EXPERIENCE ON THE PARTICIPATION OF WOMEN IN SAVING AND CREDIT COOPERATIVES IN DEGUA TEMBIEN WOREDA OF TIGRAY REGION, ETHIOPIA

Berhane Ghebremichael (Assistant Professor)
Department of Cooperative Studies, MU
Tel: +251938788787
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Introduction

- Association in work as well as play is natural to man and that at a very early stage, mutual aid had extended beyond the family group and taken on an organization and fairly permanent form.

- Cooperative is a very basis of human civilization, the interdependence of mutual help among human beings have been the essential of social life.

- History tells us that man can’t successfully live by himself and for himself alone.

- The spirits of association are essential to human progress and sustainable development.
• In the process of economic development, women’s participation is important.

• It would not be out of place to accept the socio-economic standard of women as an indicator of development of the country because women constitute almost half of the population of Ethiopia.

• Women have got a number of useful contributions in the development and advancement of cooperatives.

• Cooperative principles state that Cooperatives are democratic organizations which means they are the place where people exercise their rights without gender discrimination.
Objectives:

1. To investigate the level of participation of women in SACCO.

2. To analyze the economic gains derived by women members after joining the SACCO.

3. To identify the factors that affect the participation of the women in SACCO.

4. To suggest possible recommendations to enhance their participation.
Methodology

- Data were gathered from primary and secondary sources.

- A combination of qualitative data from FGD (a total of 25 i.e. 16 from the four SACCOs and 9 experts from woreda coop office) and quantitative data from 110 respondents were elicited.

- Structured interview schedule were used to identify the economic role, decision making practice and factors affecting participation of respondents in the selected cooperative societies.
## Sample Size

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Coop</th>
<th>Total Member</th>
<th>Male</th>
<th>Female</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tembien-Terie</td>
<td>158</td>
<td>102</td>
<td>56</td>
<td>41</td>
</tr>
<tr>
<td>2</td>
<td>Megesta</td>
<td>101</td>
<td>76</td>
<td>25</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>Endamariam-Korar</td>
<td>146</td>
<td>98</td>
<td>48</td>
<td>35</td>
</tr>
<tr>
<td>4</td>
<td>Weini</td>
<td>22</td>
<td>--</td>
<td>22</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>427</strong></td>
<td><strong>151</strong></td>
<td><strong>110</strong></td>
<td></td>
</tr>
</tbody>
</table>

$$n = \frac{N}{1 + Ne^2}$$

Where:

- **N** = Total population of the selected coop society
- **n** = Sample size
- **e** = error or confidence interval (i.e. 5%)
Data Analysis

- The study used descriptive statistical measures such as mean, standard deviation, frequency, and percentages.

- The information is presented in graph, charts, tables, percentages and other methods on the basis of their applicability.
Binary Logistic Model

- For a dichotomous outcome variables:
- The general participation model used to examine the women participation level:
  \[ P_i = F(Z_i) \]
  \[ Z_i = \beta_0 + \sum_j \beta_j X_{ji} \]
  \[ \log(P/1-P) = Z_i = \alpha + \beta_i X_i + \ldots + \beta_i X_n \]

Where: 
- \( P_i \) = the probability that an individual member will actively participate, the binary variable \( P_i=1 \) for active participation and \( P_i=0 \) for inactive participation
- \( Z_i \) = Estimated variable for the \( i^{th} \) observation
- \( F \) = the functional relationship between \( P_i \) & \( Z_i \)
- \( i = 1, 2, \ldots, n \) are observations on variables for the participation model, \( n \) being the sample size = 110
$X_{ji}$ = the $j^{th}$ explanatory variable, $j = 1, 2, \ldots, n$

$\beta_j$ = a parameter, $j = 0, 1, \ldots, n$ where $n$ is the total number of explanatory variables

- The logit model assumes the underlying index; $Z_i$ is a random variable that predicts the probability of the members to participate actively.

$P_i = 1$

$1 + e^{-Z}$ the probability that a woman member will actively participate

$1 - P_i = 1$

$1 + e^{Z_i}$ the probability that a woman member participate inactively
Result and Discussion

Demographic Characteristics of the Respondents

Age Distribution of the Respondents

- 18-30: 39.10%
- 31-40: 44.50%
- 41-50: 10.90%
- Above 50: 5.50%
Educational Status of the Respondents

- Illiterate: 40.00%
- 1 to 4: 11.80%
- 5 to 8: 18.20%
- 9 to 10: 18.20%
- Above 10: 11.80%
Family Size of the Respondents

- 1 to 3: 10.00%
- 4 to 6: 30.91%
- Above 6: 59.09%
Marital Status of the Respondents

- Single: 8.18%
- Married: 50.00%
- Divorced: 29.09%
- Widow: 12.73%
Main Occupation of the Respondents

- Farmer: 67.27%
- Business: 29.09%
- Other: 3.63%
Membership Duration of the Respondents

- **1 to 3**: 49.10%
- **4 to 6**: 35.50%
- **Above 6**: 15.50%
Attending in General Assembly Meeting

- Low: 34.00%
- Moderate: 44.30%
- Very High: 21.70%
Attending in Management Committee

Low: 55.70%
Moderate: 37.70%
Very High: 6.60%
Attending in Credit Committee

- Low: 50.00%
- Moderate: 37.70%
- Very High: 12.30%
Participation of women in Decision Making

- The power of decision making:
  - (i.e. decision on loan taking & utilization,
  - Decision on children education,
  - on land use,
  - buying HH asset,
  - Purchasing agricultural inputs,
  - HH expenditure,
  - usage of earning,
  - on social and religious ceremony) of women on average were slightly increased after they joined RUSACCO from 10% to 15.7%.
Participation of women in Training

- The result revealed that 42.7% of the members of the RUSACCO have got different types of trainings before joining while 57.3% were not. But after joining RUSACCO's 62.8% have got training and still 38.2% were not.

- Moreover, the trainings before joining RUSACCO were focused on general capacity building like awareness creation in any development but after joining, focused on saving and credit and all trainings were given once and less than a month.
Participation of women in Leadership

Participation of the Respondents in SACCO

- Member only: 78.10%
- Member of Management Committee: 6.40%
- Sub Committee Member: 15.50%
Participation of women in Credit/Loan

- The data gathered during secondary data collection, it indicates that from the total members who received a loan (n=200), only 52 (26%) were women.

- The sampled RUSACCOs were not effective in giving loan to women members.

- During the FGD most of the women participants agreed on the reason why loan taking is low among women members:
  - Almost all women members were focusing on saving
  - Less risk taking of credit
  - Most of the women members only used their own saving by withdrawing it for their business activities.
Reason for Credit

![Bar chart showing reasons for credit.

- To Buy Agricultural Inputs: 24.70%
- To Start Income Generating Activities: 14.80%
- For Consumption: 42.00%
- Other: 18.50%]
Type of Income Generating Activity

- Agriculture: 46.46%
- Small Shop: 22.22%
- Beverage and Food Preparation: 16.16%
- Pastry and Tea: 6.06%
- Other: 6.06%
### Econometric Analysis

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>β</th>
<th>S.E.</th>
<th>Wald</th>
<th>Sig</th>
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</thead>
<tbody>
<tr>
<td>Age</td>
<td>-.210</td>
<td>.365</td>
<td>.331</td>
<td>.565</td>
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<tr>
<td>Education</td>
<td>-.040</td>
<td>.199</td>
<td>.040</td>
<td>.842</td>
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<tr>
<td>Membership</td>
<td>.216</td>
<td>.507</td>
<td>5.763</td>
<td>.016**</td>
</tr>
<tr>
<td>Training</td>
<td>.136</td>
<td>.693</td>
<td>2.237</td>
<td>.035**</td>
</tr>
<tr>
<td>Saving</td>
<td>.786</td>
<td>.594</td>
<td>9.025</td>
<td>.003***</td>
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<tr>
<td>Income</td>
<td>.737</td>
<td>.302</td>
<td>5.952</td>
<td>.015**</td>
</tr>
<tr>
<td>Credit/Loan</td>
<td>-.338</td>
<td>.664</td>
<td>.259</td>
<td>.611</td>
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<tr>
<td>Family Size</td>
<td>.913</td>
<td>.647</td>
<td>1.993</td>
<td>.158</td>
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<tr>
<td>Main occupation</td>
<td>5.164</td>
<td>4.769</td>
<td>1.173</td>
<td>.279</td>
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<tr>
<td>Share</td>
<td>.484</td>
<td>4.705</td>
<td>.011</td>
<td>.918</td>
</tr>
<tr>
<td>Dividend</td>
<td>1.686</td>
<td>1.374</td>
<td>1.507</td>
<td>.220</td>
</tr>
<tr>
<td>Constant</td>
<td>5.302</td>
<td>2.598</td>
<td>4.165</td>
<td>.041</td>
</tr>
</tbody>
</table>

*** Significant at the 0.01 level (2-tailed)
** Significant at the 0.05 level (2-tailed)
Problems faced by the RUSACCOs:

- Lack of timely external audit
- Limited knowledge of financial management
- Lack of exposure and skill of board members to manage RUSACCO
- Inadequate promotional activities by the organizing body
- Less amount of capital

Specific Problems of Women Participation in RUSACCOs:

- Men domination
- Lack of education and training
- Work load to participate in the different committees
- Traditional belief and culture domination
Women in Ethiopia encounter several problems that are multi-faceted. Cooperatives have been considered as means of empowering resource poor women who have no access to formal financial facilities economically.

- They promote the provision of saving, loan, training, and information services to the members.

- Women represent greater than 50% of the total population in the study area. SACCOs have a great potential to become a stronger economic and more influential force if more women are actively involved in cooperative movement.

- In the study, it was clearly observed that the level of women participation in all activities was very low.
Recommendations

- Thorough and continuous awareness creation, training, and education program which are sensitive to women need.

- Cooperatives should review their saving policies periodically for sustainability and benefit of their women members.

- The cooperative should introduce gender related training to their members to minimize the problem of culture influence.

- The federal cooperative agency and regional cooperative bureaus should encourage of establishing more number of women SACCOs to minimize thinking that men dominate in all cases.
The federal cooperative agency and regional cooperative bureaus should encourage in advocating and increasing the saving and thrift culture of the people at large and great emphasis to women.

Continuous and sustainable radio and television programs are also needed to upgrade the know how about SACCO to bring up the participation of women.

Special saving and credit package for women in collaboration to governmental and NGOs.
Cooperatives can make Development Happen!

2015 Day of Co-operatives' theme is

“Equality”

Thank You!

e-mail: berhaneg.michael@gmail.com
Tel: +251938788787