

Before And Aftermath of Microfinance for Women Empowerment in Rural Community.

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ABSTRACT

Microfinance refers to low-cost financial funding, services and goods that are particularly beneficial for empowering women in Developing and Least Developed Countries (LDCs) like Bangladesh, India, Sri Lanka etc. The study's overarching goal was to investigate the current status of microfinance and its effectiveness in empowering women in rural community. The purpose was also to understand how effective microfinance was in empowering women and in reducing poverty level in the rural society and to understand the strengths and weaknesses of the microfinance. Both qualitative and quantitative research methodologies have been used in the study. Dhaka City and two Jashore Sadar villages in the Khulna division have been purposefully chosen as study areas. Microfinance Beneficiaries, NGO personnel, social experts, teachers, students, and the general people are all involved in the study. The outcomes of the study revealed that the majority of the respondents mentioned the high interest rate as a main problem for microfinance in Bangladesh. Although, most of the respondents also believe that microfinancing is more poverty-friendly than the Mahajan (Landlord) loan oppression. The study also revealed that the negative attitude of people towards micro-finance is not a myth but a fact. Subsequently, the promising results of the study revealed that microfinance has been used in unfertile zones in rural community. Because of this, microfinance borrowers occasionally misplace their possessions and final remaining life-savings. However, individuals who make appropriate use of this chance might readily showcase their own businesses and entrepreneurial endeavors.

Introduction

Microfinance is that the innovative idea of current entrepreneurial world for women empowerment and poverty reduction. Microfinance is the endowment of small-scale thrift, credit, and monetary facilities and goods to the disadvantaged in rural, semi-urban, or urban areas so they can upsurge their income levels and improve their quality of life (Rahman & Rashid, 2011). Microfinance can be funded from Bank, NGOs and financial organization, microcredits

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organizations, microfinance enterprises, informal fundings (Friends and Family), retailers (Brac Bank, Dutch-Bangla Bank) etc. on personal basis.

The National Women's Organization and the Directorate of Women Affairs are leading the Fund of Microcredit Platform for Women's Self-Employment in order to advance the socioeconomic status of rural poor and destitute women by offering loans and creating chances for self-employment and poverty mitigation. Through 488 upazilas in 64 districts, loans ranging from Tk 5,000 to Tk 15,000 per capita are bestowed on a rotational basis. Since February 2023, 2,27,037 debtors have received loans of Tk 876.79 crore on a rotating basis underneath the initiative (Kumar, 2020). Microfinance enterprises help with problems such as receiving money, supporting trifling businesses, providing homes, proposing financial services to deprived people, helping malnourished children eat better, giving access to clean water, using eco-friendly energy sources, offering voluntary community facilities, and doing many more possessions in a business-like approach.

Microfinance organization addresses issues like financial funding, small business, housing, money services for the poor, nutrition for malnourished children, providing safe drink, introducing renewable energy, voluntary services and far additional in an exceedingly business method. BRAC proposes to reach rural people together with high-risk population of 4 districts (Khulna, Madaripur, Jamalpur and Faridpur) of Bangladesh with a rights-based comprehensive programme for HIV/AIDS prevention aiming to initiate empowerment programme through the formation of groups with 15-20 CSW (Commercial Sex Workers) and the provision for weekly savings and credit activities to support their livelihood during the lean and crisis period. At what time we look at microfinance from the point of view of women, the part played by the publics who support microfinance is significant in creating it a valuable tool for dropping poverty, supporting steady financial development, and assisting females become more empowered (Hermes & Hudon, 2018).

Bangladesh is making robust improvement. By March 2020, the number of new poor people in urban areas was 59 percent, and in rural areas it was 44 percent. Based on this, the new poor is 14.75 percent at the national level. In this view, microfinance concerns play a key role. The attainment of these concerns is dignified by how much they support people or the situation, not just by how much income they make in a convinced time. Being viable means the enterprise is functioning through small schemes and dealings. The goalmouth of these economic organizations is to reach both social and economic purposes. It is undoubtedly true that women have emerged as an important constituency globally, and women's issues are gaining important in the development discourse. Within the national context however, policy makes are yet to gain a

proper handle on the issue of integrating gender concerns into the development planning process (Sobhan & Khundker, 2004).

To reduce poverty and make jobs all-inclusive, microfinance is working well in nations like Cambodia, the Philippines, Nepal, India, Haiti, Colombia, Uganda, Brazil, Albania, and others. Many diverse countries are now opening small funding programs at both public and private levels. In Bangladesh, young businesspersons saying is "We are not job searchers, we are job initiators"(Debnath et al., 2019).

Literature Review

Microfinance organization in Bangladesh strive to alleviate poverty for gender equality and improve the lives of those living in both countryside and municipal areas. By placing a greater emphasis on the well-being of the underprivileged than the interests of its investors, they defend their existence as an alternative to conventional profit-maximizing businesses. There is only one kind of business that exists in the world that we are all familiar with since economic theory defines business as doing business in order to create money. Entrepreneurs continue to focus on maximizing profits because it is the company's main objective. That's what everyone who steps into the business world does, then. It is clear that this notion of what it means to be human is relatively constrained. People view humans as a money-making machine, likened to a robot whose sole intention is to accumulate cash, devoid of any other thoughts. A human being is far larger in real life, though. People are intricate, diverse beings. It is not a one-dimensional thing in which making money is your only task. On the other hand, a new microfinance model can be established to address diverse concerns.

Proponents of microcredit assert that for women suffering severe poverty, even modest calculations of credit can meaningfully influence their lives, enabling them to texture empowered and yield charge of features such as contraceptive use and internal violence. Advocates argue that by enabling women to participate actively in the economic activities of their own communities. (Chambers & Conway, 1991)

Moreover, it is an eco-social organization that does not lose money or distribute dividends. Thus, it is making the argument that this is what the political structure of capitalism lacks. Because of the way the businesses we work with handle things, concerns related to the environment, women deprivation, poverty, diseases, healthcare, and nutrition are all disregarded, which is why we have so many problems in our immediate surroundings. It doesn't pay attention by definition or by nature. Therefore, we require a different kind of business to deal with these problems. Almost 90% of firms in Sweden are small businesses, which are crucial to the economy since they create jobs. Myths-The connection

between bucolic and city poverty is closed, so focus only on rural poverty efforts. Realities-(ii) the impact of rural poverty program in Bangladesh has been peripheral: Simultaneously, the prevalence of urban poverty has been growing in both comparative and absolute to persist (Islam et al., 1997).

The fundamental vision for the extension of microfinance is to support the impoverished in transitioning towards entrepreneurship by providing them with adequate credit to comprehend this objective. Nonetheless, microfinance often functions under a specific supposition, namely that the recipients retain necessary societal capital, human capital, and other required capitals to produce their small initiatives. This proposes that the primary difficulty faced by poor women is simply the lack of credit (Taylor, 2011). The proliferation of social protection program has also highlighted the need for addressing strategically issues of long-term vision, governance, co-ordination, leadership and administration within the state-owned as fine as with development patterns and development workers (Hulmeet al., 2013).

When taken as a whole, microfinance may also refer to the commercial use of social media and social networking platforms. Poverty is a result of capitalism's singular concentration on paybacks. It created a prosperous fairy tale for everybody. This was not ever the case. For this reason, the European Union chose to give the government responsibility for poverty, joblessness, and healthiness. They were astute sufficient to recognize capitalism's hollowness in resolving these issues. These days, developing and least developed countries are demonstrating a strong interest in microbusiness as a means of guaranteeing the empowerment of women, ending widespread poverty, and supplying the means of subsistence for the weaker segments of society, in addition to assuring health services for everybody. Microfinance is a key component of women's empowerment and poverty mitigation in Bangladesh's rustic areas.

Operational Definition

Microfinance

It provides essential financial services—including microcredit, reserves, and insurance—to low-income individuals and trifling businesses who are characteristically outside the traditional banking system. It aims to empower women, reduce poverty, achieve self-reliance, and increase economic capacity, targeting entrepreneurs and marginalized groups, including women.

Women Empowerment

Women empowerment is a process of empowering women to make independent choices in life, achieve their goals, and ensure their full participation in socio-economic and political life, with self-reliance, confidence, and equal

opportunities. It includes issues such as independent decision-making, expression of opinions, increased economic independence, improved education, ensuring legal rights, and eliminating discrimination, which are considered drivers of poverty reduction and sustainable development.

Poverty Reduction

Poverty reduction is a comprehensive economic and social strategy designed to provide people with a life free from deprivation and deprivation through employment generation, income generation, provision of essential services and social safety nets. Its effective methods include rural and urban development, agricultural investment, employment generation, microfinance and education, with special emphasis on empowering the poor to create their own wealth. In addition, this process prepares the poor to solve their own problems.

Rural Community

Rural Community lives in a geographical part outside cities and municipalities, categorized by low population compactness, similarity in behavior and occupation, small settlements, and often an agricultural or natural resource-based economy. These populations often have scattered households and face unique challenges, such as limited access to services, social insecurity, inadequate health care, poor communication systems, relatively low income, and fewer economic opportunities. Although rural populations are a changing entity today, they have made significant progress in various social indicators, including women's empowerment and poverty reduction.

Women Empowerment and Microfinance

Women are the main target audience of microfinance programs. This credit quantity not only helps underprivileged women to grow economically but also advances gender equality, the position of women within the family, their health, and their schooling level. (Kabeer, 2001) In addition, microfinance programs view women as a good credit risk because of their higher loan repayment tendency. The process of defining, achieving, and protecting equivalent political, financial, and social rights for women is known as women empowerment. This involves working to provide women with equal opportunity in the workplace, in the family, and in education. It also denotes to boosting the advantages of women's advancement in the areas of spirituality, politics, society, education, and the economy. UNFPA apprehends women's empowerment as the procedure of improving women's position and serving them make better decisions in all parts of their lives, particularly when it comes to sex and having children. This is very vital for making population plans effort well in the long run (Jäger, 2010). The following factors are included in the study's definition of women's

empowerment: involvement in policymaking, access to food and social safety, societal movement, dignity and admiration, justice and gender equality, security from gender violence, income procedure, decision to have a child, health, education, procuring power, liberty to run a business, savings, possession of land and other belongings, leisure, and general development of livelihood patterns and lifestyle and overall quality of life.

Objectives of the Study

The prime objective of the research is to analyze before and aftermath of microfinance for empowering women in rural community; towards attaining this broad objective the study focuses on some specific objectives. These were:

1. To assess education and decision-making process before-after micro-financed;
2. To figure out how women become economically empowered before-after receiving micro-financed;
3. To analyze the impacts of microfinance on income generation and human resource development in rural community;
4. To identify the policy implications for making microfinance more effective for women empowerment.

Methodology

In this study, both qualitative and quantitative methods have been employed to attain the research purposes. A mixed approach is considered by the collection of baseline information. Consequently, mixed methods were reckoned effective in progressing the research for enhanced in-depth data collection. Specifically, Dhaka City and two villages in Jashore Sadar, located in the Khulna division, have been selected as the study area. In total, the study includes the following categories of respondents: microfinance beneficiaries, NGO personnel, social experts, teachers, students, and members of the general public. The sample size is 300 where fundamentally microfinance beneficiaries have been involved for quantitative data collection. Purposive sampling techniques have been used for existing research as non-probability sampling technique. In view of the fact that research has involved the mixed method approach, data collection will engage both numeric information as well as text information. For qualitative data collection 6 case studies, 4 in-depth case studies, 4 key informant interviews (KII), content analysis, and observations techniques have been used in the study. Reliability and validity have been maintained for the better outcomes and results. Hence, the main ethics of this study are informed consent, confidentiality, and privacy.

Sampling Frame and Objective

Table 01

Sampling Frame and Objective

Method/Technique	Target Group/Participants	Sample Size	Study Area	Purpose/Focus
Quantitative Survey	Microfinance beneficiaries	300	Dhaka City and Jashore Sadar (Khulna Division)	To collect numerical data on socio-economic impact and outcomes
Case Studies	Selected microfinance beneficiaries	6	Jashore Sadar villages	To explore detailed individual experiences and livelihood changes
In-depth Studies	Case Critically selected beneficiaries	4	Dhaka City & Jashore Sadar	To gain deeper insights into complex socio-economic transformations
Key Informant Interviews (KII)	NGO personnel, social experts, teachers	4	Dhaka City & Jashore Sadar	To gather expert opinions and institutional perspectives
Content Analysis	Documents, reports, NGO publications	Not fixed	Not location-specific	To analyze secondary data and existing literature
Observation Techniques	General people, microfinance beneficiaries, community environment	Not fixed	Dhaka City & Jashore Sadar	To understand real-life practices, behaviors, and contextual conditions

Analysis of the Findings

The study's main suppositions addressed the potential, likelihood, and current state of microfinance in the fight against widespread poverty and the long-needed economic and sociocultural empowerment of women. Microfinance in this aspect is progressing well, but not in terms of a wider societal growth. The researcher has seen how the community views women and the effort to reduce

poverty. Microfinance has made a considerable impact in this field. The rural community has benefitted greatly from the knocking. The majority of respondents stated that there needs to be an increase in microfinance activity and enterprise. The state of microfinance in rural communities is discussed in this section of the current study.

This study assessed the potential of microfinance to empower women and lower poverty in rural communities. The age distribution of the study's respondents is displayed. In this instance, 26.67% of respondents are between the ages of 18 and 37, 64% are between the ages of 38 and 57, and 9.33% are between the ages of 58 and above. 83% of the respondents are female, making them the majority. It should be noted that the microfinance recipients from the two villages in the Khulna and Dhaka divisions range in age from about 38 to 57. The results of the research could able to ascertain the opinions and thoughts of the rustic people which are very vital for poverty alleviation, women empowerment and rural improvement plans.

Educational Attainment

The respondents' level of schooling is detailed in the report. Prior to discussing the respondent's educational background, it is significant to reminder that microfinance is primarily intended for the less fortunate members of society. Thus, the researcher saw that the beneficiaries of microfinance lacked formal education. Their level of schooling indicates a similarity to their financial standing. In this context, 2.33% of respondents are categorized as 'Illiterate', 66.33% have finished their 'Primary education', 32.0% have passed the 'SSC and HSC' examinations, and merely 1.67% have introduced and completed their 'Higher education'. Respondents for the survey included development specialists, social workers, and representatives of NGOs. One noteworthy finding of the study is that children of microfinance beneficiaries are attending school in order to receive education. However, the respondent's current level of schooling is unsatisfactory. They are greatly enhanced in terms of savings, microcredit, interest, accounting, political consciousness, and situational conception.

Table2
Benefits of microfinance

Benefit level of microfinance Beneficiaries				
Level of Benefit	Frequency (N=300)		%	
	Before	After	Before	After
Very Good	25	30	8.33	10.00
Good	85	105	28.33	35.00

Average	60	75	20.00	25.00
Not Good	96	65	32.00	21.67
Bad	34	25	11.33	8.33

Illustration: Table-2 displays the level of benefit for microfinance beneficiaries. At this stage, 10% respondents recoiled that benefit of microfinance is ‘Very good’ whereas 8.33% for before taking microfinance, 35% respondents said that benefit of microfinance is ‘Good’ whereas 28.33% for before taking microfinance, 25% respondents mentioned that benefit of microfinance is ‘Average’ whereas 20% for before taking microfinance, 21.67% respondents thought that benefit of microfinance is ‘Not good’ whereas 32% for before taking microfinance, 8.33% respondents said that benefit of microfinance is ‘Bad’ whereas 11.33% for before taking microfinance. Overall, it can be said that microfinance recipients are in a comparatively better position after receiving the loan than they were before receiving the loan.

Key finding: A significant comment from an NGO expert reveals that “People exhibit a more positive attitude towards microfinance enterprises compared to microcredit, showing a greater appreciation for the voluntary services provided.”

Table3

Influenced sectors of the decision-making process before and after involvement in microfinance

Sectors	Frequency (N=300)		%	
	Before	After	Before	After
Income and expenditure	40	245	13.33	81.67
Children education	100	130	33.33	43.33
Land buying and selling	50	129	16.67	43.00
Family planning	56	86	18.67	28.67
Decision-making in relative family	22	40	7.33	13.33
Self-sufficiency of moving	28	68	9.33	22.67
Dignity	50	140	16.67	46.67
Others	134	160	44.67	53.33

* **More than one answer**

Illustration: Decision-making in family and the society is very important indicator for women empowerment. Table-3 represents the influenced sectors of decision-making process before-after involved in microfinance enterprises. 81.67% respondent whispered that after captivating microfinance, they can

impact on ‘Income and expenditure’ whereas 13.33% for before taking microfinance, 43.33% respondent said that after taking microfinance, they can influence on the ‘Children education’, whereas 33.33% for before taking microfinance, 43% respondent said that after taking microfinance, they can influence on ‘Land buying and selling’ whereas 16.67% for before taking microfinance, 28.67% respondent said that after taking microfinance, they can influence on ‘Family planning’ whereas 18.67% for before taking microfinance, 13.33% respondent said that after joining microfinance activity, they can influence on ‘Decision-making in relatives’ family’ whereas 7.33% for before taking microfinance, 22.67% respondent said that taking microfinance, they can influence on ‘Self-sufficiency of moving’ whereas 9.33% for before taking microfinance, 45.67% respondent said that after taking microfinance, ‘Dignity’ of them has been increased and 53.33% respondent said ‘Others’ options in this category whereas 44.67% for before taking microfinance.

Key finding: In the investigation, a participant named Husna Ara specified, "After applying microfinance, our lives have changed in all aspects of family matters. Now, I can contribute confidently to our family through my income and leadership." Nonetheless, some respondents express disappointment with the actions of the microfinance business.

Figure1

Women empowerment and human resource development through microfinance

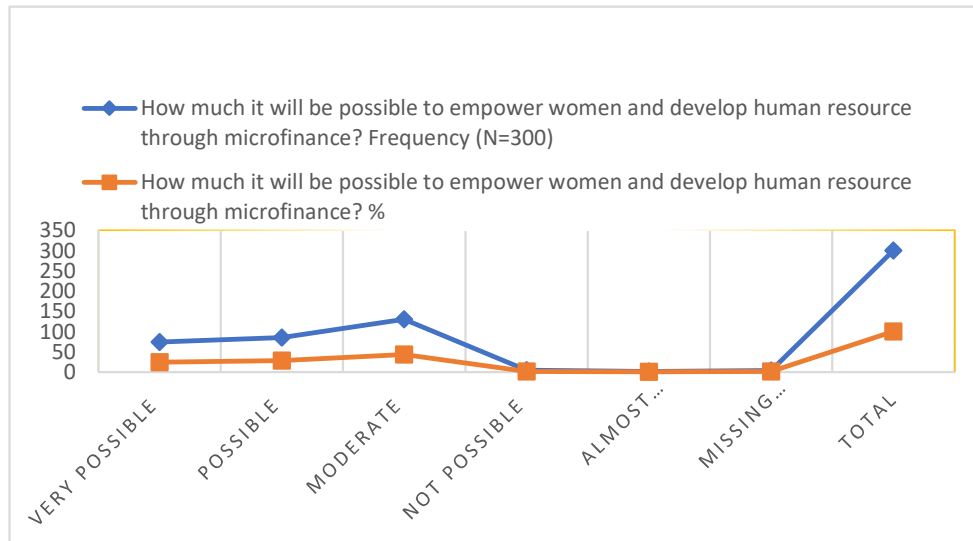


Illustration: Figure-1 demonstrates the empowerment of women and the progress of human resources over microfinance. In this setting, 24.67% of

respondents showed that they believe women empowerment and human resource development via microfinance is 'Very possible', while 28.33% expressed that it is 'Possible'. Furthermore, 43.33% of respondents rated it as 'Moderate', 1.67% deemed it 'Not possible', 0.67% considered it 'Almost impossible', and 1.33% of replies were characterized as 'Missing system'.

Key finding: The beneficiaries of microfinance, predominantly women, assert that they have gained empowerment and skills through this enterprise and anticipate continued benefits in the future. A case study featuring a woman named Saleha highlights her viewpoint: 'Microfinance propels women in the empowerment procedure within the rural societies of Bangladesh.

Table-4

Women's empowerment status before-after getting microfinance

Were you more empowered before you adapted microfinance or have you become more empowered since?

Answer				Frequency (N=300)	%
More	empowered	before	taking	85	28.33
More	empowered	after	taking	215	71.67
Total				300	100

Illustration: The data presented in the table highlights the significance of microfinance in empowering women. With 28.33% of respondents answering 'More empowered before taking microfinance' and 71.67% answering 'More empowered after taking microfinance'. So it is evident that microfinance has played a crucial role in empowering women.

Key Finding: An important finding to note is that females in bucolic areas are primarily engaged in small businesses, livestock rearing, agriculture, handicrafts, and other small enterprises with the help of microfinance. This underscores the substantial effect of microfinance on women's empowerment and their involvement in management processes within their families and communities.

Figure2

Effectiveness of microfinance (microcredit)

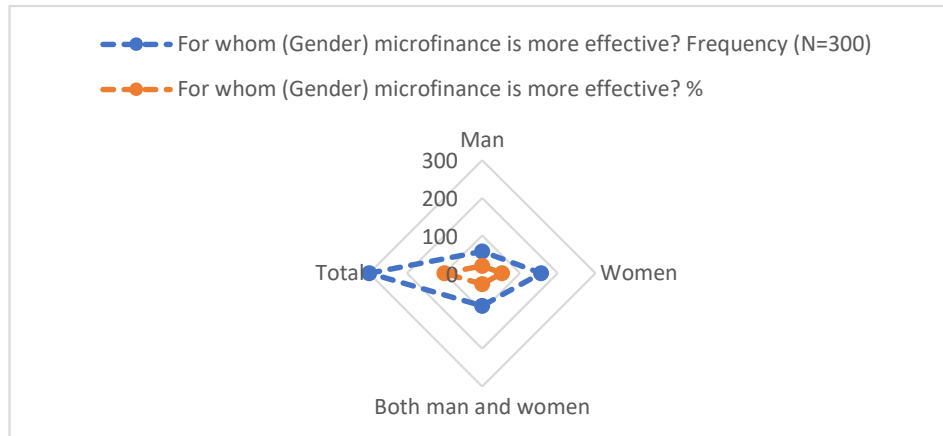


Illustration: Figure-2 represents the effectiveness of microfinance for which gender. It displays 19.33% respondents whispered that microfinance is for ‘Men’, 52% respondents responded on behalf of ‘Women’ and 28.67% respondents replied that microfinance is for ‘Both men and woman’.

Key finding: In microfinance organization, most of the recipients are women. But in other microfinance initiatives, gender is not the issue to be a part of it. So, it is to be supposed rendering to the view of respondents, microfinance has a prospective for the all types of people.

Table5

Microfinance is for whom by considering economic status

Microfinance is for whom by considering economic status		
Probable people for microfinance	Frequency (N=300)	%
Landless and Marginal farmer	96	32.00
Dependent farmer	82	27.33
Entrepreneurial people	120	40.00
Small businessman	73	24.33
Retired from job	50	16.67
Others	140	46.67
Total	--	100

* More than one answer

Illustration: Table-5 highpoints the effectiveness of microfinance across diverse social classes. According to the statistics, 32% of respondents trust that microfinance benefits "Landless and marginal farmers," while 27.33% see it as valuable for "Dependent farmers." Moreover, 40% identify its value for "Entrepreneurial people," 24% deliberate it suited to "Small businessmen," and 16.67% associate it with individuals "Retired from jobs." 46.67% respondents identified a broader category, mentioning to "Others."

Key Finding: The important outcome from this data reveals that, from a financial viewpoint, microfinance holds collective applicability, serving various classes to subsidize positively to society. One notable case, a respondent named Ashalata, underlined that microfinance is more operative in lessening poverty and empowering women related to traditional business representations.

Table 6

Microfinance impact on income generation

Income before taking microfinance (tk.)	Income after taking microfinance (tk.)	Frequency (N=300)	%
0-2000 tk.	2000-3000 tk.	20	6.67
2000-3000 tk.	3000-4000 tk.	34	11.33
*2000-3000 tk.	*1000-2000 tk.	86	28.67
3000-4000 tk.	5000-6000 tk.	94	31.33
5000-6000 tk.	7000-8000 tk.	31	10.33
7000 to above.	8000 to above	35	11.67
Total		300	100

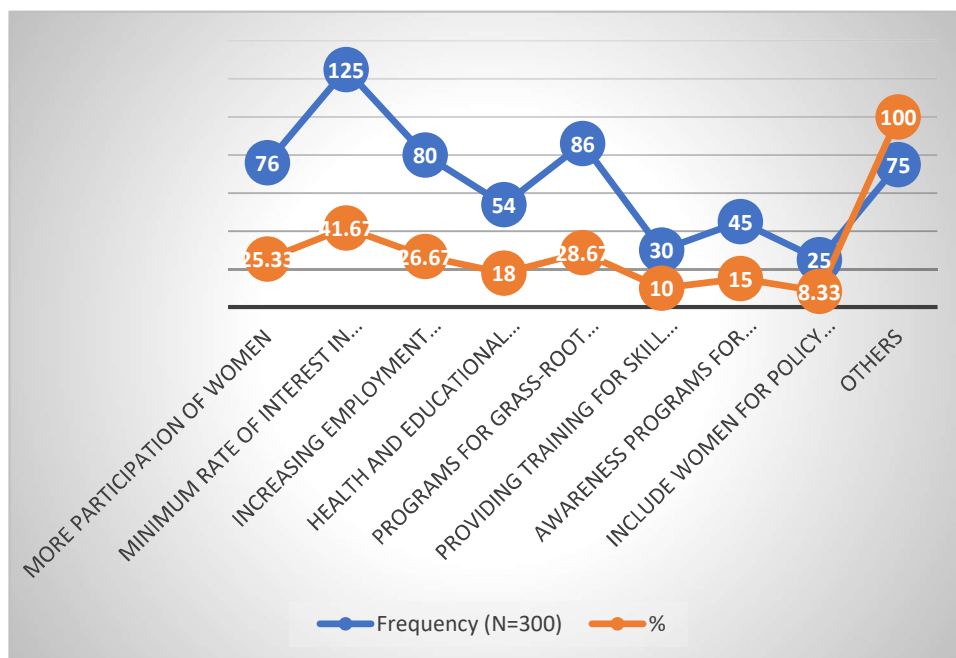
Included all income of the microfinance beneficiaries, * Reducing income of the respondents

Illustration: Bangladesh has appeared as a rising economy on the worldwide stage, with its per capita income progressively increasing. Therefore, the income levels of microfinance beneficiaries have also exposed gradual developments. Nevertheless, while this growth is positive, its pace is modest. Table 6 highlights the effect of microfinance on income generation. According to the data, 6.67% of respondents experienced an income upsurge from BDT 0–2000 to BDT 2000–3000; 11.33% stimulated from BDT 2000–3000 to BDT 3000–4000; 31.33% design from BDT 3000–4000 to BDT 5000–6000; 10.33% transitioned from BDT 5000–6000 to BDT 7000–8000; and 11.67% developed from BDT 7000–8000 to above BDT 8000. Though, it is distinguished that 28.67% of microfinance beneficiaries saw a decline in income, dropping from BDT 2000–3000 to BDT 1000–2000. The average income across all respondents' attitudes at BDT 6,500.

Key finding: A case study including an individual named Kajol revealed that most microfinance beneficiaries rely profoundly on family support for their income. The impact of microfinance on income generation seems to be minimal in comparison.

Figure-3

Recommendations for making microfinance more effective for women empowerment.



.* More than one answer

Illustration: Figure 3 highlights recommendations for improving the effectiveness of microfinance in enabling women's empowerment. According to the survey data, 25.33% of respondents underscored the need for "greater participation of women," while 41.67% advocated for a "minimum rate of interest in microfinance for women." Additionally, 26.67% expressed the importance of "increasing employment opportunities for women," whereas 18% called for boosted access to "health and educational facilities" tailored for women. Further, 28.67% suggested applying "programs aimed at grassroot-level working women," while 10% highlighted the need to deliver "training for skill development." About 15% emphasized the value of "awareness programs for women," and 8.33% stressed the inclusion of women in "policy planning and

decision-making procedures." Lastly, 25% supported various "other recommendations" to expand microfinance services.

Key findings: Even though the concept of microcredit developed during the 1970s with a focus on tackling poverty and empowering women, challenges endure. For example, one respondent predominantly recommended depressing the "High rate of interest for microfinance enterprises and programs" to type them more comprehensive and operative.

The study's results discuss the likelihood of microfinance in rural communities and the current state of affairs. Its goal has been to investigate the efficiency of social initiative in enabling women and eliminating poverty. The goal of the current study is to offer an overview of the state of microfinance globally, highlight its multifaceted effects on rural women, and classify social enterprise's prospects and history in relation to sustainable development. The investigation has brought to light some important information. The study findings indicate that microcredit organizations' interest rates are more reasonable than those of Grameen Landlord (Mahajon) loans.

Challenges of Microfinance

The effect of partaking in microcredit programs on women's empowerment differs across the three extents of empowerment. Such programs have only a partial capability to generate conditions advantageous to empowerment, as involvement alone is unlikely to directly challenge or transform prevailing gender-based norms concerning access to possessions (Ahmed & Hakim, 2004).

Microfinance organizations have no financial motivation to force loans onto people who cannot afford them, whereas microlending banks (and larger banks) might have in the short term. A group will incur losses if it lavishes products onto unprepared businesses. Its financial motivation is to exert all effort on behalf of those entrepreneurs' achievement. The risk of mistreatment emerges when providers and entrepreneurs cooperate to convince villagers to purchase needless items they can't essentially afford. Yet, we don't label this as exploitation, we call it capitalism (Behi & Nolan, 1995). Without walls and bounds, there can be no tactics, techniques, or inquiries. This phrase implies that microfinance is not exempt from criticism, difficulties, and complexities. The study may have been able to identify some unfavorable perceptions of the microfinance institution in the community. According to a prior study, the term 'sustainable development through microcredit' has become ambiguous. Women empowerment and Poverty alleviation can only be achieved through microfinance. This way of thinking has disappeared from the area. It is merely a temporary fix, similar to "Paracetamol" for the underprivileged. However, sustainable development goes beyond that kind of thinking. In order to guarantee

poverty reduction and women empowerment GO and NGOs should work together. This viewpoint was elucidated by Gibbons (1992), who highlighted that, in most cases, credit failed to institute a worthy cycle capable of breaking the poverty deception or empowering women. The current friable state of microcredit additional reveals that credit alone is neither a straightforward nor a magical resolution for reducing poverty or endowing females (Latifee, 2014). According to the explanations of the NGO personnel, microfinance beneficiaries and inclusive reactions of common people, some difficulties have recognized. Some inadequacies are described below:

1. People often think microfinance means microcredit. However, microfinance is a broad idea that covers various features of small businesses and enterprises. Also, it is underestimated by microfinance entrepreneurs. People think microfinance is a business term. But it is also a symbol of socioeconomic prosperity.
2. Good and credible sources of microfinance are not available in countryside area in Bangladesh. Though incredible and unauthorized sources of microfinance are available. This phenomenon causes socioeconomic problems and aggression in rural community.
3. Microfinance as microcredit has weakened the resilience of societal initiatives, as the interest rate is sophisticated than that of the customary bank interest.
4. Furthermore, the current entrepreneurship and the increased specific interest are hindering the development of microfinance enterprises.
5. Nowadays man's intention is exceedingly oriented with return maximizing. However, some extent in microfinance, a single stakeholder or capitalist cannot earn any profit or income from his share. It may discourage a wealthy investor or organization.
6. Grameen Mahajan's pose a number of challenges for microfinance institutions. They offer loans of up to 200% in one single year. This has a negative impact on small businesses, livestock, agriculture, handicrafts and other small initiatives.
7. The microfinance schemes encounter certain issues due to the local power system. A few unfavorable motives about small business companies by the regulating body cause issues in the future.
8. The statement "Microfinance is the fruitful way to empower women and to alleviate poverty" is imprecise. Some individuals believe that it's really a temporary fix.
9. Finally, it is believed that the underprivileged borrow money from a single microfinance organization and use it to invest in a certain area. After a week, they have to start paying the installment to the microcredit enterprises without getting paid for this investment. They didn't have

sufficient cash at that point to pay the premium. They so take out a second loan from a different microfinance organization. This procedure is still in progress. They are eventually considered to be the microcredit holders of more than two microfinance foundations or organizations. Ultimately, they fall victim to the microfinance enterprise's trap.

Policy Implications

Agriculture remains the most promising areas for Bangladesh. While other vital sectors such as RMG (Readymade Garments) and Remittance may face important disturbances due to unexpected circumstances, our agricultural subdivision endures to deliver stability and does not upset. It is inspiring to note the remarkable resilience and competence proven by this sector. According to current surveys, the income levels of experts from numerous grounds have decayed in March 2021 linked to February 2020, with the notable exemption of agrarians. The monetary fallout from COVID-19 has pressed 2 crore 45 lakh people into poverty. As per the newest data, the percentage of this newly penurious population raised at 14.75% by March 2021, a noteworthy enhancement from the 21.24% noted in June 2020 (Islam, 2016).

However, our social structures, cultural norms, and beliefs all have a significant role in empowering women and eradicating poverty. It symbolizes the surprising similarities between our rural and urban lifestyles, as well as the goals and desires we have for ourselves, our communities, gender equality, and interpersonal relationships. Achieving full women empowerment and eradicating poverty is almost unrealistic. But GO and NGOS working together might be able to regulate it. From this vantage point, microfinance enterprises have the potential to be a powerful financial tool for empowering women, reducing poverty, promoting gender equality, and developing rural areas in order to build a society that is based on viable development. Social microfinance has performed well in the field of social development over the past 20 years. “From an operational perspective, influencing policies is the ultimate goal of conducting policy research. Obviously, the expectation in Bangladesh is that research would contribute to bringing a more pro-poor orientation in the country’s microeconomic policy agenda with positive impact on poverty and other socioeconomic problems” (Shahabuddin & Rahman, 2009).

Some policy implications on the basis of NGO personnel, development experts, microfinance beneficiaries, respondents and common people opinion on microfinance mingling with investigators’ thought and documents work:

Table 07*Challenges, policy recommendation and expected outcomes*

Challenges	Policy Recommendations/ Initiatives	Actionable Strategies/ Implementation	Expected Outcomes
Negative perception of microfinance among rural and urban people	Promote positive awareness and trust-building initiatives	Awareness campaigns, success story dissemination, community engagement programs by NGOs and local institutions	Improved public perception and increased participation in microfinance programs
Limited realization of women empowerment goals	Align microfinance programs with gender equality and empowerment frameworks (WID, GAD, Feminist approaches)	Gender-sensitive program design, inclusion of empowerment indicators in monitoring and evaluation	Enhanced decision-making power and social status of women
Marginalized groups (extreme poor, farmers) remain excluded	Prioritize inclusion of ultra-poor and marginalized populations	Targeted loan schemes, flexible repayment systems, rural outreach services	Increased financial annexation and poverty reduction among vulnerable groups
Lack of access to information, technology, and awareness	Integrate rural information and communication technology (ICT) support	Training programs, digital literacy initiatives, mobile-based financial services	Improved access to information, increased productivity, and innovation
Weak institutional integrity and innovation in microfinance	Encourage ethical and innovative development models	Transparent monitoring systems, accountability frameworks,	Sustainable and trustworthy microfinance institutions

Limited Corporate Social Responsibility (CSR) engagement	Expand activities within microfinance institutions	CSR within	pilot innovative projects CSR-funded social programs (education, health, sanitation) targeting poor communities	Holistic development and improved quality of life
Low focus on high-potential sectors (agribusiness, fisheries, forestry)	Prioritize investment in demand-driven rural sectors	in rural	Sector-specific loan products, technical support, market linkage development	Employment generation and increased rural income
Insufficient leadership and empowerment training for women	Integrate leadership and development programs	leadership and skill	Capacity-building workshops, entrepreneurship training, mentorship programs	Strengthened leadership capacity and self-reliance among women
Restricted contribution of females in decision-making and program management	Ensure participatory governance in microfinance programs	in	Attachment of women in committees, decision-making bodies, and program design	Greater ownership, accountability, and empowerment
Structural barriers (legal, social, workload constraints) for women	Develop comprehensive gender-responsive policies and support systems	and support	Legal reforms advocacy, workload reduction strategies, awareness campaigns, access to financial capital	Increased participation in public life and sustainable empowerment
Limited access to quality and affordable products/services	Ensure low-cost but high-quality service delivery	but high-quality service	Subsidized financial products, quality control mechanisms,	Improved living standards and well-being

Limited opportunities for self-empowerment among women	Expand opportunities for entrepreneurship and income generation	nutrition-sensitive programs	Microenterprise support, access to markets, financial literacy programs	Sustainable economic empowerment and poverty alleviation
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Conclusion

In any country, microfinance is a key factor in stimulating and advancing entrepreneurship. The purpose of this research is to evaluate how well microfinance empowers females in rural community of Bangladesh. The analysis and findings showed that microfinance is a useful instrument that can support the growth of women's entrepreneurship and empowerment. This study offers an unbiased analysis of microfinance's contributions to the empowerment of women in Bangladesh and its value in eradicating poverty. The goal of the study is to gather socioeconomic and educational data about rural residents while keeping a social entrepreneurship lens on them. The phenomenon of this study might be a one-of-a-kind financial operation. Case studies, observations, and experiments have been used persuasively in the research to obtain a theoretical direction that will be more useful in poverty reduction through the modeling of collective improvement.

In Bangladesh, there are almost 40 million unemployed individuals. The World Bank did, however, issue a warning that 50% of Bangladeshis face the risk of poverty due to COVID-19 and climate change. Hundred crores of people have overcome poverty in the last twenty-five years. The current global poverty rate is 10%. The UN resolved to end poverty and aimed to reduce it to 3% by 2030 with the help of the Sustainable Development Goals. However, COVID-19, climate change, and international conflicts have significantly affected this goal (Karim, 2011). Employment and income generating activities: BRAC distinguishes that micro-financial services are important for breaking the cycle of poverty, but it seats equivalent prominence on micro-enterprise development services to support maximize the benefits gained by the underprivileged people (Rahman& Ali, 2007).

In this perspective, microfinance initiatives can play a wonderful role for ensuring women empowerment and eliminating poverty. The study has established this arrangement. According to the present study, women empowerment and poverty alleviation can never be achievable without improvements for rural populations. The study examines how microfinance

affects impoverished individuals in different ways, as well as patterns of livelihood, education, and mobility. The microfinance enterprises will gain from this study in terms of formulating their strategies and carrying out their current initiatives as well as their future goals. It is abundantly evident that those who benefit from social business—specifically, microcredit holders—face a number of intricate issues that the microcredit organization has brought about. ‘Almost all of respondents and the general public agreed that microcredit’s cyclical interest rate has to be lowered. In order to guarantee that rural residents receive high-quality goods and services, it focuses on poor-friendly approaches. The report could serve as a useful manual for NGOs with a microfinance focus. In case the study focuses on the efficacy of microfinance, it can significantly contribute to offering customers pleasant items and services. Bangladesh’s per capita GDP is \$2,227 USD (Begum, 2003).

With Bangladesh now accepted as a lower middle-income country, the atmosphere is well-suited for the progress of microfinance initiatives. In this background, the government could deliberate encouraging public-private partnerships assembled around microfinance enterprises. Such efforts would function as an appreciated foundation for scheming policies, programs, and strategies aimed at creating a affluent and poverty-free country. This perspective appears from a study that highlights significant out comes, noteworthy outputs, and policy implications, mostly regarding women’s empowerment, poverty lessening, and the practical prospective of microfinance. The results show that even small-scale credits from the microfinance-based organization have greatly aided women in improving their socio-economic and monetary standing over entrepreneurship, hence bolstering the status withdrawal theory’s theoretical underpinnings. It has helped women who possess strong, independent decision-making abilities. This study findings can assist practitioners and policymakers in establishing appropriate policies that incorporate empowerment into the development of more successful women’s projects. The results of this study might inspire more women to engage in entrepreneurial endeavors and microfinance initiatives.

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