POVERTY REDUCTION STRATEGIES: EVIDENCE FROM U-MICROFINANCE BANK

Iram Rani[1*], Minhoon Khan Laghari[2], Muhammad Asif Channa[3]
[1*,2]Professor, Institute of Business Administration, Shah Abdul Latif University, Khairpur Pakistan; [3]Assistant Professor, Department of Business Administration, University of Sindh Campus Dadu, Pakistan.
Email: [1*]iram.shaikh@salu.edu.pk, [2]minhoon.laghari@salu.edu.pk, [3]asif.channa@usindh.edu.pk

Abstract

Purpose: This Study intends the assessment of microloan by U Microfinance Bank from females of upper Sindh. The core objective was to assess the impact of U-Microfinance on the poverty level of female for improving their living standards by providing them micro-loans to be used for their small-scale business which could enable them to be empowered politically, socially, economically, and assessing its impacts on the health and education of their families.

Methodology: This study was conducted on the assessment of microloan interventions of U Microfinance Bank in the rural areas of upper Sindh. A quantitative approach was used to measure the impact of microloan on the poverty status of the female along with a qualitative study to further confirm the findings. In this study, a quasi-experimental design was used in which two groups of data from the same respondents assuming the data 'Before-loan and After-Loan Situation' from the female borrowers of Khairpur, Sukkur, Shikarpur, Larkana, and Dadu Districts of Upper Sindh. Poverty Score Card was used as a survey instrument originally developed by the World Bank for each region separately. The collected data were analyzed by applying the descriptive statistics and logistic regression technique by using SPSS latest version.

Results: Results of the logistic regression analysis demonstrate that the microloan program does empower females of targeted cities, but the empowerment process does not necessarily occur simultaneously across all dimensions. Whereas microfinance does effect individually on each dimension of empowerment. For microfinance ventures, the results suggest that occupation types have a positive impact on women's empowerment.

Applications of this study: This study can be very effective in improving the strategies for poverty reduction among the female borrowers of the upper Sindh.

The Novelty of the study: The novelty of this study investigating the effect of poverty reduction strategies on female empowerment.

Keywords: *Poverty Scorecard Microfinance, Quantitative Design, Poverty and World Bank.*

INTRODUCTION

In the entire world, it's pretty clear that each Nation has been facing poverty and it continues to face it. Poverty is a state where people earning less so they can't continue to meet the necessities of life (Durrani, 2011). Throughout the world ½ of the people which is nearly three billion who earn less than $2.5 a day, while 1.3 billion of the world population survive in wretched poor quality earning less than $1.25 in a single day. South Asia comprises of 22 percent of the world population, its contribution to the global GDP is only 2 percent and 1.3 percent of world trade. The region hosts 44 percent of the world's poor. The South Asia region includes countries like Pakistan, Nepal, India, Bangladesh, Bhutan, Maldives & Sri Lanka. In this region overall level of poverty is high due to agrarian economies, overpopulation, lack of education, and political instability (Muhammad-Bashir et al., 2016).

The condition of Pakistan is also not too fine. According to the first-ever multidimensional report /index (MDI) 2016, 39% of the population lived with multidimensional poverty with almost the same effects as the people being affected in the world, especially developing countries. This poverty has many causes in Pakistan likely Water/Rainfall, Education, Unemployment, Drought, Cyclone or Earthquake, Men Made of Catastrophes, Early Marriages, and No of Children/Divorce. To conquer above all problems people need money from various sources, if they have access to money from private sources as a loan that charge with the interest rate, a tough practice of that class but again needs some mortgage then the second option is government Banks (Kamran Raiysat, Humaira Younas 2019).

At global levels initiative of microfinance was introduced to control poverty up to some extent. Microfinance refers to a program that foresees a world where poor or low-income holders will easily access many financial services such as savings accounts, insurance funds, and credit lending, etc. It has a completely different framework from the commercial lending as the way of joint liability and group lending is concerned with goodwill to payback (Gine &Klonner, 2005).

Unlike other developing countries the institutions which provide microfinance are also popular in Pakistan. Currently, not less than 18 MF institutions are working to alleviate poverty in Pakistan. Usually, microfinance is provided through Banks

while other rural support organizations also take part but their procedure is collateral-based by creating community organizations which create pressure among them to work with that fund (Shirazi, 2012).

In a society dominated by males, it is very difficult for a woman to take part in social activities, and thus woman faces discrimination in all careers. To cope with this situation many attempts have been made by public and private associations to empower females so that she can enhance the livelihood of the household (Arora & Meenu, 2011).

Studies have confirmed that empowering woman give a drastic change to the household's poverty situation, which is because females usually utilize this money for better food and education along with Health. According to UNDP (2018), a country where 29.5 percent people who lived in below poverty line and 40 percent are women out of whom thirty percent are poor empowering woman could give us the great difference, through a productive loan, females will earn extra income and control their household capital (Al-Shami, Razali, & Rashid, 2018).

Research Objectives

The principle goals/objectives of this assessment were to survey, because of the experience U-Microfinance-bolstered ventures, the degree to which access to microfinance has lessened the neediness of rustic poor families and enhanced the financial status of poor females.

The particular goals are to:

1) To determine how viable the microfinance (U-BANK) ventures were in decreasing rustic destitution and in enhancing the status of poor females.

2) To determine the degree to which microfinance ventures change the status of females.

3) To draw lessons that can be utilized to enhance the plan of future microfinance ventures and the future bearing of U microfinance operations.

LITERATURE REVIEW

Overview of Poverty

Poverty has been considered as core issue as well as a challenge to the Pakistani government towards the development of the country. Meanwhile, it is placed among the progressive goals of the era. According to Saeed-ur-Rahman, Imran, and Fatima (2018), it is yet self-motivated gender, complex, and location-specific multi-dimensional approach. However, its tenacity varies concerning the region and social group. As poverty is qualitative so one cannot easily describe or quantify it (Mahmood, H., & Chaudhary, A. R. 2009). According to the world, bank poverty could not achieve a minimum living standard.

Poverty is the absenteeism of access to get various commodities (World Bank, 2000). "The definition of World Bank indicates the broader concept of poverty which includes not only food and nonfood items but also some essentials of human development such as key assets and social determinants. According to World Development Indicators (2012), 60.2 percent population is living below $ 2 a day and 21 percent population is living below $1.25 a day at the international poverty line in local currency in Pakistan. Saeed-ur-Rahman, Imran and Fatima (2018) stated that "Poverty rates have never been found stable in Pakistan" (P: 116-117). Statistics provided by Rizwan, Liu and Amjad (2017) indicate that 'the poorest 40% of the world population account for only 5% of the global income, while 20% of the richest people are getting 75% of the world income'. The sense of poverty is hunger, illiteracy, inferior health facility, being deficient in food, inadequate education facilities, and unemployment (Tahir, M., Azid, T., 2015). The poverty rate in Pakistan declined from 35% in 2002 to 13% in 2011 (World Bank). The rural poverty rate fell from 40% to 16% from 2002 to 2011. However, Pakistan is now the second-lowest headcount poverty rate in the South Asian region" (P: 215).

Poverty does not include the characteristic for lack of pay rather it is a multi-dimensional view that includes political, financial, and social needs which are the sine qua non for an important presence. Poor groups of Pakistan need money related assets as well as experiencing their fundamental needs of clean drinking water, legitimate sanitation, wellbeing, and education. Their constrained methodology towards sustenance, wellbeing, and training undermines the cap districts of poor people groups of Pakistan. Moreover, it constrains their capacity to anchor beneficial work, and consequently results in pay destitution and social avoidance; while additionally making them helpless against exogenous shocks (Hameed et al., 2014).

Old Method of Subsiding Poverty

History provides evidence that 'direct credit approach' has long been recognized as a key driver to remove poverty that has been viewed as a result of not earning enough money to acquire the acceptable amount of food and other needs towards creating a standard way of life. Some focused easing strategies for poverty were developing skills and creating jobs. It also involved Islamic modes of life like sadaqat, zakat, and fitrana as a way out to redistribute money from rich peoples to poor

peoples of society. Considering such lines, the finance role was limited up to the provision of the loan with the belief that this will increase their productivity. It brings two-fold results like poor people will be able to increase their consumption level and on the other hand; society will be benefitted from increased production developed by the loan. There were some other modes of help like borrowing from family and friends and having committee setting by some females of society to increase their savings and thereby improving their domestic way of life. These methods are still in practice and even more, the emphasis has been laid on them in the recent budget. However, still, the latest and more professional approach to poverty alleviation is microfinance. (Asad K. *et al.*,2015)

Microfinance (A Possible Way Out Of Alleviating Poverty)

Microfinance means small scale financial services like savings and credit to be given to people in the shape of loan to those who have a low level of savings and income. This microfinance has been viewed as a ray of hope for the poor peoples of society. It includes the provision of financial services to low-income people in the shape of credit, deposits, and savings. Microfinance has always been considered as a synonym of micro-credit only the difference is that micro-credit exclusively emphasizes the provision of credit. Now microfinance has been recognized as a tool by funds channels and the government to reduce poverty from the country. Microfinance institutions (MFIs) have sprung up in all areas of the globe, to substitute for usurious interest rates charged by informal moneylenders. "By exploiting new institutional forms and contractual structures, these institutions have reduced the risk and costs associated with granting uncollateralized loans. The promise of microfinance prompted world leaders in 1997 to pledge that 100 million of the world's poorest families would be provided credit for self-employment or other financial services by 2005. It was estimated that over US$ 21.6 billion would be needed over a decade to fulfill this goal, $8 billion slated to come from loans at market rates from private markets. Regrettably, the private sector has been less than keen to invest a significant amount into supporting the proliferation of MFIs. The Micro Credit Summit Campaign announced that 30.6 million poor households around the world now have access to microcredit and that the number covered increased by 40% over the past few years. It means that there is now an opportunity to bring about a substantial reduction of poverty around the world".

We are not saying that microfinance is the treatment towards the disease of poverty neither peoples have exact use of such tool but research findings of different researchers demonstrate that significant quantities of poor ladies furnished with access to microfinance administrations are utilizing the chance to diminish their destitution and that of their families. The micro-credit programs have become very popular as a tool to reduce poverty in many countries of the world following the success s of the Grameen Bank of Bangladesh. Giving the poor access to budgetary administrations is one of the principal approaches to help increment their earnings and efficiency. In numerous nations, in any case, customary budgetary organizations have neglected to give this administration. Miniaturized scale credit programs have been intended to fill this hole. Their motivation is to enable the poor to end up independently employed. A considerable lot of these projects give credit to utilizing the social system, for example, bunch based loaning. With expanding help from the World Bank and different benefactors, small scale fund is rising as a gadget for diminishing neediness and enhancing the Poor's entrance to monetary administrations in low salary nations.

RESEARCH METHODOLOGY

The present study was carried out for Assessment of Microloan by U-Finance from the Females of Upper Sindh, households of Khairpur, Sukkur, Shikarpur, Larkana & Dadu. For this purpose, a Poverty Score Card was used as an instrument and surveyed as a quantitative approach to analyze the impact of before and after the loan situation. A quantitative study helps to depict the analysis in tables rather than pictures of the phenomenon (Kabungaidze, Mahlatshana, & Ngirande, 2013). A questionnaire was used in a survey to collect data for the assessment of U-micro loans. The survey was collected from the same audience 2 times. 1st they asked to answer the survey when they were not borrowers and afterward they asked to answer the same survey with their current situation means loan borrowed. This research aimed to measure the impact of female U-microfinance beneficiaries in the selected districts by using a poverty scorecard.

The data was collected from the females who availed of a loan from U-microfinance and the survey method was used. The survey was administered in the following districts Khairpur, Sukkur, Shikarpur, Larkana, and Dadu. Survey enumerators were hired who were sent to different districts and they had the address of every household in their district which was obtained with the friendly collaboration of U-microfinance. All the enumerators were initially trained in a classroom setting and they were informed about the nature of the project. Further U-microfinance also helped in such a way that they provided all details of female borrowers with their contact number, so before the visit, their consent for the survey was ensured.

To ensure equal participation according to the proportion of several loan borrowers in each branch /city of female loan beneficiaries, a quota sampling technique was applied. Sekaran, U., & Bougie, R. (2010) argued that "Quota sampling can be considered as a form of proportionate stratified sampling, in which a predetermined proportion of people are sampled from different groups, but on a convenience basis" (p. 278). It allows researchers to sample a subgroup that is of great interest of the study for example to study any trait, characteristic. This sampling method is also appropriate in situations when time,

budget is limited, when we Introduce some stratification of the population and when the list of population is not available. The data were analyzed by using the logistic regression technique and poverty scorecard analysis has been conducted based on cut-off band score before and after the change of poverty status in bands. While logistics regression has been used for all dichotomous dependent variables for extracting models.

RESULTS

Poverty Scorecard Analysis (PSC)

The poverty scorecard has been analyzed based on the cut-off band score by considering the category of poor as given in table 1. The poverty line of respondents has been measured using these bands mentioned in the cut-off band score that was adopted from the assessment of measuring the impact of PPAF (Pakistan poverty alleviation fund) interventions using Pakistan poverty scorecard (PPAF 2012). Categories mentioned in the card were on six bands that are extremely poor, chronically poor, transitory poor, transitory vulnerable, transitory non-poor, and non-poor.

In category 1 extremely poor referred to the population that lies less than or below 50% of the poverty line. In category 2 chronically poor refer to a population that is supposed to remain poor due to their basic characteristics, suffer from structural poverty, and are at 50%-75% on the poverty line, transitory poor refer to such population whose poverty level changes because of income and expenditure shocks and they lies on 50%%-75% of the poverty line, transitory vulnerable refers to a population whose level of poverty is susceptible due to income or expenditure shocks and are at 100%-125% on the poverty line, (5) transitory non-poor are the poor who are at 125%-200% on the poverty line and (6) non-poor are the people who have a low chance of being poor thus enjoy a high level of consumption and are at above 200% on the poverty line (WB 2007, FD 2008, Haq, Nazli, et al. 2008, Sean O'Leary, 2011).

Poverty categories ranging from extremely poor to non-poor were previously identified by PRSP-II (FD, 2008)" when they were working to further analyze the severity of poverty (Sean O'Leary, 2011). Recent researchers Nazli et al. (2008) and Sean O'Leary (2011) have also referred to the same poverty categories for interpretation and classification of poverty. Although initially these categories were developed based on expenditure per adult, PPAF (2012) has modified and developed these categories based on poverty score with the help of the World Bank's guidelines".

Table 1: Poverty Scorecard Band Matrix &Cut Off

B	C-Cut Off Band Score	C-Category
1	0-11	Extremely poor
2	12-18	Chronically poor
3	19-23	Transitory poor
4	24-34	Transitory vulnerable
5	35-50	Transitory non-poor
6	51-100	Non-poor

Moreover, intrusions such as social mobilization and microloan have also referred to poverty scorecard for assessing beneficiaries, therefore, thousand of reports including SRSO or BISP on poverty or impact of such intrusions have used this scorecard in their analysis.

Thus present study adopted using the scorecard to achieve the objective of assessing poverty through microfinance/microloan. Bands and categories mentioned in table 1 were found as the best and authentic tool that was adopted from PPAF 2012 for measurement and assessment of poverty score and its severity. Table 2: shows the poverty status before and after the loan and the change that was identified during the survey.

Table 2: Before and after the change of poverty status in bands

	Before	After	Change
Extremely/Ultra poor	0	0	0
Chronically poor	1	0	1
Transitory poor	15	4	11
Transitory Vulnerable	163	123	40
Transitory Non-Poor	191	165	26
Non Poor	76	154	**(78)**

According to the findings analyzed, 0 respondents were in the category of extremely poor before and after loan so no change was found in this category, 1 respondent were in the category of chronically poor before provision of loan but after loan it was 0% means 1% change was found in that, 15 respondents were in the category of transitory poor before loan but after

providing loan there percentage was reduced up to 4 means, 11females (73%) was found in this category, 163 respondents were found in category four that is transitory vulnerable before provision of loan but after provision of loan number was also reduced up to 123 means ,40 (16%) change was also found in that, 191 respondents were found in transitory non-poor category before loan but after providing loan only 26 (13)% percentage change was found after loan and in the last category that is of non poor, 76 respondents(17.5%) were found in that band that is non poor means that are good in consumption and expenditure with other resources given in a poverty score card and over all sum up it become 154(34%) change was found in next band of improvement, unfortunate were 217(48%) respondents.

Along with the poverty scorecard, logistic regression was also used specifically for the dichotomous dependent variable to strengthen the findings. The logistic regression models summarized in Table 3 given below reports the results of 11 dichotomous dependent variables: political empowerment (Model 1), political awareness (Model 2), political participation (Model 3), social empowerment (Model 4), say in decision making (Model 5), mobility (Model 6), economic empowerment (Model 7), household assets and income (Model 8), control over minor resources (Model 9), control over major resources (Model 10) and Composite empowerment (Model 11). The independent variables are along the vertical axis of the logit model tables. "The B values presented in the second column of logit model tables are coefficients for the constant that used to identify the direction of the relationship between the independent variable and dependent variable. The test that was used here is known as the Wald test. This tests the null hypothesis that the constant equals 0. Wald test is labeled in column third of logit model tables. The p-value is used to predict whether or not an independent variable would be significant in the model. P-values are shown in the fourth column of logit model tables. This hypothesis was rejected if the p-value was smaller than the critical p-value. The "B" values are represented in the fifth column of logit model tables are the exponentiation of the B coefficient and denote odds ratios for each independent variable.

In a logistic regression model, having estimated the latter using the maximum likelihood method, the global fit was labeled with statistics derived from the likelihood of the model. Different statistics describe the global fit of the model to the data. One of them is the −2log likelihood. If the fit of the model were perfect, then 2log likelihood= 0. In other words, this value can be regarded as a descriptor of the goodness of fit of this model. The Cox & Snell R Square and the Nagelkerke R Square values suggest the amount of variation in the dependent variable explained by the model and it ranges between 0 and 1. The Cox & Snell R square is based on the log-likelihood for the model compared to the log-likelihood for a baseline model, whereas Nagelkerke R Square is an adjusted version of the Cox & Snell R-square.

Table 3: Results of logistic regression for all dichotomous dependent variables

Political empowerment

Table 3.1: *Logistic model 1*

Predictors	B	Wald'S X^2	P	e^B
Political Empowerment				
Beneficiary	16.071	.000	.998	9543831.272
Household Size	-.133	.067	.796	.875
Age	-.390	.676	.411	.677
Income Earner	-1.192	.807	.369	.304
Loan Cycle	-15.446	.000	.998	.000
Saving Account	-.007	.000	.991	.993
Saving Amount	-.141	.114	.736	.868
Monthly Income	.929	1.866	.172	2.532
Monthly Consumption	-.460	.496	.481	.632
Education	.349	4.685	**.030**	1.417
Occupation		5.150	.398	
Occupation(1)	-29.525	.000	.997	.000
Occupation(2)	3.042	4.620	**.032**	20.942
Occupation(3)	37.131	.000	.999	13357449890905000
Occupation(4)	.206	.076	.783	1.229
Occupation(5)	1.199	1.404	.236	3.316
Constant	13.918	.000	.998	1107836.733
Test				
R2	0.318/0.468			
-2 Log likelihood	94.401			
Model Chi-Square	47.806			

% Correctly Predicted	82.4

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while Political empowerment is the dependent variable.

Political empowerment is further divided into two parts; political awareness (Model 2) and political participation (Model 3).

Political awareness

Table 3.2: *Logistic model 2*

Political Awareness				
Predictors	**B**	**Wald'S X^2**	**P**	**e^B**
Beneficiary	17.772	.000	.998	52254083.904
Household Size	-.210	.213	.644	.811
Age	-.715	2.804	**.094**	.489
Income Earner	-2.341	3.076	**.079**	.096
Loan Cycle	-16.710	.000	.998	.000
Saving Account	-.294	.265	.607	.745
Saving Amount	.247	.443	.506	1.280
Monthly Income	.693	1.335	.248	2.000
Monthly Consumption	.099	.029	.864	1.104
Education	.111	.592	.442	1.117
Occupation		5.081	.406	
Occupation(1)	-30.732	.000	.997	.000
Occupation(2)	2.558	3.404	**.065**	12.913
Occupation(3)	38.825	.000	.999	72678505069607500
Occupation(4)	.558	.767	.381	1.748
Occupation(5)	1.505	2.584	.108	4.503
Constant	17.313	.000	.998	33030717.847
Test				
R2	0.353/0.484			
-2 Log likelihood	108.937			
Model Chi-Square	54.418			
% Correctly Predicted	77.6			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while Political Awareness is the dependent variable.

Political participation

Table 3.3: *Logistic model 3*

Political Participation				
Predictors	**B**	**Wald'S X^2**	**P**	**e^B**
Beneficiary	21.341	.000	.996	1854676284.781
Household Size	2.529	2.926	**.087**	12.543
Age	1.533	2.736	**.098**	4.633
Income Earner	7.320	.528	.468	1510.827
Loan Cycle	-24.781	.000	.995	.000
Saving Account	29.689	.000	.994	7831990189251.790
Saving Amount	8.878	.000	.996	7171.622
Monthly Income	.593	.191	.662	1.809
Monthly Consumption	-4.231	5.188	**.023**	.015
Education	.249	.397	.529	1.283

Occupation		6.368	.272	
Occupation(1)	-45.543	.000	.994	.000
Occupation(2)	1.625	.860	.354	5.079
Occupation(3)	5.820	4.045	**.044**	336.875
Occupation(4)	5.859	5.739	**.017**	350.293
Occupation(5)	2.359	1.736	.188	10.576
Constant	-63.177	.000	.996	.000
Test				
R2	0.257/0.601			
-2 Log likelihood	32.568			
Model Chi-Square	37.124			
% Correctly Predicted	94.4			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while Political participation is the dependent variable.

Social empowerment

Table 3.4: *Logistic model 4*

Social Empowerment				
Predictors	**B**	**Wald'S X^2**	**P**	**e^B**
Beneficiary	-.669	.157	.692	.512
Household Size	1.039	1.771	.183	2.828
Age	-.222	.110	.740	.801
Income Earner	-17.895	.000	.999	.000
Loan Cycle	.317	.037	.848	1.373
Saving Account	-.751	.630	.427	.472
Saving Amount	.362	.324	.569	1.436
Monthly Income	.029	.001	.971	1.030
Monthly Consumption	-.296	.153	.696	.744
Education	.288	1.930	.165	1.333
Occupation		3.828	.574	
Occupation(1)	-19.763	.000	.998	.000
Occupation(2)	-19.815	.000	.999	.000
Occupation(3)	.053	.001	.976	1.054
Occupation(4)	-2.378	3.704	**.054**	.093
Occupation(5)	-19.938	.000	.999	.000
Constant	15.679	.000	.999	6443401.037
Test				
R2	0.151/0.336			
-2 Log likelihood	54.022			
Model Chi-Square	20.449			
% Correctly Predicted	92.8			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while social empowerment is the dependent variable.

Social empowerment is subdivided into two categories i.e. say in decision making (Model 5) and mobility (Model 6) as mentioned in Tables 3.5 and 3.6.

Say in decision making

Table 3.5: *Logistic model 5*

Predictors	B	Wald'S X^2	P	e^B
Say in decision making				
Beneficiary	-2.250	2.300	.129	.105
Household Size	.333	.688	.407	1.396
Age	-.046	.015	.902	.955
Income Earner	3.872	5.465	.019	48.026
Loan Cycle	2.499	3.057	.080	12.173
Saving Account	-.952	3.307	.069	.386
Saving Amount	.122	.125	.724	1.130
Monthly Income	-.644	1.379	.240	.525
Monthly Consumption	.890	2.774	.096	2.436
Education	.113	.695	.405	1.120
Occupation		7.532	.184	
Occupation(1)	-1.549	3.071	.080	.213
Occupation(2)	.696	.265	.607	2.006
Occupation(3)	-.968	.343	.558	.380
Occupation(4)	.583	.907	.341	1.791
Occupation(5)	-.101	.011	.917	.904
Constant	-6.901	5.615	.018	.001
Test				
R2	0.259/0.348			
-2 Log likelihood	132.864			
Model Chi-Square	37.523			
% Correctly Predicted	75.2			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while say in decision making participation is the dependent variable.

Mobility

Table 3.6: *Logistic model 6*

Predictors	B	Wald'S X^2	P	e^B
Mobility				
Beneficiary	1.730	1.374	.241	5.643
Household Size	-.345	.573	.449	.708
Age	.389	.967	.326	1.476
Income Earner	-.042	.001	.972	.959

Loan Cycle	-.698	.258	.612	.498
Saving Account	-.431	.534	.465	.650
Saving Amount	-.047	.015	.904	.954
Monthly Income	-.112	.043	.835	.894
Monthly Consumption	.837	2.193	.139	2.310
Education	-.085	.312	.577	.919
Occupation		2.523	.773	
Occupation(1)	.295	.120	.729	1.344
Occupation(2)	.903	.456	.500	2.468
Occupation(3)	21.808	.000	.999	2959210089.937
Occupation(4)	.860	1.558	.212	2.364
Occupation(5)	1.023	1.133	.287	2.781
Constant	.205	.006	.938	1.227
Test				
R2	0.177/0.260			
-2 Log likelihood	117.893			
Model Chi-Square	24.315			
% Correctly Predicted	75.2			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while mobility is the dependent variable.

Economic empowerment

Table 3.7: *Logistic model 7*

	Economic Empowerment			
Predictors	**B**	**Wald'S X^2**	**P**	**e^B**
Beneficiary	-3.669	5.818	.016	.026
Household Size	.532	.876	.349	1.702
Age	-.039	.006	.938	.962
Income Earner	1.269	1.366	.242	3.559
Loan Cycle	4.617	8.930	**.003**	101.191
Saving Account	-.443	.420	.517	.642
Saving Amount	-.109	.042	.838	.897
Monthly Income	.732	1.229	.268	2.080
Monthly Consumption	-.765	1.319	.251	.465
Education	-.098	.233	.629	.907
Occupation		21.293	.001	
Occupation(1)	3.307	9.153	**.002**	27.310
Occupation(2)	-17.686	.000	.999	.000
Occupation(3)	.752	.117	.733	2.122
Occupation(4)	.218	.039	.843	1.244
Occupation(5)	3.321	6.562	**.010**	27.685

Constant	-8.995	7.086	.008	.000
Test				
R2	0.339/0.513			
-2 Log likelihood	83.622			
Model Chi-Square	51.798			
% Correctly Predicted	85.6			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while Economic Empowerment is the dependent variable.

Economic empowerment is then divided into three sub-categories i.e. household assets and income (Model 8), control over minor resources (Model 9), and control over major resources (Model 10).

Ownership of household assets and income

Table 3.8: *Logistic model 8*

	Ownership of household assets and income			
Predictors	**B**	**Wald'S X^2**	**P**	**e^B**
Beneficiary	-5.375	6.205	.013	.005
Household Size	-1.795	3.396	**.065**	.166
Age	.660	.736	.391	1.934
Income Earner	2.378	2.154	.142	10.779
Loan Cycle	6.320	8.794	**.003**	555.357
Saving Account	1.559	1.398	.237	4.752
Saving Amount	.481	.388	.533	1.618
Monthly Income	.808	.577	.448	2.243
Monthly Consumption	-1.337	1.563	.211	.263
Education	-.361	1.373	.241	.697
Occupation		17.030	.004	
Occupation(1)	7.966	13.663	**.000**	2880.375
Occupation(2)	-18.273	.000	.999	.000
Occupation(3)	1.755	.411	.521	5.781
Occupation(4)	2.326	2.131	.144	10.240
Occupation(5)	3.309	3.935	**.047**	27.362
Constant	-14.295	6.958	.008	.000
Test				
R2	0.518/0.775			
-2 Log likelihood	46.593			
Model Chi-Square	91.177			
% Correctly Predicted	92.8			

Note: Significance level is "< or = 0.10" and bold values are significant.Predictors are the independent variables while Household Assets and Income is the dependent variable.

Control over minor resources

Table 3.9: *Logistic model 9*

Predictors	B	Wald'S X^2	P	e^B
Control over minor resources				
Beneficiary	-2.282	2.689	.101	.102
Household Size	-.394	.938	.333	.675
Age	.254	.469	.494	1.289
Income Earner	-.146	.026	.871	.865
Loan Cycle	2.886	4.542	**.033**	17.921
Saving Account	.276	.270	.603	1.318
Saving Amount	-.192	.289	.591	.825
Monthly Income	.624	1.304	.253	1.867
Monthly Consumption	-.568	1.167	.280	.567
Education	.103	.549	.459	1.109
Occupation		13.372	.020	
Occupation(1)	2.735	9.825	**.002**	15.409
Occupation(2)	.222	.028	.867	1.249
Occupation(3)	-1.067	.423	.516	.344
Occupation(4)	1.611	6.808	**.009**	5.007
Occupation(5)	.354	.156	.693	1.424
Constant	-4.312	3.028	.082	.013
Test				
R2	0.256/0.344			
-2 Log likelihood	133.405			
Model Chi-Square	36.983			
% Correctly Predicted	76.8			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while Control over minor resources is the dependent variable.

Control over major resources

Table 3.10: Logistic model 10

Predictors	B	Wald'S X^2	P	e^B
Control over major resources				
Beneficiary	-29.969	.000	.994	.000
Household Size	15.618	.000	.995	6066996.985
Age	-1.121	.520	.471	.326
Income Earner	-15.235	.000	.999	.000
Loan Cycle	43.270	.000	.993	6192842471503950000
Saving Account	-59.916	.000	.991	.000
Saving Amount	.654	.305	.581	1.924
Monthly Income	-.731	.062	.804	.481

Monthly Consumption	.898	.102	.750	2.454
Education	.306	.272	.602	1.359
Occupation		1.083	.956	
Occupation(1)	-13.438	.000	.995	.000
Occupation(2)	39.814	.000	.998	195441053048590000
Occupation(3)	33.070	.000	.994	230189539172073
Occupation(4)	-15.960	.000	.994	.000
Occupation(5)	40.664	.000	.998	457091638439526000
Constant	-.472	.000	1.000	.623
Test				
R2	0.139/0.564			
-2 Log likelihood	16.677			
Model Chi-Square	18.73			
% Correctly Predicted	98.4			

Note: Significance level is "< or = 0.10" and bold values are significant. Predictors are the independent variables while Control over major resources is the dependent variable.

Composite empowerment

Table 3.11: *Logistic model 11*

	CC Empowerment			
Predictors	**B**	**Wald'S X^2**	**P**	**e^B**
Beneficiary	-32.880	.000	.996	.000
Household Size	.639	.267	.606	1.895
Age	.098	.012	.913	1.103
Income Earner	2.051	1.448	.229	7.776
Loan Cycle	33.414	.000	.996	324776200490384
Saving Account	2.123	1.887	.170	8.354
Saving Amount	1.197	1.398	.237	3.309
Monthly Income	-13.774	.000	.996	.000
Monthly Consumption	13.445	.000	.996	690433.256
Education	.325	.426	.514	1.384
Occupation		.000	1.000	
Occupation(1)	18.734	.000	.998	136808661.973
Occupation(2)	42.641	.000	.999	3302667187364950000
Occupation(3)	45.273	.000	.995	45909173555784100000
Occupation(4)	61.413	.000	.994	4690410928374070000000000000
Occupation(5)	42.098	.000	.998	19177534422235550000
Constant	-106.721	.000	.994	.000
Test				
R2	0.145/0.509			
-2 Log likelihood	22.374			

Model Chi-Square	19.612
% Correctly Predicted	97.6

Note: Significance level is "< or = 0.10" and bold values are significant.Predictors are the independent variables while composite Empowerment is the dependent variable.

DISCUSSION

Microfinance loans have been used in numerous cases to reduce poverty, in rural areas which are believed to harbor the poorest people in the world (Taofeek Aremu Kasali, 2015). it is proved in this study that microcredit has also played a vital role in the reduction of poverty that 34% collectively female were progressed collectively in the next band by improving the scores on poverty scorecard. Because microloan has a positive impact on income and consumption (Imai, K. S., & Azam, M. S.,2012) along with income microloan increases the savings and living standards of the beneficiaries (Agbola, Acupan et al., 2017), enhanced livelihood in rural areas (Rashid and Makuwira, 2014) and increased assets i.e. fan, bicycles and sewing machine, washing machine (Shirazi, 2012). It might also be witnessed and this can be qualified to natural growth rate, other poverty alleviation tools like BISP, and other microcredit programs and so on, families striving for the income and food, education of their children, more income earners and more opportunities for earning.

However, there are 27% (123) respondents who have either not graduated or even their status is worsened. The possible reason is that poor people borrow for fulfilling their consumption (Shirazi, 2012). They may be not using loans properly & knotted with the inaccurate mechanism (Bateman, M., & Chang, H. J., 2012). But from overall results, it can be suggested that female borrowers and her family's poverty is reducing and trying to improve life quality.

It's a general lookup that progression from one band to the next band is not confirming the well being of respondents physically and they are still living under the poverty line and same is reported by Schreiner (2016) that the poverty score of respondents ranges 25 to 34 has 47.1% to 39.5% likelihood of being below the poverty line on the national poverty line of Pakistan. Whereas, respondents having poverty score ranges 35 to 49 have 29.8% to 16.9% likelihood and poverty score range 50 to 100 have 10.7% to 0% likelihood of being below the poverty line on the national poverty line(Our findings confirm the study of (Sayvaya and Kyophilavong 2015).

Additionally, study results suggest that females send their children to schools and purchase prolific and income-generating assets (sewing machines, washing machines, and others) at household from some income generated by availing loan and it's also a positive indicator of family roasters in poverty scorecard.

CONCLUSIONS DRAWN BASED ON EMPOWERMENT TOOL ANALYSIS BY DESCRIPTIVE STATISTICS &B LOGISTIC REGRESSION MODEL

Moreover, the results of the logistic regression analysis demonstrate that the microloan program does empower females of targeted cities, but the empowerment process does not necessarily occur simultaneously across all dimensions. whereas microfinance does effect individually each dimension of empowerment. Concerning microfinance ventures, the results suggest that occupation types have a positive impact on women's empowerment. For example as the number of females working as labor increases, the probability of political empowerment and political awareness increases. Whereas females working as SME owners & farming increases the probability of economic empowerment with more control over minor resources and more political participation, show a negative relationship with the say in decision making by farming profession. Loan cycles have a positive impact on women say in decision making, economic empowerment, ownership of household assets and income, and control over minor resources. Education also plays a very significant role in the political empowerment of women as various evidence shows that access to education can bring about change in the cognitive ability of human generally. In the final analysis, it is postulated and recommended that the efficiency of microfinance to achieve the objective of poverty reduction is possible by MFIs to create public enlightenment programmes that would spread their role as a change agent from poverty to prosperity.

RECOMMENDATIONS

Young women have more ease of getting awareness from other people therefore microfinance institutes are suggested to give major focus on retention of young women enterprises in loan disbursement. On the other hand old age women in Pakistani culture have the freedom to participate in political and other awareness campaigns as compared to young women so the microfinance institutes are recommended to avail the services of these women in promotional activities of their microfinance and as well as for SME development.

Government establishes regulatory laws to monitor for its proper mechanism of loan disbursement with interest and insurance rates. Microloans are induced to increase not only income but it must increase a measure on non-monetary poverty to capture female wellbeing. Borrowers use loans for a purpose different from the one initially specified by the lenders. This

distinction is important in evaluating microfinance programmes. Concerted efforts should be made towards the provision of supportive services like education and training on entrepreneurship, increase in health facilities, and provision of other social services for unemployed, poor, and those who are vulnerable to poverty. It is also important. The results of this study are significant to all stakeholders (NGOs, donor agencies, MFIs for future programmes.

LIMITATIONS OF STUDY

This study has tried to stretch out all possible theoretical and analytical solutions to the research problem although the study possesses limitations as the data was collected only from selective districts of Sindh (only rural areas). The study has only focused on one microfinance bank. Only women borrowers were focused as respondents. Only the impact of microfinance loan was the major concept of this study.

FUTURE DIRECTIONS

By keeping in view the limitations, a study has left certain directions for future researchers as the future researchers may expand this study in the context of data collection, data may be collected from all the districts of Sindh including urban areas it will pose a different insight in results of microfinance loan usage. Future researchers may expand this study by focusing on other microfinance banks as well as it will help to conduct a comparative study among microfinance banks. A comparative study among men and women borrowers may also be conducted. Future researchers may also use the other variables related to microfinance loans in alleviating poverty in Sindh.

AUTHORS CONTRIBUTION

Dr. Iram Rani Professor: She has contributed majorly in conceptualizing the introduction and literature review of this study. She has also helped enumerators in conducting interviews with respondents. She has good tacts to conduct interviews in local languages as well.

Prof. Dr. Minhoon Khan Laghari: The second author, has contributed majorly in conceptualizing the area of study, targeted audience, discussions and conclusion, recommendation, limitations, and future research directions.

Mr. Muhammad Asif Channa Assistant Professor: Has contributed to this study in data collection from the female borrowers of U Microfinance bank of desired districts of Sindh. He has developed the research design of this study and research methodology. He has good experience in collecting data and conducting interviews. He has analyzed the data by using SPSS,

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