

**SOURCING FOR CREDIT SUPPORT FROM MICRO FINANCE AGENCIES BY
WOMEN; IMPLICATION FOR DEVELOPMENT IN OYE LOCAL GOVERNMENT
EKITI STATE.**

BY

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**A PROJECT SUBMITTED TO DEPARTMENT OF SOCIOLOGY, FACULTY OF
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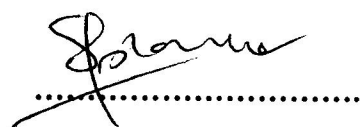
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B.SC SOCIOLOGY

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CERTIFICATION

This is to certify that Oguntula Oluwatosin Akinsola matriculation number (SOC/13/1486) has completed his research project in partial fulfillment of the requirement for the award of Bachelor of Science (HON) Degree in Sociology at Federal University Oye Ekiti, Ekiti State.

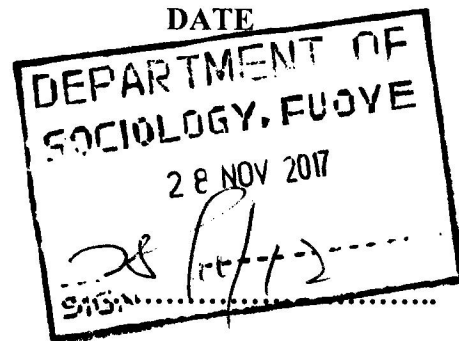


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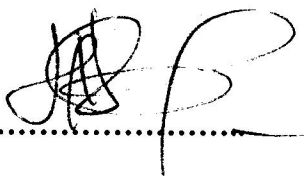
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DEDICATION

This project is dedicated to God Almighty the creator of the universe, for giving me strength, wisdom, and understanding throughout my programme, in which he also made my journey a successful and prosperous one. I also dedicate this project to my lovely mother Mrs. Bola Oguntula , My brothers and sisters for their support , May the lord strengthen and bless them in Jesus name. This project is also dedicated to Sociology Department Federal University Oye Ekiti, Ekiti state, Nigeria.

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ABSTRACT

This study examines the issue of sourcing for credit support from microfinance agencies by women in Oye Ekiti, looking at its implication for women development. The objective of the paper is to traced effort of the private micro finance agencies such as LAPO, SEAP, OMIYE and ULAYIN so far on the business of women in Oye-Ekiti, Ekiti State. The study however seeks to determine how the rural women and urban poor could be organized to benefit maximally from microfinance institutions, and to also determine the effect of microfinance credit on women entrepreneurs or business.

This study employed both secondary and primary data, 150 women from various categories of business from Oye-Ekiti were selected using purposive sampling technique, while about five (5) staffs of the existing microfinance companies were interviewed. Questionnaires were administered to the respondents and the data collected were analyzed using percentage/frequency tables while chi-square was adopted to test the hypotheses formulated.

From the study, about 98.7% of the respondents have at one time or the other sourced for micro credit loans, 55.3% agreed that Some women do not get timely information about micro finance credit, 51.3% also agreed that Cultural issues hinders some women from accessing micro finance credit, while 45.3% strongly agreed that Religion hinders some women from sourcing micro credit, and 50.7% also strongly agreed that Illiteracy affects some women on the issue of micro finance while 56.0% strongly agreed that poverty is a serious issue that keeps some women away from micro finance. The result of this research revealed that information, illiteracy, poverty, cultural and religious issues are major factors that hinders most women from benefiting from micro finance loan.

It was concluded that the structural imbalances in the existing microfinance operation should be corrected by government and the companies involved, particularly for women.

Keywords: Gender, Poverty Alleviation, micro-finance, Women, credit loans

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

During the last two decades microfinance has increasingly been in the spotlight of international development politics as well as public debate. On the one hand, it is widely held as one of the most effective tools in supporting development and its enormous potential has seen microfinance institutions mushroom in developing countries. On the other hand, microfinance came under fire in both academic circles and public debate. Its contribution to poverty reduction has been questioned and the potential risks for clients are increasingly a subject for discussion (Schicks, 2010; Schmidt, 2010). After the initial impulse in South East Asia, it took some years to spread to the African continent and other developing nations. Many of these microfinance institutions focus on women, who are often seen to be both in greater need of access to finance, as well as more likely to invest benefits in a more sustainable and long-term oriented way than men. Hence, their expected contributions to poverty reduction should also be more extensive.

Interestingly, the development potential of women in Africa was only recognized by the World Bank and other multinational donors in the 1990s. Previously women were often overlooked as a target group for triggering development, so that “in most places, women still trail men in labour force participation, access to credit and financial services, entrepreneurship rates and ownership and inheritance rights. This gender gap is neither efficient nor just” (Kerry, 2010). For this reason, development activities are increasingly focusing on empowerment of women, not only as a supporting factor of economic development, but also as a goal in itself. This is reflected in development politics in general and notably in the MDGs (Millennium Development Goals),

which signal “a widespread recognition that empowering women in particular is key to economic and social development” (Tors 2010: 1).

According to KFW microfinance is a significant instrument for poverty reduction. Whether it can also be seen as a tool for women’s empowerment is of special interest to KFW. The connection between microfinance and women’s empowerment becomes obvious when one realizes that the vast majority of clients are women. Given the interconnectedness of the social, political and economic dimensions of empowerment, empowering changes in one dimension may trigger changes in other dimensions. Thus, the improvement of women’s economic empowerment has the potential to lead to positive changes in social and political dimensions.

The economic independence of women is critical to achieving Millennium Development Goals (MDGs) in the c). The type of occupations executed by women has consistently been characterized as lacking in status and poorly paying, which are often temporary and informal. Greater percentage of women perform majority of the poorly or unpaid jobs, thereby encumbering their access to employment opportunities outside of their homes. Moreover, they shoulder disproportionate share of marital responsibilities. Microfinance institutions (MFIs) focus on the poor, and known to be successful in some developing countries such as Tanzania, Ghana, South Africa and Bangladesh (Ogwu, 2008:16). In Nigeria, the rural women and urban poor are among the groups that require financial services to grow their businesses and improve their livelihood. When empowered, they could to a large extent impact positively on poverty reduction, engender financial inclusion and economic development country. In view of this, these micro finance service entities statutorily provide micro credits to the active poor who are traditionally not served by the conventional banks eventually came on board.

Like other financial service institutions, microfinance institutions are meant to ~~grant loans to~~ rural women and urban poor to help them finance their projects such as poultry, food and animal production, petty trading etc. They should also be provided access to their basic financial needs aimed at economic empowerment of the rural populace, poor households and petty traders which will enable them move from subsistence living to planning for the future, investing in better nutrition, health, children education and wealth creation. The rural women are denied access to financial services by the conventional financial institutions because of their poor literacy level, inability to provide required collaterals among other terms and conditions. It may be stating the obvious to note that an efficiently run microfinance institution that adequately cater for the capital needs of the population especially women could create a multiplier effect on the economic wellbeing of the nation or development of the nation at large. Hence, this study investigates sourcing for credit support from microfinance agencies by women in Oye Ekiti and its implication for development.

1.2 Statement of the Problem

The evolution of microfinance initiative as established practice in Nigeria dates back to several decades with the establishment of numerous poverty alleviating programmes such as Better Life for Rural Women, National Poverty Eradication Programme (NAPEP), Community Bank, and local economic empowerment programme (LEEP) among others. In spite of the long existence of these agencies/institutions and programmes in Nigeria, it has been almost impossible for the rural women and the urban poor to access credits from these institutions. Most of the urban poor and the rural women are characterized by unusually acute foresight and imagination, and ever ready to work harder to get out of poverty because they suffer most. For instance, they suffer discriminatory treatments from conventional financial institutions unlike their male counterparts

on account of inability to provide collaterals needed to access soft loans. Other borrowing encumbrances such as “KYC” requirements, minimum deposit amount and evidence of formal employment have aggravated the destiny of the group being studied. In that regard, sustainable access to micro credits help to alleviate poverty by generating income, creating jobs, allowing children to go to school, enabling families to make the choice that best serve their needs. Moreover, the recapitalization, merger and acquisition exercise embarked upon by the banking sector virtually made all the banks “mega banks”. The position of the rural women and the urban poor thus became even worse because the so called mega banks now concentrate on big businesses of similar status particularly companies in the oil and gas industry thereby making their financial services inaccessible to the group in focus.

Following from the foregoing the problem which this study addressed therefore is that even though microfinance institutions have been in existence for long, it has not been possible to discover how to effectively organize the rural women and urban poor to enable them benefit maximally from the services of microfinance institutions and also reduce/eliminate identifiable challenges associated with accessing micro credits.

1.3 Research Questions

This study will answer or provide adequate answers to the following research questions. The questions are as follows:

- i. How will the rural women and urban poor be organized to benefit maximally from microfinance institutions?
- ii. How stringent are cultural or religious practices and lack of information hinders access to microfinance services?

- iii. Does poor literacy level, poverty and inability to provide collaterals hamper access to microfinance services?
- iv. What effect does microfinance credit have on women entrepreneurs or business?

1.4 Objectives of the Study

The main objective of this study is to examine the sourcing for credit support from microfinance agencies by women in Oye Ekiti looking at its implication for development in Nigeria. The specific objectives of this study are to:

- i. determine how the rural women and urban poor could be organized to benefit maximally From microfinance institutions;
- ii. examine how stringent cultural or religious practices and lack of information hinders access to microfinance services;
- iii. ascertain how poor literacy level, poverty and inability to provide collaterals hamper access to microfinance services;
- iv. Determine the effect of microfinance credit on women entrepreneurs or business.

1.5 Significance of the Study

This study will add to the body of knowledge on the contributions of microfinance agencies/or institutions on empowerment of women in Nigeria as reflected by any change in their living standards at individual, household or enterprise level. The results of this study will provide a framework for strategic initiatives and innovative ideas that will lead to improvement of microfinance institution's positive impact on the lives of women. The results will also be valuable to the government for determination and establishment of a regulatory legal framework for the microfinance institutions' in Nigeria, which will ensure the realization of the institutions'

main objective of poverty eradication and best ways to address the gender specific issues and entire development of Nigeria as a country. Furthermore, this study will unveils the underlying factors that lead to economic development and non-sustainability of women who already have received micro finance services yet a significant impact is not realized.

1.6 Study Hypotheses

This study will test the relationship between the following hypotheses. They are as follows:

H0 1: There is no significant relationship between women educational status and accessibility of the microfinance credit support.

H1 2: There is relationship between access to credit support and women capacity development.

1.7 Scope of the Study

This study focused on sourcing for credit support from microfinance agencies by women and its implications for development. The study is limited to Oye-Ekiti, a town in Ekiti state.

1.8 Definitions of Terms

MDG; Millennium Development Goals are eight goals with measurable targets and clear deadlines for improving the lives of the world's poorest people, to meet these goals and eradicate poverty.

MFI; Microfinance Institution is an organization that offers financial services to low income populations. Almost all give loans to their members and many offer insurance, deposit and other serppices.

NAPEP; National Poverty Eradication Programme. National poverty eradication programme is a programme initiated by the Nigerian government in 2001 to reduce absolute poverty in the country, the programme partnered other institutions and organizations to develop plans and guidelines to achieve poverty reduction at a larger scale.

OFN; Operation Feed the Nation. Operation feed the nation was introduced by the federal military government in 1976 to eradicate fundamental economic problems such as youth unemployment, inflation and rural-urban migration stemmed mainly from the neglect of the agricultural sector.

NDE; National Directorate of Employment; National directorate of employment is the foremost agency in charge of job creation in the country, this problems helps to reduce unemployment among the youths.

CBN; Central Bank of Nigeria. The central bank of Nigeria has since 1970 been instrumental to the promotion and development of industries particularly in the small scale sector.

NERFUND; National Economy Re-Construction Fund. The main aim of NERFUND is the provision of small and medium funds to long term funds to wholly Nigerian owned small scale industries. It provides funds for eligible industries under the scheme.

CHAPTER TWO

LITERATURE REVIEW

2.1 Types of Micro Finance and their Interest Rate in Nigeria

A. LAPO

Life Above Poverty Organization (LAPO) is a non-government organization(NGO) was founded as a Nonprofit entity by Mr.Godwin Ehigiamusoe while working as a rural cooperative officer in Delta state , LAPO started activities in 1987.LAPO as a Non government organization [NGO] committed to the social, health and economic empowerment of the poor and vulnerable in Nigeria. Over the years the organization has demonstrated uncommon commitment to poverty alleviation through the implementation of credit and non-credit empowerment targeting disadvantaged groups. LAPO provides poor Nigerians with the following financial services; Regular loan (RL) obtained by LAPO members through their groups as capital for entrepreneurship. Loan tenure is 32weeks and equal of repayment with interest are paid weekly at group meeting. Festival Loan (FBL) which enables the clients to fund business activities during festive periods. The average loan size of FBL is #50,000 and has benefited clients by ensuring them with high returns. Farming loan, developed exclusively for food crop farmers, in which the disbursement and repayment schedules follow the pattern of activities in farming cycle. Credit for shares, allowing the poor to acquire and manage shares or stocks in profitable companies. Assets loans, which are designed for clients to invest in the acquisition of income generating assets such as commercial transportation and household appliances. LAPO has helped many poor Nigerians to achieve their basic needs and a high percentage of 66.7% of ex-clients indicated that the loan has helped them a lot (Wikipedia, 2017).

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B. SEAP

Self Reliance Economic Advancement Programme (SEAP) is a business oriented, non profit sharing, Non political, Non religious and Nongovernmental organization (NGO) which started operations in 1998 with voluntary membership but was officially registered in 2000. SEAP seeks to promote sustainable livelihood for the less privileged in the society. SEAP is dedicated primarily to economic empowerment of the under privileged, capacity building and improvement of the socio economics condition of the poor, SEAP is a committed organization to the promotion of SME in Nigeria. SEAP has long been playing a vital role for small and medium sized enterprises in the consolidation of viable market oriented enterprise structure .and their operation is the provision of credit and the encouragement of personal savings for self reliance. Their loan started from #50,000, SEAP changed their policies recently from 40weeks to 30weeks for customers to return the money collected, they give out loans to both male and female while their interest rate on #50,000 is #7,500 and members need to have #6,050 with them before you can be given loan of #50,000.they don't have special loan unlike others and they also collect annual dues from group member which is #1,200 at the end of the year. Apart from giving their members loan, they also render helps to their members who suddenly became a victims of accident, lost of properties etc without any collateral for the help. Such help is free without paying back to the organization and that's why they give their members a ticket named Natural disaster relief ticket.

C. GROOMING.

Grooming Centre is an NGO founded in 2006, in Lagos (Nigeria) by Dr.Godwin Nwabunka. This is done through inclusion driven financial services and loans to small business holders. It

covers, as at February 2017, 23 states (out of 36) with a network of 517 branches in Nigeria (groomingcentre.org). Grooming centre provides a broad range of services to help its members to respond to their financial, advisory and information needs. To sustain these high quality services the centre has designed a system to support their members at every phase of their business growth and incoming generating activities. The loan given out to members in first stage is #50,000 and they pay #7,500 for 23 weeks. They don't give out loans to Men, before you can be given a loan; such person will have #5,750 as saving with them which include membership card and I.D card fee. There is Special loan which started from #100,000 upward to some of their member's who have pass the first stage without any problem while the interest rate of #100,000 is #15,000 for 23 weeks. There is no form of collaterals in grooming centre except presenting two guarantors by the beneficiary.

D. OMIYE and ULAYIN.

This is a microfinance bank that exists in Ekiti state to be precise. The Ekiti State Government issued a 15-day ultimatum to nine micro finance banks including Omiye and Ulayin microfinance bank to recover the Micro, Small and Medium Enterprise (MSME) loans disbursed to their customers across the state. They gave out minimum loan of #30,000 to every legible member. And for a member to be legible such person must have #3,000 as a savings with them. Interest rate is #4,500 for 23 weeks and payment made per week is #1,700 weekly payment. Although, Omiye and Ulayin are separate bodies but they follow the same modus operandi.

2.2 Why Microfinance Bank in Nigeria

*Microcredit plays a critical role in empowering women,
Helps deliver newfound respect, independence, and participation for woman
in their communities and in their households.*

Juan Somavia, ILO Director-General

According to Ugwuanyi (2006:621-622) the formal financial system provides services to less than 35% of the economically active population, and thus the remaining 65% are excluded from access to financial services. This 65% excluded from financial services are often served by the informal financial sector mainly moneylenders, friends, relatives and credit unions. The above reasons led to the emergence of microfinance policy in Nigeria which was expected to expand the financial requirements of the poor, low-income groups and micro-entrepreneurs. Such policy Services are expedient for three reasons:

- (a) Such services created benefits to the poor through provisions of enhanced employment opportunities, reduction of poverty and vulnerability, empowerment, improved educational and nutritional level of family members, and better access to goods and services.
- (b) The micro-entrepreneurs constitute a target group to which microfinance institutions could provide profitable services.
- (c) It provides better economic opportunities for both clients and financial institutions that lead to growth and development of the entire economy.

2.3 The Goals of Microfinance Banks

According to CBN (2005) cited in Okwor and Nze (2010:185) the goals of microfinance banks include to:

- (i) Provide diversified affordable and dependable financial services to the active poor in a timely and competitive manner that would enable them to undertake and develop long term, sustainable entrepreneurial activities.
- (ii) Mobilize savings for intermediation.
- (iii) Create job opportunities and boost the productivity of the active poor in the country, thereby increasing the income accruing to individuals, households, thus uplifting their living standards.
- (iv) Enhance organized, systematic and focused participation of the poor in the socio-economic development and resource allocation process.
- (v) Provide veritable avenues for the administration of the micro credit programmes of government and high net worth individuals on a non-resource case basis. In particular, this policy should that state governments would dedicate an amount of not less than 1% of their annual budgets for the on-lending activities of micro-finance banks in favour of their residents, as well as render payment services, such as salaries, gratuities, and pensions for various tiers of government.

2.4 Constraints faced by the Microfinance Subsector

According to Oluoyinka (2008:7), the microfinance subsector is faced with constraints summarized as follows:

- (a) **Macroeconomic constraint:** At the macroeconomic level, inflation rate has remained high and unstable; discouraging domestic saving and this has further reduced the amount of loanable funds. Prices of inputs have often increased at rates higher than output prices and this makes micro investments unprofitable. To keep pace with the rising prices, banks charge high interest

rates, and thereby increase the cost of borrowing. The constant devaluation of the local currency (the naira) does greatly reduce the purchasing power of credit by entrepreneurs.

(b) **Financial sector policy constraint:** The structures of the rural financial markets impose additional constraints. This is because a bank branch may serve several rural areas, which results to lack of competition, use of conservative lending practices and provision of limited financial services. As at today, the environments where most micro-borrowers reside are usually served by small unit banks (the microfinance banks). Their services are constrained by inadequate capital, low savings of long-term credits due to lack of long-term funds. The volatility in interest and exchange rates create uncertainty and risk for long-term loans. Where deposit money bank branches exist, they do not provide financial services to micro entrepreneurs.

2.4.1. Concept of Credit

The word credit is derived from Latin word *credo* which means "to believe or to trust" (Shane, 2007) which is explained as the sale of goods and services and money claims in the present in return for a promise to pay in the future. The promise usually based on the confidence and on the belief that the debtor whether a person, a business firm or a government unit will be able and willing to pay on demand or at some future time (Roomi, & Parrot, 2008).

According to Adegeye and Ditto (1985), agricultural credit as the process of obtaining control over the use of money, goods and services in the present in exchange for a promise to repay at a future date. Farm credit has always been an important factor in improving agricultural productivity and strengthening the rural economy in every country (Kamakar, 1999). In fact, facilitation of access to credit has an important role for elimination of farmers' financial constraints to invest in farm activities, increasing productivity and improving technologies

(Kohansal et al, 2008). The provision of credit has increasingly been regarded as an important tool for raising the income of rural populations, mainly by mobilizing resources to more productive uses.

In the recent past, there has been an increased tendency to fund credit programmes in the developing countries aimed at small scale enterprises. Despite emphasis on increasing the availability of credit to small and microenterprises (SMEs), access to credit by such enterprises remains one of the major constraints they faced (Atieno, 2001). Improving the availability of credit facilities to this sector is one of the incentives that have been proposed for stimulating its growth and realization of its potential contribution to the economy.

Most policy and research interests regarding rural credit markets revolve around the perception that poor rural households in developing countries lack adequate access to credit, which is believed to have significant negative consequences on various aggregate and household-level outcomes, including technology adoption, agricultural productivity, food security, nutrition, health, and overall household welfare (Aliou et al 2008). The majority of small scale farmers are not regarded as credit-worthy by the formal sector financial institutions, and are forced to borrow from the money-lenders in the informal credit market and this has continued to be a constraint limiting smallholders' ability to adopt business technologies, on production and increase productivity.

Important lessons from past rural credit programs point to the need to redesign or improve delivery mechanism thus, open access of small-scale farmers to credit. In financing the purchasing of inputs, the farm household must either dip into savings or obtain credit. Hence, access to credit can significantly increase the ability of poor household with no or little saving to acquire needed agricultural inputs encouraging labour saving technologies and raising labour

productivity, a crucial for development especially in many African countries (Delgado, 1995; Zeller et al 1997).

2.4.2 Sources of Credit

Access to financial services by smallholders is normally seen as one of the constraints limiting their benefits from credit facilities. Financial services are in form of borrowing, lending and other services. Based on the extent of control by the government have been broadly classified into formal and informal sources. In considering the dichotomy between formal and informal segments of the credit, it is important to note that rural credit markets in Africa are mainly fragmented with the various segments serving borrowers with different characteristics (Nissanke and Aryetey, 1995). The crucial role of credit in agricultural production and development can also be appraised from the perspective of quantity of problems emanating from lack of it. In modern farming business in Nigeria, provision of agricultural credit has become an important factor in order to increase productivity (Adebayo and Adeola, 2008).

2.4.3 Informal Sources

Aryeeteey et al (1997) defined informal finance as referring to all transactions, loans and deposits occurring outside the regulation of a central monetary authority. The informal financial sector plays great roles in the allocation and mobilization of credit and services to the rural sector of Nigerian economy at a comparatively lower costs and risk than formal financial institutions (Soyibo, 1996). The informal sources include relatives, friends, credit and saving associations, moneylenders, e.t.c. The informal sector has a dense and effective information network at the grassroots level for close supervision and monitoring of borrower activity particularly their cash

flow- whether they are members of an informal association or not (Germidis et al, 1991). This contributes to the efficient mobilization of savings and ensures high loan repayment rates. The informal financial services have certain advantages such as: good knowledge of the local economy; good outreach to clients; transaction costs; very little or no bureaucracy and paperwork e.t.c (IFAD, 2000).

2.4.4 Formal Sources

Formal financial sources are those who operate within the legal, fiscal, regulatory and prudential framework of the monetary and financial authorities (Onah, 1994). Therefore, formal sources are those established by law and which can be influenced by government policies. Examples of formal financial institutions include commercial banks, microfinance banks, and NGOs etc. The structure of the formal credit sector severely constrains its ability to respond effectively to the requirements of rural development, particularly in meeting the credit needs of small farmers. Perhaps the important constraint is the lack of information about borrower characteristics and actions, which critically limits the ability of banks to guarantee repayment. Consequently, loans (when forthcoming) require substantial collateral. Small farmers are simply not in a position to provide collateral, at least in a form acceptable to a formal financial intermediary. Some of the programmes tailored to address the problems of financial dualism, poverty and unemployment by successive Nigerian governments are; rural banking scheme, Peoples Bank, operation feed the nation (OFN), green revolution, Nigerian Bank of Commerce and Industry (NBCI), Nigerian Agricultural and Cooperative Bank, Nigerian Economic Reconstruction Fund (NERFUND), Nigerian Directorate of Employment (NDE), Family Economic Advancement Programme (FEAP), Poverty Alleviation Programme (PAP), Nigerian Industrial Development Bank (NIDB),

Bank of Industry (BOI), Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB), community banking and microfinance banking (Oni, Oladele and Oyewole, 2005). In year 2000, the Federal government merged NACB, PBN, and FEAP to form the Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB) to enhance provision of finance to agricultural sector. The bank is currently striving to meet the challenges of financing agricultural enterprises via the use of cooperatives. Government in both developed and developing countries attempt to overcome perceived inadequate supply of credit in form of subsidized credit programs, credit quotas, and targeted loan policies at below market rates of interest setting up to guarantee fund and stimulating institutional innovations in the financial system (Floro and Ray, 1997). In Nigeria, this available at 16-18% interest rate to individuals and 15-16% percent to cooperatives or cooperate farms when the ruling market interest rates for the other sectors of the economy range between 30 and 40% (Rahji and Fakayode, 2009). It is hardly surprising that the benefits of such programs and policies are concentrated on a small number of borrowers, mainly large farmer who can provide collateral (or at least inspire formal sources confidence through their reputation.

2.5 Operationalization of Financial Institutions

The formal and informal financial systems co-exist and operate side by side with one another (Kessler, Marigue and Ullmo, 1985). The reality of operations of the two forms of market, however, is more complex and each segment of the financial market provides credit services that differ from each other with respect to important factors. The demand for women credit is increasing parallel to meeting the requirements of increasing productivity across board and improving the livelihood of general populace especially women and the development of the

entire society. In context of financial sector, dualism exists where both the formal and informal financial providers exist side-by-side (Mpuga, 2004) with the latter controlling a big proportion of the market in rural area. Formal financial institutions are sources of more loan funds for informal institutions. Most of the women sourced loans from informal institutions since most services of informal finance are client oriented, thus reducing the transaction costs for customers and making their services attractive. The regulatory framework of financial institution dictates demand and supply of agricultural credit.

Most formal lenders constituted by banks and access to them is restricted to a small proportion of the population who can meet their stringent requirement, which include minimum balances for account opening, onerous collateral requirements for loans, and long and costly bureaucratic processes. The development and commercial banks view the small scale and micro-entrepreneurs as risk borrowers and extending loans to them is to cut down their profitability in the transactions and to incurring recoverable losses to the banks(Levisky,1993).

2.5.1 Wealth/ Level of Income

Net wealth is a good measurement of the borrowers' repayment ability. Women's wealth through effective productivity may have impact on the credit supply. The higher the net wealth is, the higher the probability of obtaining a loan. (Chen Chen and Chivakul, 2008). If household wealth is observable to lenders, it may be taken as a positive signal of capacity to repay because high current wealth is likely to be positively correlated with the household's ability and quality of their investment projects (Boucher et al, 2005). At the household level, the level of income is an important factor that would determine the demand for financial services. At low level of income,

the household has limited resources to save and less demand for credit than at higher level income.

2.5.2 Collateral

A critical barrier to credit access is the frequent inability of small and informal borrowers to securitize loans with collateral (Field and Torero, 2004). There is need to examine the relationship between the probability of being credit constrained and the possession of a land-title-collateral. One frequently cited contributing factor is the fact that in much of the developing world a large percentage of both rural and urban property is untitled (Holden, 1997). The land titled may be offered as collateral and thus may loosen a binding supply-side constraint. Although land is an advantageous form of collateral due to the fact that it cannot be removed and it is noted that many borrowers face barriers securing transactions with land simply because ownerships are not formally documented. It is believed that with higher income, farmers are able to save more and to acquire more assets, which can be used as collateral to acquire more loans. Reliance on collateral by banks often, however, excludes many otherwise creditworthy small scale borrowers in many African countries where land titles are not well documented or readily transferable (Aryeetey and Nissanke, 1997).

2.5.3 Information

Information is a major factor in credit market. A crucial impediment to the efficient functioning of the financial system is asymmetric information (Mishkin, 1991). A lender's willingness to lend may hinge on the information about the borrower. It is obvious that the analysis of information problem has general relevance for rural financial market in developing countries.

The absence of perfect information may explain why lenders choose not to serve some individuals (Timothy, 1994). The implication is that lenders may reduce the amount that they decide to lend; resulting in too little investment in the economy. Information imperfections are important in explaining the segmentation of credit markets. Information flow is typically efficient over relatively close distances and within social groups, as found in the informal setting. This is one of the merits the informal sector has over the formal financial sector.

2.5.4 Social Status

The reputation of the potential borrower is another important yardstick that influences the information lender's credit rationing behaviour (Siamwalla et al., 1990). For instance, loans in the informal sector are mainly character loans (i.e. not backed by any collateral security). For this reason, information lenders invest both financial resources and time to gather information about potential borrowers from people known to them.

2.6 Credit Constraint, Access to Credit and Participation in Credit Market

There is a distinction between access to credit and being credit constrained including participation in the microfinance credit market. A woman/household has access to microcredit if it is able to borrow from the source (Diagne and Zeller, 2001). Thus a household can have access but choose not to borrow i.e. does not participate in the credit market while household is credit constrained if its demand for credit exceeds the supply of credit (Simtowe and Phiri, 2007). Generally, credit accessibility is important for improvement of quality and quantity of women's business so that it can increase their income. Therefore, with limited access to credit, the budget balance becomes a constraint, where expenditures have to remain less or equal to the sum of

revenues during the period, accumulated savings and credit availability. Hence, credit constraint limits the optimum production or consumption choices.

Gilligan et al; (2005) classified household as credit constrained if they stated the willingness to use more credit from any loan sources or if its members said that they could not obtain credit. Simtowe and Phiri (2007), pointed out that the demand for credit may exceed supply for credit for a number of reasons. First, the demand could exceed supply due to quantity rationing. Quantity rationing occurs when a lender sets credit limit lower than the household credit demand. Second, high transaction costs may also restrict the supply of credit to the household. Thirdly, due to risk rationing also referred to discouraged borrowers' scenarios. Thus-holding constant productivity and risk preferences-small farmers will be more likely to voluntarily withdraw from the credit market due to transaction cost.

2.7 Women Entrepreneurs

Women entrepreneurs play a very crucial role in the economic development of their families and their countries at large. Despite these, studies have shown that women entrepreneurs have low business performance compared to their male counterparts yet the rate of women participation in the informal sector of the economy is higher than males (Akanji, 2006). This situation can be attributed to factors that normally affect entrepreneurial performance. These factors include lack of credit, saving, education or training, and social capital (Shane, 2003).

Some of the challenges facing women entrepreneurs include acquiring appropriate training (Walker *et.al.*, 1999), obtaining capital (Buttner *et.al.*, 1997; Cater, 2000) and gender discrimination (Kleiman, 1998). Nelson, (1997) asserts that women approach the entrepreneurial experience with disadvantages rooted to education experience and therefore they often lack the

knowledge of skills required to develop their business. Lack of capital to start or run business has led women entrepreneurs to request for credits from micro-finance institutions (Ibru, 2009; Kuzilwa, 2005). This is due to poverty, unemployment, low household and business income and inability to save (May, 2009; Otero, 1999; Porter et.al., 2005; Roomi *et.al.*, 2008).

Studies have also shown that women entrepreneurs, mostly in developing countries, lack the ability to save yet savings are needed to protect income, act as a security for loan and could be re-invested in the business (Akanji, 2006). Savings as a micro-finance factor enable people with few assets to save, since they could make weekly savings as well as contribute to group savings, and such savings are mobilized by the micro-finance institutions for further lending to other clients (Mkpado *et.al.*, 2007).

Women entrepreneurs, especially in developing countries also lack training (IFC, 2007) and entrepreneurial process which is a vital source of developing human capital. Training also plays a crucial role in providing learning opportunity for individuals to improve their skills, attitudes and abilities (Brana, 2008). In most literatures, the effect of training on women entrepreneurs' performance, especially in developing countries, has not been adequately addressed. Studies supports the fact that majority of micro-finance institutions' clients do not have specialized skills, and so cannot make good use of micro-finance factors (Karnani, 2007), hence they need training. Salaried employment provides prior business experience that is vital for enterprise success, yet women entrepreneurs mostly in developing countries lack this (Brana, 2008). This further strengthens the need for training as a micro-finance factor for the women entrepreneurs.

2.8 MicroFinance Interventions

Over 3,300 microfinance institutions reached 133 million clients with a microloan in 2006.

93 million of the clients were among the poorest when they took their first loan.

85 percent of these poorest clients were women.

Microcredit Summit Campaign Report 2007

Microfinance has been defined as the provision of financial services to low-income clients or solidarity lending groups including consumers and the self employed, who traditionally lack access to banking and related services (Ledgerwood, 2010). Microfinance involves offering of financial services for people barred from the time honoured system because they cannot offer bank guarantees (Eufin, 2009). Financial services generally include savings and credit; however, some microfinance organisations also provide training, insurance and payment services (Ledgerwood, 2010).

2.9 Relationship between Microfinance Interventions and Empowerment of Women Entrepreneurs

The basic theory is that microfinance empowers women by putting capital in their hands and allowing them to earn an independent income and contribute financially to their households and communities. This economic empowerment is expected to generate increased self-esteem, respect, and other forms of empowerment for women beneficiaries. Involvement in successful income-generating activities should translate into greater control and empowerment. Closer examination shows, however, that this equation may not always hold true and that complacency in these assumptions can lead MFIs to overlook both opportunities to empower women more profoundly and failures in empowerment (Cheston and Kuhn, 2006).

The objective of micro-finance is to empower women economically and socially. Providing access to microfinance for women is considered to be a precondition of poverty alleviation and women's empowerment (Mayoux, 2000). Loans enable women to invest in and expand their business, and in consequence they are able to employ. They are also introduced to the banking system and their productive activity is integrated into the formal financial system. Moreover, loans engage entrepreneurs in making major decisions, such as loan approvals and in improving the products and services produced (Charitoneko *et al.*, 1998). It is argued that micro-finance empowers women by strengthening their economic role, increasing their income and ability to contribute to the family income, increasing their employment and productivity, helping them to establish their identity independent of the family, and giving them experience and self-confidence in the public sphere (Sinha, 1998).

2.10 Micro Credit and Empowerment of Women Entrepreneurs

Studies have indicated that micro finance brings about increased income due to accessibility of micro credit and training on how to manage it, increased assets which are bought due to availability of funds and also increased welfare in aspects such as food security, housing and health (Mayoux, 2001). Inaccessibility to credit and lack of training has been cited by K-REP (1995) as the major setbacks to women venturing into business. Other research studies report limited purchasing powers, particularly in the rural areas, lack of management skills, physical infrastructure and seed capital (Alila, 1993). Addressing the need for credit is thought to be an effective development tool, but no one is arguing that indebtedness is an effective development tool. Indebtedness is not desirable for entrepreneurs; it creates some liabilities, such as regular repayments and interest. It also makes great demands on business (Ackerly, 1995:56). Women's

access to credit and their contribution to family expenses are both seen to be necessary, but not sufficient, for achieving empowerment (Hashemi *et al.*, 1996 in Kabeer, 2001).

2.10.1 Micro Savings and Empowerment of Women Entrepreneurs

The opportunity to save rather than access to credit would lever the poor out of poverty (Buckley, 1997; Robinson, 1996). Moreover, some of the poor people are willing only to save, not to borrow. The ability and opportunities to save also serve as protection against illness and occasional unemployment (Rhyne and Otero, 1992:1562). It should also be noted that the non-material advantages of saving for low-income microentrepreneurs include among others the fact that saving promotes the borrowers' own responsibility and self-help and familiarises them with prompt repayment (Gulli, 1998:66-67). The saving requirement is also testing members' ability and willingness to repay their loans. Naslund *et al.* (1993) show that women who have contributed more to their own savings have a higher repayment level. A possible reason is that those women are already accustomed to accumulating savings or contributing regularly.

2.10.2 Training and Empowerment of Women Entrepreneurs

Women operating where large proportions of the population live in absolute poverty, face several major constraints. These include their inability to judge the profitability of their operations due to a lack of basic accounting skills, insufficient technical and business management skills as well as socio-cultural constraints (UNIDO, 2003). Taking cognizance of the peculiar situations of most women in developing countries in terms of poverty, low educational levels and other societal discriminations (Porter *et al.*, 2005; Roomi *et al.*, 2008); training is a very important micro-finance factor for women entrepreneurs as it would provide the skills and experience needed for

business (Akanji, 2006, Cheston *et.al.*, 2002; Kuzilwa, 2005). Women who manage to start business have been cited as having problems at the growth stages such as inadequate working capital, poor technical and managerial skills, lack of marketing techniques, lack of work sites and security and basic infrastructure, hostile business environments, poor project and planning skills and lack of information on the available assistance programmes (Alila, 1993). This led to development of the NGOs training intervention programmes. However, a gap still exists in empirical literature of effect such programmes have had on the performance of women in enterprises. Some studies confirm that skill training and tertiary education have positive effect on enterprise performance (Akanji, 2006; Kuzilwa, 2005).

From foregoing review of literature, it is evident that a lot of research on microfinance has concentrated on a broader nationwide perspective, with little or no attention to the rural constituency contexts. Also, although some studies have been done on the resultant of effect of micro finance intervention from a general perspective, no study has attempted to establish the extent of empowerment that arises from these interventions.

2.11 Effects of Credit Rationings

2.11.1 Labour

It encompasses the productive capacity of human physical and/or mental efforts measured in terms of ability to do work or produce goods and services (Ahmed, 2000). In a relative term, it describes the effort of human being used in the production process (Adegeye and Dittoh, 1985). Labour is classified into family labour and non-family (hired and exchange) labour. In rural economy, family labour is insufficient to increase farm production. Lack of labour constraints the extent of work done in smallholder agriculture because labour use is correlated with total

output. Therefore, access to credit is an important pillar to hire non-family labour to complement family labour in helping small farmers increases their production since all farm household are not equally endowed with family labour may wish to satisfy its labour demand externally, and to pay for this, will demand credit (Hussein,2007). Therefore, if the farm household is constrained in the credit market, it may also be constrained in the labour market.

2.11.2 Adoption of Technology

Modern Technological innovation in the business of women brings about the change that is needed in their lives. Without credit, the role of adoption will be very minimal of agricultural credit. Majority of smallholder farmers lack access to formal credit and this has continued to be a constraint limiting smallholders' ability to adopt agricultural technologies and increase productivity (Mohammed, 2008). In addition, Lubwama (1997) also revealed that adaptability of suitable implements for on-farm technology is affected by the availability of finances.

2.11.3 Women's Productivity

According to Hussein (2007), credit supply that is responsive to effective credit demand of women business would result in higher productivity/outputs, which would also increase creditworthiness of women. On the contrary, it would be economically unattractive for women to receive a loan that cannot met their effective credit demand, as they will remain credit constrained and cannot increase their efficiency. Therefore to boost production and productivity in women business, women need to be using improved business relevant technologies. It is relatively expensive and small scale farmers cannot afford self finance. It is argued that enhanced

provision of rural credit would accelerate business production (Briquette, 1999). Consequently, improving credit user's income and savings and enhance investment and reinforce high incomes.

2.12 Identification of Credit Constraint

There are two (2) approaches for identifying credit constraints namely the indirect methods and the direct methods. According to Gillgan et al (2005), indirect methods are based on tests of theoretical model involving credit constraints while direct methods are based on responses to qualitative questions about credit constraint status collected in surveys. The indirect methods involve comparison of parameter estimates for specific outcome across constrained and unconstrained groups (Simtowe and Phiri, 2007). The direct method involves a direct elicitation in which respondents are asked questions on their perception of constraints. Using survey questions that are usually qualitative in nature respondents are to be asked about the current credit demand and supply in order to identify households facing credit constraint. Methods for identifying credit constrained households based on direct elicitation of credit status from survey questions about restrictions on credit have several attractive features (Jappelli, 1990). The necessary information can be gathered directly in surveys, providing a simple, unambiguous method of identifying credit constraints Since indirect method has generated a subject of discussion and it is inconclusive (Diagne et al 2008), direct elicitation would be used to capture most sources of credit constraint, including self imposed rationing due to high default risk, which provides more comprehensive measure of constraints than other method.

2.13 Theoretical Framework

2.13.1 Theory of Credit Rationing

Credit constraint is one of the problems faced by women in general but more seriously by those in developing countries. A number of conceptual difficulties have been identified in estimating credit market, especially in fragmented markets with imperfect information. The theoretical credit rationing literature starting from as early as the 1950s generally seeks to develop an economic rationale for the allocation of credit by some means other than the price (interest rate). The most influential early theoretical studies are Jafee and Russell (1976) and Stiglitz and Weiss (1981). Jafee and Russel (1976) were the first to develop a model of rationing in an imperfect loan markets where borrowers have more information about the likelihood of default than lenders. Their model suggests that in competitive markets; single-contract equilibrium (i.e equilibrium with a single set of term) will tend to occur at a point of rationing. Stiglitz and Weiss (1981) built on this work to show why such equilibrium might occur. The interest rate a lender charges may itself affect the riskiness of the pool of loans by either sorting potential borrowers (the adverse selection effect) or affecting the action of borrowers (the incentives effect).

Through either of these effects, an interest rate that is set too high will inevitably cause the riskiness of the applicant pool to increase. Thus, there is an optimal interest rate which is often below the market-lending rate that maximizes the returns for lenders. Also, because the interest rate influences the nature of the transactions. It can act as an indirect screening device sorting out "good-risk" from "bad-risk" borrowers: those who are willing to pay high interest rate may, on average be worse risks because they perceive their probability of the model follows a contract theoretic view of loan transaction.

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Essentially, the lender chooses the credit limit and the amount he wants to be repaid; the borrower then chooses the amount to be borrowed within this range and once the credit is disbursed, whether and when to pay back. More precisely, the lender chooses the pair $(b_{max}, R1)$ where b_{max} is the amount he is willing to lend, and $R1$ is a repayment function $(0, b_{max})$ specifying how much, when, and under what conditions he wants to be repaid for any given loan size b $(0, b_{max})$. In other words, the lender offers the contract $(b_{max}, R1)$ to the borrower who accepts or rejects it by his choice. The contract is accepted if b^* is strictly positive, and rejected if $b^* = 0$. The lender's optimal choice of the credit limit b_{max} , which is interpreted as the supply for credit, is a function of the maximum he is able to lend, b_{max} . It is also a function of the lender's subjective assessment of the likelihood of default and of other borrower's characteristics. Therefore, borrowing constraint is stochastic, and depends on the prevailing state of nature.

However, lenders usually provide enough information about their loan policies (eligibility criteria, types of project funded, collateral and down payment requirements, e.t.c) to enable potential borrowers to have reasonably accurate expectations about their b_{max} from sources of credit.

In most models where there is the possibility of loan default due to imperfect contract enforcement, and upward sloping supply curve, it is assumed that lenders offer borrowers a choice of points on the supply curve, to which they are restricted (Atieno, 2001). The credit demand function can only be identified from the borrower's participation decision; namely, the decision to borrow or not and from which sector to borrow. According to Zeller (1994), this approach assumes that an individual decision is only affected by internal factors. However, external factors also play an important role in credit market. Bigsten et al (2000) estimate credit

market participation and constraints faced by firms by modelling the explicit demand for funds by firms and assessing the decision rules by financial institutions to grant loans. Therefore the concepts of demand and supply have significant bearing on the amount of credit a farmer might receive. It becomes difficult to disentangle the demand shifters from the supply shifters (Khandker and Farugee, 2001). The lender's optimal choice of the credit limit which is interpreted as the supply for credit is a function of the maximum he is able to lend. It is the lender's decision to further restrict the supply of credit below the amount he is actually able to lend that causes credit rationing. From the analysis of Stiglitz and Weiss (1981), there is a wedge between what a lender is willing and able to lend which results from exclusive choice of the lender.

2.13.2 Theory of Gender and Poverty

Studies suggest that in most countries globally women are more likely to experience poverty than their men counterpart (Lister, 2004). In European countries, with the exception of Sweden, poverty rates are higher for women than men. In Britain, government figures on households below average income provide information on the proportions of men and women in poverty (defined as those in households receiving less than 60 per cent of median income).

In 2010/11, 19 per cent of men and 20 per cent of women were in poverty, so it would appear that the gap is closing (DWP, 2012b). However, simple figures on poverty do not reveal the 'hidden poverty' that women might suffer and women might be more likely to experience extreme poverty than men.

The over-representation of women in poverty statistics has been called the "feminisation" of poverty' (Lister, 2004). This term was first used by Dina Pearce to point out that female poverty

was becoming increasingly visible. According to Pearce women had always been more prone to poverty than men, but their poverty was disguised because there were fewer female-headed households where women were the only adults to be included in poverty statistics.

Nevertheless, according to Lister, the deprivation suffered by women continues to be underestimated because of the existence of hidden poverty. Hidden poverty occurs when a family has sufficient resources overall to raise it above the poverty line, but those resources are not distributed equally between family members. Studies of money management and consumption patterns suggest that in a considerable number of households men have more control over the household income than women and women spend less on their own needs than men. Women may sacrifice an adequate diet or neglect their own clothing needs so that the needs of their children or male partner can be met.

2.13.3 The theory as Applied to this Study

The issue of women and poverty, although a global phenomena but it is important to note that the pains of women poverty varies from country to country, household to household and person to person especially in developing countries most especially Nigeria. Women from time immemorial were captains of entrepreneur and taking good care of their entire immediate family. But with the advent of industrialization, women became part of those looking or searching for secular job in industries or companies despite the fact that they do not have any dexterity that the job required.

It is indeed very painful to discover that women in Nigeria are bread winner of their families despite they do not have any economic support from anywhere to reduce their capricious situation. An average woman looks after their children and be responsible for the care in all

ramifications not minding the cost. Some women are even liability on their old or aged parents in order to take care of their families when their husbands are not supportive in anyway. Women are ready to do anything cultural and legitimate in order to make money for the sake of their families. Women can sacrifice anything for their children and family at large. With this, women need to be empowered that is, to be supported in different ways to boost their economic status so as to make things work properly in their individual homes.

It is as a result of this that women are mostly those who look for credit from micro-finance not minding the conditions that surround sourcing the credit. It simply means women are risk takers if only to make life rosy for their children and the entire family. Some women take credit from micro-finance to sponsor their children in school even up to tertiary institutions. Nigerian women are battling with real poverty or hidden poverty; they need urgent assistance to salvage them from the poor economic situation they are. Hence, this study investigates women sourcing for credit from micro-finance for development.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter would be discussing how my studies were carried out. That is, the study area and design of the study, population, sample size and sampling technique. Also, how the data were collected, analyzed, and discussed accordingly.

3.1 Research Design

This study is exploratory in nature. In this study, both primary and secondary data were employed. Primary data were collected from two levels.

3.2 Study Location

This study was carried out in Oye Ekiti, Ekiti state. The study took place among business women who are into small scale enterprises that need or depend on microfinance to boost or sustain their business in Oye-Ekiti .

3.3 Population of the Study

The populations of this study are majorly the business women in Oye-Ekiti. This comprises of women selling or rendering one form of service or business. Those that their business needs one form of financial assistance or the other especially from microfinance to boost or improve their business.

3.4 Sample Size

Going by the nature of this study, this study made use of 150 business women who are into different kinds of businesses in Oye-Ekiti. The market women were provided quantitative data via structured questionnaire, while about five (5) staffs of the existing microfinance companies were interviewed to give information on their partnership with women that source for credit loans.

3.5 Sampling Technique

The appropriate sampling technique for this study is purposive sampling technique. This is because this sampling technique gives room for the market women who are into different businesses to be fully participated and represented in the study. This gives my project the opportunity to unravel different forms of microfinance credit banks that women benefited from and their experiences so far.

3.6 Instrument of Data Collection

This study used mixed method to get data or information for this study. Meaning, both qualitative and quantitative data were used. That is, both structured questionnaire and In-depth interview. The use of mixed method enabled me to attain all my objectives and answers the research questions for this study.

3.7 Data Analysis Technique

The quantitative data used is questionnaire and was analyzed using the SPSS computer package. This is presented through descriptive statistics using mean, frequency tables, and percentages. While the cross tabulation of hypotheses was done to test all my hypotheses in this study. The qualitative data were obtained through IDI and analysed in line with the quantitative data.

3.8 Problems Encountered

During the course of this research study, the right and emotional state of the business women I met was highly respected in the process of administering questionnaire to them. As a result of this, it took me extra time to exercise patience for them in filling the questionnaire while attending to their customers at the same time. Moreover, it was also a bit difficult to locate the local offices of the micro-finance banks and their officers for interviews.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.1 Socio-Demographic Characteristics of the Respondents

Variables	Frequency	Percentage (%)
Age Range		
15 – 25 years	02	1.3
26 – 35 years	33	22.0
36 – 45 years	45	30.0
46 – 55 years	51	34.0
56 years above	19	12.7
Total	150	100.0
Marital Status		
Married	104	69.3
Not married	06	4.0
Separated	04	2.7
Divorced	15	10.0
Widow	21	14.0
Total	150	100.0
Educational Level		
No formal education	73	48.6
Primary education	06	4.0
Secondary education	16	10.7
NCE/ND	39	26.0
B.SC/HND	15	10.0
No Response	01	0.7
Total	150	100.0
Religion		
Christianity	103	68.7
Muslim	37	24.7
Traditional religion	08	5.3
No response	02	1.3
Total	150	100.0
Ethnicity		
Yoruba	113	75.0
Igbo	36	24.0
No response	02	1.0
Total	150	100.0

Types of Job		
Artisan	13	8.7
Business/Trading	101	67.3
Farming	06	4.0
Traditional medicine practitioner	01	0.7
Civil servant	24	16.0
No response	05	3.3
Total	150	100.0
Number of dependants		
0 -2 people	16	10.7
3 – 5 people	91	60.7
6 – 8	39	26.0
9 people above	01	0.6
No response	03	2.0
Total	150	100.0

Source: Field Work, 2017

Table 1 above presents the socio-demographic characteristics of respondents. The table shows that 34.0% were within the age range of 46-55 years, 36-45 years were 30.0% while only 1.3% respondents were between 15-25 years of age. This simply means women who have at one time or the other collected micro finance credits were relatively young. It also means that young people have the zeal to do business; so far there is adequate fund available to kick start.

Also, the table shows the marital status of the respondents. 69.3% of the respondents were married, 14.0% were single as a result of being widow while only 2.7% respondents were single due to separation. This means most of the respondents that access micro finance credit were married and matured to manage a business that is loan oriented.

Furthermore, the table shows the educational qualification of the respondents. The table showed that 48.6% of the respondents have no formal education; while 26.0% have NCE/ND10.0% and

B.sc/HND 4.0% of the respondents have primary education. This implies that almost half of the respondents were not literate. It is also important that despite most people who collect micro finance loan to do one thing or the other were illiterates, the few that were literates proceeded to first degree. The education knowledge will help them to package themselves and their business properly well.

Similarly, the religious affiliation of the respondents was looked at. Majority of the respondents about 68.7% are Christians, 24.7% are Muslims while only 5.3% are traditional worshippers. This simply depict that most of the people that participated in the study were Christians because the study area is Christians dominated area. Also, 1.3% of the respondents did not respond to the question at all

Also, table 1 shows the ethnicity of the respondents. About 75.0% of the respondents are Yoruba, while 24.0% are Igbo's meanwhile 1.0% of the respondents did not respond to the question. Here, the study area is located in the southwestern Nigeria highly populated by the Yoruba speaking people. This also showed that the study area has people from other part of the country.

From the table above, most of the respondents of about 67.3% are into business/trading, 16.0% are civil servants, 8.7% are artisans while only 0.7% are traditional medicine practitioner. This means respondents that participated in this study were into different kind of works where they earn their living.

Lastly, table 1 shows that 60.7% of the respondents have 3-5 people that depend on them, 26.0% have 6-8 people living with them while only 0.6% respondents have 9 people and above living

with him/her. Looking at the above statistics, every average person in the study area has one or two people staying with them. With the above picture, there is no how business will not require micro finance loan to sustain or maintain it. Simply because every respondents have one or two responsibilities to shoulder.

4.2 Respondent's Knowledge about Micro Finance

Table 2: If Respondents heard of micro finance

Option	Frequency	Percentage
Yes	148	98.7
No	01	0.7
Don't know	01	0.7
Total	150	100.0

Source: Field Work, 2017

Table 2 shows about 98.7% of the respondents have the pre knowledge of what micro finance is all about, while 0.7% have not heard of it before and about 0.7% of the respondents did not respond to the question. This simply means virtually all the respondents have heard about micro finance, before this qualifies them to participate in this study.

Table 3: Sources of hearing about Micro finance

Sources	Frequency	Percentage
Media	84	56.0
Friend	19	12.7
Staff of the company	04	2.6
Family	11	7.3
Newspaper/poster	22	14.7
Social network	04	2.7
No response	06	4.0
Total	150	100.0

Source: Field Work, 2017

Table 3 56.0% of the respondents heard about micro finance through media, 14.7% heard it through newspaper/poster, while 12.7% heard about micro finance through friends while only 2.4% heard about it from through media. This simply depicts that there are different sources through which respondents heard about micro finance.

Table 4: Respondent's opinion on Women need for micro credit

Option	Frequency	Percentage
Yes	147	98.0
Don't know	03	2.0
Total	150	100.0

Source: Field Work, 2017

Table 4 shows 98.0% assert that women need micro finance credit while only 2.0% of the respondents said they don't know. This means that women generally need micro finance credit, and this is simply because of the responsibilities most women bare in their respective families and also in some communities; women are bread winners of their families.

Table 5: People that micro finance credits are meant for .

Option	Frequency	Percentage
Only urban women	01	0.7
Every women	146	97.3
No response	03	2.0
Total	150	100.0

Source: Field Work, 2017

Table 5 is on the people micro credit is meant for. About 97.3% of the respondents said micro finance credit is meant for every woman while only 0.7% of the respondents said micro finance credit is meant for only urban women. This simply means whether urban or rural, it does not really matter. Women in urban or rural does not change anything, they should be treated equally because of their contribution to the economy of their communities and family.

Table 6: If respondents have ever source for micro credit

Option	Frequency	Percentage
Yes	148	98.7
No response	02	1.3
Total	150	100.0

Source: Field Work, 2017

Table 6 shows whether respondents have ever source for micro credit or not. Majority of the respondents of about 98.7% said yes, while only 1.3% of the respondents fail to respond to the question. This indicates that virtually all the respondents have at one time or the other sourced for micro credit. It also means that without micro credit, most businesses will go bankrupt. However, micro credit seems to serve as an added advantage to business women of low and high profile in our society.

Table 7: Micro finance Respondents ever source credit from

Option	Frequency	Percentage
LAPO	36	24.0
SEAP	51	34.0
ULAYIN	09	6.0
GROOMING	30	20.0
OMIYE	24	16.0
Total	150	100.0

Source: Field Work, 2017

Table 7 shows the micro finance that respondents have ever sourced credit from. Majority of the respondents 34.0% have sourced credit from SEAP, about 24.0% have sourced from LAPO, 20.0% sourced from GROOMING while only 6.0% of the respondents have sourced micro credit from ULAYIN micro finance. This means that there are many types of micro finance companies and also the most popular is SEAP perhaps because their conditions/requirements to source for loan from them is very easy compare to other micro finance companies.

Table 8: Methods of returning micro credit loan

Methods	Frequency	Percentage
Weekly	111	74.0
Monthly return	36	24.0
No response	03	2.0
Total	150	100.0

Source: Field Work, 2017

From table 8 shows, the mechanism or way or method of returning the collected micro finance loan. The above table shows that 74.0% of the respondents return their loan weekly, 24.0% return their loan monthly while only 2.0% of the respondents did not respond to the question. This simply indicates that each micro finance company has its own peculiar method of collecting loan from the beneficiaries such that the company does not crumble or pack off. It is also important to note that whatever method of returning the loan is an agreement between the micro finance companies and their benefactors.

Table 9: General Issues on Women and Micro Finance Credit

Option	SA	A	I	D	SD
Some women does not get timely information about micro finance credit on time	65/43.3%	83/55.3%	01/0.7%	01/0.7%	-
Cultural issues hinders some women from accessing micro finance credit	59/39.3%	77/57.9%	01/0.7%	01/0.7%	02/1.4%
religion hinders some women from sourcing micro credit	68/45.3%	65/43.3%	12/8.0%	01/0.7%	04/2.7%
Illiteracy affects some women on the issue of micro finance	76/50.7%	69/46.0%	02/1.3%	02/1.3%	01/0.7%
Poverty is a serious issue that keeps some women away from micro finance	84/56.0%	55/36.7%	02/1.3%	08/5.3%	01/0.7%

Source: Field Work, 2017

Table 9 appraise quite a number of issues on women and micro finance credit. The above table used many indicators to measure the variable. Majority of the respondents 55.3% agreed that Some women does not get timely information about micro finance credit, 57.9% also agreed that

Cultural issues hinders some women from accessing micro finance credit, 45.3% strongly agreed that Religion hinders some women from sourcing micro credit, 50.7% strongly agreed that Illiteracy affects some women on the issue of micro finance while 56.0% strongly agreed that Poverty is a serious issue that keeps some women away from micro finance. The above table depicts that information, illiteracy, poverty, cultural and religious issues are major factors that hinders or serve as a barrier to most women from benefiting from micro finance loan. Although, the effects of the above mentioned factors depend specifically on the woman, the environment and economic status. That is, all the above stated factors might not affect some women but just few of the factors. Some women that all the factors may likely affect could be very few in number.

Table 10: Effects of Micro Finance Credit on Women

Effects of Micro Finance Credit on women Business	SA	A	I	D	SD
My business experience high patronage	49/32.7%	95/63.3%	03/2.0%	02/1.3%	01/0.7%
Business expand beyond imagination	64/42.7%	76/50.7%	09/6.0%	01/0.6%	-
Productivity at the end of the year becomes unimaginable	75/50.0%	63/42.0%	11/7.3%	01/0.7%	-
Contribution to the nation's economy is eminent	69/46.0%	74/49.3%	03/2.0%	02/1.3%	02/1.4%
More people are employed	80/53.3%	60/40.0%	03/2.0%	06/4.0%	01/0.7%
It is very much possible to venture into other business	71/47.3%	69/46.0%	06/3.3%	02/1.4%	03/2.0%

Source: Field Work, 2017

The above table shows the positive effects of micro finance credit on an average woman that sourced and gets micro finance loan from the respondents about 63.3% agreed that their business experienced high patronage, 50.7% also agreed that Business expanded beyond imagination, 50.0% of the respondents strongly agreed that Productivity at the end of the year became unimaginable, 49.3% agreed that positive Contribution to the nation's economy is possible, about 53.3% strongly agreed that More people were employed and 47.3% strongly agreed that It

is very possible to venture into an additional business. This simply indicate that no doubt micro finance loan boost the business economy of women that sourced get micro finance and utilize the loan properly. But for those few that sourced for the micro finance loan and used it for the main aim it is meant for, they end up smiling because their business witnessed expansion.

It is therefore note worthy that if micro finance loan is used for what is actually meant for, then both parties will be happy that is, the micro finance company will be happy and the person that got the loan will also be happy because the loan at the end of the day will boost their business. In fact, the micro finance will be looking forward to grant such people a bigger amount of money as loan subsequently of the efficient utilization of the loan given initially.

Table 11: Micro Finance and Development

Micro Finance Credit and development	SA	A	I	D	SD
Micro finance credit greatly contribute to economics and social development	66/44.0%	77/51.3%	04/2.7%	02/1.3%	01/0.7%
Economy is revamped with micro credit	76/50.7%	67/44.7%	04/2.6%	02/1.3%	01/0.7%
Micro finance credit creates more jobs to unemployed people	77/51.3%	65/43.3%	07/4.7%	-	01/0.7%
Micro finance credit reduces women poverty to the barest minimum	75/50.0%	67/44.7%	07/4.6%	01/0.7%	-
The well-being of women get improved with micro credit loans.	75/50.0%	61/40.6%	12/8.0%	01/0.7%	01/0.7%
Government at all tiers should put in place infrastructures for the use of people.	61/40.7%	47/31.3%	19/12.7%	11/7.3%	12/8.0%

Source: Field Work, 2017

Table 11 shows the importance of micro finance to development. That is, trying to see the kind of relationship that exist among them. From the table most of the respondents strongly agreed to all the indices used in measuring the relationship between micro finance and development except for 51.3% of the respondents that agreed that Micro finance credit greatly contribute to development. From the above analysis, it is clear and justified to say that there is a strong

relationship between micro finance and development because the essence of micro finance is to boost businesses which later result in economic development if the micro finance loan or credit is well and adequately utilized. That is, micro finance credit or loan works hand-in-hand with development. For instance, 50.7% and 44.7% of the respondents strongly agreed and agree respectively with the statement that Economy is revamped with micro credit. Therefore, micro finance credit loan should be encourage since it is meant to boost the business of people especially women, it can also enhance quality and high economic development in the country.

Table 12: Challenges of Micro Finance Company

Challenges of Micro Finance	SA	A	I	D	SD
No doubt, micro finance has some challenges	38/26.0%	97/63.9%	12/8.0%	1/0.7%	2/1.4%
Lack of adequate funds affect micro finance	49/32.7%	82/54.7%	16/10.6%	2/1.3%	1/0.7%
Proper organization is a problem	29/19.3%	21/14.0%	68/45.3%	15/10.0%	17/11.4%
Selfishness and greediness is also part of the problem	24/16.0%	21/14.0%	29/19.3%	53/35.3%	23/15.4%
Poor knowledge of micro finance and how to spend the money is another main issue	31/20.7%	43/28.7%	59/39.2%	13/8.7%	4/2.7%
Policy, regulations and collateral are parts of the problems of micro finance	38/25.3%	48/32.0%	59/39.3%	3/2.0%	2/1.4%
Inability to pay back is another problem of micro finance credit	40/26.7%	73/48.7%	35/23.2%	2/1.4%	-

Source: Field Work, 2017

The above table 12 above shows used some indices to measure whether or not micro finance company has problems or the other. From the first indices, a significant proportion 64.7% agreed that micro finance has some challenges, while 54.7% also agreed that Lack of adequate funds affect micro finance about 48.7% of the respondents also agreed that Inability to pay back is another problem of micro finance credit. This suggest that of a truth micro finance companies has some challenges they encounter which have to do with inadequately fund for loan and also

the problem of pay back. Meanwhile it is apparent that the issue of policy, regulations and collateral, poor knowledge of micro finance is not a problem to them. Because most micro finance companies must have done their home work properly before they began to operate.

TEST OF HYPOTHESIS

HYPOTHESIS ONE: There is no significant relationship between women educational status and accessibility of the microfinance credit support.

Women educational status	Accessibility of the microfinance credit support					TOTAL	X ²	Df	P
	SA	A	I	D	SD				
SA	26	42	08	04	04	84	21.546	16	.158
A	11	16	08	06	01	42			
I	02	03	04	02	-	11			
D	02	04	02	01	-	09			
SA	-	01	01	01	01	04			
Total	41	66	23	14	06	150			

Significant at $P \leq 0.05$.

Hypothesis 1 is mainly on the two variables in the hypothesis which is a relationship between women's educational status and accessibility of the micro finance credit support. From the above statistical analysis, it can be concluded that there is no significant relationship between the two variables because the result shows P-value at .158 which is more than .05. This is simply because the educational status or qualification of women has nothing to do with micro finance credit accessibility. That is, micro finance credit provide do not use educational status as one of the requirements to source for loan. To this end, the hypothesis is rejected.

HYPOTHESIS TWO

There is relationship between access to credit support and women capacity development.

Access to microfinance credit support	Women capacity development with micro finance credit					TOTAL	X ²	Df	P
	SA	A	I	D	SD		35.896	16	.003
SA	31	41	05	02	03	82			
A	13	17	07	02	01	40			
I	08	04	01	02	-	15			
D	02	04	-	03	-	09			
SA	-	01	01	02	-	04			
Total	54	67	14	11	4	150			

Significant at $P \leq 0.05$.

Hypothesis two, statistically, the P-value which is .003 indicated that there is a significant relationship between the two measured variables. That is, relationship between access to credit support and women capacity development among women in Oye-Ekiti. This is because there is a saying that, "training a woman, you train a nation". Meaning, women empowerment will obviously lead to development in all ramifications in the society. That is, if micro finance credit is made available for women reasonably, it will be used to transform their lives and their respectively family and this will improve the society at large. It means this hypothesis is accepted.

INTERVIEW WITH BRANCH MANAGERS OF MICRO FINANCE COMPANIES

Q1. What is the name of your micro finance company?

R: The name of micro finance companies of branch managers interviewed are OMIYE, LAPO, ULAYIN, GROOMING and SEAP.

Q2. What is your position in the company?

R: All individuals of microfinance banks are all bankers (branch managers).

Q3. For how long have you been with this organization?

R: The branch manager of OMIYE and SEAP has been with their organization for 3 years, the one of ULAYIN for 4 years, GROOMING for 5 years, and LAPO for 8 years.

Q4. Who exactly is your micro finance credit meant for?

R: LAPO and SEAP has their micro finance credit meant for both men and women, while GROOMING, ULAYIN and OMIYE grant their credit facilities to women alone.

Q4.1. Do you think the group of people mentioned above benefit maximally from this scheme? Explain.

R: All the micro finance companies attest to the fact that all individuals benefit from their scheme. However, LAPO, ULAYIN and GROOMING are mostly used to boost creditors business, while OMIYE and SEAP are mostly used in increasing individual's standard of living.

Q5. Don't you think stringent cultural or religious practices and lack of information hinders people access to benefit from your microfinance services?

R: All the microfinance companies attest to the fact that cultural and religious factors serve as hindrances to their services.

Q6. Do you think your microfinance credit is beneficiary or have impact on women entrepreneurs or business?

R: All the microfinance companies indicated approval to the impact of their credit facilities to women entrepreneurs and business.

Q7. Do you think women need microfinance credit at all?

R: All microfinance companies indicated approval.

Q8. Do you think factors like poor literacy level, poverty and inability to provide collaterals could hamper access to services in your microfinance company?

R: All the microfinance companies indicated approval to these factors impeding access to their facilities.

Q9. Do you think microfinance credit have positive effect on development?

R: Microfinance companies ascertained to the positivity of their credit services on development.

Q10. Do you collect collateral? What are the items you request for?

R: Collaterals are being received by each microfinance companies. However, they all request for 2 guarantors with passport before credit services are rendered.

Q11. What do you think are the challenges beneficiaries face in accessing your microfinance credit?

R: LAPO and OMIYE indicated inability of collaterals and poor illiteracy of creditors. GROOMING, SEAP, ULAYIN indicated inability to provide collaterals.

Q12. As a staff of microfinance company, what are the challenges you face from the management of the company and the beneficiaries of your credit?

R: All the microfinance companies indicated a result of inability to return the credit at appropriate time.

Q13. What is your general assessment of micro finance assessment in your company?

R: All the microfinance companies indicated that it serves as a source of income to them, while ULAYIN was unresponsive.

However, it was discovered from the interview that LAPO and SEAP grant credit services to all people irrespective of their gender. Also, it was discovered that most individuals taking credit loans use it for expanding and maximizing their business and that poor illiteracy or low formal education towards the credit services and inability to provide collaterals reduce the rate of access to micro finance credit. Furthermore, it was ascertained that microfinance companies face the problems of creditors not paying back their loan on time thereby resulting into problems by micro finance agencies. Finally, microfinance companies use these credit platforms as a source of revenue in acquisition of wealth.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

Sourcing for credit support from microfinance agencies by woman has been a greater challenge back in the 60s, women are not free to do some necessary things, the type of occupations executed by women has consistently been characterized as lacking in status and poorly paying, which are often temporary and informal. Greater percentage of women perform majority of the poorly or unpaid jobs, thereby encumbering their access to employment opportunities outside of their homes. Moreover, they shoulder disproportionate share of marital responsibilities.

Microfinance institutions (MFIs) focus on the poor, and known to be successful in some developing countries such as Nigeria, Ghana, South Africa. In Nigeria, the rural women and urban poor are among the groups that require financial assistance to grow their businesses and improved their livelihood. When empowered, they could to a large extent impact positively on poverty reduction, engender financial inclusion and economic development country. Micro finance is a significant instrument for poverty reduction, the improvement of women's economic empowerment has the potential to lead to positive changes in social and political dimensions.

However, from this study, the rural women are denied access to financial services by the conventional financial institutions because of their poor literacy level, inability to provide required collaterals among other terms and conditions. It may be stating the obvious to note that an efficiently run microfinance institution that adequately cater for the capital needs of the population especially women could create a multiplier effect on the economic wellbeing of the nation or development of the nation at large. Hence, this study revealed that sourcing for credit

support from microfinance agencies by women in Oye Ekiti have a great positive implication for women development.

5.2 Conclusion

In conclusion, from the data collected from this study, it can be easily concluded that micro finance company is a very good and welcome idea in all nations especially in developing nations like Nigeria. Micro finance no doubt helps or assists women their business and also contributes immensely to the development of communities at large.

Therefore, the general public should cooperate with micro finance banks or company meeting all the necessary or specified requirements to source for loans and most importantly ,they should endeavor to pay back promptly for other people to benefit as well, more importantly for the micro finance banks to be sustained to a large extent.

5.3 Recommendation

This study recommended from the results or findings gathered from the study that:

- i. Government at all tiers should encourage the establishment of more micro finance companies in Nigeria by giving them authorized license.
- ii. The central bank of Nigeria (CBN) should partner very well with micro finance companies especially in the area of funding policy of operations and service rendering to the general public.
- iii. The general public should be enlightened on the importance of micro finance and how to utilized micro finance loan in a more profitable way;

- iv. There should be a good common ground for all micro finance in terms of operation and services to the women and general public especially in the area of requirements for getting loan or credit from micro finance bank;
- v. Micro finance banks should come up with a better model or framework that will assist the women and general public to pay back the loans or credits appropriately and timely.

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Research Questionnaire
Department of Sociology
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My name is OGUNTULA OLUWATOSIN AKINSOLA a final year student of Department of Sociology in the above mentioned citadel of learning. I am presently working on a research topic title: "SOURCING FOR CREDIT SUPPORT FROM MICROFINANCE AGENCIES BY WOMEN IN OYE EKITI: IMPLICATION FOR DEVELOPMENT". I implore each one of you to attend to my questionnaire which is basically for academic purpose. I promised that all your responses will be protected.

Answer all questions as appropriate.

Section A: Socio-Demographic Characteristics of the Customers

1. Your age as at your last birthday

- (a) 15 – 25 Years ()
- (b) 26 – 35 Years ()
- (c) 36 – 45 Years ()
- (d) 46 – 55 Years ()
- (e) 56 years and above ()

2. Sex of the Respondents: (a) Male () (b) Female ()

3. Marital Status:

- (a) Married ()
- (b) Single due to ()
- (i) Never married ()
- (ii) Separated ()
- (iii) Divorced ()
- (iv) Widowed ()

4. Educational Qualification of Respondents

- (a) No formal education ()
- (b) Primary Education ()
- (c) Secondary Education ()
- (d) NCE/ND Education ()
- (e) B.SC/HND ()

5. Religious Affiliation of the Respondents

- (a) Christianity ()
- (b) Muslim ()
- (c) Traditional Religion ()
- (d) Free thinker ()

6. Ethnicity of the Respondents

- (a) Yoruba ()
- (b) Igbo ()
- (c) Hausa ()

7. What do you engage in

8. How many dependants do you have that live with you in your house?

- (a) 0 – 2 people ()
- (b) 3 – 5 people ()
- (c) 6 – 8 people ()
- (d) 9 people and above ()

Section B: Knowledge about Micro Finance

9. Have you ever heard of micro finance?

- (a) Yes ()
- (b) No ()
- (c) Don't Know ()

10. How did you hear about them?

.....

11. Do you think women need micro credit?

- (a) Yes ()
- (b) No ()
- (c) Don't Know ()

11b. Give reasons,.....

12. Who is micro finance meant for?

- (a) Only rural women ()
- (b) Only urban women ()
- (c) Every women ()

13. Have you ever source credit/loan from any Micro finance?

- (a) Yes ()
- (b) No ()
- (c) Don't Know ()

14. Name the micro finance you have ever source loan from or that people get loan from them.....

15. What is the method of returning the loan as specified by the micro finance?

- (a) Daily return ()
- (b) Weekly return ()
- (c) Monthly return ()

16. State three things in the order of importance that you use the credit sourced from micro finance for

- i.....
- ii.....
- iii.....

17. How much exactly is the minimum credit loan given to members?.....

18. Is the loan given to women alone?

- (a) Yes ()
- (b) No ()
- (c) Don't Know ()

19. What is the interest rate on the credit you are given by the micro finance?.....

20. Does the micro finance emphasize collateral?

- (a) Yes ()
- (b) No ()
- (c) Don't Know ()

21. If Yes, State three collateral demanded by the micro finance bank

- i.....
- ii.....
- iii.....

22. Tick the most appropriate option to each question: SA-Strongly Agreed, A-Agreed, I-Indifference, D-Disagreed, SD-Strongly Disagreed

		SA	A	I	D	SD
1	Some women does not get timely information about micro finance credit on time					
2	Cultural issues hinders some women from accessing micro finance credit					
3	Religion hinders some women from sourcing micro credit					
4	Illiteracy affects some women on the issue of micro finance					
5	Poverty is a serious issue that keeps some women away from micro finance					

23. Tick the most appropriate option to each question: SA-Strongly Agreed, A-Agreed, I-Indifference, D-Disagreed, SD-Strongly Disagreed

	Effects of Micro Finance Credit on Women Business	SA	A	I	D	SD
1	My business experience high patronage					
2	Business expand beyond imagination					
3	Productivity at the end of the year becomes unimaginable					
-4	Contribution to the nation's economy is eminent					
5	More people are employed					
6	It is very much possible to venture into other businesses					

24. Tick the most appropriate option to each question: SA-Strongly Agreed, A-Agreed, I-Indifference, D-Disagreed, SD-Strongly Disagreed

	Micro Finance Credit and development	SA	A	I	D	SD
1	Micro finance credit greatly contribute to development					
2	Economy is revamped with micro credit					
3	Micro finance credit create more jobs to unemployed people					
4	Micro finance credit reduces poverty to the barest minimum					
5	The well being of people improve very well					
6	Government at all tiers put in place infrastructures for the people to use					

25. Tick the most appropriate option to each question: SA-Strongly Agreed, A-Agreed, I-Indifference, D-Disagreed, SD-Strongly Disagreed

	Challenges of Micro Finance	SA	A	I	D	SD
1	No doubt, micro finance has some challenges					
2	Lack of adequate fund affect micro finance					
3	Proper organization is a problem					
4	Selfishness and greediness is also part of the problems					
5	Poor knowledge of micro finance and how to spend the money is another main issue					

6	Policy, regulations and collateral are part of problems of micro finance					
7	Inability to pay back is another problem of micro finance credit					

APPENDIX II

In-Depth Interview Guide

1. What is the name of your micro finance company?
2. What is your position in this company?
3. For how long have been with this organization?
4. Who exactly is your micro finance credit meant for?
 - i. Do you think the group of people mentioned above benefit maximally for this scheme?
Explain.
5. Don't you think stringent cultural or religious practices and lack of information hinders people access to benefit from your microfinance services?
6. Do you think your micro finance credit is beneficiary or have impact on women entrepreneurs or business?
7. Do you think women need micro finance credit at all?
8. Do you think factors like poor literacy level, poverty and inability to provide collaterals could hamper access to services in your microfinance company?
9. Do you think microfinance credit have positive effect on development?
10. Do you collect collateral? What are the items you request for?
11. What do you think are the challenges beneficiaries face in accessing your micro finance credit?
12. As a staff of micro finance company, what are the challenges you face from the management of the company and the beneficiaries of your credit?
13. What is your general assessment of micro finance assessment in your company?