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A Quantitative Study On The Influence Of Micro Finance Service Upon The Economic Empowerment Of Rural Women

*1Reya Varghese, 2Dr Sreekumar D Menon

*1Research Scholar, Lincoln University College Marian Research Centre, Marian College Kuttikanam (Autonomous), Kerala.
2Adjunct Faculty at LUC MRC, Marian College (Autonomous), Kuttikanam, Idukki, Kerala.
*1Corresponding Author Mail ID: reyapapers@gmail.com

Abstract

Self Help Groups (SHGs) dominating the microfinance market in India offers an effective system for rendering financial services to the "unreached poor," uplifting underprivileged and marginalized women in the society, thereby promoting gender equality and women empowerment. The neighborhood groups (NHG) pool their tiny regular savings and lend them to the most deserving members as an internal loan. These loans serve as a stabilizer to keep hold of the group members' immediate financial challenges. This study investigates the effect of microfinance services such as SHGs and NHG on the economic empowerment of rural women. The research design is exploratory and descriptive in nature. The research performs a quantitative analysis using the SPSS version 23 software package, through survey assessment from rural women in Kerala. A structured questionnaire survey method was used to gather the data from rural women who were actively involved in microfinance institutions. The main idea behind the survey method is to collect data relating to the perception of rural women on the services provided by microfinance and its effects on their economic empowerment. Convenience sampling approach is used for quantitative analysis and 100 responses from women in rural region are obtained. Regression, descriptive statistics, frequency distribution, and ANOVA test are used in the research to predict the outcome. The outcome of the study revealed that the initiatives of microfinance institutions have a positive effect on the economic empowerment of rural women. Furthermore, the study concludes that the microfinance services has improved the socio-economic condition of rural women in Kerala.

Keywords: Microfinance, Self Help Groups, rural women, marginalized women, empowerment, socio-economic condition, neighborhood groups.

1.Introduction

The increase in gender equity and empowering women is considered to be vital for economic growth and improvement of well-being across the globe(Hansen, Huis, & Lensink, 2021). The microfinance services is one of the prominent technique to develop women position in society by offering loans and to eradicate the poverty. Microfinance services are not capable to increase the economy directly yet, it is the comprehensive strategy which can be utilized to augment the political engagement, socio-economic status and empowerment. Microfinance is required to build trust in the rural poor, especially among rural women, to achieve economic self-sufficiency (Woodworth). Personal empowerment might exist inside the existing social order, but it can also exist beyond it. As a result, **t**this type of empowerment would result in the ability to make one's own decision, management over economic resources and enhance autonomy. A multi-dimensional social process which permits individuals to take decisions with respect to one's life is termed as empowerment(Chaudhary & Kumari).

In 1970, the idea of micro-financing was introduced by economists Mr.David Bassau and Mr. Muhammed Yunus(Shafique & Khan, 2020). The Muhammed Yunus is microfinance pioneer who has roots in Grameen Bank of Bangladesh, which helped in establishing the modern sector of micro-financing. Micro finance is the viable instrument which provides self-employment and employment in order to encounter the poverty issues among the rural people especially rural women. The micro finance plays the essential role in eradicating poverty and increasing the economic progress of a nation since 1970's. During the past few years, the microfinance has developed into the self-sustaining and global industry(Khalaf & Saqfalhait, 2019). Because of the financial reliance on males, Indian society has denied the potential of women for past decades. But, in recent times Indian Government has taken few initiatives to enhance the financial status and empowerment of Indian women.

Microfinance has recently become accepted as a potent tool for empowering women, particularly those in rural areas. Microfinance helps the financially disadvantaged to access capital(Sohn & Ju, 2023). If such microfinance organizations are not there, such people have to borrow money from relatives or friends.

Microfinance offers several benefits which include the provision of small loans to entrepreneurs to begin or develop one’s small or medium businesses(Adusei & Adeleye, 2021). Savings enable families to buy new assets, pay school fees, and meet medical expenses. Most microfinance programs promote frequent group meetings, engagement and also maintenance of financial records. The activities encourage conversation or economic issues as well as other household and community issues. Microfinance money in India is overwhelmed by Self Help groups (SHGs), which are considered a successful device for offering monetary types of assistance to the “unreached poor” for building their collective Self-Help capacities, thereafter, resulting in their empowerment. Rapid development in SHG establishment has now transformed into a nationwide movement of women's empowerment(Nayak & Panigrahi, 2020). Microfinance is required to build trust in the rural poor, especially among rural women, to achieve economic self-sufficiency.

The women are denied of opportunities especially, the rural women in developed or underdeveloped economies. India is one of the developing nation with the significant rural populace(Almaamari, Vedava, & Alrefaei, 2022). Even though the nation of India yields high economic growth, rural part of Indian women continues to suffer. The prevailing socio-cultural norms do not support education to rural women. The economic growth can be increased and poverty will be decreased when the rural women are adequately empowered(Chatterjee, Gupta, & Upadhyay, 2020). The main way of augmenting empowerment can be done through aiding rural women to generate one’s income. This will be possible by means of providing financial support to those rural women. Economic empowerment suggests that women's access to credit and savings will increase their influence over decisions, which will ultimately improve one’s welfare and also the welfare of one’s household. Women's increased economic activity and control over their income as a result of having access to microfinance would be combined with their better skills, mobility, and access to information and support networks to result in social and political empowerment(Roy & Mohanty, 2020). With the increasing living costs and inflation, the majority of household women are struggling with daily expenses.

Financial literacy not only helps women to manage one's household budget and meet personal needs, but it will also help other members of the family by giving valuable suggestions regarding financial services and products. Women empowerment is an aspect of supporting women to feel strong by ensuring that one can attain everything if one dedicate time to do(Khan & Bhat, 2022). Women can find work outside the home and have the opportunities to make own decisions. Women can support one's family by working to the best of one's abilities. Microfinance in rural areas acts as an antipoverty vaccination (El-Nasharty, 2022). Government charity organizations and governmental agencies have initiated and launched several programs aimed at economically and socially empowering rural women for past few years. The purpose of microcredit is to support financially disadvantaged communities to achieve good asset accumulation and financial independence for rural women at home and in society. Thus, the present study intends to analyze the influence of microfinance service upon the economic empowerment of women. This in turn will aids to boost the economic prosperity of nation and in enhancing the empowerment of rural women(Vajrakarur, 2022).

1.1 Problem statement

The women empowerment is one of the primary concern in present society because the women empowerment is nothing but, the procedure of upliftment of economic, cultural, political and social status of women, particularly involves women who are underprivileged in society(Ghasemi, Badsar, Falahati, & Karamidehkordi, 2019).Therefore, it is a complicated task yet it is a worthy process for the future development of nation. In developed nations, the women faces various kinds of discernment in various ways. But in developing nations, gender inequality is being revealed as the main obstacle to hinder the growth of women.

The women empowerment is being considered as the important indicator for sustainability of women's well-being and growth. The women who are poor and from rural part of nation are the most malnourished and food insecure individual in world and are also involved in small-scale agricultural business(Gupta, Vemireddy, & Pingali, 2019). Therefore, in order to improve one's life status, financial independence is required. Several rural poor women cannot acquire financial support from well-established banks and various monetary groups. The illiterate or untrained poor are not poor but those people are considered as poor since, one cannot gain the proper return from one's work in accordance to Yunus. Mostly, the poor rural women works for others benefit because, those rural women have no knowledge about one's capital and labour(Akhter & Cheng, 2020).

1.2 Rationale of study

Various investigators have highlighted the significance of empowering rural women which in turn eradicates the poverty and gender-inequality (Chatterjee et al., 2020). The decision making capability of women will be increased by means of empowerment. In developing nations particularly in India, the rural women faces gender-inequality and are denied of financial independence. Hence, the rural women empowerment can be used as the solution to resolve the social problems and issues faced by rural women. It is very challenging for an ordinary woman to get bank credit from the conventional banking system. Microfinance, however, plays an important role in making credit accessible in the form of loans from microfinance institutions without the hassle of collateral and a heavy documentation process. The present research on financial empowerment of rural women by micro finance service will pave the way for equal participation of women in both home and society.

1.3 Research objectives

The present study emphasizes to estimate the influence of microfinance services on economic empowerment of rural women for the welfare of society. The main objectives of study are,

- To analyse the role and contribution of microfinance service on the financial decision making capability of rural Indian women
- To investigate the impact of micro finance service upon the socio-economic development of rural women
- To assess the association between micro finance services and economic empowerment of rural women

1.4 Research Hypothesis

The research hypotheses developed for research are as follows,

Hypothesis 1

H1: Microfinance services improve the financial decision-making power of women.

$H1_0$: Micro Finance services do not improve financial decision-making power of women.

Hypothesis 2

H2: Microfinance services help women in investing one's earning and savings.

$H2_0$: Microfinance services do not help women in investing one's earning and savings.

Hypothesis 3

H3: Microfinance services help women in enhancing one's socioeconomic status in society.

$H3_0$: Microfinance services do not help women in enhancing one's socioeconomic status in society.

1.5 Paper organization

The paper is organised in the following manner in which Section 1 provides the elaborated introduction about concepts of empowerment and micro finance service. Also, the introduction section depicts the significance of research. The existing research scholarly works associated to the present study is reviewed in section 2. The current study research methodology is elucidated in section 3 and the analysis result is presented in section 4. The discussion and the limitation of the study is displayed in section 5. Finally, the section 6 briefs about the conclusion and future recommendation of study.

2. Literature review

Empowered women contribute to the increase in the socioeconomic status, self-confidence and demographic characteristics of one's household, and subsequently participate in decision-making (Soharwardi & Ahmad, 2020). According to (Wellalage & Thrikawala, 2021), female managers or entrepreneurs are turning to community microfinance offers rather than a bank for short-term credit. A long-term loan, however, provides better facilities to run a business. Both men and women should equally contribute to social engagement through microfinance (Yount, Cheong, Khan, Miedema, & Naved, 2021). Microfinance program contributes to women's empowerment via economic growth and asset ownership. Thus, microfinance has a great impact on worldwide microfinance institutions (MFIs) by improving the livelihood strategies of borrowers(Hossain & Wadood, 2020).

2.1 Role of women in family and society

Women are considered to be the backbone of society. The society will never complete without them. Yet, the structure of the societies always provides secondary status to the women globally. It is also evident that, in the contemporary world women are coming in the key stream of the developmental work for societies. They are proved to be the founders of the societies. The existing study (Abbas & Muneer, 2019) investigates the women empowerment in South Asia and compare it with the position of women empowerment in Pakistan. The conventional study reveals the South Asia in spite of cultural constraints as well as old traditions prevailing in many areas of this region in almost each country yet still governments of South Asia gives significance to the women community. Being the advancement of globalization, this positive approach of women empowerment made its pathway to South Asia.

Women are facing the condition of contradictions in the rural communities. In one hand, she takes the responsible for the household chores, child development and needs of elder members in the family (Kapur, 2019). In other hand, she undergone various form of abuse and ill-treated. Girls are considered to be liabilities and their birth itself are not much appreciated. The male child are preferred more than the female child. Girls should be trained for household works rather than providing education to them. Education is not meant for them. Boys are appreciated to enrol in the school and their knowledge believed to be future growth and development of family. Women are deprived of specific rights and opportunities. They dedicate themselves to the household responsibilities. In the present modern world, the birth of girl babies are appreciated and the Government has adopted many schemes and rights towards attaining of equal rights of women against men(Sharma & Baxodirovna, 2022). They should be given opportunities for education as well as employment. If these measures are followed, it will provide an essential contribution in enhancing the status of women and enlightening their living conditions(Babajide, Obembe, Solomon, & Woldesenbet, 2022).

Agriculture is the growth engine and minimisation of poverties in the countries. It is the significant occupation of poor. The role of women in the agricultural economy for the developing countries is dominant. In rural countries, the participation of women in the agricultural works as well as house holding activities (Pathak, 2022). If there is existence of live stocks, then the cleaning of sheds will be done by the rural women. The women in the rural region is influenced by the social, economic, ecological as well as cultural behaviour. They are the managers of household but are considered to be non-productive, undocumented and unorganised globally. They lack proper knowledge, training, social mobility and illiteracy. These issues are minimised by providing them training in the field and leads to better participation in the work. Education should be provided to women for enhancing the participation of women in the agricultural sector and house hold activities(Choithani, 2020).

Women in the rural region are less literate than the men in India. The reason behind the drop-out of girl child in the school is mainly their responsibilities in taking care of siblings if both the parents went for works. Since primary education are free, yet parents are not interested in providing education to them. RTE – Right to Education has been executed by the government, yet it still far in the reality. Most of the rural women does not have the rights to decide their partners (Yadav, 2018). The marriage is implemented with the endogamous group, in which caste played a significant role. Several women in the rural region are suffered from the poverty due to lack of education. They were not aware of the government schemes and benefits for the economic improvement in the family.

2.2 Microfinance Services

Microfinance (mF) is referred to as facility of providing credit, thrift as well as other financial services like transferring money and insurance products for the low income people to enhance their level of income and their standard of living. It deals with the whole range of services like saving, insurance, money transferring, production as well as investment credits. It also provides housing finance and involves up-gradation of skills and entrepreneurial growth which would assure them to overwhelmed poverty (Milana & Ashta, 2020). It provides credit support in small amounts in addition with training as well as other associated services to public who are poorly resourced and unable to undergone economic activities. The banking sector plays an immense role in delivering the financial services to the poor people. There are three categories of bank, in which the co-operative bank located in the rural areas are proving mF services for the poor people.

mF is a financial support resources for low wages people such as small entrepreneurs, poor people in rural areas who does not have sufficient money to undergone their business(Sajan, 2021). mF will provide financial support to those who have issues in accessing the financial requirements. The services provided by them are loan, savings account, money transfer and other insurance products. In developing countries like India, mF are considered to be method of eradicating the poverty and also in the development of economy(Bhura & Jha, 2019). It will provide various products as well as services for the low wages people and small entrepreneurs. It is specially constructed for the people in needs and society of the people living in the areas which are underdeveloped. mF help those people to stand on their own feet and became financially independent. In rural areas, the availability of loan facility through mF is simple and easier to make them self-reliant(Imam & Khan, 2021).

mF plays an important role in the countries in India for uplifting in terms of socio-economic factors in low and poor income people. The poverty eradication factor is significance of mF in both the international as well as national levels(Arandia & Hepp, 2021). Government has taken several initiatives in obtaining the benefits of poverty minimisation and socio-economic growth. It enhances the standard living condition of poor. mF has its significant impact in the economic development of the country (Pankaj, Farhad, & Rzgar, 2019). A well-constructed financial system in the country will develop the investment opportunities in the country's economy. Both SHG and MFI play an important role in providing micro-financial services that leads to the development of financial services in rural areas to achieve inclusive and sustainable development. The financial inclusion considered to be the major goal of the mF sector and the efforts are required to detect the interventional areas for successive initiatives in the future.

There are two predominant modes of operations in mF are SHG and private mF institutions. Their diffusion in the state is not uniform. There are two main approaches of the mF establishment. They are financial system approach as well as poverty-lending approach. The existing study (Sangwan & Nayak, 2019) focuses on whether the approach is general for both the models and to determine the existence of divergence. Quantitative analysis was performed in this research. It observes the existence of divergence in inter-region with the huge concentration of loan in the areas of southern region of country. The empirical analysis reveals the chances of drift in the mission as the providers of mF prefer developed states of the country. Although it provide the benefit of poverty reduction, it has major benefit of financial sustainability in the regional distribution of both the models.

mF is frequently incorporated as a solution to the various social issues. In spite of poor households, mF provide the opportunity to invest to eradicate them from poverty, enhance gender relations as well as local governance(Maity, 2019). In the past few years, credits and savings groups support some essential social programs executed by the government like food grains distribution and providing meals in the primary schools. The existing study (Chinngaihlian & Chavan) focusses on the performance of mF in the socially disadvantageous groups in Northern India. Empirical analysis was carried out in this research. The analysis reveals the lower caste members and landless farmers are restricted to access these groups. It also proved that they had a lower probability of being permanent member of the group. Moreover, the bank loans are limited to these group of people. The performance does not impact by the landlessness.

mF is an approach of economic growth as well as benefit low wages men and women. It provide financial services to the low-income consumers and self-employers. Credits and savings are included in the financial services, but also involves payment and insurance services. The existing study (Pushpanathan & K, 2021) investigate the impact of mF on the performance of entrepreneurs. Hundred entrepreneurs who are benefitted from the Samurdhi Bank were selected for the samples. Data were collected through questionnaire method and analysed through SPSS. Regression, correlation and factor analysis were performed to determine the impact of financial services on the entrepreneur’s performance. The outcome of the analysis reveals the existence of positive impact of mF services on the performance of entrepreneurs. It also signifies the micro-savings is important for the micro entrepreneurs(Swarnika & Pushpanathan, 2020).

2.3 Financial empowerment of rural women

The transformation of livelihood refers to the up-gradation specifically concentrating on the economic transition(Hasan, Singh, Agarwal, & Kushwaha, 2022). The existing study (Datta & Sahu, 2021) investigate the responsibility of mf with the regard to changes in the livelihood transition of the borrowers. A sample of 350 borrowers in the state of West Bengal was considered for the response. An empirical analysis has been incorporated through the application of statistical tools. The outcome of the analysis reveals that mF has shape up the lifestyle of the rural women over time. The utilisation of micro-credit support the borrowers to start the activities for income generation. It has transformed the man power usage in the household and beyond that. It also signifies the importance of mF. The conventional study provide suggestion to the policy makers for designing innovative policies for benefitting the borrowers.

mF has emerged as an effective tool in the development of financial empowerment in the women of the developing countries like India, Kenya, Argentina and Bangladesh. Several mF programs has been executed to enable the financial growth in women and act as fundamental inspiration among them. It is dominated by the SHG in India. The objective of such group is to provide cost-effective approach for providing financial services to the unreached poor people (Sunitha, Aggarwal, Keerthi, & Kedia, 2019). In involves offering of financial services to the poor people especially women in the rural region. mF empowered women in the several parts of their life. The existing study (Bhati, 2020) performed to analyse the impact of mF on the empowerment of rural women in the Western Rajasthan. Quantitative analysis has been conducted for the analysis. It was evaluated through SPSS tool. The outcome of the analysis reveals the existence of financial stability for the rural women after joining SHG. It has been proved to be a fruitful system among the rural women in the country of India.

Women empowerment is referred to be providing significance to the perspective of women and upgrading the status of women by the process of education, literacy, training and awareness(Asad, Hameed, Irfan, Jiang, & Naveed, 2020). The existing study (Deka, Bora, & Baruah, 2022) focuses on the impact of mF on the empowerment of women in the rural regions of Tinsukia District located in Assam. It also determine the socio-economic condition of the women in the rural areas. 108 respodents were considered as sample. Two Bandhan banking units were selected for analysis. The outcome of the analysis reveals that the major respondents were from the background of medium level of socio-economic status. It also observed the significant enhancement in psychological, economic, socio-cultural and personal level of rural women after availing financial services from Bandhan bank. Economic empowerment was observed to be more prominent rather than empowerment dimension. Therefore, from the analysis it reveals the socio-economic status of the rural women has been improved after availing financial services from mF.

mF is an ancient origin in India. Conventionally, Zamindaars, traders and money lenders provide money to poor borrowers in the rural areas at the increased interest rate. This type of finance is not controlled by the Indian government. Though it is informal in nature, it exploits and provide difficulties to the rural people for repayment. As a result, several rural people suffered to meet their day to day life and increased interest rate made them more poorer. To regulate this type of activities and easy access to poor household in the rural areas, Indian Government has established the mF scheme in the year 1980 to enhance the rural economic empowerment. mF institution provide mF service to the rural poor women through SHG. The economic empowerment of women is the method of accessing equal rights to the women over the economic resources. Women employability lead to the economic empowerment. The primary objective of the existing study (Balamurugan, 2019) is to investigate the rural women perception with the regards to the economic empowerment by means of mF. Qualitative and quantitative analysis was performed through primary and secondary data sources. 13 Village panchayat were selected by random sampling technique. 26 SHG and 130 members were considered as samples. The outcome of the analysis reveals the huge number of women respondents agreed the mF has enhanced the living standards, employment opportunities, participation in community activities, social status, and choices in the utilisation of their income and generate economic awareness.

mF is also called as micro-credit, is one of the kind of banking service generated to unemployed and low-wages public who had no other way to access financial services. In India, women always considered to be disparity in the socio-economic condition with regards to control, power and privilege (Rawani, 2019). mF has the mission of establishing women empowerment and upgrade the women's status. It has been widely used to minimise the poverty condition and enhance the socio-economic condition of rural women (Kaur, Kaur, & Kaur, 2020). It overcome the exploitation and generate the confidence level of women and make them self-reliance economically. It has the capability to start-up the series of virtuous spirals in terms of economic empowerment, social as well as political engagement among women.

3. Research Methodology

3.1 Research Design

The quantitative method approach is adopted in this research. The quantitative research describes the occurrence by gathering numerical unchangeable detailed data which is being estimated by using mathematical related methods. This in turn provide statistics related to questions of what, when, where, how, how many and how much. It involves the logic, number and objective stance(Baur). The quantitative research analysis is an innovative research through which an investigator interrogates a particular question, gathers quantifiable data from respondents and it estimates those numbers by utilizing statistics and performs the inquiry in an objective and unbiased manner(Mohajan, 2020). The quantitative research uses survey and questionnaire method for the collection of primary data (Sürücü & MASLAKÇI, 2020).

The research uses the quantitative data which is gathered by means of questionnaires. The research instrument used in this study is questionnaire and it helped to capture the data regarding knowledge, information, awareness about the mF in India and their impact in the empowerment of rural women from the residents of Kerala. The survey is conducted among the rural women in Kerala, India using the structured questionnaire on the basis of variables of research. The questionnaire is managed by means of research assistant.

3.2 Study area

The research is conducted among the rural women of Kerala, India who are willing to respond to survey. This is in turn aids for successful completion of this research. The survey is conducted by the researcher itself. The participants surveyed for this study are within the rural region of Kerala locality therefore, it increase the significance of research purpose. This is in turn will make the data collection process easier.

3.3 Sample size and population

A sampling strategy is essential since it is not always easy to gather data from each and every unit of populace (Stratton, 2021). Hence, the process of choosing the appropriate sample size is must to decide the number of observations to incorporate in the statistical sample. In addition to it, the sample size is the main characteristic of any of the empirical study and its main objective is to create an inference regarding the populace from the sample (Lakens, 2022). The sample size is described as the number of study units and participants that needs to be incorporated and is vital to encounter the research questions of study. A very large sample is sometimes will incur wastage of cost, resources and time. Meanwhile, the small sample size will not be adequate of producing reliable and conclusive outcomes (Fowler & Lapp, 2019). Hence, it is vital for investigator to assess appropriate sample size to create reliable outcomes with the aid of statistical procedure (Adhikari, 2021). Therefore, the present study pursues the convenience sampling strategy and encompasses the sample size of 100 which is neither smaller nor bigger in order to attain the research purpose in an effective manner. The targeted populace comprises of daily wages, house-wife and self-employed rural women residing in Kerala, India. These particular group of people is selected due to the nature of study and also these people will contribute to the research purpose to a greater extent.

3.4 Ethical considerations

In prior to the survey, the personal details of the respondents was gathered. The personal details includes information of residency, full name and description of job and these personal data will not be revealed in order to guarantee the confidentiality to each and every respondent.

3.5 Data analysis

Quantitative research analysis(Jung, 2019) is determined as a systematic phenomenon by collecting data and executing mathematical, statistical, and computational methods. The quantitative method fetches data from conventional and prospective management employees utilizing sampling techniques and providing online research, polls, surveys, etc. The results are determined numerically. After careful interpretation, these numerals are used to predict or evaluate the future of the research and make the necessary changes.

With the support of framed questionnaire, the data are collected from the particular sample respondents, and quantitative methodology is utilized for the data analysis. The data will be recorded using an Excel sheet to reveal the variables. The software tool SPSS is used for the subsequent estimation stage to analyse the variables entered in Microsoft Excel. The outcomes are estimated using five evaluation approaches. The methods used by the researchers are regression, correlation, and descriptive statistics, frequency distribution, and ANOVA analysis.

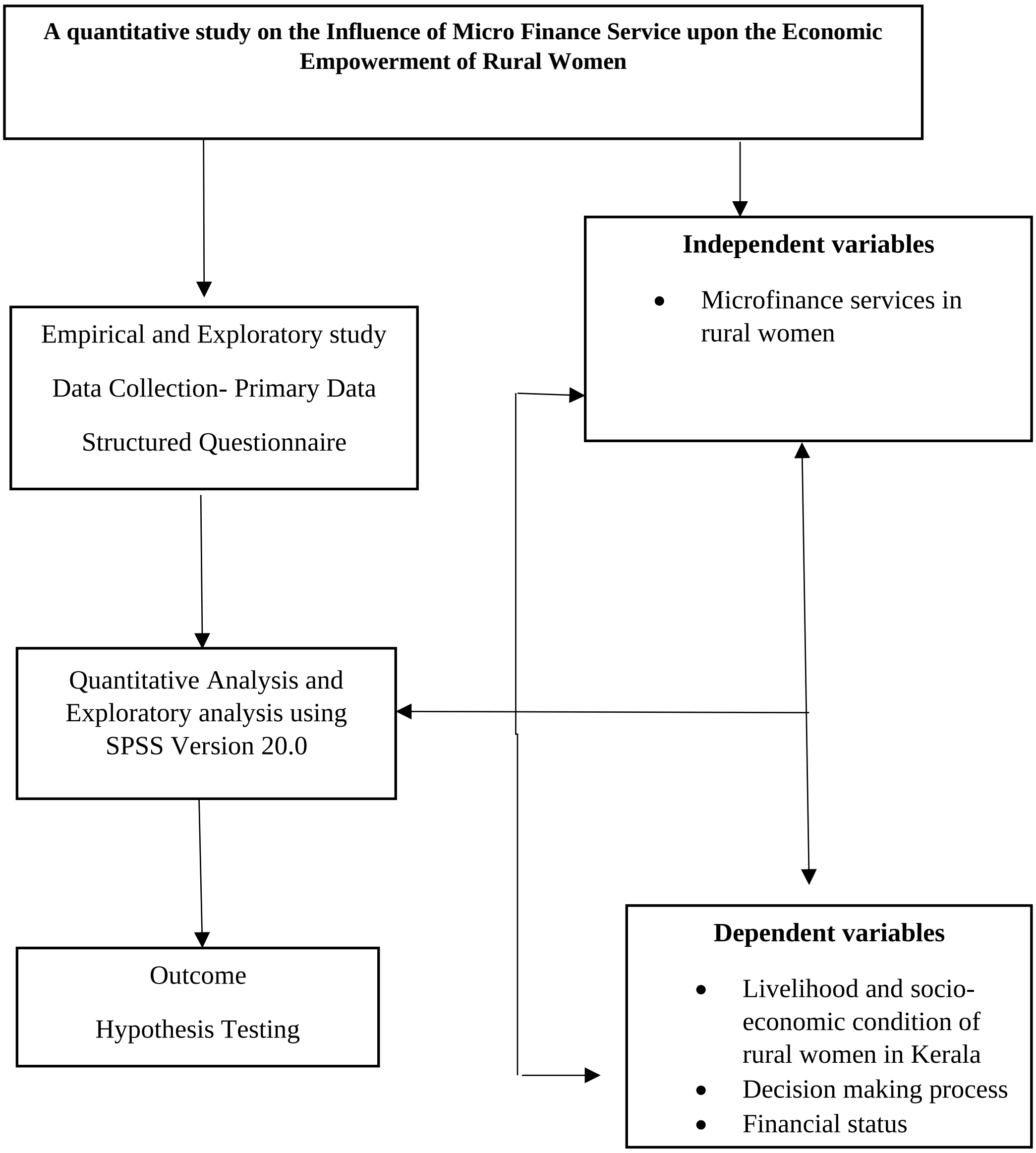

Figure 1. Research Design

The data is collected from the research participants such as rural women in Kerala, India. Correlation is applied to describe the association between the two variables. Regression is implemented to represent the influence of a single variable upon other variables. ANOVA is a statistical tool used to find the difference between the means of two independent collections by analysts. Descriptive statistics denotes the representation, collection, and formation of data. It is employed for briefing the characteristics of data sets. Frequency distributions are defined as the visual displays which form frequency counts, and this helps the information concluded simply. The process involved in the research is illustrated in Figure 1.

The use of SPSS software in this research makes the results effective and consistent in counting the values. The collected data was enumerated with the usage of Excel and SPSS software. Correlation, Regression, and ANOVA are accomplished to evaluate the organized hypothesis. The data estimation comprises 3 levels, namely, Microsoft Excel is used to incline the demographic variables, and the design of frequency distribution is done. To list the data analyzed by statistics to predict the median range and the mean and standard deviation of several variables in this research is a significant step. Hence SPSS software is employed in this research. Regression, Independent T-Sample test, ANOVA, and Correlation evaluation are employed to evaluate the research hypothesis.

4. Results

4.1 Demographic data distribution of respondents

The total number of around 100 rural women in Kerala are considered as candidates of the study. The demographic details of the respondents are displayed below in form of tables and graphs.

The table 1 describes about the frequency distribution of age, marital status, family income, education and occupation among the hundred respondents of study.

Table 1 Demographic pattern of the respondents

Demographic Factor	Parameter	No. of Respondents	Percentage (%)
Age	18-25	10	10

	26-35	10	10
	36-45	32	32
	46-55	36	36
	55&above	12	12
	Total	100	100
Marital status	Married	78	78
	Unmarried	8	8
	Widow	14	14
	Total	100	100
Monthly family Income	>10000	66	66
	10000-20000	22	22
	20001-30000	0	0
	30001-40000	8	8
	<40000	4	4
	Total	100	100
Education	Illiterate	4	4
	Lower school	88	88
	Undergraduate	6	6
	Postgraduate	4	4
	Total	100	100
Occupation	Daily wages	12	12
	Housewife	72	72
	Self-employed	16	16
	Salaried	0	0
	Total	100	100

In table 1, it is revealed that the majority of the respondents are in the age group of 46-55. Followed by it, the age group 36-45 is found prevalent among the respondents who attended the survey. Finally, the respondents of age group 18-25 are found in scarce among the rural women who answered the survey. In terms of marital status, the married women are in huge number to attend the survey followed by the unmarried women and widow. The married women has a conscious about the financial status of their family. The higher responses from the married women will made the result accurate. In case of monthly family income, most of the respondents lies in the category of Rs. 10,000 and followed by the wages of Rs. 10,000 to 20,000. Only few of the respondents were lies in the category of above Rs. 40,000. This shows the study analyses the rural women in the medium scale of economic level in Kerala which made the research more significance. In case of education, most of the women undergo primary schooling and only few of them were post-graduate. Regarding occupation, several women were house-wife followed by the daily wages and only few of them are under the category of daily wages. The demographic analysis proves the research has undergone in the simple, low-level rural women in Kerala.

4.2 Regression test

The regression test is performed to analyse the association between the dependent and independent variable. Regression technique is utilized to calculate the strength of a relationship between one dependent and independent variable (Astivia & Zumbo, 2019). It aids in predicting value of a dependent variable from one or more independent variable.

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.740[a]	.58	.48	.726
a. Predictors: (Constant), money management skills				

Table 2 Model Summary

In table 2, the calculated value for coefficient of determination for hypothesis 1 is 0.58 which shows that 58% of the variation in improving the financial decision-making power of rural women is described by mF services. The regression coefficient explains that there is a positive relationship between micro finance and enhancing the financial decision-making power of rural women in this study. It proves the hypothesis H1.

H1: Microfinance services improve the financial decision-making power of women has been proved from the regression analysis.

Table 3 ANOVA under Regression

Model		Sum of Squares (SOS)	df	Mean Square	F	Significant
1	Regression (R)	3.159	1	3.159	5.999	.016[b]
	Residual (Re)	51.601	98	.527		
	Total	54.760	99			
a. Dependent Variable: financial decision making power						
b. Predictors: (Constant), money management skills						

In the above calculation of table 3, the P-value is 0.016 that proves that a major influence of SHG and its services on financial decision of rural women. Since the P-value is less than significance level of 0.05, it is evident that null hypothesis (H10) will be rejected. It concludes that mF services improve the financial decision-making power of women. mF has significant impact on the financial decision making power f rural women in Kerala.

$H1_0$: Micro Finance services do not improve financial decision-making power of women has been rejected from the above ANOVA analysis.

4.3 One –way ANOVA test

One way ANOVA is normally utilized when there is an individual independent factor or variable and the main objective is to inspect the difference levels of the factor which have a determinate effect upon the dependent variable (Liang, Fu, & Wang, 2019).

Independent variable: Microfinance services

Dependent variable: Investment in earning and savings

Table 4 Descriptive Statistics

	N	Mean (M)	Standard Deviation (SD)	Std. Error	95% Confidence Interval for Mean		Maximum
					Lower Bound	Upper Bound	
strongly agree	20	1.95	.224	.050	1.85	2.05	2
agree	52	2.23	.703	.098	2.03	2.43	5
neutral	11	2.00	.000	.000	2.00	2.00	2
disagree	11	1.73	1.009	.304	1.05	2.41	3
strongly disagree	6	3.67	.516	.211	3.12	4.21	4
Total	100	2.18	.744	.074	2.03	2.33	5

Table 4 depicts the perception of women in SHG towards the investment of their earnings and savings. The highest mean value acquired with the respect to women who rated the mF has influence the women's perception of investment on their savings. It proves the hypothesis H2. Therefore, mF supports the women in investments of their earning and savings in business activities.

H2: Microfinance services help women in investing one's earning and savings has been proved from the above regression analysis.

The significant value obtained from the above table 5 is 0.000 which indicates that there is a noteworthy association or impact among the independent and dependent variables. The significance obtained through the ANOVA test reveals that independent variable representing the mF services is determined by the dependent variable representing the investment factor of their earnings or savings. The result rejects the null hypothesis $H2_0$. mF has enhanced the capability of women to invest their savings in purchasing lands, assets, gold etc. Thus, the study determines that the involvement of women in SHG and their services helps rural women in investing their earnings and savings.

Table 5 ANOVA

	Sum of Squares (SOS)	df	Mean Square	F	Significant
Between-Groups	17.064	4	4.266	10.751	.000
Within-Groups	37.696	95	.397		
Total	54.760	99			

$H2_0$: Microfinance services do not help women in investing one's earning and savings has been rejected from the above ANOVA analysis.

Independent variable: Microfinance services

Dependent variable: socio-economic status

Table 6 Descriptive

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
strongly agree	20	3.20	1.508	.337	2.49	3.91	1	5
agree	52	2.15	.364	.051	2.05	2.26	2	3
neutral	11	1.36	.809	.244	.82	1.91	1	3
disagree	11	3.64	1.567	.472	2.58	4.69	2	5
strongly disagree	6	2.00	.000	.000	2.00	2.00	2	2
Total	100	2.43	1.130	.113	2.21	2.65	1	5

In table 6, depicts the perception of women after availing loan in SHG has enhanced their socio-economic status. The highest mean value is acquired with respect to women who rated the influence of mF in improving the socio-economic status of them. This rejects the null hypothesis (H30). It illustrates mF has improved the socio-economic status of women.

$H3_0$: Microfinance services do not help women in enhancing one's socioeconomic status in society has been rejected from the above analysis.

Table 7 ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	45.450	4	11.362	13.316	.000
Within Groups	81.060	95	.853		

Total	126.510	99			

In the above ANOVA analysis (table 7) reveal the P-value is 0.000 which proves the considerable impact of mF services on enhancing the socio-economic status of rural women in society. This suggests that mF services help women in enhancing their socioeconomic status in society, interpreting the approval of an alternative Hypothesis (H3).

H3: Microfinance services help women in enhancing one's socioeconomic status in society has been proved from the above analysis.

5. Discussion

From the analysis of gathered data from respondents of study using SPSS, the inferences of the study are made. The existing study (Akula & Singh, 2021) investigates the decision making process of women after availing loan from mF. The study concludes the mF services has enhanced the financial decision making process of women. The present study also acknowledges it since the rural women improves their decision making process, financial stability and socio-economic status by availing loan in mF. The regression and ANOVA analysis proves that mF has improved the financial decision making process of women.

Another existing work of (Bhura & Jha, 2019) illustrate the poverty minimization by implementing mF in the developing countries like India. Our study also demonstrate the mF can benefit the borrowers and enhancing their economic condition in the society. If the economic condition of the rural women increases, it will result in the improved condition of the society which ultimately resulted in the financial improvement of country. Therefore, there is no point of people suffering in the poverty condition.

In addition to it, the study of (Datta & Sahu, 2021) described the livelihood transformation of borrowers from mF in the rural region. It transform the lives of rural women from the households to beyond that. Likewise, the present study findings explains the role of mF in transforming the socio-economic status of women in the rural region of Kerala, India. It furnishes the significance of mF in the socio-economic growth of rural community.

Similarly, the existing work (Balamurugan, 2019) describe the economic empowerment achieved by means of women employability. Women entrepreneurs can be increased through financial services provided by mF. Our present study articulates the economic status of women in the society can be enhanced by mF. It also insisted upon the significance of mF in providing loans to women entrepreneurs in the rural region and thereby improving their financial status.

5.1 Limitations of study

Every study has its own limitation, so does the present study. The main limitation of the study is that the participants of the research are from Kerala, India. Hence, the results might lack in generalizability. The current study did not include certain significant components of self-help organizations, such as internal loans and collective savings. However, the implication provided by the research can be useful to improve the living standards of rural women.

6. Conclusion

Microfinance, with its compass and interface with the rural populace, is generally viewed as a powerful tool to contact the under banked yet hopeful women not entirely settled to achieve a change in society. Participation in SHG and microfinance initiatives has a favourable effect on participants' income, assets, employment, savings, access to loans, bank connectivity, knowledge, sense of worthiness, and ability to make decisions. The importance of mF institutes in the nation can be perceived from women's new ascent in borrowing (Wang, Yu, Yang, & Zhang, 2021). Further, mF organizations associatewomen through small joint responsibility bunches in which every one of the groups can provide undoubtedly access to advances and smooth out disbursal processes. The present study recommends that women are all the more financially disciplined and subsequently, there is an undeniably more friendly worth produced when women access formal credit. Subsequently, each micro-loan credit that is dispensed to women goes quite far towards increasing position, poverty alleviation, and production of a prosperous society. The study sheds light on the importance of yield-oriented loan utilisation and ongoing succeeding doses of microloans for accomplishing the targeted goals of microfinance programmes. Consequently, it tends to be presumed that SHG assume a crucial part in engaging the financial status of women and setting them up for more noteworthy jobs as supporters of national development.

DECLARATION

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