

The Role of Microfinance Institutions in Women Social Enterprises in Developing Countries

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Abstract:

Study novelty: Social enterprise applies business principles to address economic challenges in a scalable and sustainable way, creating social value. Microfinancing has helped alleviate poverty, promote financial independence, and improve quality of life for millions in developing countries. Working in collaboration with various stakeholders such as governments, other organizations and individuals, social enterprise strives to create a social impact by empowering marginalized people and underserved communities to improve their lives. Microfinance includes providing access to capital, micro loans, and other business development services such as training and mentoring to social entrepreneurs. By providing innovative solutions of providing financial services to those who lack access to conventional banking services, microfinance integrates well into social enterprise. A significant gap exists in accessing microfinance between men and women social entrepreneurs.

Aim: This study aims to investigate the challenges women entrepreneurs face in accessing microloans and document the obstacles encountered by MFIs when providing capital to social enterprises, particularly those led by women in developing economies.

Methodology: The study analyzes secondary data from various case studies, review relevant literature from academic journals from MFIs focused on developing countries.

Results: The findings helped us understand the social impact MFIs have created in recent years to improve the lives of marginalized communities and develop a policy framework to enhance the future impact of microfinance in women empowerment in developing countries.

Keywords:

Microfinance, Social Enterprise, Women Empowerment, Gender Biased.