MICROFINANCE & WOMEN
EMPOWERMENT: Qualitative Study of Khurda District, Odisha

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Abstract

The aims of poverty reduction and development cannot be achieved without giving attention to women’s empowerment. Over the past decades, microfinance institutions (MFIs) have appeared as crucial tools not only to address the issue of poverty but also particularly to empower women. Resultantly a huge number of studies focus on the relationships between MFI and women empowerment. We have used qualitative methodology, using primary data collected through in depth interviews and focus group discussion with six female borrowers. Hence this paper in developing countries women empowerment is a major concern. Several efforts were made to tackle this issue as not only examines empowerment, which women are attaining from microfinance but also assists MFIs to know about their significance in developing economy. Women have been the vulnerable section of society and constitute a sizeable segment of poverty-struck population. Women face gender specific barriers to access education, health, employment etc. Since women’s empowerment is the key to socio economic development of the community; bringing women into main stream of national development has been a major concern of government. This study has made attempt to highlight the characteristics and impact of microfinance on women empowerment in selected area in Khurda District of Odisha, India.

Key Words: Women Empowerment, Microfinance, Economic Development, Social and Psychological Wellbeing

Introduction

Women comprise half of human resources. They have been identified as key agents of sustainable development and women’s equality is central to a more holistic approach towards destabilizing new patterns and process of development that are sustainable. Women as entrepreneurs have become an integral part of national development planning and strategies. The contribution of women and their role in the family as well as in the economic development and social transformation are pivotal. Microfinance has a unique ideological demand as compared to charity. It is particularly designed to support poor people. However, it is a long-term process that enables the poor to improve their living standards in an effective manner [60]. In particular, when we talk about microfinance from the perspective of women, the role of benefactors of microfinance seems important in making it a relatively effective resource for poverty alleviation, the stability of economic growth, and women empowerment. The difference between male and female ratios is not considered significant, but in several areas, women are provided less importance and power in comparison with men [24]. Women around the world have little control over their assets and have less political power. Further, they do not have a lot of properties to their name [68]. Due to a lack of security saved in the financial sector, women faced several difficulties during the financial crisis period which lasted from 2007 to 2008 [43]. Similarly it is crucial to

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understand the impact of recent crisis of COVID-19 which affected all businesses badly and also threatened world health security.[64]. The classification of all expected benefits and disadvantages of MFIs is still in the initial phase. We are still discovering how to improve the living standards of poor women and their families. This study aims to broaden existing knowledge about the role of MFIs in empowering women in rural Odisha. In emerging economies, MFIs and women empowerment is considered to be one of the most effective tools for poverty alleviation by particularly focusing on women [68]. Certainly, women are one of the most important parts of society and without their presence, societies cannot improve [20]. Women empowerment leads to the increased participation of females in the workforce, the capability to decide, and poverty reduction. Thus, an increase in their income will not only prove beneficial for their family but will also have a very positive influence on the economy. Another study investigated the nonlinear effect of the education level on the ecological footprint by incorporating the variation in the population and income structures and recommended crucial policies regarding education levels and environmental sustainability [65]. To consider the requirements of financially excluded women, MFIs step forward to help those women in establishing new endeavors [46]. As a result, non-government organizations and government agencies decided to provide subsidized loans for a better lifestyle of people and poverty alleviation. Prior researchers appreciated the initiative of such investments (for example, [50]), but disproportion has been observed in these investments from the side of rich landlords or agencies. To tackle this issue, some highly effective alternative social networks, social collaterals, and credit scoring are needed here to approach the poorest women [48]. Moreover, women in more rigid cultural settings are likely to face a higher risk of domestic violence because economic empowerment intervenes with patriarchy and expedites change in rigidly defined gender roles [23]. Brière and Szafarz [12] reported that MFIs have now become a risk-averse thing and it is “financialized,” i.e., MFIs now act as mainstream financial institutions. On the other hand, MFIs are considered a good source of financial support for women in starting new businesses and a tool to eliminate poverty in the country but this fact is not applicable universally because MFIs can also appear as an enigma in providing microfinance access to women. In various literature studies, researchers have focused on savings and credit products MFIs. It has been found that research studies are showing great interest in microfinance. Therefore, we aim to explore how MFI can lead to women’s empowerment and entrepreneurship. Furthermore, we also decided to investigate the possible benefits of microfinance for women from Mission Shakti’s micro-credit program.

**Problem Statement**

One of the objectives of microfinance is to enhance women empowerment and to generate employment opportunities by promoting self-employment that consequently improves the social well-being of the poor. Most of the existing studies, mainly in economics, have only focused on how MFIs lending helps in poverty alleviation, rather than analyzing its impact on social and financial empowerment and new venture creation by women. The majority of the past studies were quantitative, while there were a few qualitative studies applied in various contexts that analyzed the impact of MFIs in enhancing women empowerment but still substantial studies are not available which explores specific lived experiences of women borrowers when they avail microloans and how they utilize that loan in starting their businesses. Therefore, this study aims to enhance the understanding of the role of microfinance from the viewpoint of beneficiaries in improving their empowerment and entrepreneurial development.

**Significance of the Study**

India is still a developing country and good sum of its population is living under the poverty line and are mostly unaware of different sources of financial facilities. Government is always trying to implement various schemes for poverty alleviation. MFIs particularly focus on such rural areas in which most of the people are un-bankable and marginalized. This study contributes to the extant literature, as it explores the lived experiences of women borrowers regarding empowerment and entrepreneurial development. To get deeper insights into the structural meaning of empowerment analyzed by considering participants’ histories, lived experiences, and social interactions, we used a qualitative approach that relies on in-depth interviews and a focus group under the case study research design. This study provides valuable insights into how MFIs are making women socially and financially empowered. Also, how microfinance helps in women-led venture creation process. To investigate how microfinance is increasing women empowerment, we deduced the following sub-objectives.

- To explore how women become socially empowered after getting micro-financed.
- To figure out how women become financially empowered after getting micro-financed.
- To determine how microfinance increases women entrepreneurship.
Microfinance

Microfinance programs have been playing a dominant role in poverty alleviation since long ago [32]. The vision behind the growth of microfinance is to pull the poor toward the entrepreneur side by giving them enough credit to achieve this goal. However, microfinance usually considers one assumption, i.e., the beneficiaries have adequate social capital, human capital, and other required assets for expanding their small-scale businesses. This indicates that the lack of credit is the only prominent hurdle experienced by poor women [59]. This assumption seems quite complicated because the growth of even a small business requires a lot of competencies, knowledge, expertise, and abilities [2]. Another major issue is that microfinance faces difficulty to approach the right poor people [16]. In the light of practical aspects, microfinance refuses the poorest division of people from borrowing money. This violates its role in approaching very poor applicants [13]. Furthermore, the poorest household people who are availing the benefits of microfinance still lack the proper technical skills that are necessarily required for business. The background of microfinance shows it is an essential tool to alleviate poverty, it works by receiving donations and lending money to poor people. Microfinance programs disregard the non-income parameters of poverty such as health, security, and education [10]. The study of Shaw [52] explains how the poorest households possess limited formal education. Also, poor health and under nutrition play a vital role in limiting the overall productivity of such households. The lack of education results in severe illiteracy which can badly affect the poor and make them unable to properly understand the effective working procedure of loans. Osman (2000) in his article remarked that micro-finance schemes alone cannot alleviate poverty. The battle for total eradication of poverty requires combining micro-finance schemes with parallel, complementary programmes addressing the social and cultural dimensions of want, privation, impoverishment and dispossession.

Measuring Empowerment

The study of Malhotra et al. [38] reports that the identification of empowerment as a primary development tool has been done, but still, institutions such as the World Bank and development agencies haven’t introduced an authentic method for estimating and analyzing the tracking variations in various levels of empowerment. Researchers define empowerment as a dynamic procedure that is complex to measure. The reason behind this is that empowerment is related to social, economic, and political challenges as well. The spiritual, social, political, and health factors make the complete empowerment measurement procedure and these all factors are interconnected with each other. The term empowerment can also be expressed as a way of independent decision making, identification, and utilization of resources [1]. The literature reveals that empowerment is a multidimensional concept and it can be assessed under multiple dimensions [26]. This study primarily focuses on the influential impact of microfinance on women’s empowerment in the context of the financial and social aspects. This is because the financial and social aspects of women’s empowerment help increase the development of both the quality and quantity of existing human resources. These two aspects are proven as critical factors in enhancing the development of a society.

Meaning of Women Empowerment

There is significant diversity in the agendas, emphases, and terminologies used for describing women empowerment. Many papers have defined empowerment and its measurement approaches. The most common terms used in the extant diverse approaches use power, choice, control, and the option to describe women empowerment [58]. However, it is still confusing to say whether the terms “empowerment”, “gender equality,” “women’s autonomy,” and “women’s status in society” are similar or different concepts. The term women empowerment has been conceptualized mostly as an outcome or a capacity or some means to an end, and a process of achieving power [30].

Microfinance and Women Empowerment

Women are the main target audience of microfinance programs. This credit amount not only helps poor women to grow economically but also improves gender equality, the status of women within the family, their health, and their education level [30]. Moreover, women are examined as a good credit risk by microfinance programs due to their increased propensity to repay loans [21]. In contrast, men are more interested in moving their money toward risky business practices and are at high risk to consume this money on tobacco, gambling, or drinking [17]. However, Goetz and Gupta [17] also highlighted that a significant percentage of women’s loans are directly invested in business activities by their male relatives, but the liability of repayment goes to women borrowers. The recent literature primarily discusses the evaluation process of microfinance programs [3] in the context of the wellbeing of borrowers [13] and empowerment capabilities of women [51]. The reporting of these evaluations reveals some conflicting conclusions, and it still tells that borrowers have an absence of accounts for themselves and this impact of credit can affect their lives. There is limited evidence
in the literature on how the poor perceive the process of microfinance loans. In addition, the existing literature has limited scope regarding the “transformative process” of entrepreneurship which reveals the lives of those needy people who are living in extreme poverty [62]. In response, this study fills the gap in the literature by examining how most disadvantaged borrowers or potential borrowers themselves perceive and experience microfinance in a context characterized by extreme poverty, one where family responsibility and entrepreneurial activities are closely intertwined. Support their female clients. MFIs play a crucial role in enhancing the empowerment of women as it boosts their resources and increases their returns. Narasaiah[71] in her study mentioned that the change in women’s contribution to society is one of the striking phenomena of the late twentieth century. According to him microcredit plays an important role in empowering women. Giving women the opportunity to realize their potential in all spheres of society is increasingly important. Cheston & Kuhn [77] in their study concluded that microfinance programmes have been very successful in reaching women. This gives microfinance institutions an extraordinary opportunity to act intentionally to empower poor women and to minimize the potentially negative impacts some women experience. Manimekalai [70] in his article commented that to run the income generating activities successfully the SHGs must get the help of NGOs. The bank officials should counsel and guide the women in selecting and implementing profitable income generating activities. He remarked that the formations of SHGs have boosted the self-image and confidence of rural women improving their affordability, and consequently improving their living standards.

Social Empowerment of Women

Women’s social empowerment refers to having a supportive environment by using different affirmative programs and policies for the empowerment of women along with the provision of easy and equal access to necessities of life [39]. In the field of development, empowerment has become a catchword, with a specific focus on poverty alleviation and the political addition of marginalized groups of women. Microfinance has proved socially beneficial for women [25]. In a pivotal study, Mahmud[37] described that microfinance institutions have a significant positive influence on women’s social empowerment as it substantially improves their control of income spending and intra-household decision-making power, which resultantly enhances their welfare. Sinha et al. [54] found that women’s participation in MFIs enhanced their capability to spend money, mobility, and dominance in household decision making. Further they concluded women’s participation in MFIs leads to enhance family decision making and found that family landholdings, media exposure, and institutional access are key determinants of women empowerment [22]. Similarly, it was found that savings impact is more significant on women as compared to men as it enhances their decision-making power related to family planning, family expenses, recreation, and their lifestyle [8]. Therefore, there is a need for an integrated microfinance program comprising education with skill-building training for increasing the capacity building of women and fortifying the relationship between women’s social empowerment and microfinance.

Financial Empowerment of Women

Many past studies have analyzed women’s empowerment from different perspectives; however, financial empowerment is ignored to some extent. In this study, one of the main objectives is to examine the financial empowerment of women. Past studies have reported that financial empowerment can be understood through three factors; financial literacy, financial attitude, and financial wellbeing. Financial literacy is inherent in humans and is recognized as the primary privilege of humans. “Financial literacy is the capability of understanding finance”[61]. Lack of financial knowledge ultimately pulls poor people away from success in financial markets or businesses. The importance of financial literacy is equal for men and women. However, it is reported that if women have stronger financial knowledge then they can do effective future planning [36]. Financial knowledge is related to financial attitude. The financial attitude refers to the capability to manage finances, interest in enhancing financial knowledge, and investment decisions. Past studies revealed that financial knowledge, financial attitude, and financial behavior affect financial empowerment or financial wellbeing [28, 53]. The concept of financial wellbeing is related to personal traits, knowledge of finance, and attitude. Therefore, the subjective meaning of financial wellbeing varies from person to person [27]. Thus, the financial empowerment of women can be assessed by considering financial literacy, financial attitude, and financial well-being. It explores potential of micro-finance programmes for empowering and employing women and also discusses the opportunities and challenges of using microfinance to tackle the feminization of poverty. According to her, the micro-finance programmes are aimed to increase women’s income levels and control over income leading to greater levels of economic independence.
Research Gap

The literature discussed following the structure from the history of microfinance to concepts of women empowerment leads to the discussion on the relationship between women empowerment and microfinance. The literature depicts that different indices were explained in prior research studies giving a quick overview of empowerment but they are limited as they used a few variables, ignored key ontological issues, details, and subjective experiences that deepen the understanding of empowerment. Therefore, this study fills the existing gap as we interviewed women in their natural settings and in their contexts in which they interpreted empowerment from their viewpoints.

Further, there was a strong practical gap regarding the lack of research on how women experienced empowerment and entrepreneurship through microfinance. A majority of the past studies applied quantitative methodology with the top-down approach which focuses on the views of service providers instead of beneficiaries and thus the beneficiaries’ views were not considered. Therefore, it becomes evident that the quantitative approach is not suitable for understanding women empowerment because it is a process of realization and only participants can explain what empowerment means to them through their experiences and feelings of becoming empowered. Hence, it is significant to use a qualitative methodology to capture the real feelings and experiences of women. Therefore, we applied the bottom-to-top approach to analyze the true essence of the lived experiences of women regarding empowerment and entrepreneurship. Thus, this study is based on a case study research design to explore the perspectives of women that how they interpret and understand the phenomenon of empowerment achieved through microfinance in their natural context. Overall, this study enriches the extant literature about women’s empowerment by explicating the complex phenomenon of empowerment through social, financial, and entrepreneurial contexts.

Research Question

For exploring the effectiveness of MFIs in terms of women empowerment and entrepreneurial development, we propose the main research question of this study as follows;

What is the impact of microfinance on Women Empowerment?

Sub-Questions

- How does a woman become socially empowered after getting microfinance?
- How does a woman become financially empowered after getting microfinance?
- To what extent microfinance leads to women’s entrepreneurial development?

Theoretical Framework

William’s Theoretical Model of Women Empowerment

In this study, two theories as theoretical frameworks are used. The first theory is by Williams [66] who formed a theoretical model on women’s empowerment. In the development of this model, the innovative insights of Kabeer [29] were used. Given this theory, empowerment comprises three factors, resources, agency, and achievements. Here, the resources present the supporting factors which are utilized by women to achieve empowerment, the agency presents the ability of the women to achieve their goals, and achievement refers to the success of women in achieving their life goals. Resultantly, the results achieved represent achievements by combining resources with the agency. We have used this model for measuring women’s empowerment.

Status Withdrawal Theory

The second theory used in this study is the status withdrawal theory; this theory explains that when certain groups of people realize that they are not respected by society. They switch to entrepreneurship for getting respect from society [19]. Thus, entrepreneurship is a function of status withdrawal. We follow this theoretical framework for understanding the entrepreneurial development among women borrowers. As all women borrowers belong to a poor class so we will explore whether they have any status withdrawal intention behind starting their own business or not.

Methodology

This study adopts the case study design approach for the empirical investigation as it inspects a contemporary phenomenon within the real life of participants, particularly when the limits between the context and phenomenon are not visible [49]. The case study design is the most suitable design for this study to carefully understand the impact of MFIs on women’s empowerment as it provides more in-depth views about the phenomenon under study.

We used an interview checklist for the collection of qualitative data as it helps to properly understand the psychology of the participants. Also, it helped us to identify missing information from the participants.
The participants were selected through Purposive Sampling, as it is widely used in information-rich case studies [47]. The sample size consisted of six participants, who are aged 35 or above. Semi-structured interviews were organized in two sections, the first section included background questions based on the loan history of participants at Mission Shakti. The second section comprised questions that were related to participants’ viewpoints about their experience of gaining empowerment. For example, respondents were asked to provide in-depth explanations regarding their daily tasks and how their tasks get influenced after getting microloans. We also used sample prompts such as, what role has microfinance played in your life? and Have you experienced any change due to microfinance? How did it support you in establishing your business? The grand tour questions led us to get in-depth information through mini-tour questions for determining the details about certain events and the experience of women borrowers [55], such as Could you describe to me what you do for the mid-day meal when you are at your business? This helped in inquiring about delicate features such as advantages and changes associated with the role of microfinance in enhancing women empowerment. After conducting the semi-structured interviews, a focus group discussion with borrowers was conducted. This discussion helped us to collect data about the socioeconomic factors of women’s empowerment. This method helped us to have firsthand information.

Focus Group- To analyze the experience and interactions among participants, a focus group plays an important role. Through focus groups, we probed answers to the best lending practice, saving plans, and effective interpersonal relationships between members. The group discussion helped us to make certain aspects more clear.

Data Analysis, Results, and Discussion

Developing First Order Codes and Second Order Themes
For analyzing the data, thematic analysis is used. First, to form codes, the data analysis started with coding iteratively, recorded interviews were used in performing the analysis [15]. At the initial stage, the data is linked with first-order codes that focus on the main research topic, the impact of MFIs on women’s empowerment. After this, common themes were used to join data fragments together from different but interconnected categories developed in the open coding [56]. This helped in combining first-order with second-order codes in a more precise manner.
In the second phase, the data was revisited to ensure precision in the second-order themes. The existing themes were refined or used to create new second-order themes. We analyzed the constructs for ensuring that the themes are reflecting first-order themes. For example, first-order coding statements related to respondents’ increased level of independence in decision making led us to form a second-order theme explaining “increase in independence in decision-making power.” Later this statement was defined as “Social Empowerment” described by the first-order coding statements explaining independence to decide without asking anyone. This analysis adds precision in this phase, while simultaneously permitting us to better examine and improve other evolving concepts, such as “being independent.”

Table 3: Overview of Data Structure

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Descriptive codes</th>
<th>Second Order Themes</th>
<th>Theoretical Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Can share my viewpoint in front of my family members, Can ask questions and disagree with the opinion of family members without any fear</td>
<td>Confidence in expressing an opinion</td>
<td>Social Empowerment</td>
</tr>
<tr>
<td>2</td>
<td>Can participate in household decisions, Can make decisions regarding asset purchase and loan utilization</td>
<td>Autonomy in decision making</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Have ownership of valuable assets, Control over savings and cash</td>
<td>Control on assets</td>
<td>Financial Empowerment</td>
</tr>
<tr>
<td>4</td>
<td>Able to contribute to household income, Prepared for unexpected expenses</td>
<td>Control on household spending</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Can manage daily food expenses, Can provide shelter to my children</td>
<td>Basic needs are managed</td>
<td>Improvement in lifestyle</td>
</tr>
<tr>
<td>6</td>
<td>Can afford better health facilities, Able to purchase good clothes for my children</td>
<td>Improvement in living standards</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Own desire to independently support a family, A powerful drive for earning income</td>
<td>Self-motivated</td>
<td>Entrepreneurial spirit</td>
</tr>
<tr>
<td>8</td>
<td>Experienced several challenges in life since childhood, Able to face any unexpected challenge in life</td>
<td>Tolerant of ambiguity</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Difficult to give proper time to family, Difficult to manage time for house chores</td>
<td>Difficulty in fulfilling family responsibilities</td>
<td>Difficulty in achieving work-life balance</td>
</tr>
<tr>
<td></td>
<td>Cannot fully concentrate on business because of children, Faced more societal challenges in managing the business because I am a “woman”</td>
<td>Difficulty in managing business</td>
<td></td>
</tr>
</tbody>
</table>

The primary issue of poor people is that they do not have any reserve income and due to this, they have to earn for each day’s expenses. Further, because of having no savings to rely upon, the lines between households and businesses are often not so clear. All our respondents reveal that now they feel more confident and empowered as compared to their earlier condition. All participants shared that they spend their income on fulfilling their household expenses such as children’s schooling and utility bills. The findings of this study were obtained through thematic analysis which is useful in conducting identification analysis and pattern reporting within data [11]. This study aimed to determine how microfinance is an effective tool for women’s empowerment, and how microfinance leads to develop entrepreneurial characteristics among women, and how it is useful for women. The conclusions achieved from this study may not become generalized for the whole population but it is generalized at a conceptual level [25].

The study determines the role of Mission Shakti in women’s social and financial empowerment with the help of a case study methodology. We have used focus group discussions with in-depth interviews. We explored the lived experiences of women before and after taking a loan from Mission Shakti and its impact on their social and financial empowerment with a view of William’s theory. In the focus group discussion, all participants shared their lived experiences and in the in-depth interviews, each case was analyzed for understanding the actual circumstances through which each participant has gone through. In this analysis, open-ended questions helped in understanding the real scenarios. The main research objective was to utilize open-ended questions for developing a comfort-able association with the participants so that they can share

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all their lived experiences conveniently. We have selected in-depth interviews and focus groups because these methods were found more suitable for analyzing each case. The different cases are mentioned below:

**Case 1**

Meera’s husband passed away three years into her marriage leaving her a widow with a small son. To help make ends meet, Meera started tailoring work. Thanks to the financial support she received from Mission Shakti. She received an initial loan of Rs. 50000/- for setting up a small tailoring unit. At first her in-laws weren’t supportive and felt it would distract from her housework. But soon they realized how her income could help buy food for the family. Today Meera has made enough money to repair her house, expand her business and send her son to an English Medium school. The credit for her success goes to her decision of taking a loan and starting a new journey in her life. *She narrated:*

*Life was pathetic after my husband’s death. There was no support from my in-laws’ family. It was a challenge for me to feed and bring up my little son. But the financial support from Mission Shakti helped me to get out of the crisis. Now I am financially stable and supporting my family. I am also helping other women in distress and offer free tailoring training to those that cannot afford it.*

**Case 2**

Anjali Sethy, an SHG member of Keshora Village, Basuaghai panchayat under Khurda district said her family’s primary business was to sell fish caught by her husband from near by water bodies in the panchayat. However after her family faced problems in meeting their expenses when they fail to get a good catch. This pushed them into distress as they pondered to find a way out of this situation. Soon things changed for better when 10 women formed Baba Jaleswar women self help group. The fisheries department asked them to take up fish cultivation by taking up two ponds in the locality on lease. They got Rs100000/- loan from bank under microfinance programme. Each member took up the work with sincerity and the first year income encouraged them to further increase their cultivation. They also started seasonal vegetable cultivation near to the ponds to increase their income. Anjali is now confident that supports her family financially. *She expressed:*

*The fish and vegetable cultivation has become helpful for my family. The fish traders are visiting us near the ponds and buying the fish and paying us instantly. My husband helps me in selling the vegetables in the nearby markets. The income has helped in feeding my family members and meeting the educational expenses of my children. The timely financial help from the microfinance programme has rescued my family from financial distress.*

Table 4: Representative Supporting Data for each Second-order Theme

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Second Order themes</th>
<th>First Order codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Confidence in expressing an opinion</td>
<td>I feel more comfortable discussing my opinions and recommendations with my spouse and in-laws now that I have established and managed my micro-business. Before, my spouse was in charge of everything related to the family. But now that I am working alongside him to support my family as well, I don’t hesitate to provide any household-related suggestions, which gives me a sense of confidence.</td>
</tr>
<tr>
<td>2</td>
<td>Autonomy in decision making</td>
<td>My husband used to be the only one who made decisions. However, I now take an equal part in all home choices. My in-laws take into account my recommendations when using loan funds and making other home decisions. I make my own decisions regarding my finances, income, living expenses, and personal care.</td>
</tr>
<tr>
<td>3</td>
<td>Control over assets</td>
<td>Never in my life have I owned any real estate. However, after receiving a microloan, I bought a little store in my name so that I could independently manage all of the money and savings.</td>
</tr>
<tr>
<td>4</td>
<td>Control over household spending</td>
<td>In the past, my husband was in charge of all the savings and used to create a family budget. He never set aside cash for unforeseen costs. But now that I am in charge of family finances, I make sure to save money in order to deal with any unexpected life challenges. I now handle and budget for all household spending as the only earner. Being able to make my own financial decisions makes me happy.</td>
</tr>
</tbody>
</table>
### Case 3

In 2020 during the lockdown due to Covid-19 outbreak, Radha’s husband left her company job in Gujrat and came back to her family. They managed to meet their family expenses for 3 months with their meager savings. Her family faced immense hardship to feed the family of five. In order to tide the difficult situation she took loan of Rs. 40000 from the Self help group of which she was a member and started a tea & snacks shop on the road side. Her husband also helped her with the business. After the lockdown the petty business has picked up and soon she was able to reap profit from the business. Now her husband has become a partner in Radha’s business and refuses to go back to Gujarat. Radha shared the success of her business:

> It was a tough time for us during the lockdown. I had sleepless nights thinking how I would feed my children. Many times my husband & me had fights for money. Now I am happy that my husband has decided to stay back and help me in my business. The uncertain times and helplessness has passed. Now after meeting my family expense I am also saving to meet any such eventualities in future

### Case 4

Latika shared that her husband was alcoholic and physically abused her. Things became worse when he left her and married another woman. With no money to feed her three children, she went to depression. She managed few days with meager support from her father. She narrated her experience:

> I was totally blank when my husband left me. I had no knowledge for earning a livelihood and providing food for my children. Being from a poor family my father was unable to provide food for four of us for a long time. I consulted few women and took loan from Mission Shakti to start a small vegetable shop on the road side. My brother helped me in getting vegetables from the wholesale market. Now many local people come and take vegetable from me. I am happy that I am now self dependent and able to feed my family. I am also thinking of expanding my vegetable shop from the profit that I have earned.

### Case 5

My husband is an auto driver and many times it becomes difficult to meet all the house hold expenses with the amount of money he earned daily. There was frequent quarrel among us for money. Life changed when I thought of being financially independent. She mentioned:

> Since I hail from Ganjam, I thought of taking loan from the self help group and starting my own petty business of papad, badi and pickles. There is a lot of demand of those items in the town area. Now I have become an earning member of my family. I support my family financially. My children are delighted that I am supporting their education cost. Finally peace has returned to our family.
Case 6

Padmini shared that her husband was employed in a garment shop in Mumbai. But he lost his job during Covid-19 pandemic and returned to their village. Life became difficult as they had no other source of income. They could not pay the rent of their house and tuition fees of children. She decided to take a loan and start their own garment and ladies stationary business in the village. She convinced her husband who was bit skeptical for taking the loan amount. She shared her business venture:

*My husband had experience in garment business, so we bought saris, dress material and low cost jewelry from Kolkata and sold in market place of our village. Gradually our business flourished and we managed to repay our monthly loan installments. Now we are able to meet all our household expenditure and invest some money in expanding our business.*

We have discovered that after starting their own businesses, women grew more self-empowered and confident as a result of microfinance. They now firmly believe in their ability to succeed as entrepreneurs and make their own decisions. These ladies are very effective because they simultaneously invest in their businesses and save money for upcoming demands. Women use the money they borrow to make wise investments in some forms of entrepreneurship and to support their family financially. However, once they are financially secure, they begin to save money for future requirements. This demonstrates how women may prepare well and strategically. Following this stage, women feel quite secure in establishing a strong place in their families and assuming financial responsibilities. Past research [44] have found support for these findings as well. Women now approach their profession with a serious work ethic and are content to provide for their spouses and families [63]. Thus, we may conclude that microfinance is to blame for everything because it not only helps women financially but also motivates them to make great contributions to the advancement of society. Additionally, it makes a substantial contribution to women’s ability to become independent decision-makers and enhance their entrepreneurial skills. Despite these initiatives, a number of issues, including service quality, the development of new trades, and gender responsiveness, still require improvement. The existing format of this document is not gender-friendly because it has largely focused on the feminine gender and the male gender seems to have been ignored. In addition to concrete growth (access to food and other necessities of life), it offers women intangible development in the form of drive, self-belief, self-empowerment, confidence, and autonomy. The study's findings are consistent with William's theoretical framework for women's empowerment because the participants acknowledged that they had used their agency and resources to become empowered. The participants’ statements that they wish to become independent because they seek respect in society are more evidence that the results are consistent with the status withdrawal theory. Our findings so agree with the theories.

**Conclusion**

In any nation, microfinance strongly influences and encourages entrepreneurial activity. The purpose of this study is to evaluate how effectively microfinance empowers women in Odisha. The analysis and findings demonstrated that microfinance is a powerful tool that can support the growth of women’s empowerment. The results also lend support to William’s theory's theoretical aspect, which discusses women's empowerment in terms of three dimensions: resources, agency, and achievements. The study helped remove the traditional restrictions placed on women's decision-making and movement. In order to achieve stability, a developing nation must concentrate on the expansion and development of entrepreneurship. People see microfinance as an opportunity for themselves because it offers a method to start a business. The six cases detailed in this paper show that the Mission Shakti microfinance loan has been demonstrated as a full-time and reliable source of income for the people and significantly assisted them in raising their level of living. The customers started out as sole proprietors of their business, but as time went on, they added a lot of other employees to their team. As a result, microfinance has emerged as a viable source of income for numerous disadvantaged individuals. This study so demonstrates that microfinance has a favorable and significant effect on rural women. By assisting them in increasing their family income, it not only works for the development of women but also takes into account their entire families. By raising family income and decreasing child labor, this study will contribute to an increase in the proportion of school-going children. Even though this project focuses on small-scale services, it makes a significant contribution to the expansion of Millennium Development Goals connected to women's empowerment.

**Limitations and Future Direction**

This research has several restrictions. The first restriction is the lack of time, which led to the design of a moderate sample size rather than a larger one. Second, while it has been discovered that Mission Shakti is also concerned with interest-free lending programmes, The data collection is only done for one city and is restricted to interest-based loans. Due to the time restriction, only six thorough interviews were conducted for the study, which suggests that the results cannot be fully generalized since only six instances were considered.
However, this study has the ability to elaborate on all relevant topical facets, which would increase awareness of women's empowerment. This paper is dynamic since it addresses both theoretical and practical issues. The six scenarios discussed above can be a good place to start for the researcher to delve deeper and look at other dimensions in a longitudinal analysis while keeping in mind time and resource limitations. This report encourages women in our nation to take a stand against poverty and play a part in it. Finally, rather than using government money, it would be preferable for academics to look at the viability of community-based development projects through localised community-based adjustments.

References: