collection/ research process**

Qualitative interviewing was chosen to collect data on the experiences of women in their access to and utilization of micro-credit, as well as to assess their wellbeing. According to Esterberg (2002), a qualitative interview is often seen as a conversation between the interviewer and the interviewee, in which questions are asked by the interviewer and the interviewee answers accordingly.

A qualitative interview was adopted to allow the women share their experiences without any restriction. The choice of this method was because it provided a legitimate way to interact with the women and to also gain access to their accounts (Maindonald, 2011).

As a result, the choice of questions used for the interview was open ended. For this study, a semi-structured approach of interviewing was used for the study, which involved the use of open-ended questions based on specified topics or broad thematic areas, and provided the

opportunity for the interviewer and interviewee to deliberate on some topics into more details (Bryman, 2012).

The open-ended questions in the interview schedule (see Appendix III) were constantly modified to include, issues which may not have been included during the drafting of the interview schedule. After designing the interview schedule, two pilot semi-structured interviews were conducted to enable the researcher refine the interview guide. However, only questions relating to the demographic information of women followed the same direction.

Further, due to the flexibility attached to semi-structured interviews, it gave the researcher the opportunity of not following the exact order of the questions that were presented in the interview guide. Further questions, which were not originally included in the interview guide, but were considered as important were asked during the interview, depending on the direction of the interview. The use of the interview guide only served as a guide in posing questions to the respondents.

### **3.2.4 Organising interviews and interview schedule**

All participants were initially contacted either at the credit union or the premise of their businesses due to the inability of the union to provide the researcher with the contact details of the participants. This was justified with the reason that the information pertaining to the contact details of the participants was confidential. A meeting was then scheduled with the women who agreed to participate in the interview either at home or their business premises. Prior notice was given to the women through phone calls before the day of the interview. The detailed interview schedule (see Appendix III), was also directly given to the participants who could read, ahead of time to enable them to organize their stories ahead of the interview. Where the participants could not take the interview schedule due to reasons such as they not having time

and the inability to read, the details of the interview was made known to the participant through my interaction with them. The women participant were also asked of the language they could conveniently speak during the interview. This was inquired to enable the researcher prepare for the interview. The help of a translator was sought where the interview was to be conducted in a language aside from English.

During the interview process, the demographic characteristics of the participants were obtained by using an already prepared questionnaire requiring them to fill in their demographic characteristics. Participants were also made to sign a consent form and were given the opportunity to raise any concerns they had concerning the study before the start of the interview process. After getting the consent of the participants, they were encouraged to tell their experiences liberally and were allowed to give their opinions and experiences in line with the research questions which were developed by the researcher for the interview schedule. The questions on the schedule were a guide only.

An audio recorder was used during the interview and hand written notes were taken by the researcher in order to aid in transcription. This was only done after gaining the informed consent of the participant. The length of the interviews ranged from between 15 to 30 minutes. This variation in time was as a result of the way some of the interviews went.

### **3.3 Data Analysis**

#### **3.3.1. Interview transcription**

The transcription of data is thought of as an essential stage in the data analysis process of a qualitative study. This is because the depiction of the data through transcription can influence the overall meaning attached to the case under study. Inaccurate transcription can, therefore, alter the true and accurate representation of the respondent's speech (Oliver, Serovich and Mason, 2005). As a result, all interviews that were recorded were carefully transcribed for the data analysis. The process of transcription involved listening to the tape and simultaneously writing down or typing everything that is said on the tape. Non-verbal sounds such as laughter and sirens can also be noted down in the transcript (Mack et al, 2005).

#### **3.3.2. Thematic analysis**

After transcription was done, thematic analysis was used to analyze the transcribed data. Thematic analysis is a method for identifying, analyzing and reporting patterns or themes in a data. It, therefore, organizes and describes the data into detail (Braun and Clarke, 2006). This type of analysis involves the researcher looking for patterns within the transcribed data for developing themes, and they thus become the categories of analysis.

Further, according to Braun and Clarke (2006), a theme captures a significant thing concerning the data in relation to the research objectives and represents responses that seem to form a pattern or meaning within the data set. As a result, the themes derived from the transcribed data were done in line with the objectives of the study. The selected themes were constantly revisited to ensure that they were refined, in order to reduce the data into more manageable data.

### **3.3.3 Coding**

According to Braun and Clarke (2006), the phase of coding is done when one has read and is conversant with the data, and has created an initial list of ideas of what is in the data. They further assert that codes identify a feature of the data that looks interesting to the analyst. The coding process facilitated in the identification of vital parts in the raw data prior to the process of interpretation, after which the codes were grouped into clusters, and theme labels were applied to relevant segments of the text. Thus the data was organized into thematic groups to make it possible to analyze the patterns and meanings of the themes and connect them back to the research questions. This process aided in the identification of the essential patterns and structure that was incorporated in the participants' responses.

### **3.3.4 Analysis and write-up of report**

The final stage of this process involved the final analysis and write-up of the report. According to Braun and Clarke (2006, p.23), 'it is important that the analysis (the write-up of it, including data extracts) provides a concise, coherent, logical, nonrepetitive, and interesting account of the story the data tell within and across themes'. According to them, the write-up must provide sufficient evidence of the themes within the data. The emergent themes that were used for this study were therefore woven into narratives so that the findings emerge from the participant's responses. The write-up for this study, therefore, moved through a descriptive stage to an interpretative stage. According to Mason (2002), an interpretive stage involves constructing or documenting what the researcher thinks the data mean or represent or what the researcher can infer from the data collected.

### **3.3.3. Ethical Considerations**

Informed consent of the participant was obtained after briefing the participants of the details of the research before data collection began. The women participant were assured that their personal information would not be revealed to others and that it could only be used by me. The participants were also given pseudonyms as a way of protecting their identity. They were also given the right to pull out from the study at any point in time.

## **CHAPTER FOUR**

### **ANALYSIS OF FINDINGS**

#### **4.0 Introduction**

This chapter presents findings established through data collected from the women in the study. The chapter is divided into four main sections. The first sub-section begins with a demographic characteristic of the women sampled in the study. The second sub-section looks at the access to and the utilization of loans by the women. By looking at their experiences in this area, interpreting and understanding the challenges women face in their access to and utilization of loans is done from a better point of view. The third sub-section deals with the socioeconomic wellbeing of the women, with subsequent subsections talking about the link between the credit and the income of women, their asset acquisition as a result of the loan, and how the credit has enabled the women to deal with health issues.

Further, only themes related to the research objectives and questions are presented. Table 4.1 provides an overview of the themes in line with the research questions and objectives. The detailed stories of the respondents could not be presented, but only those accounts related to the research questions were presented. The women were also given pseudonyms as a way of protecting their identities. The names used in the study are therefore not their real names.

**Table 4. 1 Overview of themes used**

<b>Research Questions</b>	<b>Themes</b>
1. What challenges are women facing in accessing and utilizing the funds from microfinance institutions?	a) The purpose of the loan. b) Challenges faced in accessing the loan. c) Challenges faced in utilizing the loan.
2. Has micro-credit improved the socioeconomic wellbeing of recipients?	d) The primary source of income. e) Changes in income since taking the loan. f) Contribution to household expenditures. g) Contribution to the education of children. h) Asset acquisition. i) Dealing with health issues. j) Loans and health.

**Source: Author's construct**

## 4.1 Demographic profile of women

The demographic profile of the respondents provides background information concerning the respondents such as their age, occupation, marital status among others.

### 4.1.1. Age of women

From the 22 women sampled for this study, their mean age was 48 years while their maximum and minimum ages were 68 years and 37 years respectively.

**Table 4. 2 Summary of age of the women**

	<b>Mean</b>	<b>Minimum</b>	<b>Maximum</b>
<b>1. Age of respondents</b>	48 years	37 years	68 years

Table 4.3 describes the detailed age of participants of the study. 82% of women in the sample fell under the age group 35-44 and 45-54 representing 41% each. This trend suggests that majority of individuals who prefer to use credit facilities among the respondents are women who have families and undertake several responsibilities such as feeding the family. Thus, these credit facilities enable the women to have the necessary assistance to support themselves and their families. Further, only 18% of the women were aged 55 years and above. This may imply that as one gets older, the demand for credit reduces, perhaps, due to a decrease in responsibilities at home and from the family.

**Table 4. 3 Age of the women**

<b>Age in years (N=22)</b>	<b>Frequency</b>	<b>Percentage %</b>
35-44	9	41
45-54	9	41
55-64	1	4
65+	3	14
<b>Total</b>	<b>22</b>	<b>100</b>

Source: Field data, June 2017

**Table 4. 4 Marital status and educational level of the women**

<b>1. Marital status</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Single	3	13
Married	16	73
Widow	3	14
<b>Total</b>	<b>22</b>	<b>100</b>

<b>2. Educational level</b>	<b>Frequency</b>	<b>Percentage (%)</b>
None	2	9
Basic	7	32
Secondary	8	36
Vocational	4	18
Tertiary	1	5
<b>Total</b>	<b>22</b>	<b>100</b>

Source: Field data, June 2017

#### **4.1.2. Marital Status**

Marriage is a social institution that can influence the individual in a number of ways. It naturally imposes some responsibilities on the individual, pertaining to their spouse, children or elder dependents.

Table 4.4 above shows that most of the women who benefited from the credit are married, making 73% of the sample, while 13% and 14% were single and widows respectively. Generally, married women from the study faced many problems such as the need to supplement their income to support their family and children. This credit facility seemed best suited to satisfy their needs.

#### **4.1.3. Educational level**

Education forms an integral part of the economy and plays a vital role in the life of people. It enables people to acquire knowledge, skills, and values that help them to earn a living. Looking at the wellbeing of women, education can help improve the performance of their businesses through skills such as book keeping, so they can optimize benefits from the funds. Table 4.4 above indicates that a majority of the women in the study had some level of formal education. About 59% of the women had secondary education and higher. Two of the women had no form of education. However, it is unclear whether the educational level of the women has a direct influence on their businesses.

#### **4.1.4. Number of children**

Table 4.5 below indicates that most of the women had at least one child, except for two women who did not have any child of their own. However, these women who did not have any child indicated that they had younger ones they took care of. The table also shows that most of the

women had between three to four children, which perhaps further explains the women's need for credit facilities to help augment their income to take care of numerous responsibilities in the family.

**Table 4. 5 Number of children**

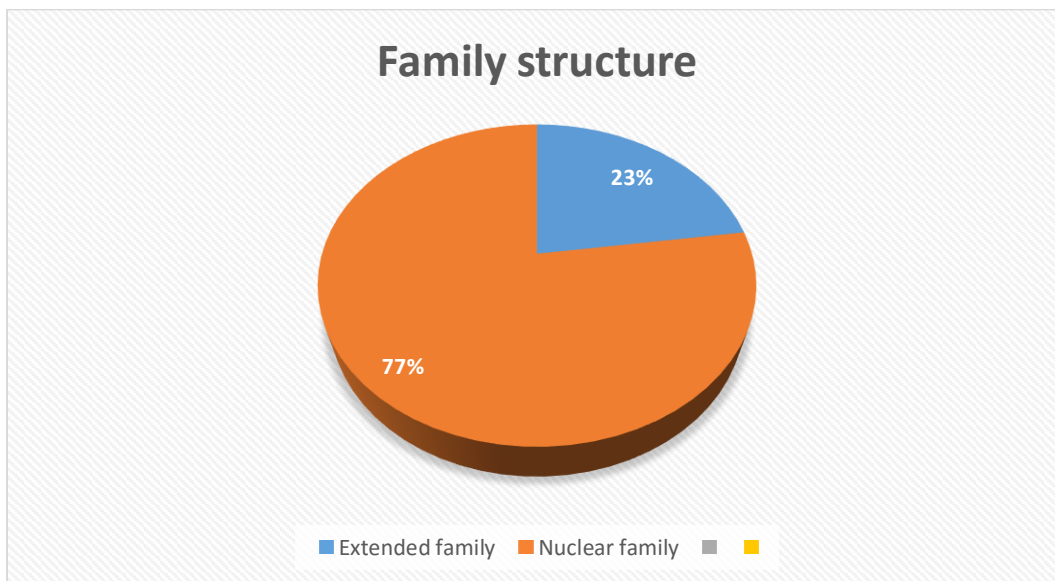
No. of children ( N=22)	Frequency	Percentage %
0	2	9
1	2	9
2	1	5
3	6	27
4	9	41
5	2	9
Total	22	100

**Source: Field data, June 2017**

#### **4.1.5. Family structure**

Figure 4.1 gives the family particulars of the women in the sample. Out of 22 participants, 17 (77%) were from nuclear families and 5 (23%) lived in extended families. This might imply that the extended family system among the respondent seemed to have reduced. It also provides opportunities for these women such as having more leisure time to engage in productive activities and having less elder dependents.

**Figure 4. 1 FAMILY STRUCTURE**



**Source: Field data, June 2017**

**4.1.6. Elder dependents**

Further, Table 4.6 indicates that a large portion of the women (59%) had between one to four elders at home who are either financially or physically dependent on them. Mostly, the responsibility of caring for these elders fall on the shoulders of these women and contributes to the need for credit by these women to help raise their income levels, in order to take care of their responsibilities. A significant number of women representing 27%, however, did not have any elder dependents.

**Table 4. 6 Elder dependants**

Dependent elders	Frequency	Percentage %
0	6	27
1-4	13	59
5-8	3	14
Total	22	100

**Source: Field data, June 2017**

## **4.2. Analysis of qualitative findings**

### **4.2.1. Access and utilization of loans by the women**

The purpose of this sub-section is to analyze respondents response on the challenges faced in the access and utilization of loans and this addresses the research objective of understanding the experiences of women in the access and utilization of the micro-credit.

#### **4.2.1.1 Challenges faced in accessing the loan**

Membership of the credit union is a requirement to access credit from the union, and this played a role for the women in the sample. All women sampled are members of the credit union and a sizeable number of women reported that this factor made access to the credit easier for them. Aside from this factor, most of the women reported that the process involved in accessing credit from the credit union is generally easy, and they were able to provide the necessary requirement needed, such as having a regular savings history and a guarantor and did not, therefore, face any challenges. The excerpts below illustrate how these women viewed access to credit from the institution.

*I did not go through any challenges when I was taking the loan, as long as I was a member of the credit union. Because it was easy, I even recommended it to seven friends. (Edo)*

*I did not have any challenges. They asked me to provide some requirements like a guarantor, and to fill a form. I was able to provide all their requirements, so it was easy for me to get the loan from the union. (Derdo)*

The excerpts above suggests that membership plays a role in access to loans in a financial institution. Further, responses from the women indicated that the procedures involved in obtaining credit from the union are easy, and this, in turn, may influence borrowers to patronize

them. This assertion is in line with findings by Khan and Rahaman (2007) that, institutions that provide micro-credit were becoming popular among low-income groups. The reason was that they could get loans without collateral, and the procedures involved were less tedious. This notwithstanding, a few of the women reported having few issues with the processes involved in accessing credit from the union.

*When I was accessing the loan, I was not too clear with the processing fee charged. I felt it was too high. Whenever I go in for a new loan, processing fees are charged all over again and I don't understand why it should be done. But because I needed the loan, I had no option than to pay. (Maame)*

*Getting access to the loan was easy for me. The only problem I had was that I could not get a guarantor. I, therefore, had to use my savings with the union as a guarantor. (Nana)*

These issues such as processing fees, provision of a guarantor and in some cases payment of insurance on the loan taken can further increase the cost of borrowing, thereby deterring people from taking loans. Studies by Bee (2007) also confirms this finding that access to credit is affected by factors like cost of borrowing including high-interest rates and transaction costs. This, in the long run, can affect the benefits that access to credit provides to these women. The women were also further asked if it took longer for them to get the credit after they placed the request. All the women sampled responded that they had access to the credit in the shortest time. One respondent reported that:

*Getting access to the loan was not a challenge. I got the loan in less than two weeks after I filled the forms. (Naa)*

The timing of loan disbursement is an important factor in the efficient utilization of the loan. In studies by Ganle et al (2015), inappropriate and untimely disbursement of loans led not only to the use of the loan for unintended purposes but also increased the debt-liability of borrowers.

#### ***4.2.1.2. Purpose of the loan***

The women were asked about the purpose to which the loan was put, and most of the women responded that they used the loan to expand their businesses. The women interviewed reported that the loans were either used to top-up their monies in order to expand the business, as a start-up capital, or to pay off the debt owed suppliers. The excerpts below echo some of the responses of these women in this regard.

*My startup capital was not enough, so I took the loan to serve as a top-up for my capital to enable me to expand my business. (Ayesha)*

*I sell utensils so I took the loan to enable me to pay off the debt I owed suppliers of my goods and to also buy more goods for the business. (Awo)*

However, a few of the women reported that aside from the intended use of the loan to expand their businesses, they also used a part to pay fees for their ward. Others also indicated that they used the loan to buy assets such as land and to complete building projects.

*I did not have enough money to fund my business and my child was also going to school. I only needed a top-up to expand my business and to also pay fees for my ward. (Akweley)*

*The purpose of taking the loan was to support the purchase of land. (Kukuaa)*

These responses fall in line with the assertion of Mayoux (2000), that women's access to credit permits them to start their own commercial activity, invest more in prevailing business ventures, and obtain more assets.

Further, all the women in the study were engaged in some form of income generating activity before taking the loan, which provided some means of consumption for the women. This could have perhaps informed the use of the loan, as none of the women indicated that they used the loan for direct consumption purpose. Using the loan for expansion of business, buying of assets,

payment of fees and paying off debts may imply that there might be other sources of income for direct consumption.

#### **4.2.1.3. Challenges faced in the utilization of loans**

Under this theme, the women were asked about the experiences they encountered in relation to the challenges they faced in the utilization of the loans they got. All the women reported that they did not face any challenges in the utilization of the loan. Several studies have identified challenges faced in the utilization of loans. In a study conducted by Luyirika (2010), she identified these challenges to include difficulty in fulfilling repayment schedule, diversion of funds, short repayment period and small amounts of money. Studies by Malinza (2009) also identified factors affecting efficient utilization of credit to include the size of credit disbursed, lack of training in trade, poverty, payment plan, and high-interest rate.

However, in this study, the women reported not having faced challenges in their utilization of the credit in the area of fulfilling repayment schedule, diversion of funds, short repayment period and high-interest rates. According to them, they did not face pressure from the union to start repayment immediately after disbursement of loans, and also they had adequate time to finish repayment of the loan. Further, all the women reported that they used the loan for the purpose they stated and therefore did not have problems with the repayment of the loan. Also, repayment of the loan was done in the form of their routine daily contributions, so they did not feel the burden of repaying the loan. Below are excerpts which reflect some of the response of the women in this regard.

*I did not have issues when utilizing the loan. I wanted the loan for business, and that is exactly what I used the loan for. Because of that, I was able to repay my loan and I did it on time too.*

*When you take a loan and do not use it for a productive purpose, repayment of the loan becomes difficult. (Frema)*

*The union did not put pressure on me to immediately start paying off the loan so I was able to use the full amount I got for my business. Repayment was also easy for me since I paid the loan in the form of daily collection. (Esi)*

Esi's response re-emphasises the importance of lending institutions not demanding immediate start of repayment right after the loans have been disbursed. It ensures that clients have adequate time to prepare and to start making returns from the loans invested. For institutions that demand the immediate start of repayment of loans, the clients are forced to use a portion of their loans for repayment and this may affect the efficient utilization of loans.

#### **4.2.2. Socioeconomic wellbeing of women**

This sub-section will draw attention to the experiences of women regarding their socioeconomic wellbeing in the area of their personal income and their contribution to household expenditure and education of their children, asset acquisition, and their health. Overall, this subsection will deliberate the following research questions.

- I. Does micro-credit improve the personal income of women?*
- II. What role does micro-credit play in the acquisition of assets by women?*
- III. Does micro-credit play a role in enabling the women deal with health issues?*

The various themes under this research question will be examined in order to throw more light on the experiences of the women within their context as different individuals associate different meanings to the experiences they have.

#### **4.2.2.1. Primary source of income**

The interview data highlight that most of the women had their primary sources of income from the businesses they are engaged in. However, a few indicated having multiple sources of income such as farming and working in the church which earns them additional income. *Awo* explains her experience in this regard.

*My business in the market is my main source of income, although I own a farm in the village which gives me something small. The money I get from the farm is however seasonal, and not reliable. (Awo)*

When asked if they were able to derive alternative sources of income after they took the loan, all the women responded that they did not have alternative sources of income after getting the loan. The reason behind this was that the women already had a source of income before taking the loan. The focus was therefore placed on expanding their already existing business or to buy assets. The loan was not used to start-up a new venture. The story might have been different if the loan was used to start new ventures. *Frema*, a 37 year old trader, gives her experience on the sources of her income.

*My main source of income has been my business as a cold store operator. After I took the loan, I only used the money to expand my business, and this has still been my main source of income. But my business has expanded and I am able to sell a variety of products. (Frema)*

#### **4.2.2.2. Changes in income**

In studies conducted by Dupas & Robinson (2008), they found out that credit had both a positive and negative impact on income levels, thus both increasing and decreasing income respectively. Another study done by Ganle et al (2015) on the effect of micro-credit on

women's income found out that majority of women in their sample who had income making activities before receiving the loan reported improvement or no transformation in their income levels after taking the loan. Further, their interviews with the women found out that most of the women who reported improvement in their income had invested their credit into a profitable activity or had expanded their current commercial activity.

Similarly, in this study, the women were asked to describe their weekly personal income before and after taking the loan. Most of the women could not give a range of their weekly personal income. They attributed it to the fact that they have never taken the time to take note of their weekly personal income due to the nature of their business. The women who were mostly petty traders reported that they had to restock their products many times within the week and that the market was inconsistent. As a result, they sometimes make more and sometimes make less. These factors, the women reported makes it difficult for them to calculate their weekly personal income. Further, it could also be said that some of the women lacked bookkeeping skills, and this made it difficult for them to know and keep a record of their earnings and weekly personal income. This notwithstanding, a few of the women were able to give a range of their weekly personal income and this varied from 50 Ghana cedis to 200 Ghana cedis.

When asked if they saw an improvement in their personal income levels after taking the loan, most of the women answered in affirmative. They reported that due to the investment in their businesses, they made more returns and this influenced their weekly personal income. Some of the women were however quick to add that they initially did not see an improvement. It was after they had finished repaying their loans that they began to see an improvement. However few of the women who had invested their loans into assets reported of not having seen an improvement, and if there was an improvement at all, they will not attribute it to the loan. Below are excerpts, which echoed this report.

*The market is sometimes good and sometimes bad. Also, due to the nature of my business, I have to restock the goods many times in a week. It is therefore difficult for me to take note of my personal income before and after taking the loan. But I have seen an improvement in my personal income. I was able to add additional goods to what was sold, and I was able to expand the existing goods. Sales from these extra goods gave me more income. (Norkor)*

*On a weekly basis, my personal income was between 150 Ghana cedis to 200 Ghana cedis, depending on the market. After taking the loan, I initially did not see any improvement in my personal income. This is because, after taking the loan, any additional money I made was used for the loan repayment. It was after I finished paying off the loan that I started to see an improvement in my personal income. (Edo)*

*Before I took the loan, my weekly personal income on a good day was around 200 Ghana cedis. After taking the loan, the market has not been so good. Business is really bad nowadays so I don't make much. I no longer make sales as I used to. Because of that, I have not seen an improvement in my personal income. (Awo)*

The above excerpts echo the findings of Ganle et al (2015), that women who invested their loans in productive activities report improvement in their income.

Also, in the context of this study, women who invested their loan in assets did not report improvement in income. From the study also, improvement of their income levels was also dependent on the performance of the business venture they invested in. Where market was poor, they reported having seen less improvement in their income levels. Investment in profit making activities as well as the market influences the income outcomes for the women.

#### **4.2.2.3. Contribution to household expenditure**

Under this theme, the report of the women in the sample for the study varied. Some of the women reported that their contribution towards household expenditure had increased after taking the loan. According to them, due to the improvement in their income, they could easily make contributions towards household expenditures, which was previously a struggle when they had not gotten access to the loan. This was voiced out by one of the participants, *Norkor*, a petty trader engaged in selling vegetables, who is a single parent with three children.

*I have seen an improvement in my contribution to household expenditure. Before I took the loan, I was contributing, but it was sometimes a struggle. After I took the loan and expanded my business, it has become easier for me to contribute to household expenditure. (Norkor)*

This report is in line with a study undertaken by Shekilango (2012) that the income ability of the women in the study as a result of the credit has allowed women to make improved contributions to household expenditures.

A significant number of the women in the sample also reported that they do not contribute much to household expenditures due to the support they enjoyed from their husbands. According to them, their husbands supported in the payment of bills and provision of money for consumption. Some were of the view that this support was before they accessed the loans, and they still continue to enjoy the support of their husbands even after accessing the loan. The excerpts below throw more light into this.

*I do not contribute much to household expenditures. My husband supports in that, so my money does not go into it. (Abena)*

*I am able to contribute to household expenditure and this has improved since taking the loan. Although my husband takes care of the household expenditures, whenever I have to make contributions, I find it easy to get the money due to my business. (Fauzia)*

Support from their husbands in contributing to household expenditures may have rippling effects as it might enable the women to channel part of their income to other aspects of their wellbeing such as more investment in income generating activities and subsequent increase in their income levels.

Finally, some of the women also reported that they did not see an improvement in their contribution to household expenditure. Some of the women revealed that since they did not invest the loan into their business, but rather on assets, they did not see any improvement. For some women who had invested their loans into their businesses, they still reported that they did not see an improvement in household expenditures due to their businesses not doing too well. It could, therefore, be said that the purpose of the loans has some level of influence on their contribution to household expenditures.

#### **4.2.2.4. Contribution to education of children**

Another pattern running through the various narratives of the participants was their reference to improvement in their contribution towards the education of their children as a result of the credit. The narratives of the respondents demonstrate their belief that due to the expansion of their business, their income levels had increased, and as a result, made it easier for them to make significant contributions towards their wards education. *Naa* is a trader and is married with 5 children. According to her, paying her wards school fees has always been a struggle. After expanding her business, she now makes enough to pay fees for her children. The quote below highlights her response.

*There has been an improvement in my contribution to my children's education. Before I took the loan, I was contributing but it was sometimes a struggle. After I took the loan and expanded the business, I can now easily get money to contribute to my children's education. (Naa)*

This finding is consistent with a study by Adjei et al (2009) that participation in credit programs enhances contribution to the education of children. A similar study was done by Nader (2008) and also confirmed that micro-credit enhances the education of children, and this represented a multiplier effect of giving credit to women.

A few of the women indicated that they were not the sole contributor towards their children's education and that they received support in this regard from their husbands. As one participant expressed.

*At first, I struggled to support my husband when it comes to providing support towards the children's education. I even sometimes have to borrow from friends. After taking the loan and using it for my business, it is now easy for me to put my income into supporting my husband. (Adoma)*

The women, therefore, do not have to bear the whole burden of paying their wards school fees, and this goes a long way to improve their wellbeing. Support from spouses is therefore important when it comes to the wellbeing of women.

However, four of the women indicated that they did not see any improvement in their contribution towards the education of their children which is in line with findings from a study by Brannen (2010), that participation in credit programs did not have any positive impact on expenditure on education. Of this number, two of the women did not invest their loans into their businesses, but rather assets, and would not attribute any form of improvement in the education of their wards to the credit. One of the respondents also indicated that she does not

make a contribution in that regard since all her children are matured and take care of themselves.

#### **4.2.2.5. Asset acquisition**

The responses of the women under this theme were mixed. Some of the women expressed an improvement in assets they acquired after taking the loan, indicating that, due to the increase in their income levels, they could afford to buy assets which they could not buy previously.

*I currently live in my late husband's house, but I have been able to build my home which I will be moving in soon. Due to the expansion of my business and increase in my income, I was able to accumulate enough to start my building project, and now, I own a house. The loan has, therefore, helped me gain assets. (Akweley)*

*I now own a land, and I bought it with my own money, I was able to save up from the money I get from my business, which I used in the purchase. If it hadn't been for the loan, I wouldn't have been able to expand my business, and I wouldn't have gotten enough to save to buy the land. (Frema)*

These responses by the women are confirmed by studies undertaken by Sultan and Hasan (2010) that women who had access to credit were able to increase their ownership of both productive and non-productive assets because they could now pay for them through the profits they made from their businesses.

On the other hand, other women voiced out that they did not see an increase in the assets they acquired even after taking the loan. According to them, the loans were acquired for business purposes only. Also, due to the nature of their businesses which required consistent restocking of goods, buying assets such as household assets became a luxury they could not afford.

Further, some women said they already had assets such as household assets before taking the loan, and therefore did not have the need to buy more household assets. Some were quick to add that perhaps, in the long run, due to the expansion of their business, they could afford to buy landed properties such as land or embark on building projects. Below is an excerpt of the response of one of the women.

*Due to the nature of my business, I have to constantly restock my products. Money is therefore always going into the business. Buying assets, therefore, becomes a challenge for me. Due to this reason, I have not gained additional assets aside from the assets I had before I took the loan. (Akos)*

From the responses of the women with regards to the acquisition of assets, it was noted that the purpose of the loan had an influence on the asset they acquired. Also, asset acquisition especially landed properties was a long term benefit of the loan acquired by the women and not an immediate benefit.

#### **4.2.2.6. Dealing with health issues**

The use of health insurance as a means of dealing with health issues was predominant in most of the responses given by the women. According to them, whenever the need arises for them to visit the health facility, the health insurance came in handy in helping them deal with it. However, where extra expenses are incurred such as buying of drugs which are not covered by the health insurance, they often used their savings with the credit union or take money from their businesses to help them deal with the cost. Below are some responses in this regard.

*I have health insurance which I use whenever I have to use the health facility. But when I have to get drugs or some services which the health insurance does not cover, I take money from the business or my savings with the credit union. (Norkor)*

*I keep a portion of my income aside which I use in case of emergencies. I, therefore, use it whenever I have health issues to deal with. (Yaa)*

The excerpts above shows the importance of health insurance to these women, as it was what they used the most whenever they had to deal with health issues. Also, the women having savings was important in helping them deal with health issues, especially where the health insurance could not cover it.

However, few of the women reported that due to a poor market, it becomes difficult for them to get adequate funds to take care of their health. Afi gives her experience in this regard.

*The market is very bad nowadays. I don't make much from my business, and this also makes it difficult for me to deal with my health problems. I currently need money to go to the hospital, but I do not have money to do that. (Afi)*

Afi's response can imply that performance of business can influence the health outcomes of the individual. A business that is doing well can enable one to get enough income to take care of health issues. Similarly, a business that is not doing so well can affect the income levels of the woman, thereby making it difficult for her to deal with health issues.

#### **4.2.2.7. Loans and health**

The women were also asked in what way the loan has enabled them to deal with health issues. Most of the women responded that they could save more and their business is doing well as a

result of the loan. The savings served as means they could easily access whenever there are emergencies relating to health. Therefore, the loans have been beneficial to them in dealing with health issues.

*My business is doing well, so I am able to save regularly, and this has been made possible due to the loan. Whenever I am faced with health challenges, I go into my savings. Therefore, the loan has really been beneficial to me. (Pomaa)*

From the above excerpts, it can be noted that access to credit did not have a direct influence on the health of the women. Access to credit enabled the women to invest in their businesses, which increases their income levels and enabled them to save regularly. Increases in their income and their savings served as a source the women could easily access when faced with health issues. The implication is that access to credit and its utilization influences the health outcomes of the women.

However, a few women reported that they did not see how the loan has enabled them to deal with health issues. For some of the women, they hardly visited the hospital, while for others, they preferred going to the pharmacy for first aid. As a result, many financial resources were not needed to deal with health issues. Nader (2008) in her study, did not find any significant any significant association between micro-credit and health perceptions. Her result showed that women placed less priority on their health and that they considered expenditures on their wellbeing in low position than others.

Others also reported that before they took the loans, they could easily raise funds to help deal with health issues and this has not changed even after taking the loans.

### **4.3. Discussion of key findings**

This section aims at discussing the findings from each research question.

#### **4.3.1. Access and utilization of loans**

Women's access to micro-credit has more desirable outcomes since women spend more money on basic needs. In the framework presented by Mayoux and Hartl, (2009), women's access to loans translates into their economic and social wellbeing. According to them, the credit might enable women to start their own economic activity, invest into existing commercial activity, increase control over their assets, and reduce their vulnerability in the area of health. Further, in their access to loans, these women often face challenges, which may affect their utilization of such loans as well as the benefits to be derived from them. Challenges encountered by the women in their access to credit can, therefore, have serious implications for their wellbeing.

Key patterns were noted in the responses given by the women in the study. The women reported not having faced challenges when accessing the loans, and this was due to factors such as their membership to the credit union and a good savings history. Further, the responses from the women showed that they were able to meet the requirement for a loan such as the provision of a guarantor. This notwithstanding, challenges were reported by some of the women and they included difficulties in securing a guarantor and processing fees involved in the process. In cases where there were difficulties in getting a guarantor, the savings of the women were used instead. These challenges reported by the women are in line with assertions by Bee (2007) that access to credit is limited by the high cost of borrowing such as transaction cost and high-interest rates. A study was done by Luyirika (2010) on the challenges faced in accessing loans also identified initial expenses incurred in accessing the loan as one of the challenges. These challenges tend to diminish the benefits the women would have gotten from the credit.

The study also found out that the women did not face any challenges in the utilization of the loan, implying that they used it for the purpose stated. Studies by Luyirika (2010) and Malinza (2009) identified challenges faced in the utilization of loans to include difficulty in fulfilling repayment schedule, diversion of funds, small amounts of money disbursed, and too many deductions, which is contrary to findings from this study. The reports given by the women might be due to the fact that the women used the loans purposely for the expansion of their businesses, to buy assets and the payment of fees.

Most of the women also reported using the loan acquired for business purposes while the minority used it to acquire assets and for the payment of fees. This finding is in line with a study conducted by Lodhi et al (2006) that majority of their respondents were using their loans for economic activities, while few used it for household/family use, savings and personal use. Further, this study found out that the purpose of the loan had an implication on their income levels, asset accumulation, and contribution to household expenditures. For the women who invested their loans into their businesses, they reported having seen an improvement in their weekly personal income, compared to those who invested in assets, who reported that they did not see any improvement in their weekly personal income. Further, those who used their loans for acquiring assets reported an increase in assets accumulation compared to those who used their loans for business expansion, who gave mixed responses. For women who used their loans for asset accumulation, they did not see an improvement in their contribution to household expenditure and vice versa.

#### **4.3.2. Socioeconomic wellbeing of women**

According to Mayoux and Hartl, (2009) in their framework, increasing women's access to credit has been contributing to economic empowerment and increased wellbeing of women.

This is made manifest in their investment into existing economic activities, starting their own economic activity, visible capital contribution to household activities and in asset accumulation. Further, increased participation in economic activities may trickle down to benefit their wellbeing by raising their incomes and contribution to household income. This, in turn, may enable them to invest more into their economic activities (Mayoux and Hartl, 2009).

In this study, most of the women reported experiencing an improvement in their weekly personal income, and this is in line with findings from studies undertaken by Luyirika (2010) and Sultana and Hasan (2011) that the acquisition of loan to engage in income generating activities enabled the women to increase their incomes. Another study by Nader (2008) also found out that women's access to micro-credit and increase in income levels enhance their self-esteem and confidence because they feel economically independent. However, a few reported not seeing an improvement in their weekly personal income after taking the loan. This difference in response can be attributed to what these loans were used for. For the women who used their loans for their businesses, they saw an improvement in their income levels. However, for those who used their loans for asset acquisition, they did not see any improvement. Some of the women also indicated that these improvements were not immediate and that they only saw an improvement after they had finished repaying the loans. From the study, it seems to suggest that the purpose of the loan played a role in the income levels of the women, which is in line with finding from Waheed (2009) that way credit is utilized determines present income.

The assertion that access to credit increased the contribution of women towards household expenditures was also confirmed in this study. These women attributed the increase to their businesses doing well, which improved their income levels. Further, from the study, some women indicated that they enjoyed support from their spouse in this regard. As a result, they do not contribute much to household expenditures. Other women also indicated that they do not contribute at all in that regard and that their husbands took care of it. The same response

was also noted for their contribution towards the education of their wards, that their contribution improved, which is line with findings from a study done by Haq and Kamran (2009) that participation in micro-credit program increased women's income and made it possible for their children to go to school. This might perhaps suggest that a woman's contribution to household expenditures as well as the education of her children as a result of credit can be influenced by her marital status.

According to Zaman (2000), asset building serves as a form of insurance against crisis; it can reduce vulnerability as some assets can be sold to meet consumption needs. In this study, some women expressed an increase in their assets such as land and houses, after taking the loan. For some of the women, this was due to an improvement in their businesses, and for some, it was a result of their investment in assets. This reaffirms findings from a study by Nader (2008) that women's access to micro-credit increases their assets because the increases in their income are reinvested into assets, and this played an important role in enhancing their economic independence. On the other hand, other's indicated that they did not see an improvement in their asset acquisition. According to them, they invested the loans into their businesses, therefore acquisition of assets was not a priority for them. However, in the long run, assets such as landed properties could be acquired due to the expansion of their businesses.

Women's access to credit according to the conceptual framework, helps them to financially deal with health issues. Due to an increase in income as a result of access to credit, funds are readily made available to these women who then utilize them whenever they are faced with health issues. Findings from Dzisi and Obeng (2013) also re-emphasises this assertion that micro-credit enables women to access health care facilities and deal financially with health issues. Findings from this study also fell in line with this assertion in that the women reported having seen an improvement in how they dealt with health issues. According to them, due to the expansion of their businesses, they could take money from their businesses or from their

savings with the credit union whenever they are faced with health issues. This report emphasizes the importance of savings in helping the women to deal with shocks. Further, according to Ansoglenang (2006) in his studies on rural women and micro-credit schemes, women develop savings behavior due to the fact that savings are the loan conditionality. In this study, savings was also a loan conditionality and this helped the women develop savings behavior. The savings they had also served as a means they could access whenever they are faced with health issues.

This notwithstanding, the first point of call for most women when they are faced with health issues was the use of the government health insurance which is free but not very efficient due to the low quality of service offered.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0. Introduction**

This final chapter describes the key findings of this study, in an attempt to answer the research questions and objectives. The summary of the key findings of this study is first provided in this section. Conclusions are then drawn from the discussions and are presented in the section that follows. The final section of the chapter discusses recommendations and the limitations of the study and future research directions.

#### **5.1. Summary of key findings**

The methodological approach taken in this research allowed for an in-depth understanding of the participant's experiences. In relation to their experiences in the access and utilization of loans, the study found out that accessing loans from the organization by the women was easy, mainly due to the fact that all the women were members of the credit union, and that they were able to fulfill the requirements involved in securing the loan. Issues such as processing fees and provision of a guarantor were, however, limitations in accessing the loan. Further, the women sampled did not face any challenges in utilizing the loan; they were able to use the loan for the purpose intended. The loans were also mainly used to expand existing commercial activities, with a few investing in assets and in the education of their wards.

The study also found out that the women sampled did not have alternative sources of income even after acquiring the loan, suggesting that the women did not start new ventures with their loans, but rather invested in existing activities. Most of the women reported having seen an improvement in their weekly personal income after taking the loans. However, this

improvement was not immediate, they reported that they only saw an improvement after they finished repaying the loans. A few of the women reported not seeing any improvement in their weekly personal income. This was partly due to the poor performance of the business as well as the investment of loans in assets.

The study also found out that due to increases in the income of the women, their contributions to household expenditures had increased, except for a few who reported that they did not experience improvement in their contributions to household expenditures, after taking the loan. For the women who did not experience any improvement, a few did not use the loan to invest in commercial activities, but rather assets. Spousal support was also key in household contribution as some of the women responded that they enjoyed such support, and therefore did not contribute much in that regard.

Most of the responses from participants also showed that they saw an improvement in their contribution towards their wards education as a result of their access to the credit. Some also indicated that they enjoyed support from their husbands in this regard. However, few indicated that they did not see any improvement in this regard.

In the area of asset acquisition as a result of access to credit, the response of the women was mixed. Some indicated that their asset acquisition had improved after gaining the loans, while others indicated that they did not see any improvement in their asset acquisition.

Women's access to credit also played a role in how they dealt with health issues. They indicated that they made use of their savings or took monies from their businesses whenever they had to deal with health issues. This response by the women emphasizes the importance of savings as a way of dealing with external shocks. It also showed the importance of access to credit in dealing with health issues.

From the findings, it can also be noted that the purpose of the loan and its efficient utilization had an influence on the socioeconomic wellbeing of the women. This is because of the women sampled, those who indicated an improvement in their wellbeing used their loans for commercial purposes and profit making ventures while those who invested their loans into assets did not see any significant improvement in their socioeconomic wellbeing.

## **5.2. Conclusion drawn from discussion**

Drawing from the discussions above, it can be concluded that women's access to credit and utilization of it, has a significant influence on their wellbeing. This study has shown that access to loans do contribute to the improvement of personal incomes of the women, increased contribution to household expenditures, education of children, accumulation of assets, and a means to financially deal with health issues, thus the wellbeing of some women were improved as a result of their access to microcredit. However, others indicated otherwise. The findings also suggest that those women who reported improvement in their wellbeing were engaged in some commercial activity before receiving the loan and therefore used their loans to expand their businesses. This brought about an increase in income, with a subsequent trickling-down effect on the other indicators of wellbeing used in this study. On the contrary, women who reported not seeing any improvement did not use the loans for their businesses but rather, to buy assets, implying that the intended purpose of the loan also influenced women's wellbeing. This evidence clearly exposes the gap that exists between women's access to credit and its actual operations and effect on women's wellbeing.

Further, where changes are seen in women's wellbeing, it could not be attributed to only the credit. Other factors such as spousal support have proved important in this study in contributing to the wellbeing of the women. This notwithstanding, women's access to loans have enabled

women to meet their basic needs. The impact of the credit is dependent on circumstances such as the purpose of the loan.

The study also found out that savings were important to the women, in that it helped serve as a means they could fall on in times of difficulties. It also reduces the vulnerability of the women to unforeseen shocks as well as improves the saving behavior of women.

### **5.3. Recommendations**

Based on the findings of the study, the following are some recommendations suggested to improve the socioeconomic wellbeing of the women as a result of their access to credit.

From the study, it was realized that some of the women lacked book keeping skills and could not keep track of their earnings. This was partly due to the nature of their businesses. Training programs could be organized by the union to educate the women on financial management and bookkeeping skills to help improve their businesses since their businesses seem to be the main source of their wellbeing.

Further, from the study, support from the spouses of the women seems to play a role in promoting their wellbeing. This can perhaps suggest that further improvement in the wellbeing of women as a result of their access to credit can involve the support of their spouses. Credit programs and facilities designed for women can also target men as well, by integrating them into the program. This can be done by educating them on some of the roles they can play to ensure that credit used by the women will have the maximum advantage to their wellbeing.

Also, financial institutions should insist on compulsory savings by the women since it helps cushion the women during difficult situations.

Finally, the study recommends and supports the suggestion made by some of the clients that the cost of borrowing should be reduced to enable more people to have access to the credit facility. The high cost of borrowing reduces the actual amount they receive, and this can affect the efficient utilization of the loan.

#### **5.4. Limitations and future research directions**

The findings of the study cannot be generalized due to the small sample size used for the study, drawn mainly from the urban area, which may not be representative of women working in the formal sector or in the rural area.

Future research can be carried out to assess the implication of the cost of borrowing on the access and utilization of loans, as well as its implication on their wellbeing.

## BIBLIOGRAPHY

- Adjei, J. K., Arun, T., & Hossain, F. (2009). The role of microfinance in asset-building and poverty reduction: The case of Sinapi Aba Trust of Ghana. University of Manchester.
- Al-Mamun, A. & Wahab, S. A. & Mazumder, M. N. H. & Su, Z. (2014). Empirical Investigation on the Impact of Microcredit on Women Empowerment in Urban Peninsular Malaysia. *The Journal of Developing Areas* Vol: 48(2), pp: 287-306.
- Anderson, C. L., Locker, L., & Nugent, R. (2002). Microcredit, Social capital, and Common pool resources. *World development*, 30(1), pp 95-105.
- Ansoglenang, G. (2006). Rural women and micro-credit schemes. Cases from the Lawra District of Ghana. (Master's thesis). University of Tromsø.
- Armendáriz de Aghion, B., & Morduch, J. (2005). *The Economics of Microfinance*, MIT Press. Cambridge, Massachusetts.
- Ashraf Ali, H. M. (2014). Microcredit and power: examining how and why women encounter domination in Bangladesh. *Development in Practice*, 24(3), 327-338.
- Bangoura, L. (2012). Microfinance as an approach to development in low income countries. *The Bangladesh Development Studies*, 87-111.
- Bateman, M. (2014). The rise and fall of Muhammad Yunus and the microcredit model. *International Development Studies Working Paper*, 001. Available at <https://ssrn.com/abstract=2385190>.
- Beaumont, J. (2011). *Measuring national well-being - Discussion paper on domains and measures*. Newport: Office for National Statistics.
- Bee, F.K. (2007). Rural Financial market in Analysis of access to financial services in Babati, Manyara Region. (Unpublished Doctoral thesis). University of South Africa.

- Brannen, C. (2010). *An Impact Study of the Village Savings and Loan Association (VSLA) Program in Zanzibar, Tanzania. (Degree Thesis)* Wesleyan University.
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative research in psychology*, 3(2), 77-101.
- Bryman, A. (2012). *'Social research methods' (4th ed.)*. Oxford University Press.
- Campbell, C. (2005). Gendered micro-credit programming in Nigeria: questioning the bottom line. *Canadian Social Work Review/Revue Canadienne de service social*, 103-116.
- Burgess, R., & Pande, R. (2004). Can rural banks reduce poverty? Evidence from the Indian social banking experiment. *American Economic Review Journal*.
- Campbell, C. (2005). Gendered micro-credit programming in Nigeria: questioning the bottom line. *Canadian Social Work Review/Revue Canadienne de service social*, 103-116.
- Creswell, J. (1998). *Qualitative inquiry and research design: Choosing among five traditions*. Thousand Oaks, CA: Sage.
- Daley-Harris, S. (2009). *State of the Microfinance Summit Campaign Report 2009*. Washington, DC: Microcredit Summit Campaign.
- Dupas, P., and J. Robinson, 2008. 'Savings Constraints and Microenterprise Development: Evidence from a Field Experiment in Kenya'. Working Paper no. 14693. Washington, DC: National Bureau of Economic Research.
- Dzisi, S., & Obeng, F. (2013). Microfinance and the socio-economic wellbeing of women entrepreneurs in Ghana. *International Journal of Business and Social Research*, 3(11), 45-62.
- Elahi, KQ-I and Rahman, ML. 2006. Micro-credit and micro-finance: Functional and conceptual differences. *Development in Practice*, 16 (5): 476-483.
- El Solh, C. F., & Unies, N. (1999). Feasibility and operationalization of microcredit finance facilities targeting poor women in urban and rural areas in selected Arab countries:

theoretical perspectives and practical considerations. United Nations Economic and Social Commission for Western Asia.

Esterberg, K. G. (2002). *Qualitative methods in social research*. Boston, MA: McGraw-Hill.

Fernando, J. L. (Ed.). (2004). *Microfinance: Perils and prospects*. Routledge.

Ganle, J. K., Afriyie, K., & Segbefia, A. Y. (2015). Microcredit: Empowerment and disempowerment of rural women in Ghana. *World Development*, 66, 335-345.

Goetz, A. (2001) *Women development workers: Implementing rural credit programs in Bangladesh*. Sage Publications, New Delhi (2001).

Gonzalez, L., & Brito, M. (2013). *Microcredit in Credit Unions: An Exploratory Study*. Working Paper retrieved from [www.asbaweb.org](http://www.asbaweb.org).

Harris, S. D. (2009). "The State of the Microcredit Summit Campaign Report 2009". (Washington, DC:Microcredit Summit Campaign).

Haq, M. Z. U., & Kamran, M. (2009). *Role of Microcredit in Women ' s Empowerment*. (Master thesis). JÖNKÖPING UNIVERSITY.

Hermes, N., & Lensink, R. (2007). Impact of microfinance: a critical survey. *Economic and Political Weekly*, 462-465.

Khan, M. A., & Rahaman, M. A. (2007). *Impact of microfinance on living standards, empowerment and poverty alleviation of poor people: a case study on microfinance in the Chittagong District of Bangladesh*. (Master thesis). Umea School of Business (USB), Department of Business Administration.

Khandker, S. R., Samad, H. A., & Khan, Z. H. (1998). Income and employment effects of micro-credit programs: Village-level evidence from Bangladesh. *The Journal of Development Studies*, 35(2), 96-124.

- Kireti, G. W., & Sakwa, M. (2014). Socio-Economic Effects of Microfinance Services on Women: The Case of Rosewo Microfinance, Nakuru County, Kenya. *International Journal of Academic Research in Economics and Management Sciences*, 3(3), 43.
- La Nkwantanang Madina Municipal Assembly. (2014). 2014-2017 Medium Term Development Plan.
- Li, X., Gan, C., & Hu, B. (2011). The welfare impact of microcredit on rural households in China. *The Journal of Socio-Economics*, 40(4), 404-411.
- Lingam, L. (2005). Structural adjustment, gender, and household survival strategies: Review of evidence and concerns. CEW Center for the Education of Women, University of Michigan.
- Lodhi, T. E., Luqman, M., Javed, A. S. I. F., & Asif, Muhammad (2006). Utilization of Micro-credit by the Female Community: A Case Study of Azad Jammu and Kashmir (Pakistan). *International Journal of Agriculture & Biology*, 1560-8530.
- Lott, C. E. (2008). Why women matter: the story of microcredit. *JL & Com.*, 27, 219.
- Luyirika, M. N. (2010). The role of microfinance in the socio-economic development of women in a community: a case study of Mpigi Town Council in Uganda (Unpublished Doctoral dissertation). University of South Africa.
- Mack, N., Woodsong, C., McQueen, K. M., Guest, G., & Namey, E. (2005). *Qualitative Research Methods: A data collector's field guide*. Family Health International (Vol. 36). <https://doi.org/10.1108/eb020723>
- Meade, J. (2001). An examination of the microcredit movement. Available at: <http://www.goecities.com/jasonmeade3000/Micro-credit.html>.
- Maes, J. P., & Reed, L. R. (2012). State of the Microcredit Summit Campaign report, 2012 Microcredit Summit Campaign. Washington, DC.

- Maindonald, J. H. (2011). *Qualitative Research from Start to Finish* by Robert K. Yin. *International Statistical Review*, 79(3), 499-500.
- Malinza, A. O. (2009). *Socioeconomic factors affecting efficient utilization of micro credit among women in Morogoro municipality* (Unpublished Doctoral dissertation). Sokoine University of Agriculture.
- Mason, J. (2002). *Qualitative researching*. BOOK, London: Sage.
- Mayoux, L. (2000). *Micro-finance and the Empowerment of Women: A Review of the Key Issues* (No. 344134). International Labour Organization.
- Mayoux, L., & Hartl, M. (2009). *Gender and rural microfinance: Reaching and empowering women*. International Fund for Agricultural Development (IFAD).
- Mohindra, K. S., Haddad, S., & Narayana, D. (2008). *Can microcredit help improve the health of poor women? Some findings from a cross-sectional study in Kerala, India*. *International Journal for Equity in Health*, 7(1), 2
- Moyle, T. L., Dollard, M., & Biswas, S. N. (2006). *Personal and economic empowerment in rural Indian women: A self-help group approach*. *International Journal of Rural Management*, 2(2), 245-266.
- NABARD. (2010). *National Bank for Agriculture and Rural Credit Annual Report 2010*. Web at: <http://www.nabard.org/fileupload/AnnualReportsDisplay.aspx>.
- Nader, Y. F. (2008). *Microcredit and the socio-economic wellbeing of women and their families in Cairo*. *The Journal of Socio-Economics*, 37(2), 644-656.
- Nithyanandhan, S. H. (2014). *Socio-economic status of women in micro credit self-help groups in Chennai, India*/S. Hemavathy Nithyanandhan (Unpublished Doctoral dissertation). University Malaya.
- OECD. (2013). *OECD Guidelines on Measuring Subjective Well-being*. OECD Publishing. Retrieved from <http://dx.doi.org/10.1787/9789264191655-en>

- Oliver, D. G., Serovich, J. M. and Mason, T. L. (2005). 'Constraints and opportunities with interview transcription: Towards reflection in qualitative research'. *Social Forces*, 84(2), 1273– 1289.
- Paris, B. L. (2013). *Institutional Lending Models , Mission Drift , and Microfinance Institutions. Theses and Dissertations--Public Policy and Administration. 9. Martin School of Public Policy and Administration. Retrieved from [https://uknowledge.uky.edu/msppa\\_etds/9](https://uknowledge.uky.edu/msppa_etds/9)*
- Patton, M. Q. (2002). 'Qualitative research and evaluation methods'. Thousand Oaks, Sage Publication: CA, London.
- Pitt, M., Khandker, S., & Cartwright, J. (2003). Does micro-credit empower women? Evidence from Bangladesh. *World Bank Policy Research Working Paper*, 2998(1), 57. Retrieved from <https://ssrn.com/abstract=636360>.
- Pyle, J. L., & Ward, K. B. (2003). Recasting our understanding of gender and work during global restructuring. *International Sociology*, 18(3), 461-489.
- Rahman, A. (1999). Micro-credit initiatives for equitable and sustainable development: Who pays? *World Development*, 27(1), 67-82.
- Rehman, H., Moazzam, A., & Ansari, N. (2015). Role of Microfinance Institutions in Women Empowerment: A Case Study of Akhuwat, Pakistan. *South Asian Studies*, 30(1), 107.
- Rehman, S. (2015). A life course approach to understand work–life choices of women entrepreneurs: evidence from Pakistan (Unpublished Doctoral dissertation). Middlesex University.
- Salia, P. J. (2014). The Effect of Microcredit on the Household Welfare (Empirical Evidences from Women Micro-entrepreneurs in Tanzania). *International Journal of Academic Research in Business and Social Sciences*, 4(5), 259.

- Scully, N. D. (2004). *Microcredit no panacea for poor women*. Global Development Research Centre, Washington, DC.
- Shekilango, M. S. (2012). *Microcredit and empowerment of rural women experience from of Mbeya Region Tanzania*. (Unpublished doctoral thesis). Lund University.
- Simanowitz, S. (2002). *Microfinance for the poorest: A review of issues and ideas for contribution of Imp-Act*. Improving the impact of microfinance on Poverty: An Action Research Programme, University of Sussex, Brighton.
- Stiglitz, J. E., Sen, A., & Fitoussi, J. P. (2010). *Report by the commission on the measurement of economic performance and social progress*. Paris: Commission on the Measurement of Economic Performance and Social Progress.
- Sultana, S., & Hasan, S. S. (2010). *Impact of Micro-Credit on Economic Empowerment of Rural Women*. *The Agriculturists*, 8(2), 43-49.
- Waheed, S. (2009). *Does Rural Micro Credit Improve Well-being of Borrowers in the Punjab (Pakistan)?* *Pakistan Economic and Social Review*, 31-47.
- Webster, A., Bode, G., & Posselt, H. (2008). *Measuring wellbeing – the Australian Bureau of Statistics ' framework for social statistics*. New York. Retrieved from [https://unstats.un.org/unsd/demographic/meetings/egm/NewYork\\_8-12Sep.2008/EGM Papers/Australia - Framework for social statistics.pdf](https://unstats.un.org/unsd/demographic/meetings/egm/NewYork_8-12Sep.2008/EGM Papers/Australia - Framework for social statistics.pdf).
- Woller, G. M., Dunford, C., & Woodworth, W. (1999). *Where to microfinance*. *International Journal of Economic Development*, 1(1), 29-64.
- Yin, R. K. (1994). *Case study research: Design and Methods*, Applied social research methods series, 5. Sage Publications. London.

Yunus, M. (2003,). Expanding microcredit outreach to reach: The Millennium Development Goal–Some Issues for Attention. In International seminar on attacking poverty with microcredit, Dhaka (pp. 8-9).

Yunus, M. (1999). The Grameen Bank. *Scientific American*, 281(5), 114-119.

Zaman, H. (2000). Assessing the poverty and vulnerability impact of micro-credit in Bangladesh: A case study of BRAC. World Bank.

## **APPENDIX I: Participant's Consent Form**

### **Micro-credit and the socio-economic wellbeing of women. A case study of Queen of Peace Corporative Credit Union.**

Researcher: Thelma Oger Abayateye

Supervisor: Dr. Charles G. Ackah

University of Ghana, Institute of Statistical, Social and Economic Research

#### **Informed Consent**

I have read and understood the information pertaining to the details of the Master's study. I have been made aware of my right to pull out from the study at any point. I have also been made aware that my full anonymity is assured, although the research data cannot be totally confidential. I, therefore, agree to participate in the study.

The information below gives details of my availability.

Day .....

Date .....

Venue .....

Time .....

Phone .....

Participant Name .....

Signature .....

## **APPENDIX II: Information Letter to the Participants**

### **Micro-credit and the socio-economic wellbeing of women. A case study of Queen of Peace Corporative Credit Union.**

Researcher: Thelma Oger Abayateye

Supervisor: Dr. Charles G. Ackah

**University of Ghana, Institute of Statistical, Social and Economic Research**

#### **Aims of the study**

This research is related to my Master's study at the Institute of Statistical, Social and Economic Research, University of Ghana. Overall, the research is aimed at exploring the experiences of women who have benefited from micro-credit. This study will further explore how micro-credit either enhances or lessens the wellbeing of women. This study, therefore, aims to gain a better understanding of the accounts of women who have benefited from micro-credit using an in-depth interview.

#### **Participation in the study**

The research will examine the views, and experiences of women who have benefited from micro-credit from diverse backgrounds. The approach for this study is a qualitative one which involves individual face to face interview sessions lasting for approximately between 15 to 30 minutes. Your views concerning your experiences will be sought for. Your interviews will be audio recorded and transcribed. The transcribed data will be sent to you for double-checking to ensure accuracy based on your availability.

Your participation in this study is optional. You are entitled to pull out from the study if you choose not to participate in the study at any point in time, and any information provided up till that point will not be used for the study.

### **Usage of interview data**

Any information provided by you during the interview pertaining to this study will only be used for my Master's study. However, while full concealment of the data cannot be possible, the full anonymity of all the participants will be ensured at all times.

The outcomes of the study will also be reported in my Master's thesis to fulfill award requirements. A written report of the transcribed data will be made available to all participants at the end of the study upon request.

### Contact Details

Email:

Mobile no.

## APPENDIX III: Interview Guide

### Part A

#### Background Information

Date .....

Time of the interview .....

Interviewee's Name

.....

Age .....

Marital Status

- a. Married [ ]   b. Single [ ]   c. Widow [ ]   d. Divorced [ ]   e. Separated [ ]

Educational Qualification

- a. None [ ]   b. Basic [ ]   c. Secondary/ Technical/ Vocational [ ]  
d. Teacher/Nursing [ ]   e. Tertiary [ ]   f. Others, please  
specify.....

Number of Children

.....

Number of Elder Dependents

.....

Type of Family

- a. Nuclear [ ]   b. Extended [ ]   c. Independent [ ]

Occupation

.....

## **INTERVIEW GUIDE**

### **Part B**

#### **I. Access and utilization of loans**

- a) Why did you take the loan?
- b) Can you tell me about some of the experiences you encountered in accessing the loan and some of the challenges encountered?
- c) What did you use the loan for and what were some challenges you faced in utilizing the loan from the credit union?
- d) How can the challenges mentioned be overcome?

#### **II. Income**

- a) What is your primary source of income and have there been alternative sources of income after taking the loan?
- b) What was your average personal income on a weekly basis before you took the loan?
- c) Has your weekly personal income improved since taking the loan? And if it has, in what way have there been an improvement?
- d) Has there been an improvement in your contribution to household expenditures, health and education of children, and in what way?

#### **III. Assets acquisition**

- a) Have you been able to buy any assets with your own money, and how did you get the money?
- b) And did you buy the assets after taking the loan, and why?
- c) Has the loan enabled you to gain more assets or fewer assets? How?

#### **IV. Health**

- a) When you are faced with health issues, how do you deal with it financially?
- b) Tell me how you invest in your health?
- c) In what way has the loan enabled you to invest more in your health?