

Role Of Micro-Finance To The Empowerment of Women: A Case Study Of Karachi

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Abstract

This paper is an attempt to analyze the impact of micro financing to induce empowerment to those women who avail the facility of micro-credit in Pakistani society. The study examines the various business activities of women in Karachi who got capital through micro-financing and their socio-economic status in family as well as society. The women empowerment as dependent variable has been used with three explanatory variables which are amount of micro-finance credit, age of the women and her family support to run her business. Logit Model is applied to assess the level of women empowerment because of binary dependent variable. Primary data has been collected through a questionnaire and in this way this is the first study in this research area using this methodology. Findings of the study indicates a positive correlation of all the variables to cause empowerment of women while family support to a woman has statistically significant impact to a woman. The study indicates the possibility of an improvement of society wellbeing and women empowerment if the direction of micro finance is focused towards women while the study is limited to Karachi region.

Keywords: Women Empowerment, Micro-Financing, Gender Bias, Poverty Alleviation, Entrepreneurship

تلخیص

اس مقالے کا مقصد اس بات کا تجزیہ کرنا ہے کہ پاکستانی معاشرے میں جو خواتین چھوٹے پیمانے کے قرضے حاصل کرتی ہیں اس کے ان پر مالیاتی و معاشی طور پر کیا اثرات مرتب ہوتے ہیں۔ اس کے علاوہ اس مقالے میں یہ بات بھی جانچنے کی کوشش کی گئی ہے کہ کراچی کی جو خواتین چھوٹے پیمانے کے قرضے کی صورت میں سرمایہ حاصل کر کے ذاتی کاروبار کر رہی ہیں ان کا سماجی و معاشی مقام اور خاندان معاشرے میں کس حد تک ابھر کر سامنے آتا ہے۔ خود مختار عورت بطور پابند متغیر استعمال کیا گیا ہے جبکہ تین وضاحتی متغیر بھی استعمال کئے گئے ہیں جن میں قرضے کی مقدار، خواتین کی عمر اور کاروبار میں خاندان کی مدد شامل ہیں۔ لوگٹ ماڈل کا استعمال کیا گیا ہے تاکہ عورتوں کی خود مختاری کا تخمینہ لگایا جاسکے۔ ابتدائی معطیات سوالنامے کے ذریعے حاصل کئے گئے ہیں۔ نتائج سے یہ ثابت ہوتا ہے کہ تمام متغیرات عورتوں کی خود مختاری، خاندان کی مدد کے حوالے سے مثبت اضافی اثرات مرتب کرتے ہیں۔ تحقیق کے

مطابق اگر خواتین کو صحیح طور پر خود مختار کیا جائے چھوٹے پیمانے کے قرضوں کی سہولت سے تو یہ اقدامات معاشرے کی بہبود کا باعث ثابت ہوں گے جبکہ یہ تحقیق محض کراچی تک محدود ہے۔

کلیدی الفاظ: عورتوں کی خود مختاری، چھوٹے پیمانے کی مالیاتی مدد، صنفی تفریق، غربت میں اضافہ، کاروباری تنظیم کاری

Introduction

The increasing phenomenon of gender biasness across the globe captures attention of policy makers in women empowerment as well as gender equality. As women empowerment is considered to be the key variable of improvement in societies of under developed countries, therefore several international organizations acknowledged empowerment of women as a core stone for social development, improvement in human rights and social justice. Moreover, gender discrimination is a major problem faced by women all over the world, which makes it difficult for women to empower themselves for uplifting their position. The above study focuses on how micro-finance plays its role in women empowerment and also brings about changes in women's lives, family and societal conditions.

Micro-Finance plays a pivotal role in minimizing the gender-based discrimination and poverty from societies but this is not possible unless women of that society are empowered. Moreover, the patriarchal society restricts women access to financial services, education and other social facilities. This gender gap increases the dependency of women over men which discourage women independence. Few women run home-based micro level businesses but they get very less out of it. This is because social barriers restrict their access to the market. Thus, the goal of women empowerment was accomplished through the provision of micro-finance and other financial services to women. In the present time different organizations have started micro-credit programs in many low income counties. Moreover, majority of these programs target women who have limited ways of employment and lack of decision making. The best example for micro credit programs is the Grameen Bank of Bangladesh where the women clients account for a total of 90 percent.

Empowerment

In 2012, World Bank defined empowerment as a process which augments individuals' abilities to make choices independently and transform their choices into favourable actions. It further explains that empowered people can exercise their freedom to choose and to act. This enhances individual's capabilities to make an impact to their life styles and their decisions regarding their lives.

It is essential to empower women in a way that they can fully participate in economic sector, so that they can be able to make strong economies. In addition to that, empowered women have the capabilities to reach the sustainable development goals agreed internationally and also improve the quality of life of women, men, families and communities. The major efforts behind the advancement of gender equality and women empowerment are the private sectors. The principles of women empowerment needs a practical guidance for business and the private sector that how to empower women in the office work, in marketing and in community (UN Women, 2011).

Page and Czuba (1999) referred the empowerment as a multidimensional, social and a process which best describes the concept of empowerment in terms of sociological, psychological, and economical dimensions. In addition to that, empowerment can be encouraged at individual, group or in a community level. Empowerment facilitates women to face the reality of their lives within the social system. Moreover, women's empowerment encourages them to exercise their will for their benefits. An empowered woman can live a healthy, meaningful and independent life within the society. The primary avenue of empowerment for women is the initiation of working other than domestic chores i.e., office work, business and other jobs etc. Moreover, the economic independence of women is the first step towards a firm stance against the oppression by patriarchy. In 1944 Quaid-e-Azam said in his speech that the rise of a nation depends on women but our society is suffering from customs which creates a gender gap. He further explained that, treating women like prisoners and restricting them into the boundaries of cultural conservatism is against human kind.

Micro-Finance

Finance refers to the management of money which indicates to own and to use money. The emergence of micro-finance was based on the goals to empower the restricted class, women and poor in the society in the form of financial support. The micro-finance targets the people with low income and who cannot access to the formal lending system. Literature also supports that MF is the backbone to enhance the economic growth and development. Moreover, it also helps in reducing the effects of economic disparity and uncertainty as well as in women empowerment. There are many reasons for MF programs to target women. Firstly, it is cost effective. In addition, different researches proved that the refund rates of women are higher than men. Moreover, it encourages the fairness in employment opportunities for both women and men among men. Thirdly, it is fact that women are more concern to their families so investment on women produces multiplier effects which indirectly add on to the effectiveness of credit funds.

Purpose of Study

To analyze the impact of micro-finance on women empowerment and to examine the role of related factors other than micro-finance such as age of women, amount of credit and support of other family members in empowering women in decision making process.

Literature Review

Women empowerment is an important issue that captures the attention of researchers in any field of life either social or economic aspect of life. An economic research has been conducted to explore the relationship between the availability of financial credits and women empowerment.

Many studies are available on various dimensions of micro-financing to women and its utilization especially in small business in shape of sole proprietorship. The studies proved the effectiveness of micro financing to enable women work independently and they got confident in most of the cases (Hashmi, 1996; Basu, 2005; Bali, 2007; Rena, 2008).

Chen & Mahmud (1995) distinguished different dimensions of empowerment. For example, empowerment is considered to be material, intellectual, perceptual and relational according to concept of positive change, which improves the position and power to deal better. According to Fidler and Webster (1996) women can improve their production and position through producing and extending micro financial activities as well as by ensuring their participation in decision making for socio-economic development. But Robinson (1996) described that interest rates charged to micro-finance clients can be managed by poor workers. These rates are comparatively less as compared to their alternatives. It is one major hurdle in acquiring micro credit by poor women but he concluded in his study that women got empowered and well off as a result of micro credit. Bennett and Cuevas (1996) declared that the improvement in the economic position and social wellbeing of poor can be facilitated by the uprising microfinance opportunities towards women

Mosley & Hulme (1998) examined the effect of micro financing on development of women and they concluded that this development of women contributes to enhance the state of being comfortable of the family and children. They studied mainly the effect on education of the children as a result of micro finance. Zaman (1998) presented his view that it is very difficult to achieve economic sustainability of MFI and to make an impact on improvement of poverty specifically through women empowerment in our society. He concluded the effects of micro financing in reducing poverty in women is not very significant.

Explaining the dimensions of women empowerment Kabeer (1999) defined women's empowerment as a process through which women with hidden skills can plan their life choices according to their abilities. Similarly, women use excessively more from their earnings for the betterment of family as compared to men.

Mayoux (1999) studied the effects of microcredit and concluded that micro-credits empower women economically and when women started saving in these institutions, they can have access to the loans after six months. Moreover, the utilization of loans for the continuation of their business can enhance the life standards. Additionally, the revenues from their business empowered them economically.

Barnes & Keogh (1999) examined the process of micro-financing in Zimbabwe and identified that micro-enterprise programs improved the economic profits of household, small business development, encourages women empowerment and support social systems explaining the benefits of micro-financing to women. Kevane & Wydick (2001) discovered that directing small business loan to working women results in a good exchange among economic and financial expansion and support poverty decline and wellbeing in women in poor families. But there is discrimination among gender for micro-financing as Mc Manus (2001) described that the partial reason of lower rates of women entrepreneurs is the differences in human resources and funds on the bases of gender indicating gender biasness existed in society. Micro-Financing to women is helpful to reduce economic gender inequality.

Cheston & Kuhn (2002) explained the dynamics of women empowerment by arguing that the self-confidence of a woman does not directly lead to her empowerment; rather it contributes to much more in woman's capability and motivation to cope up with the social discriminations and unfair system they face. Decision making for credit and savings can enhance welfare of women as well as their households. Moreover, investments on working women can add on employment opportunities thus decreasing the poverty.

In Bangladesh micro-financing established historic record. Pitt et al. (2003) studied the role of micro-finance for empowerment of women and stated that Women's involvement in micro-credit program expanded quality level of livelihood and highly helpful to empower and strengthen the women in our society which is male dominated society. While for India, Narasaiah (2004) emphasized the role of micro credit and said that small-credit plays a vital role in women empowerment among working women through opportunities and encouraging their potentials.

Smith & Byron (2005) examined the process of micro finance in African countries and explained empowerment as the capacity to make decisions and to apply choices thus controlling over material, social and human resources such as income, resources, learning and social wealth. In addition to that, empowerment involves access to opportunities, information, trainings and assets, capacity to make decision, authorization and have the power to control one's life. While Pearson (2005) argued that microcredit has begun to be a gender evolution and inventiveness for the reason that women have come to be important borrower owing to their advance level tendency to payback and to comply the locution of loan. In India Holyooet (2005) analyzed that women's decision-making patterns are observed from loan borrowing women who borrow directly from the banks always have fewer decision patterns, but when the loans are safe for women's groups and are united with investment then a positive shift in decision-making patterns is noted.

Meenambigai (2005) and Kasali (2006) stated that women are the basis of social mobilization and therefore, empowerment of women is the most cost effective strategy for economic development if we provide financial support to them and most research shows the less use of capitals by female entrepreneurs thus tends to set-up smaller enterprises.

Servon (2006) highlighted that there are seventy percent of poor women in world, so access to the poor for lending services is significant to minimize poverty. Moreover, it also encourages and promotes their input to the development of the economy. Ashraf, Karlan and Yin (2006) assumed that those women who are financially active with having her own savings has economically powerful and thus have high bargaining power within her family, in doing so she makes herself empowered and is able to overcome the existing norms that limit her ability to make choices.

Describing the effects of microcredit in society specially women Ghosh, Lucy and Kujawa (2008) said that to progress women's position in the world, non-government organizations (NGOs) play a vital role and promote microcredit programs to give employment opportunities, skills training, and right information for women. Dobra (2011) declared that while in the developmental process women contribution is equally important as men when we are speaking about development than we have to minimize gender dissimilarities. This can be helpful both in development as well as in poverty reduction. Rehman et al. (2015) examined the impact of micro financing by Akhuwat Organization in selected towns of Punjab and found through primary data that women got empowered, independent and confident.

Women Empowerment and Economic Development

A Famous Chinese proverb stated that "Women hold up half the sky." Hence, females can't be left behind when the society progresses.

Women empowerment refers to the process that enables women to raise voice for their rights and helps them to lead a successful life.

Eyben et al., (2008) said that empowerment in economic sector is the ability of men and women to take part equally in growth processes and add in such a way that they maintain their respect and dignity. In most countries 50% of the population is female and they are underemployed and unemployed female population which means an undeveloped and underdeveloped economy having lower GDP and lost potential.

Empowerment in economic sector increases women's access to economic assets and resources which include employment opportunities, economic facilities and skills development.

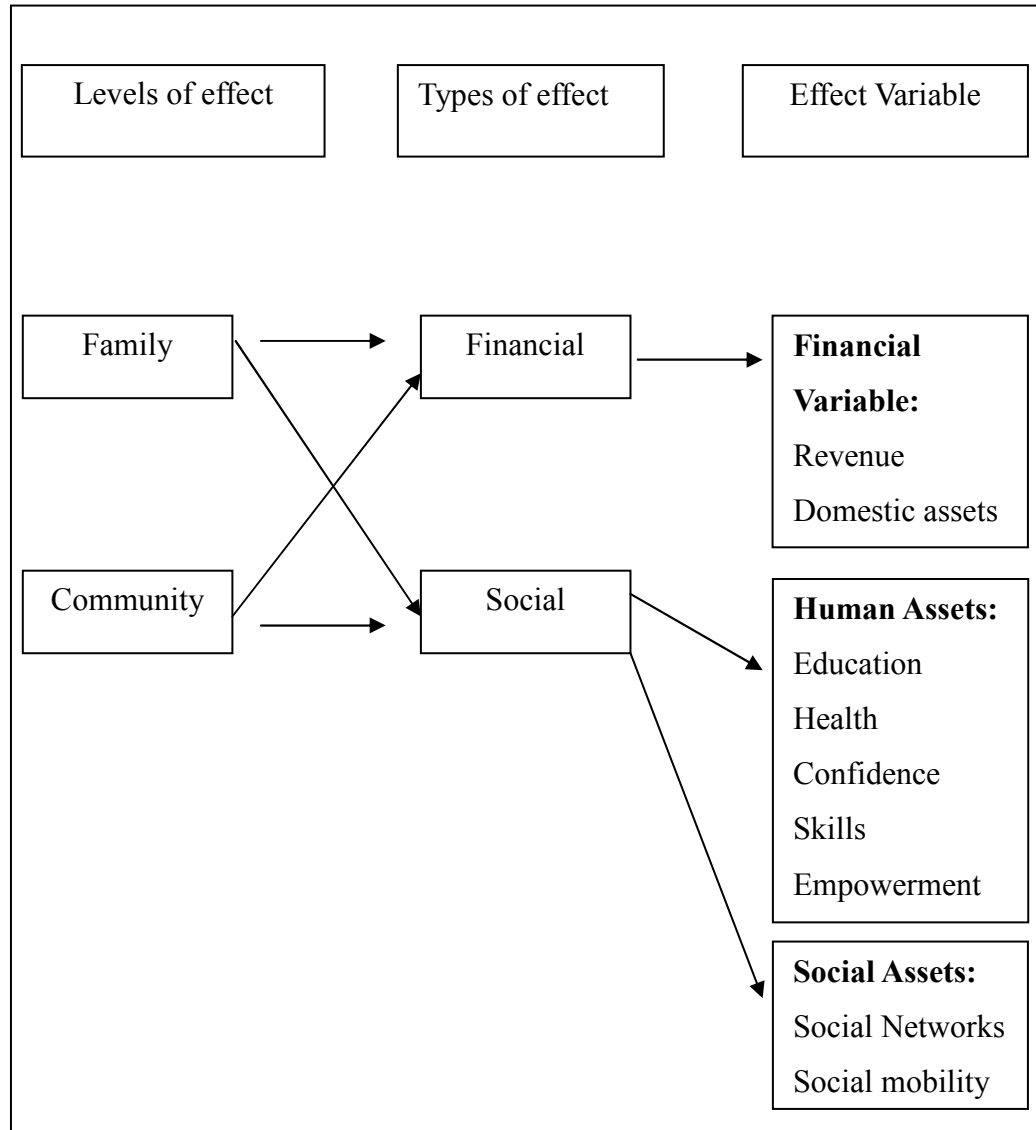
The status of women has also improved vastly and they can no longer be consider as weak part of society, particularly their great involvement in the world of micro entrepreneurs. In other hand women are still low paid as compared to their male counterparts and not equally represented in management at the government levels, instead of devaluate, we have to help them to believe that they can be leaders and change makers and empowered women. Men are empowered in the society and they considered women as their servants which is a negative point for the economic development.

The minimization in gender based discrimination in different platforms such as politics, education and service opportunities will have productive outcomes and it will enhance effectiveness.

Economic autonomous is considered to be the significant achievement in any country through higher education. To improve the status of women in Pakistani society it is important to provide opportunities for the achievement of economic independence. Therefore, many families encourage women to work in various fields and contribute in living standards of the family.

Later on micro-finance was observed to be the best banking system which offers banking services in the form of credits as well as non-credit for jobless people. Moreover, it helps women to live a life of self-respect. Furthermore, the microfinance programs results positive effects and highly influential in generating activities for women and growth of income.

Potential Impact of Microfinance



There is a close relationship between women empowerment and economic development. For example, development brings changes in women in the form of empowerment, similarly, empowered women can enhance development through independently decision making and vice versa.

Women's economic empowerment requires daring and constant action to progress women's opportunities and rights and to make sure that women can participate and confident in their life choices.

Women in the society play vital roles in different fields of life and in their absence the society could not survive. Unfortunately, the society restricts women to bounded norms and customs which hinder their empowerment. Gender discrimination is on its peak which exploits the rights of women in the form of many injustices such as lack of decision making power, lack of education, lack of involvement in community works etc. The most alarming situation is that, women did not realize these injustices rather they bound themselves to the restricted customs as their responsibility.

When there is equity and equality between men and women, we can call it as a social empowerment. In addition, political empowerment refers to the involvement of women in provincial and national assemblies as well as the right to cast vote. Moreover, personal empowerment can be the exercise of freedom of choices as well as decision making abilities. Means women should have freedom in their personal matters.

Majority of the women face discrimination and constant gender inequalities because of factors such customs or caste so if it allow equal distribution of resources in a country to bridge the gap of economic inequalities amongst women in a country.

When women are economically empowered, they would be able to ensure that there is increased uptake of their suggestions, recommendations and key decisions in organizations. Economic empowerment will give women increased spaces for their participation in development agendas and be able to claim for their rights accordingly since they will be empowered to claim for the same.

Nowadays discussion on women empowerment is considered to be the most important issue for the development of modern policies in international forums. A society older than hundred years has shown to the world that Islam has introduced a society where women have access to all basic human rights as compared to today's modern society.

Equity and equality between the two genders is the back-bone of development. This equality based relationship can result in reduction of poverty, growth in economy and improvements in life standards. But women are restricted to take part wholly in economy.

It has been a trend to consider women to be weaker than men but the contribution in a family is almost 85% as compared to men. They run businesses, work on farms, participate as an entrepreneurs or employees, care and nurse their children and feed all family members along-with other domestic work. In this way women

are contributing free of cost in economy. Still their contribution is not appreciated.

Empowerment of women is important in economy if they are not receiving their potential of work. The first step of economically empowered is to receive an education and education is one of the most dominant instruments for reducing poverty and inequality and lays a foundation for constant economic growth.

UN Women explains that the productivity of individual workers could increase up to 40% if gender inequalities against female worker were decreased. Moreover, working women as an administrative could increase the profits of different companies. A study showed that companies with greater representation by women in the role of management provided a profit of 34% higher than the companies with lowest women representation in management.

Table: 1
Details indicator of gender for the year 2012-13

Indicators	Male	Female
Labour force participation rate(Refined)	68.9%	21.5%
Unemployment in millions	2.49	1.24
Literacy rate	71%	48%
Gross Enrolment Rate	98%	83%
Seats in National Assembly	272	60

Source: Pakistan Economic Survey (Year.2013-14)

It is cleared from the figure that in every sector female is in minority rate so it is very important that everyone must encourage the women which cause development of economy. Moreover, it is important for men and women both to have equal rights. The country's strength, happiness and future financial forecast will depend on creating enough quality jobs for women development.

In Pakistan National Assemble of 332 general seats 60 seats are allocated for women if we increase the number of assembly seats national they make policies for women development.

Samina (1997) highlighted the invisibility of women labour other than domestic chores as the root of social dissatisfaction. Even though women actively work in their houses and in the fields but their free labour is considered as a social and moral duty rather than an economic contribution.

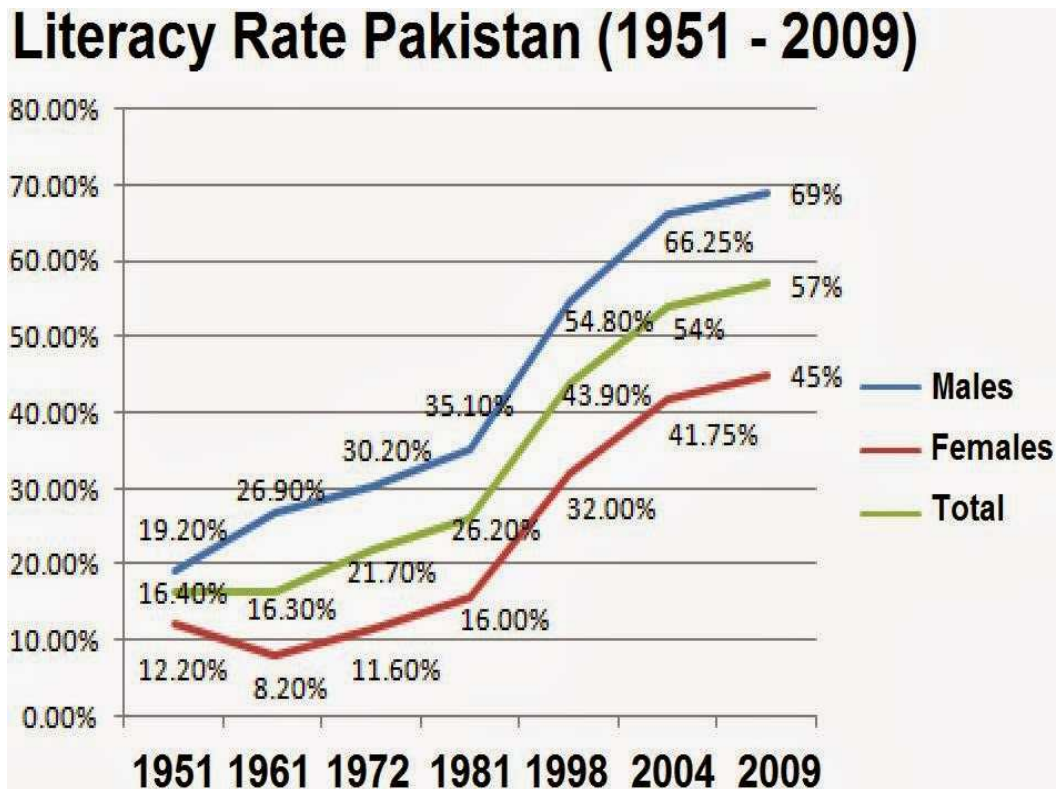


Figure: 1 Literacy rate of Pakistan (source Various Issues of Pakistan Economic Survey)

Research Methodology

Model Specification

In this study the effect of micro-finance on women empowerment is analyzed, here the dependent variable is women empowerment while exploratory variables are micro-financing to women, age of women and family support to run a small business. But a woman cannot necessarily get empowered due to these variables.

In this research as for as women empowerment is concerned there are two possibilities i-e women empowerment yes or not, we take 1 for Yes and 0 for No. Hence our dependent variable is qualitative or binary. The models which are applied to qualitative regressed are probability models. Researcher mostly use logit model for outputs and analysis.

In order to estimate the probability of women empowerment regression through OLS is not suitable because OLS does not take into account the restriction of 1 and 0 for regression, so logit model is used in this study which is as follow.

$$P/1-P = C + B_1X_1 + B_2X_2 + B_3X_3 + U \dots\dots\dots(1)$$

Where

- P = Probability of women empowerment
 1-P = Probability of No women empowerment
 C = Constant
 X1 = Amount of micro-finance provided to women
 X2 = Age of women
 X3 = Family support to run small business

For estimation purpose above equation is converted into natural log form

$$L = \ln(P/1-P)$$

$$= C + B1X1 + B2X2 + B3X3 + U \dots\dots\dots(2)$$

In logit model method of maximum likelihood is used by using software Eviews7.

Research Design

In this study exploratory research is conducted to find the effect of micro-finance on empowerment of women entrepreneurs. The research tool used for this study was questionnaire and the data was collected from three branches of micro-finance bank. The target population of this research is women entrepreneurs of Karachi. The population of interest consisted of all women entrepreneurs who were members of micro-finance bank especially working women and those who run business like shops, parlors and boutiques. Sampling refers to gain information about population and population is the entire collection of people or things in which a researcher is interested. The sample size of research study was 100. Researcher selected three branches of micro-finance the detail of respondents in micro-finance bank as follows.

Table: 2
Details of microfinance bank branches for sample selection

Branch	Respondent	Location of branch
Karimabad branch	50 female clients	Ayesha manzil + Karimabad
Mehmoodabad branch	25 female clients	Mehmood Abad
Garden branch	25 female clients	Garden area

Data Collection

Data collection is the main part of research in which we use different sources like articles and books. In order to evaluate the impact of micro-finance on women empowerment researcher has used both primary and secondary data. Primary data

includes questionnaire and personal observation whereas secondary data includes literatures journals, articles, relevant books publications and literature reviews.

Data collection is a tool in which researcher collects the data required to solve the research problem. During data collection the researcher take decision about when and how to collect data. Improper data collection can affect the outcomes of the study and finally lead to illogical results therefore, data collection should be proper and with honesty.

It was observed that most of the women used to do small businesses by taking loans from microfinance; they were doing different type of businesses like parlor, small shops and majority of the female run their own boutique and stitching shops. They are empowering women and now they have much ability to take decision of their own and their family as well.

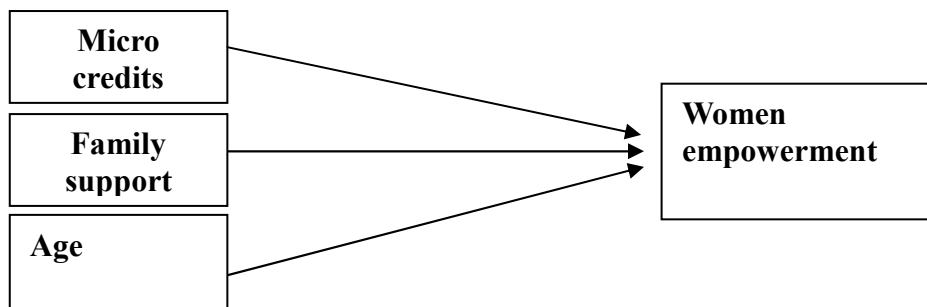
It was observed that if more credits are given to women they become able enough to support their children in getting education and also these programs have positive impact on women empowerment such as ability to make decisions, improvement in self-confidence and enhancement in their positions.

Table: 3
Detail of types of businesses women adopted

No of women	Type of business	Amount of loan
37	boutique/stitching	50000
50	parlor	35000
13	shops	20000

Theoretical Framework

The main thing is that the theoretical framework on the basis of which researcher use legit model.



Research Hypothesis

As discussed earlier research objectives is to evaluate the impact of microfinance on empowerment of women by using three explanatory variables, i-e amount of microfinance, age of women and family support to run business. So our research hypotheses are as follow

- **Null Hypotheses**

- 1- H_0 = There is no effect of microfinance on women empowerment
- 2- H_0 = There is no effect of age on women empowerment
- 3- H_0 = There is no effect of family support on women empowerment

- **Alternative Hypotheses**

- 1- H_a = There is significant effect of microfinance on women empowerment
- 2- H_a = There is significant effect of age on women empowerment
- 3- H_a = There is significant effect of age on women empowerment

Analysis and Results

Logit model has been used in this research to identify the effect of micro financing, age of women and their family support to develop women empowerment.

The results of equation are given in table (5.1). In Logit model method of maximum likelihood is used where to evaluate statistical significance of co-efficient instead of t-statistic, z statistic is used. Similarly to measure goodness of fit, R-squared is not meaningful in binary regressed model. McFadden R-squared is used whose value in our study is 0.4329.

The range of Mc Fadden R – squared is 0-1 so the value in our study indicates sufficient fitness of our model. The LR statistics in the table is 57.08 units having very low p-value illustrating statistical significance of coefficient. The positive value of co-efficient indicates that the entire exploratory variable have positive effect on women empowerment, though they are all partial slope coefficient.

Results of Logit Model Analysis by Eviews7

Method: ML - Binary Logit (Quadratic hill climbing)

Date: 06/18/15 Time: 00:07

Sample: 1 99

Included observations: 99

Convergence achieved after 4 iterations

Covariance matrix computed using second derivatives

Variable	Coefficient	Std. Error	z-Statistic	Prob
C	-13.79809	3.071452	-4.492366	0.0000
X1	0.160235	0.047547	3.370075	0.0008
X2	0.135706	0.038442	3.530191	0.0004
X3	4.104254	0.863171	4.754857	0.0000

McFadden R-squared	0.432915	Mean dependent var	0.616162
S.D. dependent var	0.488794	S.E. of regression	0.338038
Akaike info criterion	0.836065	Sum squared resid	10.85560
Schwarz criterion	0.940919	Log likelihood	-37.38523
Hannan-Quinn criter.	0.878489	Deviance	74.77046
Restr. Deviance	131.8506	Restr. log likelihood	-65.92529
LR statistic	57.08011	Avg. log likelihood	-0.377629
Obs with Dep=0	38	Total obs	99
Obs with Dep=1	61		

Impact of Micro-finance

Micro-finance helps both men and women to empower themselves especially those women who have accessed to micro-finance services which make changes in their lives positively.

The value of micro-finance coefficient is 0.16 having z statistic is 3.37 units that's very low p-value. It indicates that if micro-financing is provided to 100 women that is probability of 16 women to be empowered while other variables are constant. Therefore if micro-finance increases chances of empowerment also increases. In this way our first null hypothesis is rejected i.e., micro-finance has no Impact on women empowerment.

Impact of Age

Considering the value of age of women into becoming empowered. There is positive relation of age of women and their empowerment. As age of women increases chance of becoming empowerment also increase.

The value of age coefficient is 0.1357 units Z-statistic is 3.53 having very low P-value. Because mature age women are more confident, well experienced and highly skilled. So age is an important factor for a woman to become empowered. In this way our second null hypotheses is rejected that, age has no impact on women to get empowered.

Impact of Family Support

The value of family support co-efficient is 4.10 having value of Z-statistic 4.75 units very low P-value. It indicates highly significant value of family support for a woman when she is running a small business to get empowered. So our third null hypotheses is rejected that, family support have no effect on women empowerment.

It is a fact of our society that to get success in business and to become empowered and independent decision making women need support of their family members, because in our society mobility of a woman is limited and most of the business requires outdoor movement and long hours working so a woman alone cannot succeed in the businesses.

Interpretation by Odds

The other way of interpretation of slope co-efficient in Logit model is carried out in terms of odds. The values of odds of each slope co-efficient are calculated by taking antilog of values of co efficient. The odds values are given in table 5.2

Table: Coefficient & odd values

Variables	Indicators	Value of Coefficient	Value of Odds
X1	Micro-financing	0.1602	1.173
X2	Ages	0.1357	1.145
X3	Family support	4.1042	60.59

The odd value of micro-finance coefficient is 1.1738 which is more than zero. It means our null hypotheses no.1 is rejected that micro-finance has no impact on women empowerment but its value is very small indicating that micro-finance possesses small role to induce women empowerment.

Similarly the odd value of age of women coefficient is 1.1438 which is more than zero so null hypotheses that age of women has no impact on women empowerment is also rejected.

The odd value of family support coefficient is 60.5975 which is more than zero. It means null hypotheses that family no impact on women empowerment is rejected. Secondly the odd values is very large indicating that for a women who is running small business by micro-finance, if she gets supports from her family it is more likely that she will be empowered.

Conclusions and Recommendations

The study provides an analysis of role of micro-finance to empower women. In addition of micro-finance two more explanatory variables hence been added in this study, one is age of women and second is family support.

On the basis of estimation of three variables applied on a sample of 100 women by using Logit qualitative analysis model we conclude that all three variables have significant effects on women empowerment.

The purpose of this study is to investigate the impact of the micro-finance bank on women empowerment. This study shows that micro-finance bank generates various opportunities for women which includes resource access, ability to make decisions and freedom of movement outside homes. In Pakistan, The Micro-finance division developed in 1990s but it needs more time and resources to achieve its objectives and expand all over the world.

The study concludes that as age increases women decision making ability also increases. Family support is the main factor in empowering a woman because they always support you in different ways whether it is financial or moral so here family support is cause of women empowerment.

Majority respondents accepting the micro-credits belong to low socio economic back ground. Moreover, the respondents were under productive age with insufficient family income. Therefore, Micro Finance Bank offers many opportunities to women which help them to add in family's economy, thus empowering women economically.

As far as family support is concerned in lending micro-credits, the responses tell that most of the women take decision for lending loan, complete the loan application by their own. In contrast, it was observed in some areas that women were not fully authorized over income business.

The responses proved that women's contribution in family income enables them to support their children to get education. Moreover, micro-credit has changed the traditional unpaid work of women into paid work. In addition to that, Micro-credit programs have beneficial impacts on women's empowerment such as, enhancement in women's ability to affect family matters, ability to decide for themselves, better self-confidence, uplift their status, decrease gender based discrimination, lessening in domestic violence, and risen economic empowerment.

On the basis of findings of the study following recommendation could improve social behaviour of the society and empower women

- It is evident that if a woman gets empowered it's beneficial to her life, her family members especially her children and the society as a whole, so it is recommended to micro-finance institutions to expand their operation of micro-financing to women. In this way the standard of living of whole society will improve.

- For the purpose of sustainability, the micro-finance bank charges with high interest rates so that it could cover its operational costs. Moreover, these high rates of interest rates can be the reason for dissatisfaction of the clients because they are unaware about the truth behind high interest. This can create a negative feeling for bank services as well as the bank can also lose its customers. To minimize the risk, it is important to communicate the clients clearly about the purpose of high interest rates before the payment of loans.
- The societies with gender discrimination on its peak need empowered. The government and other stake holders need to initiate gender awareness sessions. Administration systems should reassure women entrepreneur's networking which will be beneficial in sharing knowledge as well as in building confidence.
- Micro-finance is not only responsible to alleviate poverty or to empower women. Moreover, it is related with other social programs to achieve the deserved requirements of poor families.
- In the study role of family support is very strong to the empowerment of a women, if the family develop a favourable environment and support the women, she has more chances to be empowered.

Limitations of the Study

In our study due to time constrain there are some limitations on research objectives demands a comprehensive study. Some limitations are as under:

- Sample consists of women who are involved in some business activities on the basis of micro-finance sample need to cover the whole of the country.
- Due to limited interact of women to get micro financing facility, our sample consist of hundred women. If there was wide interest in women in micro-financing, a large sample could have been selected.
- Very few categories of business are included due to the constraint so it is also limitation of the study.

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