

A Study of Impact of Microfinance on Women Empowerment in Nepal

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Abstract

Rapid progress in the Microfinance sector now has turned into an empowerment movement among women across the country. Microfinance is necessary to overcome exploitation, create confidence for economic self-reliance of the rural poor, particularly among women. The present study was carried out to meet the objectives i.e. to analyze the contribution of women entrepreneurs to change the life style, to evaluate the socio-economic activities and to assess the effectiveness of microfinance on improving women's living standard. The literatures related to the objectives are described briefly following Harvard style of citation and every literature are mention on tabular format. A primary data is collected from Nari Chetana Laghu Bitta micro finance, Durga Mandir microfinance, Nava Kantipur microfinances. Cronbach's alpha is used to measure of consistency level of the questionnaire. After the questionnaire is found to be reliable, it is distributed to the 100 respondents. The quantitative analysis is conducted through Likert five scale questionnaire. Descriptive statistics model is used to analyze the research objectives. The results obtained shows the highest and the lowest mean between the variables. The correlation analysis is also used to express the positive and the negative correlation between the variables. The positive and the negative correlation is analyzed through the Changing lifestyle of women entrepreneur, Socio-economic activities and effectiveness of microfinance as independent variables and women empowerment as dependent variable. ANOVA test is analyzed through the dependent variable and the control variable i.e. comparison analysis between women empowerment by age, women empowerment by marital status, women empowerment by educational qualification. Hypothesis 1, Hypothesis 2 and Hypothesis 3 is proved through the ANOVA test. Multiple regression is analyzed through the independent variable and the dependent variables. The significance level between the predictor as dependent variable and the all independent variable is observed through the p-value. The R-square, F value and the p-value is described clearly. Similarly, Hypothesis 4, Hypothesis 5 and Hypothesis 6 are proved through multiple regression. Researcher concluded the research work mentioning the limitation of the research work and providing the recommendation for future researcher and for microfinance.

Keywords: Microfinance, women entrepreneurs, Cronbach's alpha, Likert five scale, correlation analysis, ANOVA test, p-value, R-square, F value.

1 INTRODUCTION

Microfinance is derived from the two words 'micro' and 'finance' which means 'small' 'loan'. It goes which provide the small loan for the needy. The service of finance to the poor is based on the market point of view and the commercial approaches. This definition provides the service of the financial services for example savings, money transfers, payments, remittances and the insurance and other service. It is the joint liability lending which means it must borrow within a group of other borrowers. The microfinance is the act as the medium of each other loan.

1.1 Background

Women are facing many problems in the world. The women are not getting the education as compared to men in most of the places of Nepal. They are married earlier without the education and depend on the man for the income. The women are having social discriminations. The women do not feel secure in home and the society. Most of the women are facing the domestic violence. Due to lack of money in the rural areas, the women are not getting proper care. Women empowerment in

the context with micro finance brings importance to gender relations in the policy development. The discrimination among the women exists because of the socio-cultural norms and the values. The many research it is seen that the social factor, cultural factor and the economical factor are the main problem behind the women developments. Microfinance is the financial service that is given to the public like saving account, funds, credit that is provided to the poor, low income or the needy people for improving the life style by generating the sources of income in the family. Microfinance is the powerful instruments for the rising the living standard. It generally provides the small loans by accepting the little deposit. The empowerment lies in the ability of the women to control the own destiny. The empowered woman must have the equal capability of education, health, resources, opportunities, for making the choices and the decisions. The economic risk can lead to the effective return and the income. Empowerment of women simply means to make individual think, take action and do work independently. The independent women can control one's destiny. Microfinance does not only give access to men and women for saving and credit but it brings the target group for bringing together. Many people are not getting employment opportunities and are not skillful. Income source activities are not generated due to lack of money. The micro finance provides the sense of responsibility to the women fighting towards many problems. Microfinance is the tool that enables the people to be out of the problems and generate the additional income.

1.2 Ethical Issues Involved

Microfinance is growing rapidly in Nepal. Ethics talks about the moral of the people. The issues in the microfinance include social, economic, legal and the political systems. In the developing country there are the lots of issues involved. The issues involved in taking the interest and the installments from the borrowing. The poor women are driven for taking the loan and have the burden of the debt in starting something new. The microfinance has its own morality of the organization. The women and the finance both gain the benefits but it is on credit. The compensation is to be paid if the amount of credit is not paid on time. It has its own law for taking the compensation. The amount of the compensation makes poor people hard for the long-term plan. The poor people even cannot fulfill the basic needs. Microfinance will be responsible for investing on the social responsibility as microfinance focus on profit making. The board members of the company thus should sacrifice for the poor people by not only earning profits.

1.3 Problem Statement

Women empowerment is the most essential part in the community. The women are not getting their rights. So, the government, United Nation and the Non-government offices have made some impacts on the women's needs and the wants. The women have to face social barriers, discrimination in the society, lack of education, education facility and so on. From the several study it is seen that the women have to face the problem like not getting loan on time, lack of finance when required, discrimination against women, lack of confidence and so on. When women start the business shortage of the skilled manpower, lack of demand for the target business, improper management, lack of technology etc. are the problem faced by the women. Women are facing problems in a good experience for starting the new works because of giving focus to men rather the women. There is massive gap between the men and women entrepreneurs while ensuring change of life style through economy. While, male counterparts influenced the business sector female counterpart influence society bringing positive vibe in society (Munoz-Fernandez, Assudani and Khayat, 2019). Thus, role of women entrepreneurs in socio-economic development has impact for generation. Hence, women entrepreneur has to contribute for development of society which can be challenging but essential. Similarly, in developing context of Nepal women empowerment is essential for sustainable development. Since, women empowerment can create self-sustaining group within society (Hossain, Siddique and Jamil, 2018). There can be huge impact of women empowerment in economic development which can be ensured through micro financing (Herath, Guneratne, & Sanderatne, 2015). The microfinance can bring positive vibe in society. Since, it can provide fund for women to self-start small entrepreneurship at beginning which can be turn into large scale business after sometime (Shmallan, 2016). Therefore, for ensuring raise in women's living

standard micro financing has to be introduced.

1.4 Research Questions

Research questions are mentioned to point out the specific purpose of the research. It makes the reader easier to understand the research. It makes the good study design. The research statements are as follows:

- How the contributions of women entrepreneurs change the life style of women?
- What is the socio- economic activities on women empowerment?
- Does it measure effectiveness of microfinance?

1.5 Purpose of the Study

The main purpose of the study is to know the impact of microfinance on women empowerment. The primary focus is given to measure the living standard of women with socio-economical context. The plan of microfinance can focus on gender equality in providing the loan and job opportunities can be developed. Better health facilities can be given to the women by awareness programs. Strategically plans can be developed by building the good economy through the good finance. Micro finance is found to be the effective tools for the women to promote the good business plan and changing the life style of their own. The purpose of the study is to make women realize they have the good leadership quality to face the challenges in the struggle period. The present study aims to achieve how microfinance is working on empowering women.

1.6 Objectives of the Study

The objective of the study is for women empowerment with the help of microfinance in Nepal. For the fulfillment of the right direction the focus of studies is discussed as under:

- To analyze the contribution of women entrepreneurs to change the life style
- To evaluate the socio-economic activities.
- To assess the effectiveness of microfinance on improving women's living standard.

1.7 Hypothesis of the study

The hypothesis of the study entitled "Impact of Microfinance on Women Empowerment" are listed below:

H1: There is significant relationship between women empowerment and age.

H2: There is significant relationship between women empowerment and marital status.

H3: There is significant relationship between women empowerment and educational qualification.

H4: There is significant relationship between women empowerment and changing lifestyle of women entrepreneur.

H5: There is significant relationship between women empowerment and socio-economic activities.

H6: There is significant relationship between women empowerment and effectiveness of microfinance.

1.8 Scope and Significance of the Study

The Scope and the significance of Impact of Microfinance on Women Empowerment are described below:

The study is target for the microfinance and women empowerment. The study is based on the microfinance of Nepal. As Grameen foundation helps the needy women to improve the living standard of the people by providing the financial loan to the people. The scope of the study is the microfinance will meet the target goal that microfinance has promise to give. If women are empowered, she will educate the children and will help to reduce the problem in the society. If all family members are literate slowly the problem can be reduced. The study of the thesis will help to find the impact how microfinance can help to empower women. The growth of the microfinance will help in the progress to build up smaller and larger microfinance. The training and the capacity can be developed in every individual. Creating the job opportunities through the support of the microfinance helps each woman to achieve its goal. The study focuses how the microfinance is working for the progress in the women empowerment. The women are living in a sustainable life or not can be studied and how effectively microfinance is working will provide a good review on the

topic.

Nepal is not the developing country talking about many sectors. Many people in Nepal are not developed. Many women are helpless for running the daily activities. The family cannot be run only through the income of one person. Various problems arise in the home, sometime have to suffer through serious diseases due to lack of nutritious foods. The microfinance is the choice for the women to escape out of the problems and solve the economic problems. The present study is about the impact of microfinance on women empowerment. The study points out the problems that the women are facing and build a good research at how the women can be empowered. The several ways are discussed how the women can maintain good living standard and built up the progressing economy in the country.

1.9 Project Management Outline

Outline is important part that is made in the research work. Outline helps the student to give the perfect shape to the thesis. The outline that is prepared in the thesis work are discussed below:

Outline 1st

The researcher finalizes the topic and starts the research work from the chapter one which will introduce the main objectives and the problems of the study. The researcher takes around a week to prepare it.

Outline 2nd

The researcher takes around two weeks for having the good research on the related topics of the study. The researcher collects different journal articles for references. The researcher prepares chapter two with the selected references.

Outline 3rd

Researcher identifies the sources for data collection and collects the data from different finances. The researcher entry the data in SPSS table for analysis. The researcher takes around two weeks for the work.

Outline 4th

Researcher analyzes the primary data with different test and interprets them. It takes around one week for the work.

Outline 5th

Researcher writes the conclusion from the analysis done in chapter four with the recommendation. It takes around some days to complete it. Researchers finally submit the thesis to the university.

2 LITERATURE REVIEW

A literature review is analyzing the previous writings and research efforts which are required to be analyzed for fruitful evaluation and find conclusions regarding topic of current study. It also provides platform for extensive learning and adoring better sound skill and knowledge after properly addressing all scenario in maximum possible way. With the historic learning and research efforts new extensive ideas and realm are established which can be uplifting approach for current carried research work. The needed theories in the related ground of the study are prepared by researcher after analyzing the past hard work done by jurists, scholars and investigators.

2.1 Microfinance and women Empowerment in Nepal

Nepal being the developing country has various problems regarding socio-economic aspect one this very regard microfinance can become a beam of light. Microfinance has indeed help in women entrepreneurs in education which is basis for empowering women (Paudel, 2013). The various areas of Nepal are still undeveloped so microcredit can help these sectors to raise their bound of opportunities (Kharel, 2017). Women empowerment in Nepal is possible only if the income generations of women are raised (Khatiwada et al., 2018). In context of generating income and being self-dependent microfinance can help enrich efficiency (Dwibedi, 2015). Micro finance in rural economy is source for raising the standard of living (KC and Anita, 2018). Thus, Microfinance can overcome the problem regarding gender inequality prevailing in Nepalese society (Karn, 2018). Being the developing country having patriarchic values the women empowerment is mere core dream

until and unless women being able to run finance through their self-earning and micro financing can create those bound of opportunities in rural economy (Rakhal, 2015). Micro finance provides access to become entrepreneur through labor mitigation and effective training (Ferdousi and Mahmud, 2019). Additionally, it is the sole for developing economy as well in context of Nepal (Poudel and Pokharel, 2017). In developing countries of South Asia, Micro finance can be the best alternative for development of country and play significant role in women empowerment (Roy, 2016).

2.2 Women Entrepreneurs through Socio-Economic Activities

The women empowerment is possible only if they are provided with the opportunities to run their business houses and industries. Female engagement in the corporate sector provides the social and economic growth of women (Ali and Cook, 2020). The growth of women is directly related with the enhancement of development of finance (Adhikari and Shrestha, 2015). Women can be provided with the opportunities of start up through the micro credit in beginning and slowly through training it can be enriched (Gnawali, 2018). Women empowerment is possible by providing equity of involvement in business sector (Ikupolati et al., 2017). Various researches have shown that within short frame of time women entrepreneurs have grab their ground in commercial world in countries like Nepal (Oli, 2018). Nepal being the country where still start up are not achieving the expected place small enterprises run by women are doing well (Roy, 2016). The women can be grown on socio-economic sector if provided with skill and training which is proven in case study done at Manamailju VDC of Kathmandu valley (Adhikari and Shrestha, 2015). Literacy is main key for raising the empowerment of women and is more credible through micro finance (Ferdousi and Mahmud, 2019). The development of country can be achieved by socio-economic achievement which is result of earning from variety of sources (Agrawal, 2017). The entering in the business world provides women to safely grab their position on society and helps in socio-economic development of country (Ahmed, 2018).

3 RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

Research is defined as the activities (Kautish et al, 2008, 2012, 2013, 2020) which find out all the research in the systematic way. The researcher researches the things which are unknown. Methodology is also known as the philosophical framework where the research is conducted on the basis of its foundation. Research methodology is the science of the study in solving the research problems. The research philosophy, research approaches data collection tools and techniques all things are discussed in this chapter with the systematic plan. It is the plan to solve the problem systematically. It is the work plan of the research in choosing the methods and tools for the solution of the problem.

3.2 Research Framework

The research attempts to present the framework of impact of microfinance on women empowerment. This study is concern about empowering the women through microfinance. The research framework is developed. The dependent variable as women empowerment, control variable as age, marital status and educational qualification, independent variable as Changing lifestyle of women entrepreneur, socio-economic activities, effectiveness of microfinance.

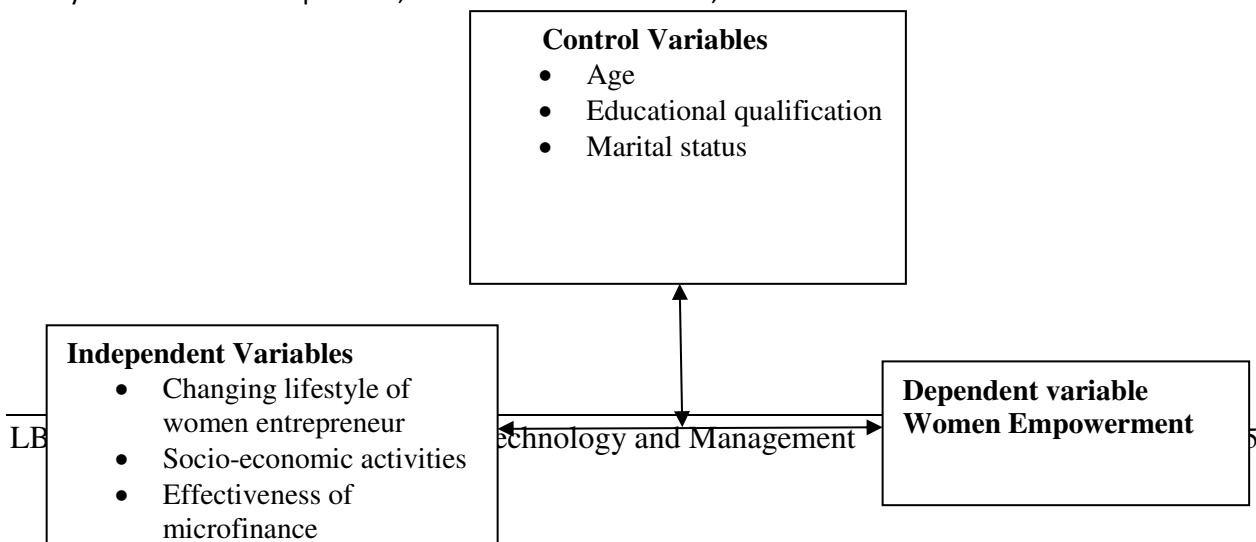


Figure 1: Research framework of impact of microfinance on women empowerment Source: (Singh, 2020)

3.2.1 Dependent Variable

Dependent variable depends upon the independent variables. Women empowerment is the dependent variable in this study which depends upon the three independent variables which are changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of micro finance.

Women empowerment

Women empowerment is the process to empower own self and to fight with the circumstances which the women had denied previously. Empowerment can be given in many ways; the decision-making power of the women can be developed. The economic decision process allows women for the strong participation in structured plan. The women can be empowered in many ways like education, training, awareness program and the facility related to health can be raised to improve the status of the women. The women empowerment can be made through different ways, it's all about allowing women to have different skill and make the life determining decision. The problems can be overcome through equipping own self in the society.

3.2.2 Independent Variable

Independent variable in this study is changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of micro finance.

Changing lifestyle of women entrepreneur

The equality of man and women are to be given. The lifestyle of women depends to the women own self and are responsible for own self. The little effort of the women in changing life style by using the skills is great decision that the women can make for better life. The woman can make the life independent by not depending on the man for small basic needs also. Women entrepreneur is the main source for the economic growth. In this study the researcher analyses the women entrepreneur for creating the new jobs and helps society to make the different solution for a good management and solve the business problem.

Socio-economic activities

Microfinance aims to contribute a big change in the society. It is not only work for the field of savings but also provides the skill-based income generation activities for the women. The e microfinance gives focus on the needy women for empowering them. The loan is provided to improve the financial condition of the women. It provides the financial service such as small loans, savings and the money transfer. Financial service that is provided for socio-economic activities helps to access the new technologies and generate the new level of production.

3.2.3 Control Variable

Control variable consists of age, educational qualification and the marital status. Control variable maintains. Control variables are the demographic characteristics of the women.

Age

Age of women is a crucial part on the study. The age factor can to affect in empowerment of women. The younger women are found to be more active in many of the research. The researcher divides the women on age such as below 25, 26-30, 31-35, 36-40, 41-45, 46-50 and above 50 years.

Educational qualification

Education is the important factor for women empowerment. The development of every individual is based on how eagerly individual can improve own self. The academic qualification such as Under SLC, plus 2, Bachelor, Masters, PhD are divided for analysis of impact of microfinance on women empowerment.

3.3 Philosophical worldview (Paradigm)

Researcher investigates the problems in systematic order and in organized way for solving it. Knowledge from different philosophical is carried out for the research work. The ontology and epistemology knowledge are shared to make the research easier and solve the problem.

3.3.1 Ontology

Ontology is concerned with the nature of the reality. The objectivism is the specified and the important aspects of ontology. The reality is of the society is given more concerned. Ontology is the response where the questions of what is there which can be known and what is the nature of the reality. The ontology philosophical view explains that what kind of problems are been investigating and what are the structure of those reality in the impact of microfinance on women empowerment. Researcher constructs the reality which is based on the several sources. The reality based on different literatures are been studied in the research.

3.4 Research Approach

The research is guided by the logical process of induction and the deduction in the research process. The inductive approach and positivist approach in the study of impact of microfinance on women empowerment are discussed below:

3.4.1 Inductive Approach

Inductive approach is the study through the new theory. The inductive approach starts by collecting the data in this study. It is based on observation. It gathers the data from the microfinance, looks the patterns and develop the theory. It is the research where bottom to top approach is conducted. It is the approach which helps to generate the meaning the data collection and identify the relationship to build up the theory. It begins with the detail observation and moves for generating the ideas.

3.5 Mixed Approach

The mixed approaches will help the researcher for in-depth analysis of the research work. It will help to identify the importance of the study. The ontological and epistemological philosophical view is adopted for the research following inductive and system approach for the study. The data is gathered from the microfinance in the systematic manner for the analysis to meet the objective of the research. The research problem can be solved through the mixed approach.

3.6 Research Design

The study aims to analyze the impact of microfinance on women empowerment with the help of independent and dependent variables. It is the social science research where primary information is collected from the various sources. The secondary data are analyzed from the empirical knowledge of different literatures. Quantitative data analysis is used for the analysis of the topics. The likert scale questionnaire is prepared on the structured manner to collect the data. Nari Chetana Laghu Bitta micro finance, Durga Mandir microfinance, Nava Kantipur microfinances are the microfinance whose impact on women empowerment are studied in this research. The simple random sampling design is followed for collection of the data. The respondents from each of the microfinance's are selected randomly.

3.7 Data Sources

The data is collected from the primary source and secondary data. Researcher collects original data. There are several techniques for data collection like field survey, interviews, self-administrative survey and so on. Researcher uses online interview for the data collection. The data collected from the primary sources is original. The researcher uses mainly primary research for the study for the data analysis. The secondary data that the researcher used for the study are from the different journal articles, reviews and the websites. The data is collected from microfinance in Nepal which aims for the poverty reduction. The primary data is collected for getting the solution to the problems in the study. The real time data is analyzed.

3.8 Data Collection Method

The data is collected from the primary sources of data through survey method. Survey method is followed both on private and public sectors for the research work. The survey is done through online

interview method. Quantitative methods are prepared for the collection of the data. The data collection method through mail saves the time and money. The observation technique through interview of the data collection in the primary research helps the researcher to measure the variables which are going to be investigated. The population for collecting the data is selected randomly. The simple random sampling methods are applied in the research.

3.9 Data Analysis

The data is developed by coding the scheme for transferring the nominal data in the numerical data. The online survey is followed in the research. The data is uploaded on IBM SPSS software which is the statistical survey. The data is entered on diving into the categories of groups and the score. The data entered is grouped for the analysis. The general information has one category and the variable have another category. The Likert five scale is used for ticking the options which will be converted into numeric form. The descriptive statistics are analyzed through the grouped data. The data is analyzed through open-ended quantitative questionnaire.

3.10 Quantitative Data Analysis

The quantitative data are arranged in structured manner for the analysis. It includes the larger samples of the individual respondents. The data are more structured manner and the results are easier way to perform. The data are analyzed on statistical term to meet the objectives of the research. The result of the quantitative data analysis is the results from the online survey where questions are examined for the future considerations. Different test is followed for the quantitative data analysis. The tests are One-way ANOVA test, Multiple regression test correlation test, cross tabulation test and descriptive analysis which test the independent and dependent variables in the study.

4 DATA ANALYSIS AND FINDINGS OF RESEARCH

4.1 Introduction

Data presentation and the analysis of the data is the integral part of the research. Several sectors like academic sector, bank, marketing, industries and so on follow this analysis with the professional practices. The several analyses have been done on the demand of the study. Before any analysis it is very necessary to collect the data. The raw data is to be processed for the calculation. The data is analyzed to answer the research questions and to meet the problems of the research. The data which is processed helps to provide the exact answer to the research. The raw data is non-comprehensive in nature. The data can be present through several ways like graphs, charts, maps and other methods.

4.2 Online Questionnaire Analysis

Online questionnaire analysis is done through the Statistical Package for the Social Sciences (SPSS) for the analysis of the data. The statistical software was developed by SPSS Inc and is acquired by the IBM in 2009. The statistical tools of SPSS 20 have been adopted for the research work. The software analyses the present data and interpret it. The questionnaire is distributed through online survey by email and the response of the questionnaire is analyzed in several ways. The descriptive analysis, frequency distribution, multiple regression correlation and multiple regression analysis is done through SPSS software.

4.3 Respondents to online questionnaire

The questionnaire is divided on two groups. First groups include of demographic information which includes of general information of the respondents. Second group includes of quantitative questionnaire which includes four factors to find the analysis of impact of microfinance on women empowerment through dependent and independent variables. The first group of demographic characteristics includes age, educational qualification and marital status. The second group includes women empowerment, changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of microfinance. The respondent in the first group response age through tick mark noting their age (below 25, 26-30, 31-35, 36-40, 41-45, 46-50 and above 50), educational qualification through tick mark on (Under SLC, SLC, plus 2, Bachelor, Masters, PhD) and marital

status on married and unmarried. The second group includes the questionnaire of dependent and independent analysis which includes of four factors of quantitative questionnaire they are: 1. Women empowerment 2. Changing life style of women entrepreneur 3. Socio- economic activities 4. Effectiveness of microfinance. The respondent response the quantitative questionnaire on ticking the Likert five scale questionnaire which is strongly agree, agree, neutral, disagree, strongly disagree. Each of the factors in quantitative questionnaire include sub questionnaire.

5 Discussion, Recommendation and Conclusion

5.1.Introduction

The main aim of this research is to study the impact of microfinance on women empowerment. In the present context of Nepal women occupy more than half of the population and women are not given any opportunity for involving in the economic activities. There is the miserable situation of women in many parts of Nepal. The present study is based microfinance on Kathmandu valley. Researcher after the involvement in the microfinance research has realized that the women have increased their confidence level. Women are happy that they are earning themselves. Women are involved in microfinance program and are able to improve the living standard. Women are seen much happier by the change in their day to day activities. Women had developed the good image in the society. This chapter provide the discussion and the conclusion of the study from the previous chapter. It is the summary of the analysis that is done by researcher. The discussion and conclusion based on demographic characteristics, descriptive analysis, ANOVA test, multiple Regression analysis, correlation analysis between dependent, independent variables and control variables.

5.2.Discussions and Conclusions

The discussion and conclusion of the research are drawn by dividing the sections of the analysis done in the research work. The responses of the women in every factors of the topic, "Impact of microfinance on women empowerment" are concluded with the conclusion on each section divided below:

5.2.1. Demographic characteristics

The demographic characteristic is the analysis of frequency distribution of age group, marital status and the educational qualification. The frequency distribution analysis in the age group is found more on age group 26-30. The women on the age group 26-30 are found more and age group from 41-45 and 46-50 are found less. The researcher concluded that the women from 26-30 age group develops the matured thinking on the young age and are active and motivated towards the family's responsibilities. Women in that age group have more ideas for using the money in productive way. The frequency distribution analysis in marital status is found more on married than that of male. The married woman has more problems in the house. Only man income is not sufficient to fulfill the needs of the family. So, women use loan from microfinance to start the new business in order to make life easier and happier. The women can educate the children with the income earned. The frequency distribution analysis in educational qualifications is found more on the masters' level. It is seen that the masters level women are found more on generating the ideas for starting business.

5.2.2. Descriptive analysis of Variables

The descriptive analysis is the analysis of all the dependent and independent variable from the average mean calculation and standard deviation. The average mean of dependent and independent variable is 24.0175. The highest mean is found on the socio-economic activities with the mean 27.7000 and lowest mean is found on the changing lifestyle of women entrepreneur. It is found that changing lifestyle of women entrepreneur is found to be on good position.

5.2.3. Correlation analysis among variables

The correlation analysis is among the variables of women empowerment, changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of microfinance. The p- value is less than 0.01 in between changing lifestyle of women entrepreneur and women empowerment, socio-economic activities and women empowerment and effectiveness of microfinance and women empowerment. There is positive correlation between changing lifestyle of women entrepreneur and

women empowerment. There is positive correlation between socio-economic activities and women empowerment. There is positive correlation between effectiveness of microfinance and women empowerment.

5.2.4. ANOVA test between dependent variable and control variable

ANOVA test is the test of the relation between the variables. The p-value is less than 0.05 on ANOVA test in between women empowerment and the age group. It is found that there is the significant relationship between women empowerment and the age group. The p-value is more than 0.05 on ANOVA test in between the relationship between the women empowerment and the marital status. It is found that there is no significant relationship between women empowerment and the marital status. The p-value is less than 0.05 on ANOVA test in between the relationship between the women empowerment and the educational qualification. It is found that there is significant relationship between women empowerment and the educational qualification.

5.2.5. Multiple regressions between independent variables and dependent variable

The multiple regressions help to find the relationship between the variables. The corresponding p-value is less than alpha 0.05 in between the changing lifestyle of women entrepreneur and women empowerment. The results shows significant relationship between changing lifestyle of women entrepreneur and women empowerment which shows there is contribution of the women entrepreneurs in change the life style of the women. The corresponding p-value is less than alpha 0.05 in between the socio- economic activities and women empowerment and there is significant relationship and it is found that the socio-economic activities are performed well. The corresponding p-value is greater than alpha 0.05 in between the effectiveness of microfinance and women empowerment and there is no significant relationship. The result shows there is no effectiveness of microfinance. The R- square is 58.8% where independent variables explain dependent variables and 41.2 % are influence by other factors which are not in the study.

5.3. Contribution and importance of the Thesis

The thesis has the great contribution for the future researcher as it fulfills the gap of the past research. The thesis will be important to the researcher, public and the microfinance. The progress of the microfinance can be developed by studying the conclusion of the research work. The women empowerment should be given more focus on continuation of the service given to the women. The thesis is important for the reader as it provides the right direction in the organized way. Its conclusion of the thesis provides the ideas to the reader for the depth learning. The writing skills can be developed and provide the guide for the focus learning.

5.4. Limitations

The limitation in the study is whole population responses cannot be carried for the research work as it is selected from the simple random technique methods. The survey is done through the email and telephonic conversation. The face to face data collection methods are not applied in this research work. The research is conducted on three microfinances from the Kathmandu valley. Many more microfinance were still there but due to pandemic situation in the world researcher selects only few microfinances for the study.

5.5. Future Recommendation

The study has given the insights on the impact of microfinance on women empowerment with empowerment factors and the demographic characteristics. Beside this, the following suggestions will be worthy for the future researcher and microfinance in Nepal.

5.5.1. Recommendation for future researcher

- The researcher only covers the limited microfinance from the Kathmandu valley of Nepal. It does not cover the banks, financial institution and other economic sectors for the study.
- The researcher has taken only four variables i.e. women empowerment, changing lifestyle of women entrepreneur, socio-economic activities and effectiveness of microfinance in the

study. Therefore, future studies can be conducted on other factors for the research work life poverty reduction, job security, policy of organization, space and opportunity and so on.

- The researcher can use the mixed method in the study. Both quantitative and qualitative method can be used for the future study. The research can be conducted only on qualitative method in the further study too.

5.5.2. Recommendation for Microfinance

- To expand the reach of Microfinance services in Nepal, it is recommended that who are still outside the services should be identified by extensive household survey.
- Skillful trainings can be provided to the women by the microfinance for the utilization of the money and generating a good lifestyle and economically empowerment of women.
- Gender discrimination should be avoided in the microfinance, women should be prioritized and motivated.

5.6. Self-Review

From the above research it is seen that there is the need to improve the effectiveness of microfinance and changing lifestyle of women entrepreneur on women empowerment. Overall, the independent variable has the positive impact on dependent variables. Many women are turning into entrepreneurs helping their husband to fulfill the needs of the children. Women are getting inspiration through the micro economist Muhammad Yunus who think that the women have the better skills and can improve their standard of living related to men. Women are becoming financially strong by bringing change in their life style effectively, socially and economically.

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