International Journal of Business, Technology, and Organizational Behavior (IJBTOB) ISSN: 2775-4936
Vol. 3 No. 1, February 2023

Microfinancing and Poverty Alleviation: A Case of Advans Savings and Loans Limited in Sunyani

Mahi Bawa[1], Oscar Agyemang Opoku[2]

[1]*University of Cape Coast, Ghana*
[2]*University of Cape Coast, Department of Finance*

Corresponding email: oscar.opoku@stu.ucc.edu.gh

Abstract

The study examined the effect of microfinance on poverty alleviation in Sunyani Municipal using Advans Savings and Loans Limited. The study employed descriptive survey of the quantitative approach. Convenience sampling was used to select 243 respondents to form part of the study. Questionnaire was used as a data collection instrument to solicit for data from the market operators. The data gathered from the respondents were analyzed descriptively using frequencies, percentages and means as well as paired sample t-test with the aid of Statistical Package for Service Solution software version 21.0. The study found that household's income, agribusiness, productivity and paying of utility bills have been improved after the introduction of microfinance service. Households' daily savings, frequent of savings, and amount of savings have been improved subsequently after accessing microfinance products. There has been an improvement in the acquisition of assets after households started to patronize microfinance services. Respondents' livelihoods have been influenced positively. There has been an appreciable improvement in financial, human and physical assets but little influence on natural and social assets. Therefore, the study recommended that microfinance should develop and improve upon packages and products for households in order to improve upon their income levels as well as acquisition of basic household assets. Moreover, households should be sensitized and educated on the essence of investing in social assets as well as social assets in the society.

Keywords: Microfinance, Households, Sunyani, Advans Savings and Loans Limited, poverty alleviation

1. Introduction

Poverty continues to be a global problem, despite considerable reductions in dire poverty; absolute poverty is still prevalent throughout the world, and the magnitude of poverty reduction is not even, which calls for the implementation of adaptation and mitigation strategies to alleviate it (Leite, 2018). Almost every country on the planet is plagued by poverty to some degree. Throughout history, poverty has existed in some form or another throughout the world. Even in industrialised countries, where it is considered that everyone is well-off, some people find themselves stuck on or near the edge of poverty. In most countries and individual homes around the world, especially in emerging and impoverished nations, poverty has become a scourge that hangs around their necks like a death sentence. The overwhelming majority of the world's poor live in rural areas and rely mostly on agricultural as well as other natural resource-based industries, while also subsisting on less than a dollar a day in income (Bukar, Fuseini, Sulemana, Yorose, & Ibrahim, 2018).

Ghana, according to the 2016 World Economic Outlook, remains one of the best world's poorest countries, with an annual per capita income of US $1,340.4 and a population of over 30 million people, according to the report. A disproportionate dependence on the export of a few main items, such as cocoa and gold but also timber and other resources, has rendered the country especially susceptible to price shocks and resulting in low levels of government revenue. During that time span, these issues have contributed to slow economic development and only a limited influence on poverty reduction efforts. People living in poverty have not had the potential to borrow money or save money in order to increase their risk-taking capacity or to start their own businesses (International Monetary Fund Country Report, July 2012).

Poverty alleviation has been a priority for successive Ghanaian governments over the years since it is widely thought to be the most effective method of attaining economic progress in the country. This programme's desired outcome is to elevate the living standard of people and to contribute to the improvement of their lives. As a result, many economic policy reforms are being undertaken in order to attain this goal, but the impact has not been felt equally by everybody, particularly by those living in rural communities. For example, the Economic Recovery Program (ERP), which attempted to liberalise the economy by implementing liberalised trade and investment policies and following an export-led economic strategic approach, was centred on metropolitan areas. The programme achieved excellent economic success in its first 10 years, with all macro-economic indices showing substantial positive development, thanks to a macro-economic model supported by the World Bank and the International Monetary Fund (IMF). However, there has been significant critique that the positive effects of the programme have not been felt by everyone, particularly those living in rural regions, as a result of the programme.

People living in poverty are those who are unable to achieve their fundamental necessities due to their lack of financial resources. Many issues arise as a result of this condition, including a lack of health-care facilities, a high illiteracy rate, and a lower quality of life, among other things. Human beings are motivated by these obstacles to conduct horrific crimes and, on occasion, attempt suicide. Poverty is described as a circumstance in which a person does not have enough money to meet the fundamental needs of himself or herself. A situation or state of livelihood that may best be characterized by the experiences of individuals who are affected by it is poverty. It refers to situations in which there is a deficit or a lack of anything physical and/or intangible, which results in a feeling of powerlessness or low self-esteem (Berg, 2010). It presents itself in a variety of ways, all of which have a negative influence on an individual, whether collectively or individually. It encourages indifference and lethargy in them, which stops them from reaching their full potential as a result (Hossain & Knight, 2008).

Poverty is characterised by a lack of resources, lack of assets, isolation, vulnerability, and absence of decision-making power, as well as limited freedom of choice and opportunity in the areas of production, consumption, employment, and participation in society (Hossain & Knight, 2008). People living in poverty need financial assistance in order to meet their normal and emergency demands. These requirements are met by the provision of low-cost financing with flexible terms. Microfinance is the term used to describe this type of financing.

Providing financial products to low-income individuals or solidarity lending groups, which may include consumers and the self-employed, who have traditionally had restricted access to banking products and services, is the definition of microfinance (Bateman & Chang, 2009). Microfinance is more than just a means of providing microcredit to the poor; it is also an economic development instrument with the goal of assisting the impoverished in their efforts to lift themselves out of poverty. A comprehensive range of financial services such as credit, savings, insurance, remittance, as well as non-financial services such as training, counselling, and so on are covered (Sharma, 2014). Microfinance has evolved as a sustainable livelihood instrument that is designed to help a wide range of consumers who are disenfranchised from the conventional financial system, i.e. low-income earners, by providing them with access to credit. The primary goal of many microfinance institutions (MFIs) is to provide continuous microfinance services to the poor and low-income individuals, as well as to small and medium-sized businesses and household-based enterprises, in order to support income production and poverty reduction (Berg, 2010).

As a term, micro-credit refers to initiatives that are designed to alleviate poverty by providing financial and commercial services to very poor people in order enable them to start their own businesses and earn an income. Credit is an extremely effective tool in the fight against poverty. The importance of micro-credit in alleviating poverty is now widely acknowledged around the world. It is no longer solely the province of micro-credit experts to address this issue. Governments, donors, development agencies, financial institutions, academic institutions, consultants, philanthropists, and others are all becoming more interested in it, as are a variety of other stakeholders.

The development of multiple approaches to poverty reduction in developing nations has occurred over the past two decades as a result of the efforts of governments, international development agencies, nongovernmental groups, and other organizations. For example, since the early 1990s microfinance schemes have grown in popularity as a way to provide financial services, such as savings and credit options, to working poor people (Berg, 2010).

When it comes to financial services and money management, microfinance is a broad word that incorporates the provision of financial services and money management for small sums of money through a variety of products and a system of intermediate activities that are aimed at low-income clientele. It consists of a variety of financial products such as loans, savings, insurance, transfer services, and other similar services. As a result, how can microfinance assist in reducing poverty amongst households in the Sunyani Municipality?

Poverty is a harsh and unwelcome situation that affects all of humanity. There is no doubt about the need of decreasing, and if feasible, eradicating, it. Because of research showing that microfinance plays an important role in socio-economic poverty eradication (e.g., Zeller & Meyer, 2002), microfinance programmes are progressively being regarded as an integral part of the main instruments for poverty reduction in the recent development agenda.

Thousands of people in poor nations do not have access to their own bank accounts, making it impossible for them to borrow money, transfer funds, or protect their family against dangers such as illness, accident, or death. In the vast majority of cases, access to these financial services, which are so critical to sustainable development, is either refused or made extremely difficult. Individuals are often forced to resort to local money lenders who charge higher interest rates or to employ unofficial and consequently insecure methods of carrying out financial operations like as payments and money transfers in order to survive.

There have been numerous researches on poverty that have been prompted by this; nevertheless, the majority of these studies have focused primarily on microfinance organisations rather than programme targets. When it comes to reaching out to programme participants, they are preoccupied with determining whether or not the poor are being addressed. The impact of microfinance institutions on poverty reduction was the subject of a few of other studies. Among these is research conducted by Asmelash (2003), which examined the impact of microfinance programmes on disadvantaged rural households. The study did not take into account urban poverty, which has its own set of characteristics that distinguish it from rural poor.

Another study, conducted by Mebratu (2008), examined the impact of a microfinance programme on poverty alleviation among microfinance clients, with a particular emphasis on urban poverty in the participants. The Sustainable Development Goals [SDGs] place a strong emphasis on poverty alleviation. Since then, microfinance has developed as an important tool in the fight against poverty (Copestake et al., 2005; Greeley et al., 2005; Johnson et al., 2005; Kabeer et al., 2005; Bakhtiari, 2006). For example, Samer et al. (2015) asserted that microfinance has had a significant influence on economic fortunes of the world's poor, which is supported by evidence. Dzisi and Obeng (2013) in Ghana found similar good results on the impact of microfinance on poverty reduction.

In contrast to this, this study only assesses the present poverty level of the consumers and provides no insight into the circumstances in which these clients lived before they began to use microfinance services. As a result, by contrasting the circumstances before and after the programme, it is unable to provide an accurate picture of the extent to which the lives of responder clients have changed. Other studies looked at the influence of microfinance on the general poverty circumstances of the clients rather than the constituents of the clients' poverty situations (Gobezie, 2008). As a result, the purpose of this study is to investigate the impact of microfinance on poverty reduction in the Sunyani Municipality.

The main purpose of the study is to examine the role of microfinance in poverty alleviation in Sunyani Municipal by using Advans Savings and Loans Limited as a case. Specifically, the study seeks to:

1. examine the effects of microfinance on the income levels of households
2. determine the effects of microfinance on the savings of the households
3. analyse the contributions of microfinance to the acquisition of basic household assets of households
4. explore the effects of microfinance on the livelihood of the households in Sunyani Municipal.

2. Literature review

2.1 Concepts Poverty

Poverty is a persistent problem for many cultures, and efforts to create inclusive financial systems to help the poor have been widespread. Although a poverty line based on an individual's income is commonly used to determine the level of poverty, the ongoing argument over what poverty actually means is an important part of these efforts at both the national and international levels. More recently, the concept of poverty has come to be viewed as having multiple facets. Instead of looking solely at income, we need a holistic approach to understanding and addressing poverty.

The meaning of poverty is highly contested. There is no consensus can be reached (Alcock, 2006). Poverty has traditionally been defined as a lack of resources at a person's disposal to provide a decent quality of subsistence or living's (Barnes, 2005:9). More than just having enough food, clothing, shelter, and fuel, it's also about "having what you need to be able to participate in society," as well as "having what you want" (Bradshaw et al., 2008:1). National governments and international development agencies like the United Nations and the World Bank see poverty eradication as a top priority. To put it another way, poverty can be defined in two ways:

It is a violation of human dignity to live in poverty because it denies people the freedom to choose their own choices and opportunities. It refers to a person's inability to take part in society on a basic level. Not having enough to feed and clothe a family means not being able to send your children to school or go to the clinic; not having land to grow your own food or a job means not being able to get a loan Individuals, households, and entire communities are left feeling unsafe, helpless, and excluded as a result. Living in a marginal or unstable environment, without proper water or sanitation, suggests vulnerability to violence (Gordon, 2005:4).

Poverty is defined as a state of extreme lack of well-being on a variety of levels. These people have limited incomes and are unable to obtain the essential commodities and services they need to live a dignified life. Low levels of health and education, insufficient physical security, lack of a voice, and limited capacity and chance to improve one's life are all aspects of poverty (The World Bank, 2011).

Poverty is generally approached from either a unidimensional or a multifaceted standpoint by scholars (Laderchi, Saith, & Stewart, 2003). A single monetary indicator, such as income or consumption, is used to define a person's standard of living in a unidimensional view of poverty. A multifaceted perspective of poverty, on the other hand, refers to the lack of access to fundamental human requirements such as food, shelter, education, safe drinking water, sanitary facilities, and health care, as well as a lack of freedom and the inability to participate in social activities (Alkire et al., 2014). As a result, any formal operations designed to decrease the country's poverty incidence and prevalence are included in the definition of poverty reduction (Oyemomi, 2003).

Poverty reduction refers to initiatives and programmes aimed at reducing the numbers living in poverty or the severity of its effects (McCaston & Rewald, 2005). However, the former definition broadens the meaning of poverty reduction by making it clear that it involves formal course of action only, abandoning informal ones. This can be seen in Oyemomi's (2003) definition as well as McCaston and Rewald's (2005), which both see poverty reduction as a strategy for reducing poverty. As a result, microfinance becomes one of the most effective tools for reducing poverty (Bakhtiari, 2006; Copestake et al., 2005).

2.2 Microfinance

For low-income consumers, microfinance means providing financial services and managing smaller amounts of money through a variety of products and a system of middlemen (United Nations, 2005). It covers a wide range of financial services and products, such as loans, savings, insurance, and money transfer. Microfinance, according to the United Nations (UN), is one of the most important elements of the wide range of financial tools available to the poor, and it is playing an increasingly important role in development because of a number of essential factors, such as:

Poor people can't improve their living situations unless they have access to economic opportunities, with financial services serving as a vital one;

Realizing that the underprivileged have the ability to generate money, save, and pay back loans;

There is a huge demand for credit and savings services among the poor because the conventional financial industry has supplied very few or no services to low-income persons;

The belief that microfinance is a viable business model with the potential to be long-term and profitable;

Microfinance can have a considerable impact on cross-cutting issues including women's empowerment, HIV/AIDS reduction and environmental degradation, as well as enhancing social indices like education, housing and health. This is now widely acknowledged.

The concept of assisting the underprivileged with financial resources is not new. Third World development initiatives began emphasising the importance of providing liquid assets to the poor as early as 1950. (Bakhoum, 1989). As a result, the phrase "microfinance" has become synonymous with the provision of access to financial services in order to reduce poverty. As a means of helping the poor, it entails offering them a variety of financial services (Asian Development Bank [ADB], 2000). This type of financial service could encompass everything from small business loans and savings accounts to payment systems, financial transactions, and insurance for small businesses and people (Mbat & Eyo, 2014).

The Central Bank of Ghana or the Bank of Ghana is in charge of issuing licences to Microfinance Institutions in Ghana. Savings and Loans Companies, rural and community banks, informal providers such as Susu Collectors and Clubs, Rotating and Aggregating Savings and Credit Associations (ROSCAs and ASCAs), traders, moneylenders, and other persons are all examples of Ghanaian microfinance organisations.

Researchers all throughout the world have focused on microfinance as an important tool in the fight against poverty. Bakhtiari (2006), for example, stated that microfinance has achieved widespread recognition as a tool for reducing poverty, primarily among rural poor populations. As a result of the research, Mawa (2008) came to the conclusion that microfinance is an effective way to combat poverty. He goes on to say that microfinance institutions have aided people in using and developing their abilities, as well as enabling them to generate income through microenterprises.

According to Samer et al. (2015), microfinance has had a significant impact on the economic well-being of the impoverished around the world. In Ghana, microfinance had a similar good influence on reducing poverty (Dzisi & Obeng, 2013). Providing financial services and managing small sums of cash through a variety of products and a network of intermediate activities to low-income consumers is defined by the United Nations (UN, 2005) as microfinance. Also, Microfinance includes the delivery of financial services and the monitoring of small sums of money through a wide range of products and a framework of intermediate roles aimed at low-income consumers, as stated by Asiam (2007:3).

The existence of financial services to low- and very-income self-employed people is known as microfinance, according to Otero (1999). Savings and credit, according to Ledgerwood (1999), are the most common financial services, but others like insurance and payment services can also be included. Microfinance, according to Schreiner and Colombet (2001), is an effort to make small deposits and small loans more accessible to low-income households that have been overlooked by banks. Microfinance is an example of investments, where the stated purpose of an investment is to establish environmental, social, or corporate governance (ESG) benefit in addition to a decent financial return (CGAP, 2013).

As a result of this, Quainoo (2009) argues that microfinance can be an effective approach for alleviating poverty, eliminating hunger, ensuring universal basic education, gender equity, and empowering women, as well as lowering infant and mortality rates. In most people's minds, microfinance refers to the provision of financial services to the economically active poor who do not have access to traditional banking services (Armendariz de Aghion & Morduch, 2010; CGAP, 2013; Ledgerwood, 2013, 1999). These services include the distribution of microloans, as well as more recently the distribution of microsavings, insurance and money-transfer products. A lot of people have welcomed it as a panacea for poverty reduction because it's market-driven, allowing impoverished people to start their own businesses, increase their income, and break the cycle of poverty.

As to the work of Dzisi and Obeng (2013), "microfinance includes providing financial products and managing small sums of money using various products and an intermediary framework geared at low-income clientele, particularly petty traders and market women in the society."'. "Microfinance" was defined by Ike (2012) as "services relating to loans, deposits, insurance, fund transfer services, and other ancillary financial support given to the people in society". Training and development of social capital aimed at low-income clientele also fall under this category of non-financial items. Microfinance differs from conventional formal financial products in three ways: loans and deposits are smaller, collateral is less important, and operations are simpler (Ike, 2012).

It was proposed by Frimpong and Nguerenomo (2014) that the supply of financial services and a wide range of goods with an intermediate system oriented at low-income clientele constitutes microfinance. It encompasses a wide range of financial services and products, such as loans, savings, insurance, and money transfer.

2.3 Livelihood

To earn a living, one must have the skills, assets, and activities necessary to make a living. Sovereignty means a way of life that is resilient enough to deal with changes in the external environment without depleting the natural resource base (Chambers & Conway, 1991). The subject of livelihood options must be examined not only for its instrumental (helping to make a living) and emancipatory aspects, but also for its hermeneutic significance (questioning the systems under which one makes a living) (making life meaningful).

With this comprehensive view, well-being and poverty are interconnected, according to Bebbington (1999). To better understand how people's capacities both improve their quality of life and increase their ability to combat the societal conditions that diminish poverty, this research is important. Hermeneutic importance of impoverished people's economic actions has generally been overlooked in microfinance literature in favour of its instrumental and emancipatory features.

2.4 Poverty and Microfinancing

The majority of the poor are involved in some form of economic activity or a composite of different types of economic endeavors. For example, farming may be the primary source of income in a rural community. There are other commercial activities such as shoe repairing, bicycle repairs and maintenance, baking, construction projects, woodwork, canoe construction, fishing, educational activities, welding, and so on. These transactions, as they are currently conducted, are either not adequately consolidated or are not practised in a systematic manner in order to reap sufficient financial rewards for the participants. As a result of a lack of resources, such as time, basic infrastructure, a lack of entrepreneurial skills, outdated manufacturing techniques, financial difficulties, and other factors, the level of involvement in certain economic activities could be called superficial.

According to (Leikem, 2012), poverty reduction became institutionalised in 1944 with the founding of the World Bank, which coincided with the birth of the Bretton Woods system in the United States. The International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT) were tasked with the jobs of stabilising the world's economy and fostering free trade following World War II (WW II), while the World Bank was tasked with the mission of alleviating poverty. Due to their historical ties to European empires, industrialised nations felt a sense of obligation toward the world's impoverished. After all, Africa and sections of Asia, including India, had been colonies of European empires and would require assistance once they earned their independence. Under this plan, which was led by the United States of America (USA), the developing countries would be given unrestricted trade access, with the goal of integrating them into the formal economy of the globe.

As observers noted, the effort to alleviate poverty appeared to be futile at the time. These programmes were referred to as structural-adjustment programmes, and they were deemed to be extremely ineffective. As a result, state loan repayment rates fell below 50%, the expenses of subsidies skyrocketed, and a large portion of the funds was transferred to politically important individuals. Because of corruption allegations and decades of ineffective support, many people came to believe that government aid produced reliance and that aid did nothing to assist communities (Diop, Hillenkamp & Servet, 2007). Was there anything that could be done if such large-scale international organisations and state governments were unable to "solve" the poverty problem? Microfinance arose at the outset of a paradigm change in the development community's thinking. Changes in economic ideas at the time were reflected in this transition.

The intellectual pendulum had swung to the right, opening the way for microfinance to take advantage of. Having placed microfinance at its forefront, attention was drawn to the development of the "informal" sector, with the aim that a bit of support would enable people to ultimately pull themselves out of poverty by their own efforts. A large number of empirical research have been conducted to investigate the tight relationship between microfinance and poverty. The majority of these studies arrived at the conclusion that microfinance institutions (MFIs) have the potential to reduce poverty (Bakhtiari, 2011; CGAP, 2003). Microfinance institutions (MFIs) are high on the national discourse theses days, particularly after the United Nations Year of Microcredit in 2005 and the awarding of the Nobel Peace Prize to Mohammad Yunus and the Grameen Bank in 2006.

Providers of "micro" financial services to the poor (those who make less than $2/day), particularly modest loans of $50–$1000, have been acclaimed as a viable tool for poverty reduction and development by those who believe in their effectiveness (Yunus, 2003; Khandker, 2005). Numerous studies have hypothesised a positive association between microfinance and consumption expenditure, particularly when loans are taken out by women, based on the strong relationship between microfinance and poverty seen in the literature (Khandker, 2005). For example, financial services for low-income groups and households, such as microfinance, provide a diverse range of financial products as well as a significant flow of funds, typically to those who would otherwise be excluded by traditional financial institutions (Miled & Rejeb, 2015).

Even though the link between microfinance and poverty remains a matter of debate, the findings in this research present some additional empirical evidence that microfinance institutions can help alleviate poverty. The results of some studies show mixed effects, such as helping the poor manage their money better without directly increasing income, women's empowerment, etc. or that money spent on microfinances could be effectively used for other initiatives or that a single intervention (such as microfinance) is much less efficacious as an anti-poverty resource than simultaneosly, for example (Zaman, 2000; Hussain, Mukherjee & Dutta, 2010).

The majority of research on the impact of microfinance initiatives around the world is still highly disputed and confined to microeconomics (individual household or business data). While others argue that microfinance has negative consequences, such as the exploitation of women, increased or at best unaffected poverty levels, increased income inequality, increased workloads and child labour and the creation of dependencies as well as obstacles to long-term sustainable local economic and social growth (Bateman & Chang, 2009; Ghana Statistical Service, 2012).

3. Research Methods

The quantitative approach was used in conjunction with a descriptive survey for this investigation. The researchers employed convenience sampling to choose the 165 respondents who took part in the study. An online questionnaire was employed as a data collection tool to elicit information from the respondents. Prior to the actual data collection, twenty consumers from another branch in Berekum District were subjected to a pre-test. The alpha Cronbach test result of the pre-test was 0.871 which showed that the questionnaire was reliable. Ethical issues considered included; informed consent, anonymity and confidentiality. The data gathered were analysed descriptively as well as inferential such as paired t-test and ANOVA were used to test the significance difference between variables.

4. Result and Discussion

Demographic Information of Respondents

The demographic features of the respondents were obtained, as was information on their occupations. The demographic information included information on the gender, age, educational level, marital status, religious affiliation, number of children, and average monthly income of those who participated. It is considered that people's demographic backgrounds influence their perceptions and beliefs, and as a result, it was vital to take these considerations into consideration.

Out of 165 respondents sampled, 109(94.0%) were males while 56(6.0%) were females, majority (37.6%) were between the ages of 30 and 39 years, followed by 30.3% which fall within the ages 20 and 29 years, 23.0% were between the ages of 40 and 49. 6.1% were aged 50 and above and the remaining (3.0%%) were below 20 years. For marital status, while most of the respondents (44.8%%) were married, 29.1%% were singles, 10.3% were co-habiting, 9.7% were widowed/widower and the rest (6.1%) were either divorced or separated. The respondent with primary school education dominated the study with 68(41.2%), followed by those with tertiary and post-tertiary education at 25.4%, 34(20.6%) of the respondents' educational level were up to secondary and the remaining (12.7%) were of no formal education.

It was reported that, majority 117(70.9) of the respondents have children whose age were between 0 – 3 years, followed by those between 4 – 6 years, and the remaining 10(6.1%) 7 years and more. Most of the respondents were Christians 127(77.0%), 21(12.7%) were Moslems and the Traditionalists accounted for 17(10.3%). On the average monthly income (GH₵) of respondents, a vast number of the respondents 100(60.5%) average monthly income ranges between 1000 – 1999, 49(29.7%) took home monthly income below 1000, and the rest of the respondents take monthly income 2000 plus.

Effects of microfinance on the income levels of households

The first objective of the study was to examined the effect of microfinance on household's income as a result of access to microcredit. Respondents were to rate the pre-constructed statements on effect of microfinance on households' income Before and After access to microfinance services using a scale of 1 = "Low", 2 = "Neutral" and 3 = "High". The responses gathered were analysed and the results presented in Table 1.

Table 1: Effects of microfinance on the income levels of households

Statement	BEFORE			AFTER		
	L	N	H	L	N	H
Microfinance improves my income	62	103	0	6	33	126
Microfinance affect agribusiness	114	41	10	22	27	116
Microfinance affect my productivity	86	79	0	23	27	115
Microfinance affect overall economic activities	99	56	10	35	21	109
Microfinance helps me to pay my rent	74	74	17	12	31	122
Microfinance helps me to pay for my utility bills	85	47	33	11	27	127

From Table 1, it is evident that before microfinance service, respondent's household's income was nothing to write home about. Most of the respondents rated their household's income low "BEFORE" access to microfinance services: "microfinance improves my income" [low (62), neither (103), high (0)]; "microfinance affect agribusiness" [low (114), neither (41), high (10)]; "microfinance affect my productivity" [low (86), neither (79), high (0)]; "microfinance affect overall economic activities [low (99), neither (56), high (10)]; "microfinance helps me to pay my rent" [low (74), neither (74), high (17)], and "microfinance helps me to pay for my utility bills [low (85), neither (47), high (33)].

However, the introduction of microfinance service has drastically and positively influenced the income of most households: "microfinance improves my income" [low (6), neither (33), high (126)]; "microfinance affect agribusiness" [low (22), neither (27), high (116)]; "microfinance affect my productivity" [low(23), neither (27), high(115)]; "microfinance affect overall economic activities" [low(35), neither (21), high(109)]; "microfinance helps me to pay my rent" [low(12), neither (31), high(122)], and "microfinance helps me to pay my utility bills" [low(11), neither (27), high(127)].

Table 2: Paired-Samples *t*-test Statistics for Income before and after Benefiting from Microfinance Services

	Before	After	t-test	p-value
Microfinance improves my income	1.62	2.727	-23.185	0.000
Microfinance affect agribusiness	1.37	2.57	-20.762	0.000
Microfinance affect my productivity	1.48	2.56	-19.844	0.000
Microfinance affect overall economic activities	1.46	2.45	-14.714	0.000
Microfinance helps me to pay my rent	1.65	2.67	-16.328	0.000
Microfinance helps me to pay for my utility bills	1.68	2.70	-15.760	0.000

In order to determine whether differences occurred in the income level before and after benefiting from microfinance services, a paired-samples *t* - test was run. The results are presented in Table 2. The test shows that respondents experienced statistically significant ($p < 0.05$) increase in income after been exposed to microfinance service and its products: "microfinance improves my income" [before (M = 1.62), after (2.727)]; "microfinance affect agribusiness" [before (M = 1.37), after (2.57)]; "microfinance affect my productivity" [before (M = 1.48), after (M = 2.56)]; "microfinance helps me to pay for my utility bills" [before (M = 1.68), after (M = 2.70)]; "microfinance helps me to pay my rent" [before(M = 1.65), after (M = 2.67)], and " microfinance affect overall economic activities" [before (M = 1.46), after (M = 2.45)]. Thus, respondents disagreed that their income levels were high or improved before accessing microfinance, however, respondents agreed that their income levels were improved after accessing microfinance.

Effect of microfinance on the savings of the households

The second objective sought to determine the effect of microfinance on household's savings in the Sunyani Municipality. Respondents were to rate the pre-constructed statements on effect of microfinance on household's savings Before and After access to microfinance services using a scale of 1 = "Low", 2 = "Neutral" and 3 = "High". The responses gathered were analysed and the results presented in Table 3.

Table 3: Effects of microfinance on the savings of the households

Statement	BEFORE			AFTER		
	L	N	H	L	N	H
Microfinance improves upon my savings	43	93	29	23	38	104
Microfinance improves my daily savings	54	95	16	6	32	127
Microfinance improves my investment	72	77	16	6	48	111
Microfinance helps me to save more	61	93	11	6	38	121
Microfinance helps me to save frequently	38	106	21	6	38	121

Scholars such as Barnes et al.'s (2001) posits that in Uganda, clients of microfinance experience increase in their savings, savings level of the respondents after benefiting from microfinance increased beyond the pre-intervention savings level. This study finds similar results where respondents rated their savings level low "Before": "microfinance improves upon my savings" [low (43), neither (93), high (29)]; "microfinance improves my daily savings" [low (54), neither (95), high (16)]; "microfinance improves my investment" [low (72), neither (77), high (16)]; "microfinance helps me to save more" [low (61), neither (93), high (11)], and "microfinance helps me to save frequently" [low (38), neither (106), high (21)] and high "After" MFIs interventions: "microfinance improves upon my savings" [low (23), high (104)]; "microfinance improves my daily savings" [low (6), neither (32), high (127)]; "microfinance improves my investment" [low (6), neither (48), high (111)]; "microfinance helps me to save more" [low (6), neither (38), high (121)] and "microfinance helps me to save frequently" [low (6), neither (38), high (121)].

Table 4: Paired-Samples *t*-test Statistics for Income before and after Benefiting from Microfinance Services

	Before	**After**	**t-test**	**p-value**
Microfinance improves upon my savings	1.915	2.491	-7.625	0.000
Microfinance improves my daily savings	1.769	2.733	-20.502	0.000
Microfinance improves my investment	1.661	2.636	-17.523	0.000
Microfinance helps me to save more	1.697	2.697	-21.600	0.000
Microfinance helps me to save frequently	1.897	2.697	-21.237	0.000

Additionally, to determine whether difference occurred in the savings level before and after microfinance services intervention, the paired-sampled t-test was run. The results are presented in Table 4. The test results shows that respondents experienced statistically significant ($p > 0.05$) increased in savings after the MFIs interventions. From the results in Table 5, it is evident (by Means) that "Before" and "After" MFIs interventions, the savings of respondents saw a significant increase: "microfinance improves upon my savings" [before (1.915), after (2.491)]; "microfinance improves my daily savings" [before (1.769), after (2.733)]; "microfinance improves my investment" [before (1.661), after (2.636)]; "microfinance helps me to save more" [before (1.697), after (2.697)] and "microfinance helps me to save frequently" [before (1.897), after (2.697)].

Contributions of microfinance to the acquisition of basic household assets

The third objective of the study sought to analyse the contribution of microfinance service to the acquisition of basic households' assets of households. Respondents were tasked to rate their views on the statements regarding the assets acquisition through microfinance services using a scale of 1 = "Low", 2 = "Neutral", and 3 = "High". The responses gathered were analysed and the results presented in Table 5.

Table 5: Contributions of microfinance to the acquisition of basic household assets

Statement	BEFORE			AFTER		
	L	N	H	L	N	H
Bicycles/motor cycles	76	78	11	6	73	86
Cars/trucks	100	65	0	18	66	81
Radio players	71	83	11	0	26	139
Mobile phone	65	79	21	0	25	140
Household furniture	84	65	16	5	26	134
TV set	67	87	11	0	35	130
Gas stoves	71	83	11	0	51	114
Sewing machine	75	79	11	5	51	109
Refrigerator/Deep freezer	54	94	17	0	25	140
Cooking utensils	65	95	5	0	47	118
Bed/Mattress	64	90	11	0	27	138
Ceiling/Standing fan	64	79	22	0	37	128

Source: Field Survey, (2021)

From Table 5, majority of the respondents claim that there has been an improvement in the acquisition of assets after they started to patronize microfinance services. The acquisition of assets such as bicycles/motor cycles [low (76), high (11)]; cars/trucks [low (100), high (0)]; radio players [low (71), high (11)]; mobile phone [low (65), high (21)]; household furniture [low (84), high (16)] among the respondents was very low before the intervention of MFIs. However, there was a significant improvement in the purchase of these assets: bicycles/motor cycles [low (6), high (86)]; cars/trucks [low (18), high (81)]; radio players [low (0), high (139)]; mobile phone [low (5), high (140)] and household furniture [low (5), high (134)].

Other assets included television sets, gas stoves, a sewing machine, refrigerators, and kitchen utensils, among other things. According to the study conducted by Zeller et al. (2001), loan availability has a big and considerable impact on asset acquisition. The findings were also consistent with the links stated in the conceptual framework, which indicates that microfinance services facilitate the acquisition of assets by beneficiaries, thereby laying the groundwork for them to escape from non-monetary poverty.

The finding also supports the claim of the empowerment theory, which states that providing means to those with insufficient abilities enables them to better themselves through the acquisition of assets. In general, this means that access to microfinance services empowers the beneficiaries to participate in enterprises, which in turn consistently meets their fundamental need of assets through the profits generated by the enterprises.

Table 6: Paired-sampled t-test on acquisition of assets before and after MFIs

	Before	After	t-test	p-value
Bicycles/motor cycles	1.606	2.485	-18.130	.000
Cars/trucks	1.394	2.382	-17.733	.000
Radio players	1.636	2.842	-23.885	.000
Mobile phone	1.733	2.849	-22.114	.000
Household furniture	1.588	2.782	-20.961	.000
TV set	1.661	2.788	-20.690	.000
Gas stoves	1.636	2.691	-18.036	.000
Sewing machine	1.612	2.630	-19.094	.000
Refrigerator/Deep freezer	1.776	2.849	-21.866	.000
Cooking utensils	1.636	2.715	-24.155	.000
Bed/Mattress	1.679	2.836	-25.936	.000
Ceiling/Standing fan	1.746	2.776	-16.877	.000

In determining whether difference occurred in respondents' acquisition of various households' assets before and after access to credit from microfinance institutions, the paired-sampled t-test was also run. The results are presented in Table 6. The test results show that, most of the respondents, after enrolling in microfinance services (Advans Savings and Loans Limited) could purchase most of the basic assets such as bicycles, cars, trucks, furniture, TV sets, Bed/mattress, as well as cooking utensils. In line with the results in Table 5 and 6, It was realized that with the income gotten after their investment of the credit taken, they were able to buy some of their needs which they could not afford prior to benefiting from microfinance services.

Effect of microfinance on the livelihood of the households in Sunyani Municipal.

The last objective of the study was to explore the effect of microfinance on the livelihood of the households in the Sunyani Municipality. This section of the questionnaire provided the respondents with the opportunity to indicate on a five-point Likert scale, their level of agreement to statements on the effects of microfinance on the livelihood of households in the Sunyani Municipality. The results obtained from the survey was summarized in Table 8 with a decision rule for interpreting the means as follows: 1 – 1.80 reflect "very low", 18.1 – 2.60 reflect "low", 2.61 – 3.40 reflect "moderate", 3.41 – 4.20 reflect "high" and 4.21 – 5.0 reflect "very high".

Table 7: Effects of microfinance on the livelihood of the households in Sunyani Municipal

	Mean	Std dev.
Human Capital	*4.220*	0.871
I am able to meet the health needs of my family	4.248	0.726
I am able to meet the educational expenses of my children	4.206	0.475
I am able to provide my family with enough food	4.424	0.496
I am able to meet the nutritional needs of my family	4.206	0.619
I am able to afford good quality water	4.018	0.997
Social Capital	*3.749*	0.761
I am able to join groups or associations which is not registered with the government	3.982	0.745
I am able to join ethnic associations	3.746	0.721
I am able to play leadership roles in my society/group/association	3.552	0.799

I am able to network with divers' group of people	3.655	0.754
I am able to avoid any conflicting interest with people	3.812	0.785
Physical Capital	*4.044*	0.341
I have acquired a room furniture	4.00	0.518
I have acquired electrical appliances	4.103	0.649
I have constructed a good toilet facility in my house	4.049	0.747
I own livestock	3.982	0.745
I have expanded my farm size	4.085	0.749
Natural Capital	*4.067*	0.894
I have acquired a piece of farming land	4.085	0.629
I have acquired a piece of land for my building/business	4.049	0.603
Financial Capital	*4.286*	0.822
My income has increase	4.146	0.665
I am able to pay my utility bills	4.176	0.455
I am able to make regular savings	4.346	0.537
I have made investment for my family	4.255	0.611
I am able to afford transportation	4.352	0.539
I can afford good accommodation	4.442	0.498

From the results in Table 7, majority of the respondents agreed that microfinance has influenced their livelihood in their households in terms of human capital. The study recorded an average mean and standard deviation of (M = 4.2204, Sd = 0.6626) upon respondents' feedback on: "I am able to meet the health needs of my family", "I am able to meet the educational expenses of my children", "I am able to provide my family with enough food", "I am able to meet the nutritional needs of my family", and "I am able to afford good quality water".

On the issue of social capital, the study recorded an average mean and standard deviation (M = 3.7494, Sd = 0.7608) which connotes those respondents agreed to the statements: "I am able to join groups or associations which is not registered with the government", "I am able to join ethnic associations", "I am able to play leadership roles in my society/group/association", "I am able to network with divers' group of people", and "I am able to avoid any conflicting interest with people". It was also revealed that respondents did acquire physical capital/assets such as room furniture, electrical appliances, good toilet facility, livestock, and many more (Average Mean = 4.0438, Average Standard deviation = 0.6816).

On natural capital, respondents agreed that: "I have acquired a piece of farming land" (M = 4.085, Sd = 0.629) and "I have acquired a piece of land for my building/business" (M = 4.049, Sd = 0.603). Thus, access to microfinance has improved their livelihood for them to be able to acquire piece of farming land, piece of land for building/business among others.

Additionally, the study considered the financial capital as well of the respondents: "my income has increase", "I am able to pay my utility bills", "I am able to make regular savings", "I have made investment for my family", "I am able to afford transportation", and "I can afford good accommodation" which recorded an average mean and standard deviation of (M = 4.286, Sd = 0.551). The analyses of the data indicate that participants reaped significant benefits through participation in the programme.

Discussions

Effect of microfinance on the income levels of households

Most of the respondents rated their household's income low "BEFORE" access to microfinance services: "microfinance improves my income" "microfinance affect agribusiness" "microfinance affect my productivity" "microfinance affect overall economic activities "microfinance helps me to pay my rent" and "microfinance helps me to pay for my utility bills [low: 62, 114, 86, 99, 74 and 85 respectively]. However, the introduction of microfinance service has drastically and positively influenced the income of most households: "microfinance improves my income" "microfinance affect agribusiness" "microfinance affect my productivity" "microfinance affect overall economic activities" "microfinance helps me to pay my rent" and "microfinance helps me to pay my utility bills" [high: 126, 116, 115, 109, 122 and 127 respectively].

There was a statistically significant ($p < 0.05$) increase in income after been exposed to microfinance service and its products: "microfinance improves my income" "microfinance affect agribusiness" "microfinance affect my productivity" "microfinance helps me to pay for my utility bills" "microfinance helps me to pay my rent" and " microfinance affect overall economic activities."

This demonstrates that the income level of the respondents has increased above and beyond their pre-intervention savings level as a result of receiving microfinance assistance. This is consistent with the findings of Barnes et al. (2001), who discovered that consumers of microfinance institutions in Uganda see a rise in their income. According to Morduch and Haley (2002), there is sufficient data to demonstrate that microfinance has a good impact on poverty reduction when it comes to the first six out of the seven Millennium Development Goals.

Several scholars, including Littlefield et al. (2003) and the International Monetary Fund (2005), have expressed their views on the crucial role that micro-credit plays in reaching the Millennium Development Goals. When discussing microfinance and poverty reduction, Kanyam (2011) stated that "Microfinance has widespread and undoubtedly been considered one of the top most essential means of boosting the lives of the poor and as a significant tool for poverty reduction and socio-economic development, notably in developing and emerging economies." According to the CGAP (2010a) research, microfinance institutions (MFIs) assist the poor in establishing enterprises, accumulating assets, smoothing consumption, and risk management. Participants in effective microfinance programmes have seen an increase in household income, a decrease in their vulnerability to economic shocks, an improvement in their health and nutritional status, and the opportunity to pursue higher education.

Overall, this data demonstrates that access to microfinance services has a good impact on poverty reduction among the residents of the Sunyani Municipality. This is consistent with the findings of Copestake et al. (2001) and Opoku et al. (2005). Customers of PULSE in Zambia, according to Copestake et al. (2001), saw a rise in profit and household incomes after enrolling in the programme. In the same vein, Opoku (2005) asserted that in Ghana, clients of the Sinapi Aba Trust tended to experience an increase in their incomes. The data also supports the evidence made in the conceptual framework that microfinance leads to an increase in the income of those who are benefited by it.

Effect of microfinance on the savings of the households

Most of the respondents rated their savings level low "Before": "microfinance improves upon my savings" "microfinance improves my daily savings" "microfinance improves my investment" "microfinance helps me to save more" and "microfinance helps me to save frequently" [low: 43, 54, 72, 61 and 38 respectively] and high “After” MFIs interventions: “microfinance improves upon my savings” “microfinance improves my daily savings” “microfinance improves my investment” “microfinance helps me to save more” and “microfinance helps me to save frequently” [high: 104, 127, 111, 121 and 121 respectively].

It was evidential (by Means) that “Before” and “After” MFIs interventions, the savings of respondents saw a significant increase: “microfinance improves upon my savings” “microfinance improves my daily savings” “microfinance improves my investment” “microfinance helps me to save more” and “microfinance helps me to save frequently.”

This shows that the respondents' level of savings has increased as a result of receiving microfinance assistance, as compared to their level before to the intervention. The conclusion is that microfinance has increased the amount of money that beneficiaries have saved. The reduction in savings/income poverty as a result supports the side of the debate that believes that microfinance helps to alleviate poverty by promoting economic development. This is consistent with the findings of Copestake et al. (2001) and Opoku et al. (2001). (2005). According to Copestake et al. (2001), PULSE clients in Zambia experienced an increase in profit and household savings as a result of the programme. In the same vein, Opoku (2005) asserted that in Ghana, patrons of the Sinapi Aba Trust tended to experience an increase in their savings. The data also supports the evidence made in the conceptual framework that microfinance leads to an increase in the savings of those who benefit from the programme.

Contributions of microfinance to the acquisition of basic household assets of households

Majority of the respondents claim that there has been an improvement in the acquisition of assets after they started to patronize microfinance services. The acquisition of assets such as bicycles/motor cycles [low (76), high (11)]; cars/trucks [low (100), high (0)]; radio players [low (71), high (11)]; mobile phone [low (65), high (21)]; household furniture [low (84), high (16)] among was very low before the intervention of MFIs. However, there was a significant improvement in the purchase of these assets: bicycles/motor cycles [low (6), high (86)]; cars/trucks [low (18), high (81)]; radio players [low (0), high (139)]; mobile phone [low (5), high (140)] and household furniture [low (5), high (134)].

According to Simanowitz and Walter (2002), the majority of microfinance clients in India had increased their ownership of productive assets as a result of the loans they had received. Barnes et al. (2001) observed that in Uganda, clients of microfinance institutions were more probable to own a home than non-clients, according to their research. Likewise, the beneficiaries' ability to obtain some assets verifies the assumption of the empowerment thesis, which states that providing means to persons with limited capacity allows them to make decisions that result in positive changes in their life (Kabeer, 2005; Mosedale, 2005).

Effect of microfinance on the livelihood of the households in Sunyani Municipal.

Majority of the respondents agreed that microfinance has influenced their livelihood in their households in terms of human capital. The study recorded an average mean and standard deviation of ($M = 4.2204$, $Sd = 0.6626$) upon respondents’ feedback on: “I am able to meet the health needs of my family”, “I am able to meet the educational expenses of my children”, “I am able to provide my family with enough food”, “I am able to meet the nutritional needs of my family”, and “I am able to afford good quality water”.

On the issue of social capital, the study recorded an average mean and standard deviation ($M = 3.7494$, $Sd = 0.7608$) which connotes those respondents agreed to the statements: “I am able to join groups or associations which is not registered with the government”, “I am able to join ethnic associations”, “I am able to play leadership roles in my society/group/association”, “I am able to network with divers' group of people", and "I am able to avoid any conflicting interest with people". It was also revealed that respondents did acquire physical capital/assets such as room furniture, electrical appliances, good toilet facility, livestock, and many more (Average Mean = 4.0438, Average Standard deviation = 0.6816).

On natural capital, respondents agreed that: "I have acquired a piece of farming land" (M = 4.085, Sd = 0.629) and "I have acquired a piece of land for my building/business" (M = 4.049, Sd = 0.603).

Additionally, the study considered the financial capital as well of the respondents: "my income has increase", "I am able to pay my utility bills", "I am able to make regular savings", "I have made investment for my family", "I am able to afford transportation", and "I can afford good accommodation" which recorded an average mean and standard deviation of (M = 4.286, Sd = 0.551). Overall, the results showed appreciable improvements in financial (M = 4.220), human (M = 3.749), natural (M = 4.067) and physical assets (M = 4.044) while improvement was less with social capital (M=3.749). Participants managed to diversify and accumulate assets, which provide protection against risk and vulnerability for poor people.

The findings revealed significant advances in financial, human, and physical assets. Participants were successful in diversifying and accumulating assets, which provide protection against risk and vulnerability for low-income individuals and families. As a result, these findings will be explored in the context of both external and internal variables that have influenced them.

Various factors, both internal and external to the families and companies of micro- and small-scale entrepreneurs in Ghana have an impact on their daily lives and businesses. Poor people and micro-entrepreneurs gain from involvement in microfinance programmes, which provide them with small loans as well as the opportunity to learn fundamental business management skills and other forms of training. These advantages broaden the range of options open to them, and as a result, participation in such programmes gives certain benefits to customers, including the growth and stability of their enterprises, enhanced household well-being, and greater empowerment. The assessment tried to identify those improvements that were connected with microfinance participation while also acknowledging that beneficial changes could occur even in the absence of microfinance involvement. When it comes to positive linkages, proof of them was considered as an indication that microfinance involvement improves the likelihood of them occurring, rather than as a signal that they would always occur (Barnes et al., 2001a, 2001b).

The findings are in agreement with those of other researchers who have argued that programmes that have achieved financial sustainability have the greatest impact on participants' living standards of standards of life (Hulme and Mosley, 1996). This means that the government should refrain from interfering in the determination of interest rates by MFIs in order to ensure full cost recovery, as well as the establishment of special programmes to assist the poorest who cannot pay such high rates of interest (Matin and Hulme, 2003; Amendariz de Aghion, 2005; Hashemi, 2006).

One explanation for the significant effects of the microfinance service on clients is the fact that Advans Savings and Loans Limited has designed the appropriate products and services to meet the needs of its clients in the form of savings, insurance, and credit, in addition to providing them with training in financial literacy and other skills. According to Sharif (1997), the issue for microfinance institutions (MFIs) is to develop the appropriate kind of products and services for the appropriate population of disadvantaged people. While extremely poor households are more likely to require survival measures such as voluntary savings mechanisms and emergency consumption credit facilities, moderately poor households require protectional measures such as income-generating activities that are relatively low-risk and other services such as education and training to help them increase their debt capacity.

The economically vulnerable non-poor, which is primarily comprised of small and medium-sized business owners, require promotional measures that include primarily credit, savings and insurance for income generation as well as assistance in sharing some of the risks associated with technological innovation (Hashemi, 2006). Nonetheless, in order to ensure that the programme reaches the rural poor who are engaged in farming and other productive activities, products such as micro-lending, crop insurance, and deposit services must be developed to cater for farmers and others who are engaged in productive ventures, among other things (Wenner & Chalmers, 2001).

Moreover, the findings are comparable with those of past research conducted in Africa, which have concluded that involvement in such programmes results in an improvement in human capital, such as children's education and health status (MkNelly & Dunford, 1998; Mosley & Rock, 2004). It should be noted that the acquisition of household durables not only indicates a higher standard of living, but it also represents a store of wealth that can be rented out or sold in the event of a severe financial crisis, as argued by Barnes et al. (2001b) in their research (Sherraden, 1991; Barnes, 1996).

5. Conclusion

Since the introduction of microfinance services, household income, agribusiness, productivity, and the ability to pay utility bills have all increased. After gaining access to microfinance products, households' daily savings, frequency of saves, and total quantity of savings have all increased. After households began to use microfinance services, there has been an increase in the amount of money they have available to spend on assets. The livelihoods of those who responded have been favourably impacted. It is clear that financial, human, and physical assets have improved significantly, but there has been minimal improvement in natural and social assets.

6. Recommendations

Based on the findings and outcomes drawn, the following suggestions are put forward for consideration:

- Microfinance should develop and improve upon packages and products for households in order to improve upon their income levels as well as acquisition of basic household assets.
- Households should be sensitizing and educated on the essence of investing in social assets as well as social assets in the society.

ACKNOWLEDGEMENTS

We wish to express our profound gratitude to my supervisor, Prof. Siaw Frimpong whose useful suggestions guided me throughout the writing of this work. Also, we are grateful to Shaimawu Adam and Fusenatu Alhassan and my children, Rahma Madeiya and Asmaa Puumaya for their prayers and support. Lastly, am thankful to Mr. Abdul Nashirudeen Mumuni (PhD), senior lecturer and head of department, University of Development Studies for proof reading our work.

REFERENCES

Asiamah, N., Mensah, H. K., & Oteng-Abayie, E. F. (2017). General, target, and accessible population: Demystifying the concepts for effective sampling. *The Qualitative Report*, 22(6), 1607.

Atakora, A. (2013). Measuring the effectiveness of financial literacy programs in Ghana. *International Journal of Management and Business Research*, 3(2), 135-148.

Bergstresser, D. B., Chalmers, J., & Tufano, P. (2009). Assessing the Costs and Benefits of Brokers in the Mutual Fund Industry: *The Review of Financial Studies*, *22(10)*, 4129-4156.

Fox, J., Bartholomae, S., & Lee, J. (2015). Building the case for financial education: *The Journal of Consumer Affairs*, 39, 195–214.

Gyabaah, N. (2019). Ghana's national strategy for financial literacy and consumer protection in the microfinance sector, promoting financial capability and consumer protection in Ghana. Accra: Ministry of Finance and Economic Planning.

Kimball, M. S., & Shumway, T. (2010). Investor sophistication and the home bias, diversification, and employer stock puzzles.

Klapper, L., Lusardi, A., & van Oudheusden, P. (2015). Financial Literacy around the world: Insights from the standard and poor's rating services global financial literacy survey. Washington, DC: World Bank Development Research Group.

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and psychological measurement*, 30(3), 607-610.

Lusardi, A. (2015). Financial literacy: Do people know the ABCs of finance? *Public Understanding of Science*, 24(3), 260-271.

Lusardi, A., & Scheresberg, B. (2017). Financial capability and financial literacy among working women: New insights. Retrieved from http://gflec.org/wp-content/uploads/2017/03/Research-Report_Working-Women_March-2017. pdf?x87657

Mullainathan, S., Noeth, M., & Schoar, A. (2012). The market for financial advice: An audit study (No. w17929). National Bureau of Economic Research.

Organisation for Economic Co-operation and Development (2015). OECD/INFE toolkit for measuring financial literacy and financial inclusion. Retrieved from https://www.oecd.org

Sanderson, A. (2015). Importance of financial literacy. Bankers Association of Zimbabwe (BAZ) Newsletter. Retrieved from http://www.baz.org.zw/consumer-centre/education-centre/importance-financial-literacy

Saunders, B., Sim, J., Kingstone, T., Baker, S., Waterfield, J., Bartlam, B., ... & Jinks, C. (2018). Saturation in qualitative research: exploring its conceptualization and operationalization. *Quality & quantity*, 52(4), 1893-1907.

Social Security and National Insurance Trust (2016). SSNIT pension review. Retrieved from http://www.ssnit.org.gh/news/2016-ssnit-pension-

Stoughton, N. M., Wu, Y., & Zechner, J. (2017). Intermediated investment management. *The Journal of Finance*, 66(3), 947-980