

## Effect of Microfinance Policy on Women Empowerment in Ogun State, Nigeria

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Received 6 November 2023; accepted 6 December 2023  
Published online 26 December 2023

### Abstract

This study investigated how microfinance policy affected women empowerment in Ogun State, Nigeria. These were to providing information on the policy outcome on the lives of women as well as the economic impact in Ogun State. Primary and secondary data were utilised for the study. Primary data were collected through the administration of copies of questionnaire and conduct of interview. The study sample size was 221 respondents, comprised market women who benefitted from the microfinance scheme (180), Microfinance Desk Officers of the Central Bank (11), Ogun State branch and staff of Ministry of Women Affairs and Social Development (30) selected across Ogun State. Multistage sampling technique was also used for the study. Secondary data were obtained from official publications, textbooks, journals, and internet. Data collected were analysed using content analysis. The study showed that if the policy has improved the mechanism for women to benefit for loans and credits, also microfinance policy has given women in the society voice. In conclusion, the study averred that microfinance policy had a relatively positive effect on women empowerment in Ogun State, Nigeria.

**Key words:** Microfinance; Microfinance policy; Empowerment; Women; Women empowerment

Isaiah, A. O., & Ope, O. O. (2023). Effect of Microfinance Policy on Women Empowerment in Ogun State, Nigeria. *Canadian Social Science*, 19(6), 143-150. Available from: <http://www.cscanada.net/index.php/css/article/view/13211>  
DOI: <http://dx.doi.org/10.3968/13211>

### INTRODUCTION

The Microfinance Policy is formulated to empower people, most especially the small scale businesses and low income households without collateral, of which women are expected to form the bulk of beneficiaries. This is why a concession was given to women in the policy such that there will be 15% increase per annum for women, a figure that is 5% more than the baseline increase to 10% stipulated by the nation's apex bank (CBN, 2011). The policy is aimed at empowering people by improving and easing access to micro financing, which will enable them to be economically vibrant and independent of others; and more opportunities will be provided in terms of employment and small scale businesses. All these will not only reduce poverty but also enhance economic growth of the nation.

Women's limited access to employment in the labour market has made most women to rely on the informal sectors for income. It is therefore important to lift women out of poverty through training programmes, jobs creation, employment services, and providing access to financial services and empowerment. The number of women is over half of the populace, therefore, empowering them will not only reduce poverty, but also strengthen their economic autonomy, increase their participation in decision making process, thus, contributing to the national income and development (Addai, 2017). The importance of women empowerment can never be overemphasized because of their influence, and especially now that many of them are bread winners of the families (Ovute, Dibia & Obasi, 2015). Women empowerment has the potential effect on her children, family, society and the nation at large. The economic development of any nation should be one that reduces gender inequality and reduce poverty on everyone, so that the economic status of women improves with that of men. Despite economic interventions and initiatives by governments at various levels, women in the country are still not liberated economically or free from

economic servitude. Consequently, this paper investigated how microfinance policy affected the empowerment of women in Ogun State, Nigeria. The scope of the study was limited to the evaluation of the Microfinance Policy with respect to the empowerment of women in selected Local Government Areas (LGAs) in Ogun State. The Local Governments which were selected from each of the three senatorial were chosen to have both urban and rural communities for proper representation in the study.

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## LITERATURE REVIEW

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Microfinancing has sought to empower women through direct lending, group lending, credit unions and Credit Associations. Various governments have developed many policies to promote microfinance in view to empower women and tackle the problem of poverty. However, issues have been raised on the effect of microfinance in women empowerment because the loans given to women are often controlled by men and also there is huge extortion by Microfinance Institutions (MIs) from low income women or women with no collateral, through a high interest rates, this same way money lenders does. It has led to quite a number of women leaving their settlements and homes following defaults to repay loan installments in order to prevent their properties being taken over by MIs. It is important to note that in the 21st century, the idea of microfinancing has been used by developing countries in empowering women. For instance in India, Leach and Sitaram (2018) in study titled *Microfinance and women's empowerment: A lesson from India* described microcredit as an NGO programme aimed to empower women through microfinance provision. They acknowledged that microfinance has assisted women's in shaping their lives positively.

In India, Swain and Wallentin (2009) posited that there is strong indication that women that operate in groups are more empowered by taking part in microfinance programme because there is the tendency to resist gender discrimination, culture and norms restricts their capacity to make choice and develop (Swain, and Wallentin, 2009). Mula and Sarker (2013) opined that group microfinance activities by women seem to be more efficient and unique, that stimulates rural development and upliftment of social and economic development. In this line of reasoning, Aruna and Jyothirmayi (2011) in their study in Hyderabad, India, maintained that microfinance sector has been used as one of the tools to solve unemployment and improve human development. It is indicated that microfinancing has positive effect on the assets, income, savings, occupation, and bank connectivity, access to loans, self-worthiness, knowledge, and decision making level of low income women or women with no collateral or those from low-income household. However, the focus on women empowerment under the cover of microfinance

showed gender related disparities is getting bridged strengthening women against poverty. Evidently, despite some challenges recorded in accessing loan by women in MIs there has been an increasing productivity in assets especially in processing business for women.

In Bangladesh, while targeting women, microfinance is giving resources to low-income women or women with no collateral while enhancing gender equality in the society and household resulting in large development of a nation (Rehman, Moazzam, and Ansari, 2020). Microfinancing enlarged the sphere of opportunities for women particularly in areas finance, agriculture, and other sectors towards proffering better financing standings (Rehman et al., 2020). Women can become self-sufficient empowered through the viability of microfinance and thereby have a sort of self-independence. Furthermore, microfinance involves banking service which has provided the identified opportunities for women who are either unemployed or of low income. Microfinance has been described as a powerful instrument to empower the low-income people with no collateral especially in developing countries. Microfinance activities are capable of giving women opportunity to get freed from poverty and other economic servitudes. When microfinance loan is disbursed, hope that women could participate in decision making increases at urban and rural areas (Noreen, 2011). Microfinance loan has played an important role in helping many women accomplish their goals and have caused direct impact on the economic empowerment of women, and also helped in poverty reduction.

Similarly, Niaz and Iqbal (2019) inferred that increase in women participation stimulates increase in women empowerment, bringing in fortune to the family. Niaz and Iqbal further submitted that microfinancing is a very effective instrument for achieving Women Empowerment (WE). If women are elevated above the poverty line, their empowerment is easily possible. In Africa. Addai (2017) posited that there is an increase in the access to microfinance leading to higher probability of economic empowerment among women alongside higher probability social empowerment of women. He further stated that microfinance contributes significantly to the social and economic empowerment of women in among the women who possess basic education and above. In addition, Salia, Hussain, Tingbani, and Kolade (2018) demonstrated that the economic important of microfinance for women empowerment is directly linked with conflicts amongst spouses, girl child labour, polygamy and the neglect of perceived female domestic responsibilities due to women's devotion to their enterprises.

In Nigeria, Olu (2009) maintained that microfinance institutions are acknowledged as key players in the financial market having positive effect on business organizations, individuals and other financial institutions. Nevertheless, Ekpe, Mat, and Razak (2010) discovered

that women do not have easy access to microfinance while their participation rate in the informal economy is higher than males (Ekpe *et al.*, 2010). Then, Ukwueze, Asogwa, David-Wayas, Emecheta and Nchege (2019) observed that there is difference among women who have access to liquidity. Microfinance institutions are playing an important role in strategies related to curbing gender and development as a result of active relationships with poverty alleviation and women empowerment (Sinha, Mahapatra, Dutta, and Sengupta, 2019). The various programmes under the auspices of microfinance like self-help groups are inspired and promoted for their important economic impacts on women empowerment. In the main time, Ul-Hameed *et al.* (2018) investigated the role of microfinance institution's in non-financial services, it showed that apart from giving access to loan and microcredit, microfinancing also provides opportunities for skill development, training and social capital which are key elements of women empowerment.

Yet, Weber and Ahmad (2014) found that women caught in higher cycle loan of microfinance programme witnessed a significant increase in empowerment when compared to their colleagues in the first cycle of loan, and that microcredit influences high financial empowerment. Microcredits have been found to improve women's financial empowerment alongside their restricted mobility. Consequently, Weber and Ahmad (2014) opined that one-term microcredit cannot have a long-term effect considering complex social construct of empowerment. In itself, returns may not be enough to maintain a livable income, with which to support a family and help to repay the loan, eventually resulting in indebtedness and extensive poverty. Srnec and Drašarová (2016) concluded that microcredit is a useful financial tool but not a powerful anti-poverty. Noreen in her study showed that Microfinance loans only have positive effects on women who use their loans themselves. It also highlights that age, education of husband, marital status, no of sons, father assets and loan amount are influential factors rather than many other factors. Age effects positively and more significantly but its variation is not much, among loanees of Bahawalpur city. Sinha *et al* (2019) concluded that microfinance means a lot to women's survival, promising real life with dignity, respect, humanity, self-reliance and self-esteem, hence women empowerment is the process to reinforce the ability of the socially and economically denied women to make choices for better life through microfinance.

## METHODOLOGY

The study adopted survey research design. Primary and secondary sources of data were used. From the primary source, data were collected through the use of copies of questionnaire and interview, while data from the secondary

source were collected from textbooks, journals, published materials and internet sources. The study population is 221 which comprised the staff of Ministry of Women Affairs and Social Development, the Microfinance Desk Officers of the Central Bank of Nigeria (Abeokuta Branch) and market women who are beneficiaries of loan scheme from microfinance banks. A multistage sampling procedure was adopted. Here, three senatorial districts were taken from Ogun State; namely Ogun central, Ogun west and Ogun east using stratified method. This is because the targeted respondents (beneficiaries, Microfinance Desk Officers of CBN, and staff of Ministry of Women Affairs and Social Development) are spread across the senatorial districts in the state. From each senatorial district, one (1) Local Government Area was randomly selected. This made a total of three (3) Local Government Areas sampled for the study. Thus, Abeokuta South Local Government in Ogun Central, Ikenne Local Government in Ogun East, and Ipokia Local Government in Ogun West were selected. At the second stage, proportional to size technique was used to administer thirty (30) copies of questionnaire. Thirdly, simple random sampling was used to administer copies of questionnaire to thirty (30) staff of the Ministry of Women Affairs and eleven (11) Microfinance Desk Officers of the CBN Abeokuta branch. Furthermore, the sample size for the study was one hundred and eighty (180) market women (beneficiaries) across three local government areas in all senatorial district in Ogun State, thirty (30) staff of the Ministry of Women Affairs and eleven (11) microfinance desk officers of the CBN Abeokuta branch.

## RESPONSES FROM BENEFICIARIES OF MICROFINANCE CREDIT SCHEME (MARKET WOMEN)

Table 1 illustrates their responses from the respondents in achieving the purpose of this study. The first assertion that microfinance policy in Ogun State has eliminated gender disparity in benefiting for loans, 52 (21%) strongly agreed, 75 (42%) agreed, 28 (16%) disagreed and 5 (3%) disagreed. The mean value ( $\bar{\chi}$ ) of these responses was 3.6, which signifies that the respondents strongly agreed that microfinance policy in Ogun State has eliminated gender disparity in benefiting for loans.

On the assertion if the policy has improved the mechanism for women to benefit from loans and credits, 43 (24%) of the respondents strongly agreed, 114 (63%) agreed, 14 (8%) disagreed while 9 (5%) strongly disagreed. With a mean value ( $\bar{\chi}$ ) of 3.7, it can be concluded that majority of the respondents strongly agreed that the policy has improved the mechanism for women to benefit for loans and credits.

Also, 39 (27%) of the respondents strongly agreed that the microfinance policy has led to the growth of businesses being owned by women, 106 (59%) agreed,

26 (15%) disagreed and 9 (5%) strongly disagreed. Mean value ( $\bar{\chi}$ ) of these responses is 3.4, which points out that the respondents agreed to the assertion.

Furthermore, on the assertion if the microfinance policy has laid emphasis on women right, 34 (19%) of the respondents strongly agreed, 82 (46%) agreed, 51 (28%) disagreed while 3 (2%) strongly disagreed. According to the mean value ( $\bar{\chi} = 2.9$ ) of these responses, it can be said that just few of the respondents agreed that the policy has actually laid emphasis on women rights.

**Table 1**  
**Effect of microfinance policy on women empowerment (Beneficiaries of Microfinance Credit Scheme, n = 180)**

|  | Strongly Agreed (4) | Agreed (3) | Disagreed (2) | Strongly Disagreed (1) | Descriptive Statistics |                 |
|--|---------------------|------------|---------------|------------------------|------------------------|-----------------|
|  | f (%)               | f (%)      | f (%)         | f (%)                  | Mean Value             | Remark          |
| 1. It has eliminated gender disparity in benefiting for loans                        | 52 (29%)            | 75 (42%)   | 28 (16%)      | 5 (3%)                 | 3.6                    | Strongly Agreed |
| 2. It has improved the mechanism for women to benefit for loans and credits          | 43 (24%)            | 114 (63%)  | 14 (8%)       | 9 (5%)                 | 3.7                    | Strongly Agreed |
| 3. It has led to the growth of businesses operatives by women                        | 39 (27%)            | 106 (59%)  | 26 (15%)      | 9 (5%)                 | 3.4                    | Agreed          |
| 4. It has been training and enhancing women skills on management of small businesses | 45 (25%)            | 100 (56%)  | 21 (12%)      | 14 (8%)                | 3.3                    | Agreed          |
| 5. It has laid emphasis on women right   | 34 (19%)            | 82 (46%)   | 51 (28%)      | 3 (2%)                 | 2.9                    | Agreed          |
| 6. The policy has given women in the society voice                                   | 36 (20%)            | 64 (36%)   | 65 (36%)      | 16 (8%)                | 3.1                    | Agreed          |
| Average Mean   |                     |            |               |                        | 3.3                    | Agreed          |

Source: Field Survey.

## RESPONSES FROM MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT

This section discussed the responses of staff of Ministry of Women Affairs on the effect of microfinance policy on women empowerment in Ogun State. Hence, Table 2 illustrates their responses.

On the first assertion that microfinance policy in Ogun state has eliminated gender disparity in benefiting for loans, 11 (37%) strongly agreed, 7 (23%) agreed, and 12 (40%) disagreed. The mean value ( $\bar{\chi}$ ) of these responses was 3.2, which signifies that the respondents strongly agreed that microfinance policy in Ogun State has eliminated gender disparity in benefiting for loans.

On the assertion if the policy has improved the mechanism for women to benefit for loans and credits, 6 (20%) of the respondents strongly agreed, 23 (77%) agreed, and 1 (3%) disagreed. With a mean value ( $\bar{\chi}$ ) of 3.7, it can be concluded that majority of the respondents strongly agreed that the policy has improved the mechanism for women to benefit for loans and credits.

Also, 5 (17%) of the respondents strongly agreed that the microfinance policy has led to the growth of businesses being owned by women, 22 (73%) agreed, and

In the same vein, it was asked if the microfinance policy has given women in the society voice, while 36 (20%) strongly agreed, 64 (36%) agreed, 65 (36%) disagreed and 16 (8%) strongly disagreed, leading to a mean value ( $\bar{\chi}$ ) of 3.1. This indicates that the respondents agreed that the policy has given women in the society voice. Finally, the average mean ( $\bar{\chi}$ ) is 3.3, which signifies that the respondents agreed that the microfinance policy has effect on women empowerment in Ogun State.

3 (10%) disagreed. Mean value ( $\bar{\chi}$ ) of these responses is 3.4, which points out that the respondents agreed to the assertion.

Furthermore, on the assertion if the microfinance policy has laid emphasis on women right, 2 (23%) of the respondents strongly agreed, 19 (67%) agreed, 8 (10%) disagreed while 1 strongly disagreed. According to the mean value ( $\bar{\chi} = 3.1$ ) of these responses, it can be said that the respondents agreed that the policy has actually laid emphasis on women rights.

In addition, it was asked if the microfinance policy has given women in the society voice, while 6 (20%) strongly agreed, 14 (46%) agreed, 8 (27%) disagreed and 2 (7%) strongly disagreed, leading to a mean value ( $\bar{\chi}$ ) of 3.3. This indicates that the respondents agreed that the policy has given women in the society voice

Finally, the average mean ( $\bar{\chi}$ ) is 3.4, which signifies that the respondents agreed that the microfinance policy has effect on women empowerment in Ogun State.

Furthermore, interview revealed that

Microcredit policies were formulated with the intent guide the effective delivery of credit to low income earners most especially women in the society. In Nigeria majority of the microfinance clients are women, this is premised on their vulnerability, and as such there is

the need to empower economically by providing credit facilities for their respective business. These women

utilize these credit facilities on their businesses and to better their lives and family.

**Table 2**  
**Effect of Microfinance Policy on Women Empowerment in Ogun State (Staff of Ministry of Women Affairs and Social Development, n = 30)**

|  | Strongly Agreed (4) | Agreed (3) | Disagreed (2) | Strongly Disagreed (1) | Descriptive Statistics      |                 |
|--|---------------------|------------|---------------|------------------------|-----------------------------|-----------------|
|  | f (%)               | f (%)      | f (%)         | f (%)                  | Mean Value ( $\bar{\chi}$ ) | Remark          |
| 1. It has eliminated gender disparity in benefiting for loans                        | 11 (37%)            | 7 (23%)    | 12 (40%)      | 0                      | 3.2                         | Agreed          |
| 2. It has improved the mechanism for women to benefit for loans and credits          | 6 (20%)             | 23 (77%)   | 1 (3%)        | 0                      | 3.7                         | Strongly Agreed |
| 3. It has led to the growth of businesses operatives by women                        | 5 (17%)             | 22 (73%)   | 3 (10%)       | 0                      | 3.4                         | Agreed          |
| 4. It has been training and enhancing women skills on management of small businesses | 7 (23%)             | 20 (67%)   | 3 (10%)       | 0                      | 3.6                         | Strongly Agreed |
| 5. It has laid emphasis on women right   | 2 (7%)              | 19 (63%)   | 8 (27%)       | 1 (3%)                 | 3.1                         | Agreed          |
| 6. The policy has given women in the society voice                                   | 6 (20%)             | 14 (46%)   | 8 (27%)       | 2 (7%)                 | 3.1                         | Agreed          |
| Average Mean ( $\bar{\chi}$ )  |                     |            |               |                        | 3.4                         | Agreed          |

Source: Field Survey.

### EFFECT OF MICROFINANCE POLICY ON WOMEN EMPOWERMENT IN OGUN STATE (CBN MICROFINANCE DESK OFFICERS, N=11)

This section discussed the responses of CBN Desk Officers on the effect of microfinance policy on women empowerment in Ogun State. Hence, Table 3 illustrates their responses.

On the first assertion that microfinance policy in Ogun state has eliminated gender disparity in benefiting for loans, 3 (27%) agreed and 8 (73%) disagreed. The mean value ( $\bar{\chi}$ ) of these responses was 2.4, which signifies that the respondents disagreed that microfinance policy in Ogun State has eliminated gender disparity in benefiting for loans.

On the assertion if the policy has improved the mechanism for women to benefit for loans and credits, all the 11 (100%) respondents agreed. With a mean value ( $\bar{\chi}$ ) of 4.0, therefore, it can be concluded that all the respondents strongly agreed that the policy has improved the mechanism for women to benefit for loans and credits.

Also, 1 (9%) of the respondents strongly agreed that the microfinance policy has led to the growth of businesses being owned by women while 10 (91%) agreed. Mean value ( $\bar{\chi}$ ) of these responses is 3.9, which points out that the respondents strongly agreed to the assertion.

Furthermore, on the assertion if the microfinance

policy has laid emphasis on women right, while 7 (64%) of the respondents strongly agreed, 4 (36%) strongly disagreed. According to the mean value ( $\bar{\chi}$  = 3.3) of these responses, it can be said that the respondents agreed that the policy has actually laid emphasis on women rights.

In addition, it was asked if the microfinance policy has given women in the society voice, while 10 (91%) strongly agreed, 1 (9%) disagreed leading to a mean value ( $\bar{\chi}$ ) of 3.8. This indicates that the respondents strongly agreed that the policy has given women in the society voice

Finally, the average mean ( $\bar{\chi}$ ) is 3.6, which signifies that the respondents strongly agreed that the microfinance policy has effect on women empowerment in Ogun State.

During interview, it was stated that:

The records of Microfinance institutions have revealed that people have benefitted from the loans given, and such loans have helped to reduce hardship from poverty, improved economic living as well as individual status with particular reference to health. In addition, people have better education and women were indeed empowered. There is on practice, though not mission stated, the turn in area of preference for clients who have capacity to meet up with loan payment as well as paying up the interest. As argued, that it will keep business afloat. Unfortunately, the interest charged on loans which are seemly high and have forced women not to be able to secure loans. This is why some believe that that microfinancing may not be the solution to women empowerment.

**Table 3**  
**Effect of Microfinance Policy on Women Empowerment (CBN Desk Officers, n = 11)**

|  | Strongly Agreed (4) | Agreed (3) | Disagreed (2) | Strongly Disagreed (1) | Descriptive Statistics   |                 |
|--|---------------------|------------|---------------|------------------------|--------------------------|-----------------|
|  | f (%)               | f (%)      | f (%)         | f (%)                  | Mean Value ( $\bar{x}$ ) | Remark          |
| 1. It has eliminated gender disparity in benefiting for loans                        | 0                   | 3 (27%)    | 8 (73%)       | 0                      | 2.4                      | Disagreed       |
| 2. It has improved the mechanism for women to benefit for loans and credits          | 0                   | 11 (100%)  | 0             | 0                      | 4.0                      | Strongly Agreed |
| 3. It has led to the growth of businesses operatives by women                        | 1 (9%)              | 10 (91%)   | 0             | 0                      | 3.9                      | Agreed          |
| 4. It has been training and enhancing women skills on management of small businesses | 0                   | 11 (100%)  | 0             | 0                      | 4.0                      | Strongly Agreed |
| 5. It has laid emphasis on women right   | 0                   | 7 (64%)    | 0             | 4 (36%)                | 3.3                      | Agreed          |
| 6. The policy has given women in the society voice                                   | 0                   | 10 (91%)   | 1 (9%)        | 0                      | 3.8                      | Strongly Agreed |
| Average Mean ( $\bar{x}$ )   |                     |            |               |                        | 3.6                      | Strongly Agreed |

Source: Field Survey

## DISCUSSION

There has been studies on microfinance in general, however, little have been carried out on how microfinance policy has affected women in the terms of economic advancement in Ogun State, Nigeria. Literatures have shown that microfinance programs do not serve the poor (Morduch & Haley, 2002). However, the author affirms that there are some institutions that do serve the poor, hence, they can benefit from microfinance programmes.

Olowe, Moradeyo and Babalola (2013) delivering on service production and poverty lessening by Micro, Small and Medium Enterprises (MSMEs) would necessitate manifold frequencies of fiscal services, which and enhanced Microfinance outlines ought to deliver to people. Consequently, the founding of a Microfinance Policy outline for the country offers an occasion for them to contribute to bankrolling the fiscal undertakings. Also, Cull and Morduch (2017) examined the link between the microfinance and economic development as it shows the relevant and the role it plays in country economic development of low revenue families and financially poor (CBN, 2011). Cull and Morduch (2017) affirms that microfinance is generally seen as a means of getting people out of poverty and make them productive as well as self-dependent. Kanu and Isu (2015) carried out a research on the operations of microfinance banks in Nigeria, and revealed that there are hindrances to the operations of these banks. Parts of these obstacles are poor capital base, inadequate opportunities, policy somersault among others. They asserted that the microfinance banks is capable of making job opportunities available for the people and in the long run better the lives of lots. Consequently, making small loans available through microfinance banks has become a pivotal to lifting people out of poverty especially women by empowering them to engage in small scale business. This affirmed the other

findings connected to this study on microfinancing (Imai & Azam, 2012).

Women empowerment has been linked to accessing microcredit from microfinance institutions (Tabassum, Singh & Singh, 2018). Women in Ogun State, Nigeria, who participated in a microcredit programme, saw a positive impact on their income and standard of living due to their participation in the program. Sustainable empowerment is viable when issues encountered by indigent women are effectively addressed (Akhter, Kun and Chukwunonso, 2018; Mahmood, 2017). As a result, the paper recommended measures that will sustain effective empowerment of women in Ogun State, Nigeria, including the removal of administrative bottlenecks, the slowing down of loan sanctions, the lack of sufficient loan amounts, the lack of qualified training, the lack of trust, the uncooperative attitude of staff, and the poor funding of microfinance institutions. Borrowers who received microcredit contributed significantly more to their families' incomes than those who did not, according to (Imai, Gaiha, Thapa, & Annim, 2012). In contrast, a new study (Bylander, Res, Jacoby, Bradley & Pérez, 2019) warns that microcredit can lead to unmanageable levels of debt. As a result, it is critical to increase the loan amount and improve management skills in order to turn small borrowers into large borrowers for a variety of ventures. This could have a powerful impact on microcredit in terms of income and women's empowerment. According to the findings of this study, women's empowerment through accessing microcredit has a significant impact on a wide range of metrics. This is consistent with previous research (Hassan, Sanchez, & Yu, 2011; Khandker & Samad, 2014; Mayoux, 2001).

Primarily, the findings show that using microcredit helps women to take charge of their finances such as income and savings which translates to economic

empowerment. Practical results or findings According to the literature, economic empowerment is always a foundation for women's empowerment, and this finding is significant (Heckert, Olney & Ruel, 2019; Islam, 2016; Kato & Kratzer, 2013). It was particularly beneficial to women who rely on farming as their primary source of income. This study concludes by showing that microcredit has made a significant and positive contribution to the long-term empowerment of women in Ogun State, Nigeria.

## RECOMMENDATIONS

Microfinance managers should have a framework for advising the women who benefitted from the programme on how to manage the funds and make good financial decision to foster their businesses and sustain the financial base. This will help them to avoid mistakes that are unnecessary in business activities. Women should ensure they plan well particularly on improving on their business and make it more efficient. The microfinance institutions should be a support system for those given loans with particular reference to women who are not educated. This will help the women to understand the terms and conditions of the bank better and enlighten the women on how to run their businesses in modern times. There is the need to embark on enlightenment programmes on the benefits and essence of patronising Microfinance institutions to obtain loans. These enlightenment programmes should be aimed at less privileged, women and those living in rural areas considered as low income earners. The of Central Bank of Nigeria (CBN) is advised to work in conjunction with Microfinance policy thrust, to ensure that they are fully implemented as written in the policy document.

## CONCLUSION

The paper has been able to provide evidence on how women were empowered through the implementation of the microfinance policy thrust in Ogun State, Nigeria. It revealed that the policy had affected women essentially in the area of loan provision and it has led to the growth of businesses operative by women. The findings strengthened the fact that microfinance policy can be used to facilitate medium scale business with particular reference to empowering women.

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