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TOWARDS WOMEN'S EMPOWERMENT IN PERI-URBAN TAMALE: THE ROLE OF SUSTAINABLE MICROFINANCE

***Abdul-Razak A-R., **Donkoh S. A., **Ansah I. G.K.**

*Microfinance and Small Loans Centre (MASLOC), Tamale-Ghana
**Department of Agricultural and Resource Economics, University for Development Studies, Tamale-Ghana
Corresponding Author's email: sdonkoh@uds edu gh

Abstract
This study was carried out to investigate the perceptions with respect to the requirments and benefits of microfinance in peri-urban Tamale. A multi-stage sampling technique was employed to select 192 beneficiary and non-beneficiary respondents of microfinance in peri-urban Tamale. Individual Interviews and focus group disccusions were used for the study. The results revealed that the loans were inadequate. Also while 53.7% were satisfied with the interest rate of 25% per annum, 43.2% were not. However, while 87.4% were satisfied with the repayment period, 12.6% were not. Furthermore, 56.8% and 36.8% of respondents had significant and moderate improvements in their businesses respectively. However, 6.3% said that there had not been any change in their businesses. Besides, 71.6% said that their economic status was much better than before. This also impacted positively on their social and political lives. Inadequate credit facilities emerged as the biggest challenge as identified by 52% of respondents. There is the need for governmental support with respect to the inhibiting requrements to increase accessibility without also crippling the Microcredit institutions.

Key Words: Microfinance, Women's Empowerment, Northern Ghana, Peri-urban Tamale

Introduction

On the heels of the Millennium Development Goals (MDGs), the world has witnessed a steady increase in awareness about the need to promote gender equality and empower women. In part, the desire to achieve this goal results from gendered relations that have continuously undermined women's effective participation in development and the urgency of this goal has led to many empowerment and gender-based interventions, notably among them is microfinance.

Governments, international aid agencies, and civil society groups have established microfinance schemes as part of larger development goals or have set up microfinance institutions (MFIs) to provide microfinance to women. In consistent with the need to empower women economically and bring them to the mainstream of development, multilateral

development banks have also been making some strides to mobilise resources in support of women's empowerment. The World Bank Gender Action Plan (2007-2010) with an initial investment of US$ 24.5 million was commissioned to support women's empowerment initiatives. According to APF(2007), the African Development Bank (AfDB) Gender Action Plan is also indicative of its strong desire to gender mainstreaming and women's empowerment.

In Africa, the economic participation of women in both qualitative and quantitative terms is evident in ts Gross Domestic Product (GDP). In 1995, in its Human Development Report, the United Nations Development Programme (UNDP) (1995) noted that women in Africa were contributing approximately 75% to agricultural work and were producing 60%-80% of the continent's food. However, they earned only 10% of its income and owned just 1% of its assets. Ironically, it is said that if women's work were properly valued and accurately reflected in national and international statistics, it is quite possible that women would have emerged in most societies as the main breadwinners – or at least equal breadwinners– since they put in more hours of work than men and this could have changed the patterns of traditional behaviour to which women are considered dependent members of their households (UNDP, 1995; WEF, 2005).

The fight for women's empowerment is not new. This fight however, gained momentum on the heels of the 1979 Declaration of the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW). The Convention, the first of its kind, primarily focused on the economic, social and political equities as well as broader access to fundamental human rights, improvements in nutrition and access to basic health care and education (APF, 2007). We note from Bajracharya (2005 as cited in Sharma, 2007) that inequality in gender relations mirrors larger and deep-seated social predispositions, which have not only limited women's rights in both sexual and reproductive life choices but have also limited their scope of access to productive resources. These practices have not only marginalized women in many respects but have turned them into pseudo participants in many development projects. However, according to Apusigah (2004 as cited in Dery, 2006), an understanding of the impact of women's exclusion from development and the resulting intensification of gendered relations with their attendant effects on national development efforts have provided an impetus for change. Such exclusionism from development has not only resulted in less than optimal returns on sustainable development efforts, but has also provided an important trigger for varied initiatives to empower women. The international women conferences in Mexico (1975), Copenhagen (1980), Nairobi (1985) and Beijing (1995) have all aimed to reiterate the urgency and need to empower women. Perhaps, in response to these calls, the United Nations signed a Millennium Declaration in September 2000, committing itself and member nations to eight Millennium Development Goals (MDGs) with time-bound targets and measurable indicators. These goals included the promotion of gender equality and women's empowerment (Millennium Development Goal 3).

However, according to WiLDAF (n.d), several years down the lane, many of these declarations appear to assume a mechanical approach to their implementation and enforcement. The organization has noted that without further reference to both women's gender and strategic needs, these declarations have proven almost ineffective. For instance, we found from APF (2007) that out of the continent's US$ 2.5 billion bilateral support for gender equality and women's empowerment programmes between 2001 and 2005, only US$ 25 million, representing 10% was devoted to expanding women's access to economic opportunities in Africa. Again, many countries in Africa are still battling with issues of patriarchy and other related gender inequities. Thus, the World Bank (2008: xv) concludes "the message that emerges is both hopeful and sobering: progress towards equality in capabilities (for example in education) has been considerable, but progress towards equality of opportunities for women's livelihoods leaves much to be desired".

Research Problem

The Tamale Metropolitan Assembly, which is fast becoming a business hub in the northern region of Ghana, is plagued with a number of socio-economic challenges. These challenges affect the free flow of the forward and backward linkages of many socio-economic activities in the metropolis, particularly, peri-urban Tamale. Lack of credit facilities for small and medium scale enterprises, inadequate market opportunities, and poor transportation networks are some of the challenges that affect the socio-economic lives of residents of the area. Unfortunately, women appear to be the worst affected. These conditions do not only affect the livelihood sources and economic lives of women, but equally undermine their efforts at equalizing gender relations.

The economic empowerment of women has also been an issue of great concern to many public and private organizations. With many interventions including microfinance, these organizations have sought to increase women's income levels to propel them towards economic empowerment. Generally, microfinance has not only carved a niche for itself in terms of its popularity in empowering the poor economically, but has also stirred some controversy. The controversy has bordered on whether microfinance truly empowers the poor or not. Some commentators (including Hossain, 1988; Hashemi and Moshed, 1997; Cheston and Kuhn, 2002; Mayoux; 2006; Sharma, 2007 and CGAP, 2009a) have argued that the effects of microfinance on women are positive in many respects. On the other hand, Gibbson (1992 as cited in Malik and Luqman, 2005), Goetz and Gupta (1996), Rahman (1999), Hunt and Kasynathan, (2002) and Karnani(2007) have argued otherwise, that microfinance does not necessary engender women's empowerment.

Apparently, these opposing views have resulted from the different credit cultures that drive many MFIs, and the different results that emerge thereof. It is also traceable to the varying objectives that define many evaluative studies on microfinance and the empowerment of the poor. However, in the cacophonic voices of these empirical and sometimes normative arguments on the true relationship between microfinance and economic empowerment, what is important is to find out the perceptions of beneficiaries themselves, with respect to how comfortable they are with the requirments for the acquistion of the credits and how beneficial they are to them.

The main objective of the study was to investigate the effects of micro finance on women's empowerment in peri-urban Tamale. The specific objectives were to: identify the types of economic activities women in peri-urban Tamale were engaged in; explore the types of microfinance services available and accessible to women in peri-urban Tamale; examine women's perceptions about microfinance services in peri-urban Tamale; assess how these microfinance services affect the businesses of women in peri-urban Tamale; and evaluate how these services also affect the socio-economic well-being of women in the area.

Materials and Methods

Literature Review

Meaning and History of Microfinance

Microfinance is often defined as financial services for the poor and low-income beneficiaries. In practice, the term is often used more narrowly to refer to loans and other services from MFIs. These MFIs use methods that have evolved over the past three decades to deliver very small loans to unsalaried borrowers, with little or no collateral. More generally, microfinance has been referred to as a movement that envisions a world in which low-income households have permanent access to a range of high quality and affordable financial services. For Ledgerwood (1999:1), microfinance is "the provision of financial services to low-income beneficiaries including the self employed".

In many countries around the world, microfinance institutions have promoted economic growth and meaningful development, particularly among the poor. The Grameen Bank (GB) in Bangladesh, the Self Employed Women's Association (SEWA) in India, the Orangi Pilot Project (OPP) in Pakistan, The National Microfinance Bank in Tanzania (NMB), Equity Building Society (EBS) in Kenya and the Women's World Banking Network (WWB) are some of the landmark MFIs that have helped the course of the economically poor. According to Ledgerwood (1998), the success of many of these institutions stems in part, from their appreciation that the delivery of microfinance should not only be based on sound economics but also on the practical application of spiritual values and principles. She added that MFIs' beliefs in the inherent nobility of the individual, as well as the integrity and innate capacities of the poor to work hard and repay their microloans, have been an important part of successful pro-poor microfinance delivery. Ledgerwood (ibid) concluded that while all microfinance interventions recognise products and services as important ingredients in every approach, the primary distinction between one approach and another is in the choice of products and services and the manner in which they are provided.

Microfinance has been in practice for long. Several forms of it that have existed and operated for centuries include "Susu" in Ghana, "Chit Funds" in India, "Tandas" in Mexico, "Arisan" in Indonesia, "Cheetu" in Sri Lanka, and "Pasanaku" in Bolivia (Global Envision, 2006). Formal credits and saving institutions have also existed for decades, providing customers who are traditionally left out of the conventional banking, a way to obtain financial services through co-operatives and development finance institutions.

One of the earlier and long-lived microfinance institutions that provided saving services and collateral-free microloans to the rural poor was the Irish Loan Fund founded by Jonathan Swift in the early 1700s (Global Envision, 2006). Swift's idea, which he began slowly, became prominent by the 1840s. The idea principally was to provide small loans with interests for short periods (Global Envision, 2006).

In the 1800s, several other types and more formal saving and co-operative movements began to emerge in Europe, organized primarily among the peasant rural and urban poor. By the 1970s, experimental designs in Bangladesh and in few other countries through which microloans were extended to poor women groups were not only synonymous with the earlier self-help co-operatives and loan societies, but were also quite successful. This type of credit was based on the group solidarity lending concept in which every member of a group guaranteed the loan repayment of all members (Hassan *et. al*., 1997). This approach had an almost exclusive focus on income generating activities, which, in some cases were accompanied with forced saving and targeted only the productive poor (often women) borrowers.

Microfinance in Ghana

Microfinance in Ghana is not new. Traditionally, people have saved and taken microloans from individuals and groups within the context of self-help initiatives. Susu, which is one of the common microfinance services in Ghana, is thought to have originated from Nigeria and spread to Ghana from the early 1900s (Asiama and Osei, 2007). Available evidence further suggests that the first Credit Union in Africa was established in Northern Ghana in 1955 by the Canadian Catholic Missionaries (ibid).

Over the years, the microfinance sector has thrived and evolved into its current state due to various financial sector policies, programmes and projects that different governments have implemented. According to Asiama and Osei (2007), the evolution and development of the microfinance sector in Ghana can largely be grouped into five phases as follows:

1. The 1950s which saw the provision of subsidized credits to the poor on the assumption that lack of credits was the ultimate hindrance to the elimination of poverty;
2. The establishment of the Agricultural Development Bank in 1965 to specifically address the financial needs of the agricultural and fisheries sectors, since about 60% of the

poor reside in rural communities and about 40% are predominantly farmers;

3. The 1970s and early 1980s saw the establishment of Rural and Community Banks (RCBs), and the introduction of regulations such as commercial banks being required to set aside 20% of their total portfolio to promote lending to agriculture and small scale industries;
4. In 1986, there was a shift from a restrictive financial sector regime to a liberalized regime which was the proliferation of financial institutions.
5. And lastly, the promulgation of PNDC Law 328 in 1991, which allowed the establishment of different categories of Non-Bank Financial Institutions, including Savings and Loans Companies and Credit Unions.

Asiama and Osei (2007) further found that the transformations in this sub-sector over the years have led to the emergence of three broad categories of microfinance institutions.

1. Formal suppliers such as Savings and Loans Companies, Rural and Community Banks, as well as Development and Commercial Banks;
2. Semi-formal suppliers such as Credit Unions, Financial Non-Governmental Organizations (FNGOs), and Co-operatives;
3. Informal suppliers such as Susu Collectors, Clubs, Rotating and Accumulating Saving and Credit Associations (ROSCAs and ASCAs), traders, money lenders and individuals.

In terms of the regulatory framework, rural and community banks are regulated under the Banking Act 2004 (Act 673), while Savings and Loans Companies, Financial Non-Governmental Organizations (FNGOs), Rotating Savings and Credits Association (ROSCAs), and Accumulating Savings and Credits Association (ASCAs) are regulated under the Non-Bank Financial Institutions (NBFI) Act 2008 (Act 774) as well as the Bank of Ghana’s defined guidelines based on instituion’s stature and modus operandi. Similarly, Credit Unions are also registered and incorporated under sections 5 and 6 of the Co-operative Societies Act, 1968 (NLCD 252).

The Concept of Empowerment

According to MkNelly and McCord (2001 as cited in Malik and Luqman, 2005), empowerment in the context of personal development refers to an “internal” change in an individual’s sense of self autonomy, and an “external” change in social status and basic power relationships. For Kabeer (2001), it is the expansion in people's ability to make strategic life choices in a context where this ability was previously denied. Empowerment also reflects a process through which people gain control over the variables that shape the definition and exercise of life choices, towards a more progressive and unencumbered expression of those choices (Sen, 1999as cited in Malik and Luqman, 2005). Bennett (2002 as cited in Malik and Luqman, 2005) also described empowerment as enhancing individuals capabilities to influence and hold accountable the institutions that affect them.

Indicators of Women’s Empowerment

From the literature, we discover that writers on women’s empowerment seem to agree on some general changes that are considered relevant to empowerment across a wide range of cultures (see Ackerly, 1995 as cited in Simojoki, 2003; Hashemi *et al.* 1996; Cheston and Kuhn, 2002). These changes include mobility, economic security, increased involvement in major household decisions, effective demand, and freedom from gendered domination in the family. The rest include access to equitable status by women in the family and community, increased political power and rights, and increased self-esteem. The United Nations empowerment framework has highlighted about two key indicators for global assessment of women’s empowerment: women’s share of parliamentary representation and women's share of paid employment in non-agricultural activities (UNIFEM, 2000 as cited in Simojoki, 2003; Buvinic *et. al*., 2008).

However, for the purposes of this study, such indicators of empowerment relative to women's economic conditions and how these conditions translate into control over their own microenterprises and microloans, as well as changes in basic power relationships were of utmost interest. Accordingly, Carr *et. al.'s* (1996: 203 as cited in Simojoki, 2003: 29) definition of economic empowerment as an "economic change/material gain plus increased bargaining power and/or structural change which enables women to secure economic gains on an on-going and sustained basis" was a point of particular reference for this study. By extension, this definition implies that economic empowerment needs to be preceded by significant changes in the socio-cultural, economic and political institutions to ease the struggle for women to increase their bargaining power and improve their livelihood security on sustainable basis. Similarly, Hashemi *et al.'s* (1996) argument to the effect that the ability of women to exercise control over their microcredits and businesses is important in any considerations of their economic empowerment indicators was also of great interest to this study.

Sampling Procedure

The multi-stage sampling procedure was employed to obtain data from respondents. Respondents were stratified along beneficiaries and non-beneficiaries across the four clusters comprising the thirty-six peri-urban operational communities of the Urban Agriculture Network (UrBANet).The simple random sampling technique was used to select ninety-six (96) UrbANet's microfinance women beneficiaires and ninety-six (96), non-UrbANet, non-beneficiairy women of microfinance across these communities. In the first stage, the study sampled two communities from each zone into four clusters across the Northern, Eastern, Southern and Western corridors of the Metropolis. In the second stage, it further sampled two groups from each cluster (of two communities) into a smaller cluster of eight groups of potential respondents. Each group comprised both beneficiaries and non-beneficiaries. The last stage then drew twenty-four (i.e., twelve beneficiaries and twelve non-beneficiaries) respondents from each of the groups of eight (constituting the four smaller clusters) to arrive at forty-eight final respondents. These forty-eight respondents (i.e., twenty-four from each community and forty-eight from each cluster) were put together to arrive at the sample size of one hundred and ninety-two respondents. As indicated earlier, the primary focus of the study was Clients of UrbANet , however, we were open to include clients of other MFIs in the study area. We could not have interviewed only beneficiaries. We needed to interview non-benficries to know their percentipns about the acquisition and benefits of microcredit in the area. We also interviewed some officials of the MFIs for a holist story on the subject.

Results

In this section the results of the study are presented in line with the specific objectives outlined above. However, the section begins with the socieconomic indicators of the respondents, such as age, marital status, eduction as well as ocuupations.

The mean and modal ages of the pooled respondents were 39.5 and 40.5 respectively. However, the mean and modal ages of the beneficiaries were 42.0 and 40.5 while that of non-beneficiaries stood at 36.9 and 30.5 respectively. While the beneficiaries and non-beneficiaries shared some similarities in terms of their age groupings, the beneficiaries were slightly older than the non-beneficiaries. The results show that respondents were largely in their prime ages with majority of them falling between the 36-45 age bracket (28.3%), followed by the age bracket 26-35 (22.8%). Also, 91.8% of the respondents were married while 7.6% reported widowed. The study did not record any divorce case. Furthermore, the study found that 94.0% of respondents did not have any formal education while 3.8% had primary education and 1.6% had middle/junior high school education. While none of the beneficiaries had any vocational/technical/senior high school education, 1.1% of non-beneficiaires had.

Occupational Distribution of respondents

The respondents were engaged in several economic activities. Notable among them were agro-processing (50.5%), agro trade (20.1%) and other forms of trading (21.2%) (Table1). The agro processing included sheabutter extraction, ground nuts oil extraction and rice milling. The other traders were into the sale of cosmetics, soap and jewelries. It was also found that most of these economic activities were all-year-round in nature. The respondents were also engaged in other minor economic activities to augment their income levels. Thus, given the relatively diversified and perminent nature of the livilihood sources for many of the respondents, the provision of sustainable, affordable and timely microfinance services could help to expand their economic opportunities and make them financially independent.

Table 1 Occupational Distribution of Respondents

Occupational Distribution	Beneficiaries		Non- Beneficiaries		Pooled	
	Frequency	Percentage (%)	Frequency	Percentage (%)	Frequency	Perecntage (%)
Farming	2	2.1	4	4.5	6	3.3
Trading	13	13.7	26	29.2	39	21.2
Agro Trade	11	11.6	26	29.2	37	20.1
Vocation	2	2.1	4	4.5	6	3.3
Agro - Processing	64	67.4	29	32.6	93	50.5
Other(s)	3	3.2	0	0.0	3	1.6
Total	95	100.0	89	100	184	100.0

Source: Field Survey, 2011

Microfinance Institutions and the Provision of Microfinance Services

Apart from UrbANet, the study also found a number of microfinance institutions providing a range of services and financial intermediation. These institutions can be classified under Financial Non-Governmental Organizations (FNGOs), Savings and Loans Companies (SLC), Rural and Community Banks (RCBs) as well as Development Corporations (DC)s. The services they provide include Credit with Education (CwE), Microsavings, Microcredits, “Susu”, Capacity Building, Finacial Literacy, Business Management, Basic Book-keeping and sometimes Grants. Table 2 below shows the the classifications and the services they provide. Meanwhile, the provision of these services varies according to the credit culture of the institution. Eligibility is thus tied to the credit culture and the organizational philosophy of the institution. Mayoux (1998) found that differences in organizational philosophies inform differences in credit cultures, which define what product or service is available, who qualifies and under what terms and conditions. Accordingly, the microfinance service providers were operating in line with their credit cultures and organizatioanl philosophies. In the case of UrbANet, which falls under the category of Financial Non-Governmental Organizations of MFIs, the credit culture was geared towards poverty reduction and the economic empowerment of women through the provision of sustainable credits with entrepreneurship trainning. Its main services and products therefore included credit with education and capacity building programmes.

Table 2 Microfinance Classifiactions and Services Provided

Microfinance Institution	Services Offered
Financial NGOs	Credit With Education
	Capacity Building
	Financial Literacy
	Basic Book-Keeping
Savings and Loans Companies	Microsavings
	Microcredit
	Basic Book-Keeping
Rural and Community Banks	Microsavings
	Microcredit
	Financial Literacy
	Basic Book-Keeping
Developent Corporation	Grants
	Capacity Building
	Financial Literacy
	Basic Book-Keeping

The women were also engaged in their own indigenous and informal credit systems aimed at assisting members to raise capital or augment their working capitals. These systems included Rotating and Accumulating Savings and Credit Associations (ROSCAs and ASCAs). According to Yakubu (2008), these represent an efficient credit system at the community level in which members save and periodically receive lump sums of money as grants or microloans.

Respondents' Perceptions of Access to Microfinance

Beyond the availability of microfinance services is the question of access. In all, 44.0% as against 41.3% of the total respondents, thought that access to microfinance was easier. However, 14.7% did not know whether accessibity to microfinance was easy or difficult. In terms of categories of respondents, 66.3% and 20.2% of beneficiaries and non-beneficiaries respectively thought that access was easier while 33.7% and 49.4% thought otherwise. The respondents who thought that accessibility was easy explained that accessibility was simply a matter of adherence to the preconditions associated with getting the services. When asked to mention what those preconditions were, the respondents said that the composition of individuals into groups, holding of regular meetings, payment of dues and the adherence to the group bye-laws were basic to the MFIs preconditions. Once individuals or groups met these preconditions, accessibility to their services became almost assured. On the contrary, those who thought that access to microfinance services was difficult said that these preconditions, which they also identified as regular meetings, payment of regular dues and the solidarity lending mechanism MFIs adopt were not only too demanding but a potential source of conflict among group members. The Scheme Manager of the ULGECS also argued that in view of the high risk involved in credit delivery, MFIs often prefer well constituted existing groups to new groups. He explained that dealing with new groups whose members might not yet understand group dynamics was not only difficult but could run an institution into serious operational difficulties.

In Ahiabor's (2013) study 80% of the sampled small scale enterprises (SMEs) in the Ledzorkuku-Krowor Municipality in the Greater Accra Region of Ghana rated accessibility to loans as very high, while 20% perceived that accessibility was high. None of the respondents indicated that accessibility was low.

Respondents' Perceptions of Loans Adequacy

The amounts of credits received ranged between GH¢20.00 and GH¢500.00. The study revealed that 67.4% of respondents received loans ranging from GH¢110.00 to GH¢200.00 while 20.0% received between GH¢ 210.00 and GH¢ 300.00.The duration of the loans included four, six and 12 months depending on the nature of the economic activity. There was also a wide disparity between loan applications and loan approvals; while 58.9% of respondents reported they were satisfied with the adeqaucy of their loans, 41.1% reported otherwise.

Asked why they were satisfied with their loans, respondents stressed that these amounts augmented their working capital. They explained that prior to receiving the loans, many of them had smaller amounts that did not allow them to increase production or buy their goods in large quantities. According to them, these amounts have increased their working capitals to levels that have allowed them to improve their businesses. However, those who were less satisfied with their amounts said that the amounts were too small for their kinds of businesses. A further probe revealed that many of them needed amounts outside the threshold of what the MFIs could provide under the group loans scheme. As a result, they could only make do with what were being offered, and hence their less satisfaction. The study nonetheless, found that loan amounts increased progressively between 50% and 70% in subsequent approvals but in accordance with the client's repayments record. Those who were in their second and third loan cycles were therefore appreciative of the size and adequacy of their loans.

Respondents' Views on interest Charges

The respodents reported that they were paying interest rate of 25% per annum or 12.5% per six months. This was confirmed by the UrbANet scheme manager who further disclosed that the interest rates charged within the microfinance sector generally ranged between 24% and 48% per annum. With this, only 3.2% of respondents were very satisfied with the rates while 53.7% and 43.2% reported satisfied and less satisfied respectively. This not withstanding, all the respondents had fully repaid their loans, confirming the findings by Mayoux (1999), Hunt and Kasynathan (2002) and McCarter, (2006) that women are generally credit-worthy, make better microfinance clients than their male counterparts.

Respondents' Views on Loan Repayment Periods

The loan periods varied between 4, 6 and 12 months with repayment schedules tied to the loan periods. While 4 months loan periods had bi-weekly repayment schedules, 6 months had weekly and 12 months had monthly repayment schedules. When asked to indicate their levels of satisfaction relative to the loan periods, 71.6% said they were satisfied, while 15.8% were very satisfied and 12.6% less satisfied.

Generally, majority of respondents had little difficulty with the loan periods and repayment schedules of the MFIs. This explains why as much as 87.4% of them were satisfied with the loan periods and repayment schedules. In the case of UrbANet, the scheme offers between six and twelve months with one month moratorium and monthly repayments. According to the scheme manager however, the loan periods are often negotiated with beneficiaries but are largely between six and twelve months. These negotiations are dependent on the nature and type of activities beneficiaries are engaged in. Accordingly, businesses with seasonal cash flows get shorter repayment periods while businesses with regular cash flows get longer repayment periods to prevent the possibility of defaults and loan losses.

Respondents' Loan Repayment Capacity

Sustainable microfinance involves the provision of customer-tailored microcredits and other forms of microfinance services that are capable of generating acceptable returns to guarantee continuity. Accordingly, the study also sought to examine respondents' capacity to repay their microloans and how that puts MFIs in the sustainability quagmire. In all, 71.6% of respondents did not have difficulty repaying their loans while 28.4% had difficulty doing so. Similialy, within the three loan cycles the study recorded, the difficulty in repaying loans among respondents showed a reduced trend as the cycle continued. In other words, respondents' repayment capacity increased, on the average with increasing loan cycles. For instance, the analysis showed that within the second loan cycle, 82.4% as against 17.6% reported to have less difficulty in repaying their loans. Many of them explained that they were in a position to repay their loans because of some financial planning techniques they had learnt in the credit process. They also indicated that they needed to repay these loans so that they could ask for more to enable them improve their businesses and enhance their general living conditions. This is in synch with Majoux (1999) and Simojoki (2003) who found that women's access to microfinance services, beyond the financial benefits, triggers a certain consciousness in them about their well being. This helps to improve their economic and wider socio-political advancements.

Respondents' Reasons for Savings

Turning to the accumulative and saving culture of respondents, the study also found that 63.6% of the respondents saved while 36.4% did not save. The latter explained that their inability to save was as a result of inadequate market opportunities. This, according to them, had adversely affected their sales and income projections. While some saved to improve their businesses (59.8%) or pay their children school fees (35.0%), others saved to take care of future consumption needs or for social events (2.6%). The rest saved to buy household assets and take care of emergencies (2.6%).

Effects of Microfinance on Respondents' Businesses

Another important objective of the study was to find out the effects of microfinance on beneficiaries' businesses and how that affected their economic wellbeing. The analyses revealed that 56.8% and 36.8% of respondents had significant and moderate improvements in their businesses respectively. However, 6.3% said that there had not been any change in their businesses. According to those who indicated that microfinance had impacted positively on their businesses, besides increased capital and its attendant benefits, they also made mention of having learnt new and innovative ways of doing their businesses. These, according to them had generally improved their businesses in terms of managememt, turnover, and customers relations.

On the contrary, 6.3% said that the microfinance services they received, particularly microcredits were untimely or inadequate, and these had not helped their businesses. The assertion of this latter group is consistent with the findings of Hulme and Mosley (1996) that most microfinance schemes were less effective particularly in their approach to credit delivery. They found that the style of service delivery by many MFIs was somewhat inconsiderate for many poor clients, and in some cases have made some poor clients even worse-off.

On whether respondents could continue their businesses without additional loans, 88.4% of respondents answered in the affirmative while 11.6% answered in the negative. Those who were optimistic of continuing their businesses without repeat loans noted that their businesses had seen improvements, coupled with some savings they also made. According to them, these savings could be used to reduce their reliance on credits. On the other hand, those who answered in the negative explained that their businesses were yet to pick-up and any truncation in the credit delivery cycle could make them even worse-off.

Nonetheless, the analysis found that majority of respondents, regardless of any challenges or difficulties hampering their businesses, saw improvements in their economic conditions; while 71.6% said that their economic status was much better than before.

In the study by Nuhu et al (2013), while 21% of the farmers strongly agreed that microfinance had impacted on their crop production, 52% agreed to a positive impact on their crop production. However, 8% of them were not sure whether or not microfinance had impacted on their crop production. Furthermore, while 10% of the respondents disagreed that microfinance led to increased crop output, 9% of the respondents strongly disagreed that microfinance had impacted on their crop production.

Evidence/Indicators of Empowerment

The study found that women who benefited from the microfinance services gained some economic advantages, which also impacted positively on their social and political lives. For instance, a beneficiary respondent in Banvim had this to say:

"Ever since I joined this group two years ago, I have received microcredits up to Two Hundred Ghana Cedis (GHC200.00) from UrbANet, and this has earned me respect from my husband who now consults me on major household decisions."

A further probe into this assertion revealed that some respondents, including the one who made the above assertion, were in their second loan cycle (within two years) and had not only stopped demanding money from their husbands to buy personal effects, but had also been contributing to household expenditures. This, according to them had made it possible for them to have a say in major household decisions (like the number of children to have).

Generally, the microecredit had led to the expansion in the respondents' businesses. According to the beneficiaries this had resulted in improved levels of income, which in turn had rippling effects on their contributions to their household expenditure on food, education, health care and household items. The results also showed that beneficiaries had learnt new skills and improved methods of doing business, which generally enhanced their socio-economic conditions. This finding is in synch with what Simojoki (2003) who found that microfinance had increased benficiaries' contributions to household expenditures, such as food, education and health.

Finally, the analysis also revealed that beneficiaries of microfinance became influential in the political process because of their contributions to community events. This helped them to build constituencies around themselves and made them rallying points for women's participation in the political process.

In Dzisi and Obeng's (2013) study, 83% of the respondents agreed that the loans they took had improved their finances and hence helped them to better participate in communal activities, while 14% stated that the loan had in no way impacted on their ability to participate in communal activities. However, 3% of the respondents said they were now worse off. Those who answered positively said they could now attend social functions, make financial contributions when called upon and participate in communal activities that required paying of money.

Non-Beneficiaires'Views on the Economic/ Social and Political Status of Beneficiaries

Having gotten the views of beneficiaries on the inpact of microfinance, it was only proper that we got the views of non-beneficiaries as well. The majority of the non-benficiaries (86.5%) also attested to the fact that beneficiaries were economically better-off. However while 7.9% disagreed, 5.6% reported they did not know.

The 7.9% who believed that they were better off than their beneficiary counterparts had this to say *"before our very eyes, some of our contemporaries who went in for microcredits ended up selling their personal belongings to liquidate their loans. If a programme aimed at reducing the sufferings of people ends up making them worse-off, then where lies it* *appropriateness. It is better not to particiapte and have your dignity intact."*

On the other hand those who argued in favour of microfinance emphasised that the introduction of additional capital into beneficiaries' businesses through microcredits, with its attendant increases in their income levels had helped them make meaningful financial contributions to community and social gatherings. These contributions earn them respect among their peers and husbands as well as present them with opportunities to express their views during decision making process. One respondent remarked:

"Truly speaking, this microfinance thing has helped my rival a lot. I initially downplayed its effects on our relationships with our husbands. I can see, he now consults her on almost every household decision and this puts her ahead of me."

Similarly, majarity (92.1%) thought that microfinance beneficiaries were more likely to influence decisions and political processes than non-beneficiaries within their communities. They explained that beneficiaries could engage in politics much more actively than non-beneficiaries. In a FGD, it came up that not only were beneficiaries of microfinance economically more resourceful, they were able to make significant financial contributions to social events and towards community development programmes. For instance, one of the non-beneficiaries also said this:

"Frankly speaking, those who have benefited from microcredits are not our equals when it comes to financial contributions; they are miles ahead of us".

Again, it was revealed that an aspiring assembly women who contested in the 2010 District Level Elections had a long standing relationship with a microfinance company; respondents suspected that her source of confidence was believed to have resulted from her exposure and experiences with the microfinance company. However, those who thought otherwise (2.2%) explained that even though microfinance can impact positively on the political lives of people, there are other aspects of one's political life that microficnnce could not necessarily do.

Major Business Challenges in the Study Area

Women's economic empowerment is faced with a number of challenges. Beside the challenge of patriarchy and the social structures that work against their empowerment, they also face challenges in their economic and livelihood endeavours. The study revealed that inadequate credit facilities, poor transport network, lack of ready market, inadequate technical know-how, and the unavailability of raw materials were the major challenges identified in the study. Access to credit facilities emerged the biggest challenge and was identified by 52% of respondents. However, inadequate technical know-how was a problem for only 2% of the respondents. This is not surprising, considering the practice of Credit with Education (CwE) concept that the MFIs had adopted in their dealings with the communities. In other words, the MFIs do not engage in only credit delivery, but train and also engage in enterprise development with beneficiaries to grow their businesses.

Conclusion

The study has revealed that microfinance is an important building block in the empowerment of women. However, who qualified and under what terms and conditions was dependent on the repayment capacity of beneficiaries becuase sustainable microfinance could not target every poor woman except those who were economically deserving. Beyond this however, the study also found that delays or untimely delivery of microfinance services did not augur well for beneficiaries. Also, the delivery of microfinance services was largely informed by the organizational philosophies of MFIs rather than just the forces of demand and supply. Overall, these phenomena, prevented many beneficiaries from accessing the required loan amounts and making effective use of them. Against this backdrop the following recommendations are made: First there is the need for the government, through the Central Bank to support MFIs so that the latter can better reach out to the clients better and also prospective ones. For instance, the Central Bank may provide MFIs with loans to expand the latters' capital base. Similarly, among others, MFIs should ensure that loans are given timely so that they are used for the purposes for which they are intended.

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