

The Role of Microfinance in Poverty Reduction and Empowerment of Marginalized Populations: A Qualitative Study in Tangail, Bangladesh

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Abstract

Poverty remains a persistent challenge in many developing countries, including Bangladesh, where marginalized communities often lack access to financial resources and economic opportunities. This qualitative study examined the role of microfinance in poverty reduction and empowerment of marginalized populations in Tangail, a region characterized by high poverty rates and limited socioeconomic opportunities. The study focused on 30 participants selected through purposive sampling, and data were collected via in-depth interviews. Thematic analysis was employed to interpret the participants' experiences and perspectives regarding microfinance programs. Findings indicate that microfinance institutions (MFIs) contribute to poverty alleviation by empowering low-income individuals, particularly women, through self-employment, small business development, and enhanced economic resilience. Participants reported improvements in living standards, financial access, and skills development through financial literacy and business support programs. Nevertheless, challenges such as over-indebtedness, rigid repayment schedules, time constraints, and inadequate support services were also identified. The study recommends that MFIs strengthen their programs by promoting financial literacy, responsible lending, technological integration, and collaboration with local government and community organizations. These measures can enhance the effectiveness of microfinance initiatives and provide valuable insights for policymakers, practitioners, and stakeholders aiming to leverage microfinance for sustainable poverty reduction.

Keywords: Microfinance, poverty reduction, socioeconomic development, economic empowerment, sustainable lending practices.

Introduction

Poverty remains one of the most pressing global challenges, restricting millions from accessing fundamental human needs such as food security, education, healthcare, housing, and dignified livelihoods. According to the World Bank (2020), more than 700 million people globally continue

to live in extreme poverty, highlighting the on-going challenges despite significant economic progress in many developing nations. Poverty is multidimensional, encompassing not only lack of income but also deprivation of opportunities, insecurity, and social exclusion. Bangladesh, as a lower-middle-income country, has made substantial strides in economic development and poverty reduction in recent decades. Yet, the issue persists, particularly in rural areas where livelihoods depend heavily on agriculture, informal labor, and small-scale trades, and where access to formal financial services remains limited (Rahman & Khan, 2019). Conventional banking institutions often marginalize the rural poor owing to their inability to meet collateral requirements, irregular income flows, and absence of credit history (Ledgerwood et al., 2013). This exclusion from mainstream financial systems has historically prevented disadvantaged groups from engaging in income-generating activities and improving their socioeconomic conditions. Against this backdrop, microfinance has emerged as an alternative development strategy and innovative financial tool, providing access to credit, savings, and insurance to those excluded from formal banking. The fundamental principle of microfinance is to facilitate access to small-scale financial resources that empower the poor, particularly women, towards income generation, enterprise development, and social mobility (Armendariz & Morduch, 2010; Yunus, 2003).

The microfinance movement, pioneered by Muhammad Yunus through the Grameen Bank in Bangladesh, has since spread across the globe as a model of development intervention. Microfinance encompasses microcredit, micro-savings, and micro-insurance, offering more than just financial capital. It provides disadvantaged groups with opportunities to build resilience, enhance human capital, and connect with broader social development initiatives (Ledgerwood, 2013). Numerous studies underscore how microfinance has supported poor households by enabling small-scale entrepreneurship, reducing vulnerability, and promoting empowerment, especially among women, who are often targeted as beneficiaries given their role in family welfare and community development (Mayoux, 2006). However, the debate around the effectiveness of microfinance remains contested. While some scholars and practitioners argue that microfinance has demonstrably reduced poverty and fostered empowerment, others caution that it has also contributed to rising indebtedness, dependency, and limited structural change in poverty dynamics (Banerjee et al., 2012; Bateman & Chang, 2012). This duality makes it crucial to examine the impact of microfinance within specific socio-cultural and economic contexts, where outcomes are influenced by local realities.

Tangail, located in central Bangladesh, presents an important case study for examining the relationship between microfinance and poverty reduction. The district is predominantly rural, with agriculture as a principal livelihood source supplemented by petty trade, informal labor, and remittances. Microfinance programs in Tangail are widespread, delivered by both large national NGOs and smaller local MFIs, targeting disadvantaged households for credit, savings, and group-based lending. For many residents, microfinance represents one of the few accessible financial mechanisms that allow them to engage in self-employment or supplement household income. Yet, the impact of microfinance in Tangail, as in other parts of Bangladesh, is not uniform. While some beneficiaries report improvements in income, food security, education, and healthcare access, others face challenges such as limited business expansion, loan repayment pressures, and debt cycles. These mixed outcomes point to the complexity of microfinance as a poverty alleviation tool and highlight the need for context-specific studies exploring how beneficiaries themselves experience and interpret the impact of microfinance in their lives (Rahman & Khan, 2019).

A growing body of international research has examined the role of microfinance in poverty alleviation, with diverse findings. For instance, Simata (2013) in Namibia showed that savings and credit associations (SCAs) contributed positively to socioeconomic development, improving healthcare, education, and women's empowerment, though challenges such as high default rates

and business losses persisted. In Nigeria, Kasali et al. (2015) found microfinance loans effective in reducing poverty, emphasizing the importance of supportive government policies in strengthening outcomes. Contrarily, Banerjee and Jackson (2017) highlighted the darker side, where microfinance deepened indebtedness and vulnerabilities among already impoverished communities. Similar mixed results have emerged in South Asia. Ullah et al. (2020) demonstrated in Pakistan that microfinance supported improved living standards by enhancing access to food, healthcare, and housing. However, they stressed the importance of borrower education and training to maximize benefits. In Indonesia, Yasin (2020) raised concerns over the tension between profit-driven motives and social welfare goals in microfinance, calling for better governance models. Likewise, Chomen (2021) in Ethiopia found that microfinance participation increased income and savings among households, while Pokharel (2022) in Nepal documented microfinance's contribution to women's empowerment through expanded entrepreneurial roles. Patel (2023) further emphasized how microfinance interventions affect household-level indicators such as income, employment, education, and health.

Within Bangladesh, empirical studies present a similarly complex picture. Karim et al. (2012) found microfinance beneficial to many rural poor in Laxmipur but emphasized that the poorest segments benefited less compared to moderately poor borrowers. Hyder (2015) showed that income poverty decreased modestly due to microcredit programs, though he questioned the assumption that rising income automatically translates into sustainable poverty reduction. Ahmed and Hossain (2018) provided qualitative evidence highlighting the mechanisms through which microfinance supports household resilience against economic shocks, noting its role in financial coping strategies. Hossen et al. (2019) illustrated a 6.2% poverty reduction through MFIs' initiatives, particularly in rural areas, while Khan (2019), using randomized controlled trials, revealed that microfinance had mixed impacts on income stability and wealth accumulation, underscoring the importance of context. Systematic reviews also point to nuanced outcomes. Hasan (2020), through a meta-analysis of Bangladeshi studies, synthesized evidence on why microfinance works in some contexts but not in others, identifying program design, client characteristics, and institutional structures as key factors. Similarly, Zaman et al. (2020) showed that beyond income gains, microfinance also supports savings, micro-insurance, and training that enhance poverty alleviation, though with caveats on effective usage and repayment practices. Ali (2021) found a strong positive link between microcredit and women's empowerment in Rangamati, while Islam (2021) compared group-based and individual-based models, arguing that group-based approaches promote social capital and inclusivity.

Recent studies reflect the continuing debate. Chowdhury and Akhtar (2022) explored institutional challenges in scaling up MFIs, highlighting issues of regulation and sustainability, while Shah (2024) demonstrated that microfinance enhanced income, food security, and women's economic agency in Bangladesh, alongside fostering social capital and community empowerment. Taken together, these studies confirm that while microfinance is not a panacea, it remains a significant instrument within broader poverty reduction strategies. Despite the breadth of studies, significant empirical gaps remain in understanding the localized, lived experiences of microfinance beneficiaries in rural Bangladeshi contexts such as Tangail. Much of the existing literature relies on quantitative surveys and economic indicators, which, while useful, often miss the nuanced social, cultural, and emotional dimensions of how microfinance shapes lives. Qualitative inquiries, though fewer, reveal the importance of context, community dynamics, and individual agency in shaping outcomes (Ahmed & Hossain, 2018).

The overall objective of this study was to examine the role of microfinance in poverty reduction and empowerment of marginalized populations in Tangail, Bangladesh. The specific research questions guiding the study were: (a) How do microfinance programs influence the

income, livelihood, and socioeconomic well-being of beneficiaries? (b) What challenges and barriers do clients face in accessing and utilizing microfinance services? and (c) How do beneficiaries perceive the non-financial impacts of microfinance, such as skill development, empowerment, and social inclusion? By addressing these questions, this study provides context-specific insights and contributes to a more nuanced understanding of microfinance as a tool for sustainable poverty alleviation in rural Bangladesh.

Method

Research Design

This study employed a qualitative research approach to explore the role of microfinance in poverty reduction in Tangail, Bangladesh. Qualitative research was deemed appropriate because it allows for an in-depth understanding of participants' lived experiences, perceptions, and interpretations regarding microfinance services. Unlike quantitative methods which focus on numerical measurements and generalizations, qualitative methods provide rich, descriptive insights into social, cultural, and economic contexts, enabling a nuanced understanding of how microfinance influences empowerment, livelihood, and socioeconomic well-being. The study emphasized participants' perspectives and narratives, aligning with the research objective of understanding context-specific impacts of microfinance on poverty alleviation.

Research Area

The research was conducted in Karotia Upazila of Tangail district, Bangladesh. This area was selected owing to its predominantly rural nature, reliance on agriculture and informal labor, and the prevalence of microfinance programs implemented by both national and local MFIs. Karotia provides an ideal setting to examine the localized effects of microfinance on poverty reduction and social empowerment, particularly among marginalized households.

Targeted Population

The targeted population included individuals who had received microfinance assistance at any point in their lives. To ensure relevance, participants were selected based on the following criteria:

- Must have received microloans, savings, or related support from an MFI;
- Must be actively involved in income-generating activities supported by microfinance (e.g., small business, agriculture, handicrafts); and
- Must be residents of Karotia Upazila to ensure contextual consistency.
- This population was chosen because they could provide firsthand insights into the benefits, challenges, and social impacts of microfinance programs.

Sample Size and Sampling

A purposive sampling method was employed to select participants who met the criteria outlined above. The study included 30 participants, a manageable sample size for detailed qualitative analysis while ensuring rich and meaningful data. Purposive sampling was appropriate for this research because it enabled the selection of participants with direct experience of microfinance, thus ensuring the collection of relevant and insightful information on the study objectives.

Data Sources

The study used a combination of primary and secondary data sources:

- Primary data: Collected through in-depth, semi-structured interviews with selected participants to capture personal experiences, perceptions, and narratives regarding microfinance assistance.
- Secondary data: Obtained from academic journals, books, government reports, NGO publications, and credible websites. Secondary sources provided contextual background

on microfinance policies, program frameworks, and poverty reduction strategies, supporting the interpretation of primary data.

Data Collection Techniques

Data was collected using semi-structured, in-depth interviews, allowing participants to share detailed accounts of their experiences while enabling the researcher to probe specific areas. The interview guide focused on the following:

- Types of microfinance assistance received (loans, savings, insurance);
- Utilization of microfinance for income generation and livelihood improvement;
- Perceived socioeconomic benefits (income, education, healthcare, empowerment);
- Challenges or limitations experienced (repayment pressures, over-indebtedness, time constraints, lack of support); and
- Suggestions for improving microfinance services.
- Interviews were conducted in participants' local language to ensure clarity and authenticity of responses. Each interview lasted approximately 30–45 minutes and was recorded with participants' consent for accuracy.

Data Type

The study collected qualitative and contextual data:

- Qualitative data: included participants' narratives, experiences, and perceptions regarding microfinance programs, highlighting the personal, social, and economic impact of microfinance.
- Contextual data: drawn from secondary sources, provided background on microfinance policies, programs, and socioeconomic conditions in Tangail. This combination allowed for triangulation and enriched the interpretation of participants' responses.

Data Analyzing Techniques

In this study, thematic analysis was employed to systematically analyze the qualitative data collected through in-depth interviews with microfinance clients in Karotia Upazila, Tangail. Thematic analysis is appropriate for this study because it allows for the identification of patterns, meanings, and key themes in participants' narratives, providing a rich understanding of how microfinance impacts poverty, empowerment, and livelihoods (Braun & Clarke, 2006).

Ethical Considerations

The primary ethical considerations were the following:

- Respondents' consent was requested before interviewing.
- Privacy and confidentiality of respondents were maintained every step of this study.
- Integrity and honesty were maintained in every steps of research.
- No pressure was applied on the respondents to obtain information from them.
- In this study, data was not altered or manipulated by the researcher.
- No photograph, video, or recording was taken without permission.
- Not a single recording was made in this study without the consent of the respondent.

Results

General Information

The respondents comprised both males and females and their age range was between 35-48. Most of the respondents were literate having at least primary education. Some respondents also have secondary and higher secondary education. Most of the respondents had households between six

and eight members. Furthermore, they were involved in various occupations such as farming, small businesses, raising poultry and many more.

Microfinance Participation

Respondents had been associated with Grameen Bank (GB) for between four to ten years. In most of the cases, the respondents had heard about microfinance from their neighbors. They (neighbor) introduced the respondents to field officers of GB who visited their village and informed them how to take small loans from GB and how it could be beneficial for them. One participant said, *“My neighbor told me about GB and introduced me to the field officer. The field officer came to our village and patiently explained how the loan could help me start a small business. That gave me confidence to join. Without their guidance, I would not have known how to take a loan.”* Most of the respondents took loans as microfinance services for their business or other purpose i.e. farming, livestock rearing, starting small business, setting up of a shop at the village and many more.

As one participant shared, *“I used the loan to buy chickens and sell eggs. It helped me earn steadily and support my family.”* The loan amounts varied from respondent to respondent, ranging from Tk. 30,000 to Tk. 50,000. They received financial support from the GB frequently, depending on their businesses and needs. The loan repayment schedule was on a weekly basis and the annual interest rate was 15% of the loan amount. One respondent noted, *“Weekly repayment is sometimes challenging, but it helps me manage my finances carefully and avoid debt accumulation.”*

Economic Impact

After taking loans, respondents started their new economic activities such as starting a shop at the village, investing in poultry farming, livestock rearing and agriculture, and investing in other small businesses. According to one participant, *“I used the loan to open a small shop near my house. Now I earn enough to support my family without depending on others.”* According to respondents, these microfinance loans have improved their income level. Before joining the microfinance program, they were dependent on their unstable income and on assistance from their neighbors and relatives. However, after taking out microfinance loans, they were able to start their businesses, which helped them to earn a good amount of money every month. This helped to solve their previous financial problems which they had faced in their daily lives. This has improved in their household's financial stability. One participant explained, *“Before joining the microfinance program, I relied on irregular earnings and sometimes had to borrow from neighbors or relatives. After taking the loan, I started my poultry business, and now I can earn steadily every month.”*

The study also found that most of the respondents were now able to save some money after their monthly expenses and repayment of loans. This helped them to manage unexpected expenses during emergencies such as family member's illness, and paying of children's fees at educational institutions. A participant shared that, *“Even after paying back the loan, I can put aside some money for emergencies, like my son's school fees or a sudden illness in the family.”* Despite these benefits, the respondents sometimes faced some challenges during the weekly repayment schedule of the loans. As most of the respondents' income depended on their businesses, any disruption in their businesses created a challenge in managing the repayment of the GB loans. One participant noted, *“If my shop does not earn enough one week, it becomes very hard to pay the installment on time. Sometimes I have to borrow small amounts from others to meet the repayment.”*

Social and Livelihood Impact

The study found that microfinance programs have a positive impact on the social and livelihood aspects of the respondents. Previously, according to respondents, they faced challenges in sending their children to schools and accessing healthcare due to the shortage of money. However, thanks to loans, it was found that most respondents were able to send their children to school. Moreover,

if anyone of the family became ill, they were now able to undergo better treatment than before because of the availability of money which they have earned through the help of the microfinance program of GB. One participant said, *“Before taking the loan, I could not afford my children’s school fees, and when my husband fell ill, we struggled to pay for treatment. Now, if anyone in my family is sick, I can take them to a proper doctor without worrying about the cost.”* The study also found that decision-making power and social status have also been improved because of the financial stability of the respondents. As one participant explained, *“Earlier, my husband made all the financial decisions, but now I also contribute ideas and decisions because I am earning from my own business.”*

According to respondents, microfinance has influenced the women’s empowerment in their community. This study found that most of the loan takers were women. By taking loans, they have also started their own small businesses, thereby empowering them economically and helping them to be economically independent. A female respondent stated, *“With my loan, I opened a small poultry business. Now I earn my own money and do not depend solely on my husband. It has given me respect in the family and community.”* Respondents, especially women, faced some social challenges to microfinance participation at the beginning. One participant said, *“At first, people in my village laughed and said women should not be doing business. But after I succeeded, others began to respect me and even joined the program themselves.”* These initial barriers diminished as women demonstrated success, encouraging others in the community to participate in microfinance programs as well.

Challenges and Sustainability

Respondents faced various challenges related to microfinance programs. Weekly repayment schedules and pressure from the groups to repay the loans in time during times of low income in their businesses were to be major challenges which the respondents faced in microfinance programs. Some respondents expressed the view that the interest rate was somewhat high and the weekly repayment schedule tight. If there were monthly repayment options and flexible time, that could be more helpful for them. One participant shared, *“When my business earns less in a week, it becomes very hard to pay the weekly installment. Sometimes I have to borrow small amounts just to meet the repayment.”* Another respondent noted, *“The interest rate feels a little high, and weekly repayment is tight. If there were monthly repayment options or more flexible timing, it would be much easier to manage.”*

They also expressed the need for training in order to expand their businesses, as well as risk management support from the GB. One participant explained, *“I wish GB could provide training on how to grow my business safely and handle risks. That would help me earn more and manage the loan better.”* Despite the challenges, respondents said that they would recommend that those who are still financially vulnerable should make use of the microfinance assistance program offered by the GB in order to be economically stable and independent by their reducing their poverty. As one respondent stated, *“Even with some difficulties, I would tell others to join the program. It helped me earn my own money, support my family, and reduce poverty in our household.”*

Discussion

The findings of this study highlight the significant role of microfinance, particularly through GB, in reducing poverty among the respondents in Tangail. Participation in microfinance programs has led to notable economic improvements for many respondents, enabling them to initiate or expand income-generating activities such as small businesses, farming, keeping poultry, and livestock rearing. This transition from unstable, dependency-oriented livelihoods to more self-sustaining economic activities signals the potential of microfinance to enhance household financial resilience. These results are consistent with studies in Bangladesh and elsewhere which have demonstrated how microfinance facilitates small-scale entrepreneurship and supports livelihood diversification (Ullah et al., 2020; Zaman et al., 2020). Prior to accessing microfinance services, most respondents relied on informal income and financial support from relatives or neighbors. After joining business

groups and receiving loans, their enterprises became profitable and helped reduce financial burdens. Respondents reported being able to meet basic household needs, save for the future, and even cover unforeseen expenditures such as medical treatment or children's education. These findings align with earlier research that documented similar improvements in household welfare, food security, and healthcare utilization following microfinance participation (Hasan, 2020; Shah, 2024).

The research further indicates that microfinance positively influenced social and livelihood aspects. Respondents emphasized better access to education and improved healthcare services for their families, which were previously unattainable owing to financial constraints. This resonates with findings by Patel (2023) who noted that microfinance positively affects household-level outcomes such as education, health, and employment. Additionally, improvements in financial standing redefined respondents' social status and strengthened their decision-making capacity within their households and communities. These results corroborate earlier studies highlighting microfinance's role in enhancing social capital, community participation, and decision-making power among marginalized groups (Ali, 2021; Islam, 2021). A particularly revealing dimension of the findings relates to women's empowerment. Most of the loan recipients were women who, despite facing entrenched social misconceptions, established small businesses. Their economic achievements reshaped self-perceptions and encouraged greater acceptance of women's participation in financial and entrepreneurial activities. This echoes a growing body of research emphasizing the role of microfinance in enhancing women's agency, economic self-sufficiency, and empowerment (Ali, 2021; Karim et al., 2012; Pokharel, 2022). The findings thus support the view that microfinance interventions can serve as catalysts for transforming gender norms and advancing women's empowerment in patriarchal societies.

However, the study also uncovered challenges faced by participants. The strict weekly repayment schedules created financial pressure, particularly during periods when businesses were less profitable. Concerns were also raised regarding high interest rates, with some respondents suggesting that monthly repayment schemes would be more sustainable. These observations are consistent with critiques raised in earlier research, which highlight how rigid repayment structures and high interest obligations can exacerbate borrower stress and vulnerability (Banerjee & Jackson, 2017; Bateman & Chang, 2012). Moreover, respondents noted a lack of adequate training in business development and risk management, arguing that more structured support from MFIs such as GB could enhance the sustainability of their enterprises. This concern aligns with recommendations from Ullah et al. (2020), who emphasized the need for training and entrepreneurial guidance to improve microfinance outcomes. Despite these limitations, most respondents expressed positive perceptions of microfinance services and recommended them as a pathway to economic empowerment and poverty alleviation for others in greater need. This optimistic outlook reinforces previous studies that acknowledged microfinance as a valuable, though imperfect, instrument for poverty reduction when complemented with supportive policies and institutional modifications (Chowdhury & Akhtar, 2022; Hossen et al., 2019; Khan, 2019).

The findings from Tangail, Bangladesh support the argument that microfinance can significantly contribute to poverty reduction and empowerment by fostering income generation, improving access to education and healthcare, and enhancing social status. At the same time, they illustrate the importance of addressing structural challenges such as repayment schedules, interest rates, and lack of training to ensure that microfinance interventions are more sustainable and inclusive.

Conclusion and Recommendations

Conclusion

This qualitative study underlines the relevance of microfinance in poverty alleviation in Tangail. It has been found that MFIs are essential for funding low-income families so that they can participate in income-generating activities, which enables them to improve their standard of living and advance their economic wellbeing. Nevertheless, the study has also pointed out the need to address challenges such as low levels of financial literacy, the provision of adequate aid, and the issue of over-indebtedness. For microfinance to be more impactful, it must evolve beyond merely providing loans to encompass a holistic approach that includes financial education, business training, and a focus on sustainable lending practices. By encouraging the partnership of MFIs with the local governments and other actors, a more comprehensive strategy for addressing poverty can be developed. In a nutshell, while microfinance is a potent weapon to combat poverty in Tangail, it could be more effective if there were strict oversight, women are sensitized to the issues, and new technology is brought into the region. This multi-faceted approach will ensure that microfinance is a significant contributor towards poverty reduction and economic growth within the area.

Recommendations

Given the findings of this study, some observations can be made to improve the success of microfinance in poverty alleviation within the region of Tangail. These gaps are aimed at addressing the current problems, and optimizing service delivery and the socioeconomic impact of microfinance on disadvantaged groups or communities.

- Microfinance institutions (MFIs) should break the vicious cycle by investing heavily in the financial education of clients, specially budgeting, saving, debts, and investing strategies that will lead to more efficient use of loans and fewer defaults on the orders.
- MFIs should develop seasonal business loans that will cater for clients involved in various seasonal businesses such as agriculture and other economic activities.
- Microfinance programs should include business leadership training for women and women support entrepreneurship advocacy as women decision-makers need to be empowered.
- MFIs should establish comprehensive M&E systems that will keep track of the economic growth of the clients, the loans issued, and the areas in which clients are struggling.
- MFIs should partner with entrepreneurship development institutions to create a wider scope of business diversification and expansion among their clients through skills training, business plan development, and marketing.
- Microfinance programs need to emphasize the importance of saving among their clients, accompanying credit provision with interest-bearing savings products that promote clients' financial security and stability.
- MFIs need to form strategic alliances with governments, NGOs, and development agencies in order to integrate microfinance with other initiatives aimed at lessening poverty such as education, health care, and social protection activities.
- MFIs need to develop and implement clear guidelines on setting and assessing prices. They should also investigate the possibility of reducing interest rates as a result of increased operational efficiency to make credit accessible to poorer clients.
- Microfinance programs must foster community-based and peer-group activities where borrowers can crosscheck each other's behavior in a bid to establish trust, responsibility, and unity among them.
- MFIs need to consider introducing operational changes such as microinsurance, emergency loans, and flexible loan terms together with more traditional risk management approaches to assist poor clients out of economic distress.

- Microfinance initiatives can be expanded and made more efficient with the incorporation of information technology for loan application, disbursement, repayment, and education. Borrowers can also use mobile banking and digital wallets to manage their funds easily and safely.

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Appendix 1 Data Collection Questionnaires

1. Name (Optional): _____
2. Age: _____
3. Gender: Male Female Other
4. Marital Status: Married Single Divorced Widowed
5. Education Level: No formal education Primary Secondary Higher Secondary Graduate or above
6. Occupation: _____
7. Household Size: _____
8. How did you first learn about microfinance services?
9. Which microfinance institution (MFI) are you associated with?
10. How long have you been a member of the MFI?
11. What type of microfinance services do you use? (Loans, savings, training, etc.)
12. What type of loan have you taken? (e.g., small business, agriculture, personal) (If answer is “loans”)
13. What was the loan amount, and how frequently do you receive financial support? (If answer is “loans”)
14. What are the interest rates and repayment terms? Are they manageable for you?
15. How frequently do you access these services?
16. How has microfinance influenced your income level? (Probe: Before and after joining the program)
17. What kind of economic activities have you started or expanded on using microfinance loans?
18. Have you experienced any improvement in your household’s financial stability? If so, how?
19. What challenges have you faced in repaying loans?
20. Have you been able to save money as a result of participating in microfinance programs?
21. Has access to microfinance helped you manage emergencies or unexpected expenses? Please explain.
22. Has participation in microfinance programs led to better access to education and healthcare for your family?
23. Have there been changes in your social status or decision-making power within the household after joining the microfinance program?
24. Do you feel more financially independent after receiving microfinance support? Why or why not?
25. How has microfinance influenced women’s empowerment in your community?
26. Have you faced any social challenges or stigma related to microfinance participation?
27. What are the major difficulties you face in accessing and utilizing microfinance services?
28. What challenges have you faced in repaying microfinance loans?
29. Do you feel the interest rates and repayment schedules are fair? Why or why not?
30. How can microfinance programs be improved to better serve low-income individuals and families?
31. What additional support do you need beyond financial assistance to improve your economic situation?
32. Would you recommend microfinance services to others in your community? Why or why not?