

## Collective Loans among Women Weavers and Access to Formal Credit: An Exploratory Sequential Mixed-Method Study

Nurnazmi<sup>1\*</sup>, Darsono Wisadirana<sup>2</sup>, Siti Kholifah<sup>3</sup>, Anif Fatma Chawa<sup>4</sup>

<sup>1,2,3,4</sup> Department of Sociology, Faculty of Social and Political Sciences, University of Branjaya, Malang, Indonesia; <https://orcid.org/0009-0005-9791-6510>, <https://orcid.org/0000-0002-1434-0466>, <https://orcid.org/0000-0001-5525-1040>, <https://orcid.org/0000-0003-2405-5738>

\*Corresponding Author: [nurnazmi2022@student.ub.ac.id](mailto:nurnazmi2022@student.ub.ac.id)

**Citation:** Nurnazmi, Wisadirana, D., Kholifah, S. & Chawa, A. F. (2026). Collective Loans among Women Weavers and Access to Formal Credit: An Exploratory Sequential Mixed-Method Study, *Journal of Cultural Analysis and Social Change*, 11(1), 337-352. <https://doi.org/10.64753/jcasc.v11i1.3790>

**Published:** December 29, 2025

### ABSTRACT

Women weavers in Eastern Indonesia face serious barriers to accessing formal credit, despite their vital roles in sustaining household economies and preserving intangible cultural heritage. This study analyzes weavers' experiences in accessing formal credit through collective loan schemes, interprets the meaning of fund use and repayment strategies in everyday life, and empirically tests the relationships among credit access, fund utilization patterns, repayment strategies, and household economic empowerment. An exploratory sequential mixed-method design was employed, beginning with interpretative phenomenology and followed by a survey of 326 respondents. The research instrument demonstrated high content validity (Aiken's  $V = 0.79$ ), adequate reliability ( $\alpha = 0.719$ ;  $\omega = 0.729$ ), and strong construct validity via confirmatory factor analysis (factor loadings 0.498–0.660, excellent fit). The findings show that formal credit is perceived as an ambivalent experience that provides access to capital while also generating social burdens. Loan funds were used in mixed ways, both productive and consumptive, and repayment was viewed as a moral practice. The quantitative analysis identifies repayment strategy as the strongest predictor of household economic empowerment ( $\beta = 0.511$ ,  $p < .001$ ), whereas fund utilization patterns have a negative effect ( $\beta = -0.258$ ,  $p < .001$ ). Access to formal credit itself is not significant ( $\beta = 0.088$ ,  $p = 0.197$ ). These results indicate that empowerment is shaped more by women's agency in managing credit, particularly repayment discipline and productive allocation, than by the mere availability of formal credit access.

**Keywords:** Collective Loans, Formal Credit Access, Household Economic Empowerment, Mixed-Method, Women Weavers.

### INTRODUCTION

Women play a vital role in economic development, particularly through involvement in micro and small enterprises rooted in local wisdom. Across many contexts, women frequently act as the principal supporters of household economies through handicrafts, subsistence agriculture, and community-based small businesses (Abisuga-Oyekunle & Muchie, 2020; Khan et al., 2023; Makandwa et al., 2023; Moral et al., 2024). This role reveals not only women's economic contributions but also their capacity to preserve culture while adapting to modern demands.

In Indonesia, women's participation in the creative economy is visible in traditional textile weaving. Untari et al. (2020) show that the globalization of intangible cultural heritage, exemplified by Sumba handwoven textiles, has major implications for women's roles as artisans and as agents of value transmission. Aragon (2011) notes that Indonesian arts and crafts often operate at the intersection of commodification and cultural value, which calls for

new sustainability strategies. Parameswara et al. (2021) emphasize that place identity, local genius, and cultural policy are crucial for safeguarding intangible cultural heritage.

A similar context is found in Bima, West Nusa Tenggara, where Mbojo women maintain ancestral weaving traditions. For these women, weaving is both an economic activity and a symbol of cultural identity. In contemporary realities, however, traditional skills alone do not guarantee economic sustainability. Weavers require greater access to financial resources to move from household artisans to competitive micro-entrepreneurs. Access to formal financial institutions therefore becomes a key enabler of this transformation.

Development theory has long stressed the importance of finance for entrepreneurship. Schumpeter (1934) argued that economic innovation cannot flourish without capital. Timmons and Bygrave (1986), Bradley et al. (2012), and Samila and Sorenson (2011) likewise highlight the role of capital, including venture capital, in supporting innovation. Within the capability approach, Alkire and Deneulin (2009) and Anand and Sen (2000) contend that access to economic resources expands individual freedoms to pursue better life choices. Heckman and Mosso (2014) further stress the importance of economic investment in marginalized groups to promote social mobility. Access to formal credit thus functions as both an economic instrument and a means of human development.

From the perspective of financial inclusion, many studies show that microcredit can improve women's household welfare. Ledgerwood (2013) reports that microfinance services strengthen income, reduce economic vulnerability, and expand household savings. Bali Swain and Floro (2014) find that microfinance reduces risk among poor households, and Maganga (2021) demonstrates positive effects on women's empowerment in Malawi. Berger (1989) observed that women tend to have higher repayment rates, making them safer borrowers, a finding echoed by D'Espallier et al. (2011), Ugbomeh et al. (2008), and Cowling et al. (2020). Women have therefore become primary targets of inclusive finance programs.

Even so, the success of microfinance for women is not free from criticism. Rahman (1999), in a study of the Grameen Bank, found that group lending can create substantial social pressure that may worsen women's burdens. Goetz and Gupta (1996) similarly show that control over loan funds is often not in women's hands but is appropriated by men within households. These findings suggest that credit alone does not automatically ensure women's empowerment.

A similar challenge exists in Indonesia. Data from the Financial Services Authority (OJK, 2021) indicate that women's financial literacy in rural areas is only about 36 percent, far below that of urban men. Low literacy makes it difficult for many women to access formal credit, which requires understanding administrative procedures, interest rates, and repayment mechanisms. Berger (1989) notes that the lack of productive assets registered in women's names is a major barrier to meeting collateral requirements. Domeher and Abdulai (2012) and Asiseh et al. (2025) further argue that women's access to credit in developing countries is often constrained by structural issues of asset ownership.

Because of these barriers, women weavers in Bima frequently rely on informal credit such as rotating savings groups (*arisan*), family loans, or local moneylenders. Informal credit is easier to obtain, yet it typically covers only short-term needs, for example the purchase of yarn or basic weaving tools (*muna ra medi*). High interest rates in informal lending can also trap weavers in cycles of debt. This pattern is consistent with Mohiuddin and Al-Jalaly (1993), who highlight the limits of minimalist credit programs in Asia.

To address these constraints, a practice of collective loans has emerged among women weavers. Through this mechanism, groups of weavers jointly apply for loans from formal financial institutions and share collective responsibility for installment payments. This system is consistent with Coleman's (1990) theory of social capital, where networks and social norms foster trust and reduce default risk. Similar practices are evident in India's Self-Help Groups, which Desai and Joshi (2013) find effective in improving women's financial access and strengthening community cohesion.

Nevertheless, collective loans are not without problems. D'Espallier et al. (2011) show that although women tend to be disciplined in repayment, loan funds are often diverted to general household needs rather than productive activities. Preliminary observations from Bima indicate that formal credit is used not only for weaving but also for agriculture, home improvement, and consumption. Such patterns risk creating over-indebtedness that weakens household resilience. In addition, collective liability when a member defaults can trigger internal conflict, reduce solidarity, and undermine group trust.

From a literature standpoint, most Indonesian microfinance studies focus on Java and Sumatra. Research on women's credit access in Eastern Indonesia remains limited, although the region's social, cultural, and economic conditions differ substantially. Asset ownership structures, gender relations, and forms of community solidarity create unique dynamics that are still underexplored. Moreover, much prior research relies on either qualitative or quantitative approaches. Complex phenomena such as collective lending require an exploratory sequential mixed-method approach that begins with qualitative phenomenology to uncover weavers' lived experiences and is followed by quantitative surveys to test patterns at the population level.

Based on this background, the present study analyzes women weavers' experiences in accessing formal credit through collective loan systems, identifies patterns of loan fund use for both productive and non-productive needs, and examines repayment strategies based on multi-source income. The study also measures the relationship between formal credit access and the economic empowerment of weaving households.

Three conclusions emerge from the literature. First, women continue to face serious barriers to formal credit access. Second, collective loans offer an alternative solution but involve complex socio-economic dynamics. Third, credit access has the potential to foster women's empowerment, although outcomes are highly dependent on local context. The research gap concerns the lack of studies that focus specifically on women weavers as credit recipients and on collective loans as a bridge to formal financial institutions. This study therefore complements the literature on microfinance and gender and provides empirical contributions to discourse on community-based financial inclusion in traditional settings.

## LITERATURE REVIEW

### Women's Access to Formal Credit

The theory of financial inclusion emphasizes that access to financial services is an important instrument for reducing socio-economic inequality, yet women continue to face serious barriers in entering formal credit systems. These barriers include limited collateral, low financial literacy, gender-based discrimination, and structural exclusion within financial markets (Gammage et al., 2017; Irene et al., 2025; Natile, 2019). Cross-country studies also confirm that although financial inclusion policies have expanded, women still experience a persistent gap in credit acquisition compared to men, which directly constrains their entrepreneurial capacity (Xu et al., 2023; Wanzala & Obokoh, 2025). In the Indonesian context, efforts to promote inclusion through credit scoring innovation have shown positive potential, yet actual access to formal credit among marginalized women remains uneven (Adam et al., 2025).

Empirical research provides a more detailed picture of this situation. Yoganandham et al. (2024) demonstrate that while financial inclusion can enhance women's empowerment in India, administrative barriers remain a major obstacle. Irene et al. (2025) emphasize that financial institutions' role in bridging the financing gap for women entrepreneurs in Sub-Saharan Africa is still weak due to the limited gender responsiveness of financial product design. Natile (2019) further argues that digital financial platforms, often regarded as inclusive, may reproduce gender-based exclusion if regulatory frameworks fail to protect vulnerable groups. Therefore, women's access to formal credit is not only an economic issue but also a matter of policy politics and institutional design.

In the handicraft sector, particularly in traditional industries such as weaving, these challenges become even more complex. A study in Kashmir found that women artisans experience exploitation and poverty due to limited access to capital and markets (Khan et al., 2023). Similar constraints are found in India, where financial, digital, and strategic barriers continue to hinder female artisans (Yadav et al., 2025). Research on the handloom industry in Sri Lanka highlights the importance of innovation and capital access for the sustainability of the craft sector, yet banking bureaucracy tends to weaken women's position (Wanniarachchi et al., 2020). In Zambia, women artisans who established social enterprises demonstrated alternative community-based financing strategies to overcome the lack of formal credit (Edgar, 2024). These findings confirm that women artisans, including weavers, remain among the most vulnerable to financial exclusion despite ongoing financial inclusion policies.

### Collective Loans as an Alternative

The group lending or collective loan model with joint liability has become a major innovation in the microfinance literature since its introduction by the Grameen Bank in Bangladesh (Armendáriz & Morduch, 2010). This theory posits that social solidarity among members can reduce default risk, enhance financial discipline, and broaden access for poor groups lacking collateral (Paxton et al., 2000; MKNelly & Kevane, 2002). Empirical studies in Asia and Africa show that collective loans increase women's access to finance, often through group membership and cooperative mechanisms (Holvoet, 2005; Kodongo & Kendi, 2013; Adusei & Appiah, 2011). In India, lending to women has been found to strengthen household capacity and contribute to gender empowerment within family structures (Garikipati, 2008; Singh, 2015).

Despite its advantages, several studies highlight the problematic aspects of this model. Schurmann and Johnston (2009) found that collective lending in Bangladesh can generate new forms of social exclusion, particularly against the poorest members considered high risk. Haldar and Stiglitz (2016) note that the microfinance crisis in India revealed the fragility of the joint liability system under conditions of external pressure and debt accumulation. Feminist critiques argue that the organizational responsibilities of group lending often increase women's socio-economic burdens, leading to psychological stress and diminishing expected benefits (Guérin, 2006; Kar et al., 1999). Therefore, the effectiveness of collective lending depends not only on financial design but also heavily on the social and cultural dynamics of recipient communities.

In the handicraft sector, research shows that credit cooperatives and artisan associations can provide essential working capital for women, although challenges such as high interest rates and weak institutional capacity persist (Fieve & Chrysostome, 2024; Berger, 1989). Studies in the Philippines reveal that microfinance helps traditional women artisans expand their businesses, though market and social structures remain limiting factors (Milgram, 2001). Recent studies emphasize that social capital and women artisans' networks play a crucial role in the success of craft-based entrepreneurship (Shahzad et al., 2025). Furthermore, comparative research between formal and informal credit schemes in Nigeria shows that rural women prefer collective mechanisms because they are more flexible and aligned with household economic realities (Peter & Orser, 2024). These findings indicate that collective loans can serve as a strategic alternative for women weavers to obtain access to capital while acting as a bridge to formal financial inclusion.

### **Women's Economic Empowerment through Financial Access**

Financial access is widely regarded as a catalyst for women's empowerment in economic, social, and decision-making domains. Classical conceptual frameworks emphasize that empowerment must be understood as multidimensional, encompassing resources, agency, and achievements (Kabeer, 1999; Huis et al., 2017). Measurement of women's empowerment also includes political, social, and cultural aspects, implying that credit access should not be viewed merely as an economic tool (Moghadam & Senftova, 2005; Bayissa et al., 2018). The literature shows that the relationship between financial access and empowerment is strongly influenced by local norms and institutions, resulting in varying outcomes across contexts (Swamy, 2014; Wekwete, 2014).

Empirical studies reveal that microcredit access enhances women's capacity for household decision-making and business sustainability. Research in India and Malaysia demonstrates that financial access improves women's socio-economic capacity, though its effects depend on literacy levels and technical support (Al-Shami et al., 2018; Pal et al., 2022; Pal & Gupta, 2023). Studies on Village Savings and Loan Associations in Ghana, Uganda, and Malawi also highlight the positive role of group savings and lending in strengthening economic capacity and resilience to social vulnerability (Musinguzi, 2016; Maganga, 2021). Other studies affirm that financial interventions combined with financial literacy and social networking are more effective in promoting women's empowerment (Andriamahery & Qamruzzaman, 2022; Kochar et al., 2022).

In the handicraft sector, the literature confirms that both formal and collective credit access contribute to higher income, business sustainability, and household economic stability. Microfinance studies among artisan communities in the Philippines show that group financing helps women expand production despite ongoing market constraints (Milgram, 2001). More recent research on female artisans underscores the importance of social capital and collective labor in fostering economic independence and social transformation (Jones et al., 2012; Brogan & Dooley, 2024; Oberhauser & Pratt, 2004). Moreover, traditional economic activities have been shown to increase women's contributions to household economies, which in turn strengthen their bargaining power within families (Jabeen et al., 2020). Therefore, the empowerment literature underscores that credit access, whether formal or collective, should be viewed as a strategic instrument for strengthening women weavers' capacity rather than merely as a financial mechanism.

### **Research Questions**

- RQ1. How do women weavers experience access to formal credit through collective loan schemes?
- RQ2. How do women weavers perceive the use of loan funds and repayment strategies in their daily lives?
- RQ3. How can patterns of loan utilization (productive versus non-productive) and repayment strategies based on multi-source income be quantitatively explained?
- RQ4. What is the relationship between formal credit access, fund utilization patterns, repayment strategies, and household economic empowerment among women weavers?

## **METHODOLOGY**

### **Research Design**

This study employed an exploratory mixed-method design following the framework proposed by Cameron (2009), where the qualitative phase was conducted first to explore in depth the lived experiences of women weavers. The qualitative findings were then used to develop the quantitative instrument tested on a broader scale. In the qualitative phase, a phenomenological approach was applied to understand the lived experiences of weavers in accessing formal credit through collective loan schemes. Phenomenology was considered appropriate because it focuses on participants' subjective meanings (Moustakas, 1994), allowing the identification of constructs grounded in community realities (van Manen, 1990; Hamilton et al., 2006).

The subsequent quantitative phase used an explanatory survey with a structured questionnaire developed from the phenomenological findings. The survey was selected to test the relationships among variables including formal credit access, fund utilization patterns, repayment strategies, and household economic empowerment. This approach aligns with the principles of sequential exploratory design (Creswell & Plano Clark, 2016; Ivankova & Plano Clark, 2018), as it allows context-based instrument development and empirical testing on a larger sample.

### Qualitative Phase

The qualitative phase adopted a phenomenological approach to understand women weavers' lived experiences in accessing formal credit through collective loan mechanisms. Forty informants were selected using purposive sampling based on the following criteria: 1) active membership in a weaving cooperative or group; 2) experience with collective loans, and 3) previous interaction with formal credit institutions, whether accepted or rejected. The number of informants was determined using the concept of information power (Malterud et al., 2016), which prioritizes the richness and relevance of information rather than sample size alone. Accordingly, forty participants were considered sufficient to capture variations in weavers' profiles and to identify the essence of the socio-economic phenomena under study.

The research instrument consisted of a semi-structured interview guide with the core question: "Please describe your experience in accessing formal credit through collective loans, from the application process to its impact on your daily life." This question was explored further through probes concerning collateral requirements, group dynamics, fund allocation patterns, social pressure, and repayment strategies. The interview protocol was developed based on a review of relevant literature and validated by experts in MSME economics, gender sociology, and research methodology to ensure adequate content validity. To enrich the data, the study employed multiple data collection techniques including in-depth interviews (approximately 85 minutes per participant), photo elicitation, document analysis, and focus group discussions. All interviews were recorded and transcribed verbatim manually.

Data were analyzed using Interpretative Phenomenological Analysis (IPA) (Smith, 2010; 2017; Joseph, 2014) through the following steps: 1) repeated reading of transcripts; 2) exploratory noting at descriptive, linguistic, and conceptual levels; 3) development of emergent themes; 4) clustering of related themes, and 5) synthesis of thematic narratives. IPA was chosen because it allows the researcher to grasp participants' subjective meanings while engaging in reflective interpretation of their socio-economic dynamics. Data trustworthiness was maintained following Lincoln and Guba's (1994) criteria. Credibility was enhanced through methodological triangulation and member checking, dependability and confirmability were assured through audit trails and reflective memos, and transferability was established by providing thick descriptions of the socio-economic context of the weavers. Through this approach, the qualitative phase not only documented the collective loan practices among women weavers but also generated essential themes such as social capital, credit history, and repayment strategy, which formed the basis for quantitative variable construction in the next phase.

### Quantitative Phase

The quantitative phase applied an explanatory survey design using a structured questionnaire. This design was appropriate for the study's objective, which was to test the relationships among latent variables identified during the phenomenological phase: formal credit access, fund utilization patterns, repayment strategies, and household economic empowerment of women weavers. The survey was chosen because it enables standardized measurement of variables on a large sample, thus providing higher confidence for generalization (Creswell & Creswell, 2018).

The study population consisted of all female weavers who were members of cooperatives and weaving groups in Bima City, totaling 1,100 individuals. Based on the Krejcie and Morgan (1970) table and Cochran's correction for finite populations, the minimum required sample size was approximately 285 respondents. This study successfully collected data from 326 respondents, exceeding the minimum requirement and ensuring adequate statistical power for testing medium-to-large effects (Cohen, 1988). A stratified random sampling technique was applied, with stratification based on cooperatives or weaving groups to ensure representation across clusters.

The research instrument was developed from the phenomenological findings and consisted of four main constructs summarized in Table 1. All items were measured using a four-point Likert scale. Content validity was established through expert judgment from three specialists in MSME economics, gender sociology, and research methodology, yielding an Aiken's V value of 0.79. This score indicates that all questionnaire items have high content validity and are suitable for data collection.

**Table 1.** Constructs, indicators, and sample questionnaire items

Construct	Key Indicators	Example Item
Formal Credit Access	Ease of requirements, procedures, interaction	"The credit application process is clear and straightforward."

Fund Utilization Pattern	Productive/non-productive allocation, cash flow	“Most of the loan funds are used for my weaving business.”
Repayment Strategy	Discipline, diversification, risk management	“I always repay installments on time according to schedule.”
Household Economic Empowerment	Decision-making control, contribution, bargaining power	“I participate in decisions regarding family income use.”

Data were collected through face-to-face field surveys conducted by trained enumerators over six months. The average completion time for each questionnaire ranged from 20 to 45 minutes. Prior to participation, respondents were informed about the research objectives, assured of data confidentiality, and asked to sign informed consent forms. To ensure data quality, enumerators reviewed completed questionnaires on-site, and data entry was verified through a double-entry check procedure.

**Table 2.** Reliability statistics

Scale	Cronbach's $\alpha$	McDonald's $\omega$
Entire instrument	0.719	0.729

Cronbach's  $\alpha = 0.719$  and McDonald's  $\omega = 0.729$  indicate adequate internal reliability, exceeding the minimum threshold of 0.70. Therefore, the instrument is considered internally consistent.

**Table 3.** Confirmatory factor analysis (CFA) results

Factor	Loading	SE	Z	p
Formal Credit Access	0.498	0.0195	25.5	<.001
Fund Utilization Pattern	0.652	0.0255	25.5	<.001
Repayment Strategy	0.532	0.0208	25.5	<.001
Household Economic Empowerment	0.660	0.0259	25.5	<.001

*Note: All indicators are significant at  $p < .001$ , indicating valid constructs.*

The CFA results show that all indicators have significant factor loadings ranging from 0.498 to 0.660, confirming construct validity for the four research variables. The model fit indices were also excellent (RMSEA < 0.05, CFI = 1.00, TLI = 1.00, SRMR < 0.05), indicating that the instrument is suitable for further analysis.

Data analysis was conducted using Jamovi 2.6.44 software, following several steps: descriptive statistics, variable correlation tests, and multivariate linear regression (The jamovi project, 2024; R Core Team, 2024; Revelle, 2023; Rosseel et al., 2023; Fox & Weisberg, 2023). Model assumption tests produced satisfactory results, with low autocorrelation (Durbin–Watson = 1.03), no multicollinearity (VIF = 1.04–1.11), and normally distributed residuals (Shapiro–Wilk = 0.992,  $p = 0.058$ ). These outcomes confirm that the analytical model is robust and suitable for testing the relationships among the study variables.

## RESULTS

Consistent with the exploratory sequential mixed-method design, the findings are presented in three main parts. First, the qualitative results obtained from in-depth interviews and analyzed with Interpretative Phenomenological Analysis (IPA) are reported to explore women weavers' subjective experiences with formal credit access, fund utilization, and repayment strategies. Second, these qualitative insights informed the construction of the quantitative survey instrument, which was administered to 326 respondents. Descriptive, correlational, and regression analyses were used to confirm and extend the qualitative themes. Third, findings from both approaches are integrated through a joint display to provide a more comprehensive and valid understanding of the role of formal credit in the everyday lives of women weavers.

### Qualitative Results

Analysis of 16 focal informants, supported by two additional informants, yielded four overarching themes that represent women weavers' experiences in accessing formal credit, interpreting fund utilization, and enacting repayment strategies.

## Formal Credit as Economic Access and Social Burden

For most women weavers, formal credit serves as a key gateway to capital. Collective schemes, whether through group loans or borrowing under another person's name, allow those without fixed assets to access funds. At the same time, these mechanisms generate new burdens that are not only financial but also social and emotional.

Jawariah recounted, "Some people wanted to borrow my ID card to get a bank loan. In the end I had to shoulder the repayment myself. My children were all angry with me." This experience shows that when collective loans fail, consequences are borne personally and can trigger family conflict. An additional informant, Asiah, stated that she had to stop weaving because she could not cope with the debt burden and the fallout from collective failures. In short, formal credit is perceived as an ambivalent experience. It opens access to business capital but also produces stigma, conflict, and social vulnerability that weigh on weavers' lives.

## Loan Funds as a Double Lifeline, Productive and Consumptive

Loan use is rarely singular. Part of the funds is allocated to productive needs such as yarn and weaving equipment, while another part is directed to household consumption. Muslimah noted, "I borrowed 7,000,000 rupiah from Amarta Bank. I used it to buy a motorbike for my husband's work." Similarly, Sumarti explained, "My last loan was used to pay the motorbike tax at the Samsat office."

This dual allocation is normalized by the weavers. The repeated expression "maklum" indicates acceptance of non-productive use. Siti Nur stated, "Some of the bank loan was used to buy a motorbike, some to build our house, and also to buy yarn." These narratives show that credit functions not only as business capital but also as a double lifeline that balances weaving production with domestic needs.

## Repayment Strategy as Moral Discipline

Loan repayment is conducted with high discipline and treated as a moral ritual. Nurhayati said, "I set aside about 800,000 rupiah for the bank, kept in a special place that cannot be touched." This indicates that installments are viewed not only as financial obligations but also as moral and social responsibilities.

Several weavers diversify income sources to meet installments. Jumiarti supplements earnings through small businesses such as laundry and food sales. Hanifah relies on assistance from her children when weaving is delayed. Repaying on time symbolizes honesty, honor, and dignity in the eyes of family and community.

## Collective Risk and Moral Hazard in Group Lending

Collective loans may start from solidarity, yet they also create risk and moral hazard. When some members default, the burden is unfairly shifted to others. Halimah reported, "I took 4,000,000 rupiah. After getting the money, she immediately ran away to Merauke. I honestly could not handle it, but there was nothing I could do." Niningsih described family conflict after covering a loan initially given on trust: "I helped because of God, so I lent the money. Family conflict arose because the money never returned." These accounts reveal a paradox of solidarity. Group loans intended to foster cooperation may instead generate new vulnerabilities and leave social scars.

## Narrative Synthesis, Interpretative Phenomenological Analysis

Women weavers' experiences with formal credit display persistent ambivalence. Collective credit opens opportunities for those without assets to obtain capital, yet it also brings social burdens, family conflict, and stigma. Loan use follows a dual pattern, productive and consumptive, with credit perceived as part of a survival strategy that unites productive activities and domestic needs. Repayment is framed as moral discipline, supported by diversified livelihoods and strict saving practices, which reinforce a moral identity as responsible, trustworthy individuals. However, the solidity of collective schemes is fragile. When defaults occur, risks and burdens shift to others, revealing the paradox of solidarity and the traumatic potential of collective credit.

**Table 4.** IPA thematic results

Core Theme	Subtheme	Representative Quote	IPA Interpretation
Formal credit as access and social burden	Collective access, emotional burden, stigma	"My children were all angry with me." (Jawariah)	Credit equals opportunity and social burden
Loan funds as a double lifeline	Productive and consumptive allocation	"I used the loan to buy a motorbike for my husband's work." (Muslimah)	Credit is understood as a double livelihood
Repayment as moral discipline	Earmarked savings, multi-source income, side businesses	"I keep the bank money in a special place that cannot be touched." (Nurhayati)	Repayment as moral practice and social dignity

Collective risk and moral hazard	Default, family conflict	“She immediately ran away to Merauke.” (Halimah)	Solidarity leads to vulnerability and unfair burden sharing
----------------------------------	--------------------------	--	---

## Quantitative Results

Quantitative analysis was conducted to confirm and elaborate the qualitative insights. The survey instrument was developed from the emergent IPA themes and administered to 326 respondents. Analyses included descriptive statistics, intervariable correlations, and linear regression.

**Table 5.** Descriptive statistics of study variables

Variable	Mean	Std. Error Mean	Std. Dev.	Variance	Skewness	Kurtosis	Shapiro-Wilk W	p-value
Formal Credit Access	2.52	0.0276	0.499	0.249	-0.728	0.604	0.953	< .001
Fund Utilization Pattern	2.54	0.0362	0.653	0.427	-0.040	-0.150	0.983	< .001
Repayment Strategy	2.31	0.0295	0.533	0.284	-0.580	0.372	0.953	< .001
Household Economic Empowerment	2.43	0.0366	0.662	0.438	-0.415	0.120	0.959	< .001

Average scores for all variables fall in the moderate range with negative skewness. This indicates relatively positive experiences with formal credit access, fund utilization, and repayment strategies, although not yet at high levels. Formal Credit Access ( $M = 2.52$ ) and Fund Utilization Pattern ( $M = 2.54$ ) are moderately open, while Repayment Strategy ( $M = 2.31$ ) and Household Economic Empowerment ( $M = 2.43$ ) remain comparatively limited. These results suggest that access to credit has not yet translated into sustained improvements in financial management capacity.

**Table 6.** Intercorrelations of study variables

		Formal Credit Access	Fund Utilization Pattern	Repayment Strategy	Household Economic Empowerment
Formal Credit Access	Pearson's r	—			
	df	—			
	p-value	—			
	N	—			
Fund Utilization Pattern	Pearson's r	0.089	—		
	df	324	—		
	p-value	0.108	—		
	N	326	—		
Repayment Strategy	Pearson's r	0.202***	0.259***	—	
	df	324	324	—	
	p-value	<.001	<.001	—	
	N	326	326	—	
Household Economic Empowerment	Pearson's r	0.126*	-0.142*	0.359***	—
	df	324	324	324	—
	p-value	0.022	0.010	<.001	—
	N	326	326	326	—

Note. \*  $p < .05$ , \*\*  $p < .01$ , \*\*\*  $p < .001$ .

Formal Credit Access correlates positively with Repayment Strategy ( $r = 0.202$ ,  $p < .001$ ) and with Household Economic Empowerment ( $r = 0.126$ ,  $p < .05$ ). The association with Fund Utilization Pattern is not significant, suggesting that allocation decisions depend on other factors such as family norms, daily necessities, and social influence. Notably, Fund Utilization Pattern correlates negatively with Household Economic Empowerment ( $r = -0.142$ ,  $p < .05$ ), consistent with qualitative narratives that loans are often used for consumption or debt rollover, which does not directly improve bargaining power. Repayment Strategy shows the strongest correlation with

empowerment ( $r = 0.359, p < .001$ ), indicating that disciplined repayment is more decisive for empowerment than access to funds alone.

**Table 7.** Linear regression results, predictors of household economic empowerment

Predictor	Estimate ( $\beta$ )	SE	t	p
Intercept	1.683	0.223	7.55	< .001
Repayment Strategy	0.511	0.066	7.79	< .001
Fund Utilization Pattern	-0.258	0.053	-4.91	< .001
Formal Credit Access	0.088	0.068	1.29	0.197

**Table 8.** Model fit measures

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	AIC	BIC	RMSE	F	df1	df2	p
1	0.438	0.192	0.184	595	614	0.594	25.5	3	322	< .001

The regression model explains about 19 percent of the variance in Household Economic Empowerment. Repayment Strategy is the most influential predictor ( $\beta = 0.511, p < .001$ ), reinforcing qualitative evidence that installment discipline signals economic control and builds credibility with financial institutions. In contrast, Fund Utilization Pattern has a negative effect ( $\beta = -0.258, p < .001$ ), indicating that less productive or fragmented allocations undermine empowerment. Formal Credit Access is not significant ( $p = 0.197$ ), suggesting that access without sound management strategies does not automatically lead to empowerment.

These findings align with the IPA narrative. Formal credit is an ambivalent experience that offers opportunities but yields empowerment only when coupled with disciplined repayment and productive fund allocation.

**Table 9.** Integration of qualitative and quantitative findings

Qualitative Theme (IPA)	Narrative and Key Quotations	Quantitative Confirmation (Survey N = 326)	Integration, Meta-Inference
Formal credit as economic access and social burden	“I had to bear the repayment myself and my children were angry.” (Jawariah)	Moderate Formal Credit Access ( $M = 2.52$ ). Credit access not significant in regression ( $\beta = 0.088, p = 0.197$ ).	Access opens opportunities but does not guarantee empowerment, and it can generate social pressure and psychological burden.
Ambivalence in fund use, productive versus consumptive	Loans redirected to daily needs, debt rollover, consumption (Muslimah, Nurhayati).	Fund Utilization Pattern is moderate ( $M = 2.54$ ) and negatively associated with empowerment ( $\beta = -0.258, p < .001$ ).	Consumptive allocation weakens empowerment; productive use remains limited.
Repayment as discipline and empowerment signal	“Payments are made twice a month, every Tuesday, and must be prepared.” (Sri Muliana, Sumarti)	Repayment Strategy is comparatively lower ( $M = 2.31$ ) but is the strongest predictor of empowerment ( $\beta = 0.511, p < .001$ ).	Installment discipline is the primary socio-economic asset, more decisive than access to funds.
Household empowerment as a limited outcome of credit	Some weavers assist households, others fall into debt (Asiah, Halimah).	Empowerment is moderate ( $M = 2.43$ ) and is driven more by Repayment Strategy ( $r = 0.359^{***}$ ) than by credit access.	Credit contributes to empowerment only when accompanied by control over use and adaptive repayment strategies.

The integrated evidence shows that formal credit is not a standalone determinant of empowerment. Rather, its effect is mediated by fund utilization patterns and repayment strategies. Qualitatively, formal credit is often perceived as both opportunity and social burden. Quantitatively, credit access alone is not significant in predicting empowerment. Repayment strategy consistently emerges as the decisive factor, while non-productive or fragmented fund use functions as an impediment.

## DISCUSSIONS

The findings demonstrate that access to formal credit through collective schemes among women weavers does not automatically translate into household economic empowerment. Although credit opens a pathway to capital for those without fixed assets, it is accompanied by social burdens, stigma, and family conflict. This pattern is consistent with Kabeer’s framework (1999, 2017, 2021), which argues that access to resources does not lead to achievements without women’s control and agency. In gendered contexts, prior studies also show that women often lose control

over loan funds due to domestic norms and household power relations (Johnson, 2005; Keating, Rasmussen, and Rishi, 2010; Parmar, 2003).

The effectiveness of formal credit in improving welfare appears weak and heterogeneous. Large-scale experimental evidence, such as the RCT by Banerjee et al. (2015), finds that microcredit slightly increases small investments but does not significantly affect household consumption. This result parallels the quantitative evidence in the present study, in which formal credit access is not a significant predictor of household empowerment ( $\beta = 0.088$ ,  $p = 0.197$ ). For women weavers, formal credit functions more as a promise of capital than as a direct instrument of empowerment, particularly when management strategies are not strong.

A major contribution of this study is the demonstration of ambivalence in loan fund utilization. Phenomenological analysis reveals dual use of funds for business inputs such as yarn and equipment and for household consumption such as motorbikes, taxes, and home repairs. Quantitative analysis confirms this pattern through a significant negative coefficient linking fund utilization patterns to empowerment ( $\beta = -0.258$ ,  $p < .001$ ). The finding aligns with literature indicating that microcredit is often diverted to consumption or debt rollover rather than business expansion (Matin et al., 2002; Wickramasinghe and Fernando, 2017; Ukanwa, et al., 2018). Evidence from Vietnam also suggests that while credit may raise food consumption, its long-term productivity effects are limited (Phan et al., 2019). Consumptive allocation therefore emerges as a key challenge that weakens the contribution of credit to empowerment.

Repayment strategy emerges as the most critical dimension. Qualitatively, weavers frame repayment as a moral ritual and a symbol of honesty. Quantitatively, repayment strategy is the strongest predictor of empowerment ( $\beta = 0.511$ ,  $p < .001$ ). This reinforces the argument by Kar and Swain (2014) that the ability to manage financial obligations represents an often overlooked form of agency in microfinance research. Studies in India also show that disciplined repayment within self-help groups improves women's social standing and strengthens community social capital (Muduli and Sharma, 2022; Biju and Tantia, 2024). Repayment strategy is therefore not merely technical. It reflects economic agency that determines whether credit can be transformed into actual empowerment.

Another important insight concerns the paradox of solidarity in collective lending. Instead of consistently strengthening support, the system can produce unfair burden sharing when members default. IPA findings indicate that moral hazard generates social trauma and damages family relations. International literature has highlighted similar problems. Social pressure, exclusion, and stigma are frequent consequences of group schemes (Bateman, 2011; Kurzban and Leary, 2001; Hoff & Walsh, 2018). In Ethiopia, Berhane et al. (2009) find that group formation can increase risk matching and collective default. These findings are consistent with Morduch's (1999) critique that the promise of a microfinance "miracle" is often overstated because social risks are not fully considered.

Comparable patterns appear globally. In Bangladesh, Kabeer (2017) documents that Grameen programs increase credit access but benefits remain limited when funds are diverted to consumption. Evidence from India shows that although credit can enhance social participation, debt burdens remain high (Garikipati et al., 2017). In Africa, Bradley et al. (2012) show that financial capital alone is insufficient. Without institutional innovation and social support, credit fails to generate sustainability. The present study therefore contributes to cross-country debates by showing that the ambivalence of credit is not unique to Indonesia but is a global policy design challenge.

Integrating phenomenological and survey evidence, this study adds an important dimension to empowerment discourse. Formal credit is a prerequisite rather than a primary determinant. Empowerment is driven by women's agency in managing funds and repayment, and by institutional designs that can reduce moral hazard. Credit should be viewed not only as an economic instrument but also as a social and moral experience that shapes the welfare of women weavers.

## IMPLICATIONS AND LIMITATIONS

This study provides significant implications for theory, policy, and practice. Theoretically, the findings enrich the literature on women's empowerment by showing that formal credit is not a single determinant. Economic empowerment is better understood as the result of interactions among credit access, fund utilization strategies, and repayment discipline within social and cultural contexts. The identification of repayment strategy as a key factor highlights the importance of agency and self-control in the empowerment process, expanding theoretical understanding that has often overemphasized the financial access dimension.

From a policy perspective, the findings emphasize that microcredit programs should not stop at providing access to funds but must also ensure mechanisms for financial education, guidance on productive fund use, and protection from the social risks associated with collective lending. These measures are crucial to ensure that credit truly contributes to household welfare and does not become a burden that weakens women's positions within their communities.

Methodologically, the use of an exploratory mixed-methods design offers advantages in generating both in-depth and measurable findings. Phenomenological analysis through IPA allows detailed exploration of the weavers' lived experiences, while quantitative surveys provide confirmation and generalization of the findings. However, several limitations exist. First, the quantitative analysis explains only about 19 percent of the variance in household empowerment, suggesting that other factors such as social network support, gender norms, or market dynamics may influence outcomes but were not captured in this study. Second, the qualitative data are context-specific and closely tied to the experiences of the weaving community, so generalization to other contexts should be made with caution. Third, the IPA approach emphasizes deep interpretation, which means the analysis is influenced by the researcher's perspective.

Future research could expand the quantitative variables by incorporating socio-cultural dimensions, financial literacy, and institutional support. In addition, longitudinal studies would help to understand how debt dynamics, repayment strategies, and empowerment evolve over time. Integrating findings with policy data and institutional practices would also strengthen the relevance of this research for policymakers.

## CONCLUSION

Formal credit for women weavers is not a neutral economic instrument. It is an ambivalent experience that is embedded in social, cultural, and gendered contexts. Qualitative findings indicate that collective credit schemes open opportunities for women without assets to access capital while also generating psychosocial burdens, family conflict, and moral hazard. Credit functions as a double lifeline that supports both productive activities and domestic needs. Repayment carried out with moral discipline indicates that installments are perceived as symbols of responsibility, honor, and dignity within the community. When collective solidarity is fragile, however, credit practices create new vulnerabilities that can worsen women's social and economic positions.

Quantitative analysis reinforces this picture. Access to formal credit is not a significant driver of empowerment, whereas repayment strategy is the strongest predictor. By contrast, consumptive fund allocation suppresses empowerment outcomes. The study thus shifts the focus from the discourse of financial access to the importance of credit management capacity as the key to gendered economic empowerment. The main contribution lies in integrating phenomenological insights with empirical evidence to show that empowerment cannot be reduced to credit distribution alone. It depends on women's adaptive abilities in managing funds and maintaining social legitimacy within households and communities. These results suggest that the success of microcredit and formal credit programs in developing countries requires attention to social dynamics, repayment strategies, and collective risks, not only the availability of capital.

## REFERENCES

- Abisuga-Oyekunle, O. A. ., & Muchie, M. (2020). Handicraft small enterprises as an instrument for rural economic growth and poverty eradication. *Problems and Perspectives in Management*, 18(4), 25–36. [https://doi.org/10.21511/ppm.18\(4\).2020.03](https://doi.org/10.21511/ppm.18(4).2020.03)
- Adam, L., Sarana, J., Suyatno, B., Soekarni, M., Suryanto, J., Ermawati, T., Saptia, Y., Adityawati, S., Mychelida, E., Pamungkas, Y., Abdillah, M. R. N., Angelia, L., & Thoha, M. (2025). Driving Financial Inclusion in Indonesia with Innovative Credit Scoring. *Journal of Risk and Financial Management*, 18(8), 1–20. <https://doi.org/10.3390/jrfm18080442>
- Adusei, M., & Appiah, S. (2011). Determinants of group lending in the credit union industry in Ghana. *Journal of African Business*, 12(2), 238–251. <https://doi.org/10.1080/15228916.2011.588914>
- Alkire, S.;Deneulin, S. (2009). *The human development and capability approach*. In *An introduction to the human development and capability approach*. <https://www.taylorfrancis.com/chapters/edit/10.4324/9781849770026-3/human-development-capability-approach-sabina-alkire-séverine-deneulin>
- Al-Shami, S. S. A., Razali, R. M. ., & Rashid, N. (2018). The effect of microcredit on women empowerment in welfare and decisions making in Malaysia. *Social Indicators Research*, 137(3), 1073–1090. <https://link.springer.com/article/10.1007/s11205-017-1632-2>
- Anand, S.;Sen, A. (2000). Human development and economic sustainability. *World Development*, 28(12), 2029–2049. [https://doi.org/https://doi.org/10.1016/S0305-750X\(00\)00071-1](https://doi.org/https://doi.org/10.1016/S0305-750X(00)00071-1)
- Andriamahery, A., & Qamruzzaman, M. (2022). Do Access to Finance, Technical Know-How, and Financial Literacy Offer Women Empowerment Through Women's Entrepreneurial Development? *Frontiers in Psychology*, 12(January), 1–16. <https://doi.org/10.3389/fpsyg.2021.776844>
- Aragon, L. V. (2011). Where Commons Meet Commerce: Circulation and Sequestration Strategies in Indonesian Arts Economies. *Anthropology of Work Review*, 32(2), 63–76. <https://doi.org/10.1111/j.1548-1417.2011.01059.x>

- Armendáriz, B., & Morduch, J. (2010). *The economics of microfinance*. MIT press.
- Asiseh, Fafanyo; Ng'ombe, John N.; Quaicoe, Obed; Vorsah, Roger; Prah, S. (2024). Are Credit Doors Equally Open? Gender Perspectives on Agricultural Credit Access in Sub-Saharan Africa. *Review of Development Economics*, 2018, 1597–1612. <https://doi.org/10.1111/rode.13179>
- Bali Swain, R., & Floro, M. (2014). Microfinance, vulnerability and risk in low income households. *International review of applied economics*, 28(5), 539-561. <https://doi.org/10.1080/02692171.2014.918937>
- Bali Swain, R.; Floro, M. (2014). Microfinance, vulnerability and risk in low income households. *International Review of Applied Economics*, 28(5), 539–561. <https://doi.org/https://doi.org/10.1080/02692171.2014.918937>
- Banerjee, A., Duflo, E., Glennerster, R., & Kinnan, C. (2015). The miracle of microfinance? Evidence from a randomized evaluation. *American economic journal: Applied economics*, 7(1), 22-53. <https://doi.org/10.1257/app.20130533>
- Bateman, M. (Ed.). (2011). *Confronting microfinance: Undermining sustainable development*. Kumarian Press.
- Bayissa, F. W. ., Smits, J. ., & Ruben, R. (2018). The Multidimensional Nature of Women's Empowerment: Beyond the Economic Approach. *Journal of International Development*, 30(4), 661–690. <https://doi.org/https://doi.org/10.1002/jid.3268>
- Berger, M. (1989). Giving women credit: The strengths and limitations of credit as a tool for alleviating poverty. *World Development*, 17(7), 1017–1032. [https://doi.org/10.1016/0305-750X\(89\)90165-4](https://doi.org/10.1016/0305-750X(89)90165-4)
- Berhane, G., Gardebroeck, C., & Moll, H. A. (2009). Risk-matching behavior in microcredit group formation: Evidence from Northern Ethiopia. *Agricultural Economics*, 40(4), 409-419. <https://doi.org/10.1111/j.1574-0862.2009.00388.x>
- Biju, D. S., & Tantia, V. (2024). Social capital in the form of self-help groups in India: a powerful resilient solution to reduce household financial vulnerability. *Social Work with Groups*, 47(3), 282-295. <https://doi.org/10.1080/01609513.2023.2257754>
- Bradley, Steven W.; McMullen, Jeffery S.; Artz, Kendall; Simiyu, E. M. (2012). Capital is not enough: Innovation in developing economies. *Journal of Management Studies*, 49(4), 684–717. <https://doi.org/10.1111/j.1467-6486.2012.01043.x>
- Brogan, G. S., & Dooley, K. E. (2024). Weaving together social capital to empower women artisan entrepreneurs. *International Journal of Gender and Entrepreneurship*, 16(1), 69–88. <https://doi.org/10.1108/IJGE-03-2023-0076>
- Cameron, R. (2009). A sequential mixed model research design: Design, analytical and display issues. *International Journal of Multiple Research Approaches*, 3(2), 140–152. <https://doi.org/https://doi.org/10.5172/mra.3.2.140>
- Chatterjee, P., Sarangi, S., de Aghion, B. A., & Morduch, J. (2006). The Economics of Microfinance. In *Southern Economic Journal* (Vol. 73, Issue 1). <https://doi.org/10.2307/20111887>
- Cohen, J. (1988). Set Correlation and Contingency Tables. *Applied Psychological Measurement*, 12(4), 425–434. <https://doi.org/10.1177/014662168801200410>
- Coleman, J. S. (1990). Foundations of social theory. *Choice Reviews Online*, 27(11), 27-6637-27-6637. <https://doi.org/10.5860/choice.27-6637>
- Cowling, M.; Marlow, S.; Liu, W. (2020). Gender and bank lending after the global financial crisis: are women entrepreneurs safer bets? *Small Business Economics*, 55(4), 853–880. <https://doi.org/10.1007/s11187-019-00168-3>
- Creswell, J. W., & Poth, C. N. (2016). *Qualitative inquiry and research design: Choosing among five approaches* (Fourth Ed.). SAGE publications.
- D'espallier, B.; Guérin, I.; Mersland, R. (2011). Women and Repayment in Microfinance: A Global Analysis. *World Development*, 39(5), 758–772. <https://doi.org/10.1016/j.worlddev.2010.10.008>
- Desai, R. M., & Joshi, S. (2014). Collective action and community development: Evidence from self-help groups in rural India. *World Bank Economic Review*, 28(3), 492–524. <https://doi.org/10.1093/wber/lht024>
- Domeher, D., & Abdulai, R. (2012). Access to Credit in the Developing World: does land registration matter? *Third World Quarterly*, 33(1), 161–175. <https://doi.org/https://doi.org/10.1080/01436597.2012.627254>
- Edgar, S. (2024). Artisan social enterprises in Zambia: women leveraging purpose to scale impact. *Social Enterprise Journal*, 20(2), 140–158. <https://doi.org/10.1108/SEJ-10-2022-0095>
- Fieve, J. K. D., & Chrysostome, E. V. (2024). Credit Cooperative Lending Loans as Challenges and Opportunities for Women Entrepreneurship in Africa: Evidence from Ghana. *Journal of African Business*, 25(1), 94–114. <https://doi.org/10.1080/15228916.2022.2078937>
- Fox, J., & Weisberg, S. (2023). *car: Companion to Applied Regression*. [R package]. Retrieved from <https://cran.r-project.org/package=car>.
- Gammage, S., Kes, A., Winograd, L., Sultana, N., Hiller, S., Bourgault, S., & International Center for Research on Women. (2017). Gender and digital financial inclusion: What do we know and what do we need to know? *International Center for Research on Women (ICRW)*, October, 1–68.
- Garikipati, S. (2008). The Impact of Lending to Women on Household Vulnerability and Women's Empowerment:

- Evidence from India. *World Development*, 36(12), 2620–2642. <https://doi.org/https://doi.org/10.1016/j.worlddev.2007.11.008>
- Garikipati, S. (2008). The impact of lending to women on household vulnerability and women's empowerment: evidence from India. *World development*, 36(12), 2620-2642. <https://doi.org/10.1016/j.worlddev.2007.11.008>
- Garikipati, S., Johnson, S., Guérin, I., & Szafarz, A. (2017). Microfinance and gender: Issues, challenges and the road ahead. *The Journal of Development Studies*, 53(5), 641-648. <https://doi.org/10.1080/00220388.2016.1205736>
- Goetz, A. M.,;Gupta, R. S. (1996). Who takes the credit? Gender, power, and control over loan use in rural credit programs in Bangladesh. *World Development*, 24(1), 45–63. [https://doi.org/https://doi.org/10.1016/0305-750X\(95\)00124-U](https://doi.org/https://doi.org/10.1016/0305-750X(95)00124-U)
- Guba, E. G. , & Lincoln, Y. S. (1994). *Competing paradigms in qualitative research. Handbook of qualitative research.*
- Guérin, I. (2006). Women and money: Lessons from Senegal. *Development and Change*, 37(3), 549–570. <https://doi.org/10.1111/j.0012-155X.2006.00490.x>
- Haldar, A., & Stiglitz, J. E. (2016). Group lending, joint liability, and social capital: Insights from the Indian microfinance crisis. *Politics and Society*, 44(4), 459–497. <https://doi.org/10.1177/0032329216674001>
- Hamilton, S. , Whitehouse, R. , Brown, K. , Combes, P. , Herring, E. , & Thomas, M. S. (2006). Phenomenology in practice: Towards a methodology for a 'subjective' approach. *European Journal of Archaeology*, 9(1), 31–71. <https://doi.org/10.1177/1461957107077704>
- Heckman, James J;Mosso, Stefano;Becker, Gary;Bisin, Alberto;Cosconati, Marco;Cunha, Flavio;Durlauf, Steve;Flinn, Chris;Lochner, Lance;Mogstad, Magne;Neal, D., & Seshadri, Ananth;Pollak, R. (2014). The Economics of Human Development and Social Mobility. *Annu. Rev. Econ.*, 6(1), 689–733. <http://www.nber.org/papers/w19925>
- Hoff, K., & Walsh, J. (2018). The whys of social exclusion: Insights from behavioral economics. *The World Bank Research Observer*, 33(1), 1-33.
- Holvoet, N. (2005). Credit and women's group membership in South India: Testing models of intrahousehold allocative behavior. *Feminist Economics*, 11(3), 27–62. <https://doi.org/https://doi.org/10.1080/13545700500301072>
- Huis, M. A., Hansen, N., Otten, S., & Lensink, R. (2017). A three-dimensional model of women's empowerment: Implications in the field of microfinance and future directions. *Frontiers in Psychology*, 8(SEP), 1–14. <https://doi.org/10.3389/fpsyg.2017.01678>
- Irene, B., Ndlovu, E., Felix-Faure, P. C., Dlabatshana, Z., & Ogunmokun, O. (2025). The Role of Financial Institutions in Bridging the Financing Gap for Women Entrepreneurs in Sub-Saharan Africa. *Administrative Sciences*, 15(8), 1–24. <https://doi.org/10.3390/admsci15080323>
- Ivankova, N. V. , & Plano Clark, V. L. (2018). Teaching mixed methods research: using a socio-ecological framework as a pedagogical approach for addressing the complexity of the field. *International Journal of Social Research Methodology*, 21(4), 409–424. <https://doi.org/https://doi.org/10.1080/13645579.2018.1427604>
- Jabeen, S. , Haq, S. , Jameel, A. , Hussain, A. , Asif, M. , Hwang, J. , & Jabeen, A. (2020). mpacts of rural women's traditional economic activities on household economy: Changing economic contributions through empowered women in rural Pakistan. *Sustainability*, 12(7), 2731.
- Johnson, S. (2005). Gender relations, empowerment and microcredit: moving on from a lost decade. *The European Journal of Development Research*, 17(2), 224-248. <https://doi.org/10.1080/09578810500130831>
- Jones, E. , Smith, S. , & Wills, C. (2012). Women producers and the benefits of collective forms of enterprise. *Gender & Development*, 20(1), 13–32. <https://doi.org/https://doi.org/10.1080/13552074.2012.663640>
- Joseph, D. (2014). Interpretative phenomenological analysis. in *Research Methodologies in Music Education*, 7(4), 145–165. UK: Cambridge Scholars Publishing
- Kabeer, N. (1999). Resources , Agency , Achievements : Re - ections on the Measurement of Women ' s Empowerment P1 Pt Scope. *Development and Change*, 30(May), 435–464.
- Kabeer, N. (1999). Resources, agency, achievements: Reflections on the measurement of women's empowerment. *Development and change*, 30(3), 435-464. <https://doi.org/10.1111/1467-7660.00125>
- Kabeer, N. (2017). Economic pathways to women's empowerment and active citizenship: What does the evidence from Bangladesh tell us?. *The Journal of Development Studies*, 53(5), 649-663. <https://doi.org/10.1080/00220388.2016.1205730>
- Kar, S. B. , Pascual, C. A. , & Chickering, K. L. (1999). Empowerment of women for health promotion: a meta-analysis. *Social Science & Medicine*, 49(11), 1431–1460. [https://doi.org/https://doi.org/10.1016/S0277-9536\(99\)00200-2](https://doi.org/https://doi.org/10.1016/S0277-9536(99)00200-2)
- Keating, C., Rasmussen, C., & Rishi, P. (2010). The rationality of empowerment: Microcredit, accumulation by dispossession, and the gendered economy. *Signs: Journal of Women in Culture and Society*, 36(1), 153-176.
- Khan, T. A.;Bhat, A. H.;Mohsin, A.;Majeed, I. (2023). Livelihood challenges in handicraft industry: a qualitative study on poverty and exploitation of women artisans in Srinagar. *Contemporary Voice of Dalit*,

- 2455328X231180385. <https://doi.org/https://doi.org/10.1177/2455328X231180385>
- Kochar, A. ., Nagabhushana, C. ., Sarkar, R. ., Shah, R. ., & Singh, G. (2022). Financial access and women's role in household decisions: Empirical evidence from India's National Rural Livelihoods project. *Journal of Development Economics*, 155, 102821. <https://doi.org/https://doi.org/10.1016/j.jdeveco.2022.102821>
- Kodongo, O.;Kendi, L. G. (2013). Individual lending versus group lending: An evaluation with Kenya's microfinance data. *Review of Development Finance*, 3(2), 99–108. <https://doi.org/https://doi.org/10.1016/j.rdf.2013.05.001>
- Krejcie, R. V. ., & Morgan, D. W. (1970). Sample size determination table. *Educational and Psychological Measurement*, 30(3), 30(3), 607–610.
- Kurzban, R., & Leary, M. R. (2001). Evolutionary origins of stigmatization: the functions of social exclusion. *Psychological bulletin*, 127(2), 187. <https://psycnet.apa.org/doi/10.1037/0033-2909.127.2.187>
- Ledgerwood, J.;Earne, J.;Nelson, C. (2013). *The new microfinance handbook: A financial market system perspective*. World Bank Publications.
- LINO CALLE, V. A., Carvajal-Rivadeneira, D. D., Sornoza-Parrales, D., Vergara-Ibarra, J. L., & Intriago-Delgado, Y. M. (2024). Herramienta tecnológica Jamovi en el análisis e interpretación de datos en proyectos de Ingeniería Civil. *Innovaciones Educativas*, 26(41), 151–165. <https://doi.org/10.22458/ie.v26i41.5145>
- Maganga, A. (2021). Impact of microfinance village savings and loan associations on women's empowerment and resilience against vulnerability in Malawi. *International Journal of Rural Management*, 17(2), 190–212. <https://doi.org/https://doi.org/10.1177/0973005220972551>
- Mahdzan, N. S., Zainudin, R., & Shaari, M. S. (2023). The influence of religious belief and psychological factors on borrowing behaviour among Malaysian public sector employees. *Asia-Pacific Journal of Business Administration*, 15(3), 361–385. <https://doi.org/10.1108/APJBA-10-2020-0362>
- Makandwa, G.;de Klerk, S.;Saayman, A. (2023). Culturally-based community tourism ventures in Southern Africa and rural women entrepreneurs' skills. *Current Issues in Tourism*, 26(8), 1268–1281. <https://doi.org/10.1080/13683500.2022.2052267>
- Malterud, K., Siersma, V. D., & Guassora, A. D. (2016). Sample Size in Qualitative Interview Studies: Guided by Information Power. *Qualitative Health Research*, 26(13), 1753–1760. <https://doi.org/10.1177/1049732315617444>
- Matin, I., Hulme, D., & Rutherford, S. (2002). Finance for the poor: from microcredit to microfinancial services. *Journal of international development*, 14(2), 273-294. <https://doi.org/10.1002/jid.874>
- Milgram, B. L. (2001). Operationalizing microfinance: Women and craftwork in Ifugao, upland Philippines. *Human Organization*, 60(3), 212–224. <https://doi.org/https://doi.org/10.17730/humo.60.3.4jegdmbrv52tcwvd>
- MkNelly, B., & Kevane, M. (2002). Improving design and performance of group lending: Suggestions from Burkina Faso. *World Development*, 30(11), 2017–2032. [https://doi.org/10.1016/S0305-750X\(02\)00119-5](https://doi.org/10.1016/S0305-750X(02)00119-5)
- Moghadam, V. M., & Senftova, L. (2005). Measuring women's empowerment: Participation and rights in civil, political, social, economic, and cultural domains. *International Social Science Journal*, 184, 389–412. <https://doi.org/10.1111/j.1468-2451.2005.00557.x>
- Mohiuddin, Y.; Al-Jalaly, S. Z. (1993). Credit Worthiness of Poor Women: A Comparison of Some Minimalist Credit Programmes in Asia: A Preliminary Analysis. *The Pakistan Development Review*, 32(4), 1199–1209.
- Moral, I. H.;Rahman, M. M.;Rahman, M. S.;Chowdhury, M. S.;Rahaman, M. S. (2024). Breaking barriers and empowering marginal women entrepreneurs in Bangladesh for sustainable economic growth: a narrative inquiry. *Social Enterprise Journal*, 20(4), 585–610. <https://doi.org/https://dx.doi.org/10.1108/SEJ-04-2023-0050>
- Morduch, J. (1999). The microfinance promise. *Journal of economic literature*, 37(4), 1569-1614.
- Moustakas, C. (1994). *Phenomenological research methods*. SAGE publications.
- Muduli, S., & Sharma, M. (2022). Loan repayment dynamics of self-help groups in India. *Margin: The Journal of Applied Economic Research*, 16(2), 183-202. <https://doi.org/10.1257/jel.37.4.1569>
- Musinguzi, L. K. (2016). The role of social networks in savings groups: Insights from village savings and loan associations in Luwero, Uganda. *Community Development Journal*, 51(4), 499–516. <https://doi.org/10.1093/cdj/bsv050>
- Natile, S. (2019). Regulating exclusions? Gender, development and the limits of inclusionary financial platforms. *International Journal of Law in Context*, 15(4), 461–478. <https://doi.org/10.1017/S1744552319000417>
- Oberhauser, A. M. ., & Pratt, A. (2004). Women's collective economic strategies and political transformation in rural South Africa. *Gender, Place & Culture*, 11(2), 209–228. <https://doi.org/https://doi.org/10.1080/0966369042000218464>
- OJK. (2022). *Peraturan Otoritas Jasa Keuangan Republik Indonesia Nomor 6 /Pojk.07/2022 Tentang Perlindungan Konsumen Dan Masyarakat Di Sektor Jasa Keuangan*. <https://peraturan.bpk.go.id/Details/227355/peraturan-ojk-no-6pojk072022-tahun-2022>

- Pal, M. ., & Gupta, H. (2023). Sustainable women empowerment at the bottom of the pyramid through credit access. *Equality, Diversity and Inclusion: An International Journal*, 42(1), 157–171. <https://doi.org/https://doi.org/10.1108/EDI-02-2022-0028>
- Pal, M. ., Gupta, H. ., & Joshi, Y. C. (2022). Social and economic empowerment of women through financial inclusion: empirical evidence from India. *Equality, Diversity and Inclusion: An International Journal*, 41(2), 294–305. <https://doi.org/https://doi.org/10.1108/EDI-04-2021-0113>
- Parameswara, A., Saskara, I. A. N. Utama, M. S., & Setyari, N. P. W. (2021). The Role of Place Identity, Local Genius, Orange Economy and Cultural Policies for Sustainability of Intangible Cultural Heritage in Bali. *International Journal of Sustainable Development & Planning*, 16(8).
- Parmar, A. (2003). Micro-credit, empowerment, and agency: Re-evaluating the discourse. *Canadian Journal of Development Studies/Revue canadienne d'études du développement*, 24(3), 461–476. <https://doi.org/10.1080/02255189.2003.9668932>
- Paxton, J. ., Graham, D. ., & Thraen, C. (2020). Modeling group loan repayment behavior: New insights from Burkina Faso. *Economic Development and Cultural Change*, 48(3), 639–655. <https://doi.org/https://doi.org/10.1086/452613>
- Peter, W., & Orser, B. (2024). Women entrepreneurs in rural Nigeria: formal versus informal credit schemes. *International Journal of Gender and Entrepreneurship*, 16(4), 602–623. <https://doi.org/10.1108/IJGE-03-2023-0053>
- Phan, C. T., Sun, S., Zhou, Z. Y., & Beg, R. (2019). Does microcredit increase household food consumption? A study of rural Vietnam. *Journal of Asian Economics*, 62, 39–51. <https://doi.org/10.1016/j.asieco.2019.04.003>
- R Core Team (2024). R: *A Language and environment for statistical computing*. (Version 4.4) [Computer software]. Retrieved from <https://cran.r-project.org>. (R packages retrieved from CRAN snapshot 2024-08-07).
- R Development Core Team. (2011). Writing R Extensions. *Writing*, 1.
- Rahman, A. (1999). Micro-credit initiatives for equitable and sustainable development: Who pays? *World Development*, 27(1), 67–82. [https://doi.org/10.1016/S0305-750X\(98\)00105-3](https://doi.org/10.1016/S0305-750X(98)00105-3)
- Revelle, W. (2023). *psych: Procedures for Psychological, Psychometric, and Personality Research*. [R package]. Retrieved from <https://cran.r-project.org/package=psych>.
- Rosseel, L. ., Mylotte, D. ., Cosyns, B. ., Vanhaverbeke, M. ., Zweiker, D. ., Teles, R. C. ., & De Backer, O. (2023). Contemporary European practice in transcatheter aortic valve implantation: results from the 2022 European TAVI Pathway Registry. *Frontiers in Cardiovascular Medicine*, 10, 1227217. <https://doi.org/https://doi.org/10.3389/fcvm.2023.1227217>
- Samila, S., & Sorenson, O. (2011). Venture capital, entrepreneurship, and economic growth. *The Review of Economics and Statistics*, 93(1), 338–349. [https://doi.org/https://doi.org/10.1162/REST\\_a\\_00066](https://doi.org/https://doi.org/10.1162/REST_a_00066)
- Schumpeter, J. A. (2017). *Essays: On entrepreneurs, innovations, business cycles and the evolution of capitalism* (First Publ). Imprint Routledge. <https://doi.org/https://doi.org/10.4324/9781351311489>
- Schurmann, A. T., & Johnston, H. B. (2009). The group-lending model and social closure: Microcredit, exclusion, and health in Bangladesh. *Journal of Health, Population and Nutrition*, 27(4), 518–527. <https://doi.org/10.3329/jhpn.v27i4.3398>
- Singh, S. (2015). The effects of microfinance programs on women members in traditional societies. *Gender, Place and Culture*, 22(2), 222–238. <https://doi.org/10.1080/0966369X.2013.855627>
- Smith, J. A. (2010). Evaluating the contribution of interpretative phenomenological analysis. *Health Psychology Review*, 5(1), 9–27. <https://doi.org/https://doi.org/10.1080/17437199.2010.510659>
- Smith, J. A. (2017). Interpretative phenomenological analysis: Getting at lived experience. *The Journal of Positive Psychology*, 12(3), 303–304. <https://doi.org/https://doi.org/10.1080/17439760.2016.1262622>
- Swamy, V. (2014). Financial Inclusion, Gender Dimension, and Economic Impact on Poor Households. *World Development*, 56, 1–15. <https://doi.org/10.1016/j.worlddev.2013.10.019>
- The jamovi project (2024). *jamovi*. (Version 2.6) [Computer Software]. Retrieved from <https://www.jamovi.org>.
- Thophilus, K. A., & Paul, S. M. (2019). The impact of savings groups on female agency: Insights from village savings and loans associations in Northern Ghana. *Asian Journal of Agriculture and Rural Development*, 9(2), 133–146. <https://doi.org/10.18488/journal.1005/2019.9.2/1005.2.133.146>
- Timmons, J. A.;Bygrave, W. D. (1986). Venture capital's role in financing innovation for economic growth. *Journal of Business venturing*. *Journal of Business Venturing*, 1(2), 161–176. [https://doi.org/https://doi.org/10.1016/0883-9026\(86\)90012-1](https://doi.org/https://doi.org/10.1016/0883-9026(86)90012-1)
- Ugbomeh, G. M.;Achoja, F. O.;Ideh, V.;Ofuoku, A. U. (2008). Determinants of loan repayment performance among women self help groups in Bayelsa State, Nigeria. *Agriculturae Conspectus Scientificus*, 73(3), 189–195. <https://doi.org/https://hrcak.srce.hr/file/42493>
- Ukanwa, I., Xiong, L., & Anderson, A. (2018). Experiencing microfinance: Effects on poor women entrepreneurs' livelihood strategies. *Journal of Small Business and Enterprise Development*, 25(3), 428–446. <https://doi.org/10.1108/JSBED-02-2017-0043>

- Untari, R., Gajjala, R., & Sanjaya, R. (2020). The making of “asli” Sumba woven cloth: how globalising “intangible heritage” impacts women’s roles. *Development in Practice*, 30(8), 1094–1104. <https://doi.org/https://doi.org/10.1080/09614524.2020.1759509>
- van Manen, M. (1990). *Researching Lived Experience: Human Science for an Action Sensitive Pedagogy*. Althouse Press. <https://www.taylorfrancis.com/books/mono/10.4324/9781315421056/researching-lived-experience-max-van-manen>
- Wanniarachchi, T. ., Dissanayake, K. ., & Downs, C. (2020). Improving sustainability and encouraging innovation in traditional craft sectors: the case of the Sri Lankan handloom industry. *Research Journal of Textile and Apparel*, 24(2), 111–130. <https://doi.org/https://doi.org/10.1108/RJTA-09-2019-0041>
- Wanzala, R. W., & Obokoh, L. O. (2025). Financial inclusion of the informal sector of marginalized counties in Kenya. *Cogent Social Sciences*, 11(1). <https://doi.org/10.1080/23311886.2025.2522291>
- Wekwete, N. N. (2014). Gender and economic empowerment in Africa: Evidence and policy. *Journal of African Economies*, 23(Suppl\_1), I87-I127., 23 (suppl\_1, i87–i127. <https://doi.org/https://doi.org/10.1093/jae/ejt022>
- Wickramasinghe, V., & Fernando, D. (2017). Use of microcredit for household income and consumption smoothing by low income communities. *International Journal of Consumer Studies*, 41(6), 647-658. <https://doi.org/10.1111/ijcs.12378>
- Widaman, K. F., & Revelle, W. (2023). Thinking thrice about sum scores, and then some more about measurement and analysis. *Behavior Research Methods*, 55(2), 788–806. <https://doi.org/10.3758/s13428-022-01849-w>
- Xu, S. ., Asiedu, M. ., & Effah, N. A. A. (2023). Inclusive finance, gender inequality, and sustainable economic growth in Africa. *Journal of the Knowledge Economy*, 14(4), 4866–4902. <https://doi.org/https://link.springer.com/article/10.1007/s13132-022-01036-4>
- Yadav, U. S. ., Tripathi, R. ., Kumar, A. ., & Shastri, R. K. (2025). Evaluation of factors affecting women artisans as entrepreneurs in the handicraft sector: a study on financial, digital technology factors and developmental strategies about ODOP in Uttar Pradesh to boost economy. *Journal of the Knowledge Economy*, 16(1), 3663–3716. <https://link.springer.com/article/10.1007/s13132-024-01837-9>
- Yoganandham, G. ., Varalakshmi, M. D. ., & Kalaivani, M. M. (2024). Unlocking Potential: Enhancing Women’s Empowerment through Financial Inclusion in Northwestern India. *Tuijin Jishu/Journal of Propulsion Technology*, 45(1), 2014