

## Role of Microcredit to Empower Women in Bangladesh: An Investigation on two NGOs in Shariatpur District

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### ABSTRACT

*For decades, studies on women's empowerment have concentrated on assessing the processes, effects, and obstacles linked to microfinance initiatives executed by non-governmental organisations (NGOs). Although several studies have demonstrated notable results, others have provided evidence of minimal or insignificant effects, rendering the efficacy of these programs a matter of contention. This study addresses a significant geographical gap by investigating the effects of microfinance programs on women's empowerment in Shariatpur, one of Bangladesh's least developed districts, where no previous research has been undertaken. This research assesses the efficacy of microcredit programs implemented by two local NGOs—Shariatpur Development Society and Naria Unnayan Samiti—in fostering personal, relational, and economic empowerment among women in Charmahiskali village. Both organisations have played a role in expanding access to microcredit and initiating community engagement activities; however, their overall impacts appear to be limited in the long run due to structural and socio-cultural challenges. The study employed a qualitative technique, employing a two-fold data collection strategy that incorporates primary and secondary sources through content analysis, surveys, and in-depth interviews. It focusses on women who have availed microcredit multiple times to evaluate their ongoing development across ten essential indicators of empowerment. Findings reveals that, although microcredit program by two local NGOs has improved women's self-confidence, familial respect, and involvement in household decision-making, its overall effect is limited. The majority of individuals utilized the loans for domestic expenditure, yielding no significant long-term advantages. Moreover, high interest rates, inadequate training, patriarchal norms, and persistent social obstacles diminish the capacity of these initiatives to achieve substantial empowerment. Thus, this research concludes that microfinance exerts a minimal influence on the empowerment of women in the studied region.*

**Keywords:** Women empowerment, income, access to decision making, Local NGOs.

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## INTRODUCTION:

Bangladesh is facing enormous challenges in meeting the demands of its rapidly growing population. The poor and rural women are the ultimate victims of this problem. Due to a variety of social, cultural, and economic barriers, women in rural areas have very limited access to income-generating activities. Patriarchal traditions perpetuate their low status and create glass selling that prevents them from achieving success in a variety of areas. Non-government organizations have become crucial proponents in tackling these issues specially via microfinance initiatives that provide work possibilities and skill enhancement to elevate social status of rural women. The government encounter significant constraints in enhancing the living situation of these women, however, NGO offer a feasible option through their adaptability and innovative strategies. By employing participatory approaches and ensuring operational flexibility, NGOs are more adept at addressing the intricate and localized requirements of marginalized population. Numerous national NGOs in Bangladesh function efficiently at local, regional and national level providing vital services to marginalized communities facilitating the empowerment of rural women (Rahman, 1999).

Microcredit has become an important instrument for advancing women's empowerment in Bangladesh and various other nations. Nevertheless, the credit-based concept has incited significant controversy. Many experts assert that microcredit has significantly enhanced women's empowerment, while others believe that it frequently has detrimental effects, especially on impoverished women, rather than fulfilling its original objectives.

In Bangladesh, women represent fifty percent of the entire population; yet, their status is inequitable compared to men, with conditions being more severe in rural regions like Shariatpur. In many regions, deeply rooted patriarchal norms continue to confine the majority of women to domestic spheres, limiting their participation in public and professional life. Notwithstanding their diverse roles within their families, their contributions frequently remain unacknowledged. Women are deprived of property rights, market access, and opportunity to manage financial affairs. Moreover, violence against women and girls is widespread, intensifying their marginalization. Patriarchal cultural norms and gender inequality provide substantial obstacles to their progress (Hossen, 2020). Microcredit has been established as a prevalent strategy designed to combat poverty and empower women. It offers women possibilities to invest in land, buy property, or form small enterprises, therefore facilitating their ability to generate money and attain a level of economic autonomy.

Several non-governmental organizations (NGOs) in Shariatpur district, including BRAC, Grameen Bank, ASA, and Shariatpur Development Society (SDS), offer microcredit services especially to economically disadvantaged women. However, limited research has been conducted on the role and impact of local NGOs in this region. To address this gap, this study investigates the effectiveness of microcredit programs implemented by two Shariatpur-based local NGOs—Shariatpur Development Society (SDS) and Naria Unnayan Samiti (NUSA)—that aim to promote women’s socioeconomic development in rural areas. This study uses the conceptual framework of women’s empowerment, which has been defined differently by many authors. This study examines women’s empowerment through three interconnected dimensions: personal, relational, and economic empowerment. Personal empowerment is measured in terms of the self-confidence earned by women through microcredit programs. Relational empowerment is investigated by assessing improvements in family connections, notably with spouses and in-laws. Economic empowerment is assessed by comparing participants’ income levels before and after receiving microcredit, as well as investigating their participation in savings and investment decisions. The primary objective of this research is to determine the effectiveness of two local NGOs’ microcredit initiatives in improving women’s personal, relational, and economic empowerment in Charmahishkhali village. By addressing this objective, the research seeks to contribute to the understanding of the localized impact of microcredit programs on women in underdeveloped regions.

### **RESEARCH QUESTION:**

1. What is the role of local NGOs microcredit programs on rural women’s personal, relational and economic empowerment in Charmahishkhali village?

### **Sub- Question:**

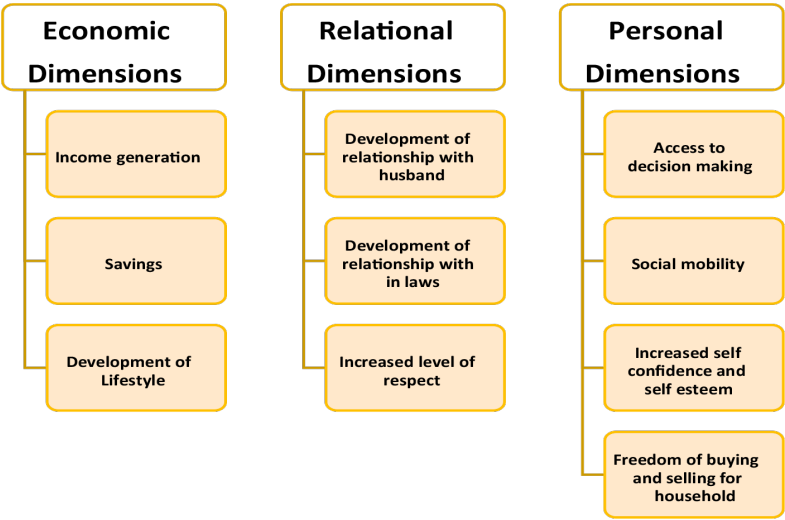
1. What is the purpose of getting microfinance by respondents?
2. What are the consequences of women who took loan from those NGOs?

### **RESEARCH OBJECTIVE:**

1. To assess the role of local NGOs microcredit programs in promoting the personal, relational and economic empowerment of rural women in Charmahishkhali village.

**ANALYTICAL FRAMEWORK:**

This study is based on different scholarly concepts of microcredit and women’s empowerment. A key theoretical foundation is “A Three-dimensional Model of Women’s Empowerment: Implications in the field of microfinance.” proposed by Marloes, Nina Hansen, Sabina Otten and Robert Lensink in 2017. According to their model women empowerment can take place in three distinct dimensions (Personal, Relational and societal). Personal empowerment means taking charge of one’s own life and the ability to control events that affect them. Several researches proved that Microcredit leads to women’s personal empowerment by enhancing their self-esteem, confidence and efficacy. Relational empowerment mainly deals with women’s positions in family or any social network. This model is used by different researcher while doing study on microcredit and women empowerment. It is proved that because of microfinance women’s empowerment happened in many countries. Using the two dimensions of this model (personal and relational), this study attempted to determine the status of women’s empowerment in Charmahiskhai village.



Hashemi, Schuler, and Riley (1996) conducted research in rural areas of Bangladesh and identified eight dimensions of empowerment. Hashemi et al., (1996) carried out a seminal study in rural Bangladesh that identified eight characteristics of women’s empowerment. Building on their concept, this study focuses on four of these dimensions—economic security, the ability to make small purchases, the ability to make larger purchases, and participation in

significant household decisions—to assess the level of women’s empowerment in the research area. These elements were divided into three major categories of empowerment: economic, personal, and relational. Ten particular indicators were chosen within these three dimensions to systematically examine the impact of local non-governmental organizations microcredit programs on women’s economic, personal, and relational empowerment in Charmahishkhali village. This approach ensures a comprehensive - evaluation of the empowerment process in rural Bangladesh.

## **LITERATURE REVIEW:**

The theory of gender and power, developed by Robert Connell, is a social structural theory based on philosophical literature on sexual inequality and gender and power imbalance (Connell, 1987). In Bangladesh, because of patriarchal society, high power distance there is higher sexual inequality and gender and power imbalance. Male rule, oppress and exploit women and this is condoned by societal institution (F. Chowdhury, 2009). Non-government organization is popularly known as voluntary organization that are working on remote areas in order to empower women.

Empowerment is one of the operational approach of NGOs working (Begum, 2000). Around the world, there is a lot of debate about NGOs’ effectiveness on microcredit programs. Some of the development professionals identified NGO as an emerging institution framework for women empowerment, catalyst for change and effective in delivering service in rural areas. On the other hand, leftist thinkers argued that NGOs are working in developing countries to establish neo-imperialism and capitalism. It reduces people’s resistance power by establishing patron client relationships that enhance poor people’s dependency and hinder their revolution power. (Al-Amin et al., 2013). But different studies and research show that the benefit people get from NGOs microcredit system is higher than its negative side.

Empowerment is a dynamic process of transformation in which, “those who have been denied the ability to make choices acquire that ability” (Kabeer, 1999). There is no universally accepted method for measuring empowerment of women but the frameworks that are used to conceptualize the empowerment have some common aspect. Naila Kabeer identified three defining factors of women empowerment (Agency, Resource, structure). Agency means the decision making, bargaining, and resistance power of an individual to make life choices and pursue any goals. Resource is the precondition of empowerment, and it can be economic,

social and human resources (Kabeer, 1999). Agency and resource together help to develop a capability of a women (Sen, 2000). The findings of a study conducted in Mymensing Ishwarganj upazilla were, microcredit improve women's status in family regarding children, investment, savings (Nahar et al., 2019). Main theme of microcredit was it instigate to develop women's capacity by developing agency and increasing resources.

The three-dimensional model of women's empowerment, developed by Huis, Otten, Hansen, & Lensin in 2017, outlines empowerment in terms of personal, relational and societal dimensions. Personal empowerment means the development that increases women's self-confidence, esteem and efficacy (Huis et al., 2017). Research was done by Hansen, (2015) in Sri Lanka and the result of this study was, microfinance program leads to women's psychological empowerment. Economic empowerment comes from having access to money which can lead to more control over how that money is spent. A study was conducted in Tanzania and result indicated that, who were the members of microcredit organization exhibited greater self-efficacy than those who were not involved in such program (Kato & Kratzer, 2013). Relational empowerment means the relational development of a women with her family members regarding decision making and purchasing. Another study conducted on an Indian NGO named Mahaul, which provides microcredit to the poor women. In interviews, one respondent shared that, her husband was initially opposed to her working, but as income increased, resistance from her in-laws declined. Another women stated that, she used her money to repay the housing loan for her house and her husband acknowledged her contribution by calling her his real better half. (Haugh & Talwar, 2016). A Research is conducted by Hashemi et al., (1996) in two villages of Bangladesh, enlisted indicators of empowerment and shows that microcredit plays a greater role in women empowerment.

There is also a lot of discussion over whether microcredit empower or disempowers women. It has some drawbacks, including excessive pressure to pay loans, a high suicide rate among borrowers, extreme debt levels and high interest rate compared to the banking system (Aslanbeigui et al., 2010). Many local producers and community leaders stated that nongovernmental organizations were "new money laundering" organizations. They stated that NGOs made donations to enrich themselves (Islam & Sharmin, 2011). Different kinds of research also find out that, access to women in microcredit also enhance their physical and verbal assault (Mayoux, 2000).

Existing literature highlights microcredit as a widely recognized model for promoting women's empowerment in various parts of the world. Numerous studies have been conducted across different regions of Bangladesh to evaluate its impact; however, no research has been undertaken in the underdeveloped char areas of Shariatpur district. To address this gap and to explore the actual condition of women in these marginalized regions, this study focuses on Charmahishkhali village in Shariatpur district. This research aims to provide insights into the effectiveness of microcredit programs in fostering women's empowerment in this underdeveloped area.

## **DESIGN AND METHODOLOGY**

### **Research type and mode of inquiry:**

This research aims to identify or explore what is the impact of Shariatpur development society and Naria Unnayan Samiti's microcredit program on women empowerment. The entire research process for this study was conducted using a qualitative approach. It is also correlational research as its main objective is to find out the relationship between local NGOs micro-credit program and women empowerment.

As previously outlined, this study conceptualizes empowerment as encompassing three dimensions: economic, personal, and relational empowerment. Economic empowerment is assessed by examining the income women generate through the microcredit programs and training provided by NGOs, as well as their autonomy in savings, investments, and purchasing small or large products. Personal and relational empowerment are evaluated by exploring improvements in women's self-confidence, decision-making power within their families, and their relationships with their husbands.

Given these operational definitions, this research adopts a qualitative approach, focusing on the lived experiences of women who have received services from local NGOs. Data is collected through in-depth interviews to capture their narratives, which are analyzed and presented using descriptive mechanism and direct quotations. Methodologically, this study employs an instrumental case study approach, where the case comprises two local NGOs, and the objective is to investigate their role in fostering women's empowerment.

### **Sampling:**

Sampling in this study involved collecting information from respondents to explore the impact of microcredit programs on women's empowerment. Given the



qualitative nature of the research, a purposive sampling method was employed, which is widely accepted in qualitative studies for its focus on selecting participants who can provide rich and relevant insights.

The total sample size comprised 41 respondents. Data were collected from 33 female borrowers using purposive sampling. Among them, 18 women participated in in-depth interviews, while the remaining 15 women provided data through a closed-ended survey. To assess the effectiveness of microcredit programs, the study specifically targeted female borrowers who had received loans from the selected local NGOs on multiple occasions, allowing for a deeper understanding of changes in their lives. In addition, in-depth interviews were conducted with NGO employees to gain organizational perspectives on the programs. Four employees from Shariatpur Development Society (SDS) and four from Naria Unnayan Samiti (NUSA) were selected for this purpose. This approach ensured a comprehensive examination of the microcredit programs' impact from both beneficiary and provider perspectives.

### **Sources of Data:**

Data was collected mainly from primary sources and in some cases secondary sources also used (NGOs websites, credible internet sources, articles). As most of the poor rural women have no access to education that's why this study conducted in-depth interview through open ended question for collecting data from different respondent. A primary justification for using in-depth interviews as a data collection strategy is its capacity to capture both verbal responses and nonverbal gestures, as well as the deeper meanings inherent in participants' opinions. This method enables participants to articulate their perspectives more freely, hence enhancing comprehension of their experiences and ideas related to the research subject. Alongside the in-depth interviews, a closed-ended survey was conducted to gather data from 15 female respondents.

### **Data analysis:**

This report is based on primary data that was gathered from the field via closed-ended survey and in-depth interview. The information is then coded according to the analytical framework's discussed concepts. After that, codes are categorized into themes. In that research, the data analysis is carried out manually.

### **Limitations of the Study:**

Despite the intensive efforts made to assure the study's reliability and validity, several limitations must be recognized. First, the sample size of 41 respondents



may be insufficient to draw solid conclusions regarding the general performance of local non-governmental organizations (NGOs). Furthermore, the study was carried out in a single village, limiting its ability to analyze the larger impact of regional NGOs in various circumstances. Additionally, time and financial constraints limit the study’s scope and depth. These limitations should be noted when evaluating the study’s results.

DATA VISUALIZATION

Data presentation

This study had a total of 41 respondents consisting of 26 individuals for in-depth interviews and 15 for surveys. Among the 26 participants in the in-depth interviews, 18 were women who had obtained loans from two local NGOs, namely Shariatpur Development Society (SDS) and Naria Unnayan Samiti (NUSA), while 8 were employees of these two NGOs. A survey was administered to 15 women, comprising 7 from SDS and 8 from NUSA. Of the 15 women surveyed, three indicated possessing independent sources of income.

Total Respondents	In-depth Interview of Women	In-depth Interview of NGOs Staff	Survey on Women
41	18	8	15

In-depth interviews of respondents

a. Local NGO NUSA: Nine women who had obtained loans from NUSA were chosen for in-depth interviews.

Demographic and Socioeconomic Variables	Cate Gory	Respondent Number
Age (in years)	30-40	3
	41-50	4
	51-60	2
Loan Taking	2 times	1
	3 times	4
	4 times	2
	7 times	1

**Reasons to receive loan from NUSA: Of the 9 respondents, two women indicated possessing independent sources of income.**

Respondents	Reason
Code-1	For agricultural purpose
Code 2	Agriculture/repaying previous loans and for Marriage
Code-3	For the purposes of building house (house was burnt by fire)
Code-4	Business
Code -5	Rent land, buying cattle and land
Code-6	For cattle’s business
Code-7	Agriculture
Code 8	Buying land and for handicraft business
Code 9	Sewing machine

**b. Local NGO Shariatpur Development society:** Nine women who had obtained loans from SDS were chosen for in-depth interviews.

Demographic information	Category	Respondent Number
Age	30-40	4
	41-50	3
	51-60	2
Loan Taking	2-4	7
	5-7	2

Reasons to receive loan (SDS): Of the 9 respondents, 4 women obtained loans for agricultural purposes, 2 for livestock enterprises, 1 for land acquisition, and the remaining 2 for handicraft ventures. Furthermore, two ladies possessed independent sources of money.

**FINDINGS AND DISCUSSION:**  
**Economic Empowerment of women:**

**A. Income:**

A significant number of respondents exhibited reluctance to reveal their true income figures. A substantial proportion of them reported using microcredit for agricultural purposes. Their findings indicate a rise in production relative to the prior year, implying a beneficial effect of microcredit on agricultural yield.

The study comprised 41 participants, of which 33 were women receiving loans, with seven possessing their own sources of income.

One respondent who took loan from SDS claimed that,

“I borrowed money from a NGO six to seven times to buy cattle and rent land from other people for agricultural purposes. My husband and I reportedly succeeded in this endeavor. I have two cows, and with the money we purchased new land.

One respondent who took loan from NUSA stated that,

“After using microloans for agricultural purposes, paddy and pepper production improved compared to the previous years. This year, we sold pepper for about 18000 Taka and received 60 to 70 pounds of paddy. We Didn’t have to buy rice from market this year”.

Some respondents also said that they took money from NGOs for their husbands not for them. One employee of SDS NGO stated that,

“There are comparatively fewer women who are self-reliant. They borrowed money primarily for the advancement of their husband and family”.

Existing literature suggests that, without technological management assistance microcredit is ineffective (Rozzani & Rahman, 2013). NGOs staff claimed to offer various training programs however most women reported being unaware of these initiatives. It is seen in SDS the women who get money are not the real users; it is typically controlled by their husband. While SDS workers asserted that they provided training to women in practice the training and guidance were not delivered effectively instead SDS workers were primary visited villages to collect loan installment. After getting loans from SDS, women often spent the money without planning. Consequently, they were compelled to repay the debts with interest. Male family members were often expected to take responsibility for repaying these debts, as the monies were commonly squandered by them (Ali, 2014). However, they regularly fail to meet this obligation. To address this issue, women borrowers resorted to obtaining more loans from other sources, including other NGOs, which resulted in a cycle of indebtedness. When women were unable to repay debts on time, SDS staffs verbally abused them. It was stated that NGO personnel visited borrowers’ houses and remained there until the amount was paid. Additionally, residents complained that the money SDS and NUSA received from PKSf was often misused for personal purposes, such as purchasing furniture and sponsoring internal development projects. Furthermore, SDS and NUSA

charged a high interest rate of 24%, substantially higher than the 9% charged by the banking industry.

According to one NUSA's staff,

“Our organization don't verbally abuse women if they are unable to repay loan and the due of our organization is around 39 lakh takas”

Nonetheless, most women reported that when they are unable to repay debts, they suffer psychologically (Lea, 2021). Given that women are frequently the main victims in these circumstances, their viewpoints offer reliable insights into NGOs' operations.

## **B. Savings**

The majority of women lack personal savings, and the savings they amass within NGOs are frequently employed to repay debts of NGOs.

A participant said,

“I borrowed money from NUSA because of the financial crisis and gave it to my husband to use for the poultry business. At the end of the month, he gives me the money for repayment and some for savings. I follow his instructions in everything I do.”

The majority of NUSA respondents reported that using microcredit for business purposes was profitable, as opposed to borrowing primarily to repay prior loans or fund wedding expenses. Respondents who used microcredit for business purposes, such as buying livestock or sewing machines, were able to save some money. Despite this, women reported having little control over their savings because they couldn't use them without their husbands' agreement (Snow & Buss, 2001). NGO staff on the other hand stated that microcredit led to an increase in income and savings.

## **C. Development of lifestyle:**

Women indicated that their lives have enhanced relative to prior years. They can now offer their children better education, access to tutoring, increased nutrition, and enhanced healthcare services.

One SDS respondent stated that,

“Despite being a bright student, I am unable to give my daughter a tutor, and as a result, her studies came to an end. Then, against my husband's wishes, I go to SDS. I enrolled in sewing instruction and then I took microcredit. My family now depends on my income.”

Salma begum (30) has a handicraft business which she started after taking loan from SDS. She said,

“My son and daughters can now wear new dresses for the Eid celebration (Religious festival). Previously, my husband used to buy them, but now we all shop for dresses together.”

Parveen Akter (36), told the same story, saying that

“We rarely bought fish and meat for our meals, but now we can do those in every week. Because we are doing well with our potato farming business, which we started one and a half years ago with a loan from NUSA”.

Staff of NGOs also claimed that,

Because of microfinance programs, women’s lifestyle is developed as they get to know various things, NGOs other health education Awareness programs help them to come out from the four walls.

While some women have seen an increase in their earnings, this is not true for all female clients. While women’s engagement in microcredit programs may benefit their families, it does not guarantee economic empowerment (Kumar, 2013). In many circumstances, the majority of women have borrowed money on behalf of their husbands and have not fully utilized the loans for their own financial stability. Furthermore, most women have little control over their savings which limits their financial freedom.

## **Personal empowerment:**

### **A. Access to decision making:**

Women are increasingly prioritized in familial decision-making, as their perspectives are accorded increased significance due to their financial contributions, especially during challenging periods when they provide financial assistance to their families (Adhikari et al., 2023).

One loan taker Respondents from NUSA said that

“I am now able to participate in family discussions regarding children’s education and family expenses. My husband values my decision”.

Another respondent said that

“I and my husband both take financial decisions of our family. My children respect me more than before”.

But some respondents also said that they have no access to financial decision making. Her job is limited to bringing finance to her husband.

But the shocking findings is that most of the women don't know about the interest rate of the NGOs (E. Chowdhury, 2007). NGOs are charging 24% Interest rate, and they are totally unknown about the fact. That is contradictory to personal empowerment of women. It is also the findings that, most of the women are not enrolled in training, no idea about the training program of NGOs and their husband also don't like those things. Maximum took Microcredit and gave it to their husband. Both NGO staff stated that because of microcredit women's access in decision making has increased in family.

### **B. Mobility:**

The microcredit program has enabled women to enhance their interactions and broaden their social networks. They actively engage in numerous training sessions conducted by NGOs and advocacy initiatives, resulting in increased mobility and visibility within the community.

One respondent from NUSA said,

“I think I become clever than before as I am going outside, interacting with people taking loans, training and helping my husband in agricultural activities.”

But maximum married respondents from SDS and NUSA said that they need permission from their husband to go to the market or their parents' house. If they go without telling them they become the victim of physical, verbal and mental torture.

One divorce respondents' statement was different. She told that,

“I don't need anyone's permission to go outside.

NGO'S staff also say that

“Women's Mobility increased because of microfinance program. Though there are some conflicting opinions. Some also said that, because of microfinance violation of parda pratha and divorce rate are increasing”.

Three out of thirty-three women borrower's response positively regarding increase social mobility after receiving loan. So, it can be said that there is no significant development of social mobility among the borrowers of charmahishkhali village.

Increase in self-confidence and esteem:

Women, as beneficiaries of microcredit schemes, have access to loans as required. Besides financial assistance, NGOs offer awareness and advocacy initiatives that bolster women's self-assurance. Moreover, these programs frequently encompass instruction that enables women to proficiently manage the income they get, so enhancing their financial independence and self-sufficiency, which subsequently elevates their self-confidence.

One respondent from SDS reported that,

“I took Training on sewing and also got loan in order to buy a sewing machine. Now I am the earner of my family. So, I earn around 5 thousand taka monthly by sewing”.

Another respondent from NUSA said that,

“Now I have the courage to protest any wrong in family”.

76% women response positively regarding increase in self-confidence because of microfinance. So, it can be concluded that microfinance led to an increase in self-confidence (Mengstie, 2022).

SDS and NUSAs staff claimed that, because of microcredit, women's self-confidence has increased, and it brings positive changes in their life.

#### **D. Freedom in buying and selling any product:**

One respondent from SDS stated that,

“I bought an almirah from the loan I took from NGOs without taking permission from my husband. As a result, I was the victim of physical and mental torture”.

Most of the women claimed that it was impossible to leave the house or purchase any items for the family without the husband's consent. But 11 borrowers' women said that they have freedom in deciding family's expenditure, purchasing necessary items for family.

One staff member from SDS said that

“Women can do small purchase but in big purchase they need their husband's permission”.



## **Relational empowerment**

### **A. Development of Relationship with husband:**

Most women indicated that their involvement in microfinance programs has enhanced their relationships with their partners. Their significance in their husband's life has increased through the provision of financial assistance. A multitude of respondents indicated that their significance in their husband's life increased following the acquisition of a loan from an NGO on his behalf. Nevertheless, other women saw that their relationship remained static, with no substantial enhancement. Several respondents indicated that their spouses leveraged the personal relationship to obtain loans, and subsequent to collecting the funds, their husbands' violent conduct reemerged. In certain instances, husbands defaulted on loan repayments, resulting in verbal abuse from NGO personnel that women were compelled to tolerate (Ali, 2014).

NGOs staff also said that

“Our microfinance saved many families from collapse, we make husband understood, tried to reduce misunderstanding between husband and wife”.

They also witnessed that the relationship is developed because of their microfinance program. Some conflicting Opinion is also their like domestic violence increases because of microcredit program.

### **B. Development of relationships with in-laws:**

A considerable proportion of participants indicated that their in-laws do not support their work. Several women reported that their in-laws disseminated rumors on their character as a result of their expanded interactions with a broader social network. Three ladies, however, recognized that their in-laws commenced providing support once they began to contribute monetarily to the family.

A staff member from SDS stated that,

“Though our organization plays an effective role in development of relationship with husband but in the case of in-laws it couldn't work”.

### **C. Level of respect:**

Most respondents stated that because of microcredit, her respect in family has increased. One respondent stated,

“This is the first time my husband has taken a stand in favor of me. My husband and children valued my opinion.”

Certain respondents reported no alterations in their family relations, maintaining their previous circumstances. Fifteen of the thirty-three women indicated an enhancement in their familial respect due to the microcredit program. Personnel from both SDS and NUSA confirmed that the program enhanced women's esteem, both inside their families and in the wider community.

## CONCLUSION

This study sought to investigate the impact of local NGO-led microcredit initiatives on the empowerment of rural women. It concentrated on three facets of empowerment: personal, relational, and economic. The study also examined the motivations behind women's pursuit of microfinance and the subsequent effects they encounter after obtaining loans.

The results demonstrate that the principal reason for women to obtain microcredit was to assist their families rather than for personal economic progression. The majority of respondents utilized the loans for domestic purposes, including food, children's schooling, or their spouses' small business. This indicates that microfinance, in this setting, functioned more as a familial support system than as an instrument for personal empowerment. Although women are the designated loan recipients, they rarely control over the allocation of the monies.

Consequently, certain women indicated heightened participation in familial decision-making and enhanced self-confidence. Several individuals also observed more respect from their partners. Nonetheless, these alterations were insufficient to effect a transition in their social or economic standing. Women persistently encounter obstacles in mobility, restricted access to markets, and negligible alteration in contacts with extended family members, such as in-laws. A significant finding was the insufficient awareness among women concerning loan interest rates and repayment conditions, which presents issues of transparency and financial literacy. Alarming, many respondents mentioned facing public humiliation, verbal abuse and even aggressive actions such as the removal of house tin by NGO staff when they failed to repay loans on time.

The study indicated that the NGOs were deficient in adequate training programs and follow-up support, hence constraining the long-term advantages of the credit schemes. In the absence of sufficient skill development and financial advice, the majority of women continued to rely on male relatives for the management or investment of cash. Notwithstanding the augmentation of savings and accessibility to larger loans, genuine management over resources remained unattainable for several respondents.

Consequently, although microcredit programs have facilitated certain advancements in women's lives, like increased confidence and financial involvement within households, they have not substantially empowered women in a comprehensive manner. The anticipated levels of personal, relational, and economic empowerment remain unfulfilled. Local NGOs must reevaluate their strategy to render microcredit an effective instrument for empowerment. This encompasses the incorporation of training modules, the advancement of financial literacy, the empowerment of women regarding financial resources, and the contestation of prevailing gender norms. A more holistic, supportive, and gender-sensitive strategy is crucial for attaining enduring empowerment for rural women in Charmahiskhali village.

## RECOMMENDATIONS

Women's empowerment has become a global concern, and microcredit schemes alone are inadequate for the sustained development of women. A comprehensive strategy necessitating cooperation among the government, civic society, media, and the public is crucial for facilitating substantive empowerment. This study concentrated on Shariatpur, one of the most disadvantaged areas in Bangladesh. The research undertaken in a limited region of Shariatpur unveiled several results and the constraints of the NGOs, which are elaborated upon in the findings section. In light of these findings, the subsequent recommendations are put up to enhance the efficacy of microcredit programs and foster the comprehensive empowerment of women in the region:

- Government can make collaboration with NGOs at a large scale for the betterment of people of those char areas
- PKSF the organizations of government, need to provide more funding to these local NGOs for people's development.
- There are many areas of Shariatpur where research is not conducted. More research is required in that area to find out about actual problems so that the government can adopt effective policy for this area's development.
- NGOs should increase their education, awareness Program in order to make microcredit effective
- Microcredit is insufficient to transform the fate of women. The patriarchal social structure and social reorientation of society must be altered.
- Microcredit without training is not sustainable. Proper training needs to be provided by NGOs to the poor women that will help them to become self-reliant.

- NGOs should make their rules and regulations more flexible and dynamic for the welfare of people
- NGOs' management committee should appoint experienced, trained personnel as employees of their organization.
- The microcredit regulatory authority and the NGO affairs bureau should play a significant role in eradicating corruption and mismanagement from the NGO sector.

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