

**MICROFINANCE PRACTICE AND WOMEN EMPOWERMENT
IN KATHMANDU**

A dissertation submitted to the office of the dean, faculty of management in
partial fulfillment of requirement for the master's degree

by

Manisha Khanal

Campus Roll No. 236/077

Exam Roll No.: 35706/21

TU Registration Number: 7-2-916-12-2016

Shanker Dev Campus

Group: Finance

Kathmandu, Nepal

November, 2024

CERTIFICATION OF AUTHORSHIP

I hereby declare that I have researched and submitted the final draft of dissertation entitled “**Microfinance Practice and Women Empowerment in Kathmandu**”. The study is my own work and that to the best of my knowledge and belief, it contains no material previously published or written by another person nor it has been proposed and presented as part of requirements for any other academic purposes. The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

.....

Manisha Khanal

Shanker Dev Campus

REPORT OF RESEARCH COMMITTEE

Ms. Manisha Khanal has defended research proposal entitled "**Microfinance Practice and Women Empowerment in Kathmandu**" successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Joginder Goet and submit the thesis for evaluation and viva voce examination.

.....
Joginder Goet
Dissertation Supervisor

Dissertation Proposal Defended Date:

.....

Dissertation Submitted Date :

.....

.....
Asso. Prof. Dr. Sajeeb Kumar Shrestha
Head, Research Department

Dissertation Viva-voce Date:

.....

APPROVAL SHEET

We have examined the thesis entitled "**Microfinance Practice and Women Empowerment in Kathmandu**" presented by Ms. Manisha Khanal for the degree of Master of Business Studies. We hereby certify that the dissertation is acceptable for the award of degree.

.....
Joginder Goet
Dissertation Supervisor

.....
Internal Examiner

.....
Internal Expert

.....
External Expert

.....
Asso. Prof. Dr. Sajeeb Kumar Shrestha
Chairperson, Research Committee

.....
Joginder Goet
Acting Campus Chief

ACKNOWLEDGEMENTS

The research entitled “**Microfinance Practice and Women Empowerment in Kathmandu**” has been prepared under the Graduate Research Report as partial fulfillment of Master of Business Studies (MBS) under the program, faculty of management, Tribhuvan University. I express my sincere gratitude to all the authors and learned personalities, whose writings have been cited in this study. This project would not have been possible without the help and dedication of few people to whom I must extend my sincere gratitude.

I extend my deep sense of indebtedness to my supervisor, Joginder Goet, for his valuable guidance, insightful suggestions, and dedicated support throughout this research. His mentorship, assistance in topic selection, and advice during the research process have been instrumental in shaping this study. I also extend my gratitude to Shanker Dev Campus for providing a conducive learning environment and opportunities to apply theoretical knowledge in practical settings.

Additionally, I would like to express my heartfelt appreciation to my family members and friends for their support and encouragement, which motivated me to complete this report on time. Their encouragement uplifted my spirits during challenging times and their assistance in data collection was invaluable to the success of this research. Lastly, I extend my thanks to all the facilitators and the administration of Shanker Dev Campus for their support and cooperation throughout this journey. Their contributions have been essential to the completion of this research project.

Manisha Khanal

TABLE OF CONTENTS

<i>Certification of Authorship</i>	<i>i</i>
<i>Report of Research Committee</i>	<i>ii</i>
<i>Approval Sheet</i>	<i>iii</i>
<i>Acknowledgements</i>	<i>iv</i>
<i>Table of Contents</i>	<i>v</i>
<i>List of Tables</i>	<i>vii</i>
<i>List of Figures</i>	<i>viii</i>
<i>Abbreviations</i>	<i>ix</i>
<i>Abstracts</i>	<i>x</i>
CHAPTER I: INTRODUCTION.....	1
1.1 Background of the Study	1
1.2 Problem Statement	4
1.3 Objectives of the Study	5
1.4 Hypothesis of the Study	5
1.5 Rationale of the Study	6
1.6 Limitations of the Study	7
CHAPTER II: LITERATURE REVIEW.....	8
2.1 Conceptual Review	8
2.1.1 Microfinance.....	8
2.1.2 Women Empowerment	11
2.1.3 Microfinance and Women's Empowerment.....	13
2.2 Empirical Review	15
2.3 Research Gap	28
CHAPTER III: RESEARCH METHODOLOGY	29
3.1 Research Design.....	29
3.2 Population and Sampling	30
3.3 Nature and Sources of Data Collection	30
3.4 Sampling Design	30
3.5 Instrumentation of Data.....	30
3.6 Data Analysis Tools.....	30
3.7 Research Framework and Definition of Variables	31

CHAPTER IV: RESULTS AND DISCUSSION	34
4.1 Demographic Information	34
4.2 Descriptive Analysis.....	36
4.3 Correlation Analysis	44
4.4 Regression Analysis	45
4.5 Hypothesis Testing	48
4.6 Discussion	49
CHAPTER V: SUMMARY AND CONCLUSION	53
5.1 Summary	53
5.2 Conclusion.....	55
5.3 Implications.....	56
REFERENCES	58
APPENDICES	65

LIST OF TABLES

Table 1: Summary of Empirical Review.....	23
Table 2: Age of Respondent.....	34
Table 3: Education of Respondents.....	35
Table 4: Monthly Income of Respondents	35
Table 5: Marital Status of Respondents	36
Table 6: Descriptive Analysis of Financial Freedom.....	37
Table 7: Descriptive Analysis of Changing Lifestyle of Women Entrepreneur	38
Table 8: Descriptive Analysis of Socio-Economic Activities.....	39
Table 9: Descriptive Analysis of Effectiveness of Microfinance	41
Table 10: Descriptive Analysis of Women Empowerment.....	42
Table 11: Descriptive Analysis of Variables.....	43
Table 12: Correlation Analysis	44
Table 13: Model Summary.....	46
Table 14: ANOVA	46
Table 15: Regression Analysis	47
Table 16: Hypothesis Testing.....	48

LIST OF FIGURE

Figure 1: Research Framework.....	31
-----------------------------------	----

ABBREVIATIONS

ANOVA	Analysis of Variance
CLWE	Changing Lifestyle of Women Entrepreneur
EM	Effectiveness of Microfinance
FF	Financial Freedom
i.e.	That is
MBS	Master of Business Studies
MFI	Microfinance institutions
NGO	Non Government Organization
SEA	Socio-Economic Activities
SLC	School Leaving Certificate
SPSS	Statistical Package for Social Sciences
VIF	Variance Inflation Factor
WE	Women Empowerment

ABSTRACT

The study was conducted to examine the microfinance practice and women empowerment in Kathmandu with the objectives to examine the significant relationship between different microfinance practices with women empowerment and to analyze the microfinance practices that impact the women empowerment.

The study was based on descriptive and casual comparative research design. The population of this study was women who are actively engaged or willing to engage in microfinance services. Similarly, 400 women who actively engaged or willing to engage in microfinance was selected as sample for this study. The study was quantitative in nature. The study use primary source of data collection. The data was collected through a structured questionnaire. Convenient sampling technique was utilized to collect data from the respondents who are actively engaged or willing to engage in microfinance. Similarly, the collected data are extracted and subjected to analysis using statistical software like SPSS, enabling the researcher to examine relationships, trends, and patterns relevant to the study's objectives. For analysis, tools like descriptive statistics, correlation analysis and regression analysis was used. The independent variables of the study were financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance. And dependent variable was women empowerment.

The findings of the study showed that there is significant relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of microfinance and women empowerment. The correlation analysis showed there is significant relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment.

Key Words: *Financial Freedom, Changing Lifestyle of Women Entrepreneur, Effectiveness of Microfinance and Women Empowerment*

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Microfinance institutions' services are vital tools to create social and psychological facilities for clients, including improvements in self-confidence, enhancing education, health facilities, and leadership capabilities (Gnawali, 2018). Savings and loans offered by these institutions benefit low-income households without requiring collateral, as well as women who lack access to traditional banking services. The income generated by households through microfinance has had a substantial impact on economic development and has improved the lives of millions of people worldwide, particularly women in developing nations (Ayam et al., 2020).

Microfinance institutions play a crucial role in addressing the social and economic challenges faced by women (Al-Shami et al., 2016). They offer various resources such as savings opportunities, accessible credit, skill-oriented training, and access to healthcare. The primary aim of microfinance is to alleviate poverty and empower individuals, particularly women, through the provision of financial services such as micro credit, savings accounts, insurance, and training programs. Microfinance has emerged as an effective tool in providing a range of financial and non-financial services to under served populations in developing countries, thus playing a significant role in poverty reduction and bridging disparities. This innovative approach to finance caters specifically to the needs of the underprivileged segments of society, enabling self-employment opportunities for the unemployed poor, entrepreneurs, and farmers who struggle to access traditional credit due to limited collateral and low income levels (Raphael & Mrema, 2017).

The main purpose of microfinance is to help families and those with low incomes improve their living standards. Nowadays, microfinance is widely recognized worldwide as an effective tool for reducing poverty and enhancing the socio-economic situation of poor people. It focuses on different aspects of the socio-economic conditions of poor households. Many microfinance programs serve a large number of women, aiming to empower them. However, while micro credit plays a role, it's important to address social constraints as well (Rabindranathan, 2005).

Microfinance institutions serve as effective tools for offering essential services such as savings, accessible credit, and skill training (Mahfuz et al., 2017). They are significant agents of economic development aimed at benefiting women and individuals with lower incomes (Cicchiello et al., 2021). These institutions play a crucial role in various countries by addressing women's economic challenges, creating self-employment opportunities, and fostering the growth of businesses owned by women entrepreneurs. Women benefit from participating in microfinance programs, as it improves their economic status, enables them to exercise independence in managing finances, and enhances their leadership skills in business (Addai, 2017).

Empowerment is the ability to make strategic choices, which involves having power, options, and control in everyday matters. It encompasses self-esteem, independence, the capacity to act, and the ability to determine one's own fate and that of dependents (Malhotra et al., 2002). This concept highlights women's capability to possess and oversee material resources, unlock their potential, freely make decisions, shape their destiny, choose their movements, and have independence, all of which directly or indirectly impact their lives and those of their family members (Vaessen et al., 2014).

Microfinance is increasingly recognized as a potent means of empowering women and addressing poverty, as highlighted by recent research (Parwez & Patel, 2022). When women are empowered through initiatives like microfinance, they become more engaged in the workforce and decision-making processes, ultimately leading to a reduction in poverty (Mukendi & Manda, 2022). Additionally, empowered women make substantial contributions to national income, which ultimately fosters the overall growth and development of their nations.

In developing nations, women encounter various social, political, and economic challenges. These include inadequate access to education, limited control over resources, few financial options, domestic violence, low income, restricted decision-making abilities, lack of saving capabilities, unemployment, and reduced productivity compared to men (Patel, 2017).

Microfinance plays a crucial role in empowering women economically. This empowerment involves women gaining control over resources, access to credit, supporting family employment, and increasing household ownership of properties and assets. Social empowerment for women includes factors like freedom of movement, sending children to school, ending discrimination against daughters, and fostering commitment. However, men tend to be more effective in managing household income and preventing it from being used on harmful or ineffective projects (Addai, 2017). Money lending, in various forms, has been practiced historically in both developed and developing countries, with or without collateral. Its roots are particularly in Africa, Europe, and Asia, laying the foundation for modern microfinance institutions (Zainuddin et al., 2020).

Microfinance is anticipated to assist poor women in undertaking income-generating activities, thereby enhancing their economic status. Beyond just improving their income, it's increasingly recognized for its positive impact on women's empowerment. Theories suggest that microfinance empowers women by motivate them to earn their own income and financially contribute to their families, thereby gaining more influence within their households. Additionally, microfinance is viewed as a tool that allows women to lead more flexible lives, breaking free from household constraints and connecting with the broader community. Increased interaction with the outside world with the formation of networks with other women, is expected to further empower them. Microfinance holds promise for advancing women's empowerment and gender equality. By women's ability to generate income, microfinance programs have the potential to initiate a series of positive cycles, leading to economic empowerment, improved well-being for women and their families, and broader social and political empowerment (Mayoux, 2006). Women's economic participation is base to exercise women's right and helping them develop decision-making role over their household and influence in their community. Women's empowerment is creating equitable societies (Shaheen et al., 2013).

Microfinance institutions worldwide have shown innovation in creating products and services that overcome traditional obstacles to accessing formal financial services. These barriers include requirements like collateral, male or salaried guarantors, extensive documentation, cultural norms, limited mobility, and literacy constraints.

Despite these efforts, only a limited number of financial institutions extend services to women across various regions and countries. Empowerment, in this context, refers to gaining the ability to generate choices and negotiate power, while also developing a sense of self-worth and confidence in one's capacity to bring about desired changes (Adeleye et al., 2019). Microfinance empowerment has been enhanced for its support system to the poor population through services offered which includes loan facilities, training services among other services (Alam et al., 2003).

The aim of this study is to investigate the practice of microfinance and its impact on women's empowerment in Kathmandu. Through an examination of microfinance initiatives in the region, the study seeks to understand how various factors are implemented and their effectiveness in empowering women economically, socially, and politically. By analyzing the experiences and outcomes of women who participate in microfinance activities in Kathmandu, the study aims to provide insights into the role of microfinance in enhancing women's access to financial resources, promoting entrepreneurship, and implementing greater gender equality. Through research and analysis, this study helps to contribute valuable knowledge to the field of microfinance and women's empowerment, with potential implications for policy and practice in Kathmandu and beyond.

1.2 Problem Statement

Microfinance institutions (MFIs) play a vital role in empowering women in developing nations. However, it's important to note that people's reactions to microfinance and its success rates vary globally (Feigenberg et al., 2010). Women in these regions face serious challenges such as vulnerability to abuse, health issues and so on (Murshid et al., 2016). Before turning to MFIs, poor women often relied on informal loans, increasing their social vulnerability. Microfinance enables women to become more innovative and intellectual, helping them recognize and protect themselves from the misleading practices of informal financial sectors (Miled & Rejeb, 2015). Women trust microfinance as a motivator for economic growth and empowerment.

Microfinance seen as a way to empower women in poorer areas, faces many problems that stop it from working well and keep social and economic inequalities going. One

big problem is that lots of women can't easily get to microfinance services because of things like society rules, not knowing about them, or where they live. Also, the high interest rates microfinance groups charge can make things harder for women who borrow money, making them feel less safe about their money and making it harder for them to become empowered. Another issue is when women borrow money from many places and end up owing too much, which makes their money troubles even worse. Many women also don't know much about handling money, so they can be taken advantage of by dishonest lenders and struggle to manage their money well. And there are also strong traditions and ideas about gender roles that hold women back from joining in with making money or decisions about it. So, these problems make it tough for women to feel more independent and in control of their lives through microfinance. Fixing these issues means doing things to make sure microfinance is fair and helpful for everyone, teaching women more about managing money, and challenging old-fashioned ideas about what women can and can't do with money and power. From the problem that was rises in microfinance practices and women empowerment, some of the questions for the study was developed and it was presented as follows:

1. Is there any significant relationship between different microfinance practices with women empowerment?
2. What are the microfinance practices that impact the women empowerment?

1.3 Objectives of the Study

The main objectives of the study are as follows:

1. To examine the significant relationship between different microfinance practices with women empowerment.
2. To analyze the microfinance practices that impact the women empowerment.

1.4 Hypothesis of the Study

The hypothesis of the study are as follows:

- H1: There is significant relationship between financial freedom and women empowerment.
- H2: There is significant relationship between changing lifestyle of women entrepreneur and women empowerment.

H3: There is significant relationship between socio-economic activities and women empowerment.

H4: There is significant relationship between effectiveness of microfinance and women empowerment.

1.5 Rationale of the Study

The rationale of the study is to address the critical gaps and challenges existing in the field of microfinance practices and women empowerment.. The study aims to explore the relationship between microfinance initiatives and the empowerment of women in Kathmandu, Nepal. This research is important because it seeks to understand how microfinance programs impact women's ability to achieve greater autonomy and influence in their lives. By examining the experiences of women involved in microfinance activities in Kathmandu, the study intends to show the effectiveness of these initiatives in promoting women's empowerment within the local context. Additionally, this research seeks to identify any problem that women may face in accessing and benefiting from microfinance services, as well as the potential consequences of participation in these programs. Likewise, the findings of this study can inform policymakers and future researcher about the strengths and limitations of microfinance as a tool for advancing women's empowerment in Kathmandu and provide insights for the design of more effective and inclusive microfinance interventions in the future.

The study is helpful to enhance understanding of microfinance practices and women empowerment. MFIs can benefit from insights into the effectiveness of their current programs in empowering women and identify areas for improvement. They can use the findings to tailor their services to better meet the needs of women clients and enhance their impact on women's empowerment. Scholars and researchers interested in gender studies, development economics, and microfinance can use the findings of this study to advance theoretical understanding and contribute to the existing body of literature on women's empowerment and microfinance in Kathmandu.

1.6 Limitations of the Study

The limitations of the study are as follows:

- The study's reliance on data from women from Kathmandu Valley in Nepal could potentially limit the reliability of its findings, as the sample size may not adequately represent the entire microfinance sector.
- The study considered only four variables i.e. financial freedom, changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of microfinance where it could lead to an incomplete understanding within the microfinance industry.

CHAPTER II

LITERATURE REVIEW

This chapter provides detailed information about past research related to microfinance and women empowerment. It includes both conceptual and empirical reviews, examining into theoretical frameworks and practical findings from previous studies. Additionally, this chapter identifies research gaps, highlighting areas where further investigation is needed to enhance the understanding of the relationship between microfinance and women empowerment.

2.1 Conceptual Review

2.1.1 Microfinance

Microfinance refers to small interest-free loans for low-income and needy people who cannot access commercial banks. Microfinance provides small loans to low-income individuals who cannot access traditional banking services. These loans, along with savings, insurance, and other financial products, aim to support people with limited resources (Thorpe et al., 2016). However, to truly tackle poverty and uplift underserved communities, it's crucial to combine microfinance with additional services like marketing, training, and education (Taylor & Pereznieto, 2014). Programs that offer both financial and non-financial support, known as Micro-credit plus programs, are seen as effective means not only for economic and social growth but also for empowering women and improving their quality of life (Chopra & Muller, 2016). Access to credit is particularly significant for women's empowerment, as it opens up livelihood opportunities and enables them to fulfill economic and social roles within society.

Microfinance is an effective financial development tool in the economic credit market and its clients are deprived people who cannot gain access to conventional credit especially women. The objective of microfinance is to assist in alleviating poverty and empowering the borrowers, especially women, through micro credit. Micro-credit or micro-finance is banking the unbanked, bringing credit savings and other essential financial services within the reach of millions of people who are too poor to be served by regular banks, in most cases, because they are unable to rapidly participate in economic activity (Al-Shami et al., 2016).

Microfinance offers both financial and non-financial services to low-income individuals who seek funding to initiate or expand income-generating activities. These services include loans and savings accounts tailored to meet the needs of economically disadvantaged clients. Microfinance institutions consider the viability of the individual's ability to repay both the principal and interest, making their savings bankable. Initially, microfinance programs targeted both men and women, but they gradually became more focused on serving women. This shift occurred because these programs believed that poorer women were more reliable and timely borrowers compared to men and that women tended to allocate more of their business earnings towards their families' well-being (Boros & Murray, 2002).

Microfinance institutions offer a range of financial services aimed at reducing poverty and empowering their clients (Razzaq et al., 2019). It's a concept that enables low-income individuals to access financial services, thereby lifting themselves out of poverty (Ahlawat, 2016). These financial services typically include micro credit, micro savings, and micro insurance. Research indicates that microfinance has a positive impact on women's empowerment and poverty reduction (Al-Shami et al., 2016). Consequently, factors related to microfinance play a significant role in promoting women's empowerment.

Microfinance programs have long been central to efforts in alleviating poverty by fostering entrepreneurship among the poor (Khursheed et al., 2018). The overarching aim is to empower individuals by providing them with credit to pursue entrepreneurial ventures. However, microfinance often operates under the assumption that beneficiaries possess sufficient social and human capital, as well as other necessary assets, to expand their small-scale businesses. This assumption oversimplifies the challenges faced by poor women, as the growth of even a small business requires a myriad of competencies, knowledge, expertise, and abilities (Agyapong et al., 2011).

Moreover, microfinance encounters difficulties in targeting the right individuals among the poor (Diochon & Ghore, 2016). In practice, microfinance may inadvertently exclude the poorest segment of society from accessing loans, thereby failing to fulfill its role in reaching the most vulnerable applicants. Additionally, even those households benefiting from microfinance often lack the technical skills essential

for business success. While microfinance is recognized as a vital tool in poverty alleviation, its approach tends to focus solely on income-related aspects of poverty, disregarding other crucial dimensions such as health, security, and education (Bradley et al., 2012).

Microfinance holds the potential to empower women by providing them with the economic opportunities they need to take charge of their lives. Poverty reduction programs that prioritize women's empowerment yield benefits not only for women themselves but also for their families and communities as a whole. According to Cheston and Kuhn (2002), improvements in living conditions are generally observed when women have greater control over themselves and their children. This is because women are more inclined to allocate household income towards enhancing their children's nutrition, healthcare, and educational opportunities. Societies that discriminate against women ultimately suffer from increased poverty, slower economic growth, and a lower standard of living for their citizens. Gender equality is therefore essential in any development strategy, as supported by accumulating evidence. Microfinance plays a crucial role in modern development approaches by empowering women and granting them greater control over their economic well-being. As highlighted by Cole et al. (2007), owning a successful business not only enhances women's well-being but also directly and indirectly contributes to their empowerment.

Microfinance is recognized as a means to economically empower women by granting them access to funds they might otherwise struggle to obtain from traditional financial institutions (Lakwo, 2006). Women's empowerment is increasingly seen as integral to efforts aimed at poverty reduction. It is not only considered a development goal in itself but also a catalyst for fostering growth, reducing poverty, and enhancing governance. Microfinance lending programs are gaining praise for their positive economic impact and for fostering financial independence among rural and suburban women. The majority of microfinance initiatives target women specifically, with the aim of bolstering their financial self-sufficiency. By offering women access to small loans, it is anticipated that they will be able to generate income and initiate their own paths to economic empowerment. This approach is rooted in the understanding that

women often face barriers such as limited access to credit, restricted opportunities for wage work, and limited decision-making power within their households.

2.1.2 Women Empowerment

Kabeer (1999) defined empowerment as the process through which individuals acquire the ability to make important life choices that were previously unavailable to them. The understanding of empowerment includes three interconnected components: resources, agency, and achievements. The resource phase involves gaining access to both tangible and intangible resources, preceding the agency phase, which involves decision-making, negotiation, and advocacy. Ultimately, these processes lead to tangible outcomes or achievements.

Empowerment is described as a dynamic process that is challenging to quantify due to its susceptibility to social, political, and economic complexities (Schuler & Rottach, 2010). Moreover, what constitutes empowerment in one context may not hold true in another. Hennink et al. (2012) highlighted empowerment as a process occurring at individual, societal, and organizational levels, influenced by factors such as opportunity, agency, resources, and sustainability. Comprehensive measurements of empowerment encompass spiritual, economic, health, political, and social dimensions, all intricately linked. Afridi (2010) characterizes empowerment as the ability to independently make decisions and access and utilize resources. As evidenced in the literature, empowerment is recognized as a multidimensional concept, with women's empowerment being assessed across various dimensions (James-Hawkins et al., 2016).

Malhotra et al. (2002) highlights that while empowerment has been recognized as a key tool for development, institutions like the World Bank and development agencies have yet to introduce a standardized method for accurately measuring and analyzing changes in empowerment across different levels. Researchers define empowerment as a dynamic process that is difficult to quantify due to its multifaceted nature, as it is intertwined with social, economic, and political challenges (Schuler et al., 2010).

Hashemi and Schuler (1993) outlined six dimensions of empowerment, which were derived from activities identified by women as crucial for their daily lives. These

dimensions include having a sense of self and a vision for the future, mobility and visibility, economic security, decision-making authority within the household, participation in non-family groups, and the ability to effectively engage in public spheres. Tuladhar et al. (2013) developed a woman empowerment index tailored to the Nepalese context, which incorporated factors such as women's involvement in household decision-making, membership in community groups, income generation, ownership of property, and educational attainment. These studies reflect the diversity of perspectives on defining empowerment and its various dimensions, illustrating the multifaceted nature of the concept.

Women's empowerment include diverse and multifaceted processes, fundamentally challenging patriarchal norms and male dominance by redistributing power. Overcoming discrimination ingrained by patriarchal societies and poverty is essential in this endeavor. Various developmental strategies are employed for this purpose, with microfinance programs emerging as a popular tool for empowering women. Microfinance institutions (MFIs) benefit from a large client base of women at the grassroots level, enabling them to conduct various empowerment activities aimed at enhancing women's financial well-being (Samanta, 2009).

While both gender equity and women's empowerment aim to enhance women's status, they differ in their approaches. Gender equity typically involves external forces such as governments or institutions implementing policies to protect and promote women's rights (Malhotra et al., 2002). In contrast, empowerment stems from within the individual, as women recognize their rights and opportunities and are empowered to make strategic life choices that were previously denied to them (Kabeer, 2005). These strategic life choices encompass significant decisions such as marriage, choice of spouse, childbearing, education for children, and access to healthcare. However, it's crucial to note that these choices must be feasible and accessible, as societal norms and power dynamics may constrain women's agency, leading them to conform to traditional roles and suppress their own needs and desires (Garikipati, 2013).

Women make up half of the population in every country, yet their unemployment rates tend to be higher than men's across the globe. Hence, their active involvement in economic activities is crucial for fostering economic growth and nation-building

(Duflo, 2012). According to recent research by Sarumathi and Mohan (2011), societies that discriminate against women typically experience greater poverty, slower economic growth, weaker governance, and lower living standards for all citizens. Therefore, empowering women is essential as it is closely linked to economic development. However, this remains a global challenge, particularly in traditionally male-dominated societies, especially in developing nations, where women have historically been marginalized. Additionally, statistics indicate that women comprise approximately 70 percent of the world's poor (Khan & Noreen, 2012). Consequently, empowering women ranks among the top priorities of development agencies and governments worldwide. International aid donors, governments, policymakers, and development experts view microfinance or microcredit as a crucial strategic tool for women's empowerment, enabling their participation in the development process (Ali & Hatta, 2012).

2.1.3 Microfinance and Women's Empowerment

Over the past 45 years, microfinance has experienced significant growth, particularly following its success in Bangladesh in 1972, where it emerged as a vital strategy for enabling women to enter the workforce and combat poverty. Muhammad Yunus pioneered the first microfinance institution, providing loans and ancillary services to underserved individuals who lacked access to traditional banks (Pratley, 2016). Over the last three decades, microfinance has been widely recognized as an effective tool for poverty alleviation and promoting financial inclusion among the unbanked population. Presently, a majority of microfinance clients are women, with women constituting 92% of borrowers in South Asia, which represents one of the largest microfinance markets. Empowering women as recipients of credit has proven to be highly beneficial, as they can utilize the loans to generate income through profitable ventures and micro-enterprises, thereby enhancing their quality of life and social standing (Gram et al., 2019).

Economically poor women often face various forms of inequality within society. They are frequently treated as possessions and the honor of a household, leading to their control primarily by male guardians (Khan & Noreen, 2012). Haque and Yamao (2008) argued that microfinance services primarily benefit wealthier women with some level of income and assets, rather than reaching the poorest individuals.

Microfinance institutions (MFIs) offer a range of financial and non-financial services, particularly targeting women from both rural and urban areas. These services include credit, savings, leasing, money transfers, and insurance, with credit and savings being the most commonly utilized services by MFI beneficiaries.

In developing countries, microfinance companies play a significant role in promoting women's empowerment through economic and social development initiatives. Microfinance serves as a platform for addressing women's social inequalities and economic disparities. By providing services such as savings opportunities, accessible credit, skill-based training, and access to healthcare, microfinance endeavors to empower women. The primary objective of microfinance is to reduce poverty and empower its beneficiaries, particularly women, through a range of financial services including micro credit, savings, insurance, and training (Al-Shami et al., 2016).

The majority of customers served by microfinance institutions (MFIs) are female, constituting 92% of total borrowers in South Asia, which is the largest microfinance market globally (Khamar, 2016). While focusing on women as recipients of credit is now common practice, it was considered unconventional in the past century due to prevailing social and gender norms, particularly within patriarchal systems. In Bangladesh, the birthplace of microfinance, the 1980s witnessed mounting pressure from advocates of gender-focused development agendas and international donors to prioritize the financial inclusion of rural women. Advocates argued that women would benefit from access to credit by investing in income-generating activities, micro enterprises, and the long-term well-being of their households. Consequently, enhancing women's incomes should improve their unique role as caretakers of their households, influencing the health, nutrition, and education of other household members (Goetz & Gupta, 1996).

Women are the primary focus of microfinance programs, as these initiatives provide credit to impoverished women, fostering their economic growth and contributing to gender equality, improved status within the family, enhanced health, and increased educational opportunities (Kabeer, 2001). Additionally, microfinance programs consider women to be reliable borrowers with a higher likelihood of loan repayment compared to men (Hashemi et al., 1996). Conversely, men tend to allocate funds to

riskier business ventures or personal consumption, such as tobacco, gambling, or alcohol. However, there are a significant portion of women's loans may be invested in business activities by male relatives, yet women borrowers are held responsible for loan repayment. Recent literature primarily focuses on evaluating microfinance programs in terms of borrowers' well-being and the empowerment of women (Rai & Ravi, 2011).

Microfinance has emerged as a powerful tool for poverty alleviation in many countries around the world. It encompasses various banking techniques aimed at providing small loans and accepting small deposits for a nominal fee (Cheston & Kuhn, 2002). Additionally, microfinance is characterized by the provision of small loans under social collateral, group liability, peer monitoring, and prompt repayments to mitigate costs and default risks (Babajide et al., 2022). Particularly, impoverished individuals, especially women, have significantly benefited from microfinance in recent years, garnering global attention as a strategy for poverty reduction and women's economic empowerment. As women often face greater levels of poverty and disadvantage compared to men, targeting them for microfinance interventions is crucial. By providing access to loan facilities and other services, microfinance institutions facilitate business development within communities, thus contributing to overall economic growth and the gross domestic product. The empowerment facilitated by microfinance institutions through their support systems, including loan facilities and training services, has proven instrumental in uplifting the socio-economic status of the poor population (Alam et al., 2003).

2.2 Empirical Review

Chandrathilaka et al. (2023) investigated the impact of microfinance services on the empowerment of women entrepreneurs in Sri Lanka, specifically in the Kurunegala District. Four variables microfinance credit, savings, training, and collateral requirements are examined for their influence on women's empowerment. Conducted through the Poverty Alleviation Program of Sanasa Development Bank, the research sampled 60 women using convenience sampling. Data was collected via a structured questionnaire containing both open and closed-ended questions. Statistical analysis using SPSS included demographic analysis, paired sample t-tests, correlation, and regression analysis. Results revealed a positive economic empowerment change,

measured by members' income post-joining the microfinance scheme. Savings emerged as the primary factor significantly impacting income, with training and collateral requirements also positively correlated with income. In conclusion, microfinance emerges as a proactive rural development approach facilitating social and economic upliftment.

Gubhaju (2023) examined with the primary objective of this study is to analyze the impact of microfinance on women's empowerment in Rautahat district. Women empowerment are measured by income & savings, ownership of assets, decision making, and mobility. This study used primary data collected through a questionnaire administered to 209 women participating in a microfinance program in Rautahat District. Convenience sampling was employed, and responses were measured on a five-point Likert scale. Descriptive, correlational, and regression techniques were utilized for data analysis using the Statistical Package for Social Science (SPSS). The findings indicate that microcredit plays a significant role in empowering women across social and economic dimensions. Moreover, the provision of various services, including micro saving, microcredit, training, and awareness programs through microfinance institutions, contributes to the comprehensive development of women involved in microfinance. The findings indicate that the women involved in microfinance programs experience a noticeable increase in their income levels and savings. Moreover, they exhibit higher ownership of assets, active involvement in household financial decision-making, and enhanced confidence in their mobility, compared to non-participants. The research has found that the microfinance has brought significant impact on empowerment of women. The research has found that the microfinance has brought significant impact on empowerment of women. Based on these findings, microfinance emerges as a vital tool for poverty reduction and driving social change, which are key factors in promoting women's empowerment. The study highlight the significant role of self-help group microfinance empowering women.

Mengesha and Mishra (2023) analyzed with main aim to analyze the effect of microfinance institutions on women's empowerment in Wolaita Zone, southern Ethiopia. The data for this study was collected from 399 households, primarily women, across five branches or districts of microfinance institutions. Descriptive

statistics and binary logistic regression were employed to analyze the impact of microfinance institutions on women's empowerment. The study revealed a significantly positive effect of microfinance institutions on various indicators of women's empowerment, including income, savings, consumption, living standards, access to medical facilities, decision-making power, political participation, and reduction of domestic violence. However, there was no significant impact observed on education or women's freedom of movement. These findings suggest that microfinance programs play a crucial role in improving the socio-economic status and well-being of women. The implications of this research highlight the importance for stakeholders, donors, and governments to take action in promoting women's awareness, addressing their financial challenges, and designing appropriate policies. By aligning development programs with the needs and priorities of women, policymakers can contribute to enhancing gender equality and socio-economic development. Overall, the findings of this study provide valuable insights for stakeholders and policymakers to support and empower women through microfinance interventions.

Mengstie (2022) indicated with the main objective of this study is to investigate the impact of microfinance on women's economic empowerment. Data were collected from a questionnaire administered to a sample of 346 women who are clients of microfinance institutions. Multiple regression analysis and paired sampled t-test techniques were utilized for data analysis. The results of the multiple linear regression analysis revealed that factors such as age, marital status, education level, credit amount, and number of training sessions significantly influence women's economic empowerment. However, previous business experience did not show a significant impact on women's economic empowerment. Furthermore, the paired sampled t-test results indicated a significant mean difference before and after microfinance service in terms of income, assets, and savings. Microfinance was found to have a significant positive effect on women's economic empowerment by enhancing their independent income, increasing their asset possession levels, and improving their monthly savings. Moreover, the study demonstrated that microfinance contributes positively to women's entrepreneurship development and business exposure.

Akter et al. (2021) carried out the study correlating women empowerment with micro finance in a small village in Bangladesh by using statistical methodology. This study aimed to examine the relationship between women's empowerment and microfinance in a small village in Bangladesh using statistical methodology. The research involved a total of 220 respondents, with 100 having previous experience with microcredit programs and 120 having no prior experience. Data was collected through face-to-face interviews and personal meetings using a comprehensive approach. The study evaluated women's empowerment based on five indicators: financial decision-making, household dynamics, freedom of movement, property ownership, and political and social awareness. The findings indicated that microcredit programs had a positive impact on women's empowerment across various dimensions.

Ali et al. (2021) investigated the impact of microfinance on women's empowerment in Djibouti. Using data from 692 households across six major centers in Djibouti, it create a new measure of women's empowerment covering economic, social, and interpersonal dimensions. It explore how access to microfinance, loan amounts, and loan durations affect women's status within their households. Employing instrumental variables estimations and various econometric techniques for robustness, it find a significant positive relationship between micro credit and women's empowerment. Households with access to loans from Microfinance Institutions (MFIs) are notably more likely to experience economic, social, and interpersonal empowerment. Additionally, the impact of access to microfinance and the number of loans obtained is significant. However, the study also reveals that women who take out four or more loans from microfinance institutions are less likely to experience economic, social, and interpersonal empowerment. Overall, the findings support the generally positive socioeconomic effects of microfinance programs.

Asad et al. (2020) examined with main aim of the study was to investigate the impact of microfinance institutions on women's empowerment in Southern Punjab, Pakistan. To achieve this objective, a cross-sectional research design was employed, and data were collected through surveys conducted among female clients of microfinance institutions. The study findings revealed that microfinance institutions play a crucial role in enhancing women's empowerment. Specifically, services offered by microfinance institutions such as micro-credit, micro-saving, and micro-insurance

were found to have a significant positive relationship with women's empowerment. However, it was observed that vulnerability can decrease the positive effect of micro-credit on women's empowerment. These findings hold importance for microfinance institutions, the State Bank of Pakistan, and the government of Pakistan in formulating strategies to enhance women's empowerment. Overall, the study emphasizes the valuable contribution of microfinance institutions in promoting women's empowerment in Southern Punjab, Pakistan.

Guvaju and Sherpa (2020) determined with the purpose of this study was to examine the impact of women entrepreneurs on lifestyle changes, socio-economic activities, and the effectiveness of microfinance in improving women's living standards. The results highlighted the highest and lowest means among the variables, along with correlation analysis to identify positive and negative correlations. Correlation was assessed between changing lifestyle of women entrepreneurs, socio-economic activities, microfinance effectiveness as independent variables, and women empowerment as the dependent variable. Multiple regression analysis was employed to assess the relationship between independent and dependent variables. The corresponding p-value is less than alpha 0.05 in between the changing lifestyle of women entrepreneur and women empowerment. The results shows significant relationship between changing lifestyle of women entrepreneur and women empowerment which shows there is contribution of the women entrepreneurs in change the life style of the women. The corresponding p-value is less than alpha 0.05 in between the socio- economic activities and women empowerment and there is significant relationship and it is found that the socio-economic activities are performed well. The corresponding p-value is greater than alpha 0.05 in between the effectiveness of microfinance and women empowerment and there is no significant relationship. The result shows there is no effectiveness of microfinance. In conclusion, the researcher acknowledged the study's limitations and provided recommendations for future research and for microfinance institutions.

Jain (2020) studied the impact of microfinance services on the empowerment of women in the eastern region of Nepal. A purposive sampling method was utilized, and responses were collected from 97 women through structured questionnaires. These women had been using microfinance services independently for at least three years.

The results indicate that the utilization of microfinance services, including credit and savings, contributes to women's empowerment. Access to financial services and satisfaction with loan repayment terms did not significantly affect women's empowerment. However, the saving service was found to be significantly associated with women's involvement in household decision-making, particularly major decisions, and ensuring basic household needs. Moreover, microfinance services were observed to contribute to women's socio-economic empowerment and positively impact their children's education.

Duwal (2019) studied the impact of microfinance programmes on information and political empowerment of participants located in Dhulikkhel Municipality. In the study, 60 women members were selected using judgmental sampling. Both descriptive and explanatory research designs were employed to achieve the study objectives. The findings suggest that microfinance institutions (MFIs) primarily emphasize saving and lending practices but overlook the importance of providing effective training and insurance services. While microfinance programs contribute to perceived political empowerment among members, their impact on information empowerment is only moderate. Additionally, there is a significant relationship between microfinance services and women's information empowerment, but not with political empowerment. The marital status and source of income of respondents only showed a difference in political empowerment. To enhance political empowerment, MFIs should conduct information-sharing activities, provide training for income generation, and promote social mobilization. As grassroots-level institutions, MFIs should also focus on building the capacity of women for leadership roles in politics.

Niaz and Iqbal (2019) investigated the impact of microfinance on women's empowerment and poverty alleviation in Pakistan, building on existing empirical research conducted in various regions worldwide. The study employs robust empirical methodologies, including ordinary least squares and propensity score matching, and utilizes a larger cross-sectional dataset comprising 670 respondents. A multidimensional poverty index was developed based on respondents' values to assess their levels of multidimensional poverty. The results indicate that exposure to microfinance has a positive influence on women's empowerment, poverty alleviation, and social status by increasing their income levels. Consequently, the study concludes

that microfinance and Microfinance Institutions (MFIs) serve as effective mechanisms for achieving the sustainable development goals in Pakistan.

Elgali et al. (2016) investigated with the aim to assess the impact of microfinance on women's empowerment in Gezira State, using the Family Bank's Wad Medani Branch as a case study. A sample of 117 women who are clients of the bank was randomly selected for data collection. Descriptive statistics were initially used to analyze the characteristics of the women under study. The impact of microfinance on women's empowerment was then examined through a cross-sectional impact methodology, comparing microfinance borrowers to soon-to-be borrowers, with the difference attributed to microfinance acquisition. An econometric analysis was conducted on questionnaire data to further explore the impact. The results confirm that microfinance has a significant positive effect on women's empowerment. Additionally, variables such as women's social status, education level, and number of children in the household were found to positively influence the level of women's empowerment in the study area. Overall, the study highlights the potential for empowerment through microfinance programs and recommends improvements in various aspects related to the provision of microfinance by financial institutions. This includes enhancing arrangements and services to better support women's empowerment in Gezira State.

Modi et al. (2014) aimed to analyze the impact of microfinance services on empowering rural women in the North Gujarat Region of Gujarat state. It seeks insights into the factors influencing rural women's empowerment through microfinance services and the extent of their influence. The study surveyed 205 respondents out of 248 questionnaires, resulting in a response rate of 82.66%. Structured questionnaires were used, employing a non-probabilistic convenience sampling technique. After assessing the reliability of scales, correlation and multiple regressions were conducted using SPSS version 16 to test hypotheses. The results indicate that four out of five factors (socio-economic status upgradation, autonomy for life choices, women's position in the family/society, and positive approach towards child development) significantly impact rural women's empowerment. The study's limitation lies in its focus solely on rural women, limiting the generalizability of the findings. However, the findings are valuable for microfinance institutions, government, and NGOs in formulating policies to empower rural women socially and

economically. The study contributes by providing insights for microfinance institutions to enhance and broaden their support for rural women in poverty.

Malathi and Vijayarani (2012) explored with the primary aim of microfinance programs is to empower women, recognizing them as a vulnerable group. Investing in women has been identified as crucial for empowerment and contributes to overall economic growth and development. The relationship between microfinance and women's empowerment in rural areas of the Cuddalore district in Tamil Nadu, India was analyzed. They analyzed data from a sample size of 100 using chi-square and t-tests. The study found that microfinance plays a significant role in empowering women, particularly in terms of their economic status and education. It suggests that enhancing women's resources positively impacts family well-being. However, the impact of microfinance on women's empowerment has yielded mixed results in existing research.

Parvin et al. (2005) conducted research in Dumuria thana (sub-district) of Khulna district, analyzing 80 samples of micro credit to explore women's empowerment. The study focused on three empowerment indicators: participation in household decision-making, control over income, and access to assets. The findings revealed that women's participation in decision-making regarding children's education and marriage-related matters remained relatively unchanged before and after joining the microcredit program. However, participation in the program significantly increased women's earnings, enhancing their ability to voice opinions and make decisions independently for meeting personal needs, purchasing household assets, accessing healthcare, and recreational facilities. Despite these gains, the study highlighted that women did not have full control over their personal earnings. Moreover, concerning access to assets, the research found no significant improvement in women's empowerment levels.

Table 1*Summary of Empirical Review*

Authors	Variables	Methodology	Findings and Conclusion
Chandrathilaka et al. (2023)	Microfinance credit, savings, training, and collateral requirements	Descriptive research design	Results revealed a positive economic empowerment change, measured by members' income post-joining the microfinance scheme. Savings emerged as the primary factor significantly impacting income, with training and collateral requirements also positively correlated with income.
Gubhaju (2023)	Income savings, ownership of assets, decision making, and mobility.	& Descriptive and casual of comparative research design	The findings indicate that the women involved in microfinance programs experience a noticeable increase in their income levels and savings. Moreover, they exhibit higher ownership of assets, active involvement in household financial decision-making, and enhanced confidence in their mobility, compared to non-participants. The research has found that the microfinance has brought significant impact on empowerment of women.
Mengesha and Mishra (2023)	Income, savings, consumption, living standards, access to medical facilities, decision-making power, political participation, and reduction of domestic violence	Descriptive statistics	The study revealed a significantly positive effect of microfinance institutions on various indicators of women's empowerment, including income, savings, consumption, living standards, access to medical facilities, decision-making power, political participation, and reduction of domestic violence. However, there was no significant impact observed on education or women's freedom of movement.
Mengstie (2022)	Age, marital status, education level, credit	Descriptive research design	The results of the multiple linear regression analysis revealed that factors such as age, marital status, education level, credit amount, and number of training sessions

	amount, number of training sessions and previous business experience		significantly influence women's economic empowerment. However, previous business experience did not show a significant impact on women's economic empowerment.
Akter et al. (2021)	Financial decision-making, household dynamics, freedom of movement, property ownership, and political and social awareness	Descriptive research design	The findings indicated that financial decision-making, household dynamics, freedom of movement, property ownership, and political and social awareness had a positive impact on women's empowerment across various dimensions.
Ali et al. (2021)	Micro credit, access to microfinance and the number of loans	Descriptive research design	Employing instrumental variables estimations and various econometric techniques for robustness, it find a significant positive relationship between micro credit and women's empowerment. Additionally, the impact of access to microfinance and the number of loans obtained is significant.
Asad et al. (2020)	Micro-credit, micro-saving, and micro-insurance	Cross-sectional research design	The study findings revealed that microfinance institutions play a crucial role in enhancing women's empowerment. Specifically, services offered by microfinance institutions such as micro-credit, micro-saving, and micro-insurance were found to have a significant positive relationship with women's empowerment.
Guvaju and Sherpa (2020)	Changing lifestyle of women entrepreneurs, socio-economic activities, microfinance	Descriptive research design	The results shows significant relationship between changing lifestyle of women entrepreneur and socio-economic activities and women empowerment which shows there is contribution of the women entrepreneurs in change the life style of the women. The result shows there is no effectiveness of microfinance and women

	effectiveness		entrepreneurs.
Jain (2020)	Credit and Descriptive savings, and access to explanatory financial research services and designs satisfaction with loan repayment terms		The results indicate that the utilization of microfinance services, including credit and savings, contributes to women's empowerment. Access to financial services and satisfaction with loan repayment terms did not significantly affect women's empowerment. However, the saving service was found to be significantly associated with women's involvement in household decision-making, particularly decisions and ensuring basic household needs.
Duwal (2019)	Information and political empowerment and Descriptive and explanatory research designs		The findings suggest that microfinance institutions (MFIs) primarily emphasize saving and lending practices but overlook the importance of providing effective training and insurance services. While microfinance programs contribute to perceived political empowerment among members, their impact on information empowerment is only moderate. Additionally, there is a significant relationship between microfinance services and women's information empowerment, but not with political empowerment.
Niaz and Iqbal (2019)	women's empowerment, poverty alleviation, and social status	Cross-sectional methodology	The results indicate that exposure to microfinance has a positive influence on women's empowerment, poverty alleviation, and social status by increasing their income levels. Consequently, the study concludes that microfinance and Microfinance Institutions (MFIs) serve as effective mechanisms for achieving the sustainable development goals in Pakistan.
Elgali et al. (2016)	Women's social status, education level, and number of children in the household	Cross-sectional impact methodology	Variables such as women's social status, education level, and number of children in the household were found to positively influence the level of women's empowerment in the study area. Overall, the study highlights the potential for empowerment through microfinance programs and recommends improvements

Modi et al. (2014)	Socio-economic status upgradation, autonomy for life choices, women's position in the family /society, and positive approach towards child development	Descriptive research	in various aspects related to the provision of microfinance by financial institutions. The results indicate that four out of five factors (socio-economic status upgradation, autonomy for life choices, women's position in the family/society, and positive approach towards child development) significantly impact rural women's empowerment.
Malathi and Vijayarani (2012)	Family well-being, economic status and education	Casual comparative research	The study found that microfinance plays a significant role in empowering women, particularly in terms of their economic status and education. It suggests that enhancing women's resources positively impacts family well-being. However, the impact of microfinance on women's empowerment has yielded mixed results in existing research.
Parvin et al. (2005)	Household decision-making, control over income, and access to assets	Descriptive research design	The findings revealed that women's participation in decision-making regarding children's education and marriage-related matters remained relatively unchanged before and after joining the microcredit program. However, participation in the program significantly increased women's earnings, enhancing their ability to voice opinions and make decisions independently for meeting personal needs. Moreover, concerning access to assets, the research found no significant improvement in women's empowerment levels.

2.3 Research Gap

This study was based on the microfinance practices and women empowerment in Kathmandu. There are many study based on the microfinance practices and women

empowerment in international context. One of the study was Modi et al. (2014) who conducted this study on impact of microfinance services on rural women empowerment which was based on Gujarat, India. This study was conducted socio-economic status upgradation, autonomy for life choices, women position in the family/society and positive approach towards child development can significantly influence the lives of rural women. Traditionally, rural women's role was to provide support to their husband and family which show the suppression of women in rural household. The results of this study states that microfinance has improved their economic condition and enhanced their ability to contribute in their family's decision making.

Despite the growing literature on microfinance practice and women empowerment in various contexts, there remains a significant research gap in understanding the specific dynamics and effectiveness of microfinance practices targeting women in Kathmandu, Nepal. While there are evidence of the positive impact of microfinance on women's empowerment in other regions, the unique socio-cultural and economic context of Kathmandu requires investigation. Currently, there is a lack of studies focusing specifically on how microfinance practices are experienced by women in Kathmandu, and their resulting effects on empowerment. Moreover, there are very few research often overlooks the challenges and opportunities faced by women in urban settings like Kathmandu, where access to financial services, gender norms, and employment opportunities may differ significantly from rural areas. Thus, there is a need for research that need to make deeper understanding into the urban microfinance practices by women, exploring how factors such as financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance influence to shape women's empowerment. Addressing these research gaps would not only contribute to academic purpose but also offer practical implications for policymakers, microfinance institutions and so on who are seeking to make more effective in Kathmandu and similar urban contexts.

CHAPTER III

RESEARCH METHODOLOGY

This chapter outlines the methodology used in the research. It includes details on the research design, population and sampling, nature and source of data collection, sampling technique used, instrumentation of data and data analysis tools. This comprehensive approach helps to provide clarity on how data was collected and analyzed in the study. It also includes the conceptual framework of the study which presents the independent and dependent variable and also definition of variables were mentioned.

3.1 Research Design

The study was based on descriptive and causal comparative research design. This approach involves systematically collecting and evaluating past evidence related to microfinance practices and women empowerment in Nepal. Descriptive research design is a scientific method which involves observing and describing the behavior of a subject without influencing it in any way. Descriptive research is defined as a methodological approach used in scientific inquiry to systematically describe characteristics, behaviors, or phenomena. It focuses more on the “what” of the research subject than the “why” of the research subject. More specifically, it helps answer the what, when, where, and how questions regarding the research problem, rather than the why. By observing and describing these behaviors without influencing them, the research seeks to provide a comprehensive understanding of how microfinance practices influence women empowerment in Kathmandu. Causal comparative research design aims to establish causal relationships between variables by observing them after they have naturally occurred. Unlike experimental designs where variables are manipulated, causal comparative research examines the effects of independent variables on dependent variables without any direct manipulation by the researcher. In this study which examines the impact of microfinance practices on women's empowerment in Kathmandu, a causal comparative research design involves comparing factors of microfinance practices with women empowerment. The researcher would then analyze any differences in their levels of empowerment to determine the potential causal relationship between microfinance practices and women empowerment outcomes.

3.2 Population and Sampling

The population of this study was women who are actively engaged or willing to engage in microfinance services. Similarly, 400 women who actively engaged or willing to engage in microfinance was selected as sample for this study. The data of sample was taken to study the microfinance practices and women empowerment.

3.3 Nature and Sources of Data Collection

The study was quantitative in nature. The study use primary source of data collection. The data was collected through a structured questionnaire. A primary source of data is original information collected firsthand from sources such as observations, experiments, surveys, interviews, or documents created at the time of the event being studied.

3.4 Sampling Design

Convenient sampling technique was utilized to collect data from the respondents who are actively engaged or willing to engage in microfinance. Convenient sampling involves selecting data sources that are easily accessible and readily available. Convenience sampling is a non-probability sampling technique where subjects are selected based on their easy availability and accessibility to the researcher, rather than through random selection.

3.5 Instrumentation of Data

A research instrument serves as a tool to collect, measure, and analyze data relevant to the study's subject matter. In the context of this study, which relies on primary data, the research instrument involves accessing and extracting data from a structured questionnaire. Specifically, data on variables such as financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment are collected from the women who are actively engaged or willing to engage in microfinance. These data points are then recorded and organized in Microsoft Excel for further analysis. Similarly, the collected data are extracted and subjected to analysis using statistical software like SPSS, enabling the researcher to examine relationships, trends, and patterns relevant to the study's objectives.

3.6 Data Analysis Tools

Data obtained from the study was analyzed according to the relativity with the study subject. For analysis, through SPSS 20 software, tools like descriptive statistics, correlation analysis and regression analysis was used. The study adopted multiple regression model to analyze the results of this study by determining the relation of one dependent variable to multiple independent variables. The major dependent indicators was women empowerment. The first step entails conducting descriptive analysis using data collected from questionnaire. This analysis focus on variables such as financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment. Descriptive statistics provide insights into the characteristics, trends, and distributions of these variables. Following descriptive analysis, correlation analysis was performed to examine the relationships between independent variables financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and the dependent variable women empowerment. Correlation analysis help identify any significant relationship or correlations between these variables. Finally, regression analysis was conducted to determine the impact of financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance on women empowerment. Regression analysis allows for the estimation of the strength and direction of the relationships between independent and dependent variables, providing insights into the extent to which microfinance practices influence women empowerment. The regression equation of the study was developed:

$$WE = \beta_0 + \beta_1 FF + \beta_2 CLWE + \beta_3 SEA + \beta_4 EM + i$$

Where,

WE = Women Empowerment (Dependent Variable)

FF = Financial Freedom

CLWE = Changing Lifestyle of Women Entrepreneur

SEA = Socio-Economic Activities

EM = Effectiveness of Microfinance

B₀ = Constant

β_1 to β_4 , = The slope represents regression coefficient which indicate the degree with which women empowerment changes as the independent variable changes by one unit variable.

i = error term

3.7 Research Framework and Definition of Variables

The conceptual framework shows the dependent and independent variables of the study. The independent variables were financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance. And dependent variable was women empowerment.

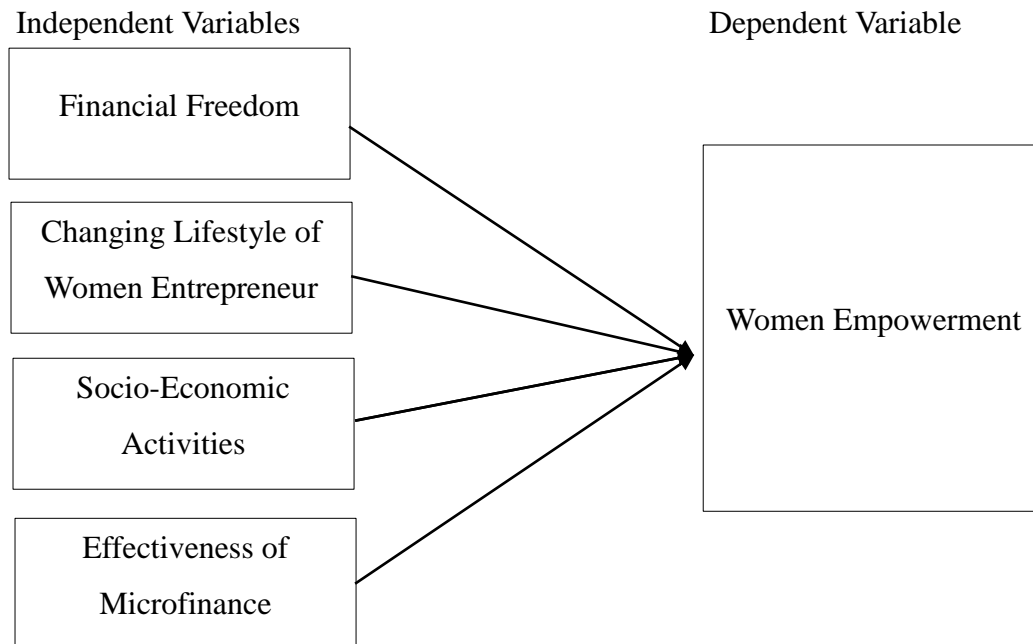


Figure 1

Conceptual Framework

Source: (Modi et al., 2014; Guvaju & Sherpa, 2020)

Definition of Variables

Women Empowerment

Women empowerment refers to the process of enhancing the abilities, resources, and opportunities available to women, enabling them to have greater control over their lives, make informed choices, and participate actively in socio-economic and political fields. In the context of microfinance, women empowerment often involves providing access to financial services, education, training, and support networks, enabling women to become economically independent, state their rights, and contribute to their communities' development.

Financial Freedom

Financial freedom for women entails having control over their financial resources and decision-making processes. It means having the ability to earn, save, invest, and manage money independently, without relying entirely on others for financial support. Microfinance plays a crucial role in promoting financial freedom among women by providing access to credit, savings, and other financial services, empowering them to pursue entrepreneurial ventures, improve their economic well-being, and achieve financial stability.

Changing Lifestyle of Women Entrepreneur

The changing lifestyle of women entrepreneurs refers to the transformation in the way women lead their lives and conduct business activities as a result of their participation in entrepreneurship. Through microfinance support, women entrepreneurs gain the confidence, skills, and resources to start and grow businesses, leading to improvements in their living standards, social status, and overall quality of life. This may involve changes in their daily routines, work-life balance, and engagement in community and family affairs.

Socio-Economic Activities

Socio-economic activities include the various economic and social efforts undertaken by individuals and communities to improve their livelihoods and well-being. In the context of microfinance and women empowerment, socio-economic activities may include income-generating projects, savings groups, professional training programs, and community development initiatives led by women. These activities aim to address poverty, promote economic self-sufficiency, and encourage social bonding and empowerment among women and their communities.

Effectiveness of Microfinance

The effectiveness of microfinance refers to its ability to achieve its intended goals and outcomes, such as poverty reduction, women empowerment, and financial inclusion. It involves assessing the impact of microfinance interventions on the economic, social, and psychological well-being of individuals and communities, particularly women. This includes evaluating factors such as access to financial services, income generation, savings behavior, entrepreneurial success, and changes in socio-economic

indicators over time. Evaluating the effectiveness of microfinance helps identify strengths, weaknesses, and areas for improvement in microfinance programs and policies, ensuring they are adapted to meet the needs and priorities of women and other groups.

CHAPTER IV

RESULTS AND DISCUSSION

This chapter presents, examines, interprets and discusses the findings of the study. The main data was gathered through a questionnaire, and then analyzed using a tool called SPSS. It includes detailed information about the people who responded to the questionnaire. Similarly, descriptive, correlation and regression analysis of the dependent and independent variables. And the final part is the discussion of results obtained from analysis.

4.1 Demographic Information

Demographic information contain the general information of the respondent. It include age, education, monthly income and marital status of the respondents. 400 respondent provided information. It shows the frequency and percentage of the data that were collected from primary source.

Age

Table 2

Age of Respondent

Age	Frequency	Percentage
30 or less	151	37.8
31-40	124	31.0
41-50	73	18.3
Above 50	52	13.0
Total	400	100

Table 2 shows the age of respondents. It was categorized into four groups i.e. 30 or less, 31-40, 41-50 and Above 50. Out of 400 respondents the highest number of respondents were from 30 or less age group with 151 respondents. Similarly, 31-40 age group with 124 respondents, 41-50 age group with 73 respondents and above 50 age group with 52 respondents.

Education

Table 3

Education of Respondents

Education	Frequency	Percentage
SLC or Below	66	16.5
Intermediate level	84	21.0
Bachelor level	127	31.8
Masters or Above	123	30.8
Total	400	100

Table 3 display the highest level of education of respondents. It was categorized into four groups i.e. SLC or below, intermediate level, bachelor level and masters or above. Out of 400 respondents the highest number of respondents i.e. 127 respondents education was bachelor level. Similarly 66 respondents highest level of education was SLC or below, 84 respondents highest level of education was intermediate level and 123 respondents highest level of education was masters or above.

Monthly Income

Table 4

Monthly Income of Respondents

Monthly Income	Frequency	Percentage
Less than 20,000	104	26.0
20,001-30,000	156	39.0
30,001-40,000	45	11.2
More than 40,000	95	23.8
Total	400	100

Table 4 presents monthly income of respondents. It was categorized into four groups i.e. Less than 20,000, 20,001-30,000, 30,001-40,000 and more than 40,000. Out of 400 respondents the highest number of respondents i.e. 156 monthly income was 20,001 to 30,000. Similarly, 104 respondents monthly income was less than 20,000,

45 respondents monthly income was 30,001-40,000 and 95 respondents monthly income was more than 40,000.

Marital Status

Table 5

Marital Status of Respondents

Marital Status	Frequency	Percentage
Married	246	61.5
Unmarried	154	38.5
Total	400	100

Table 5 shows the marital status of respondents. It was categorized into two groups i.e. married and unmarried. Out of 400 respondents the highest number of respondents i.e. 246 were married and 154 respondents were unmarried.

4.2 Descriptive Analysis

Descriptive analysis presents the mean and standard deviation of independent and dependent variables. The variables of the study are financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment.

Financial Freedom

Table 6

Descriptive Analysis of Financial Freedom

Particulars	Maximum	Minimum	Mean	Standard Deviation
I feel that accessing microfinance services has improved my financial decision-making capabilities.	1	5	4.14	1.143
I believe that I am more financially empowered after utilizing microfinance services.	1	5	4.17	1.089
I have personally observed positive changes in my financial situation since accessing microfinance services.	1	5	4.22	1.092
In comparison to before accessing microfinance, I feel more financially empowered now.	1	5	4.28	.977

Table 6 shows the descriptive analysis of financial freedom. 400 responded to the four questions related with financial freedom. The responses of the questions based on likert scale. Likert scale question was developed as rating from 1 to 5 where 1 as strongly disagree, 2 as disagree, 3 as neutral, 4 as agree and 5 as strongly agree. The item in comparison to before accessing microfinance, I feel more financially empowered now shows highest mean value of 4.28 which indicates that respondents agree with the item. Similarly, I feel that accessing microfinance services has improved my financial decision-making capabilities shows mean value of 4.14 which also indicates that respondents agree with the item. Likewise, I believe that I am more financially empowered after utilizing microfinance services shows mean value of 4.17 which also indicates that respondents agree with the item. Additionally, I have personally observed positive changes in my financial situation since accessing microfinance services shows mean value of 4.22 which also indicates that respondents agree with the item.

The standard deviation shows the consistency of the data. The item in comparison to before accessing microfinance, I feel more financially empowered now shows lowest standard deviation of 0.977 which indicate that the item data is more consistent than data of other items of financial freedom. Whereas, the item I feel that accessing microfinance services has improved my financial decision-making capabilities shows highest standard deviation of 1.143 which indicate that the data of the item is less consistent than the data of other items of financial freedom.

Changing Lifestyle of Women Entrepreneur

Table 7

Descriptive Analysis of Changing Lifestyle of Women Entrepreneur

Particulars	Maximum	Minimum	Mean	Standard Deviation
I can see that microfinance support has a positive impact on my lifestyle as a woman entrepreneur.	1	5	3.76	1.070
I feel more confident in managing my business after receiving microfinance assistance.	1	5	4.04	.987
I have personally experienced significant growth in my role as a woman entrepreneur with microfinance support.	1	5	4.27	.997
Microfinance has provided me with opportunities to pursue my entrepreneurial aspirations, leading to a more fulfilling and satisfying lifestyle.	1	5	4.11	1.131

Table 7 shows the descriptive analysis of changing lifestyle of women entrepreneur. 400 responded to the four questions related with changing lifestyle of women entrepreneur. The responses of the questions based on likert scale. Likert scale question was developed as rating from 1 to 5 where 1 as strongly disagree, 2 as disagree, 3 as neutral, 4 as agree and 5 as strongly agree. The item I have personally experienced significant growth in my role as a woman entrepreneur with microfinance

support shows highest mean value of 4.27 which indicates that respondents agree with the item. Similarly, I can see that microfinance support has a positive impact on my lifestyle as a woman entrepreneur shows mean value of 3.76 which also indicates that respondents agree with the item. Likewise, I feel more confident in managing my business after receiving microfinance assistance shows mean value of 4.04 which also indicates that respondents agree with the item. Additionally, microfinance has provided me with opportunities to pursue my entrepreneurial aspirations, leading to a more fulfilling and satisfying lifestyle shows mean value of 4.11 which also indicates that respondents agree with the item.

The standard deviation shows the consistency of the data. The item I feel more confident in managing my business after receiving microfinance assistance shows lowest standard deviation of 0.987 which indicate that the item data is more consistent than data of other items of changing lifestyle of women entrepreneur. Whereas, the item microfinance has provided me with opportunities to pursue my entrepreneurial aspirations, leading to a more fulfilling and satisfying lifestyle shows highest standard deviation of 1.131 which indicate that the data of the item is less consistent than the data of other items of changing lifestyle of women entrepreneur.

Socio-Economic Activities

Table 8

Descriptive Analysis of Socio-Economic Activities

Particulars	Maximum	Minimum	Mean	Standard Deviation
I believe that microfinance has enabled me to engage in socio-economic activities within my community.	1	5	3.83	1.092
I have actively participated in community development projects facilitated by microfinance institutions.	1	5	3.88	.900
I personally feel more socially connected and involved in community affairs due to my involvement in microfinance programs.	1	5	4.04	1.092
I feel empowered to contribute to local economic growth and development through my involvement in socio-economic activities.	1	5	3.91	1.050

Table 8 shows the descriptive analysis of socio-economic activities. 400 responded to the four questions related with socio-economic activities. The responses of the questions based on likert scale. Likert scale question was developed as rating from 1 to 5 where 1 as strongly disagree, 2 as disagree, 3 as neutral, 4 as agree and 5 as strongly agree. The item I personally feel more socially connected and involved in community affairs due to my involvement in microfinance programs shows highest mean value of 4.04 which indicates that respondents agree with the item. Similarly, I believe that microfinance has enabled me to engage in socio-economic activities within my community shows mean value of 3.83 which also indicates that respondents agree with the item. Likewise, I have actively participated in community development projects facilitated by microfinance institutions shows mean value of 3.88 which also indicates that respondents agree with the item. Additionally, I feel empowered to contribute to local economic growth and development through my involvement in socio-economic activities shows mean value of 3.91 which also indicates that respondents agree with the items.

The standard deviation shows the consistency of the data. The item I have actively participated in community development projects facilitated by microfinance institutions shows lowest standard deviation of 0.900 which indicate that the item data is more consistent than data of other items of socio-economic activities. Whereas, the item I believe that microfinance has enabled me to engage in socio-economic activities within my community and I personally feel more socially connected and involved in community affairs due to my involvement in microfinance programs shows highest standard deviation of 1.092 which indicate that the data of the item is less consistent than the data of other items of socio-economic activities.

Effectiveness of Microfinance

Table 9

Descriptive Analysis of Effectiveness of Microfinance

Particulars	Maximum	Minimum	Mean	Standard Deviation
I am satisfied with the services provided by microfinance institutions.	1	5	4.24	.891
Microfinance has provided me with the financial resources necessary to start or expand my business.	1	5	4.03	.981
From my perspective, microfinance programs effectively address the financial needs of women.	1	5	4.19	.727
Microfinance institutions have adequately supported me with training and mentorship to manage my business effectively.	1	5	4.26	.917

Table 9 shows the descriptive analysis of effectiveness of microfinance. 400 responded to the four questions related with effectiveness of microfinance. The responses of the questions based on likert scale. Likert scale question was developed as rating from 1 to 5 where 1 as strongly disagree, 2 as disagree, 3 as neutral, 4 as agree and 5 as strongly agree. The item microfinance institutions have adequately supported me with training and mentorship to manage my business effectively shows highest mean value of 4.26 which indicates that respondents agree with the item. Similarly, I am satisfied with the services provided by microfinance institutions shows mean value of 4.24 which also indicates that respondents agree with the item. Likewise, microfinance has provided me with the financial resources necessary to start or expand my business shows mean value of 4.03 which also indicates that respondents agree with the item. Additionally, from my perspective, microfinance programs effectively address the financial needs of women shows mean value of 4.19 which also indicates that respondents agree with the item.

The standard deviation shows the consistency of the data. The item From my perspective, microfinance programs effectively address the financial needs of women shows lowest standard deviation of 0.727 which indicate that the item data is more consistent than data of other items of effectiveness of microfinance. Whereas, the item microfinance has provided me with the financial resources necessary to start or expand my business shows highest standard deviation of 0.981 which indicate that the data of the item is less consistent than the data of other items of effectiveness of microfinance.

Women Empowerment

Table 10

Descriptive Analysis of Women Empowerment

Particulars	Maximum	Minimum	Mean	Standard Deviation
I feel more empowered as a woman due to my participation in microfinance programs.	1	5	4.13	.768
I have experienced changes in my decision-making authority within my household or community.	1	5	4.27	.942
Beyond financial aspects, microfinance contributes significantly to women's empowerment.	1	5	3.78	.919
I feel empowered to make independent decisions about my life and future.	1	5	3.72	.943

Table 10 shows the descriptive analysis of women empowerment. 400 responded to the four questions related with women empowerment. The responses of the questions based on likert scale. Likert scale question was developed as rating from 1 to 5 where 1 as strongly disagree, 2 as disagree, 3 as neutral, 4 as agree and 5 as strongly agree. The item I have experienced changes in my decision-making authority within my household or community shows highest mean value of 4.27 which indicates that respondents agree with the item. Similarly, I feel more empowered as a woman due to

my participation in microfinance programs shows mean value of 4.13 which also indicates that respondents agree with the item. Likewise, beyond financial aspects, microfinance contributes significantly to women's empowerment shows mean value of 3.78 which also indicates that respondents agree with the item. Additionally, I feel empowered to make independent decisions about my life and future shows mean value of 3.72 which also indicates that respondents agree with the item.

The standard deviation shows the consistency of the data. The item I feel more empowered as a woman due to my participation in microfinance programs shows lowest standard deviation of 0.768 which indicate that the item data is more consistent than data of other items of women empowerment. Whereas, the item I feel empowered to make independent decisions about my life and future shows highest standard deviation of 0.943 which indicate that the data of the item is less consistent than the data of other items of women empowerment.

Descriptive Analysis of Variables

Table 11

Descriptive Analysis of Variables

Particulars	Maximum	Minimum	Mean	Standard Deviation
Financial Freedom	1.00	5.00	4.202	.89235
Changing Lifestyle of Women Entrepreneur	1.00	5.00	4.045	.84209
Socio-Economic Activities	1.00	5.00	3.914	.82509
Effectiveness of Microfinance	1.25	5.00	4.181	.75237
Women Empowerment	1.50	5.00	3.976	.63798

Table 11 shows the descriptive analysis of independent and dependent variable. 400 responded to the four questions related to financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment. The overall mean value of financial freedom shows 4.202 which also indicates that the respondents agree with overall items of financial freedom. Similarly, the overall mean value of changing lifestyle of women

entrepreneur shows 4.045 which also indicates that the respondents agree with overall items of changing lifestyle of women entrepreneur. Likewise, the overall mean value of socio-economic activities shows 3.914 which also indicates that the respondents agree with overall items of socio-economic activities. Additionally, the overall mean value of effectiveness of microfinance shows 4.181 which also indicates that the respondents agree with overall items of effectiveness of microfinance. Whereas, the overall mean value of women empowerment shows 3.976 which also indicates that the respondents agree with overall items of women empowerment.

4.3 Correlation Analysis

Correlation analysis shows the relationship between dependent and independent variables. This section deals with the relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment. It shows the positive or negative relationships between independent variables and dependent variable.

Table 12

Correlation Analysis

	WE	FF	CLWE	SEA	EM
WE	1				
FF	.451** .000	1			
CLWE	.456** .000	.415** .000	1		
SEA	.285** .000	.092 .065	.387** .000	1	
EM	.621** .000	.458** .000	.471** .000	.210** .000	1

** . Correlation is significant at the 0.01 level (2-tailed).

Table 12 shows the relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, and effectiveness of microfinance and women empowerment.

Relationship between financial freedom and women empowerment

The correlation coefficient between financial freedom and women empowerment is 0.451. So, there is positive between financial freedom and women empowerment. The p-value is 0.000 so there is significant relationship of financial freedom and women empowerment.

Relationship between changing lifestyle of women entrepreneur and women empowerment

The correlation coefficient between changing lifestyle of women entrepreneur and women empowerment is 0.456. So, there is positive relationship between changing lifestyle of women entrepreneur and women empowerment. The p-value is 0.000 so there is significant relationship of changing lifestyle of women entrepreneur and women empowerment.

Relationship between socio-economic activities and women empowerment

The correlation coefficient between socio-economic activities and women empowerment is 0.285. So, there is positive relationship between socio-economic activities and women empowerment. The p-value is 0.000 so there is significant relationship of socio-economic activities and women empowerment.

Relationship between effectiveness of microfinance and women empowerment

The correlation coefficient between effectiveness of microfinance and women empowerment is 0.621. So, there is positive relationship between effectiveness of microfinance and women empowerment. The p-value is 0.000 so there is significant relationship of effectiveness of microfinance and women empowerment.

4.4 Regression Analysis

Regression analysis shows the significant relationship between multiple independent variables like financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and dependent variable women empowerment.

Table 13*Model Summary*

R	R Square	Adjusted R Square	Std. Error of the Estimate
.675 ^a	.455	.450	.47330

Table 13 illustrate model summary from the regression analysis. The findings presents r-square of 0.455 indicates that approximately 45.5% of the variation in women empowerment can be explained by the considered four independent variables (financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance). The R-squared value in the regression analysis indicates a good model fit, explaining approximately 45.5% of the variation in women empowerment and highlighting a positive and commendable relationship with the four independent variables.

Table 14*ANOVA*

	Sum of Squares	df	Mean Square	F	Sig.
Regression	73.915	4	18.479	82.490	.000 ^b
Residual	88.485	395	.224		
Total	162.399	399			

Table 14 presents ANOVA table which helps to determine whether the regression model is a good fit to test. The table presents the value of F is 82.490 which indicate that the overall regression model is good fit and statistically significant since F value is greater than zero and the overall p-value of 0.000, which is less than the significance level (α) of 0.01.

Table 15
Regression Analysis

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	1.068	.170		6.268	.000	
Financial Freedom	.131	.031	.183	4.210	.000	1.366
Changing Lifestyle of Women Entrepreneur	.088	.035	.116	2.498	.013	1.562
Socio-Economic Activities	.099	.031	.128	3.155	.002	1.189
Effectiveness of Microfinance	.387	.038	.456	10.213	.000	1.445

The regression analysis in Table 15 provides valuable insights into the impact of independent variables (financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance) on the dependent variable (women empowerment). Among the independent variables, the beta values represent their respective influence on women empowerment. Effectiveness of microfinance presents the highest beta value of 0.387 which indicate that effectiveness of microfinance is the most dominant factor that influence women empowerment. Similarly, the beta value of financial freedom, changing lifestyle of women entrepreneur and socio-economic activities are 0.131, 0.088 and 0.099 respectively. The P-Value of financial freedom is 0.000 which is smaller than 0.05 which indicate there is significant impact of financial freedom on women empowerment. Similarly, the P-Value of changing lifestyle of women entrepreneur is 0.013 which is smaller than 0.05 which indicate there is significant impact of changing lifestyle of women entrepreneur on women empowerment. Whereas, the P-Value of socio-economic activities is 0.002 which is smaller than 0.05 which indicate there is significant impact of socio-economic activities on women empowerment. Likewise, the P-Value of effectiveness of microfinance is 0.000 which is smaller than 0.05 which indicate there is significant impact of effectiveness of microfinance on women empowerment. The

examination of Variance Inflation Factors (VIF) is crucial for assessing multicollinearity, and the scores below the threshold of 5 suggest a low level of correlation among independent variables. This implies that each variable contributes uniquely to the model. This indicates that no adjustments are needed and the data is suitable for analysis. Given that the VIF values are below 5, there is no indication of multicollinearity issues, and the data remains valid for further analysis.

4.5 Hypothesis Testing

The final result of hypothesis testing has been summarized and shown in the table below which has been derived after analysis of independent variables and dependent variable from regression analysis.

Table 16

Hypothesis Testing

Hypothesis	P- Value	Remarks
H1: There is significant relationship between financial freedom and women empowerment.	.000	Supported
H2: There is significant relationship between changing lifestyle of women entrepreneur and women empowerment.	.013	Supported
H3: There is significant relationship between socio-economic activities and women empowerment.	.002	Supported
H4: There is significant relationship between effectiveness of microfinance and women empowerment.	.000	Supported

Table 16 shows the hypothesis testing.

H1: There is significant relationship between financial freedom and women empowerment.

P-value of financial freedom is smaller than alpha i.e. $0.000 < 0.05$, it can be concluded that there is significant relationship between financial freedom and women empowerment, as the p-value does support the alternative hypothesis.

H2: There is significant relationship between changing lifestyle of women entrepreneur and women empowerment.

P-value of changing lifestyle of women entrepreneur is smaller than alpha i.e. $0.013 < 0.05$, it can be concluded that there is significant relationship between changing lifestyle of women entrepreneur and women empowerment, as the p-value does support the alternative hypothesis.

H3: There is significant relationship between socio-economic activities and women empowerment.

P-value of socio-economic activities is smaller than alpha i.e. $0.002 < 0.05$, it can be concluded that there is significant relationship between socio-economic activities and women empowerment, as the p-value does support the alternative hypothesis.

H4: There is significant relationship between effectiveness of microfinance and women empowerment.

P-value of effectiveness of microfinance is smaller than alpha i.e. $0.000 < 0.05$, it can be concluded that there is significant relationship between effectiveness of microfinance and women empowerment, as the p-value does support the alternative hypothesis.

4.6 Discussion

The study was conducted to examine the microfinance practice and women empowerment in Kathmandu with the objectives to examine the significant relationship between different microfinance practices with women empowerment and to analyze the microfinance practices that impact the women empowerment. The findings of the study showed that there is significant relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment.

The study findings showed that the overall mean value of financial freedom shows 4.202 which also indicates that the respondents agree with overall items of financial freedom. Similarly, the overall mean value of changing lifestyle of women entrepreneur shows 4.045 which also indicates that the respondents agree with overall items of changing lifestyle of women entrepreneur. Likewise, the overall mean value

of socio-economic activities shows 3.914 which also indicates that the respondents agree with overall items of socio-economic activities. Additionally, the overall mean value of effectiveness of microfinance shows 4.181 which also indicates that the respondents agree with overall items of effectiveness of microfinance. Whereas, the overall mean value of women empowerment shows 3.976 which also indicates that the respondents agree with overall items of women empowerment.

Similarly, the correlation analysis showed that the correlation coefficient between financial freedom and women empowerment is 0.451. So, there is positive relationship between financial freedom and women empowerment. The correlation coefficient between changing lifestyle of women entrepreneur and women empowerment is 0.456. So, there is positive relationship between changing lifestyle of women entrepreneur and women empowerment. The correlation coefficient between socio-economic activities and women empowerment is 0.285. So, there is positive relationship between socio-economic activities and women empowerment. The correlation coefficient between effectiveness of microfinance and women empowerment is 0.621. So, there is positive relationship between effectiveness of microfinance and women empowerment.

Likewise, the regression analysis findings presents r-square of 0.455 indicates that approximately 45.5% of the variation in women empowerment can be explained by the considered four independent variables (financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, and effectiveness of microfinance). The analysis presents the value of F is 82.490 which indicate that the overall regression model is good fit and statistically significant since F value is greater than zero and the overall p-value of 0.000, which is less than the significance level (α) of 0.01. Effectiveness of microfinance presents the highest beta value of 0.387 which indicate that effectiveness of microfinance is the most dominant factor that influence women empowerment. Similarly, the beta value of financial freedom, changing lifestyle of women entrepreneur and socio-economic activities are 0.131, 0.088 and 0.099 respectively. The P-Value of financial freedom is 0.000 which is smaller than 0.05 which indicate there is significant impact of financial freedom on women empowerment. Similarly, the P-Value of changing lifestyle of women entrepreneur is 0.013 which is smaller than 0.05 which indicate there is significant impact of

changing lifestyle of women entrepreneur on women empowerment. Whereas, the P-Value of socio-economic activities is 0.002 which is smaller than 0.05 which indicate there is significant impact of socio-economic activities on women empowerment. Likewise, the P-Value of effectiveness of microfinance is 0.000 which is smaller than 0.05 which indicate there is significant impact of effectiveness of microfinance on women empowerment. The examination of Variance Inflation Factors (VIF) is crucial for assessing multicollinearity, and the scores below the threshold of 5 suggest a low level of correlation among independent variables. This implies that each variable contributes uniquely to the model. This indicates that no adjustments are needed and the data is suitable for analysis. Given that the VIF values are below 5, there is no indication of multicollinearity issues, and the data remains valid for further analysis.

The findings of this study were compared with the past studies. One of the study of Modi et al. (2014) showed that financial freedom has not significant impact on women empowerment through microfinance services. Also Hadidi (2016) showed that financial freedom has not significant impact on women empowerment through microfinance services. The findings of the study contradict with this study which showed that there is significant relationship between financial freedom and women empowerment. Similarly, Guvaju and Sherpa (2020) showed significant relationship between changing lifestyle of women entrepreneur and women empowerment. The findings of the study is consistent with this study which also showed there is significant relationship between changing lifestyle of women entrepreneur and women empowerment. Whereas, Guvaju and Sherpa (2020) showed significant relationship between socio-economic activities and women empowerment. The findings of the study is consistent with this study which showed there is significant relationship between socio-economic activities and women empowerment. Likewise, Hadidi (2016) showed there is significant relationship between socio-economic activities and women empowerment. The findings of the study is consistent with this study which showed there is significant relationship between socio-economic activities and women empowerment. Additionally, Guvaju and Sherpa (2020) showed no significant relationship between effectiveness of microfinance and women empowerment.

The findings of the study is contradict with this study which showed there is significant relationship between effectiveness of microfinance and women empowerment. Also, Bhatt and Rajdev (2012) showed significant relationship between effectiveness of microfinance and women empowerment. The findings of the study is consistent with this study which showed there is significant relationship between effectiveness of microfinance and women empowerment.

CHAPTER V

SUMMARY AND CONCLUSION

This chapter presents the summary, conclusion and recommendation of the study. The data was collected from primary method where questionnaire and was distributed to women. The data were analyzed using different statistical tools like mean, standard deviation, correlation analysis and regression analysis in SPSS which helps to draw the conclusion of the study and recommendation for the study was also included.

5.1 Summary

The study focused into the dynamic relationship between microfinance practices and women's empowerment in Kathmandu, Nepal. Despite the study's focus on Kathmandu, its findings offer valuable insights applicable to microfinance institutions globally. By addressing critical problems and challenges within the context of microfinance practices and women's empowerment in Kathmandu, Nepal. The study stated objectives were to examine the significant relationship between different microfinance practices with women empowerment and to analyze the microfinance practices that impact the women empowerment. Furthermore, the study's hypotheses, include regarding the significant relationship between financial freedom, changing lifestyles of women entrepreneurs, socio-economic activities, and the effectiveness of microfinance with women's empowerment, provide a framework for understanding the dynamics that play within microfinance practices. By testing these hypotheses, the research seeks to contribute to the theoretical understanding of the relation between microfinance and women's empowerment. The study also mentioned potential limitations.

The research conducted an extensive literature review, focusing into a clear picture of articles that investigated the relationship of microfinance and women's empowerment. This review provided a thorough examination of microfinance practices and their impact on empowering women. Furthermore, the study demonstrated a comprehensive perspective by incorporating insights from both international and Nepalese studies, thus offering a clear view of microfinance practices and women's empowerment in various contexts. This study also mentioned critical importance of further research into the dynamics and effectiveness of microfinance practices

targeting women in Kathmandu, Nepal. Despite the extensive literature on microfinance and women's empowerment in various global contexts, there remains a significant gap which was mentioned in this study within understanding how these practices specifically impact women in urban settings like Kathmandu. The unique socio-cultural and economic landscape of Kathmandu necessitates a deeper investigation into how factors such as financial freedom, changing lifestyles of women entrepreneurs, and socio-economic activities intersect with microfinance to shape women's empowerment.

The study was based on descriptive and casual comparative research design. The population of this study was women who are actively engaged or willing to engage in microfinance services. Similarly, 400 women who actively engaged or willing to engage in microfinance was selected as sample for this study. The study was quantitative in nature. The study use primary source of data collection. The data was collected through a structured questionnaire. Convenient sampling technique was utilized to collect data from the respondents who are actively engaged or willing to engage in microfinance. Similarly, the collected data are extracted and subjected to analysis using statistical software like SPSS, enabling the researcher to examine relationships, trends, and patterns relevant to the study's objectives. For analysis, tools like descriptive statistics, correlation analysis and regression analysis was used. The independent variables of the study were financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance. And dependent variable was women empowerment.

The study adopted correlation and regression analysis. The correlation analysis showed there is significant relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment. Similarly, the regression analysis findings of the study showed that there is significant relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of microfinance and women empowerment.

5.2 Conclusion

The study was conducted to examine the microfinance practice and women empowerment in Kathmandu with the objectives to examine the significant relationship between different microfinance practices with women empowerment and to analyze the microfinance practices that impact the women empowerment. The findings of the study showed that there is significant relationship between financial freedom, changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance and women empowerment.

The study revealed that financial freedom is strongly associated with women's empowerment. When women have control over their finances, they are better equipped to make decisions about their lives, businesses, and families. Financial independence enables women to pursue their goals, access resources, and assert their autonomy. This finding suggests that empowering women economically, through channels such as entrepreneurship and financial literacy programs, can have a significant impact on their overall empowerment and well-being. This means that when women have control over their finances, make changes in how they live and work, and have access to microfinance services, they are more likely to feel empowered.

Furthermore, the research highlighted the importance of changes in the lifestyle of women entrepreneurs in contributing to women's empowerment. Women who adapt and innovate in their lifestyles and businesses are more likely to experience greater levels of empowerment. These changes might involve breaking traditional gender roles, challenging social norms, and embracing new opportunities. By encouraging women to explore and expand their roles, societies can promote greater empowerment among women entrepreneurs.

Similarly, the study found significant relationship between socio-economic activities and women's empowerment. While engaging in socio-economic activities is important for women's socio-economic participation. This suggests that empowerment requires more than just economic opportunities. It also involves addressing social and cultural barriers, promoting gender equality, and empowering women to participate fully in decision-making processes. Moving forward, efforts to empower women should adopt

different approach that considers the interplay of economic, social, and cultural factors. Women who are actively involved in income generating activities enabled by microfinance are better positioned to challenge traditional gender roles and contribute toward their households and society.

Additionally, the effectiveness of microfinance emerged as a crucial factor in promoting women's empowerment. Access to microfinance services enables women to start or expand businesses, invest in education and healthcare, and improve their living standards. Microfinance empowers women by providing them with financial resources, skills training, and support networks. This finding underscores the importance of inclusive financial services to the needs of women, particularly in low income.

5.3 Implications

Enhancing Financial Inclusion Programs

Given the significant relationship found between financial freedom and women's empowerment, policymakers and financial institutions should prioritize efforts to enhance financial inclusion for women. This includes expanding access to microfinance services, promoting financial literacy programs to women's needs, and ensuring women have equal opportunities to access credit and savings facilities. By empowering women economically, societies can implement greater gender equality and women's empowerment.

Supporting Entrepreneurial Initiatives

The study highlights the importance of supporting entrepreneurial initiatives among women. Governments and business support organizations should provide targeted assistance to women entrepreneurs, including access to training, mentorship, and networking opportunities. Additionally, creating a supportive ecosystem that implement innovation and entrepreneurship can enable women to grow in their businesses and contribute to economic growth and development.

Addressing Social and Cultural Barriers

While socio-economic activities alone may not lead to women's empowerment, addressing social and cultural barriers. But, policymakers and stakeholders should

work to challenge gender norms, promote women's rights, and create an enabling environment that values women's contributions to society. This may involve implementing gender sensitive policies, providing education on gender equality and empowering women to participate in decision-making processes at all levels. Also, create platforms for women to voice their experiences, share their perspectives and participate in decision-making processes at all levels of society.

Maximizing Microfinance Impact

Given the significant role of microfinance in promoting women's empowerment, there's a need to maximize its effectiveness. This involves ensuring that microfinance institutions provide not only financial services but also support, including business training, mentorship, and access to markets. By enhancing the capacity of microfinance programs to meet the diverse needs of women entrepreneurs, stakeholders can enhance their impact on women's empowerment and economic development.

Future Studies

In the future, similar research could explore new variables and expand its scope beyond Kathmandu city. By research outside Kathmandu, researchers could gather valuable insights into women empowerment in regions beyond urban cities. Similarly, the study can conduct with a larger sample size. Moreover, the expanded approach would help to understand women empowerment, contributing to a more comprehensive understanding of women empowerment.

REFERENCES

- Addai, B. (2017). Women empowerment through microfinance: Empirical evidence from Ghana. *Journal of Finance and Accounting*, 5(1), 1-23.
- Adeleye, I., Debrah, Y. A. & Nachum, L. (2019), Management of financial institutions in Africa: Emerging themes and future research agenda. *Africa Journal of Management*, 5(3), 215-230.
- Afridi, F. (2010). Women's empowerment and the goal of parity between the sexes in schooling in India. *Population Studies*, 64(2), 131-145.
- Agyapong, D., Agyapong, G. K. & Darfor, K. N. (2011). Criteria for assessing small and medium enterprises' borrowers in Ghana. *International Business Research*, 4(4), 132-148.
- Ahlawat, S. (2016). Financial performance of group based microfinance model in Haryana. *Integrated Journal of Social Sciences*, 3(1), 9-12.
- Akter, M. S., Nayeem, A. R., & Didar, M. A. (2021). Correlating women empowerment with micro finance in a small village in Bangladesh by using statistical methodology. *South Asian Journal of Social Studies and Economics*. 9(4), 19-27.
- Alam, D. S., Van Raaij, J. M., Hautvast, J. G. A. J., Yunus, M., & Fuchs, G. J. (2003). Energy stress during pregnancy and lactation: consequences for maternal nutrition in rural Bangladesh. *European Journal of Clinical Nutrition*, 57(1), 151-156.
- Ali, I. & Hatta, Z. A. (2012). Women's empowerment or disempowerment through microfinance: Evidence from Bangladesh. *Asian Social Work and Policy Review*, 6(2), 111-121.
- Ali, M. A., Mughal, M. & Chhorn, D. (2021). Empowering Women through Microfinance in Djibouti. Retrieved From: <https://hal-univ-pau.archives-ouvertes.fr/TREE-WP>
- Al-Shami, S. S. A., Razali, M. M., Majid, I., Rozelan, A., & Rashid, N. (2016). The effect of microfinance on women's empowerment: Evidence from Malaysia. *Asian Journal of Women's Studies*, 22(3), 318-337.
- Asad, A., Hameed, W. U., Irfan, M., Jiang, J. & Naveed, R. T. (2020). The contribution of microfinance institutes in women-empowerment and role of vulnerability. *Argentine Journal of Psychological Clinic*, 29(3), 223-238.

- Ayam, C. Abangbase, K. & Doku, G. (2020). Perceived effects of microfinance on women empowerment in LA-Nkwantanang-Madina Municipality. *UDS International Journal of Development*, 7(2), 448–460.
- Babajide, A. A., Obembe, D., Solomon. H. & Woldeesenbet, K. (2022). Microfinance and entrepreneurship: The enabling role of social capital amongst female entrepreneurs. *International Journal of Social Economics*, 2(5), 86-102.
- Bhatt, K. A., & Rajdev, A. A. (2012). An analysis of factors empowering women through microfinance. *Indian Journal of Research*, 1(11), 50 -52.
- Boros, & Murray. (2002). A guide to gender sensitive microfinance. SEAGA, Socio-Economic and Gender Analysis Programme.
- Bradley, S. W., McMullen, J. S., Artz, K. & Simiyu, E. M. (2012). Capital is not enough: Innovation in developing economies. *Journal of Management Studies*, 49(4), 684–717.
- Chandrathilaka, M. D. L. A., Dissanayake, H., Mendis, O. & Iddagoda, A. (2023). The effect of microfinance on women empowerment: Special reference to Sri Lanka. *Management Academy*, 7(1), 31-53.
- Cheston, S. & Kuhn, L. (2002). Empowering women through microfinance. *Draft Opportunity International*, 64, 1-64.
- Chopra, D., & Muller, C. (2016). Introduction: Connecting perspectives on women's empowerment. *IDS Bulletin*, 47(1), 1–10.
- Cicchello, A., Giron, A., Kazemikhasragh, F., & Panetti, E. (2021). Sustainability reporting and firms' economic performance: Evidence from Asia and Africa. *Journal of the Knowledge Economy*, 12(4), 1741–1759.
- Cole J., Busti A. & Kazi S. (2007), The incidence of new onset congestive heart failure and heart failure exacerbation in Veteran's Affairs patients receiving tumor necrosis factor alpha antagonists. *Rheumatology International Journal*, 27(4), 369 – 373.
- Diochon, M. & Ghore, Y. (2016). Contextualizing a social enterprise opportunity process in an emerging market. *Social Enterprise Journal*, 12(2), 107–130.
- Duflo, E. (2012). Women empowerment and economic development. *Journal of Economic Literature*, 50(4), 1051-1079.
- Duwal, B. R. (2019). Impact of microfinance programmes on information and political empowerment of women in Nepal. *Bagiswori Journal*, 1(1), 18-32.

- Elgali, M. B., Mustafa, R. H. & Mohamed, F. O. (2016). The impact of microfinance on women empowerment: A case study of the family bank, Gezira state, Sudan. 1-14.
- Feigenberg, B., Field, E. M., & Pande, R. (2010). Building social capital through microfinance. *National Bureau of Economic Research*, 12-45.
- Garikipati, S. (2013). Microcredit and women's empowerment: Have we been looking at the wrong indicators? *Oxford Development Studies*, 41, S53-S75.
- Gnawali, A. (2018). Relationship between microfinance institutions and women economic empowerment: Butwal Sub-Municipality. *International Journal of Research in Humanities and Social Studies*, 5(5), 10–17.
- Goetz, A. M. & Gupta, R. S. (1996). Who takes the credit? Gender, power, and control over loan use in rural credit programs in Bangladesh. *World Development*, 24(1), 45–63.
- Gram, L., Morrison, J., & Skordis-Worrall, J. (2019). Organizing concepts of 'women's empowerment' for measurement: a typology. *Social Indicators Research*, 143(3), 1349-1376.
- Gubhaju, R. (2023). Women empowerment in self help groups through microfinance: A case study of Rautahat district. *Apex Journal of Business and Management*, 1(1), 33-54.
- Guvaju, S. & Sherpa, D. K. (2020). A study of impact of microfinance on women empowerment in Nepal. *LBEF Research Journal of Science, Technology and Management*, 2(3), 1-14.
- Hadidi, H. E. (2016). Impact of microfinance services on rural Egyptian women empowerment: An empirical study. *American Scientific Research Journal for Engineering, Technology, and Sciences*, 22(1), 109-125.
- Haque, S., & Yamao, S. (2008). Could microfinance alleviate poverty? A case study of Bangladesh. *World Science of Academy and Technology*, 46, 648-656.
- Hashemi, S. M. & Schuler, S.R. (1993). Defining and studying empowerment of women: A research note from Bangladesh. *JSI Research Training Institute*, 14(2), 14-21.
- Hashemi, S. M., Schuler, S. R. & Riley, A. P. (1996). Rural credit programs and women's empowerment in Bangladesh. *World Development*, 24(4), 635–653.

- Hennink, M., Kiiti, N., Pillinger, M., & Jayakaran, R. (2012). Defining empowerment: perspectives from international development organizations. *Development in Practice*, 22(2), 202-215.
- Jain, B. K. (2020). Microfinance services and women empowerment in Biratnagar Metropolitan, Nepal. *Journal of Underrepresented and Minority Progress*, 4(2), 251-270.
- James-Hawkins, L., Peters, C., VanderEnde, K., Bardin, L., & Yount, K. M. (2016). Women's agency and its relationship to current contraceptive use in lower-and middle-income countries: A systematic review of the literature. *Global Public Health*, 1–16.
- Kabeer, N. (1999). Resources, agency, achievements: Reflections on the measurement of women's empowerment. *Development and Change*, 30(3), 435–464.
- Kabeer, N. (2001). Conflicts over credit: re-evaluating the empowerment potential of loans to women in Bangladesh. *World Development*, 29(1). 63–84.
- Kabeer, N. (2005). Gender equality and women's empowerment: A critical analysis of the third millennium development goal. *Gender & Development*, 13(1), 13-24.
- Khamar, M. (2016). Global Outreach and Financial Performance Benchmark Report – 2014. Microfinance Information Exchange (MIX).
- Khan, R. E. A. & Noreen, S. (2012). Microfinance and women empowerment: a case study of District Bahawalpur (Pakistan). *African Journal of Business Management*, 6(12), 4514-4521.
- Khan, R. E. A., & Noreen, S. (2012). Microfinance and women empowerment: A case study of District Bahawalpur (Pakistan). *African Journal of Business Management*, 6(12), 4514.
- Khursheed A, Mustafa F, Fatima M, Siddique F (2018) Entrepreneurial intentions: gem based empirical analysis on the northern Europe and Asian countries. *International Journal of Entrepreneurial Knowledge*, 6(2), 59–70.
- Lakwo A. (2006). Microfinance, Rural Livelihood and Women Employment in Uganda. Research Report No. 85. Ledi: African Studies Centre.
- Mahfuz, R., Mia, A., Ismail, B., & Isa, R. (2017). Factors affecting the financing cost of microfinance institutions: Panel evidence. *Enterprise Development & Microfinance*, 29(2), 103–117.

- Malathi, S. & Vijayarani, K. (2012). Microfinance and women empowerment in the rural areas of Cuddalore District of Tamilnadu. *language in India*, 12, 174 - 182.
- Malhotra, A., Schuler, S. R. & Boender, C. (2002). Measuring women's empowerment as a variable in international development. In: background paper prepared for the world bank workshop on poverty and gender. *New Perspectives*, 28(3), 45-86.
- Mayoux, L. (2006). Women's Empowerment through Sustainable Micro-Finance: Rethinking Best Practice. Retrieved From: <http://citeseerx.ist.psu.edu/viewdoc/download?>
- Mengesha, M. & Mishra, S. (2023). To analyze the effect of microfinance institutions on women empowerment, in Wolaita zone, Southern Ethiopia. *International Journal of Professional Business Review*, 8(8), 1-21.
- Mengstie, B. (2022). Impact of microfinance on women's economic empowerment. *Journal of Innovation and Entrepreneurship*, 11(55), 1-12.
- Modi, A. G., Patel, K. J. & Patel, K. M. (2014). Impact of microfinance services on rural women empowerment: An empirical study. *IOSR Journal of Business and Management*, 16(11), 68-75.
- Mukendi S., & Manda S. (2022). Micro-financial institutions and processes of women empowerment in Zambia. *World Development Perspectives*, 28, 466-472.
- Murshid, N. S., Akincigil, A., & Zippay, A. (2016). Microfinance participation and domestic violence in Bangladesh: Results from a nationally representative survey. *Journal of Interpersonal Violence*, 31(9), 1579-1596.
- Niaz, M. U., & Iqbal, M. (2019). Effect of microfinance on women empowerment: a case study of Pakistan. *Paradigms*, 13(1), 53-60.
- Parvin, G. A., Ahsan, S. M. R. & Chowdhury, M. R. (2005). Women empowerment performance of income generating activities supported by rural women employment creation project: A case study in Dumuria Thana, Bangladesh. *The Journal of Geo-Environment*, 4(2), 47-62.
- Parwez S., Patel R. (2022), Augmenting women empowerment: A systematic literature review on microfinance-led developmental interventions. *Journal of Global Responsibility*, 2(8), 66-78.
- Patel, R. (2017). Microfinance model - A dynamic drive towards the women empowerment. *European Scientific Journal*, 2(4), 7-18.

- Pratley, P. (2016). Associations between quantitative measures of women's empowerment and access to care and health status for mothers and their children: a systematic review of evidence from the developing world. *Social Science & Medicine*, 169(1), 119-131.
- Rabindranathan, S. (2005). Historical analysis of empowerment and its present understanding in the context of microfinance. In I. Guerin & J. Palier (Eds.), *Microfinance Challenges: Empowerment or Disempowerment of the poor?* 89-95.
- Rai, A. & Ravi, S. (2011). Do spouses make claims? Empowerment and microfinance in India. *World Development*, 39(6), 913–921.
- Raphael, G., & Mrema, G. I. (2017). Assessing the role of microfinance on women empowerment: A case of Shinyanga. *Business and Economic Research*. 7(2), 35-54.
- Razzaq, S., Maqbool, N., & Hameed, W. U. (2019). Factors effecting the elasticity of micro credit demand in Southern Punjab, Pakistan. *International Journal of Social Sciences and Economic Review*, 1(2), 46-53.
- Samanta, G. (2009). microfinance and women: Gender issues of poverty alleviation and empowerment. *The Microfinance Review*, 1(2), 100 – 120.
- Sarumathi, S. & Mohan, K. (2011). Role of micro finance in women's empowerment. *Journal of Management and Science*, 1(1), 1-10.
- Schuler, S. R., Islam, F., & Rottach, E. (2010). Women's empowerment revisited: A case study from Bangladesh. *Development in Practice*, 20(7), 840-854.
- Shaheen, I., Sajid, M. A., & Batool, Q. (2013). Micro enterprises and economic empowerment of women. *International Journal of Management, IT and Engineering*, 3(9), 473.
- Taylor, G., & Pereznieto, P. (2014). Review of evaluation approaches and methods used by interventions on women's and girls' economic empowerment. *Overseas Development Institute*, 1-62.
- Thorpe, S., VanderEnde, K., Peters, C., Bardin, L., & Yount, K. M. (2016). The influence of women's empowerment on child immunization coverage in low, lower-middle, and upper-middle-income countries: A systematic review of the literature. *Maternal and Child Health Journal*, 20(1), 172–186.

- Tuladhar, S., Khanal, K. R., K.C., L., Ghimire, P.K. & Onta, K. (2013). Women's empowerment and spousal violence in relation to health outcomes in Nepal. Kathmandu: USAID.
- Vaessen, J., Rivas, A., Duvendack, M., Palmer Jones, R., Leeuw, F. L., Van Gils, G., & Waddington, H. (2014). The effects of micro credit on women's control over household spending in developing countries: A systematic review and meta-analysis. *Campbell Systematic Reviews*, 10(8), 1-205.
- Zainuddin, M., Mahi, M., Akter, S. & Yasin, I. M. (2020). The role of national culture in the relationship between microfinance outreach and sustainability: a correlated random effects approach. *Cross Cultural and Strategic Management. Emerald Publishing Limited*, 27(3), 447–472.

APPENDICES

Questionnaires

Dear respondent, I am Manisha Khanal a student of Shanker Dev Campus. This survey is a part of research project which is conducted to gain insight on “MICROFINANCE PRACTICE AND WOMEN EMPOWERMENT IN KATHMANDU”. The survey should only take you about 4-5 minutes and your responses are completely anonymous and will only be used for this research purpose.

Thank you

Section A

Demographic Profile

1. What is your age ?

- i. 30 or less
- ii. 31-40
- iii. 41-50
- iv. Above 50

2. What is your education?

- i. SLC or below
- ii. Intermediate level
- iii. Bachelor level
- iv. Master or above

3. What is your monthly income?

- i. Less than 20,000
- ii. 20,001-30,000
- iii. 30,001-40,000
- iv. More than 40,000

4. What is your marital status?

- i. Married
- ii. Unmarried

Section B

Likert Scale Questions

1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree

Please Mark "√" to show in what extent do you agree with the following questions based on the independent and dependent variable:

Women Empowerment

Statements	1	2	3	4	5
I feel more empowered as a woman due to my participation in microfinance programs.					
I have experienced changes in my decision-making authority within my household or community.					
Beyond financial aspects, microfinance contributes significantly to women's empowerment.					
I feel empowered to make independent decisions about my life and future.					

Financial Freedom

Statements	1	2	3	4	5
I feel that accessing microfinance services has improved my financial decision-making capabilities.					
I believe that I am more financially empowered after utilizing microfinance services.					
I have personally observed positive changes in my financial situation since accessing microfinance services.					
In comparison to before accessing microfinance, I feel more financially empowered now.					

Changing Lifestyle of Women Entrepreneur

Statements	1	2	3	4	5
I can see that microfinance support has a positive impact on my lifestyle as a woman entrepreneur.					
I feel more confident in managing my business after receiving microfinance assistance.					
I have personally experienced significant growth in my role as a woman entrepreneur with microfinance support.					
Microfinance has provided me with opportunities to pursue my entrepreneurial aspirations, leading to a more fulfilling and satisfying lifestyle.					

Socio-Economic Activities

Statements	1	2	3	4	5
I believe that microfinance has enabled me to engage in socio-economic activities within my community.					
I have actively participated in community development projects facilitated by microfinance institutions.					
I personally feel more socially connected and involved in community affairs due to my involvement in microfinance programs.					
I feel empowered to contribute to local economic growth and development through my involvement in socio-economic activities.					

Effectiveness of Microfinance

Statements	1	2	3	4	5
I am satisfied with the services provided by microfinance institutions.					
Microfinance has provided me with the financial resources necessary to start or expand my business.					
From my perspective, microfinance programs effectively address the financial needs of women.					
Microfinance institutions have adequately supported me with training and mentorship to manage my business effectively.					

MICROFINANCE PRACTICE AND WOMEN EMPOWERMENT IN ...

By: Manisha Khanal

As of: Nov 27, 2024 11:30:15 AM
15,737 words - 158 matches - 11 sources

Similarity Index

18%

Mode:

sources:

780 words / 5% - Internet from 02-Feb-2023 12:00AM

www.lbef.org

559 words / 3% - from 14-May-2024 12:00AM

www.nepjol.info

331 words / 2% - from 14-Jul-2023 12:00AM

popzedni-wiz.pb.edu.pl

137 words / 1% - from 16-Jan-2024 12:00AM

www.nepjol.info

164 words / 1% - from 18-Jan-2024 12:00AM

elibrary.tucl.edu.np

155 words / 1% - Internet from 14-Jan-2023 12:00AM

elibrary.tucl.edu.np

219 words / 1% - Internet from 08-Nov-2022 12:00AM

www.researchgate.net

218 words / 1% - Internet from 22-Sep-2022 12:00AM

www.ada-microfinance.org

184 words / 1% - Internet

[Mengesha, Merihun, Mishra, Sasmita. "To Analyze the Effect of Microfinance Institutions on Women Empowerment, in Wolaita Zone, Southern Ethiopia", Logos University Int., 2023](#)

175 words / 1% - Internet from 04-Jun-2022 12:00AM

core.ac.uk

92 words / 1% - from 17-Sep-2024 12:00AM

www.idosr.org

paper text: