

WOMEN AND MICROCREDIT: A STUDY OF
FEMALE INVOLVEMENT IN SMALL
BUSINESS ENTERPRISE

By

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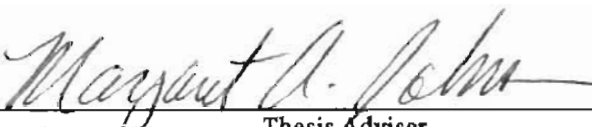
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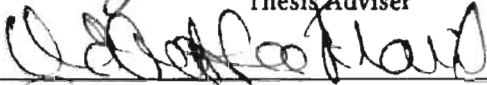
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Submitted to the Faculty of the
Graduate College of the
Oklahoma State University
in partial fulfillment of
the requirements for
the Degree of
MASTER OF SCIENCE
December, 1999

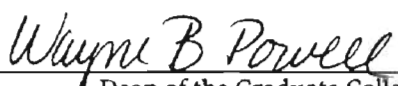
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ACKNOWLEDGEMENTS

This project would not have been complete without the constant support of a lot of people. I want to begin by extending my sincere thanks to all my committee members, Dr. Margaret Johnson, Dr. Robert Maril and Dr. David Knottnerus. I have worked with all of them on different projects and they have been influential in my understanding of the subject – Sociology. Their confidence and faith in me helped me to complete my thesis in the scheduled time and their constructive criticism helped the project take the shape it did. I am especially grateful to Dr. Johnson, my advisor, for the great deal of encouragement she gave me throughout my Masters Program. She has taught me so much and I am grateful for her contributions to this and so many other projects.

This thesis is dedicated to my family. There are no words to express my love and appreciation for my father, mother and brother, who believed in my goals and helped me succeed in whatever I set my mind to. Without them I would not be where I am today. I love you all and think of you often.

I can never thank my fiancé Mukul Krishna enough. He is also my friend, philosopher and guide. He made my coming abroad for graduate studies a reality and has always supported my efforts since I met him eight years ago. His words of praise and encouragement assured me that what I was doing was worthwhile.

Finally, I would like to thank all my friends who prayed for me and stood by me through thick and thin. Dabba, only a lucky few can have friends like you. I want to

especially thank and acknowledge the assistance of Anita Selvaraj and Carol Minton. Also, I am grateful to the staff of the various microcredit agencies who helped me with setting up interviews and all the interviewees who shared their experiences with me.

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CHAPTER ONE

INTRODUCTION

About The Research

This study researches women entrepreneurs. It is an attempt to incorporate gender as an analytical category in the study of entrepreneurship. The purpose of this research is to gain insight into the microcredit experience of women in Oklahoma. It examines the role of microcredit programs in the economic and social empowerment of women by assessing the impact the programs have on low-income women entrepreneurs, their businesses and their families.

The liberal feminist perspective has been employed for this study. Liberal feminism focuses on the institutional barriers to women's participation in economic activity on an equal basis with men. The main thrust of this theoretical perspective is that women face barriers in obtaining the same opportunities and civil rights as men, thus the true potential of many women goes unfulfilled. In addition, women face hurdles that make it difficult to progress economically at the same rate as men. Liberal feminism predicts that as women are given the same opportunities, they will be able to achieve as much as, if not more than men.

Low-income women who want to start or expand their businesses need access to a wide range of resources. Microcredit programs are said to be designed to meet the diverse needs of low-income women. They provide credit as well as technical assistance and training to these women to help start and run their businesses. Thus, the research examines if microcredit programs act as mediating institutions that foster social

and economic capital and assist low-income women in overcoming gender inequality, thus providing them with an alternative route to social mobility.

The data for this research were collected by conducting fourteen in-depth interviews with women entrepreneurs. The sample included women who were clients of microcredit programs and those who were not. This kind of a sample was chosen to assess the benefits for the women clients of microcredit programs.

Background

The first microcredit program started with the establishment of Grameen Bank in Bangladesh in 1983. This bank makes small loans to groups of poor landless borrowers to support their subsistence activities. The Grameen Bank provides the poor an alternative to usurious money lenders by offering landless villagers/farmers small loans collateralized by group accountability rather than tangible assets (Larance, 1998). Individual loans are disbursed to a small group of borrowers who are collectively responsible for loan repayments. The group's joint liability produces both peer pressure and peer support, which encourages prompt payment of loan installments.

Alongside the economic opportunities that the credit provides, some social scientists (Larance, 1998) emphasize the opportunity that members of Grameen Bank have to build "social capital". This is defined as the ability to establish and strengthen networks outside their kinship group and living quarters which then allows microcredit loan members to invest in community resources and build a kind of social wealth not measurable in simple financial terms.

The success of Grameen Bank in poverty alleviation in Bangladesh led to the transfer of the idea to the United States in the 1980s (Johnson, 1998; Ehlers and Main 1998). It was thought that by providing the poor and low-income population in the United States with microcredit and small business training, the problems of poverty and neighborhood deterioration could be combated (Solomon, 1992; Johnson, 1998). The purpose of microcredit programs is to provide credit for business start-ups and expansions to groups that are very poor and have been excluded from traditional financial channels like banks (Servon, 1996; Johnson, 1998).

The loans given by the programs are “micro” as they are less than \$25,000. The start-up costs of a typical small business are only \$4000 to \$5000 (Johnson, 1998, 12).

Johnson (1998) tracing the evolution of microcredit programs in the United States notes that some of the first microcredit programs in the United States were based on the Grameen Bank model. These programs gave credit but usually did not provide extensive training for their members. This has changed dramatically such that now there are several microcredit programs where training is the most crucial aspect and credit is secondary.

Since their establishment in the 1980s, the number of microcredit programs have been on the rise. These programs exist in both rural and urban areas, target diverse populations, and have different criteria for lending.

There have been both ardent promoters of the program as well as detractors. Those who support microcredit programs say that income from self-employment or from the operation of a very small business often is an important part of surviving today as low-income households patch together income from a variety of sources (Spalter-Roth et. al., 1994; Edgcomb, Klien. and Clark, 1996). Microcredit programs provide alternative

mechanisms that reduce the cost of lending credit to a high risk population while providing access to business information and human capital skills, thus, creating opportunities to build productive capabilities and other less tangible resources, such as community networks (Anthony, 1997). The various micro-enterprise programs, therefore, work to create jobs and to increase economic stability of low-income individuals and communities as well as functioning as social training programs, empowering disadvantaged populations to manage their lives better within the constraints of the new economy (Servon, 1996).

On the other hand, critics of microloans suggest that microcredit programs provide insufficient number of loans, the loans are small, and they do not create jobs to serve the disadvantaged populations (Johnson, 1998; Bates and Servon, 1996). Questions have been raised regarding the sustainability and the effectiveness of these programs in the United States and whether the triumph of the Grameen Bank can be replicated in a highly developed country with a different socio-economic environment. Grown and Sebstad (1989) argue that microcredit has not reached large numbers of women, the programs have little impact on occupational structures and wage rates, and lack of credit is always a major constraint. Critics also point out that self-employment often results in long working hours with an increase in unpaid work (Johnson, 1996).

In a paper outlining the basic issues facing microcredit programs in the United States Johnson (1998) provides an argument for why the study of microcredit programs is not only important for policy evaluators and social agencies but also is important from a sociological point of view. According to her in the field of social inequality and mobility, most sociologists have ignored self-employment and small enterprise. The reason being,

theories of economic change under capitalism predicted that small businesses would have high mortality rates with establishment of large monopolies. This is especially true of entrepreneurship among poor, low and moderate-income groups. Of course, the exception is the well-developed literature on immigrant entrepreneurship. This conventional wisdom has however, been challenged by rapid growth of small businesses, especially those started by women and minorities. Therefore, there is a need for a reevaluation of the existing social mobility paradigms. Johnson suggests that microcredit can be studied as a mediating institution that fosters social and economic capital, thus providing an alternative route to social mobility for disadvantaged population.

Research Objectives

This research examines the impact of self-employment and microenterprise programs on the lives of low-income women clients of microcredit programs. It is a study to understand the part played by micro-loans as well as small business training and mentoring available through the microcredit programs on the empowerment of women. Empowerment in the context of microcredit means the ability to develop, use and access individual, social and economic resources to achieve self-sufficiency (Johnson, 1998). This paper assesses if credit availability, training and mentoring is helping women to not only manage their businesses better but also their lives. In other words, the research examines if the programs are able to increase economic options of women as well as achieve outcomes beyond just business funding such as building social capital, networks and other non-quantifiable factors such as increases in self-esteem and confidence.

In a broader context, this study aims at understanding if self-employment through microcredit loan programs provides women an alternative route to social mobility and gives them means to overcome gender inequality in the small business arena that is caused by gender stereotyping and industry sex segregation. Therefore, it adds to the sociological knowledge of social mobility and gender studies.

Theoretical Perspective of the Study

08 (This paper applies a feminist framework to understand women's entrepreneurial activities. The whole project is women centered. Women are the core subjects of the investigation. The project investigates the situations and the experiences of women starting or running microcredit enterprises. It seeks to see the world from the distinctive vantage point of women entrepreneurs.

The research employs a feminist, specifically a liberal feminist, perspective. Liberal feminism rests on the premise that biological sex should not preclude equal rights afforded to individuals in democratic societies, thus men and women should be regarded as essentially the same (Greene, and Greer, 1995). Its main argument has been that female subordination is rooted in a set of customary and legal constraints that block women's entrance and success in the public world (Tong, 1989). "Gender justice, insist liberal feminists, require us, first, to make the rules of the game fair and, second, to make certain that none of the runners in the race for society's goods and services is systematically disadvantaged;..." (Tong, 1989, p.2). The goal of liberal feminism has been the elimination of legal and institutional barriers to women's participation in society. Liberal feminism regards men and women as equal and autonomous individuals,

so the solution to women's lesser achievement is to remove obstacles to their participation especially in education and employment.

Demographic, social, and economic changes have put women in a position that necessitates that they provide for themselves and their families (Servon, 1996). Feminization of poverty and increasing number of female-headed households has created a demand for increased economic options among women. However, access to resources and credit are obstructed along gender lines, and this is more so for low-income women (Spalter-Roth et. al., 1994; Servon, 1996). Servon (1996) cites a study by Barbara Johnson, co-founder of WISE (Women's Initiative for Self-Employment) who conducted a needs analysis of women in the Bay Area in 1986 and found that women of all socio-economic levels sought financial services and capital assistance. Thus, her findings give impetus to the "argument that disenfranchisement from the financial world was not only a socio-economic issue; it was also a gender issue" (Servon, 1996, p.34).

This study is an attempt to assess if microcredit alleviates some of these barriers faced by low-income women in terms of credit availability and knowledge of business skills, in their effort to move ahead both socially and economically based on their talents, skills and willingness to work. Thus, as mentioned earlier, it tries to see if self-employment through microcredit helps low-income women to achieve social and economic empowerment and mobility by overcoming the gender segregation and stereotyping faced by women entrepreneurs.

The entrepreneurial behavior of women is no longer constrained by law. However, they still face institutional and social practices that constrain them. As a result, the number, size, type and scope of women-owned businesses are often less than those owned by men.

The areas where women face maximum institutional barriers are- education, work experience, networks, and access to capital (Greene and Greer, 1995; Loscocco and Robinson, 1991).

Research Questions

The following questions guide the research:

- What are the characteristics of program clients and their businesses?
- What according to the program participants are the factors that motivated them or encouraged them to be micro-enterprise owners?
- What are the barriers that hinder their success as microenterprise owners?
- What impact does the training/credit, given by the micro-credit agency, have on the clients?
- What impact did the decision to be microenterprise owners have on their lives?
- Are microcredit programs a tool for women with agency that want to start or expand a business?

Significance of the Research

Due to the fast growth of microcredit programs throughout the United States as an economic development strategy, it is imperative to take stock of the key issues facing these programs. This study is important not only from a sociological point of view, it could also be important for policy evaluators and social agencies. The majority of the participants of these programs are women who look upon them as an opportunity to

pursue self-employment as an alternative to welfare dependency and a vehicle of social mobility. Therefore, to build a viable program, it is necessary to assess the factors that are likely to contribute to the quality of the training and credit facilities of these programs. Knowing how the program participants perceive their experiences with microcredit can increase the effectiveness of these programs.

CHAPTER TWO

LITERATURE REVIEW

Microcredit Programs

Micro-enterprise loan programs promote self-employment among disadvantaged populations. They target economically disadvantaged and socially marginalized populations by providing training and financing for micro-enterprises. The majority of the participants in these programs are women.

With the absence of stable wage and salary jobs and consumer services in low-income areas, supporters of micro-enterprise argue that self-employment is a strategy that can improve the economic well being of low-income families and promote economic development of women.

Microcredit programs are perceived to be designed in such a way as to provide low-income and poor women with an opportunity to pursue small-scale, self-employment and thus offer an alternative to welfare dependency by promoting self-sufficiency and empowering participants. "Microcredit is empowering because it provides access to credit, usually at market interest rates, for categories of people who previously did not have access. Credit provides capital that allows people to start and grow businesses" (Johnson, 1998, p.13). This growth of business leads to growth of capital and creates wealth.

Almost all microcredit programs in the United States have some amount of its resources devoted to training apart from giving loans (Edgcomb, Klein, and Clark, 1996). While programs have an economic goal (that of providing loans and helping clients to set

up businesses), the training that they provide are said to empower women to manage their lives better. Thus, microcredit programs not only increase the economic options of women, but they use credit and training to achieve individual empowerment.

Women and Small Business Entrepreneurship

As mentioned above, the majority of the clients of microcredit programs are women. Women of all socio-economic levels have need for financial services and capital assistance (Servon, 1996). Also, most women start businesses with lower capital needs (Brush, 1992). Review of literature on women small business entrepreneurs shows that they face several disadvantages both within and outside of the business arena.

The number of women entrepreneurs with small businesses in the United States is on the rise. The Bureau of Labor Statistics reported the number of self-employed women rose by 24% between 1983 and 1993- nearly three times the rate of increase among men (Kadetsky, 1995, p.49). Small business ownership has always attracted disadvantaged populations due to their lack of access to good jobs. Thus, women appear to be opting for the small business arena as a way of escaping labor force disadvantages (Loscocco, Robinson, Hall and Allen, 1991). However, the gross revenues for women-owned firms are substantially less than those of male-owned firms. The data available on women's inability to gain greater parity with men in the small business arena suggest several reasons for the discrepancy.

As in the family, there is sexual division of labor in the job market (Haralambos, 1994). Women-owned businesses are concentrated within traditionally female-dominated fields with lower average business receipts than male-dominated fields. This fits with Oakley's argument (Haralambos, 1994) that the position of women in the family

is reflected in the employment sector. Even within the same industrial subcategories, such as manufacturing, women are concentrated in the specialties that are among the least successful. Women have gained access to these industries as they take up opportunities that are less attractive to men. Women are limited to "business equivalents of the helping professions" (Wojahn, 1986, p.47; Loscocco and Robinson, 1991). Most women are concentrated in service and retail trades. In the service industry they are concentrated in personal services. Thus, women's jobs are often an extension of the domestic role. The greatest proportion of women-owned businesses generate the lowest income (Loscocco and Robinson, 1991).

Another major barrier faced by women is lack of adequate financial and managerial skills to run their business (Humphreys and McClung, 1981; Pellegrino and Reece, 1982; Hisrich and Brush, 1984; Longstreth, Stafford and Mauldin, 1987; Loscocco and Robinson, 1991). This is partly due to gender segregation within the educational and occupational systems that relegates women to non-technical, non-managerial jobs (Hacker, 1979; Cockburn 1983; Loscocco and Robinson, 1991).

Women's relative lack of capital limits the kind of businesses they can open and this partly explains the concentration of women in the service sector that requires low capital investment (Goffee and Scase, 1985). An additional obstacle is represented by the belief held by some lenders and bankers that business ownership is not a socially appropriate role for women (Loscocco and Robinson, 1991). In addition, women are also excluded from networks of information and influence that affects their ability to access federal contracts and subcontracts (Loscocco and Robinson, 1991).

Women face difficulties balancing needs of their firm and families (Longstreth, Stafford and Mauldin, 1987). Married business women are unlikely to receive substantial help from their husbands, unlike male business owners whose wives provide a range of free services for their husbands (Schwartz, 1976; Watkins and Watkins, 1983; Scase and Goffee, 1985; Longstreth, Stafford and Mauldin, 1987; Loscocco and Robinson, 1991).

Paradoxically, some of the very reasons that limit small business success of women are cited as the biggest motivators for women to choose self-employment (Loscocco and Robinson, 1991).

Motivations of women to be entrepreneurs can be divided into push and pull factors. The pull factors are discussed below.

Desire for freedom and autonomy is an important pull factor (Schwartz, 1976; Cromie, 1987). Almost all research on entrepreneurs shows the desire for independence as a motivation to become one's own boss. It is not simply rejection of bosses, which typifies this desire, it is a very strong desire among women to control their own lives. Need for achievement is another big motivator among women. There is pleasure involved in generating resources and successfully launching an enterprise (Schwartz, 1976; Cromie, 1987). The opportunity to earn more money through self-employment is a motivator to start one's own business (Cromie, 1987). However, studies show that on the average earnings are low.

Having one's own business allows flexibility in terms of work hours and work location. Self-employment provides a chance to balance work and family and be able to spend more time with children. A number of studies showed that self-employment is attractive to women because it provided them with flexible hours that allow them to

balance career aspirations and role of mother (Cromie, 1987; Robinson and Loscocco, 1991).

Other pull factors of self-employment are the ability to offer employment to others, greater social status in self employment, acquisition of business skills, and long term desire to be an entrepreneur (Cromie, 1987).

The push factors of entrepreneurship include job dissatisfaction and career dissatisfaction. Many women left their previous jobs to start their own enterprise to increase job satisfaction. Women experienced gender and occupational segregation and glass ceiling effects in previous jobs (Cromie, 1987). Many women had undemanding jobs, and even those in professional and managerial jobs recognized that men filled most senior organizational positions. This motivated them to quit their jobs and to start their own business (Schwartz, 1976; Cromie, 1987).

Thus, research on small business reaffirms the statement made earlier that availability of credit and training is structured along gender lines. Women face both subtle and overt discrimination in the small business sphere. They experience institutional barriers, gender role stereotyping and cultural discrimination that make it difficult for them to start their own business and maintain it. These problems are further compounded for women of low-income families. These women not only have lower levels of education, it is also difficult for them to get loans to start a business. In addition, they are also least likely to have private job training and long years of work experience. Findings suggest that “successful entrepreneurship” requires relatively high levels of education, private job training and many years of work experience (Spalter-Roth et. al., 1994; Greene and Johnson 1995).

Microcredit and Female Small Business Entrepreneurs

Microcredit is said to play an important role in this context. It provides loans to people who want to be self-employed, but cannot get credit through traditional channels, and most programs also provide small business training that develops human capital by increasing the economic literacy of the clients.

Poor entrepreneurial women have a broad and diverse range of needs. Microcredit programs are striving to respond to these needs beyond their strictly economic objectives of providing loans. The majority of low-income women are not equipped to start their business without gaining access to other skills and resources (Johnson, 1998). Activities of microcredit programs involve assisting clients in accessing various government and non-profit services, training, and job placements. Clients receive small business training, assistance in writing business plans and eventually get financing to start their own businesses. These activities have the potential to empower the participants. Starting a business and solving problems for themselves is empowering (Barringer, 1993).

Research shows that income from self-employment contributes to the family's income package rather than supporting the family itself (Barringer, 1993, Spalter- Roth et. al., 1994; Clark, 1995; Servon, 1996). This supplemental income however, may push the family out of poverty and thus, have significant effect in disadvantaged communities. This research also revealed that many of the women's micro-enterprises were in the personal service sector, but running a successful business gave them self-esteem and confidence along with economic rewards. Barringer (1993) writes that increased self-esteem and confidence spills to other parts of the women entrepreneurs' lives, helping them to be more effectively involved with their families as well as their communities. Many of them report improved management of their household finances as they begin to

keep records and segregate business finances from household finances. Thus, apart from business training, these programs are reported as functioning as social training programs, enabling women to manage their lives better and improve it's quality (Spalter-Roth et. al., 1994, Servon, 1996). Economic self-sufficiency is only one set of positive outcomes of these programs, they also provide valuable services and support to women (Servon, 1996).

Spalter-Roth and others (1994) conducted a study to uncover the views of program participants about factors that motivated and encouraged them and factors that hampered their success as micro-enterprise owners. They showed that these women faced almost the same barriers as women entrepreneurs elsewhere as cited in the literature above. They name the following as obstacles (p. 47):

- Lack of financial resources
- Lack of business knowledge or skills
- Lack of time
- Lack of family support
- Lack of confidence.

Apart from these they also mentioned other barriers specific to low income women such as fear of losing welfare benefits or benefit reductions, poor credit history, and lack of access to health services.

The women mentioned the following factors, among others, as catalysts (p. 50):

- Availability of capital (loans)
- Specific individualized forms of training
- Business mentors

- Assistance and follow up courses from training programs.

Microcredit programs are said to generate these catalysts to enable women to have a viable economic alternative. Most microcredit programs through courses, workshops, and individual consulting and mentoring programs attempt to teach basic skills to their clients. They promote both personal and economic development of the clients. Programs also provide access to networks, markets, and information, and they provide possibilities for development of other social and political roles.

Thus, microcredit is said to be a viable means to combat not only poverty and neighborhood deterioration problem but also a tool to battle gender segregation and stereotyping by helping woman to pursue self-employment by providing access to credit and training.

As discussed earlier, self-employment then, can also be an alternative route to social mobility and social change.

A recent article by Ehlers and Main (1998) however, argues that microenterprise is more detrimental and problematic than it is purported to be. Two reasons are isolated. First, gender constraints mean women tend to choose small-scale, undercapitalized, and barely profitable “pink-collar” businesses, largely home-based operations based on work women are already doing as part of their gender-specific role. Second, microenterprise training programs reinforce this business segregation by discounting the sociocultural conditions women bring with them to business and instead emphasizing the personal growth of individuals. The result is that women are encouraged to maintain their economic vulnerability and social peripheralization rather than become part of the mainstream business world.

Mayoux (1997) indicates that automatic benefits to women cannot be assumed even in the most innovative programs. Increased funding from donors has been accompanied by increased pressures to adopt a financial systems approach that prioritizes cost-efficiency and financial stability. This prioritization dilutes the potential contribution to women's empowerment. Adoption of such an approach has led to cutbacks in support services. An overriding concern with repayment pressures groups to exclude those with greatest problems – the very poor. It may also lead to some women repaying the loan by taking other loans elsewhere, thus getting into serious debt.

Bates and Servon (1996) discuss the inability of micro-enterprise loans to create jobs and to revitalize poor communities. They mention that microcredit loans are hardly large enough to finance the type of businesses that could generate many employment opportunities for a significant number of unemployed inner city dwellers. They also say that very few programs primarily serve the “truly disadvantaged”; pressure to control loan losses and to keep the high costs of training down reinforces the tendency to lend to the better-educated more affluent clients. According to them microcredit programs are combating the problem of persistent urban poverty indirectly by focusing on the goals of empowerment, economic literacy, and community organization rather than generating jobs and promoting economic development, and they do more to help those who exist at the margins of the mainstream economy than they do to help those who are completely cut off.

Thus, there is both excitement and skepticism about the power of small loans for businesses of predominately low-income women. Meanwhile, microenterprise programs have continued to proliferate as states and localities attempt to bring new programs to

populations desperate for job opportunities and even more desperate for hope that the American economy can provide the dream of economic security (Edgcomb, Klein, and Clark, 1996). Therefore, it is important work to provide information on the emerging field of microenterprise in the United States.

The entrepreneurship literature reviewed in this chapter fits well with the liberal feminist view. This literature shows that women entrepreneurs of all socio-economic classes face discrimination in terms of educational opportunities, work experience, networks, and access to capital. Historically the laws which constrained women's entrepreneurial behavior have been repealed, but as the push and pull factors of women's self-employment indicate, there are still social and institutional barriers that continue to restrict women's full participation in economic activity on an equal basis with men. The kind of discrimination women now face tends to be subtle, more difficult to identify and more complex, however it is no less effective. There are institutional barriers of custom that can be insidiously effective in proscribing certain activities to either gender. For instance many trades are strongly gendered along traditional lines restraining women from participation in higher paying trades (Greene and Greer, 1995). Liberal feminism predicts the solution to women's lesser achievement would be to remove the obstacles to women's participation in economic activities. This would allow them to move ahead freely based on their talents and willingness to work.

Assessing the arguments about the advantages and disadvantages of microcredit programs from the liberal feminist perspective, these programs are a tool, if not a complete solution, to eradicate institutional barriers faced by women. These programs support at least some women to overcome the obstacles they face in achieving what they

wish for themselves in the financial realm by giving them access to credit and training. Liberal feminism would predict that microfinance may not have the ability to set right the power imbalances and inequalities in the way society treats men and women, but it could make a contribution in that direction. This study tackles this theme and tries to recognize gender issues in microfinance. It attempts to reveal a critical piece of microenterprise story- that of female participants' experience of microcredit programs.

CHAPTER THREE

METHODOLOGY

Choice of the Research Method

Research methods are highly influenced by the nature of the research problem. This study provides an overview of the microcredit experience of low-income women. It is an effort to gain a better understanding about the impact microcredit programs has on women entrepreneurs. Using a framework of liberal feminism, the study was conducted to sort out key questions on the effectiveness of the programs in helping women achieve social and economic empowerment by giving them technical assistance, training and making credit available to them. The research examined if microcredit programs were able to provide a viable economic alternative to women such that they were able to build some sort of social and economic capital for themselves. Keeping in view the exploratory and descriptive nature of the research, a qualitative approach was taken. It was felt that collecting detailed information from a small number of women entrepreneurs would lead to a greater understanding of the dynamics of female entrepreneurship, than quantitative methods would facilitate. Another reason for choosing a qualitative approach is that this is a relatively new area of research, and it would have been difficult to do hypothesis testing, as there are no well-developed theories.

The goal of the research was to understand rather than explain the female microcredit experience. Therefore, I chose in-depth interviews as my main tool to collect

data. In-depth interviews give great insight and do not impose any a priori categorization such as a survey would, limiting the field of inquiry (Neuman, 1997).

Data Collection

The research began by contacting Community Action Agencies in three towns in Oklahoma. These agencies have a microenterprise development program called SEEDS (Self-Employment and Entrepreneurial Development System). The SEEDS programs are designed to assist low income individuals who possess the ability to operate their own businesses, but may not be able to secure traditional financing for new business startups. The SEEDS programs offer small business training to their clients. They also provide individual business counseling, peer support and mentoring to the participants of the program. A person interested in the SEEDS program has to go through several stages from the initial interview stage up to the time he or she gets a loan. These stages include the application process, making a small business plan, review of the plan and submission of the business plan to the loan committee. The agencies have both peer lending and individual lending programs, and they serve both male and female clients.

I used a convenience sampling method to obtain access to women clients in microcredit programs. The SEEDS coordinators of the programs gave me the phone numbers of women who had taken a loan and started a microenterprise as well as women who were in the process of getting a loan to start or expand their business. I contacted these women over the phone, explained the purpose of the interview and scheduled interviews with them. My sample of interviewees also included women small business-owners who were not clients of the SEEDS programs. Their contact numbers were taken from the '1995-1996 Directory of Oklahoma Home-Based Businesses'. They were

interviewed to contrast the experiences of women who were clients of the program and those who were not. This type of comparison was sought to assess the benefits for women clients in the program.

I used a semi-structured interview schedule. It had a basic set of questions that I asked all my respondents, ensuring that all the topics were covered. Some of the questions in the questionnaire were based on the ACCION's survey instrument for clients already in business (Himes and Servon, 1998). The questions were open-ended which gave the interviewees an opportunity to clarify questions that were unclear or ambiguous and to direct the interviews to areas that interested them (however, one has to prevent digression). It also gave me greater flexibility to probe and dwell into the answers. This method provided more opportunities to discover what the responses "really mean" (Haralambos, 1994). Ambiguity in questions and answers can be clarified, thus strengthening the validity of the data (Haralambos, 1994; Neuman, 1997).

The questionnaire consisted of questions on motivations to be a microbusiness owner, barriers to microbusiness owners, training, experiences with the microcredit program, household finances, self-employment and family, and the overall impact of being self-employed.

Questions were simple, short and devoid of jargon. To make the respondents comfortable and to build rapport, the first few questions were generic and non-threatening.

I began the interview with a brief explanation of the purpose of the interview and by requesting a written consent from the respondents.

All the interviews were tape-recorded. I used a miniature tape recorder and held it as inconspicuously as possible. I also took mental notes of such things as surroundings, body gestures, etc. which I jotted down after the interview.

The interviews were scheduled at locations that were most convenient for the respondents. Therefore, they were conducted at home offices of the women clients as well as agency offices and sometimes in a restaurant.

Analysis of Data

The intent of speaking with women small business entrepreneurs was to look for themes about their experiences, that were not isolated but were recurrent. After finishing the interviews, they were compared for presence of similar issues and detailed examples. The method of analytical coding (Neuman, 1997) was used to impose order on the raw data and analyze it. The data was divided into descriptive concepts and categories that were distinct from one another. The emerging themes were evaluated. I analyzed the major patterns and trends that emerged and how they addressed the research questions.

Ethical Issues

The following measures were taken to ensure the safety and privacy of the respondents:

1. Participation of respondents was voluntary; the written consent was taken before the interview. Respondents were informed of the nature of the research for which the data were being collected.

2. The respondents were not asked very personal questions that might cause them mental agony or emotional strain. Utmost care was taken to ensure that the

respondents were not embarrassed or humiliated by the questions being asked. They were also told that they could withhold any information that they did not want to report.

3. The respondents and their interviews were kept confidential. The interviewee's names or any identifying information did not appear on the interview schedule or any written documentation. The interviews were kept confidential in locked files and only the researcher had access to them. Clients whose responses were quoted in the report were given fictitious names. All interviews were destroyed once the study was completed.

4. The respondents were interviewed at a time and place of their choice to minimize inconvenience to them.

5. The respondents and their agencies were informed that the final report would be made available to them whenever they needed it.

Limitations of the Research

Interviews are the best means to collect detailed information in a short time. However, they can pose certain problems of reliability and validity (Haralambos, 1994). This is due to the fact that interviews are interactive situations. The way participants define the situations as well as the social settings in which interviews occur affect the interviews. Variations in the context and interviewer can result in important changes in the information volunteered. There is also concern about the affects the interviewer has on the respondents known as "interviewer bias". To some extent this problem can be countered if the interviewer refrains from offering opinions and avoids expressions of approval or disapproval.

A convenience sample was used to collect the data. The sample of respondents in the research does not constitute a representative sample of all low-income women participants of microcredit programs or all the women entrepreneurs in Oklahoma. Therefore, the conclusions in this report are based on the experiences of women in the sample and cannot be generalized.

There was also agency bias in the sample of respondents interviewed because community action agencies were contacted to get the names and phone numbers of the women clients of microcredit programs. The staff gave references to women who had taken a loan and are now running a successful small business. They also gave names of women who were about to get a microloan, but in spite of several requests they did not provide me with the names of those clients who had dropped out of the program or whose businesses had failed.

The number of female microcredit clients interviewed for this study was also very small to draw any strong conclusions. This was due to the fact that the agencies reported not having many clients in their program because of the increasing employment opportunities in Oklahoma.

There were also limitations of the theoretical perspective used in this study. The liberal feminist perspective is useful in pointing out the persistence of gender inequality in society but its insistence of seeing men and women as equal obscures several ways in which men and women are not same. It does not emphasize the differences in the social-psychological and cultural experiences of men and women.

CHAPTER FOUR

ANALYSIS

This chapter presents the data collected from the fourteen in-depth interviews with women small business entrepreneurs. The analysis begins with presenting the demographic profile of the microentrepreneurs, their motivations for being self-employed, and the barriers they faced in starting and running a business. It describes the options the women entrepreneurs had for financing their businesses. This chapter also presents information collected on their individual and household income, it explores how the women entrepreneurs define their goals, and whether they have been able to reach the goals. It examines what the microenterprises offer individuals, their families, and communities.

The sample included two categories of women entrepreneurs- those who were clients of a microcredit program and those who were not. This was done to better understand the benefits of the microcredit program to women. Therefore, this chapter also includes information on how the women clients perceived the credit and other benefits they gained from the microcredit programs, whether the programs helped the clients to reach their goals and how clients viewed the importance of the microcredit programs in the stabilization and growth of their businesses.

Of the fourteen women entrepreneurs in the sample, two were in the process of obtaining a microcredit loan to open a business. All other twelve women were operating a microenterprise. The sample included eight microcredit clients and six of them were operating microbusinesses.

The following are the results of the interviews with the women who were engaged in small business entrepreneurship. By showing the responses of each group the analysis highlights the differences as well as similarities in the ways in which these women small business entrepreneurs perceive their motivations, barriers and the affect of businesses on their lives. It puts forth how women view their role as a businessperson and how they view their businesses, and define success. The data also tell who the programs were serving and identify the range of results for the participants.

Demographic Characteristics of the Sample

The majority of the women clients of the microcredit program whom I interviewed were members of a minority ethnic group. Out of the eight women interviewed, five were African-Americans, two were Native Americans, and one microentrepreneur was white. In contrast, all the small business women interviewed who were not clients of any microcredit program were white. This racial and ethnic profile could reflect, as suggested in earlier studies (Clark and Kays, 1995), the mission of microcredit programs to serve economically disadvantaged individuals living in poor communities. It may indicate the possibilities that some minorities turn to microcredit programs because they are excluded from other conventional credit or business assistance sources.

All the respondents who were microcredit clients had a minimum of high school education. Two of them had received a vocational certificate from a college, and three of them had a few years in college. This confirms earlier literature on entrepreneurship

which points out that education is one of the key predictors of economic success. All the women who were not clients of the microcredit program had some years of college education. Two reported having graduate degrees, and one had a vocational certificate from a beauty college.

All the respondents, except one, said that they started their businesses because they needed additional income or a job. This shows that some educated people have to turn to self-employment out of economic necessity. It also implies that in the current economy some college education does not guarantee a job that could sustain a family (Servon, 1996).

The ages of women interviewed for this study were generally between twenty and fifty-six. Twelve of the respondents were aged between thirty to forty. Only one respondent was under thirty. Thus, the majority of them reported having previous work skills and work experiences that aided them in running their businesses.

Five women who were clients of the microcredit programs had children under the age of twelve. These women had to provide extensive childcare. This factor influenced many respondents' decision of the kind of businesses they entered. A majority opened day-care centers so that they could combine the role of mother and businesswoman. In contrast, all the women who were not clients of any microcredit program had either no children or had children old enough to look after themselves.

Kinds of Businesses Owned by the Respondents

All of the microcredit clients in the sample were in female-dominated businesses. Three ran home day-care centers, one woman had a commercial day-care center, two

were Mary Kay distributors, one was a cosmetologist, and one made herbal soaps and oils at home. The second category of women entrepreneurs, those who did not participate in microcredit programs, owned varied businesses ranging from skilled services such as information management and running a bed and breakfast to manufacturing candles and air filters for air-conditioners. However, none of them were in wholesale businesses, they were in direct sales and retail businesses. Two women ran hair salons. Businesses by the women in both categories were labor-intensive.

All businesses were completely owned by the women entrepreneurs and thirteen were sole proprietorships. One business was a partnership. Three women who were clients of the microcredit program and two women who were not clients of the microcredit program had employed full or part-time and even quarter-time employees. Thus, their small enterprises had created jobs.

Motivations and Reasons for Choosing Self-Employment

Women entrepreneurs were asked their motivations to be self-employed. Most of the women entrepreneurs in the two categories were motivated by economic needs. Six of the clients of the microcredit programs were female heads of their households. All of them were single mothers because they either had children outside of marriage or were divorced. They had the responsibility of providing for their families. Self-employment was a viable option for these women to make more money when compared to the low paying minimum wage jobs most of them had prior to starting their businesses.

"I want to be financially secure, and support myself and my family. I want to earn more than long hours in a job."

"I was divorced, had a child and myself to support... had not worked for a while, so this was the thing I could do."

The two clients who were married supplemented the earnings of their husbands, who were viewed as the primary wage earners of the family. Women who were clients of microcredit programs had more financial needs than those of the other category. Five of the women who had not approached a microcredit program had other sources of income such as income from a spouse, alimony, or inheritance. Only one woman in this category depended on the business as a sole source of income. Thus, money from the businesses was a supplemental source of income for most of them.

Being their own boss was another important motivation for women entrepreneurs of both categories. Related to this factor are other motivations such as desire to be an entrepreneur, ability to make decisions and sense of independence and control. The entire sample perceived success or failure due to their own efforts.

"I wanted to be an entrepreneur...I am a creative person and always marketed the skills that God gave me...don't give them [skills] away."

"I always wanted to work for myself..."

"...I am my own boss, it is up to me to succeed or fail"

"I like being my own boss,[I] get to do what I want to do when I want to do."

All of them stated that they enjoyed what they are involved in. Most of them had previous skills and experience relevant to their businesses. Self-employment gave them an opportunity to realize their own potential.

"I always felt to be truly happy in whatever you are doing, you got like it, you've got to love it and I enjoy doing hair."

"I love children. Always loved working with children, and since I was twelve years old I have been baby sitting."

"I like working with my hands, I enjoy what I do."

The majority of the businesswomen desired the flexibility offered by self-employment. Mothers of young children, said they needed the flexibility to take care of their families. Controlling where and when they worked allowed them to fulfill multiple responsibilities simultaneously. So, having their own businesses gave them the opportunity to combine their role of mother and entrepreneur. However, the meaning attached to flexibility varied across the sample. For entrepreneurs whose children were older, flexibility meant less stressful work-life and more balance among work, leisure, and family.

"I make the choice...I love the freedom to do what I want to do. I spend more time with my family."

"[I have] flexible hours, I can make my own schedule, cut or increase hours..."

"Being self-employed [I will] make more money and my kids are growing up and they need all the time."

Other reasons for self-employment included dissatisfaction with salaried employment. Many complained about their employers' indifference to their role as a mother, having very long hours for very little pay and lack of growth and promotions.

"[I] had a really, really stressful job. I thought by quitting the job and starting my own, I will add more years to my life."

The Barriers to Self-Employment

Lack of access to financial resources to start and expand their businesses was a primary barrier faced by majority of the respondents in both the categories. They lacked capital to buy supplies in bulk, advertise and to do marketing. Women who had taken a microcredit loan in the sample perceived this to be the biggest problem they faced while

starting their businesses than women entrepreneurs in the other category. This was because clients of microcredit programs in the sample belonged to the low-income or moderate income families, and most were single with no financial support from any other source. The majority of the clients did not have access to any kind of personal or formal business credit. Several of them reported that they could not have started or expanded their businesses without the assistance of microcredit agency.

"First thing is financial, I did not get to order the inventory...my credit is not good, so I could not borrow money to start an inventory."

"It takes money, to make money...I did not have money for inventory."

"...finances...I only had that much money to invest in my business."

"...had financial problems in getting materials for the product, I also need shop front...can't put a sign outside the house and say this is a business..."

"I did not have money to work. I physically built this shop."

For mothers of young children lack of availability of good and affordable childcare was a major obstacle such that they were not able to give as much time to their businesses as they would like. Most of the women entrepreneurs had to juggle their responsibilities of families and home as well as their businesses. All the married women in the sample bore a disproportionate share of household and childcare responsibilities. Findings revealed that women with young children, especially single mothers, experienced the most problems reconciling business and family concerns. They also often had the least financial resources to resolve family and work conflicts. This reflects the dominant notions of femininity and family responsibilities in the United States. Women are still viewed as primary care givers to the family. These findings suggest there has been little alterations in the traditional gender divisions of household labor.

"I have two kids, I do have to work around that...I have to look for a baby-sitter...I contact my customers during lunch hour at work...or at night when my kids go to sleep."

"I have to juggle family with business. This is part of the reason why I started the business at home ...it is difficult to separate business life from family life...it is not easy...it is because of this I did not pursue my business as I should."

Another area of difficulty mentioned by all the women was their lack of business skills. Most had taken some sort of training in book-keeping, advertising and marketing but still found these jobs difficult and tedious. Many of the women in both groups had taken courses at the local vo-tech or community colleges.

"I need business training... I can pretty much handle other things, but advertising is something I don't know and I guess a little bit of marketing."

"I went for the training offered by the agency. They taught us book-keeping, how to start a business, taxes, record keeping and all that, something we need to know."

Other barriers included lack of networks, lack of good credit histories (a problem for women of both categories), difficulty in finding good employees. One of the reasons cited for this by the women was their inability to provide bigger salaries and other fringe benefits to their employees.

"...finding and dealing with co-workers is a big challenge, this [day care] is a very low paying job. You really have to like it to be in it."

"I would like to give benefits to my employees like big corporations but I don't have resources to do that."

Finances for Business

Seven of the microcredit clients interviewed had started their businesses in a small way using either personal savings from a previous job or a loan from a friend or a family member. Loans from the agency were taken either to expand or fully establish their

enterprises. Most clients did not have access to any other kind of credit due to past bankruptcy and credit problems. One client had taken a bank loan, but her relative helped her in showing collateral to the bank. All were also daunted by the paperwork involved in getting a bank loan. Most respondents said that they knew the bank was not an option for them as they would be rejected. Three women entrepreneurs who did not participate in a microcredit program started their businesses using personal funds or by taking loans from friends and family. The other three women in this category received loans from a bank to start their businesses. One of them received it as a personal loan to buy equipment for her business as the bank refused to give her a business loan, and the other respondents admitted that they received loans due to personal contacts with some bank officials.

Several women entrepreneurs in both categories reported incidence of gender bias when they went to the bank for a loan. The respondents gave varied reasons for this. One respondent said that it was difficult to explain her business to a man, another was denied a loan because she did not have a separate credit line from her husband, most had no assets to show as collateral, and one woman said everything she owned was in her husband's name. Some women complained that they were denied loans because their businesses were not seen as stable sources of income.

"Finding a bank that would give me a loan was a challenge, I don't know how many banks I went to...when I found one, it took them several months before they gave a loan."

"I went to one bank and they laughed. In most banks you have to have money to get money or own something to use as collateral. With the microcredit they are there to help and your collateral is what you buy. That was the only way I could go."

"I did go to a bank and discussed it with them and I found out that being self-employed is being unemployed."

"I went to a bank for a loan... I had good credit, I never had a flaw in my credit, my credit record is great. They said I qualified, but they would not give the loan because I was not a powerful man, so I never got to do what I wanted to do that is go wholesale."

"They hand you a book which is the application, it is complicated...but if you don't have anything you don't get anything."

"To sell an idea you need to make a big file...it is a frustrating experience."

Training and Relevant Skills For Business

Two microcredit clients attended the business training provided by the programs. Four women attended business-training courses at local community colleges or at other organizations referred to by the program staff. They deemed the training as very useful. The training taught them bookkeeping, business planning, marketing and advertising. At some programs the training was mandatory, and at others it was elective. Two clients who were awaiting loans said that they would go for training once their loans had been sanctioned. All the programs also offered technical assistance to the business owners.

"I was part of the training program and they just opened my eyes to a lot of things. I know what I want but I really don't know how to get there...my work taught me something but no specifics like marketing."

"I went to the agency training. They taught us bookkeeping, how to start a business, taxes, record keeping and all that...one learned a lot of things you don't know...things we take for granted, but something we need to do."

All of clients had to write a business plan to apply for the loan. The business plan helped all of them to think of their businesses seriously and trained them to plan their finances. They had to do extensive research on their business requirements, costs, target population and market. This helped them to focus their businesses and give them a direction. The interviewees mentioned that it was the most difficult part of the loan

process but in the long run it would be very useful. The staff of the microcredit program helped them whenever they required assistance with the business plan. All admitted that the microcredit staff were very supportive and gave positive reinforcement.

"The program coordinator said he is always phone call away and has been good in getting back with me...the business plan was difficult, [but] it gave me an idea of what I needed but he[program coordinator] was a big help with that, he went over the draft and helped me improve it."

"While doing the business plan I did a lot of research on the competition, product market, the target clients...I hated it, but I think it is necessary...the program staff went over it with me and made the corrections to make it acceptable to the loan committee."

"Doing this three year projection in business plan has kind of set the goals for me...the program coordinator came to my house and gave me an application and told me what I have to do and how, he gave me a lot of hope."

Out of the six interviewees who were not clients of the microcredit program, three had taken business training in the local vo-tech. They viewed this training as very essential to run their businesses.

"I went to the vo-tech classes, they helped me...they taught me how to advertise and how to market that was very helpful...I needed some support and advice as to where I was heading, so I joined the class."

"I felt I needed to attend some business training classes before I started my business."

All women, except one who had never been employed before, reported that previous work skills and experiences aided them in running their businesses.

All the fourteen entrepreneurs chose their businesses because they possessed the skills to make the product or provide the service. Also, the equipment they required for start-up was relatively inexpensive. A market for their services or product was readily available.

Household Finances

Six out of the eight microcredit clients interviewed were sole earners in their families. The microenterprise was the primary source of income for four of them. They used the money they made to pay all the household bills. Two of these six primary earners were employed in full-time jobs. They used the business money to supplement their income from a low paying job. Both reported that once they fully established their businesses they would devote their full attention to them. Two married clients had an additional source of household income from working spouses. They started their businesses to earn more money than they could in salaried jobs. This shows the limited economic opportunities that were open to these women as well as the trend towards growing number of “working poor” in the United States today.

“It means a lot to be able to work for myself. When I was doing a job, I was barely able to take care of my family, I couldn’t pay my bills.”

“Earlier when I was working we lived from pay check to pay check. Now, we will have money in the bank to do something or if we need it for something which comes up.”

The women who were not clients of the microcredit programs had additional sources of income such as income from a spouse, alimony or inheritance. They started their businesses to either supplement their family income or satisfy other desires such as the need to be an entrepreneur. They were not solely dependent on their businesses for subsistence.

Most microentrepreneurs showed an extraordinary will to advance their businesses, therefore, a substantial part of the money earned was reinvested in the

businesses. Some saved the money they earned to put their children through school in the future or to put it into their retirement funds.

Out of the fourteen microentrepreneurs in the sample only five had health insurance. Two clients of the microcredit program had health insurance that was paid for by their husbands or ex-husbands. Three women who did not participate in the microcredit programs had health insurance. This reflects the vulnerable position these women are in. The United States is the only industrialized society that has no government sponsored medical system that provides care for everyone (Garfinkel and McLanahan, 199-). The worst hit in this system are low and moderate income people who cannot pay for the medical care they need.

Effect of Self-Employment on Families

Most interviewees in the two groups of women entrepreneurs said that their income from the businesses played an important role in running the household. This was especially true for clients of microcredit programs. Their earnings helped in improving the quality of their lives.

The entire sample talked about the flexibility to spend time with family or fulfill family responsibilities and not being proscribed by a boss when they needed to take time off for sick children. Respondents' comments offer a critique of conventional employment.

"When you are working under someone, they want you to be there, they don't care if your child is sick or what's going on. Then, I decided the best way to deal with anything that's going is to work for myself because I can always rearrange my schedule."

"Earlier I would be upset, stressed about one thing or other. When you are working for somebody, there is always something. Now I am my own boss and I don't stress myself."

"I had a really, really stressful job. I thought by quitting the job and starting my own, I will be adding more years to my life."

Though some women complained that the long hours of running a business did not leave them with enough time to spend with their families; on the whole women entrepreneurs felt that self-employment was a good alternative to meet family responsibilities.

The Effect of Family on Business

Women who had young children said that they were not able to devote as much time to their businesses as they would want, and it was hampering the growth of their businesses. Thus, these women's additional time allocation to childcare cut into the growth and profits of their businesses. The majority said that there was no impact of family on their businesses, or it was positive in that their family members supported their decision to run a business. Some women recruited family members as employees in their businesses. They considered them to be efficient and trustworthy.

Most of the married women in the sample or those who had boy-friends did not get much help from their partners in running their businesses except some amount of moral support. One entrepreneur in the sample said that she helped her husband to establish his business but did not receive much help from him when she was establishing her business. This shows the existing gender relations within the family.

"Financially he [husband] supports me, but emotionally, morally and at work two out of a scale of ten."

"He decided to do his business two years ago and then I decided to put my business on hold and help him get established... he has no clue what I was wanting to do. He is supportive but he did not help me in work."

Contribution to the Community

All the women entrepreneurs reported that by providing a service through their businesses they were contributing to the community. Five of the women who had hired employees said that they were creating jobs and providing opportunities for those who were in need. But most microenterprises did not employ any employees.

"In the new place that I have bought there will be three stations, I will work on one and rent the other two...There will be two other people in the community who will get work...so that's positive."

"I employ twelve stylists and we are all like a family, we share each others ups and downs."

Some respondents said that the flexibility of their schedule gave them time to work through churches and other organizations for the welfare of the community.

All of them knew that they depended on the community to thrive and therefore through their businesses they tried to be involved in the community. Three women entrepreneurs who were not clients of the microcredit program talked of how they sponsored local football teams or donated their products to United Way and other such organizations to help the community and also to advertise their businesses.

"We do coupons.[We] Donate a lot of hair products to United Way, domestic violence organization and other organizations."

"There are a lot of old people in this area and I and the children in the day care try to do something for them... they allowed me to do this [business]."

Microcredit Programs and Women

Many clients said that they were given hope by the microcredit programs. One lady said that she had announced bankruptcy and had no money to do anything, and at that time she got a loan from a microcredit program. She became a proud owner of her own salon. The fact that microcredit programs did not consider their credit histories, for determining their loans, pleased many. Almost all microcredit clients interviewed had bad credit histories and were not hopeful of getting loans from any other source.

"He [program coordinator] said they will not see my credit report. That gave me a lot of hope."

"The program is there to help you, collateral is what you buy...I had announced bankruptcy few years ago, that was the only way I could go."

Many found the training and one-to-one mentoring by the staff of the programs extremely helpful. The clients benefited from the networks of the agencies with other organizations such as banks and vo-tech schools. Clients benefited from the training sessions and other program meetings as they could interact and learn from each others experiences and could also establish contacts and expand their business circles. Writing a business plan, which was compulsory in all the programs to apply for a loan, was tedious and difficult for all clients. However, it helped them focus and to make a future plan for their businesses. It was during this process that most clients realized that running a business was a serious affair and required a lot of hard work and planning.

"I didn't know what target market was... learned a lot of things writing the business plan. It was educative and a big help financially"

"...working on the three year plan, realized on paper what I needed to do to grow...it was good, you never think of next year and the year after that, doing a business plan made me do that....I also realized what I was not good at."

Training provided them with business skills that were required to run a business. Most women had never run a business nor had they taken any business classes before. The majority of the women learned bookkeeping, advertising, and marketing in the training sessions. They learned business terminology also. All the women who attended the training classes said that they were helpful and resolved the problems they were facing in starting their businesses.

"...training program helped me, it opened my eyes to a lot of things...I knew what I wanted but I really didn't know how to get there...training really helped me."

"One learned a lot of things during the training...taxes, record keeping, things we take for granted, but something we need to do. It was helpful."

Thus, the microcredit programs provided their clients with business education, networks, and access to capital. According to liberal feminists these are the areas where women face maximum institutional barriers which leads to womens' unequal performance in the economic sphere. Microcredit programs were thus helping their clients to overcome these obstacles.

Some of women in the sample who were not clients of the microcredit programs also attended vo-tech for business training. They felt it was necessary to have business skills to run a business apart from knowing how to produce a good or render a service. Two women interviewees who were not clients of microcredit programs were contemplating a microcredit loan as they could not get a small business loan from a bank and did not have substantial personal resources to invest in their businesses.

Most microentrepreneurs showed an extraordinary will to survive and to advance themselves. Many felt the microcredit program was a primary supportive factor. Several of the respondents said that hard work, perseverance, and commitment- characteristics

only they can control were factors for their success. These were facilitated by the microcredit programs' support services.

"They [microcredit programs] give you an opportunity to be all that you can be. They give opportunity and support to get you where you want to be...they give a chance to prove yourself...if you have a good idea, they will see it works and will support you one hundred percent."

Without the microcredit programs most of the clients felt that they would have had to struggle more and settle for less. They would have gone for higher cost financing, or given up their businesses or returned to wage employment or public assistance. Thus, microcredit programs had a positive impact on clients.

"Without the microcredit I probably would not be doing this [small-business] and even if I was it would have taken me a longer time to get established."

"Getting a loan on my own has given me confidence, it [loan] has helped me tremendously, it put me in a situation where I can give employment to others. It helped me get my own store. Without the microcredit I would not be where I am today."

The credit from the programs helped the clients to start, survive difficult times, and enjoy business growth. Those who experienced growth said that the credit helped them achieve higher level of activity in their businesses. Several used the loan as start-up capital or for capital investments that contributed to business growth. They invested the money in acquiring space to establish their businesses or in buying supplies or equipment. Most respondents reported that the credit was small but a tremendous help. Credit also helped many clients to maintain their businesses.

"I think microcredit will build my business, I am positive, with space I can do more, expand my business."

"The loan has given me hope, if it comes through then I will have a more solid footing. My business will be on a stable ground"

For some clients the loan had direct impact on their capacity to work at a higher level by providing them with more working capital. Having supplies on hand helped some microentrepreneurs to take more orders and to do the job more efficiently. Loans facilitated the purchase of small-scale equipment to modernize or improve service sector businesses.

"I need the loan to build an inventory. If I want my business to grow, I need stuff on the shelf. I need loan not to start but to build what I have."

"I needed money to get supplies and get my house in order to start a day-care. I bought storm windows, doors, sleeping mats, toys and special things for little kids."

The crucial financial opportunity and security provided by the loan affected the respondents' personal growth and stability. When the respondents talked of importance of accessing credit they referred not only to the importance of capital, but also to the sense of confidence that they gained from a financial institution believing in them. Getting a loan on their own merit gave the women self-confidence, independence and a sense of financial security. Many women said that they learnt better management of cash flow after completing the loan process itself apart from learning it formally in the training classes. These skills also flowed into other parts of their lives and helped them to plan their and their families' future. All this shows the empowering process of microentrepreneurship.

"I think it will give me more confidence. I tell my husband that I never thought I could write a business plan and then I will get a loan. It already has my self-esteem up."

"You get more confidence and self-esteem that you can do this [running a business]. And being a woman of color I hope to inspire other young women to do better. They don't need to be where they are."

"I have more confidence, I can express myself better...I feel better about myself. I dress up and do what I have to do. Now I am a businesswoman. This is something I could not say before, I was in the work force, now I am a business owner."

"I can see myself grow. I know my self-esteem has increased and when I am better I can effect people better."

A good indicator of the impact of self-employment on women would be to know if the women achieved the goals they had set for themselves. Goals for most women entrepreneurs in the sample were growth of their businesses and success from personal satisfaction for achieving a good business reputation, financial security, independence, the opportunity to learn and work with the public. Starting a business was being successful in itself.

"I wanted my own business and that's what I started out on and I have that, but I have a lot more to go. I am positive it will be a big growing business."

"I wanted to make enough money to support my family, I make enough to make ends meet, but I do believe in next six months I will earn more."

"When I started I wanted a day care center, I did everything to get here. Now I need to plan for the day care I own and bring it to where it should be."

Clients who were yet to start their businesses were hopeful of achieving their goals. Those who had started were happy about what they had but wanted their business to grow further. All the clients were clear of their goals and sure of what they needed for growth of their business. Most clients had growth goals and the ability to achieve them played an important role in personal satisfaction.

Much of the data in this section is similar to earlier findings of other researchers (Clark and Kays, 1995; Himes and Servon, 1998) on the impact of microcredit programs on their clients.

Advantages and Disadvantages of Self-Employment

Below is summary of the emancipatory and restrictive aspects of self-employment as viewed by the women entrepreneurs in the sample. The following were considered to be advantages of having ones own business:

- There was an increase in the independence and control over their lives.
- Self-employment gave them a chance to combine paid work with domestic obligations.
- There was a gain in self-esteem and confidence by being able to run a business, and make all the decisions regarding it.
- Self-employment was an avenue for women to improve the quality of their lives and realize their potential.

The respondents perceived the following as the disadvantages of being self-employed:

- Most businesses were sole proprietorships thus respondents needed to do all the chores themselves. They identified certain tasks such as book-keeping and accounting as undesirable.
- The more the respondents wanted their businesses to grow, the more hours they needed to invest in it which reduced flexibility.

This chapter has given an overview of the data collected from the fourteen in-depth interviews as well as some of the implications of the data. Chapter Five discusses the relevance of the data collected.

CHAPTER FIVE

DISCUSSION AND CONCLUSIONS

The findings in Chapter Four revealed that women continue to face gender discrimination as well as institutional barriers in their participation in economic activities. They also showed women's disproportionate responsibilities for unpaid domestic labor which adds to the burden of women entrepreneurs. This data agrees with the liberal feminist argument that women's entrepreneurial activities are no longer constrained by law, but there are institutional barriers of custom which constrain women's entrepreneurship and forces them to participate in certain kinds of trades which are less lucrative.

Feminization of Poverty

In order to describe the relevance of the data, one needs to first have a brief look at the larger social, economic and demographic changes that have happened in the United States over the past thirty years. These forces contributed to the barriers to women's access to critical resources and limited their participation in the economy. Women small business entrepreneurs are not autonomous and are affected by the economic policies, demographic and cultural changes in the society. They are part and parcel of society.

Since the 1950s one important demographic change has been an increase in female-headed households. Several explanations have been advanced to account for the increase in the mother-only families. The explanations relevant for this study are increase in divorce rates and increase in the number of women who have children out of marriage.

Related to this fact is the increase in the number of absentee fathers who free themselves of the responsibility of looking after their children and default in paying child-care (Hartmann, 1987). Thus, the economic vulnerability of single mothers has grown. Literature shows that households run by single women are more likely to be in poverty than those run by single men. In 1990 there were 3.6 million families maintained by women alone whose income was below the poverty level (Pearce, 1990, p.266). These trends are greater among minorities because the economic opportunities for minorities are even more dismal than those for majority women.

Over the same period of time women's education and labor force participation has increased dramatically, and they are collectively earning more money than before. This increase in earnings is largely due the fact that more women are in the labor force for a greater part of their lives than before. Their average earnings relative to men have only increased during the 1990s (Bianchi and Spain, 1986).

The question that now arises is what are the factors which institutionalize and perpetuate poverty among women. Much of the poverty among women is due to causes that are basically unique to women (Pearce, 1990). The reasons for greater poverty among women as illustrated in literature are:

- Most women have to provide all or most of the support to their children.
- Many families do not receive some or all of the support due to them from the absentee fathers.
- Average income of women is in general less than those of men.
- Mothers of young children encounter serious obstacles to full participation in labor market, due to unavailability of adequate and affordable day care.

- Women are concentrated in small number of jobs which are underpaid.
- There are economic costs of occupational segregation and sexual harassment in jobs which are borne by women alone.
- Finally, government's economic and welfare policies are inadequate and inappropriate for women. Women are subjected to programs which are basically designed for men. Women's additional responsibility for children results in a need for economic and other benefits for child care and health insurance arrangements which are not adequately available. Thus, the welfare system reinforces the disadvantaged position of women in the labor market.

Hence, one can conclude that gender discrimination and bias are at the core of women's poverty (Pearce, 1990).

Discussion

The sample of women entrepreneurs used in this study reflect several of the above mentioned demographic and economic characteristics. Most women clients of the microcredit programs were either from low-income or moderate-income backgrounds and were single mothers. They had the enormous task of looking after their families as well as their own economic needs. Combined with these responsibilities the respondents revealed disturbing trends which operated to keep them in an economically vulnerable position. Several of them stated facing gender bias and segregation in their previous workplaces, most of them were stuck in low-paying and dead-end jobs. The inflexibility of conventional jobs limited the economic participation of women, especially those who were mothers. However, these issues were not unique to only microcredit clients but were

common to most women entrepreneurs in the sample. They were looking for an avenue to escape discrimination and to combine domestic work with earning activities.

Self-employment was attractive to these women due to their wish to balance their household responsibilities along with work. Women, especially those who belonged to low and moderate income families, chose it as route to escape the constraints and discrimination of traditional work and as a means to upward mobility and empowerment.

Almost all the women in the sample faced difficulties in establishing and maintaining their businesses. The issues these women raised during the interview such as lack of capital, obstacles in getting loans from traditional sources such as banks, lack of business skills and difficulty in balancing needs of their family and work fits well with the literature review done in Chapter Two on women entrepreneurs. These barriers were further accentuated for the clients of microcredit programs due their class and social positions. They belonged to low to moderate-income families and were single parents. Most would not have been self-employed without the help of the credit and training provided by microcredit programs.

The impact of the microcredit program can be assessed only when we keep in mind the kind of options that are available to the population in question. It has been discussed several times in this study that availability of credit is important for both the survival and the growth of microenterprises. Seven of the eight clients who went to a microcredit program in the sample did not have access to any kind of personal and business loan. Past bankruptcy or credit problems were the obstacles. Of all the clients interviewed only two approached a bank for capital. One was rejected and other required a family member to show collateral. The rest did not even try to apply for a bank loan and

gave explicit reasons for that (bad credit histories, lack of collateral, and gender bias). Thus, for women who did not have access to credit elsewhere the microcredit programs represented an opportunity.

The range of uses to which microcredit loans were put to shows the breadth of needs microloans can fulfill. The loan money was used by the women not only to get their businesses started but also for financing capital investments, to maintain their businesses at a steady level and as working capital.

All clients believed that the microcredit programs helped them personally, beyond just direct financial investments. The financial opportunity that these programs offered lead to personal growth of these women. The respondents mentioned that being able to get a loan and run a business gave them a sense of independence and self-confidence.

The process of applying for a loan, writing a business plan, the one-on-one technical assistance provided by the loan officers, and the training provided by the microcredit programs on various topics of business development were all seen as vehicles of economic literacy by the women entrepreneurs. All the eight clients talked about the programs helping them to plan and manage their finances better.

Six clients mentioned the benefit of networking with other clients of the program and being able to learn about resources in their community as the program staff referred them to other agencies that could help them.

The clients definition of success was not purely in monetary terms, they drew pride from the fact that they could establish a business against all odds and were able to provide for their families needs. Self-employment for them reflected a chance to carve out an alternative to combine work and family arrangements. These women felt they were

able to improve their work situations along several dimensions of flexibility, work quality, and achievement.

One can see from the results of the data that microenterprise programs are empowered women through their training and credit services. Due to the changed economic, demographic and social scenario more and more women are finding themselves in the situation where they have to provide for themselves and their families. Along with this there is gender-based discrimination in mainstream organizations and persistence of disfranchisement of women from the financial world. These together create a need for innovative strategies to combat the situation.

Microcredit programs through their services are empowering women by increasing their range of economic options and by developing human capital through economic literacy and training in business skills. Provision of credit and training opens one more route to self-sufficiency and education for women through self-employment. The programs are enabling their clients to use their individual talents and resources as well as access economic sources to achieve financial independence and social mobility. They offer women an opportunity to choose a path they deem best for themselves and their families.

Looking at the entire data from the liberal feminist perspective one can see that women receive less material resources, power, and opportunities for self-actualization than do men. Women entrepreneurs in both categories of the sample faced social, institutional and cultural barriers in their economic participation and advancement. Societal organizations restrict women's access to public sphere and burden them with private sphere responsibilities. American society gives rights and freedom to women

which are constitutionally supported, however, equal opportunity is limited by tradition, convention and unsubstantiated prejudice against them. In this context, microcredit programs are providing women with an opportunity to choose a lifestyle most suitable to them and to develop equal economic opportunities.

There have been several criticisms of the programs. Critiques argue that microcredit programs encourage women to be in “pink collar businesses” which are undercapitalized and small-scale (Ehlers and Main, 1998). It has also been pointed out that the loans are not big enough to finance the kind of businesses which can generate many jobs (Bates and Servon, 1996). These criticisms are true, the data shows that all microcredit clients are in female-dominated businesses, and only three out of the eight clients interviewed had employed part-time or quarter-time employees. However, one needs to see how these programs are helping at least some women to overcome poverty and attain some amount of economic self-sufficiency. Women may also have other agendas which could help them, apart from having a big enterprise. Microcredit is helpful in a scenario where employment opportunities are few for women in low and moderate-income categories. Within the constraints of our present economy and society where men and women are situated unequally, microcredit support services are critical and empower some women by increasing their economic options. Although many of the businesses run by women are sole proprietorships with a single employee, they give women the power to create opportunities for themselves outside of larger, male-dominated economy (). To evaluate the programs fairly one needs to look at the broader range of outcomes that these programs are producing, such as rise in self-esteem, confidence and family stability as well as the outcomes the clients themselves are expecting from their businesses.

Qualitative indicators may not reflect economic development but they do help women to achieve control over their lives. Also, literature on self-employed women shows there is more sex segregation there than in salaried and wage employment (Wharton, 1989). Therefore, there is no reason to expect that microenterprises will be less sex segregated.

Another criticism has been that microfinance programs do not have the ability to right the power imbalances which results from inequalities in the way society treats men and women (Johnson, 1999). I agree with this. These programs by themselves are not revolutionizing the gender structure, but they are helping individual women to deal with the double bind they find themselves in, which consists of trying to fulfill both economic and household duties (Servon, 1996). It is giving a practical alternative to women who are working hard to meet their responsibilities.

Microcredit programs provide a means for self-actualization within the constraints or opportunities of the situations in which women find themselves. Women still bear the private sphere responsibilities (Ritzer, 1996), but by combining the private with the public sphere, the microbusinesses run by these women clients are giving them an opportunity to reap the rewards of social life- money, status, power, freedom, opportunities for growth and self-worth that are found in the public sphere.

Liberal feminist outlook on this matter would be that at a micro or individual level, the programs are enabling some women to combat poverty and obstacles to economic advancement thus, they are helping them to strive for upward social mobility. They allow some women to be free as entrepreneurs and move ahead based on their talent, skill and willingness to work. These programs represent a choice for women and an opportunity for equality and social mobility. If we look at the macro picture however,

the programs are not changing societal attitudes towards women entrepreneurs and women at large. They can only be “stop gap measures that help to alleviate current stress” (Servon, 1996, p. 49).

Hence, I conclude that microcredit programs are not the panacea to poverty and gender biases but definitely an effective tool to combat it for some women. To eliminate gender inequality and to have ideal gender arrangements there is a need to mobilize changes, over long term, at the highest levels in the existing social, political and economic channels in the world.

Future Research

The present research is based on the analysis of an existing client base of the microcredit programs. It is a descriptive study of a small sample of microcredit clients who were referred to me by the program staff. I did not have access to clients who had dropped out of the program or who did not start a business after training. Therefore, the conclusions in this paper regarding the impact of microcredit programs and microbusiness ownership on women are limited in their validity.

Qualitative outcomes such as self-esteem, confidence, empowerment are difficult to identify and document and become evident only over a long period of time. Therefore, a longitudinal study of the impact of microcredit programs on the lives of women entrepreneurs using a national sample could be undertaken in the future to produce more valid results.

It is also important to collect data on the clients who choose to leave the program or who graduate from them. This would help determine if the impact of the programs

extend beyond the active participation in the programs. This information could be crucial for microcredit agencies to determine the effectiveness of their programs.

The liberal feminist analysis of experiences of female entrepreneurs and the impact of microcredit on them is useful in pointing out the persistence of institutional barriers to gender equality. However, its insistence of seeing both genders as “same” obscures ways in which they are not “same”, for example in the area of balance between domestic labor and work (Greene and Greer, 1995). For a more comprehensive analysis of gendered division of labor one needs to turn to Marxist feminism.

There are several feminist theories which can be used to study female entrepreneurship. Radical feminism which is embedded in the theme that men and women are essentially different, gives a varied viewpoint on female entrepreneurship. There are other feminist thoughts such as psychoanalytic feminism which attempts to explain patriarchy in society by using theories of Freud and others who follow his line of thought (Ritzer, 1996).

Liberal feminism therefore is only one perspective to study women entrepreneurs. Future studies could apply other feminist thoughts to examine the impact of microcredit programs on women entrepreneurship. One can also utilize an integrative perspective of various feminist theories to get a more thorough and holistic picture of microcredit and its impact on female entrepreneurs and their businesses.

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APPENDIXES

APPENDIX A

Consent to Participate in Research

This interview is being done as part of an investigation entitled "Women And Microcredit: A Study Of Female Involvement In Small-Business Enterprise" to understand the impact of microcredit on the lives of women participants. By participating in this research, you will help in an effort to gain better understanding of the impact of the microcredit programs on women entrepreneurs, their businesses, and their families.

The interview will last for approximately 45 minutes and will be tape-recorded. Your names and any identifying information will be kept confidential and will not appear on the interview schedule or any written documentation or materials used for presentation or publication. You may be contacted again at a later date for a follow-up interview. At that point you can decide if you would like to participate further.

Your participation in this study is voluntary, there is no penalty for refusal to participate, and you are free to withdraw your consent and participation in this project at any time without penalty or loss of benefits after notifying the project director.

You may contact Dr. Margaret Johnson at (405)744-7558 or Uma Akella at (405)744-6105 should you wish further information. You may also contact Gay Clarkson IRB Executive Secretary, 203 Whitehurst, Oklahoma State University, Stillwater, OK 74078 at (405)744-5700.

I have read and fully understood this consent form. I sign it freely and voluntarily. A copy has been given to me.

Date _____ Time _____ (am/pm)

Signed _____

I certify that I have personally explained all elements of this form to the subject before requesting the subject to sign it.

Signed _____
(project director or her authorized representative)

Printed name Dr. Margaret Johnson Umasundari Akella _____
(project director) (authorized representative)

APPENDIX B

Questionnaire Used For Respondents Who Were Microcredit Clients

MOTIVATIONS TO BE MICRO-BUSINESS OWNER

1. What motivated you to go into business for yourself?
2. What kind of business do you currently own?
3. Is this your first business, have you been self-employed in the past?
4. What do you expect to get out of your business? [PROBE: What rewards do you expect]
5. What do you like best about being in business?
6. Has your business grown over the past few months?
7. What are the factors that contributed to the growth of your business?

BARRIERS TO MICRO-BUSINESS OWNERSHIP

1. What do you like least about having your business?
2. What barriers did you face to start your own business?
3. What are the factors that are hampering your success as micro- enterprise owner?
[PROBE: What are the obstacles to the growth of your business]
4. What disadvantages did you face a women entrepreneur?

TRAINING

1. Where did you learn the relevant skills to run your business?
2. Did you attend any training classes?
3. What did you learn in the training sessions?
4. What way did training help?
5. Is there any way training can be improved?

EXPERIENCE WITH MICROCREDIT

1. Why did you go to SEEDS originally?
2. Tell me the process of your first SEEDS loan?
3. How big was the loan?
4. What did you use it for?
5. Do you plan to apply for more loans?
6. What will you use them for?
7. Did you go anywhere else for a loan? (Bank, SBA, family, friends)
8. What was your experience?
9. How has your participation in SEEDS affected your business?
10. Has the participation in SEEDS affected other parts of your life? [PROBE: Involvement in the community, family, employment experience]

HOUSEHOLD FINANCES

1. Do you have any other sources of income?[PROBE: work for wages, self-employment activity, public assistance, other HH members]
2. What part does your business play in your financial situation?

3. How satisfied are you with the amount of money you are making with your business?
4. What do you do with the money you make with your business? [PROBE: Reinvest in business, use it to pay bills, save for another purpose]

SELF-EMPLOYMENT AND FAMILY

1. In what way does your family contribute to your business? [PROBE: provide labor, moral support, financial contribution]
2. How much help do you get from your spouse?
3. Do your children help?
4. How has your business affected your family life?
5. In which ways does your family affect your business?

OVERALL IMPACT OF BEING SELF-EMPLOYED

1. Overall, have you been able to achieve the goals you set out to achieve when you started your business?
2. Why or why not?
3. In what ways do you think having a business has made a difference in your life?
4. In your opinion what are the ingredients a small businessperson needs in order to be successful?
5. How would you sum up your experiences?
6. If you needed to give advice to someone like you who was thinking about going into business, what would you tell them?
7. Is there any thing you want to add?

PERSONAL AND FAMILY CHARACTERISTICS

1. Name
2. Age
3. Race
4. What is your marital status?
5. How many children do you have?
6. Do you have any kind of work related disability?
7. Do you have health insurance?
If yes, where does it come from?
8. Do you have a bank account?
9. What kind of bank account do you have?

If there is anything you would like to tell me or add you can leave a message for me at 405-744-6105.

Thank you very much for you participation. I very much appreciate your willingness to meet with me and talk about your situation.

APPENDIX C

Questionnaire Used For Respondents Who Were Not Microcredit Clients

MOTIVATIONS TO BE MICRO-BUSINESS OWNER

1. What motivated you to go into business for yourself?
2. What kind of business do you currently own?
3. Is this your first business, have you been self-employed in the past?
4. What do you expect to get out of your business? [PROBE: What rewards do you expect]
5. What do you like best about being in business?
6. Has your business grown over the past few months?
7. What are the factors that contributed to the growth of your business?

BARRIERS TO MICRO-BUSINESS OWNERSHIP

1. What do you like least about having your business?
2. What barriers did you face to start your own business?
3. What are the factors that are hampering your success as micro- enterprise owner?
[PROBE: What are the obstacles to the growth of your business]
4. What disadvantages did you face a women entrepreneur?

TRAINING

1. Where did you learn the relevant skills to run your business?
2. Did you attend any training classes?
3. What did you learn in the training sessions?
4. What way did training help?
5. Is there any way training can be improved?

FINANCES FOR BUSINESS

1. Where did you get start up finances for your business?
2. In case you have taken a loan, where did you get it from? (Bank, SBA, family, friends)
3. How big was the loan?
4. What did you use it for?
5. Do you plan to take for more loans?
6. What will you use them for?
7. Did you go anywhere else for a loan? What was your experience?

HOUSEHOLD FINANCES

1. Do you have any other sources of income?[PROBE: work for wages, self-employment activity, public assistance, other HH members]
2. What part does your business play in your financial situation?
3. How satisfied are you with the amount of money you are making with your business?
4. What do you do with the money you make with your business? [PROBE: Reinvest in business, use it to pay bills, save for another purpose]

SELF-EMPLOYMENT AND FAMILY

1. In what way does your family contribute to your business? [PROBE: provide labor, moral support, financial contribution]
2. How much help do you get from your spouse?
3. Do your children help?
4. How has your business affected your family life?
5. In which ways does your family affect your business?

OVERALL IMPACT OF BEING SELF-EMPLOYED

1. Overall, have you been able to achieve the goals you set out to achieve when you started your business?
2. Why or why not?
3. In what ways do you think having a business has made a difference in your life?
4. In your opinion what are the ingredients a small businessperson needs in order to be successful?
5. How would you sum up your experiences?
6. If you needed to give advice to someone like you who was thinking about going into business, what would you tell them?
7. Is there anything you want to add?

PERSONAL AND FAMILY CHARACTERISTICS

1. Name
2. Age
3. Race
4. What is your marital status?
5. How many children do you have?
6. Do you have any kind of work related disability?
7. Do you have health insurance?
If yes, where does it come from?
8. Do you have a bank account?
9. What kind of bank account do you have?

If there is anything you would like to tell me or add you can leave a message for me at 405-744-6105.

Thank you very much for your participation. I very much appreciate your willingness to meet with me and talk about your situation.

APPENDIX D

IRB Approval Form

OKLAHOMA STATE UNIVERSITY INSTITUTIONAL REVIEW BOARD

DATE: 11-24-98

IRB #: AS-99-021

Proposal Title: WOMEN AND MICROCREDIT: A STUDY OF FEMALE
INVOLVEMENT IN SMALL BUSINESS ENTERPRISE

Principal Investigator(s): Margaret Johnson, Umasundari S. Akella

Reviewed and Processed as: Expedited

Approval Status Recommended by Reviewer(s): Approved

Signature:



Date: December 3, 1998

Carol Olson, Director of University Research Compliance
cc: Umasundari S. Akella

Approvals are valid for one calendar year, after which time a request for continuation must be submitted. Any modification to the research project approved by the IRB must be submitted for approval. Approved projects are subject to monitoring by the IRB. Expedited and exempt projects may be reviewed by the full Institutional Review Board.

VITA

Umasundari Srivenkata Akella

Candidate for the Degree of

Master of Science

Thesis : WOMEN AND MICROCREDIT : A STUDY OF FEMALE
INVOLVEMENT IN SMALL BUSINESS ENTERPRISE

Major Field : Sociology

Biographical :

Education : Graduated from Mater Dei High School, New Delhi, India in June 1991; received Bachelor of Art(Honors) degree in Sociology from Miranda House College, University of Delhi, New Delhi, India in August 1994; received Master of Art degree in Sociology from Delhi School of Economics, University of Delhi, New Delhi, India in July 1996. Completed the requirements for the Master of Science degree with a major in Sociology at Oklahoma State University in December 1999.

Experience : Employed by Oklahoma State University, Department of Sociology as a graduate research and teaching assistant; Oklahoma State University, Department of Sociology, 1997 to present.

Professional Memberships : Alpha Kappa Delta, International Sociology Honor Society; Mid-South Sociological Association.