



Socio–Economic Effects of the Microfinance Services on the Women in Sindh: A Case Study of the First Microfinance Bank District Larkana

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Abstract

The microfinance has turned into a significant tool alleviating poverty in emerging nations as it provides financial and non-financial services to needy peoples. It turns out those key aspects of the microfinance in focusing on the ladies lead to more beneficial economic development results. Therefore, this study sought to investigate the socio economic impacts related with the women's participation in microfinance programs. The study was conducted in The First Microfinance Bank District Larkana in Sindh province. A simple random sample of 1000 women participants of no less than two years or more was drawn from the 13500 individuals from The First Microfinance Bank District Larkana. The data were analyzed quantitatively with the help of descriptive statistics from the SPSS tool and presented in the form of frequencies, pie charts, and tables using a structured questionnaire. The study's objectives were to evaluate the socioeconomic effects on women's access to micro-credit, micro-savings, micro-insurance and non-financial services. The foundations of this study was depended on the accompanying theories as well as model, the Grameen bank model, the vicious cycle of poverty theory, and the imperfect information paradigm. The outcomes showed that the microfinance services have impact on women's socio-economic status. The review showed that that an access to microcredit services expanded pay levels, expanded stocks as well as result of endeavor and expanded use on wellbeing and educational services. Conversely, availability of micro savings services for women increased income to generate wealth, smoothed irregular income levels to manage consumption needs, and increased capital resources to support education and health care. Additionally the outcomes demonstrated the impacts of micro insurance services empowered ladies build more grounded trust securities, made more informal communities as well as propel cooperation being developed activities. In conclusion, impacts of non financial services microfinance balanced out pay levels that facilitated creation imperatives, improved intrapersonal abilities, for example, relational abilities and to wrap things up this program imparted a decent practice on preventive wellbeing measures for prosperity of individuals. A portion of recommendation made included, the need to do a further report to particularly distinguish the impacts of microfinance benefits freely on the financial status of the clients, additional comprehension the impacts of new areas of the microfinance, for example, that of of micro-insurance services to assist with planning better items, gain an upper hand and animate the market in the long haul for manageable turn of events, need to look at the impacts among various plans and microfinance projects to direct reasonable investment of the government, development fund and a cautious examination of consequences for various subgroups-for instance, monetarily unique, social, orientation to upgrade the comprehension of value related impacts of the microfinance services (micro credit, micro savings and micro insurance) plans for productivity and viability.

Keywords: Microfinance, Micro Credit, Micro Saving, Micro Insurance, Non-Finance, Socio Economic Status

1. Introduction

1.1. Background of the study

Over the past two decades, the microfinance has emerged as the darling child of development, giving another means to poverty alleviation through partnerships with the poor people (Arora 2006). Microfinance was first introduced by the Grameen Bank in Bangladesh around 1976. Muhammad Yunus, the 2006 Nobel Peace Prize winner, sought to provide financial services to his customers in traditional ways. Since then, microfinance has flourished in low-income countries. Today, microfinance plays an important role in the development process. Its influence was significant and led to the decision by the United Nations to announce its ideology.

In addition to activities that empower the poor, he has also promoted microfinance programs as a variety of microfinance programs on is widely recognized around the world and has been adopted by many countries around the world, reminding people that millions of people around the world benefit from microfinance. The beginning of the microfinance and the microcredit are originated in several parts of Asia and Latin America particularly Bangladesh and Indonesia as well as Bolivia (Morduch 1999). Since their development within the 1970s, they are seen as a social program that aims to assist the needy people to earn their living through the arrangement of the micro loans without guarantee for the reason of money generation thus, being fruitful in social as well as economic development within the tremendous larger part of of developing countries (Anderson, Locker, McKernan & Hermes et al., 2005). Besides, to date micro-financial services are considered pertinent and valuable to financially prohibited individuals everywhere (Rogaly et al., 1999).

The term micro finance is used to refer to institutions of savings, credit, insurance and money transfer used by moderately to poor peoples. Subsequently, the microfinance has been defined as a collection of banking practices built around giving little credits accepting tiny savings deposit (Armendariz de Aghion & Morduch 2005). Ledgerwood & Ryhne 2001 analysed that the microfinance is the provision of the financial services to self employed low income customers, poor with debarred people empowering them to raise their income and livings standard. These services comprise credits, savings,, insurance, money transfers , payments services along with social intermediation. They are performed by a assortment of institutions, for instance credit unions, savings and commercial banks, loan co-operatives, , in addition to government banks and NGOs.

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The microfinance has in this way risen as a feasible financial alternative for poor individuals with no get to loan from formal financial institutions. At the heart of the thought of the microfinance is the trust that poverty can be diminished and inevitably eliminated through provision of the credit to those as well as poor to access the formal financial system. Further than being banking for poor people, then, the microfinance is viewed by numerous as an instrument of development. However, the microfinance has distinguished itself from formal credit by disbursing little credits to poor people, using different inventive non-traditional credit setups for example loans without collateral, progressive loan structure, group lending, regular repayment schedules, immediate repayment arrangements and collateral substitutes (Conning & Navajas et al, 2000).

M. Yunus (1999) talk clearly illustrates the evolution of concept of the microfinance in practice. Already, the microfinance began as a concept of the micro-credit in practice and was firstly introduced in the Bangladesh by Nobel Peace Prize winner Mohammad Yunus. It started Grameen Bank more than 30 years ago, with the plan of alleviating poverty by giving little credits to the country's rural poor people. Nevertheless, the microfinance has evolved over the years and currently doesn't only give loans to the poor people, however, also spans a innumerable of the different services including remittances, insurance, savings, and non financial services for example financial literacy training and skills development programs, in this way the move from micro-credit to what is presently referred to as the microfinance (Armendáriz de Aghion & Morduch 2005, 2010).

The microfinance is noted to provide access to the financial and non financial services to low income peoples, who wish to the access cash for opening or increasing an income generation activity. The peoples loan along with savings of the poor customers are small. The microfinance come into being from the gratitude that the micro-entrepreneurs and few poorer customers can be bankable that's, they can repay, both the principal and interest on the time and too made savings, given financial services are custom-made to suit their needs (Barr, Michael S, 2005).

1.2. Statement of the problem

Despite the apparent success and ubiquity of the microfinance, no conclusive prove however exists that the microfinance programs have positive impacts on socioeconomic status of the women's, yet with better growth of microfinance industry and consideration the sector has gotten from the strategy makers, donors, and private investors in the recent times, an accessible microfinance affect review have to be reinvestigated, the strength of claims that the microfinance effectively lightens poverty with empower women's must be analyze more carefully. Therefore, this research study revisit the prove of the microfinance facilities evaluation focusing on technical challenges of the conducting thorough socioeconomic impact analysis of the microfinance services.

1.3. Objective

- To assess the socio-economic effects of accessing microcredit on women.
- To analyze the effect of the availability of micro-saving services on the socio-economic status of women
- To determine the extent to which the access of micro-insurance services impacts on socio-economic status of women
- To evaluate the effects of non-financial service provisions by microfinance on socioeconomic conditions of women.

2. Evaluation of microfinance services and socio-economic effects

2.1. Microcredit services

Microcredit refers to the programs that are poverty focused which give financial as well as business services to the very poor individuals for the era of selfemployment and income. The credit may be an affective instrument to battle poverty. The role of the microcredit in diminishing poverty is currently well recognized all over the globe.

The credits create opportunities for the selfemployment instead of waiting for the employment to be created. It liberates both poor as well as women from the control of the poverty and it brings the poor's people into the earnings stream. Providing the access towards loans under a suitable institutional structure and arrangement, one can do anything one does best and receive cash for it. One can beat poverty; one can turn into the planner of one's fate and the representative of alter not as it were for one's family but moreover for society.

Weber 2006 expressed that the microcredit programs as the arrangements of the micro credit to the peoples, usually inside the groups, as a capital investment to make possible income generation throughout the selfemployment. It included that the poor people's businesses were seen as a sign of un-met demand for the credit and then again poverty was thought to be the outcome of market disappointment. Market imprecation, asymmetric data and the high settled costs of the small scale loaning, constrained the access of poor peoples to formal finance, therefore, pushing the needy people to the informal financial sector or to the extraordinary case of the financial elimination. The credits are also claimed to make economic power that would create into social power, lifting the poor out of the poverty (Yunus, 1999).

Furthermore, it is also argued that the micro credit improved human capital in any case of poverty level since expense uses on education and wellbeing are expanded, which may at that point expand to poor people's throughout intra household and inter generational impacts (Mosley & Rock, 2004).

2.2. Micro-saving services

While credit has been the conventional focus of the microfinance institutions and donors, the significance of micro savings programs for the poor people is picking up recognition inside the microfinance literature. Conventional savings schemes, Pivoting Savings in addition to Credit Associations, Collecting Savings and Credit Associations, deposit collectors, cash covered up within the domestic, have been granularly investigated by development professionals (Rutherford & Gugerty1999).

Defining micro saving for the reason of measuring stocks, streams and impact is challenging. There are few conceivable approaches depending on whether one focuses on individual saving, the sums saved or institutions in which the saving takes put. hence, micro savings can be thought of as a savings made by low income or needy people or as the small sum of savings (the

challenge here is to supply a limit for saving deposits or equalizations that would recognize between the micro as well as non micro savings) or as savings held at institutions that specialize in micro savings. Be that as it may, from the viewpoint of the poorest savers, micro savings can comprise of a huge assortment of informal, semi formal and formal practices and defined micro savings as the mobilization of savings throughout deposit services run by the microfinance institutions (Hirschland, 2005).

Diop et al. 2007, put forward that there has been a move toward extended microfinance and savings services are seen as implies of securing savings and of empowering the poorest to spare increasingly efficiently. Morduch (2007) put you forward with savings, family units can buildup resource to use as collateral, smooth seasonal regular utilization needs, self-insure against major stuns and self-finance investment.

2.3. Micro-insurance services

Micro insurance is the provision of the insurance to low income families, as well as insurance for the life, wellbeing, property, disability and agriculture that is including a risk pooling element, which permits huge groups of the insured entity to share the misfortunes coming from the event of an exceptional occasion .This risk pooling work makes insurance more complicated than the savings, payment services or credit. Poor families are particularly susceptible to risk, both within the frame of common calamities and more regular incidence of accidents and poor health. While micro insurance sector is generally new, to date, a growing number of effect appraisals have been conducted or are still underway with respect to the impacts of micro insurance on the welfare of low income peoples.

Therefore, understanding the effect of the micro insurance isn't only important for development driven players but too market oriented characters, like insurance companies. It makes a difference plan way better products, gain a competitive edge and in this way stimulate the market in long term. Be that as it may, because the field of the micro insurance is still new, it isn't clear where to seek for the impact. However, its information is still patchy although certain key insights are rising (Dercon & Kirchberger 2008). Therefore, known collectively as a micro insurance, these new financial products seek to help the poor by falling their susceptibility to unpredicted shocks just as sickness or deaths. Stefan , in his survey of income shocks endure by peoples covered by the Rural Household Survey, estimates that in case these shocks had been insured and smoothed poverty would had been lower by around a third, whether and how they really do help the needy poor, yet, is up for debate.

2.4. Non financial services

Another hope of the microfinance can that of social services offered by some microfinance programs would educate the women, promoting the education of their children and empowering them to provide better healthcare for themselves and their families. A survey by the United Population found, more than one quarter (29.5%) of the women in the survey deal with the microfinance institutions that given wellbeing and education services (exploring linkages 2010).

Further researchers argue that the microfinance can diminish poverty through job creation and by the change of household risk management throughout the microfinance institution training and the building up of the social system. This improvement is said to stabilize town income, lessening the powerlessness of the poorest (Mosley & Rock, 2004) furthermore, few authors reported enhances in the healthcare as a result of the microfinance education sessions, just as increased use of contraceptives (Schuler, Hashemi, & Riley, 1997)

2.5. Understanding the concept of Socio-economic effects related to poverty

Socio economic is a poverty related concept. However, socio economic canbe defined as study of the factors that have unconstructive influence on the peoples economic activity including, a lack of the education, social, cultural and spiritual discrimination, over population, un employment and dishonesty. hence poverty is a socio economic problem. Poverty is also a capricious that determine one's socio economic status meaning, individuals or groups position inside a hierarchical social structure which depends on a combination of variables, including education, , wealth, occupation, income and place of living.

As per the United Nations poverty is a fundamentally a denial of choices and opportunity and infringement of human respect. It implies lack of basic capacity to partake effectively in the society. It means not having sufficient to feed bolster and clothe a family, not having a clinic or school to go to not having the territory on which ones foodstuff or a job to earn ones livings, not having access to loan. It means lack of confidence, helplessness and segregation of the individuals, communities and households. It means vulnerability to violence and it often implies living on the marginal or delicate environments without reach to clean water or sanitations (UN statements June 1998)

Therefore, generally the goal of socio economic study is to bring about socio economic development, usually in terms of improvements in metrics just as life expectancy, GDP, literacy, levels of employment among others. even though harder to measure, changes in less tangible factors are also measured, such as personal poise, personal safety, freedom of association, and freedom from fear of physical harm and the level of involvement in civil society. (Tony Lawson, 2006).

3. Theoretical Discussion

Robinson (2001) makes out four main theories explaining microfinance, the vicious circle of the poverty theory, the supply leading finance theory and imperfect information paradigm.

3.1. The vicious circle of poverty theory

While depending on the vicious circle of the poverty theory, credit investment frame work is developed and looks for to clarify how microcredit can be used as an instrument for the poverty decrease. for the meantime, the defender of vicious theory (Nurkse 1967) clarify that the poverty propagates itself in commonly strengthening vicious circle on both supply and demand sides. It is contended that, maybe, foremost vital circular relationships of a kind are those that influence the amassing of capital in financially in reverse nation. Elucidation the supply side, the proponents hold the view that there is a little capacity to save because of low level of real income.

The low real income could be a reflection of low efficiency, need of capital, coming about in little capacity to save. With regard to the demand side, it is argued that, demand for capital affected by motivation to contribute. In any case, not have passion to invest could be due to the little purchasing capacity of individual , small real income and as a result of low efficiency. Low productivity, though, could be little sum of capital utilized within the production, which may be reason mostly by less motivating force to invest. For the moment, low level of real income, due to less productivity, is an issue that’s common to both supply and demand sides of the circles. Consequently, it could be argue that there are two ways that poor people use micro credit. hence, credits are either utilized to begin a modern enterprise or expand an existing one. Arrangement of credit to poor people who aren’t working might serve as a start- up capital for them in doing business, accordingly, within the process creating employments for them.. Work creation could lead to decline in unemployment within the beneficiaries. As unemployment is reducing, the common poverty level can also be decreased.

3.2. The imperfect information paradigm

The seminal work of the Stiglitz & Weiss (1983) given the explanatory underpinnings of the defective data paradigm. In a world of judicious operators where data is expensive and blemished, data asymmetry among the credit applicants as well as the lenders, basically banks, leads to key self maximizing behavior. It is the duty of uninformed lenders to distinguish among the mass of informed borrowers to identify the foremost efficient among them. Within the absence of data from the borrower that would uncover their proper credit worthiness, banks charge higher intrigue expenses to make up for the danger cause by this data asymmetry. The high interest cost drove away the safe, low – risk / low return borrowers giving increase to a lemon problem. (Akerlof 1970) consequently, the Microfinance programs have been pioneering in tending to the issues arising from imperfect data flows. Group monitoring, coupled with the small size as well as short period of credits, offer assistance tide over the antagonistic determination along with ethical hazard problems that effect money related markets and institutions.

4. The Garmeen banks model

The Garmeen banks model emerges from the thought of imperfect information paradigm. At the side its vision of engaging the poor people, has drawn broad acknowledgment in later decades and is being received by numerous nations around the world. The model brings out union and women's activist conventions in its definition of the solidarity groups throughout which women get loan collateralized by group ensure instead by substantial resources. The rhetoric of solidarity implies that the women who take part in group loaning will distinguish collectively to stand up their common oppression, much as a Marxian approach to social capital might endorse.

The exploratory venture by Prof. Muhammad Yunus, 2006 Nobel Peace Prize, revolutionized loaning to the needy people and lustrated the self sustainability of the microfinance business. Through the Grameen Bank project, he demonstrated that the microfinance money lenders could guarantee higher settlement rates and returns indeed within the lack of collateral, predominantly capitalizing on social system, concepts of group liability and compulsory savings by the borrowers. (Yunus, 1999) As an approach to development, the Grameen micro-credit model is thought to be bottom up, satisfying the credit r prerequisites of the marginalized people who, something overlooked by the traditional banks, would lock in micro entrepreneurial exercises.. This, in turn, would contribute to extend their production, and consumption and income and make a positive ffect on the overall socio economic development of the nation by decreasing poverty and bringing entrepreneurial development. (Armendáriz & Morduch, 2005).

5. Conceptual framework

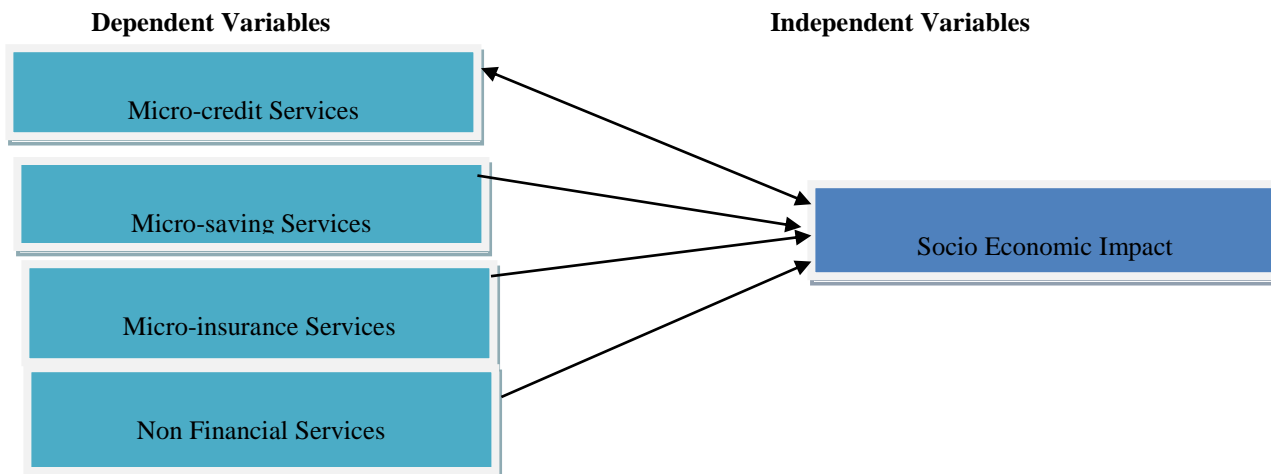


Figure 1

Women support in the microfinance programs and their capability to get to services for example, micro-credit, micro- savings, micro-insurance and non-financial services from microfinance have impact on their socio economic status which inevitably impacts their prosperity. The microfinance programs are progressively significant in development techniques and have ended up a

basic component of strategies to diminish poverty or support micro as well as small enterprise developments. Be that as it may, knowledge almost the impacts and achievement of such activities remains as it were fractional and challenged.

6. Methodology

The study embraced overview survey about research design. The target participations of the study were drawn from all women members in the microfinance for at least two years and over within the sampled from The First Microfinance Bank district Larkana. The study used a simple random sampling technique to chose the specified sample for the study about in achieve a high degree of representation from the bunches with homogenous characteristics. The scholar utilized a sample size of 1000 women participants of The First Microfinance Bank district Larkana. The study used self managed questionnaires to collecting the data. Subsequently, data was analyzed quantitatively utilizing descriptive statistics.

7. Results

The study included a sample of 1000 The First microfinance bank district larkana respondents. Findings from essential information are introduced in the following segment.

7.1. General information of the respondent

On the overall data of the respondents, the scholar collected data on the different age , marital status, levels of education, and the number of years the respondent have partaken as a member in The First microfinance bank district Larkana.

Table 1: Marital status and Age of respondents

	Below 18 years	18-25 years	26-35 years	36-45 years	48 above years
Married	45	260	215	110	49
Unmarried	28	115	85	61	32
Total			1000		

The above table shows that greater parts of the respondents lied in the age section of above 29 years and were married while the least were in the age section of 25-28 years and below. This implied that a greater part of people that favor the utilization of microfinance programs are women who have family and have the obligation to deal with the family subsequently microfinance programs help them with the vital arrangements to oversee themselves.

7.2. Socio-economic effects of microcredit services

Table 2: Response on the effects of Micro-credit (%)

	SA	A	N	D	SD	Total %
Increased stock of enterprise	57	30.4	7.6	2.7	2.3	100
Enabled to increase output of the enterprise	46.9	32.3	10.3	5.6	4.9	100
Enabled to start a new business	44.0	34.2	9.2	7.6	5.3	100
Ensured children attend school	42.7	37.6	9.8	6.5	3.4	100
Led to ability to access health centers.	41.4	38.6	8.7	6.4	4.9	100

A total majority of respondents agreed that microcredit increased stock of enterprises and at least 6.0% respondents disagreed that microcredit could have any effect on the stock of enterprises. In relation to the effects of microcredit to increase output of the enterprise a total majority of 46.9% percent respondents agreed to this fact, at least 10.5% respondents disagreed on this statement. With regard to effects to enable one start a business, a total majority of 78.2% percent respondents agreed to this fact and at least 12.9% respondents disagreed. Moreover on the effects of microcredit to enable one afford education services, a majority of 80.9% respondents agreed to this fact followed by 9.4% respondents who remained neutral as at least 9.8% respondents disagreed to this statement. Regarding the effects on the ability to access health services a total majority of 80% agreed in support of this and at least 11.3 percent respondents disagreed to this fact. (See table 2 below) Therefore with this results a pattern can be observed where most respondents rated highly the effects of microcredit services to increase stock of enterprises implying most of the money borrowed was used to purchase items in their business while the effects to increase outputs of enterprises followed. Ability to start a business and ability to fund for health services were perceived to have moderate effects however microcredit effects on health expenditure was felt at the least implying very minimum amount of credit borrowed was used to resource for health care provisions.

7.3. Socio-economic effects of micro-saving services

Effects of micro-saving services to increase capital resources to cater for health services is acknowledged by a total majority of 72.4% respondents who agreed to this fact, while at least 14.9% respondents disagreed. On the effects to increase capital resources to cater for children's education a majority of 76.6% respondents agreed to this fact, as at least 8.7% respondents disagreed to this statement. Further on the effects to enable one repay loan a total majority of 81.3% respondents agreed to this fact, at least 10.7% respondents disagreed to this statement. Moreover on the effect to smoothen irregular income to manage consumption needs a total majority of 78% respondents agreed to this fact, at least 11.5% respondents disagreed. In relation to the effect to increase income levels to generate more wealth a total majority of 80.5% respondents agreed, at least 12.7% respondents disagreed towards this statement. (See table 3) Therefore with these findings, a trend can be observed of more acknowledgements by the respondents on the effects of micro-savings services to increase capital resource to cater for children's education services, to

aid with the repayment of loan and to increase income levels to manage their consumption needs. However lesser response was observed on the effects to increase capital to cater for health services and effects to smoothen irregular income. This results implied that most of the savings was used to cater for children's education least preferred to cater for health care services.

Table 3: Response on the effects of accessing micro-saving (%)

	SA	A	N	D	SD	Total %
To increase capital resource to cover for health services	42.8	29.6	11.9	9.8	5.1	100
To increase capital resource to cater for children's education	44.4	32.2	9.7	5.7	3.0	100
To enable repayment of loan	49.7	31.6	8.8	5.8	4.9	100
To smoothen irregular income to manage consumption needs	42.6	35.4	10.5	5.9	5.6	100
To increase income levels to generate more wealth	50.6	29.9	6.8	6.9	5.8	100

7.4. Socio-economic effects of micro-insurance services

Effects of micro-insurance to enable its members to build strong trust bonds with group members had a total majority of 86.2% respondents agreed to this fact, 5.7% respondents remained neutral a few 12.4% respondents disagreed to this fact. With regard to effects to enable create more social networks bonds within the community total majority of 73.4% respondents agreed to this fact, as 11.3% remained neutral a few 15.3% respondents disagreed, On the effects to motivate participation in development social activities a total majority of 85.3% respondents agreed to this fact, as 4.4% respondents remained neutral a few 10.4% disagreed (See table 4). The result demonstrates a pattern of respondents where most agree to the effects of micro insurance to building strong trust bonds followed by a lesser rating of respondents that admitted micro-insurance service had effects on social networks bonds within the community while least respondents acknowledged that micro-insurance services motivated their participation in development activities.

Table 4: Response on the effects of micro-insurance service microfinance (%)

	SA	A	N	D	SD	Total %
To build strong trust bonds with group members.	58.9	26.3	5.7	5.6	6.8	100
To create more social network bonds within the community	45.5	27.9	11.3	10.8	4.5	100
To motivate participation in development social activities	56.9	28.3	4.4	5.8	4.6	100

7.5. Socio-economic effects of Non-financial services

Table 5: Response on the usefulness of Non-microfinance services microfinance

	SA	A	N	D	SD	Total %
To enable management efficiencies and cost of operating enterprises	51.9	33.1	7.2	4.2	9.5	100
To ease production constraints; stabilizes income	44.7	36.5	11.8	5.6	3.3	100
To better skills on good relation thus building social networks for market growth	44.6	36.5	9.4	5.1	4.4	100
To ensure good practice of preventive health measure for healthy wellbeing	45.5	29.9	11.3	6.7	6.6	100

Usefulness of non-financial services to enable one manage efficiencies and cost of operating enterprise had a total majority of 85% respondents agreed to this fact, as 7.2% remained neutral few 13.7% respondents disagreed to this statement. On the usefulness to ease production constraints by stabilizing income a majority of 81.2% respondents agreed to this, as 11.8% respondents remained neutral a few 9.5% disagreed. Regarding usefulness to better good relation thus building social networks a majority of 81.1% respondents agreed to this fact, as 9.4 remained neutral a few 9.5 disagreed to this statement. Moreover on usefulness to assist in good practice of preventive health a majority of 75.4% respondents agreed to this fact, as 11.3% respondents remained neutral to comment a few 11.3% respondents disagreed however 13.3% respondents did not respond to this statement.(see table 5)

Following the above results, a pattern is observed where respondents acknowledged that nonfinancial services were useful where most admitted that it enabled them manage cost of operating enterprises, easing production constraints and building social networks however least response admitted that usefulness of non-financial services in microfinance to instill good preventive health measure was not highly felt. Therefore these findings indicate that the nonfinancial services provided such as trainings indeed build the capacity of the participants to improve their livelihood.

8. Discussions

On the assessment of the socio-economic effects of accessing microcredit on women, the study vividly revealed that microcredit had various effects such as to enable one start a business (self employment) and increase stock of enterprise indicated by a total of 73.6% and 83.8% respondents respectively who agreed to this thus conquering with the works of Hulme & Mosley (1996) at the same time the finding supported khandker (2001) reports of his research that microcredit helped with the creation of employment and justified Morduch (1998) stand that there was no evidence that micro-credit created jobs and employment. Another effect of microcredit was that of to enable access to health and education services, referring to the research findings a total of 63.6% and 77.3% respondents respectively were in line with the sentiments of Mosley and Rock (2004) that posited that microcredit increased human capital to spend on health and education provisions.

On the analysis of the effect of the availability of micro-saving services on the socio-economic status of women, Rutherford (2009) asserted that a small amount of savings in secure place provides resources to manage consumption needs, smooth irregular income, and cover expenditure of health and education this report is evidently backed up by the results from the study where a total of 66% respondents agreed to positive effects of micro-savings to fund for health services as 74.2% and 69.9% respondents added that micro-savings positively influenced their ability to fund education for their children as well as smoothen their income to help them manage consumption of basic needs such as food, shelter water and clothing. The third objective was to determine the extent to which the access of micro-insurance services impacts on socio-economic status of women. As much as this micro-insurance is relatively new to literature, it was evident that there were positive effects of micro-insurance as a total of 81.9% pointed out that it led to creation of strong trust bond amongst them while 65.1% respondents indicated that micro-insurance led to creation of social networks that assisted their social growth as 71.6% respondent asserted that the programs motivated them participate more on development activities within the community.

Therefore this finding creates key areas of insights that would be of essence to stakeholders in the development sectors. Lastly on the fourth objective to evaluate the effects of non-financial services provisions by microfinance on socio-economic conditions of women. The research finding supports the works of Mosley and Rock (2004) who posited that non-financial services from the microfinance such as those of financial trainings helped to stabilize village income thus reducing the vulnerability of the poor. This was evidently indicated from the research as a total of 73.2 % respondents agreed that this was right. While at the same a total of 68% respondents stated that nonfinancial services especially that of health education on reproductive health increased health care practices thus conquering with the works of Schuler, Hashemi & Riley (1997) on the effects of microfinance on women.

9. Conclusions

The study concluded that microcredit services provided by microfinance institutions are very essential as it increases income that helps to cater for health and education services as well as help in the creation of employment, increase the output and stock in the enterprise as noted by the respondents. However for efficient realization of this positive effects then microcredit have to be readily accessed and the rates be very flexible to attract many since it's a great tool to alleviate poverty. It is also evident that a saving culture is already with many and the poor are not an exception thus micro-savings services have played a big role to motivate many even on the low income levels to save more so as to smoothen income levels thus increase capital resource to manage consumption needs thus generate more wealth for a better livelihood. Majority of respondents asserted that micro-insurance services are as important as the microcredit and micro-savings service for more sustainable livelihood. For development of social capital and social mobilization it is so evident that micro-insurance is a timely service that creates a social network with strong trust bonds that influence individual development as well as a holistic regional and universal development. Finally, on the availability of non-financial services many of the respondents felt that the accessibility of this services warrants the usefulness of the services in their lives. Therefore this study concludes that non-financial services complements the rest of micro-finance services to realize the positive effects on user since these non-financial services sharpens personal skills that lead to positive behavioral change that influence successful realization of the general microfinance programs.

10. Recommendations

From the conclusion of this study, the researcher has the following recommendations; There is a need for further study to be done by all development stakeholders such as government, research institutes and donors to distinctively find out the effects of other microfinance services (such as micro-insurance, remittances and non-financial services) on the socio-economic status of the users since this is a critical area of study that can help much in policy decision making that would help to eradicate poverty. Furthermore, careful analysis of effects on different subgroups in an area is critical- for example, economically different, social, gender- can further enhance the understanding of equity related effects of the microfinance services (microcredit, micro-savings and micro insurance) arrangements for efficiency and effectiveness. There is also the need to compare the effects between different schemes and between different microfinance programs for example between micro-insurance and alternative risk management mechanisms- this is important to guide prudent investment of government and development fund. This study also recommends further research to be done to assess socio-economic effects of microfinance services in the context of individual lending instead of the group lending and compare whether they have any similarities. The practice of individual lending in microfinance is an emerging issue where most microfinance institution prefers to use especially in Kenya so a study under this will give insight toward policy making in development.

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