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Women Access to Microfinance Credit and its Contribution to their Economic Empowerment: A Case Study of Selected Savings and Credit Cooperative Societies in Bushenyi District

The general objective of the study was to investigate the accessibility to microfinance credit by women in selected Savings and Credit Cooperative Societies (SACCOs) in Beshenyi District and its effective utilisation to enhance their economic empowerment. A descriptive survey and a case study research design using both qualitative and quantitative approaches were employed in the study. Both random and non-random sampling techniques were used. Cluster random sampling was used to select the 10 institutions from which the study took place. Quota sampling was used to select the respondents of the study: 10 per institution, thus, a total of 100 respondents were sampled. Snowball sampling was used to identify the targeted women. Quantitative data was coded and frequencies and percentages computed. Qualitative information was analysed according to study themes using narrative analysis. The key research findings showed that very few women had accessed credit compared to men. This was due to lack of collateral to pledge, high interest rate charged on loans, long procedures involved before one got a loan, high levels of illiteracy of women and lack of support from husbands. Husbands controlled most of the productive resources especially land basically through inheritance, controlled incomes in the home and determined how women invested the money received as credit since they were the determinants of priority investments. Women had succeeded to invest in income generating activities, saved and supported and maintained their children in school hence were economically empowered. The conclusions made were that the percentage of women who had accessed credit from selected SACCOs in Bushenyi was still small compared to men. This was due to many factors already mentioned above. The women who were legally married and in monogamous relationships had effectively utilised the credit they received. Men controlled all the productive resources in a home basically through inheritance and determined priority investments hence denying women a chance to exercise choice in the nature of activity invested in. The size of the loan received was too small to have any positive bearing on the economic empowerment of these women. There were few cases of loan diversion since majority of the respondents had used the loans for the intended purpose. The recommendations made are that Micro Finance Institutions (MFIs) should initiate lending policies that are women friendly in order to encourage more women to access credit. Husbands should try to discuss and plan with their wives on how to utilise the acquired loans and also allow women to participate in deciding things that affect their lives and those of their families hence enhancing their empowerment. Women should try to invest in more productive or higher income generating activities which bring in more returns. MFIs should initiate more products which encourage women to save and should avoid fraudulent practices that discourage women from saving.

Keywords: Microfinance credit, economic empowerment, Buhsenyi district