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Impact of Access to Credit on Ability to Generate and Control Income among Women in Teso South Sub County, Busia County

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Abstract*; Over KES, 100 million has been disbursed by the Kenyan government through UwezoFund, Youth Enterprise Development Fund, and Women Enterprise Fund in Teso South Sub County to avail credit to women. The funds are meant to support entrepreneurial activities and household needs. Out of 154 million disbursed by the Uwezo Fund since 2014, 100 million remained unrecovered as of 2019, suggesting that most of the beneficiaries of financial support through these programs in Busia County have been struggling to service or repay the support availed to them which also suggests that they are barely well off despite receiving the support. This raises a concern over the impact of credit access among women in the region. This study assessed the impact of access to credit on generation and control of income inTeso South Sub County, Busia County. The study was conducted using a mixed research approach powered by non-experimental cross-sectional research design. Data was collected through structured questionnaires issued to 396 participants comprising of both recipients and non-recipients of credit support in the Sub County and was analysed through the Mann-Whitney U tests to explore statistical differences between the mean of the two groups. This study showed that women who access credit are more likely to establish occupations that are independent of their spouses, run independent businesses, and play a determining role in household expenditure. The study recommends the government to rethink its approach to affirmative action funds to ensure that they can meet their objectives because most women still rely on banking institutions for their credit needs.*

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I. Introduction

Women in developing countries such as African countries have been facing a host of challenges from ancient times. Some are subjected to early, forced marriages, limited access to education, discrimination, domestic violence, and denial in property ownership besides a stereotypical subjection to the male gender (Denizmen, 2014; Deere & De Leal, 2014). Most of these challenges are rooted in a lack of freedom among women to make decisions on an array of issues such as economic affairs, which makes them subject to the male gender and indiscriminate victims of such issues (Denizmen, 2014). Empowering women economically can therefore be a safe avenue of making them less dependent on men and hence eliminate the resultant discriminatory tendencies. Researchers and gender practitioners have therefore been championing for provision of programs through which women can be empowered (Awojobi, 2014; Hughes et al., 2015). Global organizations such as the World Bank (WB), United Nations (UN), United States Aid (USAID), United Kingdom Aid (UKAID), and World Economic Forum (Weforum) in liaison with governments around the world have been launching financial empowerment programs in a bid to actualize the desired outcome of women empowerment (Bedford, 2009; Ferguson, 2011; Denizmen, 2014). Empowerment programs are focused on improving health outcomes, education, employability, skills, and income-control among women. The goal is to provide women with control over their individual lives (Cornwall, 2016), bringing them together in the process of making decisions (Rahman, 2013), and equipping them with an ability to make strategic choices for their lives (Kabeer, 2005). Women empowerment also aims at eliminating the traditional and stereotypical marginalization of women, which positions them as subject to the control of men in different capacities (Cornwall, 2015).

While lack of economic freedom is the foundational motivation for the push for easy financial access to women, other motivations are because most women are less confident concerning financial affairs, the reason they leave such affairs to their husbands (Denizmen, 2014). Women have also been subjected to stereotypes and social prejudices concerning handling money and some do believe they lack the capability to manage finances (Allianz Insurance, 2013). In a survey conducted in 2013, 42 percent of the women indicated a belief that financially independent women were intimidating to their men, while 90 percent believed that their inclusion in financial planning was vital (Allianz Insurance, 2013). Further, women constitute a large proportion of the world poor approximated at 70 percent; illiteracy levels are higher among women than it is among men making them to lack the relevant set of skills, which holds them back from pursuing certain jobs when opportunities arise (Jain & Jain, 2012). Overcoming such challenges is viewed as a vitality for world economies to move to the next phase of economic development. A popular way through which women are being empowered is through credit facilities from microfinance institutions (MFIs).

Kenya's effort towards empowering women did not begin with the promulgation of the new constitution but rather with different programs designed to uplift women in the country (National Gender and Equality Commission (NGEC), 2017). In 2007, the government launched the Women Enterprise Fund (WEF), which is a semi-autonomous agency under the ministry of youths and gender affairs (Women Enterprise Fund, 2013). The organization provides affordable credit services to women to enable them to start or expand their business (Women Enterprise Fund, 2013). Tens of women-led organizations around Kenya have differently benefited from WEF through loan facilities as high as KES 500,000 (Women Enterprise Fund, 2013).

Women in Busia County as part of Western Kenya face different challenges including underrepresentation in community decision making, economic challenges, less access to education, and inadequate employment. Some of the economic challenges faced by women in Busia County include lack of or poor income, difficulties in acquiring and owning property, low productivity and unemployment (Oduya, 2016). The main repercussion of these challenges is that they keep a substantial number of women at the mercies of the males in their lives for sustenance support. Busia County has been a recipient of the services offered by the national programs for youths and women. In 2016, the county benefitted from the Ngazi Youth Empowerment Project funded by the Ministry of Foreign Affairs of Finland in liaison with the African Centre for Women Information and Communication Technology (ACWICT) (Oduya, 2016). The project was aimed at equipping school dropouts with skills and knowledge that would assist them in pursuing better paying jobs (Oduya, 2016).

Several studies have attempted to explore whether credit facilities achieved the goal of women empowerment as desired (Kratzer& Kato, 2013; Zoynul&Fahmida, 2013; Nilakantan et al., 2013; Ndwiga, Mwaura, &Karugu, 2017). Kratzer and Kato (2013) found that women with access to microcredit facilities in Tanzania had more control over their savings and business income than women who did not participate in the facilities. On the contrary, Nilakantan et al. (2013) did not attribute economic empowerment among women in Eastern India to microcredit access. They indicated that microcredit facilities only empowered women in social affairs such as rebalancing the influence between women and men in household issues. A related study in Kenya conducted by Ndwiga, Mwaura, and Karugu (2017) found that participation in microfinance had a positive impact on decision-making related to their children and savings.

II. Literature Review

The theoretical analysis in this project was focused on two theories namely the feminist theory and the empowerment theory. The theory of feminism underscores the importance of economic, social, and political structures in shaping the human society (Turner &Maschi, 2015). At the core of the theory is the belief that the inferiority delegated to women emanates from inequalities in the society. It states that personal statuses of women in the society are shaped by power relations in political, social, and economic aspects (Turner &Maschi, 2015). The theory requires the society to provide an equal access to the three forms of power to all women and calls for the acknowledgement of gender when examining the issues of power, domination, and oppression in the society (Jordan, 2010). The theory has been applied by social workers, educators, and activists to show women various ways in which they are oppressed and dominated such as discrimination based on gender and objectification. In line with the theory, activists encourage women to participate actively in pushing for changes in the society in the belief society change is a guarantee for ending oppression and domination for women as well as to develop self-esteem and self-efficacy in women (Turner and Maschi, 2015; Jordan, 2010).

The feminist theory assumes that gender is a social construct, the basis on which the idea of 'unfairness' is founded. The theory implies that gender is yielded by social interactions so that addressing gender-related issues has to begin with tackling the social interactions. However, according to Grosz (2010), Ferber and Nelson (2009), gender is a natural construct, which inherently results in the traditional femininity and masculinity. This implies that gender problems are part of the natural selection with no particular solution. The theory has also been criticized for failing to acknowledge the strides the modern society has taken towards gender equality. Grosz (2010) believe that the theory is undermined by the fact that its practitioners add their biases to the theory.

The theory of empowerment is built on the concepts of outcomes and processes. The theory underscores the enabling aspects of activities, actions, structures, and processes whose outcome is a particular degree of empowerment (Perkins & Zimmerman, 1995; Zimmerman, 2000). The theory acknowledges the fact that the processes and outcomes of empowerment can vary on the outside. In particular, there lacks a standard measure considering that the meaning of empowerment changes with people and contexts (Zimmerman, 2000). For instance, the empowerment necessitated for a 16-year old mother may be different from that of a widowed middle-aged man (Perkins & Zimmerman, 1995). The empowering processes concerns obtaining needed resources and critically understanding the social environment of an individual, which can influence the utilization of those resources (Shellman&Ewert, 2010).

Actions and activities can only be considered empowering if they help the intended individuals to gain skills and become independent decision-makers and problem-solvers as the modern society necessitates (Zimmerman, 2000). Outcomes of empowerment are the consequences of giving control and resources to individuals in a community (Shellman&Ewert, 2010). They are the implications of interventions aimed at transforming individuals into independent decision-makers and problem-solvers (Shellman&Ewert, 2010). For individual-focused empowerment, outcomes may include proactive behaviours, skills, and perceived control (van Uden-Kraan, Drossaert, Taal, Seydel, & van de Laar, 2009). The effect of empowerment processes may vary tremendously with people when factoring in all the contexts of empowerment. According to van Uden-Kraan et al. (2009)**,** the outcomes are subject to the empowerment processes and the targeted individuals. The empowerment theory is clear and its usefulness is easy to understand how it relates to empowerment of the oppressed in the society (van Uden-Kraan et al., 2009)

Empirical Literature

Zoynul and Fahmida (2013) explored the impact of microcredit towards income-generating activities on the socio-economic empowerment of women in Dinajpur, Bangladesh. The study employed interviews in data collection from a surveyed population of both literate and semi-literate respondents. Its data was analysed using descriptive and non-parametric means out of which the study found that female participants in the microcredit facilities experienced economic empowerment. They examined household decision-making among the participants explored from the perspectives of credit-related and expenditure decisions. The study concluded that microcredit has a significant effect on the economic aspects of women empowerment. The study provided insights towards an approach for conducting a related study in a community that can fit the literate and semi-literate characteristics

Kratzer and Kato (2013) investigated the impact of participation in microfinance services on empowerment among entrepreneurial women from three regions of Tanzania. The authors utilized both qualitative and quantitative data, which they believed would help them to examine exhaustively the primary aim of the study. Using a sample of 305 women participating in MFI programs and 149 non-participating women, the study analysed the collected data using the Mann-Whitney U test. The study observed that participants in MFIs had more control over their savings, income, and had a greater control over their decision-making. The study concluded that access to credit through microfinance had a positive effect on the empowerment of entrepreneurial women in Tanzania. The study provided a basis for examining women empowerment by comparing two groups of respondents and analysing the data using the Mann-Whitney U test. It also provided variables namely generation and control over income, which this study sought to assess.

III. Research Methodology

Study Design: The study was conducted through non–experimental cross-sectional research design. The study found this design suitable as the design allowed the study to capture a specific point in time as opposed to focusing on a time series. Data on the provision of financial services to women in Teso South and other parts of Busia County is scantily available, which would be tedious if the study was to be conducted using a time-series focused research (Connelly, 2016). This makes it possible to measure the exposure and outcome for the targeted variables at the same time in a study.

Study area: This study was focused on Teso South Constituency in Busia County. The former administrative district was one of the seven constituencies making up the Busia County. The constituency covers an area of 299.6 square kilometers and boarders Nambale, Matayos, Teso North, and the Republic of Uganda to the east, south, north, and west respectively (Constituencies Development Fund, 2019). Teso South comprises of six wards namely Amukura West, Amukura East, Ang'orom, Chakol North, Amukura Central, and Chakol West (Constituencies Development Fund, 2019). As of 2013, the constituency had an estimated population of 136,811, of whom 70,711 were female (KNBS, 2013).

Sample size: **396 participants**

Sample size calculation: The sample size for the study was determined using the Yamane formula with a 5 percent level of precision and a 95 percent confidence level (Sarmah, Hazarika, & Choudhury, 2013)

Sampling procedure: The sample was drawn through cluster sampling. Cluster sampling for this study involved randomly selecting churches in ten randomly selected locations in Teso South then studying the characteristics of the women in those groups subject to the two targeted categories of respondents.

Research Instrument: The data for this study was collected through structured questionnaires using close-ended questions. Close-ended questions are the types of inquiries where the participants are limited on the types of responses they give in a survey (Friborg&Rosenvinge, 2013). Closed questionnaires facilitated the interpretation of the data collected. These questions restricted respondents to a given line of thought, which made the analysis of data more efficient.

Data types and sources: This research was conducted using primary-sourced, quantitative research data, which was generated through the quantification of the research problem for insightful statistics (Kratzer& Kato, 2013)

Data collection procedure: The process of collecting data for this research commenced after clearance by the Graduate School of Kenyatta University. A letter from the Graduate School facilitated application for research permit from the National Commission for Science, Technology and Innovation (NACOSTI) in the Ministry of Education. Upon obtaining the research permit, data was then gathered from the targeted population in the field. The permit was presented to local authorities in requesting for their support in accessing those to participate in the study. This exercise concerned issuing questionnaires to the consenting participants. The purpose of the study was explained to the volunteering participants to ensure that they understood the benefits the study might add. It also involved clarifying the questions of the study to encourage the participants to provide meaningful responses. In the event of literacy challenges in the field, the respondents were helped in reading and clarifying the questions.

Data processing and analysis: The Mann-Whitney U test was the most appropriate method to use in the analysis of the objective of this study. This is a non-parametric test used in exploring statistical differences in two sets of data (Nachar, 2008). This method was considerably suitable for this study considering that the study involved ordinal data, which is non-parametric in nature. The Mann-Whitney U test examines differences in ranked data for independent samples (Nachar, 2008). The presence of a statistically significant difference in the two groups implied that the dependent variable (generation and control of income) is affected by the independent variable (credit access).

IV. Findings and Discussions

Descriptive analysis; Generation of Income

The study examined the ability of the study participants to generate income and control the income thereof. The summary of responses was as showed in Table No. 1

Table No. 1: The generation of income among the surveyed respondents

	Accessed credit		Have not accessed credit		No response		Total	
	N	%	n	%	n	%	N	%
Main source of household income								
Spouse	130	50.6%	63	64.9%	20	48.8%	213	53.9%
Self	123	47.9%	33	34.0%	19	46.3%	175	44.3%
Working Children	4	1.6%	1	1.0%	2	4.9%	7	1.8%
Total	**257**	**100.0%**	**97**	**100.0%**	**41**	**100.0%**	**395**	**100.0%**
Working for income with spouse								
Together	90	35.0%	38	39.2%	18	43.9%	146	37.0%
Separately	103	40.1%	30	30.9%	5	12.2%	138	34.9%
Neither	49	19.1%	28	28.9%	16	39.0%	93	23.5%
No response	15	5.8%	1	1.0%	2	4.9%	18	4.6%
Total	**257**	**100.0%**	**97**	**100.0%**	**41**	**100.0%**	**395**	**100.0%**
Running a business								
Yes	221	86.0%	28	28.9%	17	41.5%	266	67.3%
No	36	14.0%	69	71.1%	24	58.5%	129	32.7%
Total	**257**	**100.0%**	**97**	**100.0%**	**41**	**100.0%**	**395**	**100.0%**
Source of Business start-up finances								
Supported	113	51.1%	19	67.9%	14	82.4%	146	54.9%
Own savings	71	32.1%	7	25.0%	3	17.6%	81	30.5%
Loan	36	16.3%	2	7.1%	0	0.0%	38	14.3%
Other sources	1	0.5%	0	0.0%	0	0.0%	1	0.4%
Total	**221**	**100.0%**	**28**	**100.0%**	**17**	**100.0%**	**266**	**100.0%**
Generating profit								

Yes	219	99.1%	24	85.7%	17	100.0%	260	97.7%
No	2	0.9%	4	14.3%	0	0.0%	6	2.3%
Total	**221**	**100.0%**	**28**	**100.0%**	**17**	**100.0%**	**266**	**100.0%**

n = frequency; % = percentage **Source:** Research data (2020)

Out of the respondents who had accessed credit, 50.6% cited their spouse as the main source of income, 47.9% cited self, and 1.6% cited their working children as the main source of household income. An assessment was also done on whether the participating women freely worked away from their spouses. Concerning that, 37% of the participants indicated that they worked together with their husbands while 34.9% worked separately from their husbands. Among those who had accessed credit, 40.1% cited working separately from their spouses compared to 35.0% who worked together with their spouses. On the contrary, out of the women who had not accessed credit, 39.2% cited working together with their spouses while 30.9% worked separately from their spouses as showed in Table 1. 19.1% of those who accessed credit neither selected working together with spouse nor separately compared to 28.9% of those who did not access credit. 5.8% of those who accessed credit did not respond to this question.

Another inquiry concerned the income earning activity among the participating women. About that, the study wanted to examine whether they run any business for income and whether their businesses generated profits as showed in Table 1. Regarding that, 67.3% of the participants indicated that they run a business while 32.7% indicated that they did not run a business. Eighty-six percent of individuals who run businesses indicated that they had accessed credit in the past one year. Notably, 97.7% of these businesses were generating a profit.

Control of income

The study examined the different ways through which the participants spent their income. The summary of responses is shown in Table 2.

Table No.2: The Control of Income

	Accessed credit		Have not accessed credit		No response		Total	
	n	%	N	%	N	%	N	%
Use of profits from business								
Food	19	8.7%	5	20.8%	3	17.6%	27	10.4%
Household Items	56	25.6%	1	4.2%	3	17.6%	60	23.1%
Give Husband	4	1.8%	2	8.3%	1	5.9%	7	2.7%
Buy Clothes	6	2.7%	7	29.2%	0	0.0%	13	5.0%
Fee	24	11.0%	2	8.3%	2	11.8%	28	10.8%
Support Parents	17	7.8%	2	8.3%	2	11.8%	21	8.1%
Invest Back	93	42.5%	5	20.8%	6	35.3%	104	40.0%
Total	**219**	**100.0%**	**24**	**100.0%**	**17**	**100.0%**	**260**	**100.0%**
Determining amount to spend								
Spouse	73	33.3%	17	70.8%	14	82.4%	104	40.0%
Myself	141	64.4%	5	20.8%	3	17.6%	149	57.3%
Discuss	5	2.3%	2	8.3%	0	0.0%	7	2.7%
Total	**219**	**100.0%**	**24**	**100**	**17**	**100.0%**	**260**	**100.0%**
Free to take a loan								
Yes	193	88.1%	12	50.0%	11	64.7%	216	83.1%
No	26	11.9%	12	50.0%	6	35.3%	44	16.9%
Total	**219**	**100.0%**	**24**	**100.0%**	**17**	**100.0%**	**260**	**100.0%**

Source: Research data (2020)

40% of the participants indicated that their income was invested back into the business. Others indicated that their income was spent on food (10.4%), household items (23.1%), payment of school fees (10.8%), buying clothes (5%), and supporting parents (8.1%). Three percent of the participants indicated that their income was submitted to their spouses.

Decision-making concerning expenditures was also assessed. This concerned examining whether or not the participating women had the freedom to choose the amount of money to spend on particular issues or whether their partners made this choice as showed in Table 2. About that, 57.3% of the participants indicated that they made the choices over the amount that would be spent on the above items. Forty percent of the participants indicated that the choice was made by their husbands while the others were indifferent in that regard. 83% of the participants indicated that they had the freedom to take loans to acquire assets affiliated to their businesses.

Access to credit facilities

The underlying inquiry sought to examine the credit needs and the experiences of credit access among the surveyed women. This inquiry examined different elements including whether a participant had experienced a credit need, the nature of the need, and whether the need was met. The outcomes of this assessment are showed in Table 3.

Table No. 3: Access to Credit Facilities

	Accessed credit		Have not accessed credit		Total	
	n	%	n	%	N	%
Credit need in past one year						
Yes	257	100%	97	27.3	354	89.6%
Credit needed for						
Household Affairs	18	7.0%	24	24.7%	42	10.6%
Business Expense	203	79.0%	29	29.9%	232	58.7%
Farming	19	7.4%	24	24.7%	43	10.9%
Personal Affairs	17	6.6%	20	20.6%	37	9.4%
Total	**257**	**100%**	**97**	**100%**	**354**	**89.6%**
Sought credit from						
WEF	33	12.8%	10	10.3%	43	10.9%
Uwezo	12	4.7%	4	4.1%	16	4.1%
YEDF	19	7.4%	7	7.2%	26	6.6%
Ngazi	9	3.5%	11	11.3%	20	5.1%
Microfinance	8	3.1%	10	10.3%	18	4.6%
Banks	142	55.3%	51	52.6%	193	48.9%
Mobile	25	9.7%	2	2.1%	27	6.8%
Shylocks	9	3.5%	2	2.1%	11	2.8%
Total	**257**	**100.0%**	**97**	**100.0%**	**354**	**89.6%**

Source: Research data (2020)

Eighty-nine (89) percent of the surveyed participants indicated that they had experienced a credit need in the recent past. The participants indicated that they needed the credit for varying reasons. Almost 59% percent of the participants indicated they needed the credit for business expenses, farming expenditure (10.9%), household expenses (10.60%), and personal affairs (9.4%).

The sources of credit for the participants were also examined as showed in Table 3.The expected source included affirmative action programs such as the Uwezo Fund, microfinance institutions, and banking institutions. About that, 48.9% of the participants indicated that they sought their credit from banking institutions in their area. On the contrary, microfinance and affirmative action funds accounted for a cumulative 31.3% of the sources of credit services. This included Women Enterprise Fund (10.9%), Uwezo Fund (4.1%), Youth Enterprise Development Fund (6.6%), Ngazi Project Fund (5.1%), and Microfinance institutions (4.6%). Other sources of funds included mobile loans (6.8%) and shylock lending (2.8%).

Inferential analysis

The Mann-Whitney U test was performed to examine whether group differences between the women who had accessed credit facilities and those who had not accessed credit were statistically significant. The underlying expectation was that the group of women who had accessed credit facilities had better generation and control of income scores than the group of women who had not accessed credit facilities. While this was observed in some cases in the descriptive statistics, an inferential analysis was important to confirm whether the differences in generation and control of income scores between two groups were statistically significant. The null hypothesis was designed to suggest that generation and control of income scores among the group that had accessed credit and the scores for the group that had not accessed credit were equal. The alternative hypothesis implied that there were significant differences in the level of generation and control of income between the two groups. The null hypothesis was to be rejected if the computed p-value was less than the critical p-value (.05). The study assessed the effect of credit access to the ability of the surveyed respondents to generate and control income as shown in Table 4.

Table No. 4. Comparison of the generation and control of income.

	Mean Rank		Z	Mann Whitney U Statistic	P-values
	Have accessed credit	Not accessed credit			
Who is the main source of Household income					
Self	202.63	229.88	-2.77	21174.77	.000
Spouse	214.17	206.26	-1.17	23402.61	.061
Children	217.46	199.53	-1.82	22248.72	.020
Do you work separately or together with spouse					
Together	206.99	234.82	-2.66	22308.93	.048
Separately	218.78	210.70	-2.35	21289.95	.001
Neither	201.1	189.3	-1.72	18219.95	.207
Do you run a business					
Yes	209.99	190.28	-1.66	17772.92	.005
No	180.31	171.94	-1.97	21521.49	.091
Who decides how to use business profits					
Self	211.34	239.76	-2.31	22000.12	.016
Spouse	223.38	215.14	-1.00	19874.38	.392
Self and Spouse	226.82	208.11	-2.13	21523.81	.033

Source: Research data (2020)

On the main source of household income, the respondent had three choices to make namely self, spouse or children as showed in Table 4. The mean rank for those who cited self as the main source of income was higher for the group that did not access credit at 1% level of significance (p = .000). The finding suggests that access to credit may have less or no impact on who becomes the main source of income in the household. This was inconsistent with the expectations of this study that the group that accessed credit would mainly cite themselves as the main sources of income in their households. A possible explanation for this finding could be the idea of women being married and the spouse reliably providing for the household. Based on the research data, 73.5% of the married respondents had not accessed credit facilities while 26.5% of the married respondents had accessed credit over the past year.

On work status, the participants were to report whether they worked together or separately from their spouses as showed in Table 4. For the group that indicated it worked together with their spouses, the mean rank (234.82) was higher for the group that had not accessed credit at 5% level of significance (p = .048). This finding suggested that women who had not accessed credit were likely to have their occupations connected or affiliated with those of their spouses compared to the women who accessed credit. For the group that cited working separately from spouse, the mean rank (218.78) was higher for the group that had accessed credit at 1% level of significance (p = .001). The finding suggested that women who access credit are more likely to establish or have occupations that are independent from their spouses. It was expected that access to credit would empower women especially in income generation, which includes how and where they work. The ability to seek for income independently from one’s spouse, particularly for the married women, was expected to be a key benefit of availing credit facilities to women. Notably, literature concerning the work status and level of women empowerment is relatively scarce. As such, it was not possible to compare this finding with any published literature.

On running businesses, the mean rank (209.99) was higher for the women who had accessed credit in the past year with a 1% level of significance (p = .005) as showed in Table 4. The finding suggests that availing credit facilities to women can empower them to start businesses. The underlying expectation of this study was that running businesses, regardless of scale, would be characteristic of women who access credit. This expectation was founded on the idea that, while credit facilities are not always availed for business ventures, most are the cases where the use of credit for entrepreneurial activities is a prerequisite. The finding was consistent with Wrigley-Asante (2011) who noted that participation in MFI's provided women with a better avenue to start income-generating businesses through which they can independently support their families.

On the use of business profits, the respondents were to indicate whether the choice on the use of business profits (analogous to income control) was made independently by self, independently by spouse, or an agreement between self and the spouse as showed in Table 4. For the group that cited self, the mean rank (239.76) was higher for the women who had not accessed credit at a 5% level of significance (p = .016). For the group that indicated liaison in the use of household income, the mean rank was higher for the group that had accessed credit facilities with a 5% level of significant (p = .033). The finding suggested that financial empowerment through credit among women allows them to play a determining role in household expenditure. This finding was consistent with Zoynul and Fahmida (2013) who observed that financial access for women through MFI programs improved the participation of women in expenditure and credit-related decisions in their households. Zoynul and Fahmida (2013) also noted that women who were members of MFI institutions had better control of expenditures and savings in their households than the non-members.

These findings on generation and control of income were inconsistent with Kratzer and Kato (2013) who, in a survey among members and non-members of MFIs in Tanzania, established that most of the surveyed women who generated income on their own were members of MFIs. Nawaz (2010) also attributed the improvement in the social economic wellbeing such ability to generate income among women to access to credit facilities through microfinance institutions. However, access to credit might not always correlate with economic empowerment for women as observed in Nilakantan et al. (2013). In particular, the study found that greater access to microfinance characterized with a longer duration did not have empowerment effects on economic or credit-related decisions of the sampled respondents.

V. Conclusion

This study has showed that women who access credit are more likely to establish income generating activities independent from their spouses, run independent businesses, and play a determining role in household expenditure.

Policy Implications:

The outcomes of this study have policy implications concerning the improvement of lives of women in Teso South and beyond. The findings suggest that giving women an opportunity to access finances through credit facilities can help unlock their potential to generate and control income. As such, there is an impetus for the government to invest in initiatives that improve the ability of women to access credit. As the study has showed, this would reduce the propensity of women to rely on their spouses in making decisions and purchasing items as desired. While the government has previously launched such initiatives through affirmative action programs, this study has showed that most women still rely on banking institutions for credit. This observation suggests a need for the government to rethink its approach to affirmative action funds to ensure that they can meet their objectives. Alternatively, the government could investigate ways of promoting access to credit through banks without primarily relying on affirmative action funds.

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