

**DOES MICROFINANCE EMPOWER WOMEN ENTREPRENEURSHIP?
EVIDENCE FROM RATHNAPURA DISTRICT**

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ABSTRACT

Microfinance on women's empowerment in entrepreneurship is a timely topic for discussion. Accordingly, this research delves into the impact of microfinance on the empowerment of women's entrepreneurship in the Rathnapura District. The researchers targeted the Rathnapura district and conducted this research because it is among the ten (10) districts with the highest number of women entrepreneurs in Sri Lanka. However, research has yet to be conducted in this district, and it forged to conduct a study on the present theme. The study population consisted of women entrepreneurs running their businesses in the Rathnapura district, and 100 women entrepreneurs were selected as the sample using convenience sampling. This study employed descriptive, correlation, and regression analyses as data analysis tools. This study examined the impact of microcredit and microwaving on women entrepreneurs' social and economic empowerment. Hypothesis 1 (H1) posits that microcredit significantly influences social empowerment in women's entrepreneurship. A Pearson correlation coefficient of 0.751 indicated a strong positive relationship, and the significance value (0.000) supported this hypothesis. Similarly, Hypothesis 2 (H2) suggests that microcredit significantly affects the economic empowerment of women entrepreneurs. The correlation coefficient remains at 0.751, indicating a strong positive relationship with a significance value of 0.001, which also supports this hypothesis. The results showed a positive relationship between microfinance and women's entrepreneurship. These findings underscore the pivotal role of microfinance in fostering economic and social empowerment among women entrepreneurs, offering invaluable insights for policymakers and stakeholders in the microfinance sector.

Keywords: Micro finance, women entrepreneurship, women empowerment