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The Impact of Microfinance on the Livelihood of Women in Ghana

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Abstract

This study investigated the impact of microfinance services on the livelihoods of women in La-Nkwantanang-Madina Municipality in the Greater Accra Region of Ghana. The research objectives included investigating the factors that influence women's access to microfinance service, examining the role of microfinance services in improving women's income and assessing the role of microfinance services in developing women's savings habit. Literature was reviewed in consistence with these objectives. A descriptive approach was used for this investigation and purposive and convenience sampling techniques used to select a sample size of 100 women who subscribed to microfinance services for the study. Primary data were collected through the use of structured questionnaires. SPSS was used to analyze the data. Findings from the study indicated that interest rate on microloans received, time lags between loan application and disbursement, loan diversion, total application loss and loan size and adequacy were some of the factors that influenced the delivery of microfinance services. The results showed that the interest rates on funds received from microfinance institutions were reasonable; hence borrowers did not struggle to repay their loans. The study recommended that microfinance institutions must lift the cap on their loans so that their clients could access larger sums of money for the operation of their household enterprises. Apart from that, continuous training and capacity building on financial literacy, business skills and management and entrepreneurial skills must be conducted to help in the improvement of clients' knowledge on the efficient utilization of loans in order to avoid default in loan repayment.

Keywords: Household, investment, livelihood, microfinance, micro-insurance, microloan savings and service

1.0. Introduction

Microfinance is an all-inclusive terminology that entails deposits, credits, payment services and insurance to the abject poor in society. Generally, the concept of microfinance is comprehended as the provision of small loans to poor families in order to help them to engage in productive economic activities or expand their existing micro enterprises (Josily, 2006). Microfinance services are concerned with small businesses.

Microfinance is defined to encompass the provision of minor financial services and the handling of little amounts of funds through a variety of products and a scheme of intercessory functions that are aimed at low-income clients via the offer of microloans and other facilities such as micro-savings, micro-insurance and transfer services to poor low-income households and micro-enterprises (Asiama & Osei, 2007). Microfinance is not new in Ghana; it is an age-old concept in Ghana. Early microfinance services emerged in the form of credit union; hence the first Credit Union in Africa was established in Northern Ghana in 1955 by Canadian Catholic Missionaries (Ferka, 2011). *Susu*, which is one of the current microfinance modalities, is believed to have surfaced in Nigeria and spread to Ghana in the early 1990s.

The concept of microfinance has been hailed as a fundamental socio-economic development tool. Microfinance has been regarded as a crucial policy for the achievement of the Sustainable Development Goals (SDGs) and in developing global financial systems that satisfy the requirements of the poorest people in the world (Simanowitz & Brody, 2004). It is believed that microfinance is matchless among socio-economic interventions which can dispense social benefits on a continuous and permanent basis and on a large scale. Microfinance will play a role which is crucial to global economic and social development in the years to come (Mago, 2013). This is because microfinance schemes are believed to improve self-confidence, self-dependence and a culture of autonomy such that women are able to trust their own ability to substantially augment their socioeconomic lives through the availability and access to microloans. Households are being saved from the hands of deprivation and misery into hopefulness and a sense of self-worth through the concept of microfinance (Awaki, 2015).

The thrust of microfinance schemes is to rescue households from the shackles of poverty. Microfinance programmes are unique among the socio-economic development interventions mainly because of their social revolutionary effects and ability to reach the poor in the countryside (Ngofa, 2014). Money is the lifeblood of every household. The most fundamental factor for the sustainability of human well-beings' living standard, health status, social and political power is income (Yasmeen *et al*., 2019). Microfinance schemes create income earning advantages for rural poor women through the provision of microloans to them. Rural women engage themselves successfully in various income-generating enterprises through the microloans they acquire (Ngofa, 2014). They engage in various small enterprises and home-based productive ventures to augment their level of income. The increased income is used to cover medical bills, improve their situation of sanitation, defray their children's school fees and feed their family members (Ruel, Alderman & Maternal and Child Nutrition Study Group, 2013).

Microfinance schemes have the potential to improve shelter condition and amass assets required by households. Through the creation of income-earning advantages for rural women, microfinance schemes help to improve aggregate household income that better the patterns of consumption and livelihoods of the rural households (Haque & Yamao, 2009; Panda, 2009; Mondal, 2009; Hoque & Itohara, 2009). Microfinance offers an all-inclusive socio-economic alleviation for poor households. Little amounts of microcredit provided to the poor, especially women, can create the disparity between abject poverty and thriving small enterprises generating sufficient income to take care of the family and augment shelter, health and sanitation situation (Kuhinur & Rokonuzzaman, 2009).

Microfinance schemes and sustainable banking for the benefit of the poor have been in the focal point of development debate from the early 1990s. The focus on microfinance schemes and sustainable banking is as a result of the increasing poverty levels across the globe, especially among rural women (Awaki, 2015). Women do not have equitable access to wage labour market and equitable portion of influence in the decision-making process of society. Abject poverty and inadequate financial leverage to expand and sustain their livelihoods have rendered the many poor women, especially those who dwell in rural areas, socio-economically ineffective (Ansoglenang, 2006). Women's lack of capacity to make strategic decisions in addition to despondence can lead to the state of needless powerlessness. This negative phenomenon has a ripple effect on children. It has been asserted that when women are socio-economically disempowered, children suffer the most (MacIntyre *et al*., 2013). In view of this, national governments, the donor community, local and international non-governmental organization (NGOs) and other development societies have rolled out microfinance as an instrumental intervention tool in socio-economic development.

Capital has been labeled as the lifeblood of all business enterprises in the world. The lack of funds is the biggest challenge thwarting the efforts of women in expanding and sustaining their business enterprises (Ellis *et al.* 2007). Therefore, microfinance promises to intervene in the financial challenges of women in business. However, the promise of microfinance is not a magic-bullet for the financial challenges of businesses (Awaki, 2015). This is because microfinance schemes do not perform magical functions in the finances of business enterprises. Microfinance is not a miraculous remedy that can wipe out poverty in one attempt; but it can rather eradicate poverty for some people and alleviate its gravity for others (Sengupta & Aubuchon, 2008). This implies that microfinance requires the support of other relevant schemes in order to perform its promise of poverty alleviation. Therefore, if the microfinance scheme is blended with other novel programmes that are aimed at unleashing people's potential, the world will be free of poverty (Sengupta & Aubuchon, 2008).

While a large number of studies have examined the impact of microfinance on the livelihoods of women at the global level (Ellis, 2007; Haque & Yamao, 2009; Hoque & Itohara, 2009; Josily, 2006; Kuhinur & Rkonuzzaman, 2009; MacIntyre et al., 2013; Mago, 2013), very little has been done on the topic in Ghana. A few studies, such as Ansoglenang, (2006); Asiama & Osei, (2007); Awaki, (2015); Ferka (2011), have only captured rural women and microcredit programmes in restricted geographical areas of Ghana in their studies. For that matter, the current study attempts to critically investigate the impact of microfinance on the livelihoods of women in La-Nkwantanang-Madina Municipality in the Greater Accra Region of Ghana.

2.0. Theoretical Orientation

2.1. Models of Microfinance Intervention

Models portray the methods of applying diverse microfinance schemes. They refer to the techniques that are used in executing microfinance operations (Grameen Bank, 2016). Some situations determine the type of model chosen for clients. No other criteria are used in the selection of models apart from the requirements of the customers, the circumstances of the locality of operation and the aim of the microfinance scheme (Grameen Bank, 2016). Many models for microfinance intervention exist in literature but the researcher has concentrated on only five of them in the literature reviewed. They are Individual Lending Model, Group or Peer Lending Model, Grameen Bank Model, Village Banking Model and Rotating Savings and Credit Associations (ROSCA).

2.2.1. Individual Lending Model

Under this model, loans are given to individual clients or borrowers. The MFIs do due diligence on the viability of the micro business venture. A thorough assessment of the business is carried out on the business ventures of the clientele of the MFI prior to the provision of the loan facility (Agyeman, 2015). This assessment assumes different dimensions. The clients rare granted their loans on the basis of past performance, credit worthiness, sustainability of business currently and also with recommendations (Srinivas, 2015). This model requires surety from borrowers. Therefore, clients are requested to produce security and guarantors to safeguard the repayment (Agyeman, 2015). Familiarity with customers is the hallmark of this model. Definitely, credit officers of this model deal with clients who have been in close contact with MFIs for some time (Agyeman, 2015). This model is appropriate for micro enterprises that produce in the metropolitan areas. It fits huge and city-located, manufacturing-focused small-scale businesses and for clients who are prepared to produce collateral or a cooperative signatory (Srinivas, 20015).

2.2.2. Group or Peer Lending Model

This model recommends collectivism for contracting microloans. The proposers of this model believe that loans should be given out to groups rather than to individuals (Agyeman, 2015). The model assumes that the individuals in the group obtain some kind of synergy. The scholars of this model contend that the individual lending model is saddled with many limitations and these errors can be rectified when loans are issued to groups instead of individuals (Srinivas, 2015). This model safeguards the lender and improves loan repayment. The high level of repayment has a ripple effect on the bottom line of the lender (Kodongo & Kendi, 2013; Srinivas, 20015). Mutuality is the backbone of the group model. In this, group members stand surety and ensure reimbursement of one another's loan (Agyeman, 2015). The issue of collateral is absent under this model. The collateral is replaced with peer influence and collective duty imposed on group members (Agyeman, 2015). Credit officers are relieved of the issue of due diligence. It is onus on the various group members to assess the creditworthiness and moral standing of each member for inclusion in the group (Agyeman, 2015). Definitely, credit officers have enough time to spend on equally relevant issues of their organisation. Therefore, a few tasks are left to be carried by the MFIs in client assessment (Srinivas, 2015).

2.2.3. Grameen Bank Model

This model of microfinance delivery involves daunting tasks. This model fundamentally engages the credit staff to determine a potential village where a compulsory tuition is carried out for one two weeks in the village to orientate potential customers on the concept, regulations and processes of the MFI programme (Agyeman, 2015; Grameen Bank, 2016; Sridhar, 2015; Srinivas, 2015). The trainees are given the opportunity to constitute their own groups and membership of the groups is acquired voluntarily. After the training, a group of five distinct, own-chosen soon-to-be borrowers is constituted (Agyeman, 2015; Grameen Bank, 2016). A number of these groups become a branch in the village. Between six and eight of the five-member groups form a village centre and the village centres, in turn, form the regional branch offices (Agyeman, 2015; Grameen Bank, 2016). The officers are able to handle huge volumes of work. This model enables the branch officers to work with huge number of clients between 200 and 300 (Grameen Bank, 2016). The officers equip the customers with skills and call on them. They groom and pay visits to their clients and their enterprises but do not appraise personal loans (Grameen Bank, 2016; Sridhar, 2015; Srinivas, 2015). After the coaching, clients are empowered to handle their own affairs. The member clients, on their own, play the managerial functions in the provision of financial services for themselves (Grameen Bank, 2016; Sridhar, 2015).

Individuals who want to apply for microloans have to form solidarity groups. For loan accessibility from the Grameen Bank Model, fresh groups of prospective borrowers, five members for each group, convene and save money for at least four weeks with the MFI prior to the approval and disbursement of loans (Agyeman, 2015; Sridhar, 2015). The members themselves perform their own supervisory roles. This procedure of saving and gaining access to loan is completely handled by group members in this manner: Initially, the group selects a leader, whose position is alternated among members, and also decides the sort of alternation required for applying for loan (Grameen Bank, 2016; Sridhar, 2015). Only 40% of the group members are granted loans in the beginning. This happens when the group has been able to save money for the requisite period of time (Agyeman, 2015). The attitude of the early receivers determines the fate of the second batch of the group (another 40% of the group members). The promptness of repayment, within an average five weeks, from the initial recipients is a precondition for granting loans to the second half of the group (Agyeman, 2015; Sridhar, 2015). Commitment to repayment continues to be the main factor in providing all members with the loan. Ultimately, an additional month of ceaseless reimbursement is applied to evaluate and give the credit to the last member of the group, who is often the head of the group (Agyeman, 2015; Grameen Bank, 2016). This model makes a watchdog of each member. Each of the group members owes the entire group a duty of oversight on the refund of their loans, irrespective of the time one was granted the credit facility, and other members are held responsible for the default of another member (Agyeman, 2015; Grameen Bank, 2016; Sridhar, 2015; Srinivas, 2015).

One member's default in payment contaminates the others; hence no member receives any loan until the unpaid loan has been covered by the group. This kind of responsibility in collectivism serves as security for the loan received (Agyeman, 2015; Grameen Bank, 2016). The Grameen Bank model was designed on the fundamentals of social well-being. The Grameen Bank model was designed on the premise of socialism because it has a sound social requisite other than their repayment plan (Agyeman, 2015; Grameen Bank, 2016). These social requirements are basic to existence of mankind. Education of one's children, attention to one's own health and that of one's children and commitment to the cultivation of vegetables throughout each year are some of the contents of their "Sixteen Decision" text (Agyeman, 2015; Grameen Bank, 2016). The model is typically inclined towards countryside dwellers. Therefore, it is most suitable for massively populated rural settlements where farming and petty trading are common (Dziwornu & Anagba, 2018; Grameen Bank, 2016).

2.2.4. Village Banking Model

This model provides the opportunity for an MFI to be formed and managed by local people. The village banking model is a communally-based credit and saving society created to grant rural dwellers access to credit (Agyeman, 2015). Its purpose is to build up funds for the use of members. It has the goal of developing self-support groups and making it possible for members to pile up savings for their own usage (Srinivas, 2015; Agyeman, 2015). The model has a shared purpose of ownership. Membership is open to 25-50 low-income earners whose main intention is to improve their source of revenue through self-employment to create a bank (Srinivas, 2015).

This model permits the injection of funds from external sources. The internally organized funds receive leverage from external financial organizations (Agyeman, 2015). Under this model, collateral resides in mutuality. The system of cross surety has replaced the physical collateral, in which each member of the bank makes sure that other members settle the loan faithfully (Agyeman, 2015). The managers and supervisors of the village bank are chosen democratically. The ordinary members, through votes, appoint their officers from among themselves to man the daily operations based on the bylaws created by themselves (Agyeman, 2015). Loan provision is not entirely limited to only members. This model attempts to found a village bank of dual purpose: to attain self-sufficiency of members and also offer microloans to the whole village in which the bank is established (Srinivas, 2015; Grameen Bank, 2016).

2.2.5. Rotating Savings and Credit Association

This model has been built on the assumptions of communism. This model organises individuals who are willing to make regular recurrent contributions to a common fund, which is later given to members in series (Agyeman, 2015; Srinivas, 2015). For instance, a group of ten members can be formed, who are committed to making a recurring weekly contribution of GH₵100 and the lump sum of GH₵1000 is given to each member on weekly basis until every member receives their share of the lump sum. This model does not require external injection of funds and management. Through this model, it is feasible for members to offer loans to one other through their repeated contributions (Agyeman, 2015; Srinivas, 2015). The frequency of contribution to the fund is higher than that of repayment. Immediately a member is given his/her allotment, he/she starts reimbursing the amount monthly. Upon receiving the lump, sum a member then pays back the amount in regular monthly contributions (Srinivas, 2015; Agyeman, 2015). The determination of sequence of allocation of loan is done democratically. It can be determined through draw, request or consensus among members (Grameen Bank, 2016; Srinivas, 2015).

2.2.6. Microfinance and Livelihood of Women

The socio-economic relevance of microfinance can be assessed in two folds. The significant changes microfinance has created in the livelihoods of women or not is discussed from two perspectives (Akudugu, 2013). The first aspect is the opportunity generated by microfinance institutions for the masses to save, borrow or engage in diverse financial activities, such as insurance and money transfer. The second aspect is the use of proceeds got from access to credit for production. One major philosophy of rural banks, credit unions and microfinance institutions that are created with financial and human resources from the people is that the people take part in the administering of loans to themselves (Mersland, 2009). The participation of the people in loan decision-making and repayment is anticipated to lead to efficient and effective intermediation of credit and empower the institutions to meet the microfinance needs of their catchment areas. These institutions do not exclude women from participating in microfinance schemes. In reality, most of these institutions have made gender issues their priority (Mbecky, 2017). Many microfinance institutions analyze and compare the roles males and females play in their communities and focus on the underprivileged, who are often women.

The progress of women hinges on understanding the rudiments of financial issues. It has become critical to educate women to understand how financial systems operate (Akudugu, 2013). This is because opinions people hold about a system has been established to shape their decision to participate in it. When people are not adequately educated on issues, they can act in ways that do not favour their livelihoods. For instance, a study conducted by Akudugu in (2013) reveals that women in the Upper East Region of Ghana who perceive that high education is a condition for getting access to credit from financial institutions are not likely to succeed in their attempt to acquire credit.

3.0. Methodology

3.1. Research Questions

1. What are the factors that influence women's access to microfinance services in Ghana?
2. What role do microfinance services play in improving women's income levels in Ghana?
3. What role do microfinance services play in developing women's savings habit in Ghana?

3.2. Population and Sampling Procedure

Population denotes the entire set of individuals from who data are collected. It is the entire group of people that researchers are interested in, which the researchers wish to describe in their study. Population refers to all the people at the centre of a particular study (Gomm, Hammersley & Foster, 2000). The population of the study was women who had ever accessed microfinance services in the La-Nkwantanang-Madina Municipality in the Greater Accra Region of Ghana. This was due to the fact that respondents had in-depth information about microfinance and how it had impacted their socio-economic lives.

According to the Ghana Statistical Service (2014), the estimated female population of the La-Nkwantanang-Madina stood at 578,655 but the population of those who had ever patronized microfinance services could not be substantiated. Therefore, it was estimated that a total population of 1000 women who patronized microfinance services could be found in the municipality. The researchers were prepared to investigate the whole population but they were constrained by short duration for the study, hence the need to resort to a sample of the population.

Sampling is a process used determined the number of observations is taken from a larger population for participation in a study. The sample, which was the outcome of the sampling process, was a relatively small portion of a population chosen because of the constraint of resources, with the intention of deducing from the sample result (Creswell & Plano Clark, 2017).

The study adopted purposive and convenience sampling methods. With purposive sampling the respondents were selected on the basis of their knowledge of the phenomenon being studied (Etikan, Musa & Alkassim, 2016). One benefit of the purposive sampling technique is that the researchers can seamlessly obtain a better understanding of the study. The purposive sampling assisted the researchers to locate the right respondents (women who had access to microfinance) in the municipality for this study. The convenience sampling was adopted to pick the purposively selected respondents who were available. Saunders *et al*., (2012) state that convenience sampling is also referred to as availability sampling. This is the type of sampling where the first available primary data source is used for the study without additional requirements (Saunders *et al*., 2017).

3.3. Research Instruments

Accurate and logical data collection is central to conducting a study. Data collection instruments are devices used to gather data, such as questionnaires, tests, structured interview schedules and checklists (Babbie, 2020; Seaman, 2008). A structured self-administered questionnaire, with both open-ended and close-ended questions, was used to collect data. A questionnaire is a primary source of data and observational technique which consists of a series of items presented to an individual in a written form, to which the individual is anticipated to respond in writing (Babbie, 2020). The use of questionnaire has many advantages. Questionnaire saves the researcher's time and money as compared to the length of time needed to conduct personal interviews (Brink & Wood, 2018).

Based on the nature of the study, the researcher considered the questionnaire as the appropriate tool for data collection. Respondents were at liberty to pick from several alternatives on the questionnaire. Questionnaire gives freedom to the respondent to select from the options the most suitable and also provide their opinion when required with or without assistance (Babbie, 2020). Indisputably, the questionnaire is a very effective primary data collection tool. The questionnaire was technically designed to obtain information about the knowledge, accessibility and saving habit of women who had accessed microfinance services.

3.4. Data Processing and Analysis

After the data collection, the primary data obtained from the field were scrutinized for accuracy and reliability. The adequately filled questionnaires were coded into Statistical Package for Social Sciences (SPSS) for analysis. The researcher used Microsoft Excel in addition to the SPSS. The analysis employed descriptive statistics, including frequencies and percentages. The findings of the study were presented on tables and charts for further interpretation and discussions.

4.0. Results

4.1. Details of Analysis and Results

Demographic Characteristics of Respondents

Table 1: Age Distribution of Respondents

Age Range	Frequency (F)	Percentage (%)
20 –25	6	6.00
26 –30	6	6.00
31 –35	8	8.00
36 –40	50	50.00
41 –45	12	12.00
46 –50	6	6.00
51 –55	9	9.00
56 –60	3	3.00
Total	100	100.00

Table 2: Educational Qualification of Respondents

Educational Level	Frequency(N)	Percentage (%)
No formal education	8	8.00
Primary/Basic	47	47.00
Middle/JSS/JHS	25	25.00
SSS/SHS/Technical/Vocational	8	8.00
Tertiary	12	12.00
Total	100	100.00

Table 3: Marital Status of Respondents

Status	Frequency (F)	Percentage (%)
Married/Cohabitating	55	55.00
Single/Never married	18	18.00

Divorced/Separated	15	15.00
Widowed	12	12.00
Total	100	100.00

Table 4: Ethnicity of Respondents

Ethnic Group	Frequency(F)	Percentage (%)
Akan	28	28.00
Ga-Adangbe	10	10.00
Ewe	58	10.00
Other	4	4.0
Total	100	100.0

Table 5: Place of Dwelling of Respondents

Type of Accommodation	Frequency(F)	Percentage (%)
Own house	35	35.0
Rented Apartment	56	56.0
Rent-free	9	9.0
Total	100	100.0

Table 6: Household Size of Respondents

Number of Members	Frequency(F)	Percentage (%)
1-3	12	12.0
4-6	50	50.0
7-10	29	29.0
11 and above	9	9.0
Total	100	100.0

Table 7: Occupation of Respondents

Occupation	Frequency (F)	Percentage (%)
Petty trading	58	58.00
Dressmaking	13	13.00
Hairdressing	10	10.00
Restaurant	19	19.00
Total	100	100.00

Source: Field Data, January, 2023

Table 8: Number of Years in Business

Year Range	Frequency(F)	Percentage (%)
Below 1 year	4	4.0
1-3 years	18	18.0
4-6 years	58	58.0
7 years and above	20	20.0
Total	100	100.0

Table 9: Revenue Level of Respondents

Range of Revenue	Frequency (F)	Percentage (%)
GH₵300,000–GH₵500,000	65	65.0
GH₵500,000–GH₵700,000	21	21.0
GH₵700,000–GH₵900,000	14	14.0
Above GH₵900,000	0	00.0
Total	100	100.0

Factors Influencing the Accessibility to Microfinance Service

This section sought to ascertain the dynamics that influenced accessibility to microfinance services. In line with this objective, numerous questions were asked by the researcher on respondents' level of knowledge, source of information, product that attracted respondent to join microfinance institution, purpose of loans, basic requirements to satisfy loan acquisition and factors influencing accessibility to microfinance service in order to put together clear and accurate information from respondents so that conclusions and recommendations could be made.

Table 10: Level of Knowledge of Respondents

Level	Frequency (F)	Percentage (%)
Very high	20	20.00
High	50	50.00
Neutral	8	8.00
Low	12	12.00
Very low	10	10.00
Total	100	100.0

Table 11: Sources of Information on Savings

Source	Frequency (F)	Percentage (%)
Friends	5	5.00
Relations	18	18.00
Taught at school	14	14.00
Media (TV, radio)	40	40.00
Bank and credit facility	23	23.00
Total	100	100.0

Table 12: Product Attraction to Join Microfinance Institution

Product	Frequency(F)	Percentage (%)
Savings	30	30.00
Credit	60	60.00
Insurance	3	4.0%
Payment services	7	7.00
Total	100	100.0

Table 13: View on Credit Received from Microfinance Institutions

Received Credit?	Frequency (F)	Percentage (%)
Yes	90	90.00
No	10	10.00
Total	100	100.00

Table 14: Purpose of Loans Received by Respondents

Purpose of Loan	Frequency (F)	Percentage (%)
Start a business	30	30.00
Pay my ward school fees	0	0.00
Pay health insurance	0	0.00
Expand existing business	70	70.00
Housekeeping money	0	0.00
Total	100	100.00

Table 15: View on Basic Requirements to Satisfy Loan Acquisition

Collateral Requirement	Frequency (F)	Percentage (%)
Physical collateral	7	7.00
Social collateral	4	4.00
Savings	70	70.00
Guarantor	19	19.00
Total	100	100.00

Table 16: Factors Influencing Accessibility to Microfinance

Factor	Frequency (F)	Percentage (%)
Interest rate on received loans	42	42.00
Time laps between loan application and disbursement	30	30.00
Loan diversion	18	18.00
Total application cost	6	6.00

Loan size and adequacy	4	4.00
Total	100	100.00

Roles of Microfinance Institute in Improving Women Income

The second objective of the study attempted to investigate the role of microfinance institution in improving women's income in the study area. In relation to this objective, various questions were posed by the researchers in a bid to obtain information to measure it. Respondents were requested to indicate whether loans offered by microfinance institutions were sufficient.

Table 17: Sufficiency of Loan Granted by Microfinance Institutions

Is Loan Sufficient?	Frequency (F)	Percentage (%)
Yes	70	70.00
No	30	30.0%
Total	100	100.00

Table 18: Assessment on Income after Access to Microfinance Services

Effect	Frequency (F)	Percentage (%)
Increased	75	75.00
Remain same	25	25.00
Total	100	100.00

Table 19: View on Increased in Income Level by Respondents (Profit)

Have you made profit?	Frequency (F)	Percentage (%)
Yes	75	75.00
No	25	25.00
Total	100	100.00

Table 20: View on Improved Standard of Living by Respondents

Improved standard of living?	Frequency (F)	Percentage (%)
Yes	74	74.00
No	26	26.00
Total	100	100.00

Role of Microfinance Institution in the Developing Women's Savings Habits

The final objective of this study examined the role played by microfinance institutions in the development women's savings habit. Various questions were asked by the researchers to help them obtain adequate information on the stated objective for conclusion and recommendations.

Table 21: View on Saving for Emergency or Investment by Respondents

Do you save for emergency or investment?	Frequency (F)	Percentage (%)
Yes	90	90.00
No	10	10.00
Total	100	100.00

Table 22: View on Interest Earned as a Motivational Factor For Saving

Does interest motivate you to save?	Frequency (F)	Percentage (%)
Yes	85	85.00
No	15	15.00
Total	100	100.00

Table 23: Access to Microfinance as Influence on Saving Habits

Access to microfinance influences savings habit.	Frequency (F)	Percentage (%)
Strongly agree	28	28.00

Agree	32	32.00
Neutral	14	14.00
Disagree	20	20.00
Strongly disagree	6	6.00
Total	100	100.00

4.2. Discussion of Findings

The findings of the study had been discussed in relation to empirical literature. The discussions were done based on the set objectives of the study and the demographic characteristics of respondents in the La-Nkwantanang-Madina Municipality. It was observed that majority of women who resorted to microfinance services were between the ages of 20 and 60 years. The age distribution of the respondents indicated that they requested more financial security so that they could meet the essentials of their household around these age ranges in that people usually prepare towards retirement from active service; hence, they are exposed to financial vulnerability if adequate measures are not instituted. This is consistent with Debrah (2014) that during these periods, both the expenditure and savings trends of these people shift positively to take care of unforeseen shocks due to the fact that the older people grow, the more likely they want to obtain economic security.

The findings of the study revealed that most of the respondents attained some levels of education. However, a significant number of the respondents had attained only primary education with only a handful of them attaining higher education. This was an indication that most of these women who had not undergone formal education or had only undergone primary education had the tendency to approach microfinance institutions for financial services so that they could establish their own enterprises or expand already current enterprises for livelihood improvement. This is in line with Samer, Majid, Rizal, Muhamad & Rashid (2015) that the fundamental role of microfinance institutions is to create jobs for women, especially those who do not have high educational backgrounds. It was observed that microfinance supported women with low or no educational backgrounds to obtain adequate and sustainable livelihoods. This is inconsistent with Anderson (2019) that for microfinance to perform creditably, financial literacy must play a very critical play in the lives of beneficiaries. For that matter, it is crucial for these women to be given additional training or education to enhance their financial literacy so that they can use their loans productively.

A vast majority of the respondents were married relative to those who were single. This obviously meant that most of these women either looked for financial liberty or the opportunity to also help in the provision of essentials for their household members. The women also wanted to be financially assertive so that they could entirely avoid dependence on their husbands for every single item needed, which could give them equal power and participation in household decision making (Debrah, 2014); hence, the access to microfinance services tried to mitigate poverty and meet their households' needs independently and consistently (Blankson & Nukpezah, 2019). The number of respondents took care of a household size of four and above was 88. The high number of household members was likely to influence respondents' quest for loans from microfinances to set up their enterprises. This is in line with Samer *et al.* (2015) that microfinance permits women to get involved in the economic activities through the start-up and growth of their enterprises for the generation of income independently, which adds up to income for the upkeep of their households.

Petty trading was the commonest occupation found majority of the respondents undertook. The women engaged in petty trading for the upkeep and survival of their respective families. For that matter, they would need more funds from microfinance institutions to shore up their reduced capital so that they could improve upon their business. This is consistent with Molini & Paci (2015) that the magnitude of poverty is very pronounced trading communities in Ghana; hence, capital must be available in such areas to support these petty traders in working capital so that they can improve their businesses.

It was discovered that respondents who earned low income had the propensity to seek for financial support to invigorate their businesses. This might improve the income level of their businesses, as well as their livelihoods. Certainly, improvement in income raises the potential of savings and most likely increase the return on savings; however, it also makes it effortless for people to borrow, which can lead to lower savings (Alvarez & Barney, 2014).

The first objective of the study investigated the factors influenced accessibility to microfinance services. The results of the study indicated that majority of the respondents had known about microfinance institutions and the services they provided. This stimulated the enthusiasm of respondents to ask for the services of the microfinance institutions so that they could grow their businesses for sustainable livelihoods. This is supported by Asante, Kissi and Badu (2018) that monetary information varies with instruction; likewise the budgetary behaviour of an institution teaches people to contemplate more on modern arrangements Awuah and Addaney (2016). When one gets control of elementary monetary ideas, the influence of increased zeal on the approximation of one's savings is essential in comprehending the importance of beginning to save in advance towards retirement. The study reported that financial institutions played significant roles in providing reliable information to the public. This is in line with Blankson & Nukpezah (2019) that the financial sector performs tremendously in educating the masses on the importance of savings, thereby motivating people to save.

Most of the respondents pointed out that they were enticed to seek microfinance services because of access to credit investment in enterprises for sustainable livelihoods. The widening of financial inclusion provides diverse ways for improving the nutritional security, agricultural productivity and economic buoyance of communities and nations (Fletschner & Kenney, 2014); hence, there is a strong correlation between the availability of credit for low-income households and the probability of seeking financial support from microfinance institutions (Bruhn & Love, 2014). Similarly, majority of the respondents reported that they borrowed funds from microfinance institutions to expand their enterprises. This buttresses the assertion that microfinance institutions is an agency that play the roles of financial intermediation – mobilizing excess funds from individuals and companies who more to save and redistributing these funds to the relevant sectors of an economy through the issuance of liabilities against itself in a particular period of time (Kidwell, Blackwell, Sias & Whidbee, 2016).

Most of the respondents admitted that they borrowed expansion of existing business and new business startup. This supports the finding that the poor is not only interested in saving (Bateman, 2015); hence, they also require access to all financial services, such as loans, to support them adequately embrace unforeseen events (Akotey & Adjasi, 2016; Littlefield, 2016).

Majority of respondents emphasized that the interest rate the loans contracted from microfinance institutions lured them to the microfinance institutions. This finding is consistent with Karubi (2006) that women who take loans from microfinance institutions are comprehensively involved in economic ventures. It was also established that microfinance offered finance to improve market and rural women's involvement in production and trade. This is in support of the finding that the broadening of financial inclusion provides a plethora of ways to augment the nutritional security, agricultural productivity and economic dynamism of many communities in specific and nations at large (Fletschner & Kenney, 2014).

The second objective two of the study assessed the role of microfinance institutions in enhancing the income of women in La-Nkwantanang-Madina Municipality. One of the areas reported by respondents was provision of loan and its sufficiency. Respondents mentioned that the loans they received from microfinance institutions were enough to help them satisfy their financial requirements per the amount requested, which helped in ameliorating their financial difficulties. This shows that there is a strong relationship between the availability of loans for low-income households and the magnitude of poverty reduction (Bruhn & Love, 2014).

The study also discovered that there was increase in the income of respondents after they had access to microfinance services. It was believed that the respondents invested prudently most of the loans they received in various businesses for profits. Financial development engenders sound development with regard to human and capital growth (Shankar, 2013); hence, there is a more rapid growth rate of income amongst the poorest 20% of a country's populace than the average Gross Domestic Product (GDP) where the financial systems are adequately developed (Alhassan & Akudugu, 2012; Chummun & Ojah, 2016; Samargandi, Fidrmuc & Ghosh, 2015).

The study also brought to light improvement in livelihoods as one of the roles of microfinance institutions played in the lives of respondents. Respondents admitted that their livelihoods had improved after borrowing from microfinance institutions. This is supported by Flora, Ndabaga and Oduor (2015) and Samer *et al*. (2015) that microfinance institutions always focus on households' ability to acquire assets, diversify livelihoods, secure food, obtain household nutrition, empower women, build capacity and educational aspirations of respondents' households, which is inconsistent with the findings of Bateman (2010) that microfinance is deficient in achieving the expected impact on the lives of the financially excluded.

The third and final objective investigated the role played by microfinance institutions in inculcating into savings habit into women. It was unearthed that getting access to services of microfinance institutions influenced savings habit. Respondents admitted that an increase in the number of microfinance institutions improved the probability of enhancing savings habits. This will prevent people from travelling over long distances to save money, which means that as there is a surge in the number of microfinance institutions, the more the distances travelled by clients is reduced with savings made easy (Flora et al., 2015). Respondents also disclosed that the interest earned on savings motivated them to save. They asserted that they were enticed by the interest earned on their savings to save more and they would constantly save if microfinance institutions would constantly increase their interest on savings. Therefore, interest was regarded as an instrumental factor that urged the women the La-Nkwantanang-Madina Municipality to develop savings habit.

5.0. Conclusions and Practical Recommendations

The study was carried out to assess the impact of microfinance on the livelihoods of women in La-Nkwantanang-Madina Municipality, taking into account accessibility to microcredit by women, the role of microfinance services in enhancing women's income and the role of microfinance services in shaping women's habit of savings. Per the findings of the study, a conclusion could be drawn that women in the La-Nkwantanang-Madina Municipality had access to microfinance services due to their knowledge about savings, knowledge about microfinance institutions and their financial products such as savings, microcredit, micro-insurance and payment services.

Furthermore, it could be concluded that women had adequate funds in the form of loans from microfinance institutions, which had augmented the women's weekly and monthly income, increased business production, increased working capital, increased profit, enhanced business assets and better standard of living. In addition, women in the municipality developed a sound saving habit and their access to microfinance services had improved their personal savings and increased interests earned on their savings. After assessing the impact of access to microfinance services on the livelihoods of women, it could be concluded that the women had seen improvements in their standard of living. Therefore, the existence and operations of microfinance institutions in the La-Nkwantanang-Madina Municipality had relatively more positive impact on the livelihoods of women.

Although majority of microfinance institutions provided loans, the loans were relatively too small to improve the socio-economic status women and their livelihoods. The study recommends that microfinance institutions must remove the ceiling on the provision of their loans so that their customers can access large sums of money for the expansion and operation of their household businesses. Apart from that, there should be continual training and capacity building on financial literacy, entrepreneurial skills book keeping, business skills and management to help improve customers' knowledge on the efficient utilization of loans in order to avoid default in loan repayment.

The project department of all microfinance institutions must be equipped with training personnel and equipment so that they can educate, appraise and monitor loans contracted. This is because it has been discovered that the main cause of loan default is misappropriation of loans. This will prevent the occurrence of loans default as the customers will be armed in a way that can forestall misappropriation of loans and finally lessen default rate.

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