

An Overview and the Significance of Microfinance in Developing the Socio-Cultural Position of Women Entrepreneurs in Bangladesh

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ABSTRACT

This research article aims to examine the function and impact of microfinance on the socio-cultural development of Bangladeshi women entrepreneurs. This research was conducted utilizing secondary sources. Microfinance institutions and non-governmental organizations (NGOs) significantly impacted women's socioeconomic growth in Bangladesh. Microfinance's many acts have provided capital to women, reduced family violence, and enhanced decision-making skills. Microfinance's group lending approach has aided women entrepreneurs in forming a network. Women entrepreneurs enhance their management abilities as part of a different training program, allowing them to run their businesses and sell their products competitively. However, it is noticed that men continue to exert authority over women. The amount that the microfinance institution provides is still insufficient. For sustainable development, women need proper education and money to create a position in society and family.

Keywords: COVID NGO; Women entrepreneurship; Finance access; Mobility; Family violence; Decision making.

1.0 Introduction

Women account for over half of the population. Women entrepreneurship represents a massive untapped supply of innovation, job creation, and economic processes within the developing world. Women confront several significant barriers to

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financing, training, networks, data, and legal and policy limitations. Women's participation in entrepreneurial activities is still in its early stages in scale and momentum. Many worldwide areas have seen significant progress and success in using women in financial operations, particularly in entrepreneurship, implying that achieving a poverty-free goal will be unattainable without involving women in income-generating activities. However, due to gender inequity, increasing women's participation in economic development in Bangladesh is a primary national concern (Afroze *et al.*, 2014). Microcredit was explicitly designed for women in Bangladesh based on socioeconomic conditions to raise their negotiating authority inside the family and empower them.

Microfinance is the doorstep bank service for the rural unprivileged people of Bangladesh. Microfinance began as a kind of volunteer assistance to the poorest of the poor. Almost all the microfinance participants in Bangladesh are women who get collateral-free loans, training, and other facilities to enrich their social and economic position. However, it offers a market solution to poverty alleviation and serves as a development and monetary instrument in promoting financial inclusion. In countries with a less developed legal banking industry, microfinance firms attract more clients and are more profitable (Cull *et al.*, 2014). Microfinance institutions are increasingly recognized for their ability to execute successful and long-term activities to assist the world's poorest people in alleviating poverty (Taiwo *et al.*, 2016a). Customers in membership, network, and social mobility can get financial and social capital from microfinance institutions that use group lending tactics. These types of social networks increase the opportunities for increased revenue and innovation (Ferdousi, 2015).

Microfinance has been embraced as a development tool to address worldwide poverty. Microfinance was an effective instrument to accelerate the growth of women and the economy. After its independence in 1971, Bangladesh was fighting several problems. The Government and the banks couldn't reach the root to serve the people. The women of Bangladesh were deprived of economic activities, and no employment opportunities were available in the village areas. In 1976, Muhammad Yunus devised a microfinance technique to empower the poorest of the rural poor, notably women (Mia *et al.*, 2019). Now, for microfinance and women's entrepreneurship, the scenario of rural Bangladesh has changed. People get the chance to earn their livelihood by staying in the village. They become an important development participant in the country.

Women's entrepreneurship has been identified as a critical source of economic growth. They generate new employment for themselves and others while also providing various managerial, organizational, and business solutions to society. Women's

entrepreneurship promotes families' and communities' economic well-being while simultaneously eliminating poverty (Dekahle, 2016). Before introducing microfinance, Bengali women in rural areas had little opportunity to contribute to economic development. There is little doubt that more economic growth would have occurred in the past if women had been given a fair chance.

Women entrepreneurship and microfinance are matured topics in research. The issue of women's entrepreneurship has been focused on by the different government and non-government organizations when the united nations have emphasized this topic. After that, research has been done to identify the problems and solve that solution. Yet, there is some inconsistency in this field. After reviewing several related research articles and other documents, we want to conclude that there is inconsistency.

1.1 A brief introduction to microfinance and microfinance institutions

Microfinance is viewed as a financial tool contributing to long-term social and economic development. Initially, non-governmental organizations (NGOs) supplied microfinance services in various Asian countries. They provided microfinance services based on market principles (Parvin *et al.*, 2020). Microfinance and microcredit are frequently confused, but the two must be separated. Microcredit is a subtype of microfinance with a longer track record than microfinance itself (Mia *et al.*, 2019). 'Microfinance' refers to the full range of financial services that low-income people use, including credit and savings, insurance, and money transfers (Taiwo *et al.*, 2016).

Table 1: The Microfinance Sector of Bangladesh

Particulars	2014	2015	2016	2017	2018
Licensed MFIS	742	752	758	783	805
Branches	14730	15605	16284	17120	18196
Employees	109628	110781	127820	139526	153919
Clients (in a million)	25.11	26.00	27.79	30.82	31.22
Borrowers (in a million)	19.42	20.35	23.28	24.94	25.40
Loan disbursement (in a million BDT)	462.00	634.00	787.00	1946.00	1201.91
Amount of Saving (in Million BDT)	106.99	135.41	171.19	216.71	262.69

Source: Chowdhury *et al.*, 2021

According to Rupa & Padmaja (2014), microfinance is emerging as an effective tool for poverty eradication in the economy. The majority of microfinance initiatives

are geared toward reducing poverty and empowering women. In addition, an increasing number of microfinance institutions (MFIs) prefer female members because they believe that they are more responsible and trustworthy (Parvin *et al.*, 2020). The number of microfinance institutions has increased over the years. In 2018, eight hundred five licensed MFIS served 31.22 million clients through 18196 branches and 153919 employees (Table 1).

1.2 A milestone to reach

Microfinance is a notion that has been around for a long time. The origins of microcredit are little understood. Nonetheless, the Irish Loan Fund's known history can be traced back several centuries to the 1720s, when an Irishman named Jonathan Swift formed it to give financial services to unbanked communities to develop Ireland's rural areas (Hollis & Sweetman, 2001). The Bangladeshi Nobel Peace Prize laureate Muhammad Yunus popularised the idea in the twenty-first century. Yunus established one of the first large-scale microfinance institutions (MFIs) in Bangladesh, becoming a global model. Later in 2006, Dr Muhammed Yunus and the Grameen Bank won the Nobel peace category for enhancing peace by removing poverty from the world. The banking system, which was a remnant of the British colonial financial system, and historical precedents of different forms of community lending in other countries, were some of the global factors that influenced the formation of microfinance in Bangladesh (Mia *et al.*, 2019).

Before microfinance, village women borrowed money at exorbitant interest rates from informal sources or offered their labor for free because they couldn't obtain money from official sources (Yunus, 2014). Exorbitant interest rates discourage the poor, and they are frequently victims of excessive interest rates (Mia *et al.*, 2019). After being convinced by the villagers' abilities, efforts, and hard work, Dr Yunus concluded that these people needed access to loans with fair terms and conditions. Instead of providing money, Yunus established the Grameen Bank to give hope to the poor. He pioneered modern microfinance by lending his own money to 42 women in 1976 (Mia *et al.*, 2019). Microfinance institutions used to lend only to disadvantaged women. Various services, including savings, insurance (both life and non-life), and remittance services, have steadily evolved under the banner of microfinance in response to the demand (Ferdousi, 2015).

Bangladesh was a forerunner in the microfinance industry. It now has among the world's most extensive microfinance programs. There has been substantial development since the Bangladesh Liberation War of 1971. During the nine-month

conflict, the country's physical, social, and economic infrastructure suffered tremendously. Various non-governmental organizations (NGOs) arose to meet the enormous demand for relief and restoration efforts. Over time, their efforts shifted from relief and rehabilitation to social programs, including microcredit schemes. As the Government of Bangladesh could not cope with its issues, these programs sprang out of the community, and sustainable system development NGOs began their engagement by focusing on groups of disadvantaged individuals from similar socioeconomic backgrounds. At first, the target population was the dispossessed poor, including men and women. They concentrated on delivering programs solely for women in response to the global issue of gender inequality. When microcredit programs were first introduced as a development tool to alleviate poverty through international development agencies like the World Bank, the UN Capital Development Fund, and others, financial sustainability became a significant problem (Nawaz, 2020).

Mia *et al.* (2019) divided the evolution of Bangladeshi microfinance into five stages. They refer to 1976 to 1985 because of the first degree. Microfinance became experimented with and carried out throughout this duration. The duration from 1986 to 1995 became known as a second degree when the increase and expansion were done. Microfinance's mature period (1996–2005) coincided with opposition and several breakthroughs (monetary and non-monetary). The saturation duration lasts from 2006 to 2015, and it can damage each microfinance purchaser and institution (Mia *et al.*, 2019). According to Nawaz (2015), many NGOs, like the BRAC, began developing microfinance programs in the 1980s. Many microfinance institutions expanded their microfinance activities dramatically in the 1990s (MFIs). The Grameen Bank or BRAC pioneers first focused on poverty alleviation, providing small loans to the poorest of the poor—rural women. As a result, the microfinance technique, which involves small loans and weekly repayments, has become increasingly popular, attracting the initial target population and serving as a development model for the NGOs in the country (Nawaz, 2015).

1.3 Present scenario of microfinance institute in Bangladesh

Micro Finance Institutes (MFIs) can obtain capital from various sources. International donors, national governments, and market-based sources such as banks, monetary markets, and alternative investors provide funding. In the past, donor money and supported funding were the first sources of funds for MFIs in Asian countries. Donor support and backed financing, on the other hand, have decreased over time. As a result, Microfinance Institutions are increasingly relying on market-based capital. As a result, MFIs currently have a mix of backed and market-based funding options (Parvin

et al., 2020). In 2018, the microfinance institution got only 7.46 billion takas from different donor countries, only 1% of the total fund (Report, 2018).

The Bangladesh government is amazed by the success of microfinance. At one point, they started building new cumulative funds for microfinance. The Palli Karma Sahayak Foundation (PKSF) is a wholesale distributor of cash and employment for supporting the deprived village propel. The Palli Karma Sahayak Foundation (PKSF) started helping the micro finance program in 1992 (Raihan *et al.*, 2017). In June 2018, the PKSF disbursed 47.83 billion takas, accounting for 6.85% of Bangladesh's total microfinance budget. The customer of microfinance can also save their money in the MFI. In return, they get interested. The large sum of money is derived from an internal source. 258.31 billion takas is the total amount. This sum accounted for 38% of the total funds. The loan from various banks totals 152.17, accounting for 20.5 per cent of the total amount (Report, 2018).

Microfinance institutions in Bangladesh typically charge borrowers a flat rate of 12-15 per cent per year. The effective rate is around 20-28 per cent at the borrowers' level. This information has sparked controversy over whether or not the rate is excessive. Service charges are often compared incorrectly to interest rates. Microfinance is "banking at the grassroots," "the impoverished borrowers'" doorstep. A comparison to official banks is inappropriate. Other issues include the hazards of unsecured loans, provisioning for dubious and bad loans, the need to increase MFI equity, and achieving financial sustainability.

Key factors of the microfinance program's service charges: It is critical to mention that Bangladesh's microfinance sector has a lower service rate than other countries. in comparison to many other countries on the planet. However, social issues, obligations, political realities, and competitive credit rates may all be factors to consider. MFIs have the potential to lower the rate. However, this should not be accomplished by capping the budget rate. Actions to improve MFI credit operations' efficiency and information flow increase the costs of several MFIs at the grassroots level (Ahmed, 2009).

Floods in 1988 and 1998 wreaked havoc, prompting the implementation of flexible savings schemes. Savings have also been emphasized by other large MFIs, such as BRAC. The greater focus on member savings stemmed from the notion that having access to one's resources would reduce the need for microcredit (Raihan *et al.*, 2017). The Microcredit institution got 262.95 billion takas from the member saving, which is the high amount that microfinance companies get from their institution (Annual Report, 2018).

Three types of institutions primarily carry out microfinance activity in Bangladesh. Non-governmental organizations (such as Grameen Bank, BRAC, ASA, and others), commercial and specialized banks, and government-sponsored microfinance projects and programs run by the BRDB, BARD, RDA, and various other government departments and ministries such as social welfare, youth and sports, and women and children affairs are all examples (Ali & Ahmed, 2014).

1.4 Woman entrepreneurship in Bangladesh

Bangladeshi microfinance institutions appear to evaluate the effectiveness of their programs primarily in terms of the repayment rate and self-sustainability (Ali & Hattat, 2012). The Grameen Bank provides loans to over 7.5 million impoverished people, 97 per cent of which are females, enabling the poor to escape poverty (Yunus *et al.*, 2010). The loan repayment rates are 98% (Rahman & Mallik, 2009). Emphasis on female clients improves MFI repayment performance, and those women are better at managing credit risks in general. For NGOs, independent lenders, and regulated MFIs, the good correlation between female focus and payback is important (D’Espallier *et al.*, 2011). Women can get financing from a microfinance organization to create their businesses. However, sixty-two per cent of female borrowers used microfinance loans to start their businesses, whereas the rest thirty-two per cent did not use the funds for the intended persistence (Mahmood, 2011). Approximately 80% of women do not establish a business due to a shortage of loans. Women Entrepreneurial Training is needed an increase in the loan ceiling, which closely correlates with the growth of female-owned businesses (Yousfani *et al.*, 2019).

Poor households can utilize microcredit to replace high-interest loans from traditional moneylenders and landlords because it is available at lower interest rates and without collateral (Berg *et al.*, 2020). Reduced reliance on informal borrowing benefits low-income households more (Islam *et al.*, 2015). However, many opponents and watchers of the MFI movement argue that microfinance increases the demand for moneylender loans, driving up interest rates. A family may find it necessary to borrow from moneylenders or other information sources after joining an MFI, for example, to satisfy a rigorous payback schedule, even though it has never borrowed from them before. The indivisibility of investment projects may drive up the demand for unsecured borrowing. Borrowers from microfinance institutions may require extra loans to achieve economies of scale in their microcredit-financed investments (Berg *et al.*, 2020). According to some academics, gaining microfinance services will enhance women’s casual borrowing for small-scale consumption while not facilitating new business chances (Islam *et al.*, 2015).

2.0 Literature Review

In a male-dominated culture with a competitive and sophisticated economic and business environment, women who work in small and medium-sized firms face particular hurdles (Afroze *et al.*, 2014). Access to capital is a mentionable issue that female business owners face worldwide. Even in industrialized nations, the financial means for women's businesses remain few. Access to bank financial instruments is more challenging for women entrepreneurs than for other financial organizations. Even in developed countries, banks remain unwilling to lend to female entrepreneurs (Magoulis & Kydros, 2013). According to Ferdousi (2015), the most complex issues for women entrepreneurs beginning micro-enterprises were a lack of cash and entrepreneurial and managerial skills. Microentrepreneurs face financial difficulties and lack the necessary business skills and understanding of the market, technology, and other information to sustain their businesses.

According to Afroz *et al.* (2014), a lack of capital, sales advertising, acquiring authorization to establish a business, gender discrimination, illiteracy, lack of knowledge among women, a training program, technical help, and a lack of managerial skills were the challenges. Panda (2017) found that women experience significant hurdles in ensuring adequate revenue growth and improving their position. They require more excellent assistance like training, marketing, literacy, social mobilization, and other financial services (Ferdousi, 2015).

Prior studies have demonstrated the significant influence microfinance has on Bangladeshi women's socio-cultural development. On this topic, many studies have been conducted. The literature still has certain study gaps. This study aims to close that knowledge gap and contribute some new information to the body of existing literature.

3.0 Objectives of the Study

The study's primary goal is to:

- To provide a review of microfinance institutions in Bangladesh.
- To observe the influence of microfinance to boost women's entrepreneurial development in Bangladesh.
- To review the different factors of women entrepreneurs influenced by microfinance in Bangladesh.

4.0 Methodology

This is desk research work. Data was collected from different secondary sources like Published journal articles and reports published by the various authorities of the Bangladesh government, UNDP, and the World Economic Forum.

5.0 Analysis and Discussion

5.1 The significance of microfinance to improve the socioeconomic factors of women entrepreneurs in Bangladesh

Due to societal, cultural, and religious constraints, women in Bangladesh have a lower socioeconomic standing and have limited access to income-generating occupations. As a result, they have fewer chances to contribute to their family's financial well-being. Women are economically dependent, weak, and discriminated against in society. Microcredit loans are given to women to help them start small-scale financial and commercial operations that generate income (Akter & Al., 2020). Microcredit-assisted income-generating activities are seen as beneficial in expanding economic prospects for women who cannot afford to work outside the home for a variety of socio-cultural reasons. Microfinance appears to have improved the accessibility rights of users while also improving their quality of life. Participation in microcredit seems to be a motivator for reducing women's economic dependence on their husbands and other male family members. Women in rural Bangladesh have made considerable material advances in their lifestyles, and they no longer live on the bare necessities of existence (Hassan & Maidul, 2018). Microcredit programs assist impoverished rural women in becoming economically self-sufficient and financially solvent members of society (Ahmed *et al.*, 2011). Women in rural areas have more income to spend on themselves and their families, which benefits their spouses, children, and society (Nawaz, 2020a). They can contribute to their family's income and gain independence by taking advantage of this money-making opportunity (Ahmed *et al.*, 2011). Microfinance encourages reduced food insecurity, enhanced nutrition, food and health, better apparel, shelter, sanitation, drinking water, and improved education and medical facilities (Mazumder & Lu, 2015). The achievement of microfinance in Bangladesh is also reflected in the Human Development Index. According to the UNDP report, Bangladesh is continuously achieving its social and economic dimensions. Previously, population density and high birth rate were the major problems in this country. Now the birth rate of Bangladesh has become moderate, marked as a miracle (Table 2).

Table 2: Shows Each Component Index to Bangladesh's HDI Since 1990

Year	Life expectancy at birth	Expected years of Schooling	Mean years of schooling	GNI per capita (2017 PPP\$)	HDI Values
1990	58.2	5.6	2.8	1554	.394
1995	62.0	6.6	3.3	1752	.434
2000	65.4	7.5	4.1	2002	.478
2005	67.8	8.4	4.5	2383	.514
2010	69.9	9.2	5.3	3117	.557
2015	71.5	10.3	5.8	3936	.595
2016	71.8	10.8	5.9	4143	.606
2017	72.1	11.2	6.1	4340	.616
2018	72.3	11.6	6.1	4643	.625
2019	72.6	11.6	6.2	4976	.632

Source: United Nations Development Program (UNDP), 2020

In Bangladesh, microcredit is mainly used to assist rural women in establishing their decision-making rights and increasing legal awareness (Debnath *et al.*, 2019). Women in Microfinance, more particularly through empowering them under economic, social, psychological, and political domains. Women are mostly excluded from home financial decisions if they do not have access to microfinance (Islam *et al.*, 2015). The women participate more in decision-making and social and political activities. However, their position is still low in terms of 'mobility' and 'access to the financial organization' and other dimensions of women empowerment (Akter & Al., 2020). Women borrowers command respect in the family and participate in family or business-related decision-making (Hameed, 2018). According to (Murshid & Ely, 2016), when women participated in microfinance, the husband's decision-making was significantly reduced. Participation in microfinance may impact family decision-making, possibly by injecting a sense of women's empowerment into the relationship. Due to patriarchal traditions and ideals, the male household members make vital decisions (Jabeen *et al.*, 2020). According to Rahman *et al.*, (2017) study, since they began using microfinance services, women's empowerment in making decisions about their children's education, visiting relatives, medical treatment, contraception, buying personal items, buying household items, controlling their income, and feeling secure and robust in their families has increased noticeably.

Microfinance institution policy has also brought gender equality to promote women's entrepreneurship and create conditions for economic empowerment. The latest study reiterates that Bangladesh topped in closing the gender gap in the entire south Asia region last year, even though South Asia is the second-lowest performer in the global index (Table 3). After utilizing the loan, married women can manage spousal relationships (Hameed, 2018). Domestic violence can be reduced through the use of microfinance. Eighty per cent of microfinance institutions believe that microfinance may help prevent domestic violence (Panda, 2017).

Table 3: Global Gender Gap of South Asian Countries of 2021

Country	Rank		Score
	Regional	Global	
Bangladesh	1	65	.716
Nepal	2	106	.683
Sri Lanka	3	116	.670
Maldives	4	128	.642
Bhutan	5	130	.639
India	6	140	.625
Pakistan	7	153	.556
Afghanistan	8	156	.444

Source: World Economic Forum 2021, 2021

Microfinance's non-financial services had no significant impact on women entrepreneurs' performance, except inactivity, which substantially affected additional income, asset acquisition, savings, and network. The training was discovered to have a significant favorable association with the revenue, assets, and salvation of businesses (Dikki *et al.* 2014). Women who see a way out of their home poverty traps can find hope in well-designed training programs (Marsden *et al.*, 2020). According to Arijit Dutta and Sharmistha Banerjee, microfinance in Bangladesh has failed to generate human capital among borrowers. Only 28% of those surveyed received training to improve their human capital, and more than 30% of those did not use the activity in their firm. They also show that 41% of the borrowers invested in livestock and poultry agricultural businesses from the first loan amount, while 4% launched unspecified retail shops. Almost no new ideas were born as a result of the MF loans. It's worth noting that 7 per cent of borrowers spent their first loan mostly on family consumption, which confirms that consumption expenditure received a lift from the Government (Dutta & Banerjee, 2018).

Microfinance access helps alleviate poverty in villages in general and in women in particular. The participants and the local economy benefit from microfinance (Khandker, 2005). Personal traits like hard work and persistence, management and marketing abilities and the support offered by their husbands or families are the primary factors for women entrepreneurs' success. Women's participation in mainstream economic activities is modest, and the female-to-male business ratio remains substantially lower (AFROZE *et al.*, 2014). Zaman (2004) discovered that asset formation is critical for reducing household exposure to various livelihood risks. Over five years, the average value of physical assets climbed by 127 per cent in rural areas and around 150 per cent in metropolitan areas.

Furthermore, cash savings increased by 133 per cent in rural areas and 111 per cent in urban areas over the same five-year period. (Zaman, 2004). Microfinance has contributed 8.9 per cent and 11.9 per cent to the country's GDP. The contribution to rural GDP is substantially more significant, ranging between 12.6 and 16.6 per cent (Raihan *et al.*, 2017).

Microfinance participation was linked to a higher level of resource control. The majority of women do not own all of the money they get from microfinance. However, most research participants said they shared power over their resources which may indicate what works for families when women start micro businesses (Nadine Shaanta Murshid, 2018). Microfinance and women's empowerment on an interpersonal, household and economic scale are linked positively. Economic empowerment is changed the most after using micro-credit obtained from the institute (Nawaz *et al.*, 2012). A younger guy (male counterpart could be a husband or father) may be perceived as encouraging a female to be powerful. The education of the male partner has a big and positive impact on women's empowerment (Rahman & Mallik, 2009). Microfinance does not provide women with much authority. Only by investing money in productive assets may women achieve freedom today or tomorrow (Hoque & Itohara, 2009). Non-borrowers have equal power; MF alone will not empower women unless linked with education (Rahman & Mallik, 2009). Men do the majority of informal borrowing in the home. Even though microfinance is aimed at women, their husbands usually govern these debts and invest in the business (Islam *et al.*, 2015). Women's loans are frequently utilized to fund household assets and revenues. Women are disempowered by their lack of co-ownership of household wealth (Garikipati, 2008). Besides the advantages that Microfinance provides for women, there are indications of disempowerment, like higher responsibility, inadequate control over money and assets, and a poor impact on children's education. (Tariq & Sangmi, 2018).

Microfinance programs significantly influence poverty alleviation, income production, and savings recipients. Microfinance programs contribute to creating jobs to some extent, but not to the time they should (Hashima-E-Nasreen *et al.*, 2006). Women from marginalized and landless areas and a tiny minority of women from small farm families are targeted by microcredit NGOs. Institutions that can help women from middle and large families become self-sufficient and empowered are unavailable. (Hoque, 2018). Toshio Kondo feels that concentrating microfinance on the poorest households isn't the most excellent way to help them escape poverty. The rural women did not make enough money to supplement their families income. The Rural Microenterprise Finance Project helped reduce women's reliance on informal moneylenders. Furthermore, the number of participating families having savings accounts grew, as did the amount in these accounts. These enhanced the ability to join households to smooth their consumption (Kondo, 2007).

6.0 Recommendation/Suggestion

To develop women's entrepreneurship in Bangladesh, both Government and non-government organizations must work together. Legal and institutional guidelines are also highly required to make a trade-off between challenges and prospects of women entrepreneurs so that they can feel encouraged to create new ventures with new hope.

Some businesses should be concerned about a lack of innovative knowledge and the non-availability of contemporary technology (Ferdousi, 2015). The microfinance institution should focus on training and knowledge sharing for sustainable women's entrepreneurship development. The training and knowledge-sharing program for women's entrepreneur development should be divided into several steps. At the time of distribution of the loan, training in the proposed business should be mandatory for the entrepreneurs. Based on the Periodic performance evaluation of the entrepreneurs, different training and knowledge sharing can be arranged to develop their knowledge and business performance. It will help women entrepreneurs to extend their network and be aware of their future problems and solutions.

It is almost fifty years since microfinance institutions have been operating their activities in Bangladesh. But their success is still questionable. There are very few successful business institutions that became significant business institutions later. Business innovation is absent in microfinance-backed business organizations. The rural women entrepreneurs are less innovative to accelerate their business. In this scenario, more focus should be given to knowledge development. The educated modern women

entrepreneurs can bring a massive change in the industry, ultimately providing success in microfinance institutes.

There should be more training and awareness programs to boost the confidence of women entrepreneurs. This will help women be more self-aware and reduce their dependency on their male partners. They should be more aware of creating property and saving money because the production of money and property owners increase their decision-making power in the family.

Through microfinance, intuition has brought some success in establishing women's rights in society and family. Women are now aware of their position and privileges. They have participated in different family and economic decisions. But still, cultural issues are there. Those cultural issues create some obstacles to making smooth women's development. Emphasis should be given to the awareness of people. The Government and non-government organizations should promote awareness in the rural area to establish those issues.

Digitalization is a must for all efficient business operations in the modern world. Women entrepreneurs should get training on the digitalization of their businesses. This will help them buy the raw material and sell the finished goods at a competitive price. The Government should make the necessary efforts to ensure that rural regions have easy access to the internet. The Microfinance organization includes digitalization training in its mandatory training schedule.

6.1 Scope for future study

It is still unclear whether or not people have overcome poverty by utilizing microfinance loans. Poor individuals never give up borrowing money from non-governmental organizations. Because of the cycle of taking and retaking, they have become reliant rather than autonomous agents (Hassan & Maidul, 2018). So further studies should emphasize this.

Doing business is a matter of financial ability and capability. The most essential and inevitable part of human life is economic decision-making power. Due to socio and cultural barriers, women's financial decision-making power is still in question. More research should be conducted to empower women and bring adequate changes and make policies on this issue.

Bangladeshi village women are offered microcredit and other resources to help them improve their economic and social standing. In later life, very few women become successful entrepreneurs. There could be a problem with women's entrepreneurial

strategy. As a result, more research into microcredit-facilitated entrepreneur orientation is needed.

7.0 Conclusion

The “Grameen Bank model” for financing rural women is a successful strategy to eradicate poverty and provide employment to rural women. Microfinance institutions have established the economic productivity rule of women and helped them improve their social-economical condition in the family and society. Many women are out of poverty and affirm their rights in the family and community. Microfinance has helped improve the living standard of women, given them decision-making power and property rights, and reduced family violence and gender discrimination in society. The increased income enabled them to provide more money to consume and lead a better, healthy life. The saving program of microfinance helped the village women secure their future.

Microfinance is providing microloans to women entrepreneurs. Sometimes this loan is insufficient for them to start a new business. The village women cannot begin their desired business due to a lack of knowledge of buying and selling the products and managing its operational activities. In most cases, after getting a loan from the microfinance institution, village women get involved in traditional business and have no idea about future growth and innovation. The human capital of these entrepreneurs is deficient. They don't have the proper network to manage the business. Microfinance training programs are less focused on improving their human capital. Microfinance policymakers have worried less about the middle-class women who need empowerment through economic independence.

The training program of microfinance institutions should design a program where women get proper guidelines to increase their human capital and start a new business. The women from the middle class and higher middle class also need financial independence. Microfinance programs should be designed to focus on changing women's development rapidly.

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