

Can Women be empowered through savings and Credit Cooperatives? Evidence from Ethiopia

Dayanandan. R¹

Abstract: *Although women constitute about half of the Ethiopian population, their socio-economic status remains very low. Women belong to the most deprived section of the society facing adverse conditions in terms of social oppression and economic inequality, a visible majority of them being poor. Hence, due to these facts the government of Ethiopia has been implemented policies and programmes to address women's strategic gender needs through improving their access to resources and their decision making power. In addition the government also considered cooperatives as the social organizations to tackle the women issues. However, how for these social organizations performing in empowering the rural women is not known due to dearth of studies. Considering this scenario, this research investigates women empowerment through saving and credit cooperatives in terms of socio-economic benefits, decision making and so on. The methodology of this research paper is an integration of qualitative and quantitative in nature based on data collected from 9 saving and credit cooperatives in wondo genet district by employing purposive sampling technique. The collected data was complied and analyzed by using descriptive statistics, such as mean, percentages, Wilcoxon signed rank test, Chi-square test. In addition, Ordered Logistic Regression analysis was carried out to find the factors influencing women empowerment. The results are presented in the form of tables and graphs along with interpretations. The findings indicate that, women in the study area gained different socio-economic benefits after joining saving and credit cooperatives. In aggregate terms, there is an improvement and significant change of women status in all selected empowerment dimensions. Moreover, the results of Ordered Logistic Regression analysis shows that Awareness on Cooperative Principles and values, Members' Participation in their cooperatives affairs, Loan Size provided by the cooperatives, Work load in the household, Loan repayment period, lack of access to information are found to be significantly influence the women empowerment. Many constraints are faced by the women in the study area which are to be addressed by giving proper attention while strategy and policy preparation aimed to implement for women empowerment.*

Keywords: Women, Empowerment, Saving and Credit Cooperatives

¹Associate Professor, Hawassa University.

Corresponding author: Dayanandan. R can be contacted at: afianand@gmail.com

Any remaining errors or omissions rest solely with the author(s) of this paper

Background and Justification

In an increasingly globalized and interconnected world, utilizing all social and economic assets is crucial for the success. Up to this day, no country, developing or developed, has achieved complete gender equality (UN, 2015). Yet, despite progress, women continue to confront discrimination, marginalization and exclusion, even though equality between men and women stands as a universal international precept—a fundamental and inviolable human right. Nearly all countries have affirmed this value through their recognition of the standards contained in international human rights treaties, which articulate for states a broad range of civil, political, economic, social and cultural rights (UN, 2010).

Ethiopian women are economically, socially, culturally and politically disadvantaged in the enjoyment of equal rights, in accessing opportunities, decision-making processes, and basic resources. In other words, although a number of policies are emerging that support and encourage women's participation in development, women's access to and control of productive resources, information, training and education, employment and in decision-making are limited (Ogato, 2013).

Many United Nations (UN) conferences (Copenhagen, 1980; Nairobi, 1985; Beijing, 1995) have advocated that women's empowerment is central to sustainable development. Empowering people, particularly women, to strengthen their own capacities is a main objective of development and that empowerment requires the full participation of people in the formulation, implementation and evaluation of decisions determining the functioning and well-being of societies.

Increasing women's access to microfinance services can lead to their economic empowerment. This might enable women to start their own economic activities, invest more in existing activities, acquire assets or raise their status in household economic activities through their visible capital contribution. Increased participation in economic activities may raise women's incomes or their control of their own and household income. This, in turn, may enable them to increase longer term investment in and productivity of their economic activities, as well as their engagement in the market. (Getaneh Gobezie, 2013).

Cooperative model can be used as a breeding ground to empower women economically by enhancing their specific knowledge and capacities. This is possible because cooperatives are business owned and controlled by the people who use them and it differ from other business because they are member owned and operated for the benefit of members, rather than earn profits for investors. According to Aregawi and Hailaslasie (2013), Cooperative can create a safe environment where women increase their self confidence, identify their own challenges, make decisions and manage risks. And as a result, women are economically empowered and become active agents of change, entrepreneurs and promoters of social transformation who can improve their own lives and those of their community.

Savings and credit cooperatives (SACCOs) are much more accessible to women than standard banks, especially in rural areas, due to the fact that they are “locality-based,” making them more culturally sensitive and less intimidating. Moreover, they tend to offer a wider range of loan sizes, allowing women to find suitable loan conditions, such as smaller sizes to fit their business, health, or educational needs (Dagnew Gesesse, et. al, 2008).

From past studies (Berhane, 2013, Dessalew, 2014.) in Ethiopia it is observed‘ that, Saving and credit cooperatives had substantial impact on women empowerment, by contributing to some extent in generating economic activities, improved their income, to have their own assets and brought changes in decision making and asset formation compared to the “before” situation

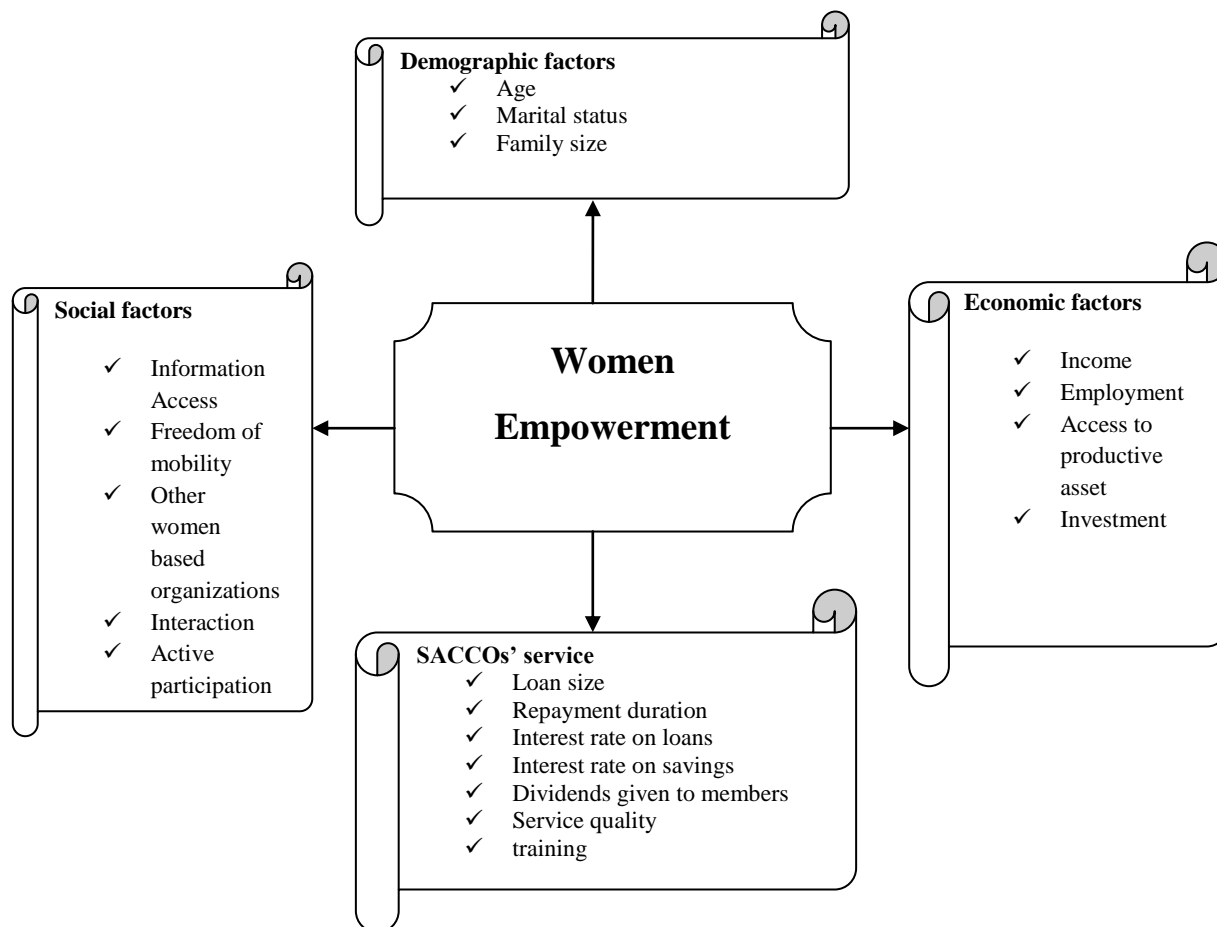
Can Women be empowered Through Savings and Credit Cooperatives? Evidence from Ethiopia of the women members. However, very limited studies are available on the role of SACCOs in empowering women in the study area. Hence this research is warranted with the following objectives.

Specific objectives

- To examine the level of empowerment among SACCOs' members in the study area
- To assess the role of SACCOs in improving socio-economic conditions of women members in the study district
- To investigate the involvement of women members in decision making both at cooperatives and household level
- To identify the factors influencing women's empowerment in the study area

Conceptual Framework

While perusing different theories and studies it is found that many influential factors are responsible for the empowerment of women. Here based on the literature, the following conceptual framework has been framed to proceed further.



Source: Framed by the Researcher

Methodology Followed

Descriptive design method with qualitative and quantitative approach was used. For the selection of study area, sample SACCOs and sample women respondents, multi-stage sampling procedure was adopted. At first, Wondo Genet district was selected purposively since it has a number of SACCOs with long years of experience as compare to other districts in the zone. In the second stage, out of 14 SACCOs in the district, 9 SACCOs were selected purposively which are established after 2007. Out of 232 women members in the selected SACCOs, 50% members (116) were chosen as sample and identified by simple random sampling. In addition 50% of the management committee members (13) also selected for sample. Thus the total respondents are 129 women from whom the primary data was collected through semi-structure interview schedule. Moreover, key informants interview was also carried out to elicit the required information.

The data obtained during the survey was edited, coded and entered in to statistical package for social sciences (SPSS) version 21. Frequency distribution, percentage analysis, mean, Wilcoxon signed rank test, *Chi-square* test were carried out for analysis purpose. In addition, Ordered Logistic Regression analysis was carried out to trace out the influential factors of women empowerment. The dependent variable in the model was women empowerment and independent variables were age, marital status, educational status, size of the family, training access, credit utilization, credit facility, efficiency of SACCOs, awareness on cooperative principles and values, members participation in their cooperatives affairs, loan size, work load in the household, loan repayment period and access to information etc. The arrived results are presented in the form of tables, charts and interpretations.

According to Greene (2008) and Liao (1994) the functional form of ordered logit model is specified as follows:

$$y^* = \sum_{k=1}^k \beta_k \chi_k + \varepsilon \quad (1)$$

y^* = is unobserved and thus can be thought of as the underlying tendency of an observed phenomenon.

ε = we assume it follows a certain symmetric distribution with zero mean such as normal or logistic distribution. What we do observe is

$$\begin{aligned} y &= 1 \text{ if } y^* \leq \mu_1 \\ y &= 2 \text{ if } \mu_1 < y^* \leq \mu_2 \\ y &= 3 \text{ if } \mu_2 < y^* \leq \mu_3 \\ y &= j \text{ if } \mu_{j-1} < y^* \end{aligned} \quad (2)$$

Where y is observed in j number of ordered categories, μ s are unknown threshold parameters separating the adjacent categories to be estimated with β s. The general form for the probability that the observed y falls into category j and the μ s and the β s are to be estimated with an ordered logit model is:

$$\text{Prob}(y=j) = \left[1 - L \left(\frac{\mu_{j-1} - \sum_{k=1}^k \beta_k \chi_k}{\sigma} \right) \right] \quad (3)$$

Can Women be empowered Through Savings and Credit Cooperatives? Evidence from Ethiopia

Where $L(.)$ represents cumulative logistic distribution. The odds ratio on each empowerment status will be calculated by:

$$\frac{\partial \text{prob}(Y = j)}{\partial X_k} = \left[f\left(\mu_{j-1} - \sum_{k=1}^k \beta_k \chi_k\right) - f\left(\mu_j - \sum_{k=1}^k \beta_k \chi_k\right) \right] \beta_k \quad (4)$$

Where $f(.)$ represents the probability density function

Results and Discussion

Role of SACCOS in Socio-economic improvement of Women

Although cooperative is viewed as an organization for the promotion of economic interests of its members, it does not confine itself only to the economic aspect. It also permeates the social aspect of life and aims at establishing a new democratic social order based on freedom and equality, where people live in harmony, caring and sharing like a family, where there is a unity of spirit and common economic bond (Karunakran, 2004).

Economic empowerment of women is a necessary condition to strengthen women's independence, enabling women to seek justice and equality and claim their rights. Generally in Ethiopia women lack access to resources such as land, time and capital, as well as financial services. Beyond farming, women are still mostly found in the resource-strapped informal sector where income is low and unstable and where government protection is minimal (Ogato, 2013). Hence, economic empowerment of women has significant contribution for the improvement of livelihood at household level, community level and national level. Being economic enterprises, cooperatives are expected to play a crucial role in enhancing the economic wellbeing of their members. One of the visible economic contributions of cooperatives is to improving members' income.

Change of Family Annual Income

Income is the amount of money received during a period of time in exchange for labor or services, from the sale of goods or property, or as a profit from financial investment. Savings and credits services and other opportunities provided its members to undertake different enterprises which helps the members to generate self-employment and increase their income, thereby contributing towards increase their empowerment level to some extent. Aregaw and Hailesilassie (2013), states that cooperatives play a crucial role in enhancing the economic wellbeing of their members. One of the visible economic contributions of cooperatives is improving members' income.

The survey results (Table 1) indicate that majority of the sample women's family income has been improved after being the member of cooperatives. For instance before being the member, only 6% of them had income between Birr 12,001-16,000 which increased to 15.6 after being member. Again before joining cooperatives, no body earns above Birr 16,001 as income. However, after joining membership 13% earned above Birr 16,000. This is because sample women engaged in income generating activities such as petty trade, dairy farming and small scale farming by borrowing money from their SACCOS. Hence, it is possible to infer that saving and credit cooperatives has positive role in women economic empowerment. This result also correlates with the result by Taiwo Abdulahi Olabisi et al (2015) in Osuna state of Nigeria.

Table 1: Annual Income of Sample Respondents

Family Annual income	Before Membership		After Membership	
	No. of Respondents	Percentage	No. of Respondents	Percentage
4,000 and below	25	21.5	13	11.2
4001-8,000	63	54.4	33	28.4
8,001-12,000	21	18.1	39	33.6
12,001-16,000	7	6	18	15.6
Above 16,001	-	-	13	11.2
Total	116	100	116	100

Source: Survey results

Income Generating Activities of Respondents

In the present world, women have been the focus of all international and national development programmes. Special programmes have been instituted by the government of the Ethiopia and different NGOs to improve their social and economic status through provision of education, employment, health-care and involvement in social and economic institutions including cooperatives. Cooperative institutions can help to accelerate the process of development and participation of women in their organizational and business activities. It also provide plenty of opportunities to their members to involve in different income generating activities such as petty trade, the establishment of irrigation schemes, agricultural production and process (Young, 1992). The recent scenarios show that women are not born for reproductive work only, but they are also active entrepreneurs recording a rapid growth in their business (Ogato, 2013). In the study area, women are participating in income generating activities and as shown in table 2, after membership sample women who are involved in petty trade increased from 32.7% to 47.3%. Before membership 25% of the sample women have no job, this percentage decreased to 6.9% after membership. This indicates that after membership sample women are able to engage in income generating activities this consecutively help them to economic empowerment.

Table 2: Income generating activities of Respondents

Types of activities	Before Membership		After Membership	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Agriculture	43	37.2	37	31.9
Petty trade	38	32.7	55	47.3
Small scale industry	-	-	6	5.2
Dairy Farm	1	0.8	3	2.5
Others (Cleaner)	5	4.3	7	6
None	29	25	8	6.9
Total	116	100	116	100

Source: Survey results

Sources and Reasons for borrowing

Borrowing is not necessarily a sign of failure but rather can be a natural step in growing a business. While financial institutions and SACCOs have been encouraging growth over the last few years, Ethiopia's rural and poorer households continue to be significantly underserved with financial services. As estimated, 80% of potential rural demand for loans is still unmet. The situation in urban areas is relatively better because of the concentration of financial

Can Women be empowered Through Savings and Credit Cooperatives? Evidence from Ethiopia service providers in urban areas (Dagneu, 2012). Table 3 shows that the sources and reasons for borrowing money from various sources before and after joining SACCOs. Before membership, out of 82 respondents who borrowed money, 31% borrowed from Omo microfinance, 13% borrowed from Sidama microfinance, and 56% borrowed from village money lenders. After membership, all the 97 respondents borrowed from their SACCOs. This shows that members know the advantages of taking loan from their SACCOs and start earning income through investing their loan on income generating activities. In the same way before the membership in SACCO's, most of them borrowed for unproductive purposes. However, after membership, majority (65.9) of sample women have borrowed money from SACCOs to engage in income generating activities.

Table 3: Sources and Reasons for Borrowing

Sources of borrowing	Before Membership	After Membership	Reason for borrowing	Before Membership	After Membership
Omo Microfinance	25 (31.0)	-	Education of children	31 (37.8)	14 (50.0)
			Medical expenses	29 (35.4)	10 (35.7)
Sidama Microfinance	12 (13.0)	-	To meet regular expense	18 (21.9)	05 (17.8)
			For social function	15 (18.3)	04 (14.3)
Village money Lenders	45 (56.0)	-	Miscellaneous expenses	05 (6.1)	-
SACCOs	-	97 (100)	To run business	12 (14.6)	64 (65.9)

Source: Survey results;

Note: Figures within brackets shows percentage to the total

Role of Cooperatives in Asset Creation

The way cooperatives help reduce poverty is important- they identify economic opportunities for their members; empower the disadvantaged to defend their interests; provide security to the poor by allowing them to convert individual risks into collective risks; and mediate member access to assets that they utilize to earn a living.

Land holding by the Household of Sample Respondents

Land is an important asset which helps the households to engage agricultural practices for their livelihood and generate income and to be the member of SACCOs. According to Table 4 results, before participating in the SACCOs, 6.5% of the respondents' households possessed land in hectare between 1.6-2.0. But after participating in the SACCOs, 14% respondents' households possessed the land in hectare between 1.61-2.0. This indicates that, the women members increased land holding capacity after joining the SACCOs due to the various activities engaged and generating income from different sources.

Financing for House Construction

Based on the survey result, there are 24 members could contribute 534,900 Birr for their house construction. Basically in the study area, the responsibility to construct a house and financing it is rested upon men's shoulder. However it is interesting to observe that there are some women members who were financing their house construction after the cooperative membership and they became the owner of the house. There are also two individual members who contributed 78,454 Birr to purchase grain mill after the cooperative membership. This is a great achievement for them and they are providing milling service for members and non members. Above all, this development challenges the traditional division of responsibility between women and men.

Table 4: Land holding by the Households

Land holdings in hectare	Before membership		After membership	
	No. of Respondents	Percentage	No. of Respondents	Percentage
0.2-0.5	12	11.2	04	3.7
0.51-0.75	21	19.6	17	15.9
0.76-1.2	31	29	34	1.8
1.21-1.6	36	33.6	37	34.6
1.61-2.0	07	6.5	15	14
Total	107	100	107	100

Source: Survey results

Purchase of Live Stocks

In addition to the above mentioned fixed assets, the members were able to own animals like milk cow (14), sheep (28), goat (14) and oxen (15) and use their products both for consumption and cash. Many of them are selling the products of the animals and use as sources of income. On the other hand, some of them reported that their children are getting different animal products after the membership in cooperatives. This in turn improved their health condition.

Table 5: Assets purchased after being Cooperative Member

Category	No. of Respondents	Value of the Assets
House/construction/expansion/	24	534,900
Purchased grain mill	2	98,000
Livestock	33	167,400
Household asset	27	80,240
Total	86	880,540

Source: Survey results

House Furniture

There are 27 members who have changed their house furnitures such as bed (27), table (13) and chairs (78). To purchase this furniture, they contribute 80,240 Birr. This contributes to the change in their life style. As their income increases the contribution of women in their household also increases.

Responsible for Managing Assets

Women in Ethiopia have no control over property including the right to take some amount of grain out of a granary without the permission of men (Majitu and Bedria, 1999). For everything, women need to ask the permission of their husbands whereas the husbands never ask their wives' permission to sell animals or grains. Although, women sometimes sell grains like teff without informing to their husbands and use the money for family needs, the resource is still controlled by men and the women have less control over them (Abiyot, 2010). However in the study area against findings of above researchers, as shown in table 6 after membership, majority (78%) of the respondents manages assets jointly with their husbands. However, 17.6 % respondents' asset still managed by their husbands only.

Table 6: Responsible in managing assets before and after Membership in SACCO's

Category	Before Membership		After Membership	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Husband	41	45	16	17.6
Wife	04	4.4	04	4.4
Both husband and wife	46	50.6	71	78.0
Total	91	100	91	100

Source: Survey results

Improvement of Health care

Cooperatives are expected to improve their members' health through providing overall education and training and by enhancing their income. Both the survey result and key informant interview showed that women members' access to health services has been improved after membership. Women respondents confirmed that they had very poor access to health services before but after the membership in cooperatives, their access to health services has improved as they started to earn income through involving in income generating activities. As shown in table 7 after membership, accesses to pregnancy care increased from 25.3% to 59.3% of respondents. There is also improvement in provision of rural health services through health extensions. Therefore, the improvement in access of this service may not only brought by cooperatives alone. Regarding children care, respondents who had poor child care before cooperatives was 38.3% which decreased to 10.2%. Generally after joining cooperatives women members bring significant change in Pregnancy care, Children care and Family treatment. A Wilcoxon signed-rank test showed that pregnancy care, children care and family treatment elicit a statistically significant change ($Z = -5.149, p < 0.001$).

Table 7: Health care before and after SACCO's Membership

Variables	Before Membership	After Membership	Wilcoxon Test(Z)	p-value
	No. of Respondents	No. of Respondents		
Pregnancy care				
Poor	21(23.1)	02(2.2)		
Neutral	47(51.6)	35(38.5)	4.940	.000
Good	23(25.3)	54(59.3)		
Total	91(100)	91(100)		
Children care				
Poor	41(38.3)	11(10.2)		
Neutral	35(32.7)	33(30.8)	-3.775	.000
Good	31(30)	63(59)		
Total	107(100)	107(100)		
Family Treatment				
Poor	26(22.4)	05(4.3)		
Neutral	49(42.2)	48(41.4)	-3.574	.000
Good	41(35.3)	63(54.3)		
Total	116(100)	116 (100)		

Source: Survey results;

Note: Figures within brackets shows percentage to the total

Respondents Access to Information and New Ideas

Provision of information and training for its members is one of the seven international principles of cooperatives. Thus, organizing women in cooperatives provide an opportunity to get information that helps them to make use of available opportunities. Both the survey results and the key informant interview revealed that there is no regularly designed information exchange mechanism in the sample societies. However, this does not mean that there is no information exchange at all. They are discussing important issues every month when they come to pay for their savings. This helped them to exchange important information to expand their business, know more about the importance of cooperatives and gender equality. Their movement away from their home for business in their cooperative enabled the women members to get information. Others revealed that in the cooperatives, sometimes the promoters and people from NGOs provide information on their rights, equality and business undertakings. Thus, one or other way, the women members started to get information. Therefore, there is certain improvement in the information access for women members after joining cooperatives keeping other factors constant. From table 8 it is clear that members having television after cooperatives increased from 14.6% to 33.6% and telephone ownership increased from 20.7% to 42.2%. This is due to engagement in income generating activities and starts to earn income after joining cooperatives.

Can Women be empowered Through Savings and Credit Cooperatives? Evidence from Ethiopia

Table 8: Access to information and new ideas for the Respondents

Variables	Before Joining SACCO	After Joining SACCO
	No. of Respondents	No. of Respondents
Availability of TV		
Yes	17(14.6)	39(33.6)
No	99(85.4)	77(66.4)
Total	116(100)	116(100)
Availability of Telephone		
Yes	24(20.7)	49(42.2)
No	92(79.3)	67(57.8)
Total	116(100)	116(100)
Availability of Radio		
Yes	89(76.7)	102(88)
No	27(23.3)	14(12)
Total	116(100)	116(100)

Source: Survey results;

Note: Figures within brackets shows percentage to the total

Role of the Cooperatives in Food Access

The respondents stated that their access to quantity and quality of food has been improved after joining the cooperatives. Moreover, the issue of food quality and quantity in their context has also raised. Based on the discussion, food quality for the society means the different ingredients used. Very poor group used to take Kocho with cabbage alone while well to do families take kocho with cabbage, butter, milk, and other ingredients like Haricot bean and others. On the other hand, when we look at food quantity, it deals with how often they eat in a day.

Table 9: Access to food before and after Cooperative Membership

Variables	Before Joining SACCO	After Joining SACCO	Wilcoxon Test(Z)	p-value
	No. of Respondents	No. of Respondents		
Quantity of food				
Poor	29(25.0)	05(4.3)		
Neutral	35(30.2)	39(33.6)	4.011	.000
Good	52(44.8)	72(62.1)		
Total	116(100)	116(100)		
Quality of food				
Poor	75(64.7)	15(12.9)		
Neutral	22(19)	52(44.8)	2.432	.015
Good	19(16.3)	49(42.3)		
Total	116(100)	116(100)		

Source: Survey results;

Note: Figures within brackets shows percentage to the total

As per the study, those who used to eat once in a day started to eat twice or three times due to the engagement in different income generating activities which helps them to purchase their goods. Thus we can easily recognize the improvements on women access to food. But still further effort is needed to improve the condition of women in terms of food. As shown in table 9, 25% of the sample women members had less access to enough food but after joining

cooperatives, only 4.3% of the respondents have less access to enough food. Only 16.3% of the respondent's have access to quality food before cooperative membership. After cooperative membership 42.3% of the respondents have access to quality food. From this, it is easy to conclude that their access to food is almost good after membership in saving and credit cooperatives.

Access to Education and Training

One of the principles of cooperative is the provision of education, training and information for its members. Through training and education programmes which are sensitive to women needs, cooperatives can help strengthen women's capacities and capabilities, resulting in their increased self-confidence and enabling them to participate more fully in decision-making and assume leadership positions. Even if the training given in the cooperative is not on regular basis, occasionally there is training services provided for members on how they can be an entrepreneur, how to develop business plan and advantages of saving and credit cooperatives. This helps them to engage in income generating activities and improve their life style. However, the majority (55.2%) replied that the training provided in the cooperative is limited. This is a major problem for the cooperatives to attract new members and retain the old members. Some respondents were mentioning that they do not want to take loan because they do not know what to do with it. Without training it is very difficult for them to run certain business.

Table 10: Access to education before and after Cooperative Membership

Variables	Before Joining SACCO	After Joining SACCO	Wilcoxon Test(Z)	p-value
	No. of Respondents	No. of Respondents		
Formal education for children				
Poor	22(20.5)	03(2.8)		
Neutral	34(31.8)	19(17.8)	6.613	.000
Good	51(47.7)	85(79.4)		
Total	107(100)	107(100)		
Training access				
Poor	64(55.2)	14(12.1)		
Neutral	34(29.3)	34(29.3)	6.613	.000
Good	18(15.5)	68(58.6)		
Total	116(100)	116(100)		
Improvement in status				
Poor	6455.1	1512.9		
Neutral	35(30.2)	35(30.2)	6.830	.000
Good	17(14.7)	66(57)		
Total	116(100)	116(100)		

Source: Survey result;

Note: Figures within brackets shows percentage to the total

As shown in table 10 before cooperative membership, 20% of the respondents were unable to send their children to the formal education because of their low income. After joining cooperatives, 79.4% of the respondents send their children to the school easily because of increased income. Before cooperatives, only 15.5% of the respondents had access to training and

Can Women be empowered Through Savings and Credit Cooperatives? Evidence from Ethiopia after cooperatives 58.6% of them had access to the training. The p-value (.000) also shows that sample women significantly improve the access to education for their children.

Role of Cooperatives in Improving Personal Autonomy

To assess the personal autonomy of women members, the respondents were asked to rate their ability to spend time and money for recreation, visiting friends or relatives, visiting health services and right to make decision in family affairs from very good to very poor. Different measures of personal autonomy were identified, and overall results depict that 23.3% of sample women members start to spend time and money for recreation after joining cooperatives, which was 13.8% before membership. 63% and 66.4% of the members able to visit their friends, relatives and health services respectively. In all metrics, their personal autonomy in decision has been improved. But, still, there are many women who are not able to make decisions on their own. Despite the limitations the improvements might be due to education and trainings provided by cooperatives. The p-value result (.000) also supported the same.

Table 11: Personal autonomy before and after Cooperative Membership

Variables	Before Joining SACCO	After Joining SACCO	Wilcoxon Test(Z)	p-value
	No. of Respondents	No. of Respondents		
The ability to spend time and money for recreation.				
Poor	58(50)	28(24.1)		
Neutral	42(36.2)	61(52.6)	3.662	.000
Good	16(13.8)	27(23.3)		
Total	116(100)	116(100)		
Visiting friends or relatives				
Poor	62(53.4)	10(8.6)		
Neutral	37(31.9)	33(28.4)	6.875	.000
Good	17(14.7)	73(63)		
Total	116(100)	116(100)		
Visiting health services				
Poor	62(53.4)	14(12)		
Neutral	37(31.9)	25(21.6)	6.755	.000
Good	17(14.7)	77(66.4)		
Total	116(100)	116(100)		

Source: Survey results;

Note: Figures within brackets shows percentage to the total

Involvement of Women Members in Decision Making

Active, equitable participation of members, both men and women, is a necessity for sustainable cooperative development. Active participation in the cooperative context means that members are involved in all the functions of cooperative including planning, decision-making, implementation and financial and management control (ILO, 1995).

Involvement of women members in the decision making in Cooperatives

Co-operatives are the platform for learning how to participate in democratic decision-making, and, as such, they generate a public good which exceeds their economic imperative. Thus, democratic participation in co-operatives supports both better business decisions and stronger communities ICA (2004). Key informant interview results show that in the study area, people have their own traditional way of governance. Cooperatives also play great role in creating awareness on gender equality. Respondents were asked to rate frequency of their participation in their cooperative's affairs. The results shown in Table 12 depict that, except for attendance in meetings, less than 50% of the respondents participate in the affairs of their cooperatives. Most importantly women's participation in trainings, profit allocation, decision in business expansion and asset control is very low. Furthermore, only 20.7% of the respondents are able to regularly vote without interference from other members, candidate or family members. This implies that women members lack regular participation in the major affairs of their cooperatives.

Table 12: Women members' participation in the affairs of SACCOS

Participation Variables	No. of Respondents			Total
	Always	Sometimes	Never	
Elect or be elected	57(49.1)	56(48.3)	03(2.6)	116(100)
Meeting attendance	102 (88.0)	10(8.6)	04(3.4)	116(100)
Profit allocation decision	39 (33.6)	54(46.5)	23(19.9)	116(100)
Voting according to own decision	24 (20.7)	47(40.5)	45(38.8)	116(100)
Participating in trainings	35 (30.2)	64 (55.2)	17(14.6)	116(100)
Express the ideas	56(48.4)	44(37.8)	16(13.8)	116(100)
Business expansion decision	39(33.6)	54(46.5)	04(3.4)	116(100)

Source: Survey results;

Note: Figures within brackets shows percentage to the total

Involvement of women members in Household decision making

In male dominated society, decision making power is vested in the hands of men. Most of the time, women are economically dependent on their husbands which in turn affects their decision making power in the family (Abiyot, 2010). In this backdrop, the researcher examined, whether women who are participating in SACCO changed the decision making role in the household. During the survey, there were questions regarding the decision- maker in the household before and after joining SACCOS. Accordingly, the results in table 13 show that under all the selected participation variables, there was a change in decision making in household level after membership. This result shows that there was a change in decision making in the household after the respondents joined in SACCOS.

Table 13: Women members’ decision making participation in Household level

Participation Variables	Before membership			After membership			Total
	Husband	Wife	Both	Husband	Wife	Both	
Decision of children education	41 (45.1)	04 (4.4)	46 (50.5)	16 (17.6)	04 (4.4)	71 (78)	91 (100)
Health check up of the family	39 (42.8)	12 (13.2)	40 (44)	23 (25.3)	16 (17.6)	52 (57.1)	91 (100)
Household expenditure	36 (39.5)	16 (17.6)	39 (42.8)	18 (19.8)	25 (27.4)	48 (52.7)	91 (100)
Participation in social meeting	91 (100)	-	-	66 (72.5)	11 (12.1)	14 (15.4)	91 (100)

Source: Survey results;

Note: Figures within brackets shows percentage to the total

Level of Empowerment among sample Women in SACCO’s

The main focus of this paper is to assess the women empowerment level among saving and credit cooperatives members. The level of women empowerment was determined on the basis of the seventeen selected indicators as shown Table 14. To measure empowerment level, these variables were computed as three ordinal categories (low, medium and high). With these indicators as shown in figure 2, 51 (44%) of the respondents are medium in their empowerment level and 47 (40.5%) are not empowered. Only 18 (15.5%) of the respondents have high level of empowerment.

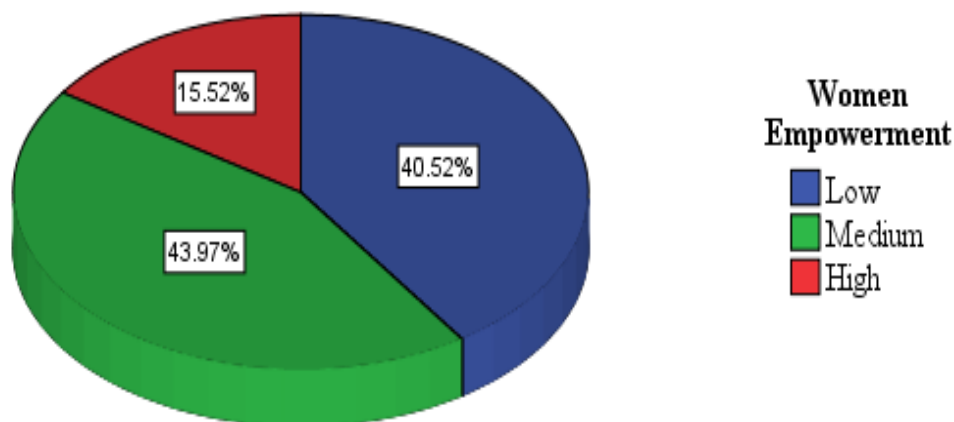


Figure 1: Empowerment levels of Respondents

The values and principles that build the foundation for cooperative activities can be read like a roadmap to the empowerment of their members. Cooperative membership is open and voluntary and managed based on equality and democracy without any form of discrimination. Democratic control and decision-making provides each member with the same

share of influence and power. Cooperatives foster education, training, sharing of skills and information among members and are addressing needs of the community, especially weaker sections that need support (Dash, 2011). However, 40.5% of the sample members in the study area are not empowered because of different factors discussed in the section following.

Table 14: Empowerment level of sample Women

No.	Indictors	VG	G	N	P	VP	Total
1	Decision making ability	07 (6.0)	14 (12.1)	31 (26.7)	50 (43.1)	14 (12.1)	116 (100)
2	Asset ownership	01 (0.8)	26 (22.4)	48 (41.4)	35 (30.2)	06 (5.1)	116 (100)
3	Mobility/freedom of movement	01 (0.8)	42 (36.2)	33 (28.4)	34 (29.4)	06 (5.1)	116 (100)
4	Contribution to household income	04 (3.4)	34 (29.3)	44 (37.9)	32 (27.6)	02 (1.3)	116 (100)
5	Perception on gender awareness	05 (4.3)	21 (18.1)	39 (33.6)	43 (37.0)	08 (6.9)	116 (100)
6	Knowledge of husband's income	04 (3.4)	38 (32.7)	33 (28.4)	40 (34.5)	01 (0.8)	116 (100)
7	Confidence in financial transactions	01 (0.8)	42 (36.2)	33 (28.4)	34 (29.4)	06 (5.1)	116 (100)
8	Business and work skills	06 (5.1)	33 (28.4)	24 (20.7)	53 (45.6)	06 (5.1)	116 (100)
9	Skills development and market information	06 (5.1)	28 (24.1)	53 (45.7)	27 (23.3)	02 (1.3)	116 (100)
10	Gain Self-reliance	05 (4.3)	28 (24.1)	43 (37.0)	39 (33.6)	01 (0.8)	116 (100)
11	Gain Social status	05 (4.3)	28 (24.1)	42 (36.2)	40 (34.5)	01 (0.8)	116 (100)
12	Attitudes on own self-esteem	01 (0.8)	42 (36.2)	33 (28.4)	34 (29.4)	06 (5.1)	116 (100)
13	Access to government welfare programmes	02 (1.3)	04 (3.4)	34 (29.3)	69 (59.4)	07 (6.0)	116 (100)
14	Better health and nutrition	01 (0.8)	42 (36.2)	33 (28.4)	34 (29.3)	06 (5.1)	116 (100)
15	Financial autonomy	01 (0.8)	42 (36.2)	33 (28.4)	34 (29.3)	06 (5.1)	116 (100)
16	Access to use better technology	07 (6.0)	10 (8.6)	25 (21.5)	70 (60.3)	04 (3.4)	116 (100)
17	Psychological wellbeing	07 (6.0)	10 (8.6)	25 (21.5)	70 (60.3)	04 (3.4)	116 (100)

Note: VG-very good, G-good, N-neutral, P-poor, VP-very poor
Figures within brackets shows percentage to the total

Factors Influencing Women Empowerment

One of the objectives of the present study is to identify the different influential factors which are responsible for women empowerment. Different researchers indicate that there are many influential factors are responsible for the empowerment of women. Thus, in this study the researcher wants to see the influential factors of women empowerment due to membership in

Can Women be empowered Through Savings and Credit Cooperatives? Evidence from Ethiopia SACCOS. To find out such influential factors, Ordered Logistic Regression Model was employed. In this model as specified in the methodology 14 variables were included. Sample women were asked to answer questions based on their opinion from strongly agree to strongly disagree for this purpose and the results are presented in Table 15.

Table 15: Results of Ordered Logistic Regression Model

Variables	B	S.E	Wald	Odds Ratio	P-Value
Awareness on Cooperative Principles and values	1.106**	.417	7.029	3.022	.008
Members Participation	.633*	.315	4.035	1.883	.045
Loan Size	1.004**	.381	6.939	2.730	.008
Lack of Capital	-.053	.409	.017	0.948	.897
Interest rate on loan is fair	.097	.290	.112	1.102	.738
Work load in the household	1.031**	.331	9.712	2.803	.002
Your SACCO's is inefficient	-.354	.374	.898	0.702	.343
Provision of credit facilities to improve your financial position is has improved	.360	.322	1.250	1.433	.264
Loan repayment period is enough	.802*	.358	5.029	2.299	.025
There is lack of access to information about SACCOS	-.855**	.316	7.322	0.425	.007
I have utilized the loan by myself	.698	.382	3.340	2.01	.068

Note: B= Ordered logit coefficient (Estimate), SE=Standard Error

*Significant at 5% level

** Significant at 1% level

Ordered Logistic Regression Model analysis results indicate that out of eleven variables assumed that can influence women empowerment, six of them were significant variables at 5% and 1% significant level. They are (i) work load in the household (P-value .002), (ii) Lack of access to (P-value 0.007),(iii) Loan Size provided by the cooperatives(P-value .008), (iv) Awareness on Cooperative Principles and Values (P-value .008), (v) Loan repayment period(P-value .025), (vi) Members Participation in their cooperatives affairs(P-value 0.045) etc.

Opinion from experts of the cooperative promotion bureau during interview revealed that the people in general and women in particular are not aware of the cooperative principles and values. Therefore, lack of awareness about cooperative is one major constraint and the other problem is lack of capital. Deribe and Nega (2014) in their study Pointed out that lack of awareness about the values, principles, rules and regulation about the cooperative, work load, lack of education, cultural barriers, and little attention given to women participation in cooperatives, lack of capital and lack of access to information were the major factors influencing women empowerment through saving and credit cooperatives.

Table 16: Rank of variables which significantly influence Women Empowerment

Variables	Rank
Work load in the household	1 st
Lack of access to information	2 nd
Loan Size provided by the cooperatives	3 rd
Awareness on Cooperative Principles and values	4 th
Loan repayment period	5 th
Members Participation in their cooperatives affairs	6 th

Source: survey results

One of the most common gender issues in cooperatives today is women`s low level of active participation and their under-representation in decision-making and leadership structures which leads to insufficient attention for women`s issues. Women, especially in developing countries face constraints due to their traditional role in society and their productive and reproductive activities. These are among others; their heavy work burden, restricted economic opportunities and time constraints, which inhibits them of carrying out additional roles or go to meetings, but it can also be attributed to psycho-social reasons such as low self-esteem, lack of exposure to the public sphere, limited literacy and technical skills level, and spousal or family resistance (Nippierd, 2009).

Conclusion and Recommendations

Women empowerment is one of the policy approaches aimed to give responses to gender based problems and improve the condition of women in the society. It is a process through which women gain access to and control over resources, get opportunity to make decisions and take action accordingly. For this, different empowerment instruments have been used, out of which organizing women into cooperatives is attracting the attention of many organizations. The study findings show that the sample saving and credit cooperatives in the study area are playing a vital role in improving women empowerment. However they failed in their effort in some areas which needs immediate attention. This paper would help the policy makers to design and implement more effective policies and programs for the poor women and there by helps to pave the way to improve women empowerment. Hence following recommendations are forwarded on the basis of findings.

- Cooperative organizations and promotion sector need to conduct various training programmes in order to develop women member`s personal skills, so as to increase their level of empowerment.
- Increased accessibility of financial and non-financial services for economically disadvantaged women is an essential aspect.
- Though the government introduces various schemes and programmes for the benefit of SACCOs, still most of their members are not aware of the same. Hence, the government should take enough measures to reduce the ambiguity in order to reach the information to the members on time.
- Encouragement of women through awareness creation to know their rights and obligations of being a member before becoming a member and share paying is not hindering factor for women.
- The women`s work load should be given special attention in order to introduce labour saving technologies like fuel saving stove and potable water in collaboration with the regional, zonal and district level departments and offices

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