

The Role of Micro-credit System for Empowering Poor Women

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Abstract

Participation of women in productive activities is crucial for enhancing the economic status of the family and for the overall empowerment of women. This study investigates how micro-credit programs affect women's empowerment from the credit beneficiaries' perspectives. Also, the study highlights the role of poor women in changing their life style by running small-micro business activities through the loans granted to them by a non-profit organization under the Micro-credit Program.

The study adopted a qualitative approach. The main findings of this study revealed that participation of women in micro-credit program helps in promoting women's empowerment, in particular the economic and socio-cultural dimensions of empowerment. The targeted women became economically empowered by (1) having their own income, (2) contributing to household purchases and (3) financing the education of their children; however, they did not manage to make savings to promote their micro-small operations. The findings also indicated that micro-credit equipped women with greater social networks, freedom of mobility and facilitated bargaining power vis-a-vis their husbands.

The findings have implications for policies and interventions in enhancing new innovative approaches for micro-business programs.

Key Words: Micro-credit system; Women economic empowerment; Community poverty.

Introduction

The past three decades witnessed an increase in the advancement and empowerment of women through economic participation and contributions. However, women's work in general, and establishing self-owned business in particular are to a great extent shaped by the overall socio-cultural context. Despite diversity, this context is predominantly governed by sets of value systems and norms that encompass a patriarchal ideology.

The concept of micro-credit¹ has received significant recognition particularly in Bangladesh in response to alleviating poverty by organizing poor women into productive workforce (Ahmed, 1999; Ledger, 1999; BIDS, 1999; Web et al. 2002; Mayoux, 2005). The experience of Bangladesh has revealed that women have the capacities, and with proper funding they can undertake successful business. It has also shown that micro-credit makes significant contribution to the family, community and local economy.

As a back bone to empowering women through micro-credit entrepreneurship, issues of human capital development, success of the business, its profitability and continuity are crucial issues to be studied. There is evidence that women's projects in poor urban areas in Khartoum State have the potential to grow (ElJack et al, 2002). However, there is paucity of Sudanese studies on micro-credit in general and its effect on women's economical, social, mental and managerial empowerment. Hence, this study provides a scientific investigation of the perceptions of the women beneficiaries in relation to how micro-credit programs have contributed in empowering them, economically, socially, and mentally; as well as bringing into light the challenges that these women face in receiving and managing micro-credit; and explore the factors that lead to successful implementation and sustainability of these programs.

2. Micro-Credit And Women Empowerment In Sudan

Most of the studies in the Sudan have rather focused on micro-finance. The construct of micro-finance in Sudan operates within formal context (banking sectors) and differs from micro-credit in its organizational structure and methodology requiring collateral warranty. The recognition of micro-finance as one of the priority sectors of alleviating poverty in the Sudan still in its infancy started just in the mid of 1990s. Much of the Sudanese studies and debates have centered on the experience of the different micro-finance institutions as mechanism to reach

¹ In this study, micro-credit refers to small loans offered to very poor women who cannot even meet the most minimal requirements to qualify for conventional credit through banks.

the poor, greatly targeting poor farmers, as well as the challenges facing the expansion of the micro-finance sector in the Sudan (Unicons and CBS, 2006).

In 2007, a study was carried out among UNFPA income generating supported projects in a number of suburb areas (Haj Yousif, Hai ElNasr, Ombadda) inhabited by poor needy people in Khartoum State. The study concluded that income generating project (IGA) in Haj Yousif succeeded in empowering women. As indicated by the women beneficiaries, 93% stated they have the freedom to dispose their income as they wish. About 71% were better off in making decisions within the family than they were in the past. All these have consequently led to improved self-esteem and self-confidence. In Hai ElNasr, 36% of the women mentioned that their income has created financial burden within the household. In Ombadda, 76% of the beneficiaries attributed the success of their business due to the increase of their income.

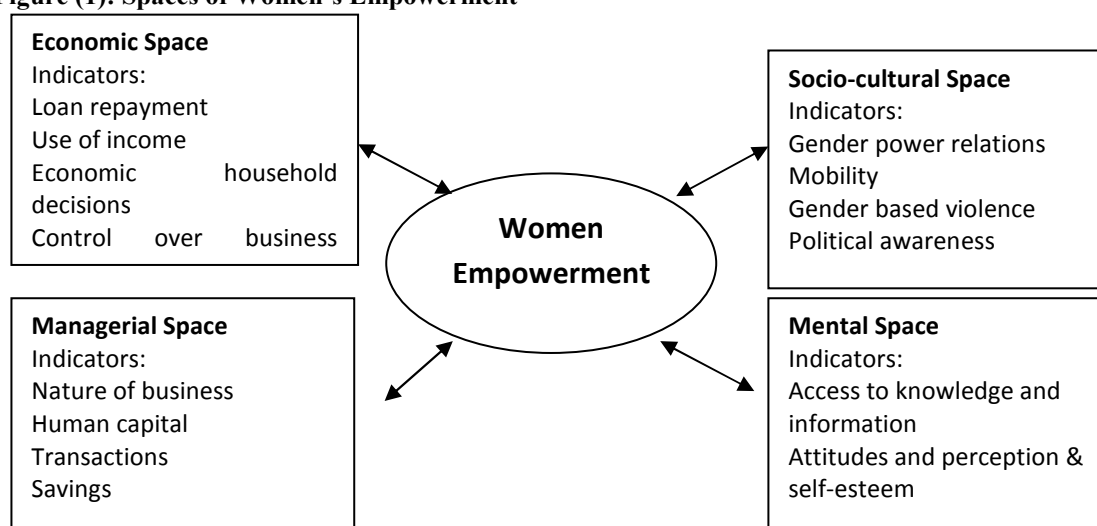
El Nager (2005) also provided evidence of the benefits of micro-credit in a study among poor women in squatter areas in Khartoum State highlighted the positive contributions of micro-credit in having a regular income which help in the children’s education, making improvements in the house, and enhancing decision making power.

ELJack et al. (2004) study on poor women’s participation in selling food and beverages in urban markets concluded that it had both positive and negative effects on themselves and their families. Some of the positive effects were the ability in running the household and sustaining living expenses, as well as contribution from their own income in supporting relatives and friends in special occasions, such as wedding and funerals, which resulted in enhanced social status; worthiness and respect and appreciation. However, the study revealed that involvement in those micro-activities was an added burden to their reproductive role. Women stayed for long hours in the market selling their products; this impacted negatively on the children whom were left unattended for long hours. Very few of the surveyed women get assistance from their family members in looking after their kids. These studies may suggest that micro-credit holds a pivotal position in helping women to bridge the gender gap in relation to financial, social and decision making power. Thus, this research aims to contribute in this subject area by filling the gaps and documenting the experience of Sudanese micro-credit programs in empowering poor women.

3. Conceptual Framework

The link between micro-credit and women empowerment is discussed in the context of space² of women’s lives, specifically economic, socio-cultural, managerial and mental space. The managerial space has been added by the researcher as perceived to be an important factor for the success of the business and hence empowerment of women. These four spaces are perceived to be inter-related and correlated, tending to uncover the complexity and multi-faceted concept of women empowerment. Measuring empowerment of women accessing micro-credit may take place along the following four spaces of empowerment.

Figure (1): Spaces of Women’s Empowerment



² Space is “that which allows a person the place, freedom, margin to do what s/he intends to do” (Deshmukh-Ranadive, et al., 2005).

The above figure illustrates the four spaces that influence women's empowerment. Each space has specific indicators that empower and effect positively in the economic enhancement of women. It is believed those women's access to and control over resources and assets are often limited due to the perception that women are unable to control house-hold income (Ledgerwood, 1993). Some of the indicators necessary to enhance women's economic empowerment are women's ownership, economic decision within household, control over involvement of other family members in the business, use of income for self and family. All these aspects are necessary to enhance women's empowered status.

3.1 Socio-cultural space

The socio-cultural space is imperative to strengthen women's power within the domestic sphere. The placing within families of members is important part in the social space and in most cases women ranks the lowest status and is subjected to the power of their husbands. Some indicators that lead to enhancement of socio-cultural space include division of labor within the household, women's control over their body, and space of family size. Also, mobility across spaces within and outside their house such as the market place, participation in political activities is contributing factors. All these are fundamental to grant women empowered position in intra-domestic and outside the domestic sphere.

3.2 Managerial space

It is concerned with women's abilities, skills, effectiveness and efficiency in managing their business functions; some of the indicators that would be measured include control over resources, decision making for resource distribution and marketing, accounting and women's capabilities in making profit to expand business activities which are part and parcel of women empowerment.

3.3 Mental space

Mental space is 'metaphysical in nature and consists of the feeling of freedom that allows a person to think and act [it includes self-esteem and confidence]' (Deshmukh-Ranadive, et al., 2005). Mental space includes accessibility to knowledge and information which are crucial for empowerment. It is believed that expansion in space manifests a change in perceptions, attitudes and aspirations. Also, issues of self-reliance and feelings of self-actualization, leadership, and autonomy enhance the mental space of women and hence maximizing their empowerment. This could be a dimension to measure the extent of women empowerment.

4. Research method

This study adopted an insider, qualitative approach and non-positivistic stance. From an epistemological standpoint, the researcher believes that reality is produced and reproduced via intermingling of people's own experiences and interaction with others. This research intends to give meaning to social reality through understanding and interpretation from the research subjects' values and opinions.

The key techniques used to generate empirical data in this study are semi-structured interviews and group discussion, supported by study of documents. Using an ice-ball sampling technique, 27 women were selected for the interviews. This number has achieved satisfactory theoretical saturation level (Strauss and Corbin, 1990). The research subjects were classified into two groups based on the following criteria: Group one consists of women who have successfully repaid loans and expanded their business. Group two is composed of women whose loans are in default but later they slowly involved in business with difficulty.

The researcher introduced the topic to the respondents and guided the discussion by asking set of questions, dealing with amount of loan, repayments and difficulties encountered in both application for loan and repayments. Questions related to how micro-credit activities helped in empowering them from economic, social, managerial and mental perspectives. Identify the obstacles and challenges during their course of work and how they managed to overcome them. The research participants were given a chance to articulate their future vision in how to improve the effectiveness of this micro-credit program.

The focus group discussions (FGDs) were organized in four sessions. The first meeting was attended by ten women to understand the difficulties and challenges facing them through the life span of the business. The second meeting dealt with the mechanism used for sustainability including, resource allocation, management of the business, the return of the fund. Twelve women participated in the discussion. The third meeting took place with two groups of women (2 each): those with success stories and others who have been unsuccessful. To discuss in depth main factors of success, their perception of themselves as good business women, how they can replicate such experiences to expand their business.

The data collected by the researcher and one assistant who has experience in qualitative research. Also, a recorder was used during both the in-depth interview and in the focused group-discussion. Thanks are extended to all interviewed women and to the research assistant for their honesty and cooperation.

The qualitative data in this study was analyzed by creating concepts and categories around the four spaces of women empowerment. Simple computation of percentages was used to allow comparisons between the different groups (successful in repayment and expanded their line of activities and those who are still facing difficulties in loan repayment) of this study.

5. Findings

This section presents the findings of the fieldwork as classified by different themes:

5.1 Participants Basic Information

The research showed that almost half of the participants (47.1%) in the sample were in the age group (30 - 41), the youngest group of women below 30 years old is (11.1%) and the minority (7.4%) of those women's age varied between 54 – 59. The level of education attained is expected to affect the size and type of the business as well as the way the women manage their household and business. It was found that the majority (40.7%) of the research subjects either completed all or few years of primary education, the percentage of those who were illiterates was (33.4%) and (11.1%) attained secondary schooling. The high rate (over third) of illiteracy in the sample of this study pronounces the overall high illiteracy rate among Sudanese women and the gender disparity in education.

The majority (70.4%) of the women in the sample were married, whereas (22.2%) were widowed / divorced. The latter category is heading their households and supporting their families from this micro-credit project. They also take a leadership role in running their venture. The occupation of the husbands of those married women concentrated into two domains; daily laborers and small-traders in the market. This emphasizes the lack of regular/stable income and the very poor economic status of these women and their families.

The analysis revealed that over half of the respondents (66.6%) have big families with a number of children ranging from seven to twelve. The other half has four to seven children in addition to other family dependents.

5.2 THE ANALYSIS

The analysis revealed that the larger the size of the family, the more the expenses would be, and hence would influence their decision to join micro-credit programs as a means of alleviating their poor status. In addition family members are expected to be involved as workers in operating such small-scale business. Within this context, this constitutes extra load for those women who are already burdened by household chores. However, the interviews showed that these women with over eight children get support from their elder sons. The occupations of the majority of the sons vary from traders to daily laborers, whereas one is a soldier and another bus conductor. In relation to girls, they drop out from school to get married at an early age to relieve financial burden or to help in the domestic work and looking after family members. The very few (7.4%) single women who are not yet married also contribute to their families' well-being and taking care of elderly and sick family members.

Some of the indicators explored to enhance women's economic empowerment are: repayment of loan, use of income for oneself and family, control of economic decision within household, savings, and education of children, purchasing capacity, house improvement / repair or construction, control over involvement of other family members in the business alleviation of financial burden and financial security. All these aspects are necessary to strengthen women's empowered status. The information generated has been categorized into the following points:

It has been elucidated from the analysis that over two third of the women (37%) have succeeded in repaying their loans, have regular earnings and have managed to improve their socio-economic status and strengthened their position within the family. This is clear in Umballa's revelation:

'I am thankful to this micro-credit program which provided us with the opportunity to generate money on weekly basis with God's help and assistance from my elder two sons, who sacrificed their education to help in running this venture. I managed to repay the first loan, which was in 1998 and afterwards applied for three more loans. I am proud and happy because my daughters have all gone to school and now two of them are in universities'.

The other women who experienced difficulties in repaying the loan stated different reasons such as lack of husband support, some of their income generating activities are seasonal, death or sickness of family members which forced them to use the loan to cover such unexpected expenses. One of the women (Badria) who still did not pay back the loan since the last two years said:

'My husband tried to monopolize it and wasted all the money, at the end he sold out the donkey cart and refused to give me the money, I am grateful for the micro-credit coordinator for sympathizing with me'. Another participant added: *'I feel my husband got jealous, he did not offer*

any support, I rented a shop for telecommunication services which was managed alternately with my sister, but the rent was high and we did not generate enough cash to pay the monthly rent'.

Traditionally, women in general and poor women in particular have no significant control over income and household budgeting. All respondents have no independent source of income nor have been engaged in any income generating activities before they joined the micro-credit program. Over third of the respondents who expanded their business by applying for a second and third loan were found to be in a better position as they mentioned that they autonomously allocate a fixed part of the income for their own use, however, they expressed that they may not have the same level of autonomy over the little savings generated each month. Quoting some of the statements declared by those women:

'After I applied for a third loan to expand my venture, I was able to spare some money for my own enjoyment', '... now I can buy new clothes for special occasions such as Eid', 'having big families, whatever saving we try to make, is still spent on children's cloth, education and household needs'.

In contrast, those women (50%) who encountered difficulties in repayment on scheduled period indicated that there is no money gained to enjoy for their private use and some commonly repeated that their husbands have full control over deciding the utilization of that money. The same lady who perceived that her husband was jealous of her further mentioned:

'Granting husband support is important not only for the business success but for the enjoyment of the money reaped'.

The motives of those women in applying for micro-credit loan as emerged from the FGDs supporting the interviews were to support their families, having their own self-income, and become independent. This is similar to other research findings in different contexts (Kiggundu, 2002 cited in Mohamed, 2006 and Pitamber, 2000). Citing money as the major motivating factor is no surprise and is consistent with some motivation theories and empirical studies that money is ranked as one of the five top motivating factors. Hence, it is no surprise to be number one factor of motivation particularly among the poor segment of the population.

In respect of control over economic household decision includes economic issues related to education of children, purchasing capacity, house improvement or construction. A large number of respondents who have been doing well in their business stated that they shared with their husbands' decisions related to children's education and those who have children at school age were able to enroll them back to school. When the women asked about decisions related to common household purchases (food, water, toiletries, clothes), the answer varied by categories. It was also noticeable from the interviews that female-headed household (26%) are in full charge in budgeting the household expenditures with no interference from father or elder brother. Within this relation, Amna stated: 'when my husband passed away, luckily my son was eighteen, so together we run our humble venture and I am responsible for budgeting the money we get'.

Another participant, Khadiga said:

'I top up some of the commodities which my husband did not cover, such as soap, kitchen utensil, and my children school needs like notebooks, pencils, etc.'.

Those who have control over income, they buy some items such as food independently, in contrast to others who have no discretion in spending the money. Those women were able to buy some nutritional food and have noticed that they and their children have become healthier, Laila commented:

'I feel great improvement in my health, my hemoglobin is higher now'.

It was also noticed from the interviews that issues of house improvement and/or construction are solely made by the husbands. This is apparent in Fatima's expression:

'Household maintenance is husband's responsibilities, we can make suggestions but they take the lead'.

Some of the targeted women (25%) mentioned in the interviews that they consult with their husbands in buying needed furniture. This goes in line with the traditional and stereotyped gender division of roles.

Over third (34%) of the women in this study indicated that they got more influence in the decision-making matters, which are related to running of the business and use of the second loans. Fathia who has been divorced acknowledged:

'I am in charge of my business, but I am not sure if I would be in this same position has my husband been around'.

This is in contrast to those women who had difficulties in repaying the loan within the schedule agreed, found complications in operating a business on their own. One woman revealed:

'I feel that household responsibilities and looking after too many dependents do leave us with much time dedicated to work'.

Another added:

'If I have been educated and had enough capital would have helped in being successful'.

This may emphasize the importance of education and training in running and developing their business in an efficient way, as well as they need to learn about importance of savings. It was found that their husbands are in charge over family income and other household - related decisions as mentioned earlier.

When women become more confident, they will challenge the male domination and traditional gender roles. Such findings support other studies that women empowerment alleviate household poverty and improves the health and education level of the children. Successfully completed loan repayments and expanded their micro-small business, women's role change from reproductive to self-employed and/or entrepreneurs.

There are some indicators which lead to enhancement of socio-cultural space, such as gender power relations, mobility across spaces within and outside their house such as the market place, political awareness, and gender-based violence. All these are fundamental to grant women empowered position in intra-domestic and outside the domestic sphere. The data collected from the interviews are analyzed and presented in the following points:

Almost all (99%) respondents' experience confined to their reproductive roles and domestic chores. They did not have any previous business experience before joining the micro-credit program. Again this is common in a society where patriarchal ideology prevails, asserting the structured division of gender roles, not to mention the low level of education among those women. Having no formal work experience had influenced their choice of activities, mostly found in establishing common types of small-scale ventures, which are probably stems from their gender roles experiences. Within this context, it was stated by Amna who was involved in selling bed linen:

'I have chosen this activity (food processing) because it does not require education or training and I have already good relationship with many women in the community'.

Another lady who is also engaged in petty trading added:

'... taking up this activity was not common at that time when I applied for the loan'.

Hence, it is found that the majority of the women in the age groups (30 – 35) and (36 – 41) are involved in traditional types of ventures such as home-based production and petty trading. This could be explained due to the cultural norms and values which restricts women's access to the market and participation in commercial activities as perceived as male domain. It was also apparent from the interviews that those women tend to imitate each other in their choice of micro-credit activities. This supports the views of previous researchers (Sternberg, 2003) that people tend to establish business that is familiar in the market and in products that sell.

Moreover, the analysis and findings have supported the facts that money change some socio-cultural practice and impact positively on gender power relations. The main issue that emerged from the interviews was control over their bodies from two perspectives: sexually and child spacing. In relation to the latter, the issue of birth control is perceived as a taboo and many Sudanese women and men believe it is against Islam doctrines. However, a large number of the respondents agreed to have initiated discussion with their husbands about use of birth control methods regardless of whether the husband support the idea or not. This is supported by Amna's statement:

'... going to the Association and the health center every month for paying the loan installment boosted my confidence to discuss with my husband issues related to family planning'.

It was apparent from the FGDs that this usually happened after fifth child. The women also indicated that although their husbands are comfortable in discussing with them family planning issues, they do not use family planning methods. In addition, those respondents felt that they have to some extent control over their bodies as they can use contraceptives for child spacing and allow their bodies to regain its shape. But sexually, the women embarrassedly indicated that they have no control over their bodies. Regarding the latter, women do not perceive lack of control over their bodies as oppression.

It is common in patriarchal societies that there is restriction in the physical mobility of women. Women and particularly poor women will not leave their house without permission from their husbands. A large number of the women in the sample felt that their mobility across spaces is confined to visiting close relatives. However, women who are the breadwinners of the family have the freedom to go to the market place to sell their products. This is elucidated from their different responses:

'I do not face any objections from my husband to visit relatives and neighbors', 'I do not necessarily take permission from my husband to socialize or go the market', 'My husband does not mind going out as long as I take care of my house'.

When they were asked in the FGD if they have autonomy to visit the Health Family Centre (HFC) for seeking treatment, almost all the participants agreed positively and this could also be explained due to the fact that the office of the micro-credit coordinator is located in the HFC. Quoting one:

'... have autonomy to go to the clinic whenever I want to'.

It was noticed from both the interviews and FGDs that women do not sell their products in the market, this could be perceived as a restriction of mobility, which attributed as 'gendered markets' by some researchers, see Mohamed (2006).

Some of the indicators of managerial abilities that would be measured include nature and location of business, human resource investment, control over resources, business transactions, savings perception of business success and constraints, which are part and parcel of women empowerment.

The low education level of the respondents influenced their choice of income generating activity (IGA) which can be described as traditional lines of ventures, varying from petty trading to selling food (which is home-based processed), other ventures include renting generators. Almost all the beneficiaries of the micro-credit tend to undertake the same type of activity. This could be explained as risk minimizing strategy because these are services which already exist in the market or any-where else, people are familiar with them, and the return value is already known. A very large number of interviewees provided similar opinions, quoting one:

'It is safe to engage in familiar existing business as they do well'.

However, one respondent has a different business, she has room in her house designed as a movie theatre and equipped with satellite dish offering cartoons and kids' movies/series for the local children (this one of the few women who expanded her lines of activities/services). Umballa said:

'I have applied for credit loan three times, I thought this time I would do something different and give the community kids some amusement'.

This reflects that some women have innovative ideas, such as offering a new service and using technology. This is a good indication that this woman identifies opportunities by offering an innovative and different service in her community. This opportunity recognition has been cited by researchers as an important factor for entrepreneurial success (Mohamed, 2006).

It is deduced from the interviews that cultural norms and traditions are likely to shape women's choice of traditional lines. Those women have started at a micro and self-operated level of activity and among those who have been successful have added new product lines instead of expanding the existing income generating activity or promote it to an entrepreneurial level. I believe that the women's engagement in such activities is probably regarded as coping strategy to overcome economic adversities rather than a means to entrepreneurship. This has been confirmed by the FGD where the targeted women indicated that the key motive for engaging in such IGA is to support their family members as their husbands are daily paid laborers with no fixed wages.

The choice of the location of the women's business, particularly those ones involved in home-based production target local schools. In relation to this, Zeinab indicated that:

'Targeting schools is more accessible and safer than market place'.

This can be explained due to many factors, amongst them is the fact that markets are monopolized by men, their multiple reproductive and productive roles, not to mention sexual harassment and the negative stereotyped image to those women who operate from the market place, hence they resort to safe places such as schools and homes.

The human resources employed are usually daughters and for activities that are not home-produced, women rather employ male family members (husband, son or brother), those family members do not receive fixed remuneration and the income fluctuates from one day to another. As some of the credit beneficiaries revealed:

'the scope of my business is very small so working as family will allow us to make some savings', '... at least I would not be involved in debt when business is not doing well', '... occasionally, I get help from outside workers and pay them on daily basis'.

It was felt from the focused group discussion that issues such as competition, innovation, risk taking, customer identification and expansion of activities, which are regarded as important characteristics of entrepreneurship are not even thought of, this is not surprising taking into accounting the lack of and/or poor education status of these women. I feel that these poor women need to be acquainted with such concepts and skills to promote their small-micro activities into an entrepreneurial level. Furthermore, the majorities of the respondents did not have a book-keeping or any system of recording transactions. They rely on their memory/mental abilities in dealing with business transactions, such as sales and purchases. Fathia mentioned:

'The majority of the women in the micro-credit program barely read and writes, they don't have any arithmetical skills'.

This situation is expected as almost all the respondents were illiterates and with primary education, and the scope of their business operations is small. Those women engaged in petty trading such as selling bed linen and kitchen utensils, in most circumstances their customers pay by installments. Hence, this indicates that these women are rather reliant on customer's trust and at the same-time taking a risk. They also deal with closed circle of people whom they know.

Recently, Micro-finance institutions (MFIs) have recognized the importance of savings as a major force in micro-finance. (Khan and Rahaman, 2007). In this study, it was noticed that the propensity of savings among the majority is very low, almost nil. This is not a surprise, as all the respondents live at barely subsistence level. Thus, they are the least category would be able to contribute to economic saving.

Mental space is considered as a prominent facet of women empowerment. The FGD asserted that Information related directly to enhancing business and those related to property rights and custom laws were not familiar by all respondents. Fatma confirmed:

'It has never occurred to me to ask about my rights or to inquire about those laws you have just mentioned'.

As mentioned earlier in this study, the gender parity in education is 0.93, and poor women in particular are more illiterates and do not have access to knowledge. The women in the sample are well aware that their illiterate status or lack of education put them in such disadvantaged position. Those women still hold traditional beliefs that their key role is reproductive and taking care of their house and families. However, they feel that their attitudes and perception of themselves have changed. They became more self-confident and participate through community conversation (Jabana {coffee} gathering) in awareness raising sessions in issues such as harmful traditional practices and other concerns of household sphere. They have good relations with the people they deal with such as customers and suppliers. This could be interpreted as a way to seeking and developing social networks which is believed to be important in raising the probability of the micro-credit activity success. Despite the fact that income generated from these activities is irregular, the women expressed strong faith and belief, quoting some women:

'God rewards hard working people' and 'No hard work goes in vain'.

This is a positive attitude reflecting optimism and endurance which are considered vital in maintaining and expanding their business. The interviewers tried to understand the participants' attitude towards risk and coping with it. It was expressed by the majority of those women who had difficulty in repayment that they are not willing to take risks but those who were doing well demonstrated some relaxed attitudes towards risk, as one woman said:

'Risk is sometimes necessary for achieving success, and what is written in one's forehead has to be realized'.

Women are involved in lines of production that is affected by seasonality, particularly those who sell ice-cream are more exposed to risks during winter, but it was elucidated from the discussion that they have no other alternative or coping strategy to compensate for the drop in sales during those off-season periods. It was also noticed from the discussion that although women who are engaged in petty trading do not keep records of their accounts, they offer their commodities on credit. This indicates high trust attitude with customers that is important in attracting and retaining customers.

The mentioned above findings in relation to mental space reflected the fact that those women feel responsible for improving the standard of living of their families which represented a great motive to engage in micro-small ventures and this in-itself have helped in feeling independent, and respected.

When the research participants were asked about their perception of business success, those who were doing well, expressed different responses ranging from gaining a regular income even if it is little and/or fluctuates from one month to another, but at least it gives them a sense of security, expanding their social relations and feeling of self-worthiness that they are contributing to the education of their children and wellbeing of the whole family.

Quoting Hanan:

'This micro-credit program gave us the opportunity to have at least some cash even if it is fluctuating'.

Huda added:

'... from this money generated I managed to reinstate my children to school'.

It can be noted that these women's perception of success is closely associated with satisfying basic sustaining needs, such as food and education of children rather than expansion of their activities in terms of human resources, capital, product line, new managerial skills acquired.

The commitment and dedication shown by those women who applied for multiple loans was perceived to be crucial in expanding or creating additional ventures. In addition, they also showed positive attitude with the outcomes of their business activities. They also revealed that they would like to expand their activity lines through buying (Raksha) or mini bus to be used for public transportation. One stated:

'This time I want to apply for larger loan to buy raksha, it generates good cash'.

The women in this study commonly asserted that they are satisfied with the micro-credit program, stressing that the coordinator is considerate to their excuses when they fail to pay on time.

The most frequently cited challenge or constraint in the interviews and FGD is lack of capital followed by the burden of dual roles and balancing between domestic responsibilities and outside work. Other limitations mentioned are the lack of husband support, education, marketing skills, and mobility specifically to the marketplace. This shows that women perceive education and training as important elements in enhancing one's business.

Discussion

The different categories of the women in this study share the same demographic features. They are clustered in the middle range of age, married with large families and caring for family dependents. Their educational attainment is very low and the largest number is illiterates, and their husbands' occupation can be described as low with unstable income. Generally, the majority had insignificant or no previous experience in small ventures when they applied to this micro-credit program. Hence, the choice of the majority of the women in traditional venture lines stems from their gender roles experiences. Most of their activities are self-operated and home-based. It was noticeable that they tend to imitate each other in their choices of micro-small ventures. This supports the views of previous researchers (Mohamed, 2006) that people tend to establish business that is familiar in the market and in products that sell.

The motives of those women in applying for micro-credit loan as emerged from the interviews is to support their families, having their own self-income, and become independent. This is similar to other research findings in different contexts (Kiggundu, 2002 cited in Mohamed, 2006 and Pitamber, 2000). Citing money as the major motivating factor is no surprise and is consistent with some motivation theories and empirical studies that money is ranked as one of the five top motivating factors. Hence, it is quite normal to be number one factor of motivation particularly among the poor segment of the population.

The results of this study can be said to be consistent with the viewpoint of other studies that participation of women in micro-credit program helps in promoting women's empowerment. The fact that such credit is granted to women, gives them status and importance within the family. As it has been revealed earlier in this section, the involvement of the targeted women in credit program has contributed in playing a greater part in household decisions, having their own income, having greater social networks, freedom of mobility and bargaining power vis-a-vis their husbands. Moreover, female credit facilitated communication with husbands in issues such as family planning. The effects of micro-credit on women's empowerment were, at best positive, and at worst, neutral. It was apparent from the interviews and FGD that the low education of those women represented a main hindrance to them in different ways ranging from limiting their capacity to gain accounting and financial skills in running and expanding their business to a higher level. It also limits their capacity in gaining management and technical skills, information about entrepreneurial matters and intermediate technology. Moreover, low education limited the women from understanding the messages and communication materials related to family planning and women health topics. This could be explained as a result of the gender inequality embedded in the subordinated and oppressed status of poor women, hence are trapped within the small scope activities and confined as ignorant about their health rights. These stereotyped images extend to the formal banks and MFIs underestimating the women managerial capabilities, thus they have unequal access to loans as compared to their male counterparts. These findings are consistent with previous researches within Sudanese and other context emphasizing the positive relationship between education, financial constraints and promotion of women's entrepreneurship (Mohamed, 2006; Osirim, 2004; and Pitamber, 1999). It was depicted in existing studies, such as Mohamed (2006) and ELjack et al. (2004) that previous experience, knowledge and skills are important attributes in shaping the management style, choice of entrepreneurship and spread their work horizons in issues of interactions with others.

The study also indicated that women engaged in micro-credit activities are prone to domestic violence. This was supported by other studies for instance Bibars (1998) cited in Barsoum, stated that women are abused by their husbands in order to control the extra income generated.

The constraints and challenges encountered by those women in the study are more or less similar with previous studies in Sudan and in other developing contexts. The most frequently mentioned barriers are lack of funds and acquisition of resources and assets followed by lack of education and burden of household chores, and, some mentioned lack of husband support. This study supports the majority of literature which postulates that gender inequality is a key barrier to finance and/or formal credit. In addition, it was noticed from the different responses of the women, that women confront a challenge between their choices of business, which are classified as typical feminine occupation, and the prevailing stereotyped attitudes that women are not ready to devote much of their time in work outside home domain. This may attribute as a gender-related factor impeding women's from taking part in entrepreneurial activities. Other barriers women find themselves trapped in are environmental constraints

such as tight resources, regulations, bad infrastructure, competitiveness (Eljack et al., 2004, Kiggundu, 2002; Pitamber, 2000; and EL Nagar et al., 1995; cited in Mohamed, 2006).

Almost all the research participants perceived these barriers as challenges to become entrepreneurs. These poor women with no education have no alternative but to get involved in micro-level income generation to stay alive. They are called by Duncombe (2002) 'survivalist entrepreneurs', a widespread type of entrepreneurship in least developing countries, particularly in Sub-Saharan. However, the attitudes depicted by the respondents such as optimism, trust, endurance and belief in fate were all positive and fundamental values in keeping customers and maintaining their business survival.

The researcher suggests the following model which depicts poverty as the main factor encourages women to engage in micro-credit activities, their personal profile (such as age, education, marital status, no of children, work experience, entrepreneurial skills) affect the choice of venture, managerial and marketing skills, potential customer identification and competencies are pre-requisites for promoting small-micro ventures into small-medium enterprises (See Figure 2). The figure emphasizes that poverty is a key factor that push women to get involved in entrepreneurship. However, the personal characteristics, capacities and skills were constraints in allowing women to promote their micro-small activities into medium enterprises. This new model as illustrated in the diagram (see annex 2), women have to improve their managerial and marketing skills, as well as, enhancing their competencies in the production system (allocation of human resources, materials, cash, equipment), and create an environment of social/business networks with large-scale enterprises, whole-sellers, retailers, to be qualified to seek official lending channels. Financial institutions in Sudan are very rigid, it would be better to revisit the systems of lending so as to accommodate poor women/families and encourage them to engage in new innovative productive activities apart from the traditional domain. Eventually women empowerment will be achieved.

Conclusion

The findings make clear those women who had access to micro-credit loans without required collateral are likely to engage in small micro-credit operations. The personal characteristics of these women including age, marital status, level of education, number of children, work experience have been found to have influenced and shaped their decision in the type of micro-credit scheme, which is dominantly traditional and home-based. The results found that the majorities are young married women with low education and large to medium size of family.

Micro-credit helped the poor women in this study in different ways. First, by providing independent sources of income outside home, microcredit tends to reduce economic dependency of the women on husbands and thus help enhance autonomy (economic empowerment).

Second, this economic empowerment have led to greater socio-cultural empowerment, particularly in having wider social networks, freedom of mobility and transformation of power relations with regard to facilitating communication with husbands in issues such as family planning.

Also, economic empowerment contributes to the well-being of the family through raising the income, improving in food intake, support education of children, and, enhancing the house furniture. In addition, small business promotes marital relations and reduce incidence of family violence as all family members share parts in the business process.

From a mental perspective, micro credit has empowered women in boosting the self-perception and confidence in one's self; however, it did not have any significant effect on women's control over women's bodies, and access to knowledge. This contributes in changing the stereotype gender relations where women become confident to discuss and take decisions in issues of family planning, postnatal care, and, changing bad traditional practices.

The results further exposed that aspects of managerial skills related to planning and marketing are limited. Thus, women opt for choosing micro-small ventures, emphasizing stereotyped images. Thus, they have unequal access to loans as compared to their male counterparts who have chance to get loans from Banks due to their education level and managerial skills.

From the different information decoded and interpreted in this study, the researcher can conclude that micro-credit schemes can be considered as pertinent to realizing the different dimensions of women's empowerment, which are inter-related and interwoven. It supports the concept of empowerment, which claimed that a person or a group can become empowered through self-confident and initiative. (Kabeer, 2003; Sin, 2006).

Recommendations

Policy-related recommendations

This study revealed that women have potential to succeed as entrepreneurs. In addition, the results indicated that

those small micro-credit operations have the potential to grow.

The implications of this study draw attention to integrating gender mainstreaming, gender equality and equity within MFIs as starting point towards creating conducive environment for poor women by establishing special loan system to encourage female entrepreneurs.

Coordinators and policy makers of micro-credit/micro-finance programs should be aware and understand that poor women could be innovative and can succeed in activities outside the traditional food processing ventures. Small-medium scale projects based on family-approach can be introduced using appropriate technology. Formulate strategies for saving process, such as cooperative society and credit union. Provision of training for women in skills related to business and investment.

Further researches might be needed to include the following issues:

- Examine relationships between managerial skills and saving and expansion of the business from micro-small to small-medium enterprise.
- The effect on micro-credit on socio-cultural empowerment, particularly with regard to the injustices they experience, gender roles, gender inequality and inequity are crucial to be investigated.
- Examine the perception of Sudanese women in relation to group lending and group-based enterprises as a means of increasing income, savings and strengthen women solidarity.
- Examine husbands' attitudes towards their wives who own and run business ventures.

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Annex 1

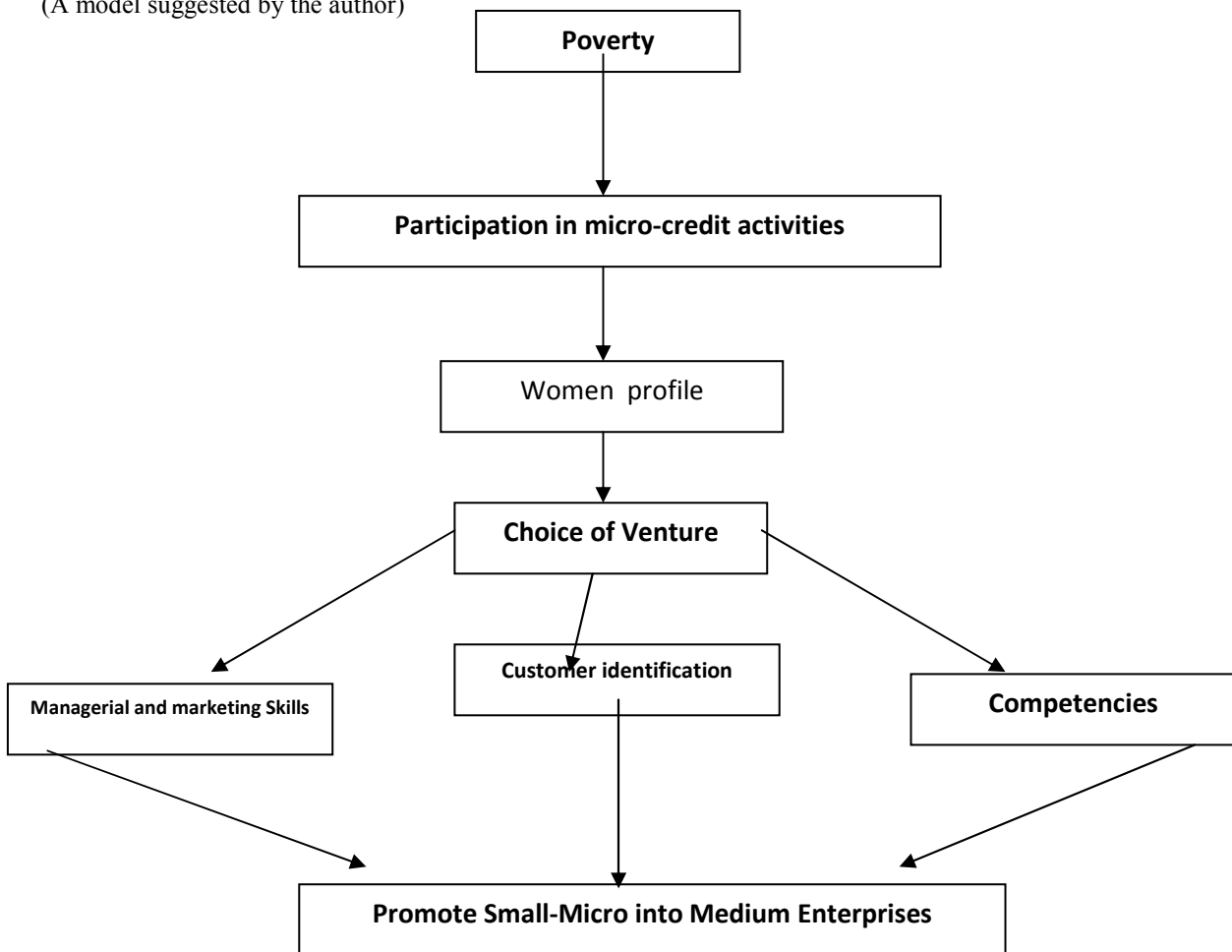
Table (1): Demographic characteristics of the respondents

Description	Frequency	Percentage
<u>Age</u>		
Less than 30	3	11.1
30-35	5	18.5
36-41	8	29.6
42-47	4	14.8
48-53	5	18.5
54-59	2	7.4
Total	27	100
<u>Marital Status</u>		
Married	19	70.4
Divorced/widow	6	22.2
Single	2	7.4
Total	27	100
<u>Education</u>		
Illiterates	9	33.3
Primary schooling	11	40.7
Intermediate	4	14.8
Secondary	3	11.1
Total	27	100
<u>Number of Children</u>		
Description	Frequency	Percentage
Less than 4	1	3.7
4 – 6	8	29.6
7 – 9	10	37.0
10 – 12	8	29.6
Total	27	100
<u>Number of Families</u>		
whose Sons/daughters assist in business	12	44.4

Annex 2

Figure 2: Engagement in and Promotion of Micro-credit scheme

(A model suggested by the author)



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