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Microfinance Impact Assessment Methodologies: Is it Qualitative, Quantitative or Both?

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Abstract

Microfinance impact assessment is essentially a way of determining the effect of microfinance programme on the participants over a given period of time.

However, the research approach and method to derive the effect vary. The positivists argue for the use of quantitative method to explain the reason for changes among microfinance programme beneficiaries. This is achievable by using statistical

tests for explanation and prediction of the phenomena under study. This leads to generalisation of result such that the outcome of sample can be used to determine the result of the population. However, the interpretivists lend their work to the inductive strategies that meaningful microfinance impact assessment cannot be determined by using quantitative methods of data collection and analysis. Rather, a coherent and useful microfinance impact should be based on qualitative methods. It is recommended that future studies should strive for the use of mixed method such that both the qualitative and quantitative approaches are used in a single study.

Keywords

Microfinance **Mixed method** **Qualitative**
Quantitative

JEL classification

B26 **D14** **D61** **D71** **G23**

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