Microfinance and its implications on Women empowerment: A case of Bulawayo Restaurants in Zimbabwe

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Abstract: **Microfinance is a developmental tool which has proved to be effective in poverty alleviation, economic development and women empowerment although it has insufficiently penetrated the poor strata of the society at a global perspective. Literature on MFIs has been examined extensively over the past 15 years because there are controversial issues surrounding the benefits inherent to its implementation. The study seeks to examine the impact of MFIs on the empowerment of women who run restaurants in the city of Bulawayo in Zimbabwe. A qualitative research design was used to ascertain the perceptions, beliefs and behavior of women towards the adoption of MFI as a tool for women empowerment. Purposive sampling was used to select 30 participants who run Restaurants in Bulawayo. The study concluded that lack of access to finance by women is a result of series of challenges experienced by MFIs such as inadequate capital and poor market outreach that need to be addressed by the government and regulatory authorities.**

I. BACKGROUND

The literature acknowledges the work of Muhhamed Yunus, the founder of microfinance institutions (MFIs) in Bangladesh by pointing out that although the field of microfinance is fairly new; it has received attention from academics and policy makers because of its meaningful contribution to society (Robinson, 2001; Hermes & Lensink, 2007). This attribution paves the way to the global proliferation of MFIs interventions in many developing countries such as Bolivia, India, and Indonesia and eventually to Zimbabwe. Researchers such as Robinson (2001); Hermes & Linsenk (2007) and Adams & Raymond (2008) argue that interventions by MFIs gained their dominance in the 1970s. Most proponents of MFIs interventions acknowledge that Muhhamed Yunus conceived and founded the Grameen Bank which is a credit facility in 1976 with the objective of addressing developmental issues such as gender equality, poverty alleviation, and women empowerment, effective and efficient distribution of resources to enhance self-based projects. Their argument is that Yunus was so innovative to an extent that he created loan circles/ revolving loans targeting at most five women, to ensure there are high repayment rates and the group is able to sustain its creditworthiness. It was Yunus' belief that credit received will be collaterised by a group guarantee instead of tangible collateral. However, Helmes (2006) and Mago (2013), argue that MFI interventions did not originate from Bangladesh. Mago's argument is that Yunus only revived microfinance as these interventions had already been implemented in Europe during the 15th century. The practice of the Grameen Bank has been replicated across the globe as well as in Zimbabwe. The elimination of gender inequality is one of the Sustainable Developmental Goals.

The microfinance ideas spread into the formation of Agricultural credit during the 1970s. According to Helmes (2006) and Mago (2013), it is during this period that Yunus revived the microcredit concept through the distribution of small loans to the marginalised in Bangladesh so that they could start projects for self-sustenance and employment creation (Khandker, 1998; Robinson, 2001; Bakhtirai, 2006). The rekindling of the microcredit concept by Yunus received international recognition leading to its replication as a survival strategy (Khandker, 1998; Robinson, 2001; Morduch, 1999) in countries such as Brazil, India, America, Germany and African countries although there are loopholes inherent in its implementation. Hermes and Linsenk (2007) argue that although the emergency of MFIs is justified by their role as a poverty alleviation tool, economic development and women empowerment, the gender gap has not been adequately addressed by MFIs. This suggests that for MFI intervention to be an effective tool for women empowerment there is need to establish why its implementation still leaves a gender gap.

In Zimbabwe, as at March 2018, there are approximately 183 active MFIs with Bulawayo having about 21 active MFIs (RBZ, 2018). The majority of these MFIs are salary based, consumer lenders interested in quick cash returns than on the long-term development of sustainable small enterprise sector hence the need assess their implications of on women empowerment and development.

1.1 Statement of the problem

Economic challenges faced by Zimbabweans have saved as a major setback in development and transformation of their lives. One of the major challenges is lack of access to credit facilities. Local banks have put stringent conditions for lenders such as collateral and proper record keeping. Moreover, the bureaucratic culture of loan processing has also discouraged the informal farmers from borrowing from traditional banks.

However, microfinance intervention has come in as a last resort to the informal sector (Mutambanadzo et.al 2013). Although MFIs finance the marginalised, women still continue to fail to access finance for their entrepreneurial activities and more over still face unfair cultural practices related to ownership of property to serve as collateral when borrowing. Scholars such as Machingambi (2014) alluded that there is very little empirical evidence showing that the problem of access to capital has been resolved, hence the need to carry out this study.

1.2 Objective of the study

The objectives of this study are as follows:

- To assess the role of microfinance on women empowerment and development in Zimbabwe.
- To explain why women, fail to use microfinance as a sustainable source of finance for their entrepreneurial activities
- To describe how policy makers would improve the role of microfinance on women empowerment and development.

1.3. Research Questions

- What is the role of microfinance on women empowerment and development Zimbabwe?
- Why do women fail to use microfinance as a sustainable source of finance for their entrepreneurial activities?
- How would policy makers improve the role of microfinance on women empowerment and development?

II. THEORETICAL FRAMEWORK

This paper focused on a women's empowerment theory that was developed by Sara Hluphekile Longwe (1995) a gender expert from Lusaka in Zambia. Longwe's main objective was to conceptualise the process of empowerment through a sequence of measurable actions. Longwe's focus was to achieve women's empowerment by enabling women to achieve equal control over the factors of production and participate equally in the development process. The theory depicts the ascending levels of gender equality and is used as a frame of reference for progressive steps towards increasing equality starting from controlling basic needs up to the means of production.

Longwe (1998) argues that poverty arises not from lack of productivity, but from oppression and exploitation. She conceptualises five progressive levels of equality arranged in hierarchical order with each higher level denoting a higher level of empowerment. These are the basis to assess the extent of women's empowerment in any area of social or economic life. The levels include:

Control- Using the participation of women in the decision-making process to achieve balance of control between men and women over the factors of production, without one in a position of dominance.

Participation- pertains to women's equal participation in the decision-making process, policy making, planning and administration. In developing projects, it includes involvement in needs assessment project design, implementation and evaluation.

Conscientisation - pertains to an understanding of the difference between sex roles and gender roles and the belief that gender relations and gender division of labour should be fair and agreeable to both sides and not based on the domination of one over the other. Women believe that gender roles can be changed and gender equality is possible.

Access- Women gain access to resources such as land, labour, credit, training, marketing facilities, public services and benefits on an equal basis with men. Reforms of Law and practice maybe prerequisites for such access.

Welfare- Women's material needs, such as food, income and medical care are met. Longwe (1998) also distinguishes between: Women's issues which pertain to equality with men in any social or economic role and involving any of the levels of equality, and women's concerns which pertain to women's traditional and subordinate, sex stereo typed gender roles.

The women's empowerment framework identifies three levels of recognition of women 's issues in project design. Negative level is where project objectives are silent about women's issues. Experience suggests that women are likely to be left worse off by such a project. Neutral level is where the project objectives recognise women's issues but concern remains neutral or conservative, merely ensuring that women are not left worse off than before. Positive level is where project objectives are positively concerned with women's issues and with improving the position of women relative to men. The framework shows that the project is not restricted to increasing women's access to resources. It uses this increased access as a means of empowerment.

However, Women's Empowerment Framework is not designed to explain how or why a program works. Focus is only placed on three levels of equality namely positive, neutral and or negative impacts which limits important qualitative assessments of success that provide valuable information critical for program improvement.

II.1 The Role of Microfinance on Women Empowerment and Development

Lensink, Mersland, Hong Vu & Zamore (2018) define micro credit as the provision of small loans to the unemployed borrowers who have little or no collateral at all for the purpose of reducing poverty. It is in this context that micro credit gained its popularity in the micro finance services sector for the low income group and the poor. Microfinance consists of exclusively poor households and very small enterprises that are rurally based and their motive is to make profit. Microfinance tends to be self-financed.

Although Mago (2013) explains that the traditional banks are slowly beginning to enter into microfinance with a notion of providing financial services to the poor, the banks still rank the marginalised as risky borrowers. Similarly, Khandker (1998); Yunus (2004) describe microfinance as a phenomenon that is characterised by a majority of lenders who are dominated by women with a potential to honor their obligations while sustaining a living. In 1983, in the Grameen Bank, a 94% loan recovery was from women. Khandker (1998) and Yunus (2004) used this as evidence to term women as responsible and trustworthy borrowers hence the need to assess how microfinance have contributed towards women empowerment and development. Ainze, El-Gohary & Hussain; 2018 attest that one of microfinance good repayment techniques is gender targeting and that is why microfinance advance loans to women are:

- Gender equality for development- Research done by organisations such as World Bank and UNDP indicates that gender inequality in developing countries inhibits economic growth and development. By offering financial services to women, MFIs not only mobilise women's productive capacity to alleviate poverty but also maximize economic output.
- Women are the poor the poorest of the poor. This has been proven by a research carried out by World Bank where their findings revealed that gender statistics database show that women have higher unemployment rate than men and it is these statistics that have given priority to increasing women's access to financial services
- Women spending on their families- The reason why MFIs help women to access finance is because women spend more of their income on their households.
- Efficiency and sustainability- Proponents of targeting women on the grounds of sustainability cite women's repayment records and cooperativeness.
- Women's rights perspective- Considering that access to financial services is a human right, and a strategy for reducing women's poverty, it is imperative that most MFIs would service women.
- Empowering Women- MFIs promote women empowerment by putting financial resources in their hands.

II.2 Impact of Women Empowerment

Women empowerment is more than accessing microloans, but it constitutes the ability of women to lift themselves out of poverty, improving their family livelihood and achieving both economic and political empowerment at family, community and national levels (The Fourth World Conference on Women in Beijing, 1995) and Wrenn, 2005). Empowerment refers to change, the ability to make choices and control, the women's ability to access financial services in order to transform their lives. In order for MFIs to achieve both explicit and implicit goals, they offer other services such as health, education, financial literacy training and personal development (Lensink, Mersland, Hong Vu & Zamore,2018). Microfinance helps the poor to take risks to become entrepreneurs hence the growth of their entrepreneurial activities that stimulate economic growth (development) (Ainze, El-Gohary & Hussain; 2018).

MFIs empower women in the following:

- Decision making
- Self confidence
- Family relationships
- Women's involvement and status in the community
- Political empowerment of women and women's rights.

II.3 Microfinance as a survival strategy

During the pre-colonial era, Zimbabwe was affected by the uneven distribution of resources such as land. In 1980, Zimbabwe gained its independence and the issue of land reform emerged as a political strategy for ZANU PF and to date, land is not evenly distributed. In some parts of the country, there are farm invasions and land is underutilised despite the fact that Agriculture is the backbone of Zimbabwe (Moyo, 1999 and Klinkhamer, 2009). The Zimbabwean economy is diversified and it comprises agriculture, mining, services and manufacturing. Similarly, Klinkhamer (2009) and Mago (2013) explain that in Zimbabwe, over 1, 2 million people survive on agriculture which also contributes significantly to Gross Domestic Product. However, Klinkhamer (2009) recognised that agricultural produce could not cope with the population growth in the 1990s. This was further compounded by an economic recession which the country experienced in 2008 coupled with a 3-digit hyperinflation. The unstable economic environment resulted in the implementation of diverse survival strategies such as National Gender Policy and Industrial Development Policy with the aim of promoting SMEs development and protecting the interest of the marginalised that operate in the informal sector. However, de-industrialisation has adversely affected the sector as evidenced by the reduction in capacity utilisation of industries; which is below 50%. Consequently, this has affected the livelihoods of families as most of the bread winners including women have lost their jobs.

Microfinance also emerged as one of the survival strategies in Zimbabwe. Mago (2013) articulates that MFI interventions emerged in Zimbabwe in the early 1960s whereby individuals were to form savings clubs. This was a way of encouraging a saving culture and to create their sources of credit. Mago (2013) argues that the issue of credit is not a new phenomenon in Zimbabwe which in the past, people used money lenders, Group Rotating Savings and Credit Associations, friends and relatives as sources of credit. This phenomenon is universally applicable (Helmes and Lensink, 2007; Adams and Raymond, 2008).

In the 1960s, the Catholic Missionary established a Savings Development Movement (SDM) and the main objective of this association was to encourage the culture of savings targeting mainly women (Raftopoulos and Lacoste, 2001). This shows that women are a role model in the society in terms of loan repayment as articulated by Khandker (1998) and Yunus (2004) in the Grameen Model. These savings clubs received a positive recognition in Zimbabwe and were later on registered as a cooperative and replicated across the country although there was a decline of cooperatives during the economic downturn as a result of war in 1976-80 (Mago, 2013).

During and after independence in 1980, savings clubs began to pick up and it was then that the Government initiated a National Association of Cooperative Savings and Credit Unions of Zimbabwe (NACSCUZ) through the Ministry of Community Development and Women's Affairs. The main objective was to intensify the saving culture and this time to provide capacity building and technical support (Mago, 2013). Ratopoulos et al., (2001) report on the new development of a micro credit scheme in 1996 known as Self Help Development Foundation (SHDF) which superseded SDM. SHDF got financial support from the International Non-Governmental Organisations (NGOs) to support micro credit activities, create sustainable, revolving fund and this enhanced its credibility as microfinance.

In 1991 to 1995, microfinance experienced challenges and criticisms in Zimbabwe. Like any other country, Zimbabwe implemented ESAP and this strategy grossly affected the marginalised. Moyo (1999) defines ESAP as the opening up of the economy which includes financial liberalisation, removal of subsidies and trade liberalisation. This impacted negatively on the economy in that interest on loans went up, discouraging the marginalised from borrowing. Moyo (1999) and Klinkhamer (2009) argue that this environment was not conducive for the marginalised as macro-economic factors heavily affected the operations of microfinance. The traditional banks further tightened the stringent measures regarding the on lending by the marginalised due to political and economic instability. Therefore, the marginalised had no option but to rely on MFI interventions for their financial support as they proved relatively cheaper than the informal lenders (Moyo, 1999). To date the situation is still not conducive for the marginalised.

However, Raftopoulos et al., (2001) and Dichter (2006) argue that microfinance is not a panacea to poverty alleviation not only in Zimbabwe but universally. The argument presented is that the marginalised do not have the capacity to cope with credit facilities and likely to increase their commitments with the local loan sharks to clear off their microcredit, unlike the rich people. Most MFI interventions are donor funded and the marginalised are not pressurised to repay loan facilities. As a result, there is no sustenance of the revolving fund as some borrowers may not repay. Despite all these criticisms, since 1980, the microfinance industry has evolved from consisting mainly of savings cooperatives to a fully-fledged private sector microfinance institution regulated by the Reserve Bank of Zimbabwe (RBZ).

II.4 The role of Women and MFIs

Mishi and Kapingura (2012) emphasise that the role played by women in the society is linked to the African culture which states that women play a pivotal role at a household, community and national level. They argue that if "you mistreat a woman, you will have no food in the house"- "Wathinta abafazi, wathinta imbokodo". This suggests that by supporting women in their entrepreneurial activities, their family livelihood will improve. This concept also applies to the Zimbabwean context whereby women who are involved in entrepreneurial activities are further affected by the economic recession that the country is experiencing. Maes and Reed (2012) alluded that approximately 80% of the MFI's poorest clients are women. This in turn suggests that most of these women cannot access capital to start, expand or diversify their entrepreneurial activities despite the fact that they are regarded as economic actors in the society. However, providing financial assistance to the marginalised especially women would increase business opportunities and empower women in their household responsibilities, alleviate poverty and promote economic and political development.

Over the past 20years, many MFIs have tried to address the gender gap in accessing financial services by providing financial services to women. This is because, women tend to be more financially constrained than men as a result of their family responsibilities. Yunus (2004) focused on women, because he observed that women are more organized, have the ability to repay the loans and are likely to return their investments to the family's education, health and other socially related issues. This idea is further supported by Mishi et al (2012). In 1983 in Bangladesh, in the Grameen Bank, a 94% loan recovery was from women. It is against this background that Khandker (1998) and Yunus (2004) used this as evidence to term women as responsible and trustworthy borrowers.

Mishi et al (2012) argue that MFIs empower women from poor household backgrounds to make them independent and contribute significantly not only to their households but also to the economy. Women-headed households are on the increase and are breadwinners in some families. This calls for the need to empower them in order to ensure that they are able to look after their families and are independent.

For MFIs to work effectively there is need to adopt a balanced, evidence based approach, whereby there is match between the product and the customer need. According to Mae et al (2012), this has a potential to make a large positive impact for women. Access to credit has the potential to shift the balance of power in the household and make women more independent. However, there is little evidence which supports that women tend to be better than men when offered micro financial services (Mae et al, 2012). Evidence emanated from a study that was carried out in Phillipines where there was lack of evidence to support the idea that microloans given to women had larger impacts than those given to men. Again in Sri Lanka, micro-entrepreneurs who performed better were men compared to women. Since one of the major characteristics of MFIs is to encourage a culture of savings, women tend to benefit more from access to savings products than men. Mae *et al.*, (2012) cite a study that was carried out in Kenya where women used their savings accounts more effectively than men and increased their total savings. This in turn increased their opportunities to borrow from MFIs.

Women tend to have unique needs especially those related to health risks. For example, pregnancies and child birth related issues. In Sub-Saharan countries, a woman has a 1 in 31 chance of dying of pregnancy and childbirth complications. It is against this background that there is need for gender sensitive micro-insurance products that address such issues provided by MFIs to the marginalised women. BancoSol MFI which is based in Bolivia offers a health micro-insurance program which caters for full maternity

MFIs attempt to close a gender gap worldwide and this is evidenced by the marked improvements in political empowerment and economic participation and opportunities. However, there is still a long way to go to achieve equal opportunities for women and men from a global perspective, hence the need to incorporate MFIs which has attracted an overwhelming share of women with a potential for female empowerment. Mishi *et al.*, (2012) emphasise that there is a relationship between MFIs and women's empowerment and this involves financial self-sustainability, poverty alleviation and the feminist empowerment paradigms as previously discussed. All these can only be successful if MFIs give support to women.

2.6 Barriers towards Women Empowerment

In Zimbabwe, unemployment levels exceed 80% forcing the majority to rely on the informal sector for their livelihoods and this suggests that the economy is now largely informal (ZAMFI, 2013). Mago (2013) argues that one of the major constraints in the informal sector is reduced access to loans for expanding individual projects and lack of capacity building programs. Capacity building programs equip the economically active poor to efficiently run their projects when they get loan facilities. Commercial banks distribute loan facilities to the private sector and shun providing loans to the economically active poor who do not have collateral (Moyo, 1999; Ngwenya and Ndlovu, 2003; Mago, 2013). Similarly, Mago (2013) articulates that commercial banks in Zimbabwe alienate the economically disadvantaged groups that includes women for diverse reasons. Commercial banks follow lending policies based on collateral requirements, a condition that excludes the previously marginalized.

Microfinance provides services to the poor and Small and Medium Enterprises (SMEs), who are neglected by the traditional banks because they lack collateral, do not have proper record keeping and are risky (Mago, 2013). The majority of adults including women from a global perspective do not have access to capital to enhance their entrepreneurial activities to sustain a living, to promote development, alleviate poverty and to empower women. However, Mae *et al.*, (2012) argue that although 46% of men have accessed loans from formal financial services, approximately 37% of women have failed to access loan facilities. This has prohibited women from participating in self employment opportunities. It is against this background that without access to formal financial services, women rely on informal means such as group rotating clubs to accumulate savings and develop their entrepreneurial activities.

Mae *et al.*, (2012) explain how cultural factors and regulatory framework have restricted women from accessing loans. Most assets are in the name of men and this deters women from accessing loans especially where collateral is a prerequisite. Furthermore, the regulatory framework of MFIs in Zimbabwe does not enforce the issues of women empowerment and most MFIs finance anyone to make profit.

In Zimbabwe, population density is approximately 1, 2 million of which 70% are rural based and about 72% live below the poverty datum line. Zimbabwe has witnessed an increase in the activity of microfinance players since the economic downturn in 1997. Most people seek funds in order to engage in informal sector activities as a survival strategy. These small loans are mainly for businesses, education, low income housing, agricultural inputs, micro-leasing and micro-insurance. Since 2008 only a handful of MFIs were lending while others have since stopped as a result of economic instability. Currently there are approximately 183 active MFIs. Some are not financially sound and this has lead to the establishment of Zimbabwe Association of Microfinance Wholesale Funding (ZMWF) to assist in funding MFIs. The main purpose of this organization is to provide loans to MFIs for capitalization and to offer pool of grants to targeted intermediaries. ZMWF also offers training to women who are loan recipients on gender and HIV and AIDS. The main objective is to contribute to poverty alleviation, prevent new infections, women empowerment, reduce vulnerability to gender based violence and at the same time mitigate the negative social and economic consequences of HIV and AIDS.

III. METHODOLOGY

The purpose of this study is to assess the impact of MFIs on women empowerment. A descriptive survey design was used in this study. The views and perceptions of all the participants were captured through a qualitative research design. A qualitative research design was deemed appropriate for this study because it provides an in-depth account of the characteristics of the participants under study (Creswell, 2009). Purposive sampling was used to select the participants.

A total number of 30 participants participated in this study. The findings were discussed under the following sub-headings:

III.1 Findings and Discussion

Level of education

100% of women who were interviewed alluded that they have attained Ordinary level meaning that they understand what is expected of them in business management but need rigorous training for them to be more effective. This finding is in line with a case study that was carried out by Finscope MSME Survey Zimbabwe (2012) whose findings revealed that about 71% OF MSMEs in Zimbabwe have attained secondary education or more.

Lack of knowledge

Research findings indicated that only 30% of the participants have accessed finance from MFIs and 70% of the participants are reluctant and some do not seem to know the active role played by MFIs in their entrepreneurial activities. This shows that MFIs have limited market outreach and thus not all MFIs take seriously the role they play in women empowerment. Of the 30% who have utilized MFI services, they pointed out that most of the products on offer do not match their needs. This finding is in line with a case study that was carried out by Gwatsvaira and Mtisi (2016) on key factors affecting SMEs and lack of knowledge and information asymmetry were mentioned,

Benefits of Using MFIs

Of the 30% who pointed out that they have used MFIs to finance their entrepreneurial activities, 20% acknowledge that the facilities from MFIs have benefited them in that they are now independent, are able to invest the returns to boost their businesses while at the same time take care of their families. 10% of the participants only pointed out that these MFIs serve as a survival strategy when a need arises. 70% of the participants who indicated that they did not get financial assistance from MFIs pointed out that they either borrow from friends, relatives or get a lump sum from group rotating clubs. Fouillet, Hudon, White and Copestate (2013) remarked that MFI should focus on women not only because they have been regarded as more reliable in utilising credit to advance household wellbeing, but also because formally regulated financial institutions are widely repoted to favour women. However the major setback was that the monies they receive were very small to sustain their entrepreneurial activities, indicating that finance remains a critical challenge in their operations.

Challenges

Training

All participants pointed out that training was a critical factor towards running businesses. One of the participants further alluded that "A woman who knows how to cook good food for her customers is not a business woman but needs to be taught how to run a business in order to remain in business". This is a fact which was considered by all women that training comes first before we can talk about funding. However, they also mentioned that it is not easy to get training for free and this has made them to adopt a "trial and error attitude in running their businesses".

62% of the participants pointed out that the most critical challenges that they face in their operations is lack of capital and high rentals. In this case they alluded that government intervention will be a solution to their problem considering that they do not have control over high rentals and access to capital. About 28% of the participants pointed out that their major challenges include lack of proper business ethics and the cost of compliance, that is, there is levy for everything, for example, NSSA and ZIMDEF. They further pointed out that these expenses wipe out their profits considering that are they mainly pushing volumes in order to realize profits.

Ease of doing business was another challenge that was pointed out. The participants pointed out that when registering their businesses, they have to move from one office to another which is a cumbersome exercise. They commended that a one stop shop under one legal environment will do.

Cultural Practices

Approximately 60% of the women confirmed that each time they make transactions pertaining to either the entrepreneurial activities or family related issues; they have to seek authority from their husbands. This at times has impacted negatively as husbands still remain in control. 10% of the participants pointed out that they do not have to seek authority from their husbands who trust their business ethics. This enables them to make quick decisions in their businesses. However, 30% of the participants constitute women-headed families who do not need to seek authority from anyone in their endeavors.

Collateral

The 30% who have utilized MFI products pointed out that of late, MFIs are demanding collateral and again it is a major setback as most of them do not own houses, neither do they have cars. Some pointed out they have even gone to use their electrical gadgets as collateral.

Regulatory Framework

When asked what can be done to improve their operations, 100% of the participants suggested that they need government to intervene to their situation considering that they do not have control over macro-economic factors.

Although women face various challenges in executing their income generating projects, it was concluded that MFIs has contributed to a significant quantitative income changes, increase in ownership of both moveable and immoveable property. It is in this context that various scholars such as Mae *et al.,* (2012) concluded that women empowerment reduces poverty, vulnerability and improved wellbeing and this is in line with the global practice.

IV. RECOMMENDATIONS

- Review the MFI policy to make an emphasis on women empowerment and also address the issue of collateral as it is against their core-principles.
- Form associations in the hospitality industry that offer training on business management.
- Cluster entrepreneurs to make them contribute meaningfully to the economy.
- Review gender policies to support women empowerment.
- Establish a legal framework that strengthens the relationship between the hospitality industry and policy makers.
- Some of the challenges experienced by women in business are a result of challenges faced by MFI. These include MFIs failure to extend access to finance to the increasingly marginalised especially in remote areas. Marketing also play a critical role in creating product awareness to potential customers.
- MFIs have also failed to conduct a need assessment exercise to ensure that they meet the needs of their customers. It is necessary for MFIs to tailor-make their products to suit the needs of their customers especially women.

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