

**Investigating the Impact of Microfinance on Women Empowerment:
Empirical Evidence from Pakistan****Lubna Maroof, Asma Basit, Farah Waheed, Saba Kousar***Bahria University, Islamabad***Abstract**

Economic growth and prosperity of states depend upon women's contribution to the economy since women form half of the world's population. Ownership and best utilization of (non)financial resources lead to the emancipation of women through successful economic empowerment. Lack of facilitation in terms of availing the resources leads to redundancy of women empowerment programs. However, microfinance programs by financial institutions act as a key strategy in empowering women hence, addressing the economic growth and development. The relationship of microfinance and women empowerment is not linear, rather many economic, social, psychological and political factors affect it. This study tries to investigate the relationship of microfinance with women empowerment, with the moderation role of household support and entrepreneurship in district of Jhelum, Pakistan. A quantitative approach was used to measure and interpret the results of the study. Primary data was collected from 315 respondents through self-administrated questionnaire, analyzed using structural equation modeling (SEM) using SMART PLS. The findings of the study support the hypothesized positive relationship of availability of microfinance and women empowerment. The results also provided evidence of the moderation effect of household support and entrepreneurship. The results of the study can aid in policy development by the government, policymakers, NGOs, and microfinance institutions in Pakistan.

Keywords: *Microfinance, Women Empowerment, Household Support, Entrepreneurship*

Microfinance is a well-known method for granting micro loans to to-be-entrepreneurs or micro startups in developing nations. It is the financial development tool for those who are 'deprived' of financial opportunities and access, particularly, most neglected yet significantly major contributor to financial wellbeing of the economy, the women (Shami et al., 2016). The stalled economic revolution in Pakistan has only turned to benefit of men for fostering their economic stability and strength however, it has adversely impacted the women for long. A revitalization of such stalled revolution would consider the neglected 52% of the social segment that is women, who could run their state of economic affairs independently. The economic independence of women, coupled with their decision-making authority would augur well for this socially neglected classed and would also strengthen the economic foundation of Pakistan. There are many organizations which have realized the hidden economic contribution of women and are struggling to bring their work, hurdles they face and their contribution to the fore. The clusters of Thar Women, Aurat Foundation, Swat Handcrafters and the Chitral's fabric weavers have already been registered through the Micro Finance Schemes started by Nobel Laureate Dr. Muhammad Younas of Bangladesh. The purpose of these loans is to facilitate the poor and enable them to earn their livelihood aiming at the elimination of poverty in the country. Such microfinance organizations in Pakistan have contributed to the economic development through providence of financial services as well as 'social capital' and added to 'human capacity development' (Abro et al., 2021). Microfinance is a multifaceted concept encompassing numerous manifestations. The concept of microfinance refers to a small amount of capital lending that outspread financial incentives to entrepreneurs to make them independent through micro and small trades. Microfinance is a monetary tool of socioeconomic development that can help significantly in women empowerment. Gender discrimination in providing access to resources for progress and empowerment has hindered women entrepreneurial activities in the country. However, literature provides evidence that microfinance benefits women by increasing their earning skills, and income, hence play a strong role in directly or indirectly affecting the lives of their family members. Broadly, microfinance enables women to take financial decisions efficiently such as effective assets management and enhanced financial autonomy (Vaessen et al., 2014). Harunur and Bhuyan (2020) report that borrowing by women increases their incomes as women rightly and

effectively use the borrowing in entrepreneurial ventures. Jafree and Ahmad (2013) report that 70% of the population under the poverty line comprises women and this "feminism of poverty" encourages policymakers to facilitate women by providing microfinance on easy terms.

In Pakistan, a collective loan is converted into a performing loan when such clusters of small-scale enterprises are funded through mutual guarantees or by financial institutions. Over the last ten years, the microfinance sector has shown rapid progress. A swift increase in the number of active borrowers' is recorded from 2.8 million in 2014 to 7.3 million in 2019 (Pakistan Microfinance Network, 2019). Almost half of the active borrowers comprise women and 53% reside in rural areas (Pakistan Microfinance Network, 2019- 2020). Transferring resources into women's hands to achieve gender equality in society will ultimately lead to significant development (World Bank, 2015). Women are blessed with the God-gifted capability to become committed, responsible, and innovative. Hence, if they are provided financial aid, they could develop a better future for their families and ultimately for society (Malhotra et al., 2002). In this regard, microfinance is considered an effective tool to empower women. Hence, many microfinance institutes particularly target women by providing them with financial and non-financial services. However, the women of district Jhelum of Pakistan have very little knowledge and access to microfinance. Additionally, to the best of the author's knowledge, there is no study available that investigates the effect of microfinance on the empowerment of women in this area. This study makes an addition to the literature by investigating how microfinance helps in empowering the women of District Jhelum.

Research Questions: This study aims to empirically find the answers to the following research questions.

1. Does Microfinance relate to Women Empowerment?
2. Does entrepreneurship support the association between microfinance and women empowerment? and
3. Does household aid in strengthening the relationship between microfinance and women empowerment?

Research Objectives: In order to answer these research questions, the study attempts to achieve the following objectives.

1. to investigate the effect of microfinance on women empowerment,
2. to evaluate if entrepreneurship supports the association between microfinance and women empowerment, and
3. to measure how household aid in strengthening the relationship between microfinance and women empowerment.

Further, the study extends the extant literature by exploring the moderating effect of entrepreneurship and household support. Microfinance significantly impacts the economic empowerment and prosperity of women and ultimately their families by making a nexus between their economic independence and a positive impact on the overall society. Women's empowerment is a holistic change in the social and personal stature of women and their related spheres based on the interweaved social, economic, and psychological spheres. Through these domains, women gain power and control over their decisions. Thus, this research will help policymakers in designing policies to facilitate and promote Microfinance institutes (MFIs). Hence, these MFIs can be used as socioeconomic tools to achieve the Sustainable Development Goals (SDGs) of poverty alleviation, financial inclusion, and gender equality.

Literature Review

Microfinance to empower marginalized sectors of the community (women) for their empowerment is indispensable for societal development. The impact of microfinance on the development of women entrepreneurs is mediated by household support, and entrepreneurship has emerged as an eye-catching issue in recent years. Despite its importance, limited research has been done on the topic. It is determined from the review of pertinent literature that the area of microfinance in relation to women entrepreneurial development remains understudied for the developing world. The phenomena through which women entrepreneurs can excel in their respective fields and grow their entrepreneurial ventures by managing their capital issues must be explored through research (Crittenden et al., 2019).

Microfinance and Women's Empowerment

The concept of women entrepreneurship is multifaceted where the institutional support is extended to potential women owned ventures to empower them to be financially independent. Constitution of Pakistan allows women their basic rights including education, health, security, knowledge, and autonomy to take their decisions themselves. Enactment of such laws in actual practice remains a question. In this vein there was an increase in the microfinance institutions of Pakistan, resulting in the empowerment of women in the last two decades. Women empowerment through entrepreneurship in Pakistan has reduced economic turmoil and many social issues (Debnath et al., 2020). Microfinancing by financial institutions to empower women entrepreneurs has brought a real revolution. Financing tools gave the women required authority over the best use of finances. Better resource management, economic autonomy and status elevation are the outcomes of provision of finances (Rahman, Khanam, & Nghiem, 2017). The micro-financing strategies have helped reduce the poverty level and raised economic empowerment in the country. (Bakhtiari, 2006). Hence, microfinance is considered as the effective most tool to empower marginalized sectors of economy and aid in demolishing poverty and hunger. Women are empowered through microfinance strategies because of their higher loan repayment rates (Muhammad, 2010).

A low number of women borrowers for loans in Pakistan are noticed highly due to the "Patriarchal nature of the society where men have immense dominance and women don't have much liberty to run their businesses on their own. Women don't go for taking risks due to higher social punishments set for them. Furthermore, many institutions have set high-interest rates for women as compared to men. This too discourages women" (Niethammer et al., 2007). It is therefore, suggested to empirically investigate the microfinance lifts women empowerment by providing them enough entrepreneurial avenues. It is hypothesized that;

H₁: There is a positive relationship between microfinance and women's empowerment

Impact of Entrepreneurship on Microfinance and Women Empowerment

Women empowerment in Pakistan is essentially outcome of microfinance projects. Microfinance has helped women get out of their marginalized silos and contribute to economic arenas of the country. Majority of women entrepreneurs follow entrepreneurial trajectory out of necessity where microfinance schemes with loans on easy terms facilitate them. Despite the growing popularity financing through financial institution is still a dilemma as institutions are still not providing potential clients with their required products. The idea of helping the poor and less fortunate is appreciated and acknowledged by Muslims as this social principle is the part of basic teachings of Islam. However, Muslims prefer Islamic products as compared to the traditional microfinance products (Akhter et al., 2009). The challenge for financial institutions face is 1) disbursement of loans, 2) determining if the loans are utilized by the women entrepreneurs for their venture. Best utilization of loan by the women for their entrepreneurial venture leads to real empowerment however, this is hard to determine. The use of loans by the women renders them financial autonomy, independent decision making which will eventually make them empowered (Khan & Noreen, 2012). The literature argues for a significant relationship between women empowerment and entrepreneurship; however, no definitive evidence exists. The study therefore aims to investigate if entrepreneurial avenues positively impact the relationship of microfinance and women empowerment. The above discussion leads to the postulation of the following hypothesis.

H₂: Entrepreneurship strengthens the relationship between microfinance and women empowerment.

Household support, Microfinance and Women Empowerment

The phenomenon of women empowerment requires a conducive environment for the creation and maintenance of women entrepreneurial ventures. Economic development requires the supporting factors such as resource availability, institutional support, and finances. These support factors coupled with the motivation and capabilities of women entrepreneurs act as the steppingstones for new venture creation and growth. Economic growth and development depends upon the efficient utilization of resources including the human resource. Women are more than half of world population; hence, it is important to put their skills to the most productive sector. Entrepreneurship is the suitable most avenue for women empowerment because it provides them with work-life balance, required autonomy and decision-making powers. Entrepreneurship is commonly known as process of establishing new organizations (Gartner 1985), that enables best utilization of human resource capabilities in the productive avenues. Mere creation of organization

is not enough, entrepreneurship extends to constantly exploring the novel ways of carrying on the business (Schumpeter, 1934).

The success of entrepreneurial venture remains dependent on the personal characteristics of women entrepreneurs along with many other external factors including family, society, and the economic situation. Resource availability in patriarchal cultures/societies is the main challenge repeatedly reported by Pakistani women entrepreneurs (Mitra & Basit, 2021). Though household support is the main success factor that helps in nurturing the women entrepreneurs and their ventures. Household acts as an institution for providing tangible and intangible resources (Wheelock & Oughton, 1996). For this reason, current research study adopts the household support as a main construct to understand the role it plays in providing the resource base for the female entrepreneurs in Pakistan. Women’s personal abilities and aspirations, along with the norms and values of the household that determine women’s status and access to resources in the household. It is hypothesized that;

H₃: Support from the household strengthens the relationship between microfinance and women empowerment.

Empowerment Theory: Theoretical Lens of the Study

As per empowerment theory, women who are authorized are able to make commitments with a robust mindset are empowered as compared to their weaker counterparts. Furthermore, tasks and actions of empowered women are focused, operative and goal oriented. Whereas, “identity empowerment theory” defines authorized woman as one who is self-aware, realizes her strengths and weaknesses and knows how to cope with challenging and difficult relationships (Boraian, 2008). Hence, empowered women are emotionally intelligent. The study makes use of the blend of these two theories to describe the women empowerment in Pakistan through use of microfinance scheme.

Figure 1.
Conceptual Framework



In this study, two moderating variables are used in connection with microfinance and women empowerment. Women empowerment is a dependent variable and microfinance is an independent variable. The moderating variables are entrepreneurship and household support, as well as the relationship between microfinance and women empowerment, has been observed.

Research Methodology

This study estimates the impact of microfinance on the empowerment of women using a quantitative method. The study was conducted using a survey method and data was collected through questionnaires distributed among women entrepreneurs of district Jhelum, Pakistan. The population of the study comprised of all individuals meeting the criteria set for respondents of the research study. The specific criteria for the population of this study is

- i. Self-employed women(entrepreneurs) belonging to Jhelum District, Pakistan
- ii. utilized the microfinance facility

Major banks extending microfinance facility in District Jhelum are Microfinance bank are Finca finance bank, Telenor microfinance, Apna Microfinance, Khushali Bank, and Pak Oman. These financial institutions have numerous clients however, due to data privacy act of banks, obtaining the required data for research was not possible. In such cases Hair et al. (2003) suggested taking 200 or above sample size. The sample size of the current study is estimated to be 300 plus respondents. 350 beneficiaries of Microfinance loan in district Jhelum have been chosen by convenience sampling techniques as a sample of the study. A self-administered questionnaire is used for the data collection. Questionnaires were filled out with the help of Microfinance Bank customers in district Jhelum. A total of 350 structured questionnaires were distributed out of which 306 valid responses were

received. The data was collected through structured close-ended questionnaires. The questionnaire comprised of two sections: Section A covers the demographic details of respondents, while section B presents required information about microfinance and women empowerment based on the “5-point Likert Scale”.

Data Analysis and Results

Table 1.

Demonstrates the sources of items

Variable Name	No. of Items	Source of Items
Microfinance	8	Chinta (2019)
Entrepreneurship	6	Karuga (2014)
Women Empowerment	5	Ashe and Treanor(2011)
Household Support	8	Chinta (2019)

Table 2.

Descriptive Statistics

	N	Mean	Std. Deviation	Skewness	Kurtosis
Microfinance	306	4.130	0.679	-0.862	2.155
Household Support	306	3.540	0.764	-0.987	0.774
Entrepreneurship	306	4.520	0.649	-1.464	3.161
Women Empowerment	306	2.780	1.035	0.170	-0.982

** N = number of Observations

The data is analyzed using Smart PLS. The first phase of analysis is to identify the outliers and missing values of data (Coakes, 2006). Analyzing data in SPSS showed that there has been no item having missing data more than 5%. While there was minimal/negligible missing data, it was replaced with the mean of each variable (Coakes,2006).The analysis showed that the absolute values of skewness and kurtosis have been in the satisfactory ranges as per Table 2.

Table 3.

Demographics

Demographic variables	(N=306)	Percentage (%)
Gender		
Female	306	100%
Age of Borrowers		
18 to 25	24	7.80%
26 to 35	73	23.86%
36 to 45	90	29.40%
46 to 55	84	27.45%
55 +	35	11.44%
Level of Education of Response		
Illiterate	101	33.00%
Primary School	119	38.89%
Matriculation	61	19.94%
Marital Status of Respondent		
Single	23	7.52%
Married	156	50.98%
Divorce	62	20.26%
Widow	65	21.24%
Occupational Status		
Agriculturist	19	6.21%
Household	97	31.70%
Employee	65	21.24%
Business	125	40.85%
Monthly income		
10,001 to 20,000	54	17.65%
20,001 to 30,000	138	45.10%
30,001 to 40,000	113	36.93%
Monthly expenditure		
Less than Rs.10,000	1	0.33%
10,001 to 20,000	55	17.98%
20,001 to 30,000	137	44.78%
30,001 to 40,000	113	36.93%
Which Microfinance bank do you use for loan?		

Telenor microfinance	49	16.01%
Finca finance bank	57	18.63%
Apna Microfinance	64	20.92%
Khushhali Bank	91	29.74%
Pak Oman bank	45	14.71%

The table above describes the gender, age of borrowers, level of education, marital status, occupational status, income, expenditure and name of the bank from where the respondent borrowed the loan.

Table 4.

Measurement Model Assessment

Name of Variables	Item Label	Factor Loading	Cronbach's Alpha	CR	AVE
Microfinance			0.92	0.93	0.67
	Micro 01	0.795			
	Micro 02	0.801			
	Micro 03	0.875			
	Micro 04	0.877			
	Micro 05	0.835			
	Micro 06	0.803			
	Micro 07	Item Removed due to low loading			
	Micro 08	0.724			
Entrepreneurship			0.66	0.80	0.50
	Entre 01	Item Removed due to low loading			
	Entre 02	0.610			
	Entre 03	0.754			
	Entre 04	0.733			
	Entre 05	0.710			
Household Support			0.90	0.92	0.59
	House 01	0.724			
	House 02	0.723			
	House 03	0.765			
	House 04	0.803			
	House 05	0.818			
	House 06	0.812			
	House 07	0.749			
	House 08	0.766			
Women Empowerment			0.78	0.85	0.54
	WE 01	0.734			
	WE 02	0.813			
	WE 03	0.780			
	WE 04	0.806			
	WE 05	Item Removed due to low loading			
	WE 06	Item Removed due to low loading			

Convergent validity has been assessed by the Fornell and Larcker (1981) criteria. Hamid et al., (2017) as per Fornell and Larcker (1981) propose an estimation of convergent validity with average variance extracted (AVE). According to Chin (1998) to develop the convergent validity of every variable in the model average variance extracted (AVE) values must be ≥ 0.50 . As presented the AVE values for all variables in Table 4.3 and Appendix D indicated that the threshold of 0.50 has accomplished all the constructs of the model. Therefore, as per Chin (1998) recommendation, it has concluded the model of the study has convergent validity.

Table 5.

Discriminate Validity (Fornell and Larcker Criteria)

	Entrepreneurship	Household Support	Microfinance	Women Empowerment
Entrepreneurship	0.704			
Household Support	0.120	0.771		
Microfinance	0.557	0.132	0.817	
Women Empowerment	0.515	0.348	0.453	0.734

Table 6.

Discriminate Validity Heterotrait-Monotrait (HTMT) Criteria

	Entrepreneurship	Household Support	Microfinance	Women Empowerment
Entrepreneurship				

Household Support	0.218		
Microfinance	0.706	0.150	
Women Empowerment	0.692	0.403	0.518

The current study used two different criteria for assessing discriminant validity. First criteria were the Fornell and Larcker (1981) which suggested the off-diagonal square root of AVE values criterion and the second criterion was the Heterotrait-Monotrait (HTMT) criterion suggested by Henseler & Sarstedt (2013). As per Fornell and Larcker (1981) the square root of the AVE must be higher than the correlations amongst the latent variables. Table 4 reveals that the AVE square root of all variables is greater than the correlations between the latent variables. Henseler et al. (2013) suggested as a rule of thumb that the value HTMT > 0.90 may indicate that there is no discriminant validity, and more conservative threshold value 0.85 (Henseler & Sarstedt, 2013). Table 5 shows all values below .85. Consequently, it has been concluded, variables used in the model have a satisfactory level of discriminant validity.

Table 7.

Variance Inflation Factor (VIF)

Variables name	VIF
Microfinance	1.459
Entrepreneurship	1.454
Household Support	1.021

VIF (variance inflation factor) predictor should have a value below 5 (Hair et al., 2011). If this criterion is fulfilled then there is no issue of collinearity. As the results show in Table 6 VIF values of all variables are underneath the cutoff of 5. So, it is concluded that the collinearity amid all predictor constructs was not the problem in the structural model, so we can endure examining the path coefficients.

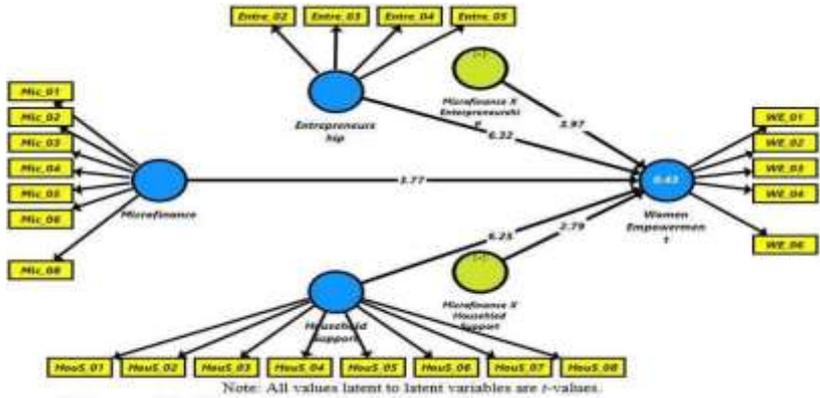
Table 8.

Hypothesis testing

H	Relationship	Std Beta	Std Error	t-value	Decision	f ²	2.5% CI LL	97.5% CI UL
H ₁	Microfinance -> Women Empowerment	.232	.060	3.773***	Supported	.059	.120	.353
H ₂	Moderating Effect of Entrepreneurship between (Microfinance & Women Empowerment)	.166	.043	3.971***	Supported	.066	.081	.251
H ₃	Moderating Effect of Household Support Between (Microfinance & Women Empowerment)	.124	.045	2.793**	Supported	.029	.210	.037

Figure 2.

Structural Model Results



Results: Direct Relationship and Moderation Analysis

Table 7 and Figure 2, present complete estimations of the structural model with the moderating effect of Entrepreneurship and Household Support variables. Initially, H1 projected that there is a positive relationship between Microfinance and Women Empowerment. Results presented in Table 7 and Figure 4.2 discovered that there is a significantly positive relationship among Microfinance and Women empowerment ($\beta = 0.232$, SE = 0.060, *t*-value = 3.773, *p*-value < 0.000). Therefore, H1 was accepted. Originally, H2 Hypothesized that Entrepreneurship strengthens the relationship between microfinance and women empowerment. As the result revealed value in Table 7 and Figure 4.2 ($\beta = 0.166$, SE = 0.043, *t*-value = 3.971, *p*-value < 0.001). Which has been found that the result has statistically significant and supports the H2. Primarily, H3 hypothesized that Support from the household strengthens the relationship between microfinance and women empowerment. All the results show the strong relationships among microfinance, women empowerment, household, and entrepreneurship in district Jhelum. As the result presented in Table7 and Figure 4.2 ($\beta = 0.124$, SE = 0.045, *t*-value = 2.793, *P*-value = 0.005) significantly supporting the H3.

Table 9.

Predictive Relevance of the Model (Q²)

	SSO	SSE	Q ² (=1-SSE/SSO)
Women Empowerment	1530	1203.556	0.213

Assessment of Predictive relevance of the model (Q-square)

Another supplementary measure for the structural model is predictive relevance of the model since the goodness-of-fit (GoF) index is not appropriate for model validation because it does not distinguish the valid and invalid models (Henseler & Sarstedt, 2013). As per Hair et al. (2014) and Ringle (2020) recommendations the present research used a cross-validated redundancy test (Q2) to determine the model predictive validity. Henseler et al. (2009) recommend the value of Q2 greater than zero is specify the model has predictive relevance. Subsequently, Table 4.8 provides the Q2 value, which was greater than zero suggesting that the model of the current study has predictive relevance.

Discussion and Conclusion

The findings of the study demonstrate that microfinance is of immense importance to enhance women entrepreneurship in District Jhelum, Pakistan. A positive relationship between microfinance and Women Empowerment is confirmed by acceptance of H1 and H2, where H2 affirms that entrepreneurship strengthens the women empowerment through microfinance. The supporting role of the household strengthens the relationship between microfinance and women empowerment is affirmed by the acceptance of H3. The results indicate the avenue for the growth of women led businesses (self-employment) is a constructive avenue for women empowerment that help achieve major economic goals of decreasing gender disparity, poverty alleviation and economic growth. Both formal (microfinance by financial institutions) and informal (supportive household

role) support significantly enhances economic empowerment of women. Where financial support is provided by microfinance institutions, household support and resources further enhance the entrepreneurial activities of women entrepreneurs. As per the results of the study women empowerment in the shape of entrepreneurship opportunities increase the growth of SMEs in Jhelum with the assertion that household support decreases poverty and increases employment.

This research offers insightful results and adds to the extant literature on women entrepreneurship in Pakistan, the study has a few limitations that are essential to point out. This study only focused on one cultural and demographic zone that is the Jhelum District of Pakistan. The second limitation of the study is that study only used the borrower view of point, it is recommended that future research also count in the organization's point of view. The study applies a cross-sectional technique for data collection it would be better if the longitudinal technique was applied for data collection for obtaining in depth knowledge of the microfinance application to women entrepreneurial ventures. Relationship of microfinance and women empowerment is a built-in current thesis which is helpful for organization and customer. In this context, the study makes an important contribution to literature. Women empowerment topics get a large interest in developing countries. Therefore, this study aims to fulfill that gap in Jhelum and play a role in women empowerment. Furthermore, women also get household support and opportunity for entrepreneur

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Appendix A: Questionnaire

Dear Respondent: I am interested in developing a research framework to examine role of Micro finance in women empowerment. The information sought in this questionnaire will be treated as confidential and will be used only at the aggregate level for the purpose of research. Your cooperation is critical to the successful completion of this research project.

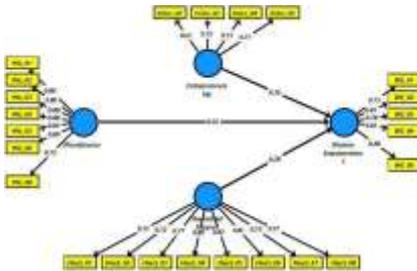
Gender	<ul style="list-style-type: none"> • Male • Female
Age	<ul style="list-style-type: none"> • 18 to 25 • 26 to 35 • 36 to 45 • 46 to 55 • 55 +
Education	<ul style="list-style-type: none"> • Illiterate • Primary School • Matriculation • Bachelor • Master • MS/PhD
Material Status	<ul style="list-style-type: none"> • Single • Married • Divorce • Widow
Occupation Status	<ul style="list-style-type: none"> • Agriculturist • Household • Employee • Business
Monthly Income	<ul style="list-style-type: none"> • < 10,000 • 10,001 to 20,000 • 20,001 to 30,000 • 30,001 to 40,000 • 40,000 +
Monthly Expenditure	<ul style="list-style-type: none"> • < 10,000 • 10,001 to 20,000 • 20,001 to 30,000 • 30,001 to 40,000 • 40,000 +
Which bank do you use for Borrow	<ul style="list-style-type: none"> • Telenor Microfinance • Finca Finance Bank • Apna Microfinance • Khushhali Bank • Pak Oman Bank

SD = Strongly Disagree, D =Disagree, N= Neutral, A= Agree , SA= Strongly Agree

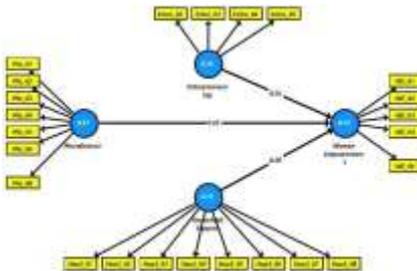
	Beneficiary of Microfinance	SD	D	N	A	SA
1.	Participation in Microfinance increases my confidence to face problems.					
2.	Participation in Microfinance increases power of my decision making.					
3.	Participation in Microfinance increases value of my Household assets.					
4.	Participation in Microfinance increases my income.					
5.	Participation in Microfinance improves my social status.					
6.	Participation in Microfinance provides employment opportunities to me.					

7.	Participation in Microfinance creates knowledge about banking operations to me.						
8.	Participation in Microfinance increases my savings.						
	Women empowerment through Microfinance						
9.	Microfinance increase my Self-respect and social status.						
10.	Microfinance empower me in my occupation and career.						
11.	My self-confidence increased after joining microfinance facility.						
12.	Microfinance economically empowered me.						
13.	Microfinance empower me in household decisions.						
14.	Microfinance empower me to control on my money.						
	Microfinance provide the Entrepreneurship opportunities						
15.	I used the loan for purposes of other than my own business.						
16.	I used the loans for my existing businesses.						
17.	Microfinance help to you to reach your business objectives.						
18.	Microfinance help to you start your own business.						
19.	I obtain the microfinance loan for skills, confidence, and business outcomes.						
	Microfinance Support Household activities						
20.	Use of Microfinance help me to Purchase Basic Household needs (Grocery).						
21.	Use of Microfinance help me to Purchase of Livestock.						
22.	Use of Microfinance help me to Purchase household assets (TV, Fridge, Mobile, and Furniture).						
23.	Use of Microfinance help me to Purchase Land/House.						
24.	I have no difficulties in imagining this brand in my mind.						
25.	Use of Microfinance help me to increase my income earning abilities, leading to greater power within the household.						
26.	Use of Microfinance help me to bear Health/Medical Expenses of my Family.						
27.	Use of Microfinance help me to bear children schooling expenses.						
28.	Use of Microfinance help me in self/children marriage decision.						

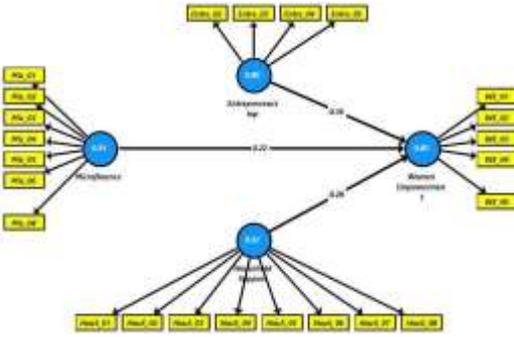
Appendix B: Outcome of Factor Loading



Appendix C: Average Variance Extracted (AVE) Values



Appendix D: Outcome of the Composite reliability (CR) Values



Appendix E: Outcome of the Cronbach's alpha Values

