

## Factors Influencing Gender Equality: A Systematic Literature Review (SLR) with Microfinance Perspective

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### Abstract

The current research undertook a systematic literature review to pinpoint variables that assist in achieving gender equality via microfinance. A search was carried out using SCOPUS database on December 2024. A comprehensive analysis was conducted on 57 manuscripts to pinpoint determinants and indicators vital for long-term poverty alleviation in microfinance settings. This article highlights that reducing poverty requires ongoing collaboration between Microfinance Institutions (MFIs) and governmental bodies. Empowering lenders and guaranteeing profitability are crucial success elements for microfinance programs. When integrated and coordinated, these variables might assist people in achieving gender equality through encompassing legal reforms, challenging societal norms, promoting equal access to education and economic opportunities. The research investigation demonstrates the influence of personality traits on long-term entrepreneurial performance. The findings offer useful tools for MFIs and policymakers. MFIs can use this framework to guide their interventions to achieve long-term gender equality goals. Policymakers may employ determined features and metrics to develop and carry out microfinance policies aimed at reducing inequality over time. This paradigm links factors to measuring indicators, allowing for a comprehensive assessment of gender equality programs.

### Keywords

*Gender Diversity, Gender Equality, Microcredit, Microfinance, Women Empowerment*

### 1. Introduction

Since the latter half of the 1970s, microfinance has been consistently lauded as a principal tool for alleviating poverty, fostering entrepreneurship, and advancing socioeconomic development in developing countries (Bajde et al. 2022). Originally designed to aid impoverished areas lacking conventional banking services, the concrete benefits of microfinance initiatives for the destitute and unbanked have resulted in their expansion to more than 120 countries (Mia et al. 2024). The expansion has been facilitated by grants and subsidies from governments, donors, and international development banks, including the African Development Bank and the World Bank (Clemens et al. 2016). Recognizing the untenable reliance on gifts and grants for operational costs or expansion, MFIs set a secondary objective: to attain operational and

financial self-sufficiency by enhancing financial performance. As a consequence, the latest microfinance institutions confront two (dual) objectives: social outreach plus profitability. This refers into offering banking services to the uninsured plus low-income citizens of community simultaneously producing enough revenue to meet operational expenses. Identifying the factors that influence this dual performance has emerged as a significant objective for scholars, professionals, and decision-makers (Stambulova et al. 2019). Throughout the past twenty years, an extensive body of empirical research has examined the variables that impact either of MFIs' dual reasons, such as age, size, ownership status, gender, efficiency, and governance (Jafree et al. 2023). More study shows that country-level and macroeconomic factors, along with internal and organizational factors, also affect the success of MFIs. But as far as we know, there isn't a lot of research on how gender diversity affects the performance of MFIs, though the number of studies is growing (Hossain et al. 2024). The fifth Sustainable Development Goals (SDGs) from the United Nations show that gender equality is becoming more important. This has led to research on problems that women face in the microfinance industry. More women work in microfinance than in any other industry. About 25 to 40 percent of MFI employees are women, and more than 60 percent of regular borrowers are women. In some developing countries, that number can reach 80 to 90 percent (Md Imran Hossain et al. 2022). Getting more women into top positions in microfinance could help reach social outreach goals in many ways. For starters, female personnel might possess a better grasp of the demands of female borrowers, which could help with communication and trust (Bennouri et al. 2024). Also, cultural sensitivity may make it easier for female borrowers to ask for help from female loan managers in some places. This fits with research that shows women often take on big roles in religion and household finances, which makes them important players in the microfinance ecosystem. However, some people are worried about the possible downsides of having mostly women work in MFIs. For instance, female employees are less willing to take risks than their male coworkers. This could lead them to give to borrowers with lower credit risk but lower profits, according to arguments from the efficiency frontier. Additionally, because women tend to be less willing to take risks, loan officers may favor giving to the slightly wealthier population over poorer people who may have a greater need for financial services (Marston et al.). This kind of behavior could lead to purpose drift, which is when MFIs stop helping poor people.

Inspired by the complicated connection involving gender equality on the concert of Microfinance Institutions, the current review attempts to solve a substantial gap in the literature. While previous review has examined at numerous characteristics of microfinance, such for example health-related issues, domination and MFI concert, and microfinance and poverty, there has been no systematic review that specifically examines gender multiplicity crossways diverse executive points besides its influence on equally social and financial goals. Addressing this void is essential not just for harmonizing earlier results and better understanding the significance of gender in MFI performance, but also for guiding future research approaches. This inquiry, thus, intends to evaluate the manner in which the business is able to handle its dual goals is impacted by gender diversity at different levels of the MFI employees, according to information found in the SCOPUS databases. The research has a variety of effects on the literature on microfinance. Building on earlier evaluations with wider

implications, this work offers a thorough analysis of the impact of gender equality and its performance in microfinance institutions (Chanda et al. 2024).

In assessment of the foregoing, the purpose of this study is to undertake a systematic literature review (SLR) to identify the key characteristics that promote long-term gender equality. The study answers important questions that will guide our own research: what are the main factors that affect gender equality, and how can these factors be used to make a big difference in the lives of individuals? This article emphasizes the role of MFIs in aiding individuals to eradicate poverty, concentrating on both borrowers and MFIs rather than on the MFI or the individual alone. An SLR was identified as the best tool for identifying the key components that contribute to long-term poverty reduction. SLRs provide a rigorous method by systematically combining, identifying, choosing, and summarizing important previous research on a given issue. By using this method, the author was able to build upon the previous review, which helped fill in some of the gaps in our present understanding. The SLR drew from research published between 1950 and 2023 and made available through the SCOPUS database.

The main goal was to ascertain the elements that contribute to enduring gender equality. The main aims and contributions of this review is to identify the key factors that promote gradual and sustained gender equality, in addition to bringing together these gender equality elements and the metrics used to measure them into one cohesive framework that shows the full picture of how far we've come in achieving and maintaining gender equality.

This paper is structured as follows: Subsequent to the Introduction, Section 2 addresses the research methods, Section 3 gives the research findings, Section 4 engages in discussion, Section 5 articulates the conclusions, and Section 6 encapsulates the findings, delineates limits, and proposes areas for future research.

## **2. Research Methodology**

By design, a systematic literature review (SLR) compiles and synthesizes all relevant studies on a given topic. Finding, selecting, analyzing, and synthesising relevant studies is a must. Based on the research conducted by (Mota et al., 2020). The fact that it adheres to the principles of precision, openness, and repeatability is an additional benefit. SLRs improve our understanding of the subject under study by focusing on empirical evidence rather than preconceived ideas.

A systematic literature review involves conducting an exhaustive search for all relevant materials associated with a specific research issue. The data is carefully evaluated, integrated, and applied to provide a strong, evidence-based resolution. Systematic literature reviews (SLRs) identify gaps in knowledge, inconsistencies in the literature, and methodological shortcomings within a specific area of study (Petticrew et al. 2008). This systematic literature review aims to identify factors that promote gender equality within the framework of microfinance. To accomplish this goal, the analysis follows the systematic steps outlined by (Denyer et al., 2009) and (Mota et al., 2020), aligning with the PRISMA protocol: planning, execution, reporting, and dissemination of results.

For this SLR, the principal database used will be SCOPUS because of its extensive library of peer-reviewed articles. Contrary with rival research databases like Web of Science (WoS) SCOPUS boasts a reputation for stronger quality control, a more rigorous journal selection process, and broader historical data coverage. Also, SCOPUS favors high-quality papers by

carefully choosing what to include and re-evaluating it by a separate Advisory Board. So, the indexes will only have the most reliable and useful study in them.

Creating research questions and goals, as explained in the opening, is part of the planning process. Another part is reading a lot of literature on gender equality. Using set criteria for inclusion, the implementation phase is all about making a list of important publications that support the study framework. Lastly, in the distribution phase, the results of the study are explained and shown to people. A number of search terms, including "microcredit," "micro-credit," "microfinance," and "gender diversity," were used to scour the SCOPUS database for relevant articles. By incorporating diversity and gender equality into our query, we hoped to accomplish three goals:(1) a thorough examination of the subject at hand;(2) congruence with research aims; and(3) an emphasis on providing women with opportunity. In order to include the most current research accessible when the query was made, the search was extended from 1950 to December 2023. Figure 1 shows the details of the research items that were defined during the planning stage of the SLR. These elements included keywords and the matching search question. We found 172 documents in our initial search. To enhance the selection process and guarantee its pertinence to the originally intended research, a series of inclusion criteria were formulated: The following areas of study are covered: business, management, accounting, econometrics, economics, social sciences, and the arts and humanities. (ii) Date of publication: November 2011–December 2024; Languages: English (iii); (iv) Types of documents: only reviews and articles; (v) Type of sources: only journals. This stringent selection process aimed to find publications that particularly addressed the economic, financial, management, and business aspects of microfinance while excluding those that had nothing to do with the main focus of the study. Additionally, novels, book chapters, and conference articles were excluded since they frequently had different research goals and lacked the double-blind peer review process that is typical of scientific publications.

The initial search utilizing the terms in Figure 1 was repeated several days later to verify the accuracy of the filtering technique. The retention of the original set of 172 items indicates a consistent search strategy. A total of 57 articles were subsequently subjected to rigorous analysis. This analysis evaluated various aspects of each paper, including authorship, article type, research objectives, geographic scope, poverty reduction variables and indicators, as well as the authors' principal conclusions. This detailed research aided in the identification of essential gender equality elements within the framework of microfinance, as well as their existing understanding in the sector.

To guarantee that our evaluation maintained a high standard of quality and remained in line with particular research aims, the large initial pool of papers required a purposeful and exacting selection process. After a thorough selection procedure, we believe that the final collection of articles in our study provides a representative and informative analysis of the factors affecting long-term poverty reduction through microfinance in the fields of finance and economics.

A bibliometric analysis was conducted on the final sample utilizing VOS viewer software version 1.6.20 as a tool for examining term co-occurrence and bibliometric coupling. Following the initial and applying the above-mentioned criteria the was at last reduced to 57 manuscript which is being shown in figure 1 being made with the help of PRISMA Flowchart.

**Database Search**

SCOPUS Database

Search Filter: Article Title, Abstract and Keyword

52 | Page  
Query: (“Gender Equality” or “Women Empowerment” or “Gender Diversity”) AND (“Microcredit” or “Micro-credit”) AND (“Microfinance” or “Micro finance”)

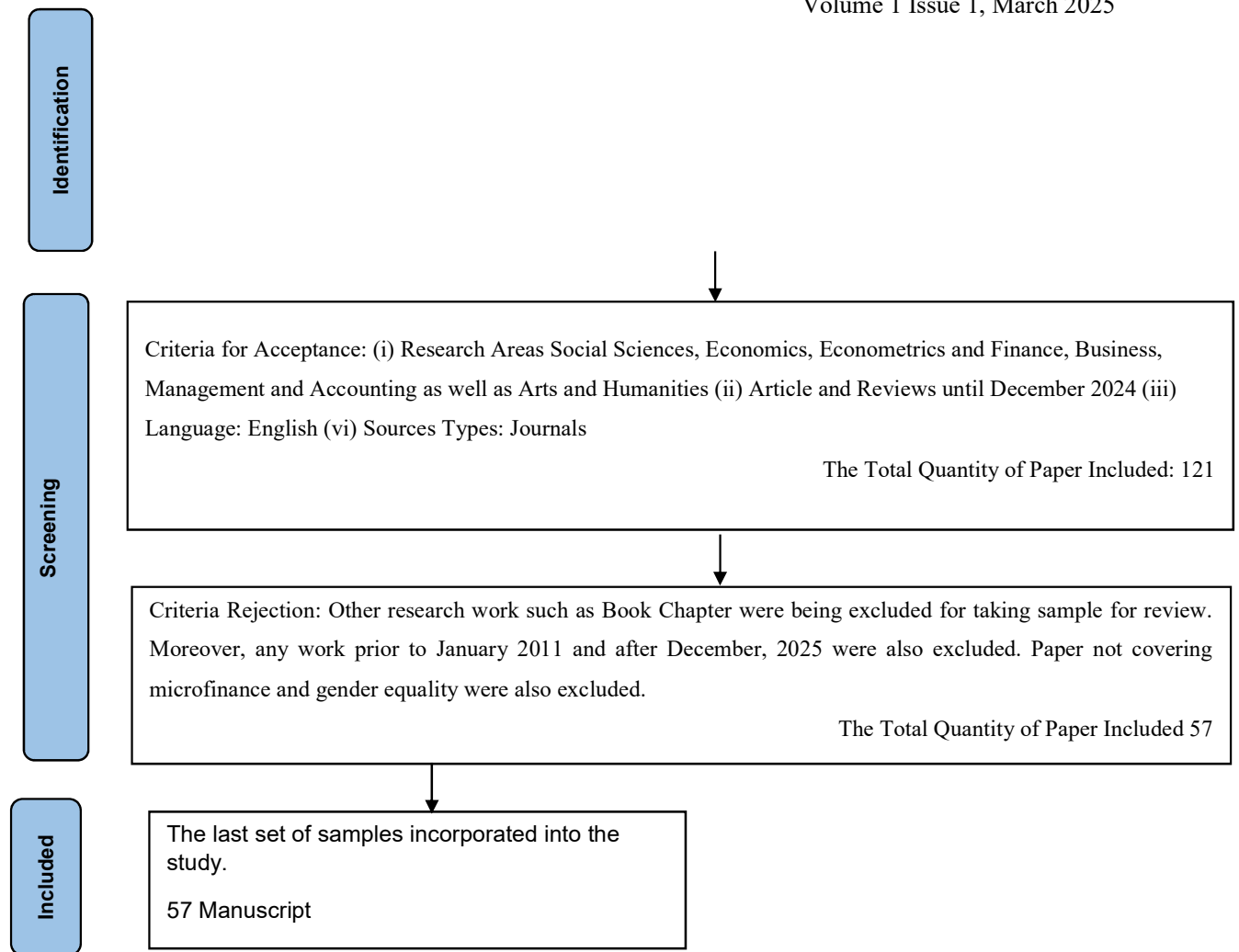


Figure 1. PRISMA flowchart. Depicting selection of 57 Manuscript from SCOPUS database.

### 3. Results

Table 1 presents a concise overview of the essential details regarding the different items found in the 57 selected publications that underpin this systematic literature review. This table has been sourced directly from VoS Viewer and provides bibliometric information concerning the dataset utilized. The average number of documents published annually stands at 4.07%, with each paper receiving 42.56% of the total citations. Moreover, these articles appeared in various journals, indicating the breadth of this topic.

**Table 1: Key Information about 57 Manuscript incorporated in SLR**

Description	Results
Documents	57
Sources	57
Time Span	2010-2024
Average Document per year	4.07%
References	2426
Authors	132

**Sources:** Authors' original work, utilizing Scopus data collected with the help of VoS Viewer (1.6.20)

### Citation analysis

An excellent way to figure out how important a study paper is is to look at its citations. Citation metrics show how many times a piece has been cited over the course of its life. As a result, a work that is especially important and noteworthy is cited a lot. We used VOS viewer to find the most important studies about the results of microfinance. In Table 2, you can see the ten stories that have been cited the most, both locally and internationally. Global citations show how many times a paper is mentioned by different works across all databases, covering a wide range of academic fields and areas. Local citations show how often a paper is mentioned by other works within a particular sample of 57 papers. In terms of global citations, Van Rooyen et al. (2012) lead with 322 citations, followed closely by Husain et al. (2019) with 65 citations and Haile et al. (2012) with 64 citations. Van Rooyen et al. (2012) represent a significant contribution to the understanding of microfinance outcomes, laying a foundation for subsequent research in this area. The studies show that using a randomized experimental design to look at the causes of microcredit on community growth, especially on microentrepreneurs' ways of making a living, is a good idea. The amount of citations shows how well-known a paper is. We figure out status by looking at the total link strength using a partial counting method. This shows how many times an article is cited by papers that are highly cited. Because of this, a work that is heavily mentioned might not necessarily be a prestigious paper. The overall link power is a measure that takes into account both how popular and respected the link is.

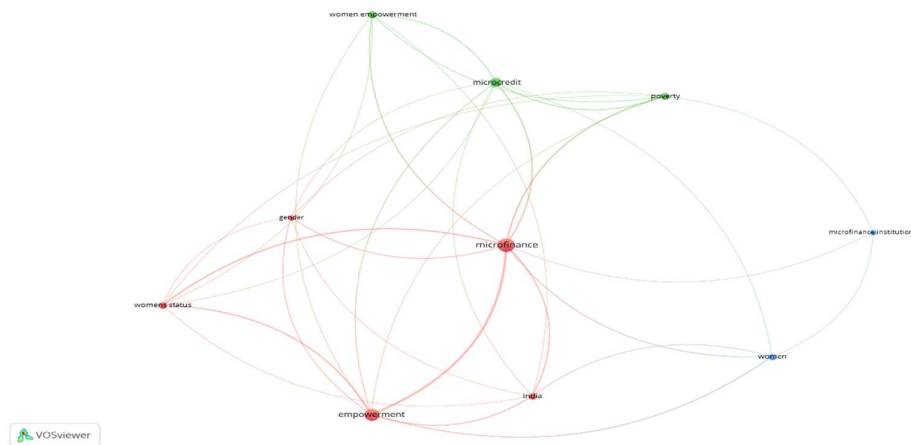
**Table 2: Top 10 cited publications from 2011-2024, based on global and local citations in 57 journals**

Author	Document	Citation
Van Rooyen et al., 2012	The Impact of Microfinance in Sub-Saharan Africa: A Systematic Review of Literature	322
Husain et al., 2012	Gender, Microcredit and Poverty Alleviation in developing country: The case of Women Entrepreneurs in Pakistan	65
Haile et al., 2012	Microfinance and Female empowerment: Do Institutions Matters	64
Rahman et al., 2017	Does Microfinance foster Development? A Critical Review of Literature	59
Geurin et al., 2013	Women Empowerment: Power to act or Power over other women? Lesson from Indian Microfinance	59
Cozarenco et al., 2018	Gender Biases in Bank Lending: Lesson from Microcredit in France	47
Al-Shami et al., 2016	The effect of Microfinance on Women's Empowerment: Evidence from Malaysia	37
Binate Fofana et al., 2015	How Microfinance empower women in Côte d'Ivoire	31
Hulme et al., 2014	Has Microfinance lost its moral compass?	31
Li 2011	The impact of Microcredit on Women Empowerment: Evidence from China	28

Table 2 illustrate the number of citations the top 10 document possess. It reflects that “The Impact of Microfinance in Sub-Saharan Africa: A Systematic Review of Literature” by “Van Rooyen et al”. had the greatest number of citations i.e., 322 followed by “Husain et al.” who had published document named, “Gender, Microcredit and Poverty Alleviation in developing country: The case of Women Entrepreneurs in Pakistan” and got 65 citation. While “Li at al”. who published a document called, “The impact of Microcredit on Women Empowerment: Evidence from China”, had the least number of citations i.e., 28.

### Key words Analysis

This section examines the commonalities in viewpoints articulated in the reviewed articles. Cooccurrence denotes the rate at which phrases are found in conjunction within a document. This research analyzes the connections between various terms in a specific set of bibliographic data. Identifying frequently used phrases facilitates the discovery of essential study concepts or themes. The emergence of various clusters of links among these terms allows researchers to pinpoint potential new research directions or identify emerging trends within the field. Keywords were systematically arranged into clusters based on their co-occurrence (Asif et al. 2023). Figure 2 presents a visual representation of the frequency of a specific keyword, where larger circles indicate a higher level of usage. Circles that share a color represent a thematic connection among articles that include those keywords. Frequently occurring terms have a greater relationship. The research examined keywords used by numerous writers and appearing at least twice. 10 out of a total of 223 keywords satisfied these requirements. Some similar keywords were combined to improve thematic clarity. For example, “Microfinance” was included and “Micro finance” was excluded. Correspondingly, “Micro-credit”, “Micro Credit”, “Small Loans” and “Tiny Loans” was merged into “Microcredit” because of its greater frequency, improved alignment with the study's goal and stronger connections.



**Figure 2: A Network of Keywords appearance**

**Sources:** Authors' original work, utilizing Scopus data collected with the help of VoS Viewer (1.6.20)

Figure 2 illustrates the co-occurrence network generated by VOS viewer. The terms "microfinance" and "empowerment" were the most often mentioned, appearing 29 and 21 times, respectively, with total link strengths of 49 and 36. These terms constitute the essence of three interconnected clusters.

**Cluster 1 (Red):** The first cluster incorporates five items in it namely Microfinance, Gender, Empowerment, India and Women Status. The significant associations within this cluster demonstrate the close relationship between gender equality and parameters empowerment and the Microfinance.

**Cluster 2 (Green):** The second cluster incorporates three items in it namely Microcredit, Poverty and Women Empowerment. The simultaneous presence of these terms suggests a noteworthy connection between microcredit and factors that enhance women's empowerment, including microcredit and positive outcomes that contribute to economic development.

**Cluster 3 (Blue):** The third cluster incorporates two items in it namely Microfinance Institutions and Women. This cluster shows that there is significant association between Microfinance Institutions and women of a community it reflects that women of remote areas can only become self-reliant if they have access to Microfinance Institutions of their region.

The co-occurrence technique identifies theme links between the sampled articles. Notably, it emphasizes the importance of microfinance and gender equality in the debate over microfinance's impact on gender equality. The clusters highlight possible areas for further research, including the relationship between microfinance and women's entrepreneurship in specific regions. The co-occurrence method finds theme connections between the items that were sampled. It makes a point of pointing out how important microfinance and gender equality are in the discussion about how microfinance affects gender equality. The clusters point out possible areas for more study, such as the link between microfinance and women starting their own businesses in certain areas.

### **Bibliographic Coupling**

Bibliographic coupling, which VOS Viewer looked into, is a tool that looks into connections between scholarly works by looking at the references they use. As part of a dataset (Kirby et al. 2023), it checks the references mentioned in each publication. So, two works are said to be bibliographically related if they share a lot of links (Ellegaard et al. 2015). In other words, these papers are probably linked and talk about the same places or topics of study.

Of the first 57 papers, 28 met this requirement and showed patterns of co-citation. However, 3 documents from them were not connected with each other and are excluded.

The above criteria lead to form four different clusters as reflected in figure 3. These clusters are as:

**Cluster 1 (Red):** This cluster incorporates 8 articles, Rahman et al. (2017) being cited for 59 times.

**Cluster 2 (Green):** This cluster incorporates 7 articles, Van Rooyen et al. (2012) being cited for 322 times.

**Cluster 3 (Blue):** This cluster incorporates 6 articles, Haile et al. (2012) being cited for 64 times.

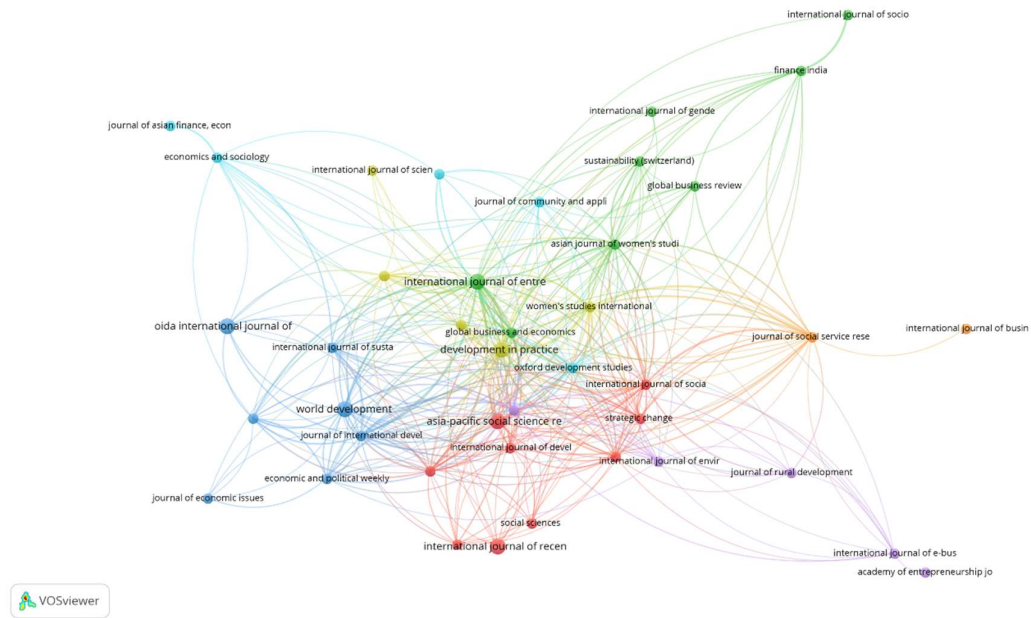
**Cluster 4 (Yellow):** This cluster incorporates 4 articles, Li et al. (2011) being cited for 28 times.



**Table 4: Top 10 Author, Countries and Sources with Citation**

<b>Author</b>	<b>Citation</b>	<b>Countries</b>	<b>Citation</b>	<b>Sources</b>	<b>Citation</b>
Dewet et al., 2012	322	United Kingdom	477	World Development	336
Stewart et al., 2012	322	South Africa	322	Journal of International Development	65
Van Rooyen et al., 2012	322	India	145	Women’s Studies International Forum	64
Husain et al., 2019	65	Malaysia	141	International Journal of Social Economics	59
Mahmood et al., 2019	65	Netherland	121	Oxford Development Studies	59
Scott et al., 2019	65	France	106	Journal of Business Ethics	47
Bock et al., 2012	64	Australia	59	Asian Journal of Women’s Studies	37
Folmer et al., 2012	64	United States	47	Economic and Political Weekly	31
Haile et al., 2012	64	Belgium	47	Review of Economics of Household	31
Isabelle et al., 2011	59	Indonesia	47	Journal of Chinese Economics and Business Studies	28

Studies from various parts of the globe were included in the manuscripts that were analyzed, as shown in Table 4. This global image captures the universal struggle for gender parity. United Kingdom had the greatest number of citation (477), followed by South Africa who had 322 citation. Indonesia, Belgium and United States encounter least number of citations i.e., 59, 64 and 64 respectively.



### Content analysis

We review the most relevant articles in this field using bibliometric analysis. We identified the most impactful publications by using VOS viewer to conduct bibliometric coupling using a 5 citation threshold for our analysis. As a consequence, 25 out of 57 publications were grouped into four groups, each with five or more citations. Using the fractional counting method, Figure 5 displays the knowledge map of the most-cited microfinance papers. The nodes in a network can be arranged into clusters, with edges connecting nodes in one cluster being given more weight than those connecting nodes in another cluster. However, the VOS viewer algorithm produced four different clusters: Cluster 1 had eight papers, Cluster 2 contained seven documents, Cluster 3 contained six documents and Cluster 4 contained four documents. The 25 publications in the four clusters are shown in Table 6. The papers in each cluster were then carefully examined as part of a content analysis to identify a common topic.

**Table 6 Thematic Cluster of Microfinance and Gender Equity research**

Theme	Author	Title	Citation
Cluster 1: Microfinance & Empowerment: Bridging the Gap for Women Worldwide	Al-Shami et al., 2016	The effect of Microfinance on women’s empowerment: Evidence from Malaysia	37
	Al-Shami et al., 2021	Microcredit impact on socio-economic development and women empowerment in low income countries: Evidence from Yemen	11
	Adriani et al., 2022	Entrepreneurial activities and women empowerment in rural India between microfinance and social capital	14
	Bezbourah et al., 2013	Assessing the participation of Women in Microfinance Institutions: Evidence from Multinational studies	14

	Garcia et al., 2020	Does Microcredit increase aspirational hopes? Evidence from group lending scheme in sierra leone	14
	Maity et al., 2016	Microfinance: Women from the margin to the mainstream	9
	Rahman et al., 2017	The effect of Microfinance on Women empowerment: New Evidence from Bangladesh	59
	Samineni et al., 2023	Measuring the impact of Microfinance on economic enhancement on women: Analysis with special reference to India	19
Cluster 2: Microfinance and the Global Journey of Women's Empowerment	Binate Fofana et al., 2015	How Microfinance empower women in coteivoire	31
	Dotsey et al., 2022	Covid-19 and Microcredit: dissecting an NGO's training, financial support and women empowerment programmes	9
	Alicia et al., 2015	Women and Financialization: Microcredit, Institutional, Investors and MFIs	11
	Hulme et al., 2014	Has Microfinance lost its moral compass?	31
	Husain et al., 2012	Gender microcredit and poverty alleviation in a developing country: The case of women entrepreneurs in Pakistan	65
	Khan et al., 2017	Doing business with the poor: The rules and impact of Microfinance Institutions	22
	Van Rooyen et al., 2012	The impact of Microfinance in Sub-Saharan Africa: A systematic review of the Evidence	322
Cluster 3: Empowering Women or Reinforcing Bias? A Deep Dive into Microfinance Practices	Cozarencu et al., 2018	Gender biases in Bank Lending: Lesson from microcredit in France	47
	Geurin et al., 2013	Women empowerment: Power to act or power over other women? Lesson from Indian Microfinance	59
	Haile et al., 2012	Microfinance and female empowerment: Do Institution matters?	64
	Haque et al., 2019	Contribution of aim microfinance to economic empowerment of women borrowers in Malaysia	7
	Huis et al., 2019	The impact of husband involvement in goal setting training on women's empowerment: First Evidence from an intervention among female microfinance borrowers in Sri Lanka	12
	Lucy et al., 2015	Empowering and shaping gender relations? Contesting the Microfinance-gender empowerment discourse	8
Cluster 4: Empowerment in Transition: Microcredit and Gender Dynamics in Post-Revolutionary Societies	Oksan et al., 2015	Microcredit and Political empowerment in Azerbaijan and Kazakhstan	14
	Haase et al., 2012	Revolution, Interrupted, Gender and Microfinance in Nacaragua	13

Herath et al., 2016	The impact of Microfinance on Women's empowerment: A case Study on two Microfinance Institutions in Sri Lanka	14
Li et al., 2011	The impact of Microcredit on women's empowerment: Evidence from China	28

### ***Cluster 1: Microfinance & Empowerment: Bridging the Gap for Women Worldwide***

It is one of the biggest clusters among all four clusters, it incorporates 8<sup>th</sup> articles dealing with “*Microfinance & Empowerment: Bridging the Gap for Women Worldwide*” Al-Shami et al., 2016, Al-Shami et al., 2021 and Adriani et al. 2022 are the three most cited author in cluster one with 37, 11 and 14 citations respectively. The content of present cluster highlights how access to financial resources empowers women, promotes gender equality, decreases poverty, and builds economic independence, while also emphasizing the challenges and innovations needed for long-term success. Factors such as access to personalized financial services, interest rates, cultural norms, financial literacy, institutional sustainability, supportive policies, and technology access had a major impact on gender equality. These factors influence how efficiently microfinance empowers women and fosters economic independence. Starting or developing a business, purchasing assets, funding education or healthcare, meeting seasonal demands, investing in technology, and financing community projects all contribute to increased loan demand. These help women to improve their economic status and promote business or personal growth.

### ***Cluster 2: Microfinance and the Global Journey of Women's Empowerment***

It is second largest clusters among all four clusters, it incorporates 7<sup>th</sup> articles dealing with “*Microfinance and the Global Journey of Women's Empowerment*” Van Rooyen et al., 2015, Husain et al., 2022 and Dotsey et al., 2015 are the three most cited author in cluster one with 322, 65 and 31 citations respectively. The content of present cluster highlights how microfinance helps women achieve financial independence, develop enterprises, improve living conditions, and break away from poverty. It highlights the necessity of financial access, education, and supportive environments for long-term empowerment. Microfinance's impact on women's empowerment is influenced by access to credit, interest rates, cultural barriers, financial literacy, support services, institutional sustainability, technology access, and supportive legal/policy frameworks, all of which determine the effectiveness and reach of microfinance initiatives.

### ***Cluster 3: Empowering Women or Reinforcing Bias? A Deep Dive into Microfinance Practices***

The present cluster will contain 6<sup>th</sup> articles in it dealing with “*Empowering Women or Reinforcing Bias? A Deep Dive into Microfinance Practices*” Haile et al., 2012, Geurin et al., 2013 and Cozarenco et al., 2018 are the three most cited author in cluster one with 64, 59 and 47 citations respectively. The content of present cluster highlights microfinance's potential to economically empower women while also analysing difficulties such as high interest rates, cultural biases, and limited assistance, which may impede the genuine impact on gender equality. Interest rates, cultural norms, financial literacy, access to support services, institutional sustainability, technology access, and supportive legal frameworks are all factors

that influence the effectiveness and inclusivity of microfinance practices. To improve microfinance practices for women's empowerment, strategies include offering affordable interest rates, providing financial literacy, developing inclusive loan products, expanding digital financial services, providing mentorship and support, advocating for gender-sensitive policies, and conducting regular program evaluations. These measures guarantee that microfinance meets women's specific needs and concerns, encouraging actual empowerment rather than reinforcing biases.

#### ***Cluster 4: Empowerment in Transition: Microcredit and Gender Dynamics in Post-Revolutionary Societies***

It is the last cluster which contains 4<sup>th</sup> articles dealing with “*Empowerment in Transition: Microcredit and Gender Dynamics in Post-Revolutionary Societies*” Li et al., 2011, Oksan et al., 2015 and Haase et al., 2012 are the three most cited author in cluster one with 28, 14 and 13 citations respectively. The content of present cluster focuses on how microcredit initiatives impact women's empowerment in post-revolutionary societies. It highlights the significance of microcredit in changing gender dynamics, increasing economic independence, and offering opportunities for women in transitional settings. It also looks at the challenges that women confront, such as cultural resistance and limited resources, as well as the significance of supportive policies for long-term empowerment and gender equality. Microcredit's effectiveness in post-revolutionary societies is influenced by political stability, which impacts program sustainability; cultural norms and gender roles, which may limit women's access; education and financial literacy; economic conditions; institutional support; legal frameworks for women's rights; social networks; and technological access, which enhances accessibility.

#### **4. Discussion**

This paper aims to identify essential characteristics that contribute towards gender equality through microfinance programs, based on relevant papers. We examined significant literature on the topic and discerned the correlation between empowerment and profitability in these projects.

Figure 2 shows a substantial association within Cluster 1 between "gender equality" and variables such as "microcredit", "women empowerment", and "poverty reduction". This link highlights how crucial microfinance services and access to capital are for attaining gender parity. Recipients of these programs may be able to build a stable income for their families, which will help them escape poverty more slowly. In Cluster 2, we see how microfinance has helped empower women all across the world. It stresses that when recipients combine microfinance products—especially microcredit—with good entrepreneurial performance, they can enhance their living situations. Therefore, it is essential to have both financial means and entrepreneurial spirit in order to achieve success.

By using co-occurrence analysis and learning about how microfinance affects gender equality, we were able to identify factors that boost empowerment and profitability simultaneously. Figure 4 illustrates how integrating these aspects provides a complete approach towards gender equality.

Figure 4 depicts the full gender equality process, including variables and measurement indicators. Empowerment elements play a crucial role in gender equality. The program focuses on Access to Education, management training, economic empowerment, Political

Participations, Addressing Gender-Based Violence and Challenging Stereotypes and Norms. These attributes equip microfinance program users with the essential abilities and preparedness to utilize supplementary elements that enhance profitability. The second group includes Increased Productivity and Innovation, Enhanced Market Share and Customer Base and Financial Benefits. In the context of microfinance, "Access to Education" and "Gender-Biasness" were integrated into one category. This is because they all have the same underlying meaning: encouraging beneficiaries to become self-employed.

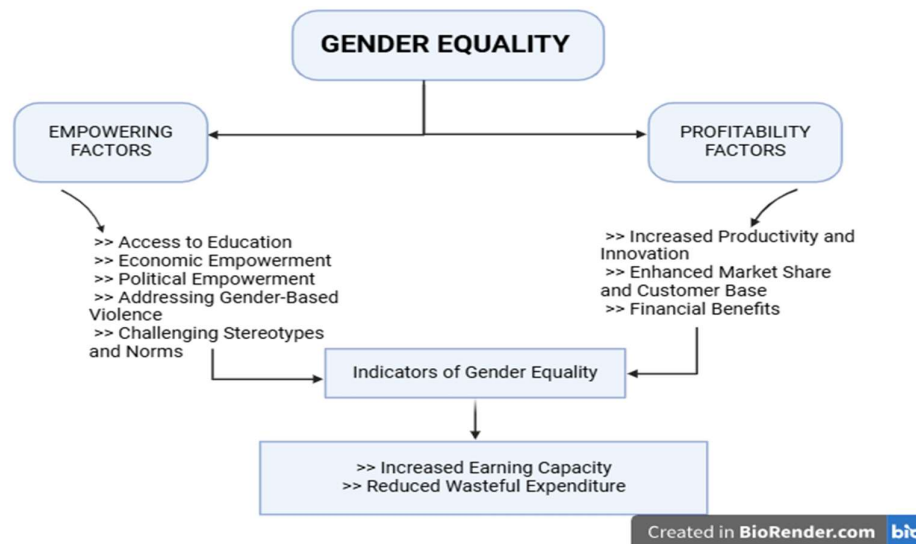


Figure 4 Gender Equality Framework

Access to education in rural areas remains a serious concern, with many students confronting obstacles such as limited infrastructure, insufficient resources, and a shortage of competent teachers (Adedeji et al. 2011). Schools in distant areas frequently suffer with little funding, resulting in overcrowded classrooms and outmoded materials. Furthermore, transportation constraints and great distances to the nearest school hinder consistent attendance. These issues contribute to lower literacy rates and less chances for personal and economic growth. Addressing these difficulties demands investment in infrastructure, teacher training, and creative solutions such as online learning platforms to offer equal educational opportunities for all children, regardless of where they live (Bozkurt et al. 2020). Equality typically leads to a diversity of business ideas as a means of overcoming unemployment and financial difficulties (Kabeer et al. 2021). Lack of finance often prevents great concepts from becoming reality. Access to microfinance can help alleviate poverty (Banerjee et al. 2017).

To ensure that recipients have the technical skills necessary to manage their enterprises effectively and achieve good outcomes, training is vital. People who do not have a reliable source of income can nevertheless pursue their entrepreneurial dreams by starting and growing their own businesses (Hisrich et al. 2017). Beneficiaries' personalities and mindsets can impact their ability to overcome hurdles and create long-term change. Investing in small businesses through microcredit is vital for generating long-term revenue, while saving techniques provide financial security. To prevent debt traps and create value, microloans should be used for business projects that provide long-term income rather than consumption (Guérin et al. 2014).

To effectively reduce inequality among financially excluded individuals, sustainable aspects such as empowerment and profitability are crucial for success (Kalkanci et al. 2019). When executed sequentially, these variables can synergize to achieve long-term success.

This study differs from previous research in key ways:

- **Integrated Approach to Empowerment and Profitability:** This article integrates empowerment and profitability aspects, unlike earlier research that have focused on one or the other. The fact that both sets of criteria are essential for alleviating poverty is acknowledged by this agreement.
- **Comprehensiveness:** Some earlier research has focused primarily on single factors, such as empowerment or profitability, without addressing how they interact in the context of gender equality.
- **A comprehensive framework is needed to explain the components that contribute to poverty reduction, addressing a vacuum in existing literature.** Previous research has explored these elements separately, without considering their interdependence. To fully understand the influence of microfinance on gender equality, it's important to analyse all elements and their interconnectedness. An integrative framework that organizes and categorizes the aspects that contribute to long-term gender equality is provided by this SLR, which addresses the issue.

This SLR offers a comprehensive approach to equality in microfinance, highlighting the importance of balancing empowerment and profitability. This integrated paradigm lays the groundwork for future research and policymaking on using microfinance to promote gender equality.

This SLR highlights the need for continued collaboration between MFIs and governments to achieve gender equality. Consistently applying gender-equality variables over time is key to achieving and maintaining progress. Empowerment and profitability are key aspects that require integrated and coordinated efforts. This method helps low-income people become self-employed, which increases their income and reduces their need on government assistance. Consistent effort promotes both economic freedom and long-term entrepreneurial success. The purpose of this study is to investigate the factors that lead to gender equality in microfinance and to identify measurements that can be used to evaluate the performance of those programs. These metrics measure whether the program effectively fulfil its fundamental goal. persistent and incremental gender equality.

Figure 4 displays specific equality achievement, such as (a) Increased Earning Capacity and (b) Reduced Wasteful Expenditure which assesses whether beneficiaries' living conditions have enhanced due to augmented financial stability and spending capability. These findings provide an integrative view, complementing prior investigations.

## **5. Practical Implications**

The current research has numerous important implications:

- (a) **Discovery and Classification of Gender Equality Factors:** The present research significantly observed and classified characteristics that aid towards gender equality in the field of microfinance. The framework separates two types of variables: empowerment, which provides critical skills and competencies, and profitability, which promotes income generation and financial stability.

(b) Grouping between Empowerment and Profitability groups: This category enables an organized method for grasping the various aspects of gender equality in microfinance. Empowerment considerations tackle the root causes of poverty, whereas profitability factors prioritize urgent financial demands.

(c) Developing a Holistic Guidelines: This research presents a holistic guideline that includes these parameters and accompanying measurement indicators. This framework provides a comprehensive view on gender equality in microfinance, allowing for a holistic approach to program design and assessment.

(d) Connection among finance and growth economics: The current research examines how microfinance, a financial instrument, might help reducing gender inequality in a sustainable way, bridging the gap between development economics and finance. Integrating financial mechanisms into development initiatives is essential for creating inclusive financial ecosystems that drive economic growth and sustainability.

(e) Emphasis on Financial Inclusion: This research focuses on how microfinance can improve financial inclusion. Microfinance organizations provide financial services to underprivileged groups, contributing to inclusive financial ecosystems.

## **6. Limitations and Future Directions**

Although its outstanding remarks, this SLR contains limitations. The inclusion criteria emphasized publications that specifically discuss gender equality and women empowerment variables and indicators, perhaps eliminating important research that fails to use these terms. Future study could address this constraint by examining sustained gender equality via the lens of microfinance. Additional research is needed to evaluate the real-world impact of adopting these parameters in different geographical and cultural contexts.

## **Conclusions**

Assessing gender equality via microfinance is very crucial. Microfinance may boost financial inclusion and leads to gender equality, especially for areas who faced gender biasness. Equality and empowerment can be achieved by financial exclusion, which prevents individuals from starting small enterprises that can provide long-term employment and income.

To effectively reduce inequality and improve living conditions for underserved groups, MFIs must maintain financial sustainability and stability, including strong management procedures. Ensuring these circumstances allows MFIs to contribute to long-term gender equality with greater impact.

Our research uncovered two factors that contribute to gender parity in the long run: enabling microfinance program recipients to make the most of their funds and program profitability, which boosts household income and overall well-being. You should take care of these two things at the same time because they are complimentary.

This study found characteristics that contribute to slow and sustainable gender equality and serve as critical precursors in this process. Properly implemented microfinance programs can significantly reduce inequality among beneficiaries. These elements are important criteria for measuring gender equality and improved living situations. To clarify, these elements are divided into two categories: empowerment and profitability aspects for recipients.

The factors that enable economic viability for recipients and contribute to progressive and persistent gender equality are as follows: (a) Access to Education, (b) Economic

Empowerment, (c) Political Empowerment, (d) Addressing gender-based Violence and (e) Challenging stereotypes and Norms. The following elements improve beneficiaries' profitability and enable them to leave inequality: (a) Increased Productivity and Innovation, (b) Enhanced Market Share and Customer Base and (c) Financial Benefits.

The concepts of progressive and persistent gender equality are crucial for MFIs and their users, and serve as effective tools in eliminating inequality. Policymakers can use these variables to create effective microfinance programs that reduce poverty gradually and sustainably.

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### **Declarations**

I hereby declare that the research paper titled "Assessing the Linkage Between Microfinance and Poverty Reduction in India" is my original work and has not been submitted for consideration, publication, or presentation in any other journal or conference. I affirm that all the sources of information and data used in this study are acknowledged through appropriate citations and references.

### **Informed Consent:**

The manuscript does not include any individual person's data in any form, including individual details, images, or videos. Therefore, this section is not applicable to the submission. Participation in the study was voluntary, and all participants provided written informed consent. Participants were fully informed about the study objectives, their roles, and their rights to withdraw at any stage.

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