

THE IMPACT OF MICRO CREDIT ON SELF EMPLOYMENT OF WOMEN – A SURVEY ON JAFFNA DISTRICT, SRILANKA.

Rathiraneer Yogendrarajah*

**Head & Senior Lecturer, Department of Financial Management, Faculty of Management Studies & Commerce, University of Jaffna, Jaffna, Sri Lanka.*

ABSTRACT

The micro-credit programmes provide a two-tiered approach to the credit facilities for the purchase of capital equipments in order to promote the self-employment and the noncredit services. This paper addresses the challenging issue of whether microcredit programmes are tools for enhancing the self employment activities of poor women. The study focused the way to increase the self employment activities through micro credit program. For this purpose the problem is identified as “To what extent micro credit programmes influence on providing self employment opportunities to the poor women in rural areas”. The prime objective of the research is to identify the role of the micro-credit programmes on self employment opportunities. It was assumed that the micro credit positively correlated with self employment. For this purpose, the households who get loan facilities from micro finance institutions ie, Cooperative Rural Banks (CRBs), Thrift Credit Cooperative Society (TCCSs), and Samurdhi Bank Societies (SBSs) from Jaffna region are selected to meet the research objectives. The information has been gathered from 96 women aged below 60 years and who are involved with self employment activities by using primary and secondary data. The results were tabulated by using statistical method analysis with the help of the SPSS software package. Although, the self employment opportunity reduces the poverty line of women and empowering them in various activities finally, it is concluded that there is need to increase the loan facilities and training programmes regarding various types of skills ie, business, marketing and negotiation skills also need to go hand-in-hand with credit-delivery. Further with the micro credit delivery, the marketing facilities also are important to the self employable persons to market their products successfully in order to increase the self employment activities.

KEY WORDS; Micro credit, Self employment, noncredit aspects, poor women.