

TO THE CHAPTER ONE : BACKGROUND STUDY

This study focuses on women's perceptions on microfinance and empowerment using Thrive Microfinance as a study. The chapter focuses on providing, among others, the background information to the problem statement, aim of the study, and will furnish the objectives of the study, research questions, and the significance of the study. This will help the researcher in creating a strong foundation for the study and in setting the stride for the subsequent chapters.

The need to reduce poverty brought about the empowerment discourse in the global arena as an attempt to bring about sustainable development in the developing countries (Brown, 2011). The growing concern of poverty reduction and development brought the alignment of the two that saw the emergence of Millennium Development Goals (MDGs), towards eradicating poverty, hunger, and promoting gender equality as part of the strategy of resolving issues of poverty using empowerment (UN, 2008). The attention that was offered to empowerment as poverty reduction strategy had been fuelled by the Women in Development theoretical approach (WID) that advocated for the empowerment of women as part of the global development agenda (Brown 2011). The empowerment brought about by WID removed the domestication of women bringing them into the public domain.

This stimulated global interest hence the mushrooming of microfinance institutions with the goal of reducing poverty through lending money to the impoverished and marginalised groups of society. As global statistics indicated in 2008, nearly 1.4 billion people were living in extreme poverty and with the majority being women, hence a global inclination towards women empowerment to decrease the feminisation of poverty (United Nations, 2008). The World Bank and Organisation for Economic Cooperation for Development acknowledged the need for financial inclusion of women for economic growth and poverty reduction (World Bank, 2010). The global financial inclusion database indicated that worldwide, 87 percent of women had a bank account at a formal institution in developed nations compared to 37 percent in developing nations (Global Findex, 2011).

In Zimbabwe the issues of poverty started to creep in with the introduction of the Structural Adjustment Programmes (ESAP) in the year 1992 that had been perpetuated by the need for economic growth and was pushed through as a precondition for financial aid and loans (Kaseke, 2000). This saw many Zimbabweans losing their jobs and a social development fund being put in place to cushion those that had been retrenched and provide business training that could enable opening of micro-businesses (Kaseke, 2000). However, the social development fund failed to cushion the people hence more private microfinance entities started to emerge to help in the provision of loans.

Mhlanga (2020) observes how ESAP in Zimbabwe brought about unemployment and austerity measures leading to the savings and lending schemes to empower women and households. As the economic hardships started to increase with each passing year and with the hyperinflation in 2008, most business lost their money that they had invested and had to start afresh, hence the opening of private microfinance firms like Thrive to help in the provision of loans that could help empower women as women consist of 51, 9 percent of 13, 2 million of the Zimbabwean population (ZIMSTATS, 2016). Despite the efforts that have been made by organisations like Thrive Microfinance in providing loans and training women in business in a bid to curb poverty, women still lag behind in terms of substantial participation economically, political and socially on the national discourse hence bringing out the need to look into the multidimensional aspects of empowerment and not centre on economic resources as the drive to successful empowerment of women but also to focus on the social factors that can affect women and hear what the women have to say about their own empowerment (Brown, 2011). Thus, the study seeks to critically examine women's perceptions on Thrive Microfinance as a case study of looking into social aspects of empowerment of women that can enhance participation and ensure engagement.

Thrive microfinance is an independent organisation that was established in 2012 by Henry Bartram. The organisation operates on the basis of sustainability hence is not dependent on third parties (Thrive Report, 2018). The organisations centres on providing income for women and has unique lending approach called house of poverty assessment tool. The organisation

provides many services to women that include business training, group loans, school fees loan, micro housing loans, and micro enterprises loans (Thrive Report, 2018). The organisation currently supports 400 groups especially those that are marginalised and involved in micro business. The organisation is one of the best microfinance institutes supporting women and award winning of national microfinance excellence and yet the organisation has 67 percent poverty outreach thus the study seeks to enhance more participation by engaging women through seeking their perception of the microfinance institute and empowerment in order capture the social aspect of empowerment that enhance participation and development (Thrive Progress Report, 2019). The organisation was chosen for its wide coverage of women in micro business hence influential.

Despite numerous research conducted on microfinance and women empowerment and the various legislation in place, women still remain impoverished and marginalised (National Financial Inclusion Strategy, 2016). Several efforts have been put in place to empower women, particularly on the economic side of life, yet women remain disenfranchised (Brown 2011). Gender equality literature and research available in the corpus of the foregoing indicate that women constitute an untapped economic resource, given that women are provided with much-needed resources, they can be able to redefine society and even socio-economic development can be realised. Moreover, the Millennium Development Goals (MDGs), emphasised women empowerment. Even the current Sustainable Development Goals (SDGs), have a strong thrust towards women empowerment. Governments throughout the world have begun providing empowerment opportunities to women through several initiatives, one of which is the use of Microfinance institutions to provide business capital to women. However, in most of the empowerment programs women's perceptions have often been overlooked thus the study will investigate the perceptions of women in light of Thrive Microfinance and empowerment.

This study aims to explore women's perceptions on Thrive Microfinance and its contribution towards women empowerment. The specific objectives are:

1. To explore the perceptions of women towards Thrive Microfinance lending service;

2. To understand women's expectations of Thrive Microfinance;
3. To examine women's views about the potential impacts of Thrive Microfinance on women's empowerment;
4. Women's recommendations for the organisation.

The guiding research questions are:

1. How do women perceive Thrive Microfinance and women empowerment?
2. What are women expectations of Thrive Microfinance?
3. How do women perceive Thrive Microfinance potential impact in their lives?
4. What are women's recommendations for the organisation?

The research may enhance women's participation in the economic sector as the research will bring about not only awareness of Thrive Microfinance but also women perspectives that can help in improving women engagement. This will also enable women's voices to be heard on programmes that affect them hence critical. The research will enable Thrive Microfinance to adjust its systems in a way that is more accommodative for women based on their perceptions about the institution hence marketing the organisation and also increasing awareness of the organisation. The study will foster a social perspective of looking into empowerment of women contrary to economic empowerment that has been used to detect programs and policy hence developmental. Thus as a holistic approach to empowerment will now be the main focus not blinkered financial paradigm to empowerment and microfinance programs as supported by (Kabeer, 2000). The study will increase the knowledge base for social workers on women empowerment and Microfinance from a social work perspective that will also encompass perceptions of women involved that is a new dimension to which previous studies had not done. Hence upholding social work ethical responsibility to the social work profession of evaluation and research that states that social workers should conduct research that contribute to the development of knowledge (NASW, 2013).

This chapter has focused on the background of women empowerment and Microfinance in relation to the study of women's perceptions on Thrive

Microfinance and empowerment. The chapter has also focussed on the problem statement, the aim, objectives, and significance of the study, research questions and assumptions of the study. The next chapter reviewed literature related to the study.