



# Human Resources in Socio Economic Development: An Analysis

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## Abstract:

Development and growth of any economy is linked to socio-economic development of its people. Microfinance today is an extensively accepted tool for poverty alleviation and socio-economic development of its recipients. The beneficiaries of all categories as well as the empowerment of women from side to side microfinance is a broadly studied and debated issue. The present paper highlights the impact of micro-finance in socio-economic development from women perspectives as human resources.

Keywords: Development, Socio-economic, Microfinance. Human resource,

## Introduction:

Transversely the world and especially among the developing nations, there is a general consensus that Microfinance and microcredit have the prospective to alleviate poverty and is linked to socio-economic empowerment of its recipients.

Many studies have highlighted that access to microfinance contributes to poverty reduction both at the rural and urban level and it also contributes to the empowerment of its women participants.

On the other hand this potential of microfinance is also writ with a lot of challenges. There are a lot of inhibiting factors in and around the beneficiaries which reduce the socio-economic empowerment. At times it has been found that the microfinance programme might require changes to be more effective.

## Statement of the Problem:

The impact of micro-finance in socio-economic development are of great value since microfinance help people for socio-economic and cultural improvement.

## Literature Review:

1. The writings on economic empowerment is vast, and a large part of this focuses on the economic empowerment of women-a key strategy in addressing gender disparity. More generally, the discourse on economic development centres around four broad areas: the promotion of the assets of poor people; transformative forms of social defense; microfinance and skills training (Eyben, R., Kabeer, N., Cornwall, A., 2008) ,
2. Social development is understood as the process of developing a sense of independence and self-assurance and acting individually and collectively to change social relationships and the institutions and discourses that exclude poor people and keep them in poverty (Blomkvist,H., 2003).

### **Objectives of the Study:**

The main objectives of the Study are-

1. To study the idea of microfinance
2. To study the influence of microfinance on socio-economic development.
3. To study the microfinance from women's perspectives.

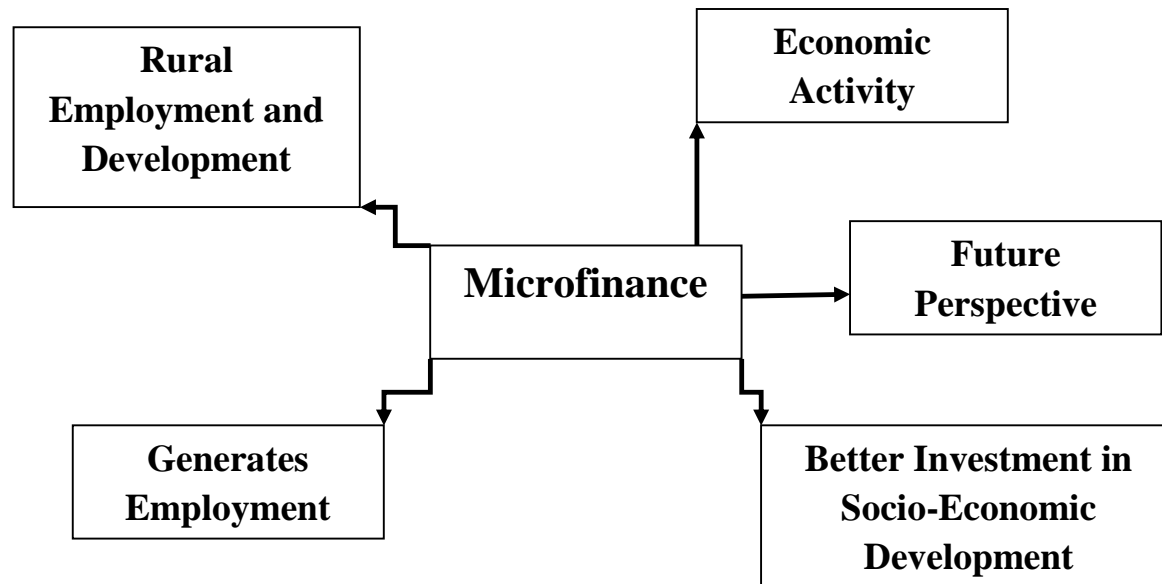
### **Research Methodology:**

The paper highlights existing literature to highlight the role of Microfinance on women empowerment. The sources of the study includes research articles published in peer reviewed journals and research articles.

### **Idea of Microfinance:**

1. Microfinance is a banking perspective supplied to low-income individuals or groups who otherwise would have no other access to financial services.
2. Microfinance allows people to take on logical small business loans securely, in a manner that is consistent with moral lending practices.

Figure: 01



#### **Microfinance and Socio-Economic Development:**

1. The study found that microfinance play a vital role in enhancing micro-entrepreneurs. microfinance supply loan services, consultation, training, and business monitoring services.
2. Microfinance has supply the poor with access to credit for income-generating activities, breaking the cycle of poverty and enabling economic development.
3. The main aim is to cater the needs of poor people and guide, motivates them to enlarge their economic and social development.
4. Microfinance highlights to providing financial services to the marginalized section of the society which is deprived of getting those services from side to side formal modes.
5. Savings help families construct assets to finance school fees, improve homes and achieve goals.
6. Insurance products can counterbalance the cost of medical care. Money transfers and remittances allow families to easily send and receive money across borders.
7. The growth of microfinance is affected by the following factors; Capacity in managing finances and loans and adhering to financial policies and guidelines.
8. It covers competent personnel, appropriate training to key staff, loan follow up, corruption, and access of members to business training.

9. Microfinance is usually seen as a way to fix credit markets and unleash the productive capacities of poor people who are dependent on self-employment.
10. The microfinance division has grown quickly since the 1990s, paving the way for other forms of social enterprise and social investment.

#### **Influence of Microfinance towards Women's Development:**

1. From beginning to end microfinance poor women are able to expand their businesses and therefore contribute to household income which can have a positive influence on food security, their children's education, manage their household emergencies and idea for their future.
2. Microfinance elucidations enable consumers to obtain loans when they most importance it and increase credit accessibility.
3. Banks hardly ever give customers small loans; microfinance that supply microloans fill this gap. Through raising the amount of funds accessible to the poor, it enables capital development.
4. The microfinance has a optimistic and noteworthy effect on income and expenditure.
5. The very impact is regressive which implies that poorer households do not feel as much the effects of the interference as compared to the richer households.

#### **Findings of the Study:**

The major findings of the study are-

1. The impact of microfinance in socio-economic development are of great value for rural development.
2. Microfinance as highlighted to develop economic resilience and social capital among low income people which eventually sustain their well-being.
3. The social inclusion, employment and earning opportunity and new line financial inclusion have a important influence on microfinance.
4. Microfinance is an idea for financial services that are offered to individuals of lower socioeconomic perspective or those who lack access to traditional financial services.
5. Microfinance covers a number of services, for example savings accounts, checking accounts, fund transfers, micro insurance and microcredit.

**Conclusion:**

The literature reviewed in this paper focuses that there is absolutely a positive influence of microfinance on empowering women. It is more evident on the socio economic variable of empowerment.

The optimistic influence has been recognized in economic variables such as growth, savings, employment days, household consumables, assets and the expenditures of the households. The social variables which showed a positive impact were decision making power, understanding and self-worthiness, self-assurance, self-respect and self-worthiness.

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