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THE ROLE OF MICRO-FINANCE ON WOMEN'S ECONOMIC EMPOWERMENT IN SOUTHWEST ETHIOPIA: IN THE CASE OF FOUR WEREDAS AROUND GILGEL-GIBE HYDROELECTRIC POWER DAM

BY:-FIKADU GUTU

A RESEARCH THESIS SUBMITTED TO COLLEGE OF BUSINESS AND ECONOMICS, SCHOOL OF GRADUATE STUDIESIN PARTIAL FULFILMENT OF REQUIRMENT FOR MASTERS OF SCINENCE IN ECONOMICS (POLICY ANALAYASIS)

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DEPARTMENT OF ECONOMICS

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DECLARATION

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The Role of Micro-Finance on Women's Economic Empowerment in Southwest Ethiopia

By: FikaduGutuBulga

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DECLARATION

I, the undersigned, declare that this thesis is my original work and has never been presented for a degree in any other university and that all sources of materials used for this thesis have been duly acknowledged. The advisors and examiners' comments have been duly taken in to account.

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Place and Date of Submission: _____

ABBREVIATIONS

ACSI	Amhara Credit and Saving Institution
ADLI	Agricultural Development Led Industrialization
AEMFI	Association of Ethiopian Microfinance Institutions
BRAC	Bangladesh Rural Advancement Committee
DECSI	Dedebit Credit and Saving Institution
EPRDF	Ethiopian People's Revolutionary Democratic Front
FAO	Food and Agriculture Organization of the United Nations
GDP	Growth Domestic Product
IFAD	International Fund for Agricultural Development
MDGs	Millennium Development Goals
MFIs	Micro Finance Institutions
NBE	National Bank of Ethiopia
NGOs	Non-Governmental Organizations
SACCOs	Saving and Credit Cooperatives
SEEP	Small Enterprise Education and Promotion
SNNPR	South Nation Nationalities Peoples' Region
UN	United Nation
USAID	United States Agency for International Development
OR	Odd Ratio
No.	Number

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ABSTRACT

In Ethiopia, microfinance programs are currently being promoted by the government as well as nongovernmental organizations (NGOs) as a solution strategy for simultaneously addressing both poverty alleviation and women's empowerment. However, only a limited number of researches attempted to explore the relationship between women's participation in micro-credit programs and their empowerment by using empirical data. To fill this gap, we conduct a cross-sectional study with overall aim of assessing the role of MFI's on women's empowerment. We employed a multi-stage sampling approach and a total of 374 women's, 182 MFI clients and 192 non-clients, from fourworedas around Gilgel-Gibe HydroelectricPower Dam were included in to study. Using a structured questionnaire adopted from the 2011 Ethiopian demographic health survey, we collected data on background characteristics of women's and their household. Further, additional data were collected on characteristics specific to women's empowerment. Four measures of women's empowerment, namely, source and level of income, control and access to asset, saving habit, and participation in household decision, were used, where the last one is further divided in to four types of household decisions. Both household and respondents background characteristics were summarized and reported using various descriptive statistics, such as, tables, and summary statistics. Client and non-client women's are then compared with respect to the above mentioned women's empowerment components. In addition to this, incoming-clients were also compared with matured-clients, in order to examine the effect of the duration of microfinance membership on women's empowerment. To test whether or not the observed variation in decision making autonomy among client and non-client women's can be explained by a variation in membership adjusting for other confounding factors we fit 5 binary logistic regression model. MFI membership status was observed to have a statistically significant association with source and level of income (p-value less than 0.000 for both), where about 28.12 % of non-members said their level of income decreased over the last 12 month, this happen for only 4.95% of the members. Similarly, while the source of income for 89.0% of members increased and for none of them decreased over the last 12 month, for more than half of the non-member women's their source income were decreased. MFI was also statistically significantly associated with control over asset (p-value <0.000), where in 20% of non-client women's their husband only makes decision about their own earning only in 3% of client women's did not have a final say on how her own earning used. Further, MFI membership was observed to have a significant effect on women's participation in decision about their own health care, family visit and number of decision. The odds of non-client women to participate in decisions about their own health care and family (relative) visit are 0.55 and 0.51, respectively. as compared to client women. Further, the odd of non-client women to participate in at least three of the decisions made at household level is 0.39 as compared to client women. Beside MFI member ship, age, marital status, education level, household headship status, and type of earning had a significant effect on women's participation in decision. Beside this success story of MFI, loan repayment problem was observed on some of the clients due to various reasons. Therefore, considering the contribution of MFI in alleviating the root cause of poverty, the government of Ethiopia and NGO's working on this area should focus on increasing the coverage of MFIs and in providing training for members before loan which is crucial for the achievement of the goal of this program, serving the ignored one.

Key words: *- Women Empowerment, MFIs and Binary Logistic model*

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

The term microfinance, according to Robinson (2009) refers, to the large scale profitable provision of financial services like small savings and loans, to economically active poor people by sustainable financial institutions. Since the 1980s microfinance has become an important component of development, poverty reduction, agent of livelihood diversification and economic regeneration strategies around the world. It has become a vast global industry involving large numbers of governments, banks, aid agencies, non-governmental organizations (NGOs), cooperatives and consultancy firms and directly employing hundreds of thousands of branch-level staff. As a result, most governments advocate the sector based on the assumption that the poor possess the capacity to implement income generating economic activities but are limited by lack of access to and inadequate provision of savings, credit and insurance facilities (Hulme, 2009; Morduch and Haley, 2002).

Based on the benefits it offers, Microfinance services may be seen in terms of four main mechanisms as loans, savings, insurance and pensions. The underlying assumptions of micro-finance are: it services as a key role in poverty reduction, increases women's access to microfinance services and enables to develop financially self-sustaining and specialist microfinance institutions (MFIs) which will in the longer term be able to access private sources of capital (Mayoux 2001). Hulme (2009), Ramanaiah and Gowri (2011) also stated if commercial microfinance is made locally available, the very poor who become employed will eventually be able to make use of its services. Kassa (2008) also explained the significance of the intervention as microfinance promises both to combat poverty and to develop the institutional capacity of financial systems through finding ways to cost-effectively lend money to poor households. Poor households are typically excluded from the formal banking system for lack of collateral, but the microfinance movement exploits new contractual structures and organizational forms that reduce the riskiness and costs of making small and uncollateralized loans.

Study conducted on economic empowerment of women by Gendernet reveals that, the economic empowerment of women is a precondition for continuous development, the poor of poor growth and the achievement of all the Millennium Development Goals (MDGs). Gender equality and empowered women are catalysts for multiplying development efforts. Investments in gender equality give up the highest returns of all development investments. Women usually invest the more part of their earnings in their families and communities than others. A study conducted in Brazil showed that the likelihood of a child's survival increased by 20% when the mother controlled household income. In addition, increasing the role of women in the economy is part of the solution to the financial and economic crises and critical for economic pliability (sprit) and growth. However, at the same time, we need to be mindful that women are in some contexts bearing the costs of recovering from the crisis, they become unemployment, un- attractive working atmosphere and increasing instability (Gendernet, 2011).

Also, Economic empowerment is the capacity of women and men to take part in, have a say to and benefit from growth processes in ways which recognize the value of their contributions to economy, value their dignity and make it promising to negotiate a fair distribution of the benefits of growth. Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, material goods and other productive resources, skills progress and market information. In addition, Women's economic participation and empowerment are fundamental to strengthening women's rights and enabling women to have control over their lives and exert pressure in the community. It is about making just and impartial societies. Women often face discrimination and importunate gender inequalities, with some women experiencing multiple discrininations and keeping out because of factors such as ethnicity or caste (Ibid, 2011).

Higher female earnings and bargaining power translate into greater investment in children's education, health and nutrition, which is road to economic growth in the long-term. The share of women payment in waged/and salaried work increases from 42% in 1997 to 46% in 2007. In India, GDP could rise by 8% if the female/male ratio of workers grew up by 10%. Total agricultural outputs in Africa could increase by up to 20% if women's access to agricultural inputs was equal to men's. Women-owned businesses comprise up to 38% of all registered small

businesses worldwide. The number of business owned women's in Africa, Asia, Eastern Europe and Latin America is rising rapidly and, with that growth, come direct roles on job creation and eradicating poverty (United Kingdom Department for International Development, 2010). Closing the gender gap in agricultural inputs alone could lift 100-150 million people out of hunger (FAO, 2011)

1.2. Statement of the Problem

Accepting the philosophy of micro finance is appropriate and a critical interference to use economically active human power for developing countries. Study by African development bank also emphasized that, Microfinance plays a critical role in achieving the Millennium Development Goals (MDGs) and enhancing development effectiveness by contributing to poverty reduction, increased political, social, and economic development, social empowerment, socially involving, school attendance of children, and Economic prosperity especially for women(African development bank, 2006).

However, in Ethiopia where women constitute about 50 percent of the population and involve in different sectors of the economy, poor women are engaged in heavier and highly time-consuming workloads, they never obtain the appropriate earnings. This is the main reason which can leads them to be highly dependent on their husbands as well as on their family. The burden is worse in rural Ethiopia where peasant women have no alternative to generate their own income and to be self-reliant. Even the main asset of the agricultural economy; land is typically held in the name (ownership title) of their husbands.

Because of challenges, such as un-participatory policies, cultural problems, and lack of awareness, Women's continue to suffer with back-breaking domestic tasks and unimproved weighty agricultural activities for long periods of time in a day. Women in Ethiopia, especially in rural area, have no exposure to economic opportunities that would support them to practice alternative income-generating activities to change standard of their own life as well as family. Lack of alternative income sources is a major challenge which makes women's to be very much dependent on their husbands as well as on their relatives and leads to low participation in household decision-making.

But recently, many scholars, policy-makers and development planners start advocating the important role of the emerging new phenomenon, microfinance program, for the advantages of poor Ethiopian women. Microfinance institutions in the country are established with major objectives of poverty alleviation, minimize income inequality and women empowerment. To support the above sentence, Government's Sustainable Development and Poverty Reduction Program (2002) stated, in the first step in the government's sustainable development and Poverty reduction program is to encourage the further spread of modern financial services in the country. Actually, formal microfinance in Ethiopia started in 1994/5. Particularly, the Licensing and Supervision of Microfinance Institution Proclamation No. 40/1996, Article encouraged the spread of Microfinance Institutions (MFIs) in both rural and urban areas as it authorized them to, among other things, legally accept deposits from the general public (hence diversify sources of funds), draw and accept drafts, and manage funds for the micro financing business. With a view to further stimulate economic activities and provide opportunities, for the poor to escape poverty through availing more and appropriate financial services to the majority, the government has been sanitization(refining) the regulatory framework for the microfinance operations.

The studies which assess the role of micro-finance on women's economic empowerment so far limited on town or not done enough in rural part of the country. This is due to the fact that, both micro-finance institutions development and priority attention to women's empowerment (economic empowerment) were new while comparing with other countries. But starting from 2002 the Government's Sustainable Development and Poverty Reduction Program recognized the issue as important strategies in the process of policy development in the country.

Therefore, this study recognized those gaps and tried to find evidentiary information about the role of micro-finance on women's economic empowerment in south west Ethiopia, based on a case study of women's in four woredas around Gilgel-Gibe Hydroelectric Power Dam.

1.3 Objective of the Study

1.3.1. General Objective

The main objective of the study is to examine the role of microfinance on women's economic empowerment.

1.3.2. The Specific Objectives are:

- To assess the role of microfinance program on improving women's source and level of income
- To assess the role of microfinance program on increasing women's saving custom/habit.
- To assess the role of microfinance program on control and access to asset
- To examine the role of microfinance on rising women's decision-making at household level.

1.4. Significance of the Study

Eradicating poverty and achieving development requires effective employment and efficient use of resources. With women constituting almost half of the population of a country, this cannot be successful without using or participating the energy, talents and capabilities of women residents from total population. Incidentally, it is argued that micro-finance as a development strategy is able to give room for women's participation in socioeconomic development.

However, few studies have been done to establish the link between micro-finance and women's economic empowerment. Even the studies conducted earlier have mainly focused more urban areas and regional site of the country. On the other hand, majority of the Ethiopian population lives in rural areas of the country, therefore, any researches results that do not give adequate consideration to the rural society could not be judged as representative of the society.

This study investigates the role of microfinance on women's economic changes in case of fourworedas around Gilgel-Gibe Hydroelectric power dam. Thus, the study would gather basic evidence, which should also, serve as inputs for researchers and policy makers who may further wish to consider the subject matter of this investigation in the future.

Understanding whether or not microfinance services are really effective in economically empowering women has important policy implication. With this regard the study brings important findings regarding the role of micro-finance on the economic empowerment of women's; especially on rural women's of the study area. The study proved that, the emergence of micro-finance in the study area has resulted significant increases of source and level of income, asset ownership, cash savings and decision making of women micro-finance clients than women non clients. In addition, women's, who were clients of micro finance. Generally, the study showed that, women's economic empowerment has improved as a result of micro-finance interventions program.

1.5. Scope and Limitation of the Study

The study would be more comprehensive if it encompasses all the program areas of micro finance institutions in south west Ethiopia. Generalization of the finding:- the study was conducted in south west Ethiopia in the case of four woredas around Gilgel-Gibe Hydroelectric power dam and this finding may not be applicable beyond the south west of the study county. Also it was better if this study covered four woredas of the study area. Similarly, the study was delimited to role of micro finance on women's economic empowerment, within the focus on women only.

1.6. Organization of the Study

The study has five chapters. Chapter one is concerned with the introductory part including background of the study, statement of the problem, objective of the study, significance of the study, organization of the study and operational definition for the study. The second chapter of the study deals with literature review, which comprises the theoretical and conceptual framework and Chapter three deals with methodology used for this study. Chapter four deals to the result and discussion, and the final chapter five deals concerned with conclusion and recommendationsof the study.

1.7. Operational Definition of this Study

- If women are make decision independently or jointly with their husband/partners this study consider themas they are participate in the case of all specified decision otherwise no.
- If women's are participate in at least three decisions, from four (Health care, major household purchase, daily household purchase and family/relative visit) specified decision at household, this study consider them; they are make decision otherwise no.
- If women are made a decision; this study considered them they are economical empowered.
- The main dependent variable of this study is decision making
- Using the word respondent/s and women/'s have equal meaning (using interchangeable) is possible for this study.
- Using the word client and member of MFIs has equal meaning or using interchangeableis possible for this study.
- Using the word non client and non-member of MFIs has also equal meaning or using interchangeable is possible for this study.
- Using the word alone and independently has equal meaning or using interchangeable is possible for this study.
- Using the word final say and participation in decision have equal meaning or using interchangeable is possible for this study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Why women's empowerment matters

The Fourth World Conference on Women in Beijing in 1995, put women's access to credit on the international agenda. Since then, the number of women receiving microfinance has increased rapidly. By 1999, the number of poor women receiving micro loans had more than doubled to 10.3 million poor, and by 2005, this had jumped to 69 million, or 84 per cent of the total number of poor people receiving microfinance. Women have now gained an international reputation for their excellent credit performance, making them a priority for poverty-oriented credit programs. For the majority of women borrowers, credit is much more than access to money: it is about women lifting themselves out of poverty, and achieving economic and political empowerment within their homes, their villages, and their countries. For example; 40 per cent of poverty reduction in rural Bangladesh has been attributed to the role of microcredit (Khandkeretet al, 2005).

Economic empowerment is the capacity of women and men to take part in, contribute and advantageous from growth progress in a ways which recognize the value of their contributions, respecting their dignity and make it feasible to negotiate a fair distribution of the benefits from growth. Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, material goods and other productive resources, skills improvement and market information (Gendernet, 2011)

Study on Women's economic participation by DAC Network on Gender Equality by Gendernet stated that Women's economic participation and empowerment are fundamental to strengthening women's rights and enabling women to have control over their lives and apply weight in society. It is about producing society believed on justice and unbiased societies. Women always face discrimination and continual gender inequalities still in developing countries, with some women experiencing multiple discrimination and segregation because of factors such as ethnicity

Increasing the role of women in the economy is part of the solution to the financial and economic crises and critical for economic pliability and growth. However, at the same time, we need to be mindful that women are in some contexts bearing the costs of recovering from the crisis, with the loss of their jobs, un attractive working atmosphere and increasing instability on them (Ibid, 2011).

UNCDF website state that, for the majority of women borrowers, credit is much more than access to money: it is about women lifting themselves out of poverty, and achieving economic and political empowerment within their homes, their villages, and final their countries which these collections are serve for global empowering women's agenda. For example;

- 40 per cent of poverty eradicating in rural Bangladesh has been attributed to the role of microcredit.
- Combining education and financial services programs in Nepal has empowered women to ensure female children have equal access to food, schooling, and medical care, and given women a stronger role in assets transactions, and household and familial choices

United Kingdom department for international development in 2010, Agenda 2010- the turning point on poverty: background paper on gender shows that women's economic empowerment accelerates growth and underpins MDG achievement.

- Higher female earnings and bargaining power translate into greater investment in children's education, health and nutrition, which is the road to economic growth in the long-term. The share of women in payments such as waged/and salaried work rising from 42% in 1997 to 46% in 2007.
- In India, GDP could rise by 8% if the female/male ratios of workers go up by 10%.
- Total agricultural outputs in Africa could increase by up to 20% if women's access to agricultural inputs was equal to men's.
- Women-owned businesses comprise up to 38% of all registered small businesses worldwide. The number of businesses owned by women in Africa, Asia, Eastern Europe and Latin America is increasing rapidly and, with that growth, come direct role/and impacts on job creation and poverty reduction for MDG achievement.

2.2. Micro-finance and Women Empowerment

The Fourth World Conference on Women in Beijing (1995), put women's access to credit on the international agenda. Since then, the number of women receiving microfinance has increased rapidly. By 1999, the number of poor women receiving micro loans had more than doubled to 10.3 million poor, and by 2005, this had increased to 69 million, or 84 per cent from the total number of poor people getting microfinance. Women have now gained an international reputation for their excellent credit performance, making them a priority for poverty-oriented credit programs.

When we can see definition given by many scholars, Sen in 1993 state empowerment as, empowerment is reflected in a person's capability set. The 'capability' of a person depends on a different of factors, including personal characteristics and social provision. Empowerment is the ability to fulfill this capability (ability) and not just the choice to do so. Sen's outlook on women's empowerment is indicated in his discussion on measurement of empowerment. According to him, the focus should be on certain universally valued functioning's, which relate to the basic fundamentals of survival and well-being regardless of context. This contains better nourishment, good health and shelter for family. If there are systematic gender differences in these very basic working achievements, they can be taken as evidence of inequalities in the underlying capabilities rather than as differences in preferences as he stated.

Also Mayoux in 1998 states empowerment as, Empowerment is also related to the process of internal change and to the capacity and right to make decisions. According to Kabeerin 2001, it consists of *change*, *choice* and *power to define empowerment*. It is a progression of change by which individuals or groups with little or no power gain the ability to make choices that affect their lives. The structures of power (i.e. who has it, what its sources are, and how it is exercised) directly affect the choices that women are able to make in their lives (Mayoux 2001). According to the scholar in the feminist pattern, empowerment goes ahead of economic betterment and well-being to strategic gender interests (Bali-Swain 2006). Empowerment can appear at an individual level more than group, where it is about having an agency, increased independence, choice, self-confidence and self-esteem. It can also be at a collective level that would include

collective recruitment of women's, and when possible men, for the intention of questioning and changing the subordination connected with gender. Individual and collective empowerment are intrinsically linked because without the latter, the former becomes restricted (Sen 1990).

From the three empowerment area, Economic exclusion reinforces and perpetuates social exclusion. In the perspective of women, mostly poor women, their situation become even highly vulnerable due to unequal distribution of resources within and outside the domain of the household. Any mismatch between the minimum basic requirements and the resources available results in discontented practical gender needs. In other words, poverty is the end position implying lack of entitlement emerging from insufficient assets and capabilities for the fulfillment of basic livelihood needs. This results in the social and economic exclusion of a certain class and category of people and their consequent disempowerment. Hence, the idea of 'empowerment' has influenced development practitioners, development agencies (government and non-government), theoreticians and almost all donor agencies in the last decade (Padma and Getachew, 2004). Women's economic empowerment is the process, and the outcome of the process, by which women achieve greater control over assets and intellectual resources, and becomes independent on external forces.

Library

Even so, great debate tends to persist as to whether the provision of microfinance for poor women could change the social and economic equations in which this sub-set of the population live in villages, and further tend to empowerment.

According to Mayoux (2002), there are four basic views on the link between micro-finance and women's empowerment:

- There are those who pressure the positive evidence and are essentially optimistic about the possibility of sustainable micro-finance programs empowering women world-wide;
- Another school of thought recognizes the limitations to empowerment, but explains those with poor program design;
- Others recognize the limitations of micro-finance for promoting empowerment, but see it as a key ingredient as important in themselves within a strategy to alleviate poverty; empowerment in this view needs to be addressed by other means;
- Then there are those who see micro-finance programs as a waste of resources.

2.3. Controversies over the role of Micro-finance on Women Economic Empowerment

The main target of micro-finance programs are intended to offer financial services to individuals traditionally ignored from the modern banking system, especially women. According to Park and Ren most micro-finance initiatives in China, as well as other programs elsewhere (most notably Grameen Bank in Bangladesh), explicitly target the poor (Park and Ren, 2001). For instance, "...the Grameen Bank now has over two million borrowers, 95 percent of whom are women, receiving loans that total $30-40 million per month. Reported recent repayment rates average 97-98 percent. The micro-finance movement has made inroads around the world and in the process poor households are being given hope and the possibility to improve their lives through their own labor" (Morduch, 1999).

In reaction to the carry-over of poverty and gender inequity in the distribution of resources, a rising literature is mainly focus on planned interventions at the grass roots level and at civilizing the socioeconomic conditions of women. To this end, microfinance programs are currently being promoted as a solution strategy for simultaneously addressing both poverty alleviation and women's empowerment (Mayoux, 1997). The credit-based income-generating project, which mobilizes and organizes women at the grass roots level and provides access to supportive services, is becoming a leading mechanism of planned intervention for poverty alleviation (Amin et al, 1998).

Often, owing to their flexibility and grass-roots level organizing ability, nongovernmental organizations (NGOs) are interested with the undertaking of administering micro-level development programs to eradicate poverty and to enhance women's empowerment. Bangladesh is no exception to this growing trend, in which an ever increasing number of NGOs are giving/lending collateral-free micro-credit to poor women in order to progress their livelihood and economic status (Ibid, 1998).

According to Mayoux (1997), microfinance programs targeting women have been a welcome corrective to previous ignoring of women's productive role. For some women in some contexts, microfinance programs have indeed set in motion of empowerment. There are many subjective

case studies in NGO reports of women who have shown substantial initiative, increasing their income and there is improving status in their family and community, particularly after a series of loans.

Similarly Park and Ren (2001), argued that such microfinance programs have improved incomes and have other positive effects as well as role, such as empowerment of women, improved nutrition, lower fertility, higher educational attainment, and reduced consumption variability at family level. Where financial service provision leads to the setting up of microenterprises there are a variety of potential impacts/roles including: 1) increasing women's income levels and control over income leading to greater levels of economic independence; 2) access to networks and markets, giving wider experience of the world outside the home, access to information and possibilities for development of other social and political roles; 3) enhancing perceptions of women's contribution to household income and family welfare, increasing women's participation in household decisions about expenditure and other issues and leading to greater expenditure on women's welfare; 4) more general improvements in attitudes to women's role in the household and community.

Credit programs empower women by strengthening their economic roles, increasing their ability to contribute to their family's support, and that they also empower through other mechanisms. Its consistent central focus on credit explains Grameen Bank's stronger effect on women's contribution to family support and on empowerment. The ritualistic, disciplined mode in which Grameen Bank, and to some extent the Bangladesh Rural Advancement Committee (BRAC) operates, strengthens the participants' ability to control their assets and income, as well as helping them to establish an identity outside of the family, and giving them experience and self-confidence in the public sphere(Hashemite et al, 1996)are stated.

Goetz and Gupta (1996) argued that "...Credit delivers a range of particular benefits when targeted to low–income women. It is seen as a critical input for increasing women's employment in small-scale enterprise and is expected to encourage the adoption of improved technology to enhance productivity of women's homestead-based income–generating and expenditure–saving work." Further, as many studies show, increase in women's incomes improve the unique

livelihood enhancement functions women perform for their households as brokers of the health, nutritional, and educational status of other household members. It is also argued that credit represents a form of economic empowerment which can enhance women's self-confidence and status within the family, as independent producers and providers of a valuable cash resource to the household economy.

However, credit is a liability and by itself does not empower borrowers. According to Ackerly (1995), "...in order for the liability to be empowering, it must be a means." So that organizations that wish to empower women should design their programs to create for workers, borrowers, and husbands, incentives that promote women's empowerment through well-defined and observable empowerment – promoting tasks and evaluation criteria. Appropriate tasks and corresponding evaluation criteria, designed to increase borrower's direct involvement in the activity funded by her loan, can make credit a means to empowerment.

However, Goetz and Gupta (1996) and Noponen (1990) argued that, impact on empowerment cannot be inferred from take-up of financial services or repayment levels. Women may repay through taking loans elsewhere and getting into serious debt while loans may be controlled by men. Some researchers have expressed concerns that women's micro-finance programs may be merely using women as unpaid debt collectors mediating between development agencies and male family members, increasing their dependency on men and/or [illegible] women to fulfill repayment targets.

Library

According to Kabeer in 2001, "...these conflicting conclusions about the 'empowerment' potential of credit for women are both apparent and real. What appears to be contradictory findings concerning, for instance, the extent to which credit exacerbates or lessens violence against women, enables or fails to enable them to acquire independent assets, is associated with an increase or decrease in their living standards is partly a difference in methodology. It reflects the fact that some studies relied largely on statistical data and significance tests for their findings while others relied on more qualitative, sometimes anecdotal, evidence. Conflicting conclusions about the impact of credit also reflect differences in the questions asked by different evaluations."In conclusion she argued that, by and large, the negative evaluations focused on

processes of loan use while the positive ones focused on outcomes associated with, and attributed to, access to loans. The validity of both sets of measures depends on their conceptual clarity and on the validity of their underlying grounds.

2.4. Other Countries Experience

When we can proceed to empirical references of the literature we can see the following evidences of other countries. Empirical evidences gathered in diverse contexts suggest the prevalence of both negative and positive impacts of micro-finance on women socio-economic conditions. A study conducted by Amin et al in 1998, argued that most targeted credit can be used as a mechanism for enhancing poorer women's existing socioeconomic conditions and thereby varying the relationship between gender and class, to the benefit of the weaker parties. The authors attempted to explore the relationship between poor women's participation in micro-credit programs and their empowerment by using empirical data from rural Bangladesh. This has been done by examining quantitative data collected from a representative sample consisting of female borrowers and non-borrowers from each of five NGO program areas, and the other sample consisting of non-borrowers from counterpart non-program areas with no significant presence of any NGO program.

According to the above study, the concept of women's empowerment has been split into three components and measured separately in order to arrive at a better understanding of their underlying factors and their relationship to women's empowerment. 1)Intersperse consultation index-micro-credit programs - by providing control over material resources micro-credit should raise women's status in the eyes of husbands 2) Individual autonomy index - by providing independent sources of income outside home, micro-credit helps to reduce women dependency regarding to economy on their husbands and 3)authority index - the same independent sources of income together with their exposure to new arrangement of ideas, values and social support, should make these women more assured of their rights (Amin et al in 1998,)

The results show that the NGO credit members are ahead of the non-members in all three indices of empowerment, without consideration of nonmembers' residence in program areas or non-program areas. Moreover, the non-members within NGO program areas show a higher level of

empowerment on the autonomy and authority indices than do the non-members within the comparison areas. The results further indicate that education, house type, yearly income, etc., tend to be positively associated with autonomy and authority indices. Also positively associated are duration of NGO membership and non-agricultural occupations. The results of all these findings are implicate that NGO credit programs in rural Bangladesh are not only likely to bring about rapid economic improvement in the situation of women but also hasten their empowerment (Ibid, 1998)

Contrary to what has been said above, Hossain (1984), concluded that low income women borrowers in Bangladesh invest in low-risk, familiar, low-productivity enterprises. According to a recent RD-12 study of loan use shows that rates of return for women's income-generating activities average 145% while rates for men, 211% (Matienzo, 1993). Definitely, the mass of loans taken by women in special credit programs are invested in traditional activities such as paddy, husking, petty trade, and livestock rearing, most of which show a negative return to labor when it is imputed to the male agricultural wage rate.

Hunt's (2002) findings indicated that only a minority of women receiving credit from poverty-oriented micro-finance programs are controlling their loans. Many women are merely passing the full amount of their loans directly to their husbands, as well as to other relatives with no access to the income generated and receiving back only enough money to make weekly loan repayments. In another way, loan management and controlling system also more complex within the family, with some women keeping part of their loans for their own enterprises and passing on the remainder to men. Goetz and Gupta (1996) also found that, on average, only 37 per cent of loans provided by four different Bangladeshi credit organizations were either fully or significantly controlled by women, which does not include control over marketing, and may thus imply little control over the income generated. Figures for BRAC were even lower, with only 28 per cent of loans controlled by women.

In addition, lacking appropriate designs to increase borrower's involvement in the activity funded by her loan, many programs failed to reach their goals and\ might have even resulted in negative impacts on women borrowers. Related to this, Mayoux (1999) also indicated that many

programs had negative impacts on women. Where most women have set up enterprises, this had always lead to small progress in access to income at the cost of heavier workloads and repayment pressures. Result shows that, the loans have been used by men to set up enterprises over which women have little control. In many cases, they have been employed as unpaid family workers with little benefit. But they have been indirect benefits and improvements in various aspects of women's well-being as a result of greater recognition of their role in the household and society. Whereas in some cases, women's progressing autonomy has been temporary and led to withdrawal of male support in the household. Moreover, in some programs, there are increasing fears that women's small increases in income are leading to a decrease in male contribution to certain types of household expenditure.

Many review of the study raises serious questions about the extent to which women retain control over assets purchased as a result of credit. Kabeer (1998) finds that microfinance has been effective in increasing incomes as well as assets, although certainly not in the poorest households. She found that women have a tendency to spend their income, if they are control it, on household consumption and 'security related assets' such as farmhouse land, while male borrowers are more likely to invest in further productive activities when we can compare with women.

On the other hand researches undertaken by BRAC showed very mixed results regarding the impact of micro-finance on whether women are able to acquire and control assets which is almost have the same meaning with the role of micro finance and also both use the same objective here. While one study found that control of assets by women has increased due to their involvement in BRAC groups (Pitt and Khandker, 1995), another study (Halder and Husain, 1998) found that ownership of assets and the calorie consumption of BRAC members are negatively correlated with length of membership in BRAC groups. Which implies that the poorest BRAC members needed to sell some assets for the payment of debt, and that they mostly use loans for less productive activities and for consumption rather than for further development.

2.5. Micro Financing in Ethiopia

The capacity of the conventional banking sector in Ethiopia has been too weak to serve the need of the rural populations. In many woredas of the country they are lot of commercial banks branch. Even if there are banks in these woredas, because of high collateral requirements, the rural poor societies have limited access to the unadventurous banks. To make the available credit, particularly to the rural poor community, is thus considered necessary to eradicate poverty and promote economic development. Since micro enterprises have very limited access to formal finance credit from banks, specialized financing schemes must be designed to facilitate credit access to the poor, enhancing their productivity and income generating capacity, also(Daba, 2003) use almost the same statement without the numbers of bank.

Micro financing is being practiced all over the world as a tool to deliver financial services to the poor with the broad objective of attacking poverty. The past two decades have been seen the development of new microfinance technologies that have lowered the risk and the cost of lending to the poor entrepreneurs and households (Berihanu.et al, 2000). There are now a growing number of new microfinance institutions in Ethiopia.

A study conducted on the Dedebit Credit and Saving Institution (DECSI); found that DECSI's program has had a positive impact on the livelihoods of its clients. When the study compared non-clients to clients, clients have experienced greater improvements on the livelihoods. Their situation has a progress in terms of income, consumption and access to assets. They also seem to be more food secure and less vulnerable to shocks and have a greater diversification in terms of income sources. The study found that the improvement in economic condition of the clients is a necessary condition for DECSI's program that could lead to social and political empowerment for the vulnerable groups. According to conclusion of the study economic empowerment leads to social and political empowerment (Borchgrevink et al, 2005).

On the other hand, this study also indicated the negative effects of DECSI's program. A considerable number of credit-financed ventures fail with a possible effect on indebtedness and

asset reduction of clients and also a high level of school dropout rates of client's children is registered. This is for a purpose of shepherding animals purchased by program fund which shows that it has negative effects (Ibid, 2005).

Another study which was conducted on Omoand Sidama micro-finance institutions' women clients in the main town of Southern Nations and Nationalities Peoples' Regional State in Awassa town shows that, a majority of the clients are involved in the making and trading of food, and food-related products. According to the studies witnessed there is also no diversification in their business activity among the clients. When they are find out the reason for this, the producing of food and other related items trade involves less risk when compared to other activities. In addition to the above results this study also found that 92% of them are not very well aware that the savings are more important than credit to build their future life. The researchers' explanation of this finding is that MFI's savings policy is only to cover the risk situation rather creating any element of building economically among the clients (Padma and Getachew, 2004).

Nevertheless, the study argued that there is a good influence of micro credit on the urban women working groups in terms of income and self-employment generation. Furthermore, it also reflected in many cases in business improvements, decision making activities and formation assets at low levels, and it is believed not enough at all (Ibid, 2004).

2.6. Microfinance Development and Women's Participation in Ethiopia

Until 1990s, the sources of finance for rural and urban poor and micro and small enterprise operators in Ethiopia were confined only to informal sources of finance like Arataabedar (local moneylenders in local version), and relatives are the main sources (Itana et al, 2004). They also added that, starting in the mid-1990s, following the drought of 1984/85, some Non-Government Organizations (NGOs) introduced the idea of saving and credit among poor people as a strategy for rehabilitation and development, which the local people assumed as aid. But when government programs operated with in collaboration of international financial institutions came into the picture. However, up to recent time both types of programs were operated in a spotted manner and problem of sustainability.

With the substantial measures taken to liberalize the financial sector, EPRDF government take action for emphasizing the role of MFIs by madc proclamation No.40/96 is which most commonly cited in many research made on Micro finance. The proclamation provides the framework to create, expand and develop micro finance programs. Micro-financing is taken as a core to eradicate poverty through implying capital to subsistence agriculture and micro enterprises.

Following the Agricultural Development Led Industrialization (ADLI) strategy of the Ethiopian government, financing rural community has been considered as an important tool for agricultural and food security (Belay, 2001). Reliable with its ADLI policy of EPRDF, the government had to reconsider the operational modality of microfinance to facilitate a very momentous improvement in service delivery and outreach especially in rural area of the country. Accordingly, the government camc up with Proclamation No.40 in June 1996. The sounded elements of the proclamation seem to be outreach and continuous supply. Specifically, if appropriately implemented, the proclamation has the potential to facilitate significant outreach, and the flourishing of several sustainable Micro-finance institutions (Meklit MFI et al, 2005). After the enactment of this Proclamation, around 26 MFIs have been legally registered by the National Bank of Ethiopia (NBE), (Wolday, 2007) stated, but today number of Micro finance institutions is exceeding this number.

The significance of the micro and small enterprises sector in Ethiopia, mainly for the low-income, poor and women groups, is evident from their relatively large occurrence share of employment and small capital requirement for them. These are satisfactory reasons for governments and other stakeholders in development to be interested in micro and small enterprises in the county to give priority for them (Gebrehiwot and Wolday, 2001) which shows role of government to support the establishment of MFIs.

In order with the development of micro-finance institutions, the Government of Ethiopia arrangement participatory rules and policies which gave room for women productivity. Padma and Swamy (2003) noted that, government has formulated and issued the Ethiopian Women's

Policy to accelerate the economic and social improvement of women. This new policy gives special attention to rural women by 'facilitating the necessary conditions whereby they can have access to basic services and to ways and means of lightening their workload'. Consequently, all development programs at national and regional levels should be able to integrate gender concerns in their plans and programs to guarantee that women participate, contribute, benefit recognized, and which leads them to technological support from government. Rural development programs need to reorient their implementation strategies so that they would target rural womenas beneficiaries of development initiatives and programs. Within this agenda, poverty reduction and women empowerment could be aspects of the major development strategies.

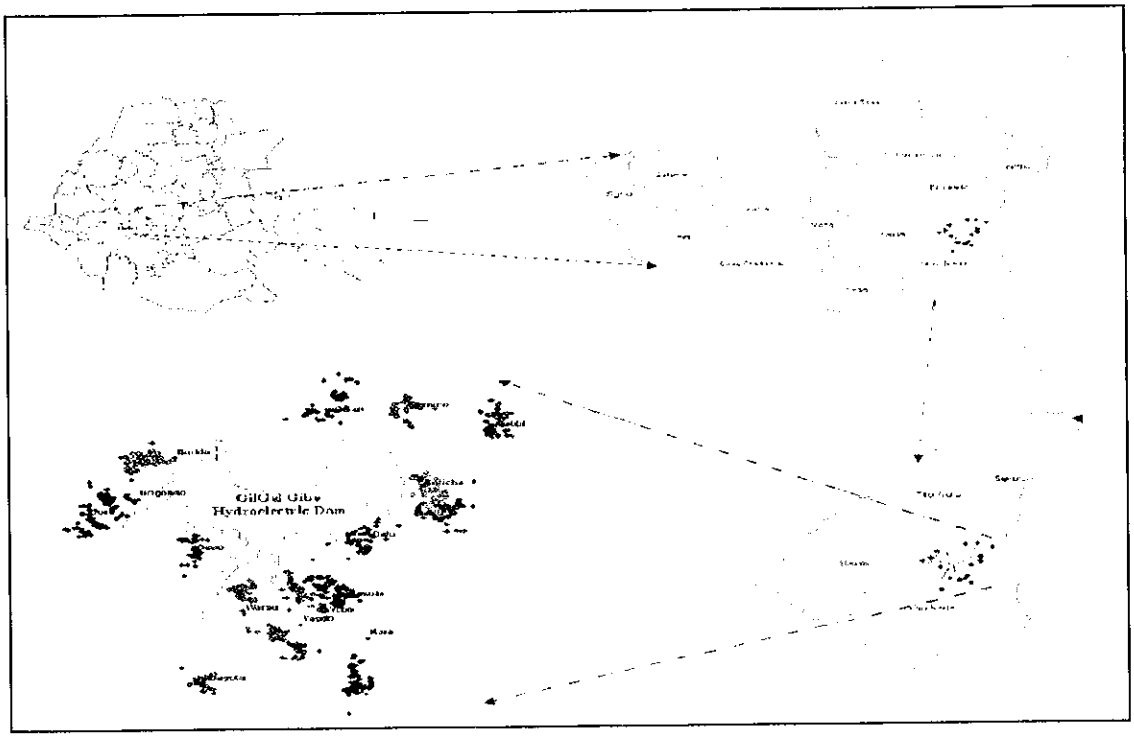
CHAPTER THREE

METHODOLOGY

3.1. Study Area

The study was conducted in woredas around Gilgel-Gibe Hydroelectric Power Dam. The study area was found in Jimma zone, Oromiya regional National State, in Southwest of Ethiopia. Oromiya Regional National State is the largest state of the country, Ethiopia. It is the largest region in terms of area, population, contribution to national economy, etc. which cover more land area and population of the study country, from nine regional state of Ethiopia. Specifically study area which was four weredas around Gilgel-Gibe HydroelectricPower Dam, which found in Southwest part of Ethiopia, which is located 55 Km away from Jimma town, with an approximate latitude of 7^0 48' to 7^0 50' North and longitude 37^0 17' to 37^0 20' East. The area extends over 1,607 Km^2, with an altitude of about 1760 m.a.s.l. The study area is administratively structured into 4 districts (locally known as *woreda*).

Fig 1. Study area map



3.2. Study Design

A cross-sectional Study design was employed to look for the role of micro finance on women's economic empowerment in Southwest Ethiopia. Among the four *woredas'*, two weredas, namely, Omo Nada and Sokoru would be selected and from these two *woredas'*, 6-pairs of villages (*kebeles*) are selected and paired based on various comparability factors, including similarity on, infrastructure availability, communication facilities and other socioeconomic characteristics, such as literacy rate, topography, access to electric power, and presence of other development programs. All women at working age, residing in the selected kebeles for more than 6 month consititute the study population. The study was conducted from Jan, 2015 to end of May 2015.

3.3. Sample Size Determination and Sampling Techniques

To select two woredas namely Omo Nada and Sokoru the researcher used lottery method from four woredas around Gilgel-Gibe HydroelectricPower Dam. Additionally sample kebeles purposively grouped in to two groups depending on their distance from woredas main town. In first group which are far less than or equal to 15km and in the second group kebeles which are far for more than 15km. Finally, twelve kebeles from two selected woredas of the study areas were taken for this study. Areas covered under the study are, which are locally known'kebeles'. Total 374 samples have been collected for this studyfrom all the two suburban and ten rural areas.

Based on the 2014/15 census obtained from the kebeles administrations, a total 5,824 women's from the twelve Kebeles are eligible for this study. The sample size needed to obtain an approximate 100(1-α)% confidence interval for the population proportion of decision making women's (P) of length at most 2d, was determined by the following formula (Noel, et al, 2012).

$$n \geq \frac{N}{1 + (N-1)(\frac{2d}{z})^2} \approx \frac{N}{1 + Nd^2} = 374$$

Where, $N = 5824$ is the total population, n is the required sample size, $d = 0.05$ margin of error, $z = 1.96 \approx 2\ for a = 0.05$ is the confidence level.

After determining the total sample size n, a stratified sampling technique used to select households from each kebele. Partition of the study sample to each study kebeles was based on proportional allocation. Then, study households from each kebele were identified through systematic random sampling of every fourth house until the allocated sample size reached. Single women from each household were then included to study.

3.4. Data collection

A structured questionnaire with interviewers used to collect information. The recruitment of interviewers, editors and supervisors was conducted in the two woredas taking into account language skills of the study areas. Before starting data collection, process training was given to data collector on how to approach study subjects, on how to fill the questionnaire, and about the general guidelines of data collection. To ensure data quality, the collected data would be checked out for the completeness, accuracy and clarity by the principal investigator and supervisors on a daily based. Additional information would also gathered from different stake holders, such as, workers of micro finance institutions, administrative leaders, and other bodies working on women's empowerment through discussion.

3.5. Study Methodology and Data Analysis

3.5.1. Study Methodology

For the study, methodology used by Amin et al (1998) to evaluate impact of microfinance on women's economic empowerment would be used. Methodology used by the scholars is comparing clients with non-clients in nonprogrammer areas with respect to women's economic empowerment is used to observe whether or not a variation in economic empowerment was explained by a variation in membership. Similarly, they used non-clients from microfinance program areas are compared with non-clients from non-program areas in order to look at the dispersion effect of microfinance membership on women's economic empowerment among non-clients. In addition to this, incoming-clients are compared with matured-clients, in order to examine the effect of the duration of microfinance membership on women's economic empowerment. Schuler and Hashemi (1994) used combining and comparing participants and non-participants with residents of villages without credit programs, in order to look at village-

level effects. In addition, a membership duration variable was used to test the effect of credit programs on women's economic empowerment; whether this increases over time.

In spite of its popularity, the "before" and "after" evaluation approach has great limitation when used to evaluate the role of microfinance on women's economic empowerment, which can lead to for the other empowerment (Seep network, 2001). It depends only on client self-reports; and the lack of a comparison group makes it impossible to know whether the changes describe by clients exist because of the program, or if they simply represent general trends in the program area of micro finances.

Also, it is indicate that the method of making comparison between clients and non-clients (control group) is the most common cross-sectional design used in evaluation research. Even though this approach represents an improvement relative to "before" and "after" method of role evaluation because of its controlling group, also it has its own limitations(the responses of clients is compared to those of non-clients through a with framework or without framework). In addition to comparison of client and non-clients, it is best if this study is use the method of comparing matured and incoming clients with respect to empowerment is the most convenient and useful tool and also it is the most valid of the cross-sectional approaches. So, in order to avoid the limitations, this study would be used both "Matured (which are MFIs members> 2 years) versus Incoming Clients (which are MFIs member $\geq$ 2 years)" and "Matured versus non-Clients". The justification of using this approach is to control for the respondents' demographic and socioeconomic characteristics in the regression model analysis.

3.5.2. Data Analysis

Data was coded, checked for completeness and entered into a computer. The data was then would be analyzed using STATA software package version 11.0 (Stata Corp 4905 Lakeway Drive College Station, Texas 77845 USA) for regression analysis.The empirical analysis of the study conducted using both descriptive statistics and logistic regression analysis. Various tables generated to describe characteristics of respondents. Household and individual-level comparison would be made in terms of socio-demographic and socio-economic characteristics between client

and non-client of micro finance as well as decision making and non-decision making women's using chi-square test for categorical variables.

3.6. Estimates of the Model

Assessing the role of microfinance on women's decision making participation at household level of respondents at the participant level requires adjustments to control for differences between clients and non-clients. The role of MFIs on respondents was assessed based on the dependent variables indicated below. The variables used in regression are respondent age, marital status, educational level, Households headship status, type of occupation, type of payment/earning, employment statusand membership of microfinance status. The functional relationship between the probability of decision making and explanatory variables is specified as:

Let Y_{ij} be the i^{th} women's decision making status (a binary outcome, 1= alone, 0=otherwise) living in the j^{th}kebele.

$$Y_{ij} \sim Bernoulli(P_j)$$

$$log\frac{P_j}{1-P_j} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \cdots + \beta_k X_k$$

where P_j is the population proportion of decision making women's in the j^{th}kebele, $X_1, X_2, \ldots, X_k$ individual level characteristics of study subjects and $\beta_0, \beta_1, \ldots \beta_k$ are their associated regression coefficients or parameter to be studded.

The explanatory variables that affect the decision making status of the women's are expressed both qualitatively and quantitatively. Where the dependent variable is dichotomous, many studies show that Probit and Logit models are appropriate. Since the Logit model is simpler in estimation than Probit model (Alderic and Nelson, 1984), Logit model is preferred to the Probit model for this study. In addition, Logit model is a more realistic pattern of change in the probability compared to other qualitative dependent variable models like the Probit, for two reasons. First, theodds ratio, which is a measure of the strength and direction of relationshipbetween the two variables, has a special property of not requiring variables to be normally distributed. Second, mathematical transformation of the odds ratio isthe Logit model.

This mathematical transformation removes the problem ofasymmetry existing in the odds ratio and in turn makes this a superior method (Peng et al, 2005).

Decision making on household level is the dependent variable used to examine the economic empowerment of women clients. It is hoped to capture empowerment as expressed through their role in the decision to health care, sale/buy major household assets such as oxen, cows etc, decision to visit family/relatives. From those indicators of decision making on household level; three of them are selected as empowerment indicators in the 2011 study of Ethiopian demographic health survey by Ethiopian Central Statistical Agency. For the purpose of the present study, daily household purchase is added.

The question of decision-making in household level is expressed in dichotomous form. Thus, a "women made decision" is assigned a value of 1, otherwise 0. This study assumed that if women are participating at least in three of specified decision making indicators from four used to measure empowerment" women made decision and otherwise not.

The Economic Empowerment Function of this study is defined as:

DM= F (MFIM, AG, RE, ME, EL, HHH, ES, TOJ, TOP)

Where DM= Decision making

MFIM= Micro Finance Institution Membership

AG= Age

RE= Religion

ME= Marital Status

EL= Educational Level

HHH= Household Headship

ES= Employment Status

TOJ= Type of job Occupation

TOP= Type of payments

Table 3.1 Variables of the study

Variables	Characteristics	Name	Coding
Dependent variable/s	Women's decision making (Health care, major and daily household purchase, family/relative visit)	Decision making	1= alone 0= otherwise
Independent variables	Membership of MFIs	Member_MFIs	Yes=1 No=2
	Age of respondent	Age_respondent	18-24=1 25-32=2 33-39=3 40-47=4 >54=5
	Religion of the respondent	Religion_respondent	Muslim=1Orthodox=2 Protestant=3Wakefata=4 Others=5
	Marital status of respondent	Martial_respondent	Single=1Married=2Widowed=3 Divorced=4
	Education level of respondent	Educ_respondt	No education =1 Primary=2 Secondary and higher =3
	Household headship `	Household_headship	1= yes 2=No
	Employment status	Employment	1=employed 2=not employed
	Type of occupation	Occupation	Works in Agriculture=1 sales and services=2 daily laborer=3 and 4 not work
	Type of payment	Payment	In Cash only =1in Cash and kind=2 In kind only =3 Not paid=4

3.7. EthicalConsideration

Ethical clearance is obtained from postgraduate & research office of Jimma University. All the study population is requested for oral informed consent prior to enrolment to the study. The purpose of the study was clearly described to the study participants including the benefits and risks of the study. Any information concerning the study participant were kept confidential and the data collected from the study participants only analyzed for the intended purposes

CHAPTER FOUR

RESULT AND DISCUSSION

This chapter depicts data analysis and discussion to this end, the chapter is organized into three main sections. Section one deals with socioeconomic characteristics of households and respondent such as Household Composition, Possession, and Socioeconomic Status Index; Demographic and Characteristics of Respondents; Source and Level of Income of Household and Respondents; Awareness and Membership Status of Women's in MFIs and other Financial Institutions and Women's Empowerment and Demographic Outcome.Section two deals with the Role of Micro Finance on Women Economic Empowerment including Role of MFI on Source and Level Women's Personal Income; Role of MFI on Women's Saving Habit; Role of MFIs on Women's Control and Access to Asset; Role of MFI on Woman's Participation in decision making. Finally the last or third section deals with the detail of discussion.

A total of 374 women were selected from a total 5,824 women's eligible for this study from selected twelvekebeles, in Sokoru and Omo-Nada woredas. The total numbers of women interviewed were 374 which yielding a response rate of 100 percent. However, the discussion was held only with MFIs and stockholders working on women empowerments only succeed atSokoruworeda. Out of 374 respondents, 315(84.2%) and 59(15.8%) of themlive in rural and suburban areas of the woredas respectively. The response rates in rural and suburban areas were 84.2 % and15.8 % respectively, from total women selected of both woredas. The sample respondents in Sokoru and Omo-Nada woredas were 51.6% and 48.4%, respectively.

4.1 Socioeconomic Characteristics of the Households Heads

This section provides a summary of the socioeconomic characteristics of households and respondents including age, residence, educational status, household facilities, and household characteristics. Information collected on the characteristics of the households and respondents was important to, understand and interpret the finding of the survey and provide indicators of the representativeness of the survey. The information is also useful in understanding and identifying

the possible factors that affect women characteristics that determine or influence women economic empowerment and participation in decision making.

Among 374 of households, 274(73.3%) were male headed and 100(26.7) are female headed. The average household size, 276(73.8%) were less than or equal to 5 membership and 98(26.7%) are greater than 5 household member size. As expected, from household headed by male 190 (67.6%) no education, 75(29.1%) primary education and 9(3.2%) secondary and higher education. In addition, age of household headed by male 18 -24, 1(0.4%), 25-32, 110(40.1%), 33-39, 87(31.8%), 40-47, 74(27%) 48-54, 1(0.4%) and greater than 54, 1(0.4%), respectively. This indicates, households in the study area were predominantly male headed, which is the same as study country and also a common feature of most African countries. Almost around one in four households are headed by women with the proportion of female-headed households much higher in urban than in rural areas. The result of the study shows that family sizes in rural areas are higher than urban (Annex A: 1).

4.1.1 Asset Ownership of Respondents Household

This section provides a demographic profile of respondents;such background information is essential to the interpretation of finding and for understanding the results presented later in the discussion part. Basic characteristics collected include age, marital status, religion, ethnicity, residences information and literacy status was examined and detailed information was collected on employment status, and job occupation and earnings type.

The survey result shows that, 335(89.6%) of respondents household own house with less than or equal to 3 rooms while 39(10.4) respondents household own greater than three rooms house. Meanwhile 312(83.4%) of respondents indicated the floor of their house is natural floor, while 45(12%) rudimentary floor and 17(4.5%) indicated their houses having finished floor respectively. Concerning the main construction material for their home, 211(56.4%) of the respondents used natural roof, 8(2.1%) rudimentary roof and 155(41.1%) finished roof. In addition 228(61%) of respondent used natural wall, 134(35.8%) rudimentary wall and only 12(3.2%) have finished wall. However, only 105(28.1%) of respondents indicated that they have

had electricity while the majorities 269(71.9%) do not have electricity in their home (Annex A: 2).

Regarding to household effect, the majority 285(76.2%) of households have radio and 89(23.8%) do not have. However, only 70(18.8%) households have television at home. The majority of respondents (about269 or71.9%) have personal mobile phone. Even among the respondents from rural areas about 67% of them have mobile phone. Only 58(15.5%) of household respondents have fixed line phone and 316(84.5%) of respondents do not have.Among the households in rural areas, 11(3.5%) of them do not own agricultural land. This indicates that, households in rural Ethiopia are much less likely to possess consumer items like televisions, telephones, radios and electricity (Annex A: 2).

4.1.2 Demographic and Social Characteristics of Respondents

Table 4.1.below shows that, among interviewed respondents 15(4%) were between the age of 18-24, 215(57.5%) between25-32, 111(29.7%) between 33-39 and 33(8.8%) were between40-47 respectively. In addition 273(73%) respondents were married or live with their husband, 70(18.7%) divorced, 30(8%) widowed and only 1(0.3%) were single. 59(15.8%) of respondents reported that they were living in suburban and 315(74.2%) live in rural area. Also, from total respondents, 253(67.6%) had no education or didn't read and write, 109(29.1%) primary education and only 12(8%) were at secondary and higher education level. Distribution of respondents by religion 357(95.5%) were Muslim, 10(2.7%) OrthodoxChristians and 7(1.9%) were follower of protestant religion. Of the total respondents, 346(92.2 %) of respondents belong to the Oromo ethnic group, 10(2.7%) Amhara, 6(1.9%), Yem 6(1.9%) which count equal percent with Dawuro ethnicity group, Wolayita constituted 0.5% and others ethnicity groups accounted for 7(1.9%) of the population.

Table 4.1.Background/Characteristics of the Respondents (n=374)

Background Characteristics		Residence					
		Suburban		Rural		Total	
		No.	%	No.	%	No.	%
Age	18-24	4	6.8	11	3.5	15	4
	25-32	16	27.1	199	63.2	215	57.5
	33-39	32	54.2	79	25.1	111	29.7
	40-47	7	11.9	26	8.3	33	8.8
	Total	59	100	315	100	374	100
Marital status	Single	1	1.7	0	0	1	0.3
	Married	42	71.2	231	73.3	273	73
	Widowed	4	6.8	66	21	70	18.7
	Divorced	12	26.3	18	5.7	30	8
	Total	59	100	315	100	374	100
Educational level	No education	25	42.4	228	72.4	253	67.6
	Primary	29	49.2	80	25.4	109	29.1
	Secondary and higher	5	8.5	7	2.2	12	3.2
	Total	59	100	315	100	374	100
Religion	Muslim	51	86.4	306	97.1	357	95.5
	Orthodox	6	10.2	4	1.3	10	2.7
	Protestant	2	3.4	5	1.6	7	1.9
	Total	59	100	315	100	374	100
Ethnicity	Oromo	48	81.4	298	94.3	346	92.2
	Amhara	2	3.4	5	1.6	7	1.9
	Yem	3	5.1	3	1.3	6	1.6
	Dawuro	2	3.4	4	1.3	6	1.6
	Wolayita	1	1.7	1	0.3	2	0.5
	Other	3	5.1	4	1.3	7	1.9
	Total	59	100	315	100	374	100

Source: Data collected from respondents 2015

4.1.2.1 Employment status, Occupation and earning type of the Respondents

Employment is one aspect of social life in which gender roles and relationships emerge. For this, respondent were asked a number of questions regarding their employment status, including whether they were working in the seven days preceding the survey and, if not, whether they had worked in the 12 months before the survey. Then, we classified respondents as currently employed, not currently employed and not employed. Currently employed is defined as having done work in the last seven days and includes women's who did not work in the last seven days but who are regularly employed and were absent from work for leave, illness, vacation, or any

other such reason. We say a woman is not currently employed if she had worked in the past 12 months before the survey but not working in the seven days preceding the survey. Table 4.2 below presents the distribution of employment status of women's by background characteristics. At the time of the survey, about 44.1% women's were currently employed and an additional 50.26 percent were not currently employed but had worked sometime during the past 12 months.

Employment generally increases with increasing age, with those in the age group 40-47 much more likely to be currently employed and women who are single, widowed, or divorced are more likely to be employed than other women where the latter one are more likely to be currently employed. About 96 % of women are who have no education and all women's with secondary and higher education had been working in the past 12 month preceding the survey. There are notable variations in the proportion of employment by place of residence and membership in MFI's status. Rural women are more likely to be employed than Semi-urban women (95.56 percent compared with 88.14 percent). These majorities of employed rural women have no education. This is probably because of the survey data collection took place during the agricultural season when most women in rural areas are likely to be engaged in farm work.The proportion of employed women is higher among MFI members than non-members.

Table 4.2.Employment status: Percent distribution of women's by employment status, according to background (n=374)

Characteristics		Employed				Not employed		Total	
		Currently employed		Not currently employed					
		No	%	No.	%	No	%	No	%
Age	18-24	10	66.67	3	20	2	13.33	15	100
	25-32	69	32.09	137	63.72	9	4.19	215	100
	33-39	58	52.25	44	39.64	9	8.11	111	100
	40-47	28	84.84	4	12.12	1	3.03	33	100
Marital status	Single	0	0	1	100	0	0	1	100
	married	118	43.23	138	50.55	17	6.23	273	100
	widowed	31	44.29	36	51.43	3	4.29	70	100
	divorced	16	53.33	13	43.33	1	3.33	30	100
Educational level	no education	117	46.25	127	50.2	9	3.56	253	100
	primary	46	42.20	51	46.79	12	11.01	109	100
	sec. & higher	2	16.67	10	83.33	0	0	12	100
Residences	suburban	24	40.68	28	47.45	7	11.86	59	100
	Rural	141	44.76	160	50.79	14	4.44	315	100
MFIs membership status	Member	57	31.31	120	65.93	5	2.75	182	100
	Non- member	108	56.25	68	35.41	16	8.33	192	100
Total		165	44.1	188	50.26	21	5.64	374	100

Source: Data collected from respondents 2015

We had asked a woman's who were currently employed or had worked in the past 12 months preceding the survey to specify their occupation. Table 4.3 shows women's occupation type by background characteristics. Most employed women's are engaged in the agricultural sector. Specifically, more than three forth (75.67 percent) of employed women's employed women are engaged in agricultural jobs. Sales and service is an important occupation category, employing 13.3 percent of the women.

The analysis of occupation by background characteristics suggests that the proportion of women with jobs in agriculture increases as age increases while the proportion of women with jobs in sales and services decreases as age increases. Married women are more likely to be employed in agricultural work than other women. Never-married women and Divorced women, on the otherhand, are more likely to be employed in sales and services. Most educated women are employed in sales and services, whereas women with little or no education tend to be employed in the agricultural sector. Residence has a significant effect on the type of occupation. As expected, 85.71% ofemployed women in rural areas are engaged in agricultural work while more than half (64.41%) of employed women in semi-urban areas are engaged in sales and services. Agriculture is by far the most important occupation for working women in regardless of women's participation in MFI. However, employment outside the agricultural sector is greatest among women's who are members of MFI.

Table 4.3.Respondents Occupation (n=374)

Characteristics		Occupations									
		Works in Agriculture		sales and services		professional technical, and etc.		don't work		Total	
		No.	%	No.	%	No.	%	No.	%	No.	%
Age	18-24	6	40	7	46.67	0	0	2	13.3	15	100
	25-32	168	78.14	37	17.21	1	0.47	9	4.19	215	100
	33-39	81	74.97	21	18.9	0	0	9	8.11	111	100
	40-47	28	84.85	4	12.18	0	0	1	3.03	33	100
Marital status	Single	0	0	1	100	0	0	0	0	1	100
	Married	222	81.34	33	12.08	1	0.37	17	6.23	273	100
	Widowed	55	78.57	12	17.14	0	0	3	4.2	70	100
	Divorced	6	20	23	76.67	0	0	1	3.33	30	100
Educational level	No education	199	78.65	45	17.78	0	0	9	3.56	253	100
	Primary	84	77.08	12	11.00	1	9	12	2.92	109	100
	Sec. &higher	0	0	12	100	0	0	0	0	12	100
Residence	Suburban	13	4.6	38	55.1	1	100	7	33.3	59	15.8
	Rural	270	95.4	31	44.9	0	0	14	66.7	315	84.2
MFIs membership status	Member	134	73.26	43	23.63	0	0	5	3.01	182	100
	non member	149	77.60	26	13.54	1	0.5	16	8.33	192	100
	Total	283	75.6	69	18.44	1	0.26	21	5.61	374	100

Source: Data collected from respondents 2015

Table 4.4.shows the percent distribution of employed women by type of earnings and employment characteristics according to the sector in which a woman is employed. An overwhelming majority (58 percent) of women engaged in agricultural work are unpaid workers most likely (84.5%) employed by family members. Women are more likely to be paid in cash if they are employed in the sales and services sector; about 60.9% of the women employed in this sector are paid in cash. Overall, abouthalf (45.19 percent) of employed women are not paid at all and more than half (63.9%) of employed women's work for a family member.

Table 4.4 Respondents type of earning/payment (n=374)

Background Characteristics		Occupations									
		Works in Agriculture		sales and services		Professional/ technical, and etc.		don't work		Total	
		No.	%	No.	%	No.	%	No.	%	No.	%
Type of earning/pay ment	Cash only	0	0	42	97.6	1	3.04	0	0	43	100
	Cash and kind	118	84.89	21	15.10	0	0	0	0	139	100
	In kind only	1	50	1	50	0	0	0	0	2	100
	Not paid	164	97.04	5	2.96	0	0	0	0	169	100
	don't work	0	0	0	0	0	0	21	100	21	100
Types of employment	For family member	239	83.27	48	16.67	0	0	0	0	287	100
	For someone else	26	81.25	5	15.62	1	3.13	0	0	32	100
	Self-employed	18	52.96	16	47.05	0	0	0	0	34	100
	don't work	0	0	0	0	0	0	21	100	21	100
	Total	283	75.67	69	18.44	1	0.29	21	5.6	374	100

Source: Data collected from respondents 2015

4.1.4 Awareness and Membership Status of Respondents in MFIs (Financial institution)

The study survey show that, of respondents 88.8 percent heard about MFIs and only 11.2 percent of them were reported they don't have information about MFIs services. In addition, 48.7 percent of respondents reported they were member of MFIs. Of respondents those reported they were member of MFIs 89.7 percent of them were member of Oromiya credit and savings share company institution and the rests are member of Harbu credit and saving share company institution (Annex A: 3). This survey result indicate microfinance outreach is still so low.

In contrast to the result, in the first step in the Government's Sustainable Development and Poverty Reduction Program (2002) is to encourage the further spread of modern financial services in the country. In fact, formal microfinance in Ethiopia started in 1994/5. In particular, the Licensing and Supervision of Microfinance Institution Proclamation No. 40/1996, Article encouraged the spread of Microfinance Institutions (MFIs) in both rural and urban areas as it authorized them to, among other things, legally accept deposits from the general public (hence diversify sources of funds), draw and accept drafts, and manage funds for the micro financing business. With a view to further stimulate economic activities and provide opportunities for the poor to escape poverty through availing more and appropriate financial services to the majority, the Government has been refining the regulatory framework for the microfinance operations. But

the microfinance outreach is still as low as stated in the above paragraph. So this is what needs attention from government, policy makers and development association those work on women's empowerment.

4.2 The Role of Micro Finance on Women Economic Empowerment

4.2.1 Role of MFI on Source and Level Women's Personal Income

Table 4.5.below shows that, from the total sample of women's who are report that their level and source of income decreased, only 9 (14.3%) and 0 (0%) client respondents reported their yearly level and source of income decreased. However, 54 (85.7%) and 1(100%) non-clients reported that their yearly level of income and source of income decrease respectively. Also 13(21.7%) and 20(16.5%) of client and 47 (78.3%) and 101 (83.1%) of non-client respondents reported that their yearly level and source of income remain the same with preceding year from all respondents who reports their level and source of income remain the same respectively. In addition, 160 (63.7%) and 162(64.3%) of client and 91(36.3%) 90(35.7%) of non-client respondents of micro finance institution reported that from total respondents who reports their level and source of income over the past 12months increase respectively.

Table 4.5.Source andlevel of women's income over past 12 months (n=374)

Variables		Women MFI membership status						P-value
		MFI members No.	%	Non-MFI members No.%		Total No.%		
Level of income	Decreased	9	4.95	54	28.12	63	16.84	<0.000
	Remain the same	13	7.14	47	24.47	60	16.05	
	Increased	160	87.91	91	47.39	251	67.11	
	Total	182	100	192	100	374	100	
Source of income	Decreased	0	0	1	100	1	100	<0.000
	remain the Same	20	16.5	101	83.5	121	100	
	Increased	162	64.3	90	35.7	252	100	
	Total	182	48.7%	192	51.3	374	100	

Source: Data collected from respondents 2015

Table 4.6 shows that, of client respondents 5(25%) and 15 (75%) matured and incoming client respectively reported their yearly level of income stayed the same and also 8(61.5%) and 5(38.5%) matured and incoming clients respectively reported that their yearly level of income remain the same.

Of client respondents 78(48.1%) and 84(51.9%) of incoming and matured clients respectively reported that their source of income increase. None of clients reported that there source of income decreased. In contrast, 9 respondents reported that their level of income decreased and 160 respondents reported that their level of income increased. Of client respondents 76(47.5%) and 84(52.5%) incoming and matured clients respectively their level of income increased. This indicates duration to MFIs membership also significant effect on the source and level of women's.

Table 4.6.Source and level of income for MFIs member of women's over the past 12 months (n=182)

Variables		Type of clients					
		Incoming Clients		Matured clients		Total	
		No.	%	No.	%	No.	%
Source of income	Stayed the Same	15	75	5	25	20	100
	Increased	78	48.1	84	51.9	162	100
	Total	93	51.1	89	48.9	182	100
Level of income	Decreased	9	100	0	0	9	100
	Stayed the Same	8	61.5	5	38.5	13	100
	Increased	76	47.5	84	52.5	160	100
	Total	93	51.1	89	48.9	182	100

Source: Data collected from respondents 2015

According to the table 4.7 none of MFIs member respondents reported the source of household yearly income decreased. Though 2 (0.5%) of MFIs non-member respondents source of household yearly income decreased, the income of 16(4.3%) and 108(28.9%) MFIs member and non-member MFIs stayed the same over the past 12 months. However, of respondents, 166(44.4%) and 82(21.9%) MFIs member and non-memberof MFIsrespectively reported an increase in their source of income.

In addition from the table below shows that, none of client and 42(11.2%) non clients' households' yearly level of income decreased over the past 12 months. Nevertheless, 16(4.3%)

and 59(15.8%) of clients and non-clients households remain the same and 166(44.4%) and 91(24.3%) of client and non-client households level of income increased.This result indicates MFIs program have role to increase source and level of household income, in addition to women's personal income.

Table 4.7.Source and level of income for women's household over the past 12 months (n=374)

Variables		Types of respondents				Total	
		Clients		Non clients			
Source of household income		No.	%	No.	%	No.	%
	Decreased	0	0	2	0.5	2	0.5
	Stayed the Same	16	4.3	108	28.9	124	33.2
	Increased	166	44.4	82	21.9	248	66.3
	Total	182	48.7	192	51.3	374	100.0
Level of household income	Decreased	0	0	42	11.2	42	11.2
	Stayed the Same	16	4.3	59	15.8	75	20.1
	Increased	166	44.4	91	24.3	257	68
	Total	182	48.7	192	51.3	374	100

Source: Data collected from respondents 2015

Table 4.8indicate that, the source and level of 93(56.03%) of matured client household increased compared to 82(43.07%) of matured clients. This indicates that the source and level of income new members MFIS is more likely less than matured members of MFIs. As year of women's participation in MFIs program increase their source and level of income increase. This indicates cooperation of government and NGOs with MFIs are must to eradicate poverty from the country. Since Ethiopian government plan; growth and transformation plan is eradicating poverty and reaching at middle income country. Toachieve the objective of growth and transformation plan, in addition to increasing women participation inMFIs program; their sustainability to participate in the program is also crucialto increasing source and level of women's income. This also needs attention from all stockholders that are work on women's empowerment.

Table 4.8 .Source and level of Income ofMFIs member Women's Household over the past 12 months (n=182)

Variables		Types of clients				Total	
		Matured Clients		Incoming clients			
		No.	%	No.	%	No.	%
source of household income	remain the Same	9	56.25	7	43.75	16	100
	Increased	93	56.03	82	43.07	166	100
level of household income	remain the Same	9	56.25	7	43.75	16	100
	Increased	93	56.03	82	53.07	166	100

Source: Data collected from respondents 2015

4.2.2 Role of MFI on Women's Saving Habit

Table 4.9 shows client and non-client women's saving habit and table 4.10 shows the habit of saving between incoming and matured clients. In both table client respondents who are answer voluntary was considered as saving monthly. This is because compulsory saving is mandatory for MFIs membership women it is right to consider as monthly saving. Because of this fact, voluntary saving for incoming and matured client in both tables was considered for the study as they are save monthly.

Result of table 4.9 below shows that, of respondents' 67.58 percent client and 51.56 percent of non-client respectively reported they were save monthly. The result shows client of micro finance women save more than non-clients. In case of residences/type of locality, of respondents lived in suburban reported they are saving than non client in urban areas. Of respondents lived in rural areas 61 percent of clients were save monthly and 43.75 percent of client respondents who live in suburban areas were save monthly. In generally this study shows MFIs membership status have a significant effect on women's saving habit. In other word, women's those are MFIs members are save more likely than non-MFIs members.

Table 4.9.MFIs Role on saving habit of women's (n=374)

Characteristics background		Women saving habit with percent and number										Total	
		Clients						Non clients					
		Type of Saving				Total		Save		Not save			
		Compulsory		Voluntary									
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Residences	suburban	15	8.24	12	6.59	27	14.83	15	7.81	17	8.85	32	16.67
	Rural	44	24.18	111	60.99	155	85.17	84	43.75	76	39.58	160	83.33
	Total	59	32.42	123	67.58	182	100	99	51.56	93	48.44	192	100
Age	18-24	6	3.30	4	2.19	10	5.49	4	2.08	1	0.52	5	2.60
	25-32	44	24.18	94	51.64	138	75.82	49	25.52	28	14.58	77	40.10
	33-39	8	4.40	19	10.44	27	14.84	31	16.15	53	27.60	84	43.75
	40-47	1	0.55	6	3.30	7	3.85	15	7.81	11	5.73	26	13.54
	Total	59	32.42	123	67.58	182	100	99	51.56	93	48.44	192	100
Marital status	Single	0	0	0	0	0	0	0	0	1	.52	1	.52
	Married	28	15.39	114	62.63	142	78.02	69	35.94	62	32.29	131	68.23
	Widowed	21	11.54	8	4.40	29	15.94	16	8.33	25	13.02	41	21.35
	Divorced	10	5.49	1	.55	11	6.04	14	7.29	5	2.60	19	9.89
	Total	59	32.42	123	67.58	182	100	99	51.56	93	48.44	192	100
Educational level	No education	33	23.24	100	54.95	133	73.08	61	31.77	59	30.73	120	62.50
	Primary	25	13.74	16	8.79	41	22.53	35	18.23	33	17.19	68	35.42
	Sec. &higher	1	0.55	7	3.85	8	4.40	3	1.56	1	0.52	4	2.08
	Total	59	32.42	123	67.58	182	100	99	51.56	93	48.44	192	100

Source: Data collected from respondents 2015

Table 4.10 below shows that, from total members of MFIs 65(73%) matured client and 58(63.4%) incoming client respectively reported they are save voluntary. However, 84.3 percent of matured client have been saving account in other financial institution rather than micro finance institution and Only 6(8%) of matured clients started saving after they are became member of micro finance and 25(32.5%) of incoming client reported they were started save after they became member of MFIs.

A table also shows that, from total respondents of micro finance institution 59(32.4%) and 123(67.6%) reported they were save compulsory and voluntary saving respectivcly. Also 152(83.5%) of respondents have saving account in other institution rather than MFIs and only 30(16.5%) of them have account at MFIs. In addition, 31(20.4%) of respondents start saving

after they were became member of MFIs.This indicates MFIs program is significant effect to increase saving habit of women's.

Table 4.10.Members of MFIs women'ssaving habit (n=374)

Variables		Type client respondents				Total	
		Incoming client		Matured client			
		No.	%	No.	%	No.	%
Type of saving at MFIs	Compulsory	35	37.6	24	37	59	32.4
	Voluntary	58	63.4	65	73	123	67.6
	Total	93	100	89	100	182	100
Saving account other than MFIs	Yes	77	82.8	75	84.3	152	83.5
	No	16	17.2	14	15.7	30	16.5
	Total	93	100	89	100	182	100
Time of starting saving at other financial institution other than MFIs	Before MFI client	52	67.5	69	92	121	79.6
	After MFI client	25	32.5	6	8	31	20.4
	Total	77	100	75	100	152	100

Source: Data collected from respondents 2015

4.2.3 Role of MFIs on Women's Control and Access to Asset

In this section the study explore women's empowerment in terms of type of earnings of their own as well as on their husband/partners, to assess women control and access to asset. There are specific questions were posed to determine women's role on control and access to asset at household level. Those questions were used to define women's economic empowerment from some indicators of empowerment. As a means of assessing women's autonomy, women earned for their work or from any kind of earning including gifts and lottery in the 12 months preceding the survey were asked who decided with regard tohow respondents and husband/partners earningsto be used.

Table 4.11 below shows that, 44 and 40.6 percent of clients and non-client respondents decided how their earnings would be used independently. Of respondents 39(20.3%) of client and only 6(3.3%) of non-clientrespondents husband/partner made decision independently on women personal earning. Also 96(52.7%) and 75(39.1%) client and non-client respondents reported that their husband/partner made decision independently how their earning to be used.

Of respondents, Client women made decision independently on their husband/partners earning more than non-client women's (19.8%versus 5.7%). Only 16(8.8%) client women husband/partners made decision independently on their personal earning and 120(62.5%) non clients' husband/partners made decision on their own personal earning. Also 130(71.4%) and 61(31.8%) of client and non-client respondents respectively reported their husband/partner made decision independently on their own earning.The proportion of women control and access over asset is higher among MFI members than non-members.This indicates MFIs program have a positive role to increase women's control and access over asset. As mentioned under all sup-topic of 4.2 above, increasing number of women participation in the micro finance program is the area need attention from all organization working on women's economic empowerment.

Table 4.11.Control over Women's and husband/partner Earnings by number and percentage (n=374)

Variables		Type respondents				Total		p-value
		Client		Non client				
		No.	%	No.	%	No.	%	
A persons who make decision on her own earning	Mainly women	80	43.95	78	40.62	138	42.2	p<0.000
	Mainly husband/partner	6	3.29	39	20.31	45	12	
	Jointly with husband/partner	96	52.14	75	39.1	171	45.7	
	Total	182	100	192	100	374	100	
A persons who make decision on husband/partner earning	Mainly women	36	19.8	11	5.7	47	12.6	p<0.000
	Mainly husband/partner	16	8.8	120	62.5	136	36.4	
	Jointly with husband/partner	130	71.4	61	31.8	191	51:1	
	Total	182	100	192	100	374	100	

Source: Data collected from respondents 2015

Table 4.12 below shows that, incoming and matured client respondents who were decided on their own earning and their husband/partner. Of respondents, 98.9 6percent and 94.4 percent of matured and incoming client respectively reported they were decided independently on their own earning. Only 1(1.1%) of incoming client respondents reported their husband/partner made decision independently on their personal earning and 5(5.6%) of matured client respondents reported their husband/partners made decision independently on their own personal earning.

Of client respondents,91.4 percent of incoming client respondents reported the made decision alone/final say on their husband/partners earning and 91 percent of matured client respondents reported they have final say on their husband/partner earning. It is possible to say there is almost no difference between two types of client decision on how their husband earning to be used.

Table 4.12.Control over Women's and husband/partner Earnings within member of MFIs (n=374)

Variables		Type client respondents				Total	
		Incoming client		Matured client			
		No.	%	No.	%	No.	%
A persons who make decision on her own earning	Mainly women	27	29	53	59.6	80	44
	Mainly husband/partner	1	1.1	5	5.6	6	3.3
	Jointly with husband/partner	65	69.9	31	34.8	96	52.7
	Total	93	100	89	100	182	100
A persons who make decision on husband/partner earning	Mainly women	16	17.2	20	22.5	36	19.8
	Mainly husband/partner	8	8.6	8	9	16	8.8
	Jointly with husband/partner	69	74.2	61	68.5	130	71.4
	Total	93	100	89	100	182	100

Source: Data collected from respondents 2015

4.2.4 Role of MFI on Woman's Participation in Decision making

Table 4.13 below shows that, 20.3% and 14.2% of client and no client respondents respectively reported they were made decision independently about their own health care. Of respondents, 19.2% and 30.2% of client and non-client respondents respectively reported their husband/partner made decision independently on respondents' health care respectively. Also 60.5% and 55.2% of client and non-client respondents respectively reported they made decision jointly with their husband/partner on their own health care respectively.

A table also shows that, 18.7% and 6.8% of client and non-client respondents respectively reported they made decision independently on major household purchase. Of respondents 26.4% and 33.5% of client and non-client respondents' respectively reported their husband/partner made decision independently on major household purchase. And 53.8% and 59.9% of client and

non-client respondents respectively made decision jointly with their husband/partner on major household purchase.

In addition, table show that 86.3% and 80.7% of client and non-client respondents respectively reported they were made decision independently on major household purchase. Only 1.6% of non-client respondents' reported their husband/partner made decision independently on daily household purchase. Also 20.3% and 17.7% of client and non-client respondents reported they were made decision jointly with their husband/partner on daily household purchase.

From a table below, 86.3% and 18.8% of client and non-client respondents reported they were made decision independently on family/relative visit. Of respondents 11.5% and 20.3% of client and non-client respondents' respectively reported their husband/partner made decision independently on family/relative visit. Also 68.1% and 60.9% of client and non-client respondents respectively reported they were made decision jointly with their husband/partner on family/relative visit.In all specified decision, women's who are membership of MFIs make decision more likely than non-member of MFIs. This indicate that, MFIs program have positive intervention on women's decision making power at household level.

Table 4.13.Women participation in decision making (n=374)

Decision/variables	**Type of respondents**								
	Clients					Non clients			Total
	Mainly Respondents	Mainly husband/partners	Jointly with husband/partner	Someone else	Total	Mainly respondents	Mainly husband/partners	Jointly with husband/partner	
	%	%	%	%	%	%	%	%	%
Health care	20.3	19.2	60.4	0.1	100	14.6	30.2	55.2	100
Major household purchase	18.7	26.4	53.8	1.1	100	6.8	33.5	59.9	100
Daily household purchase	86.3	0	13.7	0	100	80.7	1.6	17.7	100
Family/relatives visit	20.3	11.5	68.1	0	100	18.8	20.3	60.9	100

Source: Data collected from respondents 2015

Table 4.14 below shows that, 19.4% and 21.3% of incoming and matured client respondents respectively reported they were made decision independently about their own health care. Of respondents 15.1% and 23.6% of incoming and matured client respondents respectively reported their husband/partner made decision independently on their own health care. And 65.6% and 55.1% of incoming and matured client respondents respectively reported they were made decision jointly with their husband/partner on their own health care.

A table below also indicates, 9.7% and 28.1% of incoming and matured client respondents respectively reported they were made decision independently on major household purchase. Of respondents, 6.5% and 47.2% of incoming and matured client respondents' respectively reported their husband/partner were made decision independently on major household purchase. And 81.7% and 24.7% of incoming and matured client respondents respectively reported they made decision jointly with their husband/partner on major household purchase and only 2.2% of respondents reported someone else made decision on major household purchase.

In addition, table below show that 94.6% and 77.5 % of incoming and matured client respondents respectively reported made decision independently on daily household purchase. Of respondents, only 5.4% and 22.5% of incoming and matured client respondents respectively reported their husband/partner made decision jointly on daily household purchase.

Finally a table show that, 22.6% and 18% of incoming and matured client respondents respectively reported they were made decision independently about family/relative visit. Of respondents, 8.6% and 14.6% of incoming and matured client respondents' respectively reported their husband/partner were made decision independently on family/relative visit . And 68.8% and 67.4% of incoming and matured client respondents respectively reported they were made decision jointly with their husband/partner on family/relative visit.

Table 4.14.MFIs member Women participation in decision making (n=374)

Decision/variables	Type of respondents								
	Incoming Clients					matured clients			
	Mainly Respondents	Mainly husband/partners	Jointly with husband/partner	Some one else	Total	Mainly respondents	Mainly husband/partners	Jointly with husband/partner	Total
	%	%	%	%	%	%	%	%	%
Health care	19.4	15.1	65.6	0	100	21.3	23.6	55.1	100
Major household purchase	9.7	6.5	81.7	2.2	100	28.1	47.2	24.7	100
Daily household purchase	94.6	0	5.4	0	100	77.5	0	22.5	100
Family/relatives visit	22.6	8.6	68.8	0	100	18	14.6	67.4	100

Source: Data collected from respondents 2015

For the case of table 4.15 and 4.16 below, if respondents made decision alone or jointly with their husband/partner, this study considered they were participated as a final say otherwise not participate. Also if they were participated in four specified decision the study considered as they were participated in all specified decision otherwise not.

Table 4.16 below shows that, 80.8% and 69.8 % of client and non-client respondents respectively reported they have a final say about their own health care respectively. Of respondents 72.5% and 66.7% of client and non-client respondents respectively reported they have final say about major household purchase. Only 1.6% of non-client respondents reported not participate about daily household purchase. In addition, 88.5% and 79.9% of client and non-client respondents respectively reported they have final say about visit their relative/family. A below table also shows that, 99.2% of respondents participated in all specified decision.

Table 4.15.Womens final say on four decisions which are indicators of women (n=374)

Variables		Type of respondents				Total	
		Clients		Non clients			
		No.	%	No.	%	No	%
Final say on Own health care	Participate	147	80.8	134	69.8	281	75.1
	Not participate	35	19.2	58	30.2	93	14.9
Final say Major household purchase	Participate	132	72.5	128	66.7	260	69.5
	Not participate	50	27.5	64	33.3	114	29.9
Final say on Daily household purchase	Participate	182	100	189	98.4	371	99.2
	Not participate	0	0	3	1.6	3	0.8
Final say to visit family/relatives	Participate	161	88.5	153	79.7	314	83.9
	Not participate	21	11.5	39	20.3	60	16.1
All specified decision	Participate	182	100	189	98.4	371	99.2
	Not participate	0	0	3	1.6	3	0.8
Total		182	48.7	192	51.3	374	100

Source: Data collected from respondents 2015

Table 4.16 below shows that, 84.9% and 76.4 % of matured and incoming client respondents respectively reported they have final say about their own health care. Of respondents, 91.4% and 52.8% of matured and incoming client respondents respectively reported that they have final say about major household purchase decision. Surprisingly, all matured and incoming clients have a final say about daily household purchase decision. Finally 91.4% and 85.4% of matured and incoming client respondents respectively reported they have final say about visit their relative/family. A table below also shows 74.7% of respondents (from total client respondents) participate in all specified decision.

Table 4.16.MFIs member women final say on four decisions which are indicators of women (n=182)

Variables		Type of respondents				Total	
		Incoming Clients		Matured clients			
		No.	%	No.	%	No	%
Final say on Own health care	Participate	79	84.9	68	76.4	147	80.7
	Not participate	14	15.1	21	23.6	35	19.3
Final say Major household purchase	Participate	85	91.4	47	52.8	132	75.6
	Not participate	8	8.6	42	47.2	50	14.4
Final say on Daily household purchase	Participate	93	100	89	100	182	100
	Not participate	0	0	0	0	0	0
Final say to visit family/relatives	Participate	85	91.4	76	85.4	161	88.5
	Not participate	8	8.6	13	14.6	21	11.5
All specified decision	Participate	69	74.2	28	31.5	97	53.3
	Not participate	24	15.8	57	68.5	85	46.7

Source: Data collected from respondents 2015

4.3 Determinant Factors of Women's Participation in Household Decision making

In the previous section we have seen that member ship of MFI had a significant effect on women's participation in decision. However, since we had not adjusted our analysis to other covariates the observed difference in women's participation in decision may explain by other factors besides membership status. For this, we consider age, marital status, educational level, residence, number of household members, owner ship of agricultural land, ownership of livestock, employment status, sector of employment, type of earning, and saving habit in addition to MFI membership status as a candidate factor that may affect the odds of women's participation in decision making.

We had information onwomen's participation in four types of household decisions: respondent's own health care, makinglarge household purchases; making household purchases for daily needs; and visits to family orrelatives. For each type of household decisions, Women are considered to participate in decision making if they make decisions alone or jointly with their husband or someone else.

This leads us to four response variable. Namely,

1. *Owen healht care*

$$Y_{1i} = \begin{cases} 1 & If\ a\ women\ participate\ in\ decision\ about\ her\ ownhealth\ care \\ 0 & If\ a\ women\ did\ notparticipate\ in\ decision\ about\ her\ ownhealth\ care \end{cases}$$

2. *Major household purchase*

$$Y_{2i} = \begin{cases} 1 & If\ a\ women\ participate\ in\ decision\ about\ major\ household\ purchose \\ 0 & If\ a\ women\ did\ notparticipate\ in\ decision\ about\ major\ household\ purchase \end{cases}$$

3. *Daily household purchase*

$$Y_{3i} = \begin{cases} 1 & If\ a\ women\ participate\ in\ decision\ about\ daily\ household\ purchose \\ 0 & If\ a\ women\ did\ notparticipate\ in\ decision\ about\ daily\ household\ purchose \end{cases}$$

4. *Family/relative visit*

$$Y_{4i} = \begin{cases} 1 & If\ a\ women\ participate\ in\ decision\ about\ family\ visit \\ 0 & If\ a\ women\ did\ notparticipate\ in\ decision\ aboutfamily\ visit \end{cases}$$

5. *Participation in Decision in general (women's are considered to participate in household decision in general if they participate at least in 3 of the 4 decision types)*

$$Y_{5i} = \begin{cases} 1 & Y_{1i} + Y_{2i} + Y_{3i} + Y_{4i} \geq 3 \\ 0 & Y_{1i} + Y_{2i} + Y_{3i} + Y_{4i} < 3 \end{cases}$$

For each response first we fit a univariate binary logistic regression where only one predicator is included at a time. The result of this analysis is presented in table 4.17below. Of respondents, 83.4 percent make decision alone/independently about daily household purchase and 15.8 percent make decision jointly with their husband/partner. However, only 0.08 percent of respondents reported that their husband/partner made decision independently on daily household purchase. Of respondents 19.7 percent made decision alone/independently to visit their family/relatives and 64.4 percent of respondents reported that they were made decision jointly with their husband/partner on their own health care. Of respondents, 16 percent reported that their husband/partner made decision without consulting them. Of respondents 29.9% reported that their husband/partner made decision independently and 57% of respondents reported that they were made decision jointly with their husband/partner. Only 12.6 of respondents reported that they made decision independently/alone. Of respondents, 2 percent reported that decision was made by someone else on major household purchase.

Age of respondents and decision making on major household and family/relative visit were statistical significant. Marital status and decision on health care and major household purchase

have a relationship and statistical significant. But marital status and decision making on daily and family visit were statistical insignificant. Educational level was statistically significant on all specified decision making of respondents.

From the survey study, number of household members is statistical insignificant in three type of decision and final decision. House owning is statistical significant on health care and major household purchase and however, statistically insignificant about decision on daily household purchase and family visit. In addition, household headship is statistical significant on most of decision making type excluding daily household purchase. Also saving were statistical significant on family/relative visits and final decision; but, it is statistically insignificant on health care, major and daily house hold purchase. Occupation is only statistical significant on daily household purchase. Of independent variables in contrast type of earning was statistical insignificant only on daily household purchase. Finally, membership of MFIs is statistical significant with most of decision; on health care, family/relative visit and final decision.

Table 4.17.Univariate Logistic regression result (n= 374)

Background/characteristics		women who usually make decisions on four specific issues in the household either by themselves or jointly with their husband/partner, by background characteristics								
		Own health Care		Major household Purchase		Daily household Purchase		Family or relative visit		General decision
		No. (%).	p-value	No. (%).	p-value	No. (%)	p-value	No. (%).	p-value	p-value
Age	18-24	11(73.3)	0.499	12(80)	0.000	15(100)	0.554	12(80)	0.000	0.000
	25-32	160(74.4)		163(75.7)		214(99.5)		193(89.8)		
	33-39	38(79.3)		58(52.3)		109(98.2)		79(71.2)		
	40-47	27(66.7)		27(81.8)		33(100)		30(90.4)		
Marital status	Single	1(100)	0.002	1(100	0.000	1(100)	0.773	1(100)	0.076	0.057
	Married	219(80.2)		183(67)		270(98.9)		221(81)		
	Widowed	44(62.9)		63(90)		70(100)		64(91.4)		
	Divorced	17(56.7)		13(43.3)		30(100)		28(93.3)		
Educational level	No educ.	182(71.9)	0.036	159(62.8)	0.000	253(100)	0.025	209(82.6)	0.248	0.056
	Primary	87(79.8)		93(85.3)		106(97.2)		93(85.3)		
	Sec.& higher	12(100)		8(66.7)		12(100)		12(100)		
Ownership of house	Yes	261(74.1)	0.078	241(68.5)	0.077	349(99.1)	0.664	296(84.1)	0.778	0.278
	No	20(90.9)		19(86.40		22(100)		18(89.8)		
HH, headship	Female	61(61)	0.000	77(77)	0.058	100(100)	0.293	92(92)	0.010	0.417
	Male	220(80.3)		183(66.8)		271(98.9)		222(81)		
Ownership of agri. land	Yes	214(74.8)	0.803	196(68.5)	0.455	283(99)	0.335	235(82.2)	0.089	0.866
	No	67(76.1)		64(72.7)		88(100)		79(89.8)		
Ownership of livestock	Yes	240(75.9)	0.394	225(71.2)	0.099	314(99.4)	0.392	263(83.2)	0.370	0.300
	No	41(70.7)		35(60.3)		57(98.3)		51(87.9)		
Employment	Employed	264(74.8)	0.525	249(70.5)	0.079	352(99.7)	0.000	297(84.1)	0.699	0.176
	Not Employed	17(81)		11(52.4)		19(90.5)		17(81)		
Occupation	Agriculture	215(76)	0.580	205(72.4)	0.103	282(99.6)	0.000	234(82.7)	0.484	0.449
	Sales & services	48(69.6)		43(62.3)		69(100)		62(89.9)		
	Professional	1(100)		1(100)		1(100)		1(100)		
	Don't work	17(81)		11(52.4)		19(90.5)		17(81)		
Type of earning	Cash only	28(65.1)	0.368	21(48.8)	0.005	43(100)	0.779	40(93)	0.079	0.055
	Cash and kind	106(76.3)		98(70.5)		139(100)		121(87.1)		
	In kind only	1(100)		2(100)		2(100)		2(100)		
	Not paid	129(76.3)		128(75.7)		168(99.4)		134(79.3)		
Saving	Yes	212(75.4)	0.809	200(71.2)	0.227	278(98.9)	0.317	248(88.3)	0.000	0.003
	No	66(64.5)		60(64.5)		93(100)		66(71)		
Member of MFIs	Yes	147(80.8)	0.014	132(72.5)	0.218	182(100)	0.090	161(88.5)	0.021	0.001
	No	134(69.8)		128(66.7)		189(98.4)		173(79.7)		

Source: Data collected from respondents 2015

Note that: - Numbers and % in the brackets indicates number and percent of women's participate in decision making, respectively

Next, for each of the five responses we fit a multiple binary logistic regression where factors that are significant at 20% significance level in the univariate analysis are included in to the model. We fit the model in Stata 11 and checked the goodness of fit of themodel. The result is presented in table 4.18 below.

The regression result in table 4.18 shows that, the probability of the decision making shows direct relationships with explanatory variables and the entire coefficient have the expected sign. However, the extent to which these variables relate with the dependent variable is different. The extent of the relationship is explained as follows.

Participation of women's about own health care statistically significant with membership, educational level and household headship. The odd ratio of non-client women participation in decision making about their own health care is 0.55 as compared to client women. That is, the level of participation of client women in decision about their own health care is higher by 45% as compared to no client.

Women those in the third category of educational level (secondary and higher) do not have statistically significant difference from that of women in the first group of educational level (no education) in terms of participation in decision making about their own health care. However women in the second (primary education) category of educational level have statistically significance decision making power over own health care at 10% significance level compared of the first category of educational level (no education). That is, adjusting to other covariates, the odd ratio of participation about own health care for women in the second educational level category is 1.71 as compared to women's in the first educational category. In other word, the level of participation of women in first educational categories/no education in decision making about major household purchase lower by 71% as compared primary educational level.In addition, odd ratio of women thoseare household head participations in decisionmaking over their own health care 2.48 times as compare to those are not household head. That is, the level of

participation of household women in decision making about their own health care is lower by 1.48% as compared to non-household head.

Participation of women's about major household purchase is statistically significant with age, educational level, household headship status, type of occupation and employment status. Women who are in the age group 25-32 and 40-47 do not have statistically significant difference from that of women in the age 18-24 interims of participation in decision about major household purchase. However, women in the age group three (33-39) have statistically significance difference compared to age group one (18-24). That is, adjusting to other covariates, the odd ratio of participation in major household purchase for women in the age group three (33-39) is 0.270 as compared to women's in the age group one (18-24). In other word, the level of participation of women in age group one in decision making about major household purchase is higher by 73% as compared to third age group women.

In addition, the odd ratio of non-employed women participation is about major household purchase is 0.48 as compared to employed. That is, the level of employed women participation about major household purchase is higher by 52% as compared to non-employed. Also women in third (daily laborer) and fourth (professional/managerial) category of job or occupation do not statistically significance when compared with the first category (agriculture).However, women in the second (sales and service) and fifth (not work) occupational category have statically significance difference with that of the first category. That is adjusting to other covariates, the odd ratio of participation about the major house hold purchase for women in the category of second and fifth is 0.15 and 0.43 respectivcly, as compared to women in the first category.

The resultalso shows that, Participation of women's about family/relative visit is statistically significant with membership, household headship and type of payment. The odd ratio of non-client women participation in decision making about family/relative visit is 0.512 as compared to member of MFIs women. That is, the level of participation of client women in decision about family/relative visit is higher by 49% as compared to non-MFIs member. The odd ratio of women who are household head participations in decision about family/relative visit is 0.33 times as compare to those not household head. That is, the level of participation of household women in decision making about family/relative visit is higher by 67% as compared to non-

household head. Women who are in the second (in kind and cash) and third(in kind only) type of payment group did not have a statistically significant difference from that of women in the first group of (in cash only) interims of participation in decision making about family/relative visit.

However women in the fourth (not paid) type of payment are statistically significance with compared of the first type/category. That is, adjusting to other covariates, the odd ratio of participation about family/relative visit for women in the fourth category is 0.31as compared to women's in the first payment category. In other word, the level of participation of women in first type of payment categories in decision making about family/relativc visit is higher by 69% as compared in first type of payments.

Table 4.18.Mult-Variates logistic Result(n=374)

Characteristics	Health care		Major house hold Purchasing		Daily Household Purchasing		Family Visit		decision making	
	OR	P-value	OR	P-value	OR	P-value	OR	P-value	OR	P-value
MFI-membership										
Member	1.00		1.00				1.00		1.00	
Non-member	0.550	0.015	0.757	0.219			0.512	0.022	0.391	0.001
Age										
1	1.00		1.00				1.00		1.00	
2	1.08	0.899	0.783	0.713			2.220	0.244	1.373	0.690
3	1.918	0.314	0.270	0.055			0.718	0.633	0.354	0.193
4	1.01	0.984	1.109	0.896			2.952	0.228	1.972	0.490
Marital status										
1	1.00		1.00				1.00		1.00	
2	5.73	0.98	1.68	0.99			3.78	0.98	1.43	0.99
3	2.50	0.98	7.72	0.99			0.00	0.99	3.96	0.99
4	1.97	0.98	6.59	0.98			0.00	0.99	8.68	0.99
Educational level										
1	1.00		1.00				1.00		1.00	
2	1.71	0.05	3.70	0.00			1.35	0.34	2.06	0.03
3			1.11	0.86						
HH headship										
1	1.00		1.00				1.00		1.00	
2	2.48	0.00	0.57	0.04			0.33	0.00	0.68	0.24
Employment status										
1	1.00		1.00				1.00		1.00	

2	1.68	0.36	0.48	0.11			0.94	0.91	0.62	0.36
Occupation type										
1	1.00		1.00		1.00		1.00		1.00	
2	0.64	0.15	0.60	0.07			1.69	0.22	0.65	0.22
3	*									
4	**									
5	1.56	0.43	0.44	0.08	0.04	0.01	1.02	0.97	0.58	0.30
Type of payment										
1	1.00		1.00				1.00		1.00	
2	1.64	0.19	2.44	0.01			0.48	0.26	2.71	0.02
3	0.54	0.68	**							
4	2.00	0.06	3.57	0.00			0.31	0.06	1.61	0.24

Source: Data collected from respondents 2015

The result in table 4.18 above also shows that, Participations of women's in decision making is statistically significant with membership of MFIs, educational level and type of payment. The odd ratio of non-client women participation in general decision making is 0.39 as compared to client women. That is, the level of participation of client women in general decision making is higher by 69% as compared to no client. Women who are in the third category of educational level (secondary and higher) group did not have a statistically significant difference from that of women in the first group of educational level (no education) participation in general decision making.

However, women in the second (primary education) category of educational level are statistically significance with compared of the first category of educational level (no education). That is, adjusting to other covariates, the odd ratio of participation in general decision making for women in the second educational level category is 2.05 as compared to women's in the first educational category. In other word, the level of participation of women in first educational categories/no education in general decision making is lower by 1.05% as compared to primary educational level. In addition, Women who are in the third (in kind only) and forth (not paid) type of

payment group did not have a statistically significant difference from that of women in the first group of (in cash only) interims of participation in general decision making. However women in the second (in cash and kind) type of payment are statistically significance with compared to the first type/category. That is, adjusting to other covariates, the odd ratio of participation in general decision making for women in the second category is 2.71as compared to women's in the first payment category. In other word, the level of participation of women in second type of payment categories in general decision making is lower by 1.71% as compared in first type of payment category.

4.4. Discussion of the Study

In order to achieve the objective of the study, the role of micro financing program on women's economic empowerment, the role of the intervention is analyzed in association mainly with access to source and level of income, saving habit, control and access to asset, and women decision making in household.

4.4.1. Role of MFIs to Increase Women Source and Level Income

One of the positive roles of access to credit from the micro finance program was on source and level of income. The induced of source and level of incomemay have role on other outcomes such as household consumption, access to education and medical facilities, empowerment etc. Since most of the respondents do not keep any records on their business activities, as well as the change on their amount of income from time to time, the level and source of income figures may not be accurate but the estimate yearly source and level income of the respondents serves for the study. Since the respondents' yearly income and source may or may not be only from the loan activities, the reason behind the increment or change ofsource and level of income activities of each respondent was collected.

From result of the study, client women's source and level of income increases more likely than non-clients. This result indicates that micro finance have positive role to increase/improve women's source and level of income. Also when we compare within client women; Matured clients source and level of income increased than incoming clients. This statement indicate that,

duration of becoming micro finance membership have positive role on source and level of income increased yearly.

Since Production process can be increased due to the possibility of having access to more stable sources of finance through the sustainable provision of loans and/or savings facilities. This, in turn, allows for a steady and more predictable supply of inputs and enhances provident business management strategies; It enhances social intermediation strategies such as group formation increase knowledge and information about new business opportunities, resources, and markets, and improves management practices; additionally, if the program implements complementary training programs, the technical and managerial skills acquired may accelerate women benefit from MFIs program.

4.1.2. Role of MFIs to Improving Women access and Control to asset

It is predictable that employment and earnings are more expected to empower women if women themselves control their own earnings and perceive them as important relative to those of their husband or partner. Finding of this study show that as age of women increases control and access to asset increase. Younger and older women are more likely to made independent decisions on their earnings compared as middle age group. Also, in addition to above independent variables stated under this topic number of household member had impact on control and access to asset; as number of household member increase women control and access to asset decrease. For further information see Annex A: 4.

Divorced and married women are alone/independently decided how their own earnings to be used than widowed and single women. While single and widowed are decide jointly with their husband/partner than the married and divorced. Regarding to their husband/partner earning divorced and widowed women are made decision jointly on their husband/partner earning than married women. In addition, there is residence variations in the way decision would be made on how women earning are used. Urban women were more independent in making decision on their own earning than rural women (61 and 38.7 percent, respectively). In addition decision making on their husband/partner earning; urban women were made decision jointly on their husband earning than rural women. Also two-thirds of women with a secondary/higher education decide independently than primary and no education. Surprisingly, women with no education are more

likely decided jointly with their husband/partner than those at secondary and higher educational level how to be used the money they earn. More educated women are greatly access to control on their husband/partner earning. For further information see annex A: 4.

From result of the study, when we can generalized the significance intervention of microfinance services, promises both to combat poverty and to develop the institutional capacity of financial systems through finding ways to cost-effectively lend money to poor households. Poor households are typically excluded from the formal banking system for lack of collateral, but the microfinance movement exploits new contractual structures and organizational forms that reduce the riskiness and costs of making small and uncollateralized loans.

4.4.3. Role of MFIs on Saving Habit of women

When ages of household head at middle range of age; women were save more likely than when household heads were younger and elder. Age of household head had the same role/impact on saving habit/custom of both client and non-client of micro finance. As always expected; client women are save more likely than non-client. Three forth of current married women's and client of micro finance were saving more likelythan other. In contrast, less than half of current married from non-clients of micro finance were save monthly. Educational level of both respondents and household heads has remarkable variation on saving habit of women's.

Types of job occupation, employment status and type of earning also have remarkable variation on saving habit of women. Specifically women those are working in agriculture were save more likely than women in non-agriculture. The viability of enterprises is increased by providing safe and accessible saving facilities in which clients can accumulate start-up capital. This is particularly important for poor people who start enterprises with savings. With credit, new enterprises can be financed within households that dispose of supplementary income sources to cover loan repayment. Generally, micro finance program haveprior significance effect to increase women's saving habit.

4.4.4. Role of MFIs to Rise Women Participation in Decision Making

Decision making can be a complex process and the ability of women to make decisions that affect the circumstances of their own lives is essential for their empowerment. From indicator of women decision making, women's participation in four types of household decisions: namely respondent's own health care, making large household purchases; making household purchases for daily needs; and visits to family or relatives were selected. Women are considered to participate in decision making if they make decisions alone or jointly with their husband.

The strength of the role of women in decision making varies with type of respondents (clients versus no-clients and incoming versus matured clients) and also with the type of decision. MFIs Client women's are made decision independently about all specified decision than non-clients. Husband/partners made decision independently on all specified decision is higher in non-clients' women than clients. MFIs client women intervention/participation on all specified decision is higher than non-clients. Also matured clients participate in all specified decision is higher than incoming clients. Notes that, gap of participation in all specified decision is low between matured and incoming client when we compared it the difference between clients and non-client.

Participation of women's about own health care statistically significant with MFIs membership, educational level and household headship. Participation of client women in decision making about their own health care is higher than non-client by 45 percent. From this difference we can say that, women those have access to finance are more care for their health. When there is Healthy mother→healthychild→healthy people →healthy economy. When there is healthy economy it is possible to eradicate poverty. In addition to eradicating poverty, decreasing child mortality and mother's death is one goal of growth and transformation plan of the study country. To achieve the goal of growth and transformation plan of the study country politicians, policy makers and development associations should be focus to reach poor women with better services of MFIs than today.

As expected educational level have also positive role on women decision making about their health care. In contrast to the expectation as women educational level increase, participation about their health care decrease. This is may be because of sample size of women with

proportion of educational level. That is, more than 70 percent of women/respondents in the sample size were none educated. Because of this it was difficult to conclude as educational level increase women participation about their health care decrease. In addition, the level of participation of household head women in decision making about their own health care is lower than non-household head. When they are explain the reason, women those are head of householdgive prior attention for their household member.

Participation of women's in decision making about major household purchase is statistically significant with age, educational level, household headship, type of job occupation and employment status. Level of women participation decision making about major household purchase is higher when they are at younger than elder. In other word, participation in decision making of women about major household is increase as the age women increase, with decreasing rate. This is similar with the theory macroeconomics; productivity of human is low at beginning age and increase starting from productivity age then reach the boom and final start decrease.

The result of regression analysis shows that, participation of women's in decision making; which is the indicator of women's economic empowerment is statistically significant with membership, educational level and type of payment. The level of participation of client women in decision making is higher by 69 percent as compared to no client. As expected educational level of women were also positively related with general decision making. As educational level of women increase participation in decision making is also increase. In other word, the level of participation of illiterate (no education) women in decision making is lower by 1.05 percent as compared to primary educational level.

Type of payment has remarkable variation on women decision making. Women those are took payment in kind only and not paid at all have low participation in decision making when we compared with who receive in cash and kind. In addition, women those are receive their payment in cash only more participate in decision making when compared with the other type of payment.In other word, women those receive in cash only have higher by 1.71 percent participation in decision making when compared with women receive payment in cash and kind.

Generally, from all independent variables statistically significant discussed above micro finance had the lion share on women's economic empowerment.

There are some studies which are similar with this finding on the role of micro finance to increase or improve their women's source and level of income. From those, the study by Mayoux in 1997 stated, microfinance programs targeting women have been a welcome corrective to previous ignoring of women's productive role. For some women in some contexts, microfinance programs have indeed set in motion of empowerment. There are many subjective case studies in NGO reports of women who have shown substantial initiative, increasing their income and there is improving status in their family and community, particularly after a series of loans.

Morduch and Haley (2002) compiled the works of different scholars on the role of microfinance intervention. In Bangladesh for instance, microfinance participants do better than non-participants in both in per capita income, per capita expenditure, and houschold net worth; the incidence of poverty among participating households was lower than non-participating households and the provision of micro-credit has been found to strengthen crisis coping mechanisms, diversify income-earning sources, build assets and improve the status of women. Again In Indonesia a 12.9% annual average rise in income from borrowers was observed while only 3% rise was reported from non-borrowers; in Bangladesh, a 29.3% annual average rise in income was recorded and only 22% for no-borrowers; in Sri-Lanka a 15.6% rise in income from borrowers and 9% for non-borrowers. The role in the case of India was high- 46% was reported among borrowers with 24% for non-borrowers. In terms of livelihood diversification, a study in Zimbabwe proved that the average number of income sources was 2.5 for clients households compared with 2.1 for non-clients and in Uganda it was 3.23 for clients compared with 2.53 for non-clients.

Similarly Park and Ren (2001) argued that, microfinance programs have improved incomes and have other positive effects as well as role, such as empowerment of women, improved nutrition, lower fertility, higher educational attainment, and reduced consumption variability at family level. Where financial service provision leads to the setting up of microenterprises there are a variety of potential impacts/roles including: 1) increasing women's income levels and control

over income leading to greater levels of economic independence; 2) enhancing perceptions of women's contribution to household income and family welfare, 3) increasing women's participation in household decisions about expenditure and leading to greater expenditure on women's welfare; 4) more general improvements in attitudes to women's role in the household and community.

There are also other studies which reaches the same result regarding to women's participation about decision making power at household level with this study. The findings of WEP in Nepal reported that about 68 per cent of women experienced an increase in their decision-making power in areas that were usually dominated by men, such as family planning and buying and selling of household property, as stated by Vani, 2011.

Also, the study by the NirdhanUtthan Bank in Nepal found that most of their women clients were making decisions about business investments jointly with their husbands, rather than their husbands making such decisions alone (PLAN 2001). Also in the context of Bangladesh, Kabeer (1998) argued that just bringing financial resources to the households gave women an agency and a sense of the power they have within themselves. All stated result shows the same with the study. Generally the researcher understand from all studies stated above microfinance have positive role on women economic empowerment.

According to this study, the concept of women's economic empowerment has been tried to with a four components/direction and measured separately in order to arrive at a better understanding of their underlying factors and their relationship to women's economic empowerment. The first one is their source and level of income- the same independent sources and level of income together with their exposure to new arrangement of ideas, values and social support, should make these women more assured of their rights. The second, direction is control and access to asset- by providing control over material resources micro-credit should raise women's status in the eyes of husbands/partners. The third saving habit- their saving habit is increased comparing to the others. The fourth one is decision making power- is by providing independent sources of income outside home, micro-credit helps to reduce women dependency regarding to economy on their

husbands/partner at all. The study by Amin et al in 1998 in rural Bangladesh also found the similar result one three of the above objectives of this study.

In contrast to this study, Goetz and Gupta (1996) and Noponen (1990) argued that, impact/role on empowerment cannot be inferred from take-up of financial services or repayment levels. Women may repay through taking loans elsewhere and getting into serious debt while loans may be controlled by men. Some researchers have expressed concerns that women's micro-finance programs may be merely using women as unpaid debt collectors mediating between development agencies and male family members, increasing their dependency on men and/or conflicts between women to fulfill repayment targets.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusions

The study was based on the concept of women's empowerment has been tried to see with a four components/direction and measured separately in order to arrive at a better understanding of their underlying factors and their relationship to women's economic empowerment were concluded as follow.

This study result indicates that micro finance have positive role on improving women's source and level of income. In addition, even if there is not big gap between clients of MFIs, duration of micro finance membership have also positive role on the source and level of income rate to be increased yearly. Matured clients source and level of income increased than incoming clients.

The role of micro finance institutions on saving habit of women's also positive; MFIs client women's saving habit were more likely higher than comparing to non-clients. As improvement on women's source and level of income, duration of micro finance membership have also positive role to improve saving habit. But in the case of saving habit the gap between matured and incoming clients less than improving the source and level of income.

Also micro finance program improved women's control and access to asset and decision making power at household level; by providing independent sources of income outside home, micro finance helps to reduce women dependency regarding to economy on their husbands/partner comparing with non-clients. In other word, MFIs have positive role to improve women's control and access to asset, and decision making power by providing control over material resources, as well as, improve women's status in the eyes of husbands/partners.

Generally, from empirical analysis of the study, the researcher noted that MFIs should focus on how to reach all women those have interest for credit and preferences by reducing the bureaucracy mentioned by women and other stockholders at the time of discussion. Availing microfinance services with prior service for poor women's had significant role on economic empowerment of the women; which is acknowledged by study findings. In addition, economic

empowerment of women is about producing society believed on justice and impartial societies. Also believes that, woman economic empowerment issue is not only about equality, it is about right, humanity, and it is global issue to eradicate poverty.

5.2. Recommendations

- To increase accessibility of microfinance program to poor women this study recommends that the government and NGO working on women's empowerment should involve in key problem that affecting women's economic empowerment through using micro financing program.
- MFIs should have simplified designed system of operation that provides efficient and effective services delivery that are accessible and preferred by women in enabling them improve their economic empowerment and to increase women participation in the program; which leads themto improve the decision making power, by providing lowest interest options is must.
- To increase women involvement in eradicating poverty; micro fiancé institution should focus at the time of approving loan request from women's on local based development approach to impress through use of locally available resources. To minimize the risk of both MFIs and women's.
- The government of Ethiopia and NGOworking in the study areas should launch and implement Functional Adult Literacy program.
- The government of Ethiopia should increase employment opportunity; which increase their involvement in cash payment.

Scope for Further Research

Since the research was conducted in South West Ethiopia comprehensive researches need to be carried out in the other part of study country and other countries to determine whether the findings of the concluded study can be relied on. Also, the research concentrated on the role of microfinance on women economic empowerment, not to study about the MFIs outreach and performance.

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ANNEX A

1. **Table: Household headship, number of household member plus, age and educational level of malehousehold head bybackground /characteristics.**

Background/ Characteristics		Residences					
		Suburban		Rural		Total	
		No.	%	No.	%	No.	%
Household headship status	Male	42	71.2	232	73.7	274	73.3
	Female	17	28.8	83	26.3	100	26.7
	Total	59	100	315	100	374	100
Number of house hold member	< or equal to 5	48	81.4	228	72.4	276	73.8
	>5	11	18.6	87	27.6	98	26.2
	Total	59	100	315	100	374	100
Educational level of male household heads	No education	8	42.4	182	72.4	190	67.6
	Primary	26	49.2	49	25.4	75	29.1
	Sec. and higher	8	8.5	1	2.2	9	3.2
	Total	42	100	232	100	274	100
Age of male household heads	18-24	0	0	1	0.4	1	0.4
	25-32	4	9.5	106	45.7	110	40.1
	33-39	25	59.5	62	26.7	87	31.8
	40-47	12	28.6	62	26.7	74	27
	48-54	1	2.4	0	0	1	0.4
	>54	0	0	1	0.4	1	0.4
	Total	42	100	232	100	274	100

Source: Data collected from respondents 2015

2. Table : Asset Ownership of Respondents Household

Background Characteristics			Residence					
			Suburban		Rural		Total	
			No.	%	No.	%	No.	%
Housing characteristics	Number of room	< or equal to 3	44	74.1	291	92.4	335	89.6
		>3	15	25.4	24	7.6	39	10.4
		Total	59	100	315	100	374	100
	Main material of floor	natural floor	13	22	299	94.9	312	83.4
		rudimentary floor	29	49.2	16	5.1	45	12
		finished floor	17	28.8	0	0	17	4.5
		Total	59	100	315	100	374	100
	Main material of the roof	Natural roof(grass)	2	3.4	209	66.3	211	56.4
		rudimentary roofing	1	1.7	7	2.2	8	2.1
		Finished roofing	56	94.9	99	31.4	155	41.4
		Total	59	100	315	100	374	100
	Main material of the wall	natural walls	7	11.9	221	70.2	228	61
		rudimentary walls	40	67.8	94	29.8	134	35.8
		finished walls	12	20.3	0	0	12	3.2
		Total	59	100	315	100	374	100
	Electricity	Yes	56	94.6	49	15.6	105	28.1
		No	3	5.1	266	84.4	269	71.9
		Total	59	100	315	100	374	100
Possession Household effect	Radio	Yes	58	98.3	227	72.1	285	76.2
		No	1	1.7	88	27.9	89	23.8
		Total	59	100	315	100	374	100
	Television	Yes	41	70.7	29	9.2	70	18.8
		No	18	29.3	286	90.8	304	81.2
		Total	59	100	315	100	374	100
	Mobile phone	Yes	58	98.3	211	67	269	71.9
		No	1	1.7	104	33	105	28.1
		Total	59	100	315	100	374	100
	Non-mobile phone	Yes	12	20.3	46	14.6	58	15.5
		No	47	79.7	269	85.4	316	84.5
		Total	59	100	315	100	374	100
Ownership of the house		Yes	48	81.4	304	96.5	352	94.1
		No	11	18.6	11	3.5	22	5.9

	Total	59	100	315	100	374	100
Ownership of agricultural land	Yes	7	11.9	279	88.6	286	76.5
	No	52	88.1	36	11.4	88	23.5
	Total	59	100	315	100	374	100
Ownership of livestock	Yes	10	16.9	306	97.1	316	84.5
	No	49	83.1	9	2.9	58	15.5
	Total	59	100	315	100	374	100

Source: Data collected from respondents 2015

3. Table:Women Awareness about MFIs

Background /characteristics		Women Awareness about MFIs						Women who have account in financial institutions							
		Yes		No		Total		Bank		Development Association		Micro finance		Total	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Age	18-24	14	4.2	1	2.4	15	4	0	0	4	4.4	10	5.6	14	5
	25-32	213	64.2	2	4.8	215	57.5	0	0	51	56.7	135	75.4	186	66.4
	33-39	94	28.3	17	40.5	111	29.7	9	81.8	21	23.3	28	15.6	58	20.7
	40-47	11	3.3	22	52.4	33	8.8	2	18.2	14	15.6	6	3.4	22	7.9
	Total	332	100	42	100	374	100	11	100	90	100	179	100	280	100
Marital status	Single	1	0.3	0	0	1	0.3	0	0	0	0	0	0	0	0
	Married	231	69.6	42	100	273	73	3	27.3	68	75.6	139	77.7	210	75
	Widowed	70	21.1	0	0	70	18.7	0	0	16	17.8	29	16.2	45	16.1
	Divorced	30	9	0	0	30	8	8	72.7	6	6.7	11	6.1	25	8.9
	Total	332	100	42	100	374	100	11	100	90	100	179	100	280	100
Educational level	No education	239	72	14	33.3	253	67.6	8	72.7	53	58.9	132	73.7	193	68.9
	Primary	81	24.4	28	66.7	109	29.1	2	18.2	35	38.9	39	21.9	76	27.1
	Sec.& higher	12	3.6	0	0	12	3.2	1	9.1	2	2.2	8	4.5	11	3.9
	Total	332	100	42	100	374	100	11	100	90	100	179	100	280	100
Residence	Suburban	58	17.5	1	2.4	59	15.8	10	90.9	6	6.7	26	14.5	42	15
	Rural	274	82.5	41	97.6	315	84.2	1	9.1	84	93.3	153	85.5	238	85
	Total	332	100	42	100	374	100	11	100	90	100	139	100	280	100
Employment	Employed	315	94.9	28	90.5	253	94.4	11	100	85	94.4	174	97.2	270	96.4
	Not employed	17	5.1	4	9.5	21	5.6	0	0	5	5.6	5	2.8	10	3.6
	Total	332	100	42	100	374	100	11	100	90	100	179	100	280	100
Member of MFIs	Yes	182	54.8	0	0	182	48.7	0	0	4	4.4	178	99.4	182	65
	No	150	45.2	42	100	192	53.3	11	100	86	95.6	1	0.6	98	35
	Total	332	100	42	100	374	100	11	100	90	100	179	100	280	100

Source: Data collected from respondents 2015

ANNEX B

1. StataCodes

statacode.do

ANNEX C

1. Questioner of the study

Part I Basic household and respondent information

1. Wereda_____
2. Locality name(kebele)_____
3. Type of locality large city=1, small city=2, suburban=3, rural=4
4. Age of the respondent _____
5. Ethnicity of the respondent Oromo=1 Amhara=2 Yem =3 Dawuro=4 Wolayita=5 others=6
6. Religion Muslim=1 Orthodox=2 Protestant=3 Wakefata=4 others=5_____
7. Marital status Single =1 Married=2 Widowed=3 Divorced=4
8. Education level No education =1 primary=2 secondary and higher =3
9. Number of household member _____
10. Are you head of the Household? Yes=1 N0=2
11. If yes, go to Q 17,If, No what is the relationship to the head of the house hold? wife=1 daughter=2 daughter-in-law=3 grandchild=4 parent=5 parent-in-law=6 brother or sister = 7 other relative=8
12. How old is the head of the household _____
13. Ethnicity of the head Oromo=1 Amhara=2 Yem =3 Dawuro=4 Wolayita=5 others=6
14. Religion of the head Muslim=1 Orthodox=2 Protestant=3 Wakefata=4 others=5----------
15. Does the head of the household ever attend school? Yes=1 N0=2
16. If yes, what is the highest grade completed? _____
17. Is this house owned by you or by member of this household? Yes=1 N0=2
18. How many rooms are there in this household?_____
19. main material of the floor natural floor=1 rudimentary floor=2 finished floor=3
20. main material of the roof natural roofing (grass) =1 rudimentary roofing (plastic) =2 finished roofing (corrugated iron)=3
21. main material of the wall , natural walls=1 rudimentary walls (bamboo/wood with mud)=2 finished walls (cement, breaks, etc)=3
22. How much was its construction cost in birr? _____
23. How much it's estimated value in birr?_____
24. If you do not have house, do you think you will build /buy house in the near future? yes =1No=2
25. If yes, what will be your source of fund? _____
    _____
26. Does any member of this household own any land that can be used for agriculture? Yes=1 N0=2
27. Does this household own any livestock, herds, or farm animals? Yes=1 No =2
28. How many of the following animals does this household own?

Animals	Acquired		Where the asset is used?(mark(√))		How the expense was covered? mark(√)				
	Yes/ No	If yes how many/much	for house	For business	From local lender with interest	Gift	From household income	Free loan	Specify if other sources
Ox									
Cow									
hybrid cow									
Donkey									
Goat									
Sheep									
Hen									
Bee									
Mule									
Horses									
list if she has any personal asset she can mention									

29. Does your household have:

Assets	Yes	No	How the expense was covered? mark(√)				
			From local lender with interest	Gift	From household income	Free loan	Specify if other sources
Electricity							
Watch?							
Radio							
Television?							
mobile telephone							
non-mobile telephone							
Others							

30. Is there any improvements or additional made for your house which cost above 300 birr for the past three years period? Yes=1 No=2

31. If yes for Q 30 indicate the type of improvement (more than one answer is possible)

Indicate the type of improvement (more than one answer is possible)		Year of Improvement	Amount of expense in birr	What was the source of funds for these improvements or additions? Mark (√)		
				1.from borrowed money itself	2.income from business financed by the loan	3. if other sources please specify
Type	Mark (√)					
House repairs or improvements (improved existing roof, floor, or walls…)						
House expansion (built new room, shed, attic, or fence…)						
Additional House(built new Manachitta, Manakorkoro,both)						
Improved water or sanitation system (new well, drainage/sewage system, or showers-latrine-wash Basin…)						
Lighting/electricity						
Others/specify						

32. What is the household source of income? _____
33. How do you rate source of household income over the last 12 months?
    Decrease Greatly=1 Decreased=2 Stayed the Same=3 Increased=4 - Increased Greatly=5
    Why?_____-
    _____
    _____
34. How do you rate overall household income over the last 12 months?
    Decrease Greatly=1 Decreased=2 Stayed the Same=3 Increased=4 - Increased Greatly=5
    Why?_____-
    _____
    _____
35. Aside from your own housework, have you done any work in the last seven days? yes =1No=2
36. As you know, some women take up jobs for which they are paid in cash or kind. Others sell things, have a small business or work on the family farm or in the family business. In the last seven days, have you done any of these things or any other work?yes =1No=2
37. Have you done any work in the last 12 months?yes =1No=2
38. What have you been doing for most of the time over the last 12 months? going to school/studying=1 looking for work=2 retired=3 too ill to work=3 housework/child care=4 other=5
39. What is your occupation, that is, what kind of work do you mainly do? works in Agriculture=1 don not work in Agriculture=2

40. Do you work mainly on your own land or on family land, or do you work on land that you rent from someone else, or do you work on someone else's land?
    Own land =1 family land =2 rented land =3 someone else's land =4 does not work on land=5

    If your answer for Q 40 is 5, go to Q43,

41. Do you do this work for a member of your family, for someone else, or are you self-employed? for family member=1 for someone else=2 self-employed=3
42. Are you paid in cash or kind for this work or are you not paid at all? cash only =1cash and kind=2 in kind only =3 not paid=4
43. How do you rate source of your personal income over the last 12 months?
    Decrease Greatly=1 Decreased=2 Stayed the Same=3 Increased=4 - Increased Greatly=5
    Why?_____-

    _____

    _____

44. How do you rate overall personal income over the last 12 months?
    Decrease Greatly=1 Decreased=2 Stayed the Same=3 Increased=4 - Increased Greatly=5

Why?_____-

_____

_____

Part II: Household and respondent participation in bank, credit association, and micro finance

45. Have you ever heard about the services of bank/credit association / micro finance? Yes=1 N0=2
46. If yes, from whom? _____
47. Are there any bank, credit association, and micro finance around your place? Yes=1 N0=2
48. Does any member of this household have anaccount with bank/ credit association/micro finance? Yes=1 No=2
49. If Yes, from which? 1. Bank 2. Credit association 3. Micro finance
50. Do you have an account with bank/credit association/micro finance? Yes=1 No=2
51. If Yes, from which? 1. Bank 2. Development association 3. Micro finance
52. Do you save monthly? Yes=1 No=2
53. If yes for Q 52, how much do you save monthly? _____
54. Why you are saving? _____
55. Source of saving money? _____
56. If No for Q 52, why you are not saving?

    _____
57. Have you ever taken loan in the last 5years from any sources other than MFI? Yes=1 No=2

58. If yes or if you take loan from sources other than MFI in the last the last 5years, please fill the following table?

Round	From whom (relatives= 1, village money lenders=2, Bank =3, other, specify)	Loan year	Loan maturity period	Amount of loan requested (birr)	Amount of loan approved (birr)	Interest rate for 100 birr loan per year	Interest rate(V.high =1,High=2 Midium=3 Low=4 V.low=5	Intended purpose	entire loan spend on intended purpose (yes=1 No=2)
1st Round									
2nd Round									
3rd Round									
4th Round									
5th Round									
Current loan									
total loan									

59. Are you member of MFI? Yes=1 No=2
    If No, go to Q 86
60. Which MFI? _____
61. When did you join MFI? _____
62. Did you have saving account in any institution other than MFI? Yes=1 No=2
63. If yes, when you start saving? Before I join MFI =1 After I join MFI=2
64. Do you have savings at micro finance? Yes =1No =2
65. If your answer is Yes, please specify the type of saving do you have and monthly saving amount?1=compulsory_____2=voluntary_____3=both_____others/specify_____
66. If your answer iscompulsory for question 64, how much is your total current compulsory saving amount in birr? _____
67. If your answer is compulsoryfor question 64, do you think the compulsory saving requirement is useful? Yes =1No =2
68. If your answer is compulsoryfor question 64, have you faced any difficulties for compulsory savings? Yes =1No =2
69. If Yes for Q 67, how did you manage compulsory saving difficulties?Sold household assets=1 Borrowed from relatives (cost free)=2 Borrowed at cost from village money lenders=3 I did not pay=4 others/specify_____

70. Is it possible to you to withdraw your compulsory saving when you need it? Yes=1 No=2
71. Have you withdraw from your compulsory saving in the last 12 months? Yes=1 No=2
72. If yes for Q 70, how much did you withdraw from your savings in the last 12 months? ----------
73. If yes for Q 70, how did you use the money you with draw?Pay off loan=1 invest in the business=2 give to spouse=3 Pay school fees=4 pay medical bills=5 Improve the house=6 Other (specify) _____
74. Have you ever taken a loan from MFIs? Yes=1 No =2
    If No for Q 70 go to Q 84
75. If yes, from which MFIs? _____
76. For what purpose? _____
77. How did you take the loan from micro finance you selected above? In group=1 Individually=2 others/specify _____
78. If it is in group, how many members are there in the group? _____
79. What is the relation of members to you? Relatives=1 Neighbors=2 friends=3 .Both 1and2=4 Both 1 and 3=5 Both 2 and 3=6 all=7 Others/specify=8
80. If you take loan from MFI, please fill the ff table? _____

Round	Loan year	Loan maturity period	Amount of loan requested (birr)	Amount of loan approved (birr)	Average cost for 100 birr loan per year	Interest rate (1. V.high, 2. High, 3. Midium, 4. Low, 5. V.low	Intended purpose	Is the loan sufficient to undertake your intended purpose? (Yes=1 No=2)	entire loan spend on intended purpose (yes=1 No=2)
1st Round									
2nd Round									
3rd Round									
4th Round									
5th Round									
Current loan									
total loan									

81. Did you face any difficulty in repaying your loan in the last loan round? Yes =1 No =2
82. If yes for Q. 80, what caused your repayment problems? Loan activity was not profitable=1 I or others in my family had been sick=2 Lack of sales/demand=3 Used enterprise capital for consumption (food, clothing, household goods)=4 Sold on credit and did not get paid back in time=5 Death in family=6 Family celebrations (wedding, etc)=7 Disaster (natural, theft, fire, etc.)8 -Other (specify) _____
83. If yes for Q. 80, how did you manage the difficulties?Sold household assets=1 Borrowed from relatives, friends, neighbors (cost free)=2 Borrowed at cost from village money lenders=3 I did not pay=4 others/specify_____

84. How do you rate the role of Micro finances program to increase your source and level of income generating?very high=1 high=2 medium=3 low=4 very low=5 no role=6 negatively affect=7 Don't know=8
85. If your answer for the question number 84 is negatively affect, please explain;_____

_____

_____

86. Why you are not member of MFI? _____

_____

_____

87. If you have access to MFIs and become member, to what extent you think it would improve your source and level of income?1-very high 2-high 3- medium 4- low 5-very low 6-no role 7-negatively affect 8-Don't know
88. If your answer for the question number 86 is negatively affect, please explain;_____

_____

Part III: Women's decision making

89. Indicate the decision maker from the listed below into the following table. 1. Mainly you 2. Mainly your husband/partner 3. You and your husband/partner jointly, 4. Someone else

Decisions	Not member of MFIs	Member of MFIs	
		Before member ship	After member ship
Who decides how the money you earn will be used:			
Who decides how your husband's/partner's earnings will be used:			
Who usually makes decisions about health care for yourself:			
Who usually makes decisions about making major household purchases			
Who usually makes decisions about making purchases for daily household needs			
Who usually makes decisions about making coffee selling not more than 17kg			
Who usually makes decisions about visits to your family or relatives?			
Who usually makes decisions about participating in MFIs			
Who usually makes decisions about the use of loan and saving in MFIs			
Who usually makes decisions about making cereals selling/purchasing which is not more than 50kg			
Who usually makes decisions about making selling/buying of goat and sheep			