



St. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES

ROLE OF SAVING AND CREDIT COOPERATIVES IN EMPOWERING  
PEOPLE WITH DISABILITIES: THE CASE OF SHASHEMENE AND  
KUYERA

BY  
HANNAN AHMED MOHAMMED

JUNE 2017  
ADDIS ABABA, ETHIOPIA

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## DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Dr. Tilahun Mehari. All sources of materials used for the thesis have been duly acknowledged, the researcher further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Hannan Ahmed

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**St. Mary's University, Addis Ababa**

**June, 2017**

## ENDORSEMENT

This thesis has been submitted to St. Mary's university, school of Graduate Studies for examination with my approval as an advisor.

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Advisor

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**June, 2017**

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## Acronyms

ACDI/VOCA	Agricultural Cooperatives Development Initiative/ Volunteers for Overseas Cooperative Assistance
ACE	Agricultural Cooperatives in Ethiopia
CBOs	Community Based Organizations
DPO	Disabled People’s Organization
ETB	Ethiopian Birr
GLRA	German Leprosy and TB Relief Association
ILO	International Labor Organization
NGOs	Non-government Organizations
PLI	Pastoralist Livelihood Initiative
PWDs	People with Disabilities
SACCOs	Saving and Credit Cooperatives
SOS	Sahel
SS	Shashemene Saving and Credit cooperatives
UCORIRWA	Rice Cooperative Union in Rwanda
UNESCO	United Nations Education, Scientific and Cultural Organization
UNRISD	United Nations Research Institute for Social Development
WHO	World Health Organization
WOCCU	World Council of Credit Union
WS	Weldendau Saving and Credit Cooperatives

## Abstract

### ROLE OF SAVING AND CREDIT COOPERATIVES IN EMPOWERING PEOPLE WITH DISABILITIES: THE CASE OF SHASHEMENE & KUYERA

This research looks to explore the effectiveness of saving and credit cooperatives in improving the social, psychological and economic situation of people with disabilities.

The researcher distributed questionnaires to sample SACCOs members which is applied to gather information from individuals about economic, psychological and social status before and after being a member of saving and credit cooperatives. Focus group discussions is used to collect data from leaders of saving and credit cooperatives to examine the effectiveness of saving and credit cooperatives in empowering people with disabilities.

The researcher found there is a significant improvement on economic, social and psychological status of PWDs after joining the SACCOs. The returned questionnaires and focus group discussions clearly pointed out PWDs empowerment and the improvement areas for SACCOs. The researcher gave some recommendations as to how the SACCOs can advance their current services.

# Chapter One: Introduction

## 1.1 Background of the Study

According to **Klerk (2008)**, approximately 10 % of the world's population lives with some kind of disability.

People with disabilities constitute the world's largest minority (20 percent of the world poorest are people with disabilities). (**WHO, UNESCO, and ILO, 2010**)

An estimated 80 % of people with disabilities live in developing countries. An estimated 15-20% of the world's poorest people are disabled. (**Handicap International, 2006**)

Added to this, the joint World Health Organization (WHO) and World Bank (WB) publication on World Disability Report, indicated more than a billion people (15 % of the world population) are estimated to live with some form of disability – higher than previous WHO estimates, which dates from the 1970s and suggested around 10 % of the world population. (**WHO & WB, 2011**)

This report accounts the growing number to factors such as aging of global population, global increase in chronic health conditions associated with disabilities.

Though global statistics about people with disabilities (PWDs) vary, the frequently quoted figure, in many literatures, is that of the World Health Organization (WHO). Accordingly more than 10 % of the world's population lives with some form of disability. Furthermore, the majority of people with disabilities (PWDs) live in developing countries in poverty. Due to wide spread poverty, people with disabilities often lack access to service; denied their human, social and economic rights. All too often, they experience stigma and discrimination with limited access to health care, education and livelihood opportunities. These factors have contributed to their high levels of vulnerability and exclusion. (**Handicap International, 2006**)

There is no consensus on data of PWDs in Ethiopia. According to the National Housing and Population Census, the number of PWDs is 1.09% of the population. (**CSA, 2007**)

International organization such as WHO and ILO estimated the total population of PWDs in Ethiopia to 10 percent (about 7.3 million) of the total population. (**ILO, 2004**)

The Ethiopian Federation of Persons with Disabilities considered Statistical data on low prevalence PWDs as suspicious and unjustified. EFPWDs argued narrow definition of disability, omission of certain disabled groups, unwillingness by parents to disclose disabled children might have contributed to low prevalence in the surveys. **(EFPWDs, 2012)**

According to **Dutch Coalition on Disability and Development (DCDD) (2017)**, Statistics of the Population and Housing Census in 1994 further show the numbers of disabled persons in different regions in Ethiopia. The Oromia Region appeared to be the area with the highest number of persons with disabilities, 333,653, while Addis Ababa, with the percentage of 2.18%, relatively has the highest prevalence of disabled people. The Census of 2007 also reports the highest number of disabled persons in the Oromia Region. However, the number was estimated on 282,544 persons.

As stated majority of people with disabilities live in developing countries under poverty. Hence microcredit has been recommended to improve people with disabilities livelihood and contribute to their social and economic empowerment. Although microcredit has been considered as a key instrument to fight poverty, PWDs are largely excluded from the mainstream microcredit schemes. Thus, Non-governmental organizations (NGOs) and Disabled people organizations (DPOs) introduced alternative programs of microcredit which is the saving and credit cooperatives. **(Cram and Finkenflugel, 2008)**

Saving and credit cooperatives (SACCOs) are independent cooperative system which enables its members to save money and obtain credit at a reasonable interest rate. They differ from other cooperatives because they are financial cooperative organization with a social background.

Based on **GLRA-Ethiopia. (2015)** report, German Leprosy and TB Relief Association (GLRA) is one of the non –governmental organizations which support community based saving and credit cooperatives in empowering people with disabilities in Ethiopia since 2008. The SACCOs are formally registered and provide microcredit and services for members. In Shashemene and Kuyera there are saving and credit cooperatives which were established by people with disabilities with the support from GLRA. Accordingly these cooperatives aim to empower people with disabilities and to improve their livelihood.

Thus, this research examined the usefulness of saving and credit cooperatives in empowering people with disabilities because there is a doubt regarding their effectiveness.

## 1.2 Statement of the Problem

Ethiopia is one of the least developed countries where poverty is widely spread. Hence, people with disabilities in Ethiopia have been living with poverty and discrimination (PWDs are among the poorest of the poor) .They are excluded from different economic and social programs. PWD exclusion from accessing basic services and opportunities such as health, employment, which the country provides to its citizens, it still aggravating their current situation, making them more voiceless and helpless. (EFPWD, 2012)

Since many people with disabilities live under poverty, poverty reduction is an important intervention activity. Providing access to micro-credit has been recommended as a means to improve socio-economic situation contributing to PWDs empowerment. However people with disabilities are excluded from microcredit organizations due to self-exclusion, exclusion by others, exclusion by staff and exclusion by design Due to this exclusion, several NGOs and DPOs working in the disability sector are being involved in interventions approaches to improve PWDs livelihood through microcredit. (Simanowitz, 2007)

One such approach is promotion of SACCOs of PWDs. The SACCOs are cooperative organizations which are guided by the practices, philosophy and principles of the cooperative movement. The SACCOs in Shashemene and Kuyera were established by PWDs with a capacity building support of an NGO working in community based rehabilitation of PWDs.

There is, however, a doubt regarding effectiveness of saving and credit cooperatives in improving the social, psychological and economic situation of people with disabilities. Scientific evidence about the effectiveness of the different forms of microcredit interventions in improving the livelihood of PWDs and empowering them are insufficient. **Cram and Finkenflugel (2008)**, in their study on microcredit for people with disabilities concluded “**Scientific researches on microcredit for people with disabilities are scarce. A majority of literatures includes bias and assumptions, assertions and generalization for which no evidence is offered, the level of evidence is an expert opinion at best**”.



So this research is an attempt to bridge the gap mentioned above that is to examine whether saving and credit cooperatives have improved PWDs livelihood and led to their empowerment and greater independence in Shashemene and Kuyera.

### 1.3 Objective of the Study

#### 1.3.1 General Objective

The overall objective of this study is to examine whether saving and credit cooperatives improved people with disabilities living condition and leads to their empowerment and greater independence.

#### 1.3.2 Specific objectives

1. To assess the current economic, social and psychological empowerment of people with disabilities (PWDs) in Shashemene and Kuyera.
2. To examine the impact of credit service on the economic empowerment of people with disabilities (PWDs) in Shashemene and Kuyera.
3. To examine the impact of credit service on the psychological empowerment of people with disabilities (PWDs) in Shashemene and Kuyera.
4. To examine the impact of credit service on the social empowerment of people with disabilities (PWDs) in Shashemene and Kuyera.

### 1.4 Hypotheses

1. **H<sub>1</sub>**: There is difference between economic status of PWDs before and after intervention.
2. **H<sub>1</sub>**: There is difference between psychological status of PWDs before and after intervention.
3. **H<sub>1</sub>**: There is difference between social status of PWDs before and after intervention.

### 1.5 Significance of the study

As mentioned in the statement of the problem little has been known about the effectiveness of SACCOs in improving the livelihood of PWDs and empowering them. So this research contributes immensely to fill the knowledge gap in this regard. The results of the study

contribute for rehabilitation workers, social workers, planners and policy makers to make evidence based decisions and other partners/stakeholders.

## **1.6 Delimitation**

The scope of the study is limited to conduct a study on the role of saving and credit cooperatives empowerment of people with disabilities in one NGO that is GLRA which is delimited to assess economic, psychological and social empowerment of people with disabilities.

## Chapter Two: Literature Review

### 2.1 Definition and Concepts

#### 2.1.1 Definition of Cooperative

According to the **International Cooperative Alliance (ICA) (2017)**, Cooperative is defined as “an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through jointly owned and democratically controlled enterprises.”

This definition emphasizes on the following characteristics of a cooperative:

1. The cooperative is autonomous, which means it is independent of government and private firms as much as possible.
2. It is an association of persons which implies that cooperatives are allowed to define “persons” in any legal way they choose.
3. The persons are united “voluntarily”; this means membership in a cooperative should not be enforced.
4. Members of a cooperative “meet their common economic, social and cultural needs” implies members establish cooperatives for their individual and mutual benefit.
5. The cooperative is “a jointly owned and democratically controlled enterprise”; this phrase emphasizes that within cooperatives control is distributed among members on a democratic basis. The dual characteristics of ownership and democratic control are important in distinction cooperative from private controlled or government controlled firms. Every cooperative is also an “enterprise” since it’s an organized entity performing in the market place.

Similarly, the **Business dictionary (2017)**, defines “Cooperative is owned, controlled and operated by a group of users for their own benefit. Each member contributes equity capital and shares in the control of the firm on the basis of one-member, one vote principle (and not in proportion to his or her equity contribution)”

Therefore, cooperative is a legal institution owned and controlled by its members to meet common needs.

Cooperative may be classified based on the activities they engage in.

“Some of the types are: housing cooperatives for ownership of housing; utility cooperatives tasked with the delivery of public utility such as electricity, water or telecommunication services to its members; agricultural cooperatives/Farmer cooperatives where farmers pool their resources for mutual economic benefit; credit unions are cooperative financial institutions that are owned and controlled by their members” (**Wikipedia: Cooperative, 2017**)

### **2.1.2 Definition of Saving and Credit cooperative**

Saving and credit cooperatives (SACCOs) are known by different names in different literatures. They are called credit unions, thrifts and credit cooperatives, credit associations, micro credit and cooperative bank, etc.

Besides their naming, there are different ways of defining saving and credit cooperatives. SACCO is defined as “cooperative which furnish their members with convenient and secure means of saving money and obtaining credit at reasonable rates of interest. They are usually organized with in a group which is already knit together by a bond of common interest” (**Kabuga and Batrinyebwa, 1995**)

According to the **World Council of Credit union (WOCCU) (2017** “A credit union is a cooperative financial institution, owned and controlled by the members who use its services’ Credit union serves groups that share a common bond, such as where they work, live or go to church. Credit unions are also not for profit and exist to provide a safe, convenient place for members to save money and to get loans and other financial services at a reasonable rate”

Therefore from the above definitions one can conclude that SACCOs are independent cooperative system which enables its members to save money and obtain credit at a reasonable interest rate. And it is formed based on their common economic and social interest.

The idea of saving and credit has got great role on the globe as a whole, specifically in developing countries they are considered to play crucial roles in economic and social development through financing local project .

### 2.1.3 Definition of Empowerment of Persons with disabilities

Marginalized people who lack self-sufficiency become, at a minimum, dependent on charities or social welfare. They lose their self-confidence because they cannot be fully self-supporting. The opportunities denied to them deprived them of the pride of accomplishment which others, who have those opportunities, can develop for themselves. This in turn led to psychological, social and even mental health problems. Empowerment of the marginalized groups including the PWDs has been suggested as way out to deal with their disadvantaged positions in the society. Empowerment often addresses issues of social discrimination of certain groups excluded from decision-making processes for example- group discrimination on the grounds of disability, race, ethnicity, religion or gender. **(Wikipedia, empowerment, 2017)**

The word empowerment has different contexts, but simple descriptions of it include: having a say and being listened to, self-power, own decision-making, having control or gaining further control, being free, independence, being capable of fighting for one's rights, and being recognized and respected as equal citizens and human beings with a contribution to make. **(World Bank, 2002)**

Empowerment is therefore a process of obtaining those opportunities for the marginalized people. It also includes encouraging and developing skills of the marginalized group.

Following this, empowerment in the context of disabled group would mean PWDs and their families make intervention decision and control over the resources. It means PWDs assume headship part in the programs. The empowerment of women is central to any program for the disabled. Empowerment entails capability building i.e. developing and using the skills necessary to act with authority and responsibility; independent of the initiating agencies. The capacity building should include understanding the cause and effects of poverty, and the programs intervention that makes contribution to poverty alleviation. **(WHO, UNESCO, and ILO, 2010)**

PWDs empowerment encompasses many spheres of their lives. According to the joint position of UN organs (WHO, UNESCO, and ILO, 2010), empowerment as a process includes many aspects i.e. enhancing PWDs access to resources of economic and social. Furthermore, knowledge/attitude/skills; economic and socio cultural indicators were used for self-help groups

and CBOs engaged in monitoring self-effectiveness of saving and credit schemes of vulnerable groups including PWDs. Those indicators were identified and used as empowerment yardsticks for monitoring Self-effectiveness in the groups. Another study made on women self-help groups in India (similar disadvantaged groups with the PWDs) reported women empowerment benefit in the areas of economic, psychological and social categories. **(Sambangi, 2012)**

The studies which were highlighted above, one way the other, share features with the empowerment of the PWDs using the SACCOs. Thus, taking into account empowerment goals and the SACCO ideals; and also common features of the above studies; economic, social and self-esteem empowerment benefits were selected as indicators for this study at individual PWDs level.

At individual members level the study therefore had focused in economic and social benefits and self-esteem obtained due to membership and participation in the SACCOs.

## **2.2 Historical Background**

### **2.2.1 Cooperatives in General**

According to the International Cooperative Alliance, the concept of cooperation and mutual insurance existed in the early periods.

In modern form, cooperative date from 1844 when a group of 28 impoverished weavers of Rochdale, England founded a mutual aid society, called the Rochdale society of equitable pioneers. **(Encarta: Peter Abell, 2005)**

They organized a grocery store at their initial stage which rapidly prospered. They developed principles named Rochdale society principles, which was used to run their cooperative. It was the basis for development and growth of modern cooperative movement. Their basic principles, which are still used, are:

- a. Open membership without restriction based on race, sex, religion and politics or other affiliation.
- b. Democratic control with one vote per member, regardless of the amount invested.
- c. Limited return on share capital and

- d. Saving from the business to be distributed periodically on the basis of members' investment.

Within a decade, the Rochdale society had thousand members, and similar cooperative were emerging all over Great Britain. In 1863 the retail associations in England formed the cooperative wholesale society. Smaller societies such as Scottish cooperative wholesale society and the south suburban cooperative society merged with cooperative wholesale society.

Cooperative communities are now widespread with one of the largest and most successful examples being the Mondragon cooperative corporation in the Basque country of Spain. **(Wikipedia: History of cooperative movement, 2017)**

Cooperatives were also successful in many European countries, some Latin American countries and USA. The tradition of cooperatives flourished in most European countries in the nineteenth century and it spread to the rest part of the world in the twentieth century.

### **2.2.2 Saving and credit cooperatives**

Credit unions or saving and credit cooperatives originated in mid-19<sup>th</sup> century in German through the efforts of pioneers Franz Herman Schulze-Delitzsch and Fredrich Wilhelm Raiffeisen. These pioneers derived the idea of cooperative from Rochdale consumer cooperative society. **(Wikipedia: Cooperative, 2017)**

Raiffeisen dedicated his time to promote in organizing rural credit unions while the country was in economic crisis and famine as a result of crop failure. His goal was to help the poor in an attempt to alleviate their financial problem. Schulze-Delitzsch conversely focused on developing credit unions and expanding credits to wage earners of low income groups in urban center.

Subsequently this idea started to expand to different parts of the world; by 1886 in Italy, by 1888 in Austria, by 1892 in France, by 1899 in Canada and by 1909 in USA and in the succeeding years it spread to Latin America and Asian countries.

## 2.3 Traditional Cooperatives in Ethiopia

In Ethiopia there are three well known traditional cooperatives which existed centuries ago in the form of “Edir”, “Equb”, and “Debo”. “Edir” is still functioning almost in all parts of Ethiopia. It mainly deals with performing burial ceremonies and offering support either financially or in kind for the family members. “Edir” may not only serve in case of death but also in case of accidents, damage of properties and so on.

“Edir” serve as funeral insurance where community members elect their leaders, contribute resource either in kind or in cash and support the mourning member. **(Bezabeh, 2009)**

The main objective for the establishment of “Edir” is to help family members in case of death.

“Equb” is rotating saving and credit association whose members make regular contribution. It deals with mobilizing resources and distributing it to members on rotating manner.”Equb” is somewhat similar to modern SACCOs. Therefore, there is chance that this traditional form of cooperative could be changed into modern cooperative societies with some adjustments on their operation and maximizing them to have legal basis. **(Veerakumaran:2007)**

“Debo” is a system of farmers’ collaboration during the time of farming, weeding and harvesting, trashing and house construction. All farmers help each other on turn basis. It is based on equivalent labor or material contribution by each farmer. **(Veerakumaran:2007)**

Some special features of traditional cooperatives in relation to modern cooperatives are: established on the felt needs of members and voluntary membership; democratic control and administration; fair and equal compensation; equal contribution; equal participation of each member; serve their members; cultural development and other development; political neutrality; equal opportunity to all members; they can be organized at working place, living area base. **(Veerakumaran:2007)**

Therefore, traditional form of cooperatives can be the bases for modern cooperatives. And they can contribute to the economy and social development.



## 2.4 Status of SACCOs in Ethiopia

### 2.4.1 History of Establishment

Modern form of cooperatives started in Ethiopia during the ruling era of Emperor Haile Selassie I. "Farm workers cooperative Decree" was the first legislative declared as Decree No.44/1960. Since the introduction of the cooperative decrees, Ethiopia has enacted four new proclamations and an amendment act: Decree No.44/1960, proclamation No.241/1966, proclamation No.138/1978, proclamation No.85/1995, proclamation No. 147/1998 and an amendment act No.402/2004.

Cooperatives were few in number and were less recognized during Emperor Haile Selassie's regime. They were mainly engaged in production of industrial crops.

According to **Bezabeh (2009)**, The Derg (1974-91) and the current government of Ethiopia relatively gave recognition to the cooperatives in Ethiopia. The Derg regime considered cooperatives as a mass movement that could ensure equitable mobilization and distribution of resources. But they were used for planning and implementation of socialist policies.

With the downfall of the Derg regime, most rural based cooperatives were eliminated by members and their resources were robbed and misused.

The current regime gave no attention to cooperatives during the transition period between 1991 and 1993. Afterwards the government has acted as a driving force for cooperative development. Cooperatives were recognized as an important instrument for socio economic improvement of the community. Hence activities like enacting legislation, developing cooperative policy and maintaining law and order were applied.

### 2.4.2 Classification of Cooperatives

Cooperatives in Ethiopia are classified on the basis of activities in which they engage. The cooperatives could engage in a single activity, such as production and marketing; or could be involved in multiple activities. Accordingly, there are producers' cooperative, marketing cooperatives, SACCOs, consumer cooperatives, handcrafts cooperatives, mining cooperatives, housing cooperatives, construction cooperatives, among others. Another categorization is on the

basis of levels and solidarity structure they form. In this connection, there are four tiers of cooperatives: primary cooperatives, cooperative unions, cooperative federation and cooperative confederation. (Bezabeh, 2009)

## 2.5 SACCOs Principles

SACCOs operating principles are compatible with the basic cooperative principles that guide all other cooperative societies. There are seven important operating principles of SACCOs, which are:

1. **Open and Voluntary membership**-membership in SACCOs should be voluntary and available to all without restrictions. SACCOs are non-discriminatory in relation to race, religion, gender, social factors and politics;
2. **Democratic control**-members of the SACCO enjoy equal right to vote, that is one member has one vote and participate in decisions regarding the SACCO. Saving and credit cooperatives are within the framework of law and regulation, autonomous and independent cooperative enterprise serving and controlled by members;
3. **Member Economic participation**-SACCOs services are directed to improve the economic and social wellbeing of all members. A fair rate of interest is paid on savings and deposits to encourage SACCOs through savings and thus to provide loans and other services.

The surplus arising out of the operation of the cooperative after payment of limited dividends on permanent equity capital belongs to and benefits all members with no member or group of members benefiting at the expense of others. The distribution of this surplus to members can be in proportion to their transaction with the SACCO or it may be directed to provide additional services required by the members;

4. **Building Financial stability**-the major concern of SACCO is to build the financial strength, including adequate reserves and internal controls that will ensure continued services to membership;
5. **Cooperation among cooperatives**- all SACCOs, in order to serve the interest of their members and their communities' best should actively cooperate with other SACCOs, cooperatives and their associations at local, national and international level;

6. **Social responsibility**-SACCOs notion is to extend service to all who needs and can use it. Every person is either a member or a potential member and appropriately part of the SACCOs sphere of interest and concern. Hence decisions should be taken with full regard for the interest of the broader community within which the SACCO and its members reside;
7. **Education training and information**-cooperatives provide education and training for their members, employees and elected representatives. They inform the general public about the principles and techniques of cooperative. Hence these fundamental principles continue to be the guide line of SACCOs.

## 2.6 Role of cooperatives in economic and social development in Ethiopia

Cooperatives play essential role in economic and social development.

According to the **EATA (2012)**, The Federal cooperative agency found that approximately 39% of the total Ethiopian population directly benefits from the operations and services of the cooperatives. As of May 2011 there are 32,247 primary cooperatives, 245 cooperative unions and 3 federations in Ethiopia. As of January 2010, their membership included 5.7 million people.

The participation of cooperatives in agro-processing, marketing and finance (saving, credit and banking) is increasing. The social role of cooperatives is seen to be promoted through voicing of common goals, enhanced participation in value chains, and protection of producers from their unfair pricing. Cooperatives also create opportunity for networking and working in partnership with other agencies. (**Bezabeh, 2009**)

In the last two decades more attention was given to the cooperative sector particularly in the areas of rural poverty. The government of Ethiopia along with its development partners has promoted agriculture based cooperatives to improve agricultural productivity and rural poverty. (**EATA, 2012**)

## 2.7 Role of NGOs in the cooperative sector

Since governments' financial and administrative capacity is limited, the participation of NGOs in cooperative development in Ethiopia is important. NGOs provide support by arranging experience sharing among cooperatives and capacity building activities through short term training.

NGOs have been involved in the implementation of integrated rural development projects in line with the government priority. They generally work with district cooperative promotion offices to facilitate the establishment of primary cooperatives and cooperative unions. They provide a wide range of supports to cooperatives including material support, advocacy on fair trade, cooperative restructuring and/or establishing new cooperatives, technical support, training and other capacity building supports. **(Bezabeh, 2009)**

NGOs are mostly interested in rural and agricultural based cooperatives promotion. Some of the NGOs working in the cooperative sector are Self Help Development International, ACDI/VOCA and SOS/Sahel. Self Help Development International implemented various rural development programs in food insecure and drought prone areas. ACDI/VOCA provides support to cooperatives under the program known as 'Agricultural Cooperatives Ethiopia' (ACE). It also supported 'Pastoralist Livelihood Initiative' (PLI) which supports livestock based cooperatives. SOS/Sahel was active in promoting honey marketing cooperatives. **(Bezabeh, 2009)**

## 2.8 SACCOS in Ethiopia context

Saving and credit cooperative (SACCO) is a form of cooperative society which is synonymously known as the credit union. SACCOS are defined as cooperatives which furnish their members with convenient and secure means of saving money and obtaining credit at reasonable rates of interest. SACCOS are legal institutions registered under the cooperative laws. (Proclamation No. 147/19980

According to **International Cooperative Alliance (ICA) (2017)**, saving and credit cooperative (SACCO) is a democratic, unique member driven, self-help, and financial cooperative. It is owned and governed by members who have the same common bond. A SACCOS membership is open to all that belong to a group, regardless of race, religion, color, creed, and gender or job

status. These members agree to save their money together in the SACCO and to make loans to one another at reasonable rates of interest.

### **2.8.1 GLRA Supported SACCOs in Shashemene and Kuyera**

German Leprosy and TB Relief Association (GLRA) is an International NGO working in Ethiopia. Besides the support of the control of leprosy and TB, it has been helping prevention of disability and community based rehabilitation of people affected by leprosy and other disabled.

In the Community Based Rehabilitation, GLRA focused on reducing stigma, increasing economic independence and integration of persons affected by leprosy and other disabled into mainstream social life. It promoted the formation and capacity building support to SACCOs of PWDs.

Since 2008; the GLRA was active in promoting SACCOs of PWDs in major regions of the country where problems of PWDs are significant. Till the end of 2012, with the GLRA technical and financial support 83 SACCOs with over 498 members were established in Oromiya, Amhara, SNNP, Tigray, Harari, Dire Dawa and Addis Ababa regions. **(GLRA, 2015)**

Consequently this study has focused on SACCOs promoted in Shashemene and Kuyera. The SACCOs were established since 2012 with current total members of 253.

## **Chapter Three: Research Design and Methodology**

### **3.1 Introduction**

This section presents research methodology, data collection techniques, data analysis techniques and criteria for interpretation of results.

### **3.2 Research Design**

Descriptive methodology was appropriate in the context of this research as data collection was readily done due to easy access to SACCO's records and members.. In order to attain the specified objectives, the multiple case study approach is applied since it produces very detail information and in-depth analysis on economic, psychological and social gains of PWDs in Shashemene and Kuyera.

### **3.3 Research Approach**

The Mixed approach is applied in which both quantitative and qualitative methods like questionnaires and focus group discussions were applied to gather information from primary sources. This approach is appropriate to answer the questions raised in this research, that is if people with disabilities economic, social and psychological status had improved after they joined the saving and credit cooperatives which requires both quantitative and qualitative sources of data collection and analysis. The Mixed approach helps triangulate evidence using data from both quantitative and qualitative approaches and to minimize the weaknesses of relying on either approach.

### **3.4 Population or Universe of the study**

The universe is defined as the entire area or population to be covered by a particular study. The study covers members of SACCOs of PWDs established with the support of German Leprosy and TB Relief Association in Shashemene and Kuyera. The SACCOs are composed of two hundred fifty three members.

The population of this study is members of SACCOs of PWDs established with the support of German Leprosy and TB Relief Association in Shashemene and Kuyera. The SACCOs are composed of two hundred fifty three members.

### **3.5 Sampling and Sample Selection**

The universe of this study was two SACCOs with two hundred fifty three members. For the in-depth analysis one hundred fifty three members formed the sample of the study. Respondents were drawn proportionately from each SACCOs.

A Sample size of one hundred fifty three respondents was considered representative based on 95% confidence level and 5% margin of error calculation. Since the population under study is homogenous in terms of similar economic, cultural, social backgrounds the simple random sampling technique is used.

### **3.6 Data Collection Techniques**

Data was gathered from both primary and secondary sources. Primary sources were selected because it helps to explore the topic in depth. It includes saving and credit cooperatives and their members.

Secondary sources were also selected because it helps to determine the Saving and credit cooperatives capacity and services. It includes the SACCOs bylaws, reports and documents such as text books, journals, website and etc. The questionnaire schedule contains close-ended and open ended questions.

### 3.6.1 Questionnaire

Questionnaire was utilized as a tool of data collection from sample respondents for most of the respondents were literate. The questionnaire helped the study to find out what the respondents do think or feel. Respondents were asked open and close ended questions prepared in order to find out what they do feel or think about their economic, psychological and social status before and after joining the SACCOs.

In addition to the empowerment gains; background information, extent of SACCOs service utilization and respondents opinion on their level of satisfaction and suggestion for improvement with reference to SACCO service were collected by the questionnaire schedule.

### 3.6.2 Focus group discussion

The institutional capacity built and services delivered to members were largely collected from the secondary data of the SACCOs. The usefulness of such services in the individual and collective empowerment of PWDs was collected from the leaders who were at the forefront of the service delivery. Focus group discussions helped the researcher to gather data relating to feeling and opinions of the group of respondents that is executive board of the SACCOs. The group interaction was helpful to generate data and insights that would be unlikely to emerge otherwise.

## 3.7 Data Analysis Technique

Both qualitative and quantitative data were collected, transcribed and grouped. Data entry formats were prepared and data were entered into excel sheet and SPSS software. This software was used in order to simplify data analysis and to have accurate data.

Paired samples t-Test and relevant statistical techniques were used to analyze data. The paired t-test is used because it calculates the difference within each before-and-after pair of measurements, determines the mean of these changes, and reports whether this mean of the differences is statistically significant. **(Sharma, 2005)**



## Chapter Four: Data Analysis and Interpretation

### 4.1. General Background

This chapter focuses on the analysis discussion of results in the study. The first part describes the profile of SACCOs with respect to age, members' size and composition and their institutional growth in finance, physical and technical resources and capacities. To understand and describe the profile of the two SACCOs; data was collected from SACCO records by using a data collection instrument (Appendix 1). The results shall be presented mostly with tables.

The second part presents the socio-economic profile of the respondents. A Sample size of one hundred fifty three respondents was considered representative based on 95% confidence level and 5% margin of error calculation and since the population under study is homogenous in terms of similar economic, cultural, social backgrounds the simple random sampling technique is used to inform this study.

The socio-economic data of each respondent was gathered through a questionnaire (Appendix 2). Consequently an attempt has been made to explain respondents' composition in age, sex, marital backgrounds, occupation and social and disability status. The collected data has been tabulated, analyzed and presented in the form of tables.

In the last section services provided and utilized are described visa-viz the collective empowerment end. The purpose is to assess the SACCOs role in the empowerment of PWDs. In addition, analysis and description of PWDs status before and after joining the SACCOs shall be made using economic, psychological and social empowerment indicators. The data for the analysis and interpretation of services delivered was collected from the SACCOs records by using a data collection instrument (Appendix 1). Data on service utilization and personal gains were collected from sample respondents through a questionnaire (Appendix 2). The collect data had been tabulated, analyzed and interpreted by SPSS software.

GLRA has organized and supported two SACCOs of PWDs in Shashemene and Kuyera. The SACCOs were established since 2012 with membership ranging from thirty seven to hundred fifty five.

The basic reason for the establishment of these associations was to increase PWDs economic independence, reducing PWDs related stigma and integration of PWDs and their families into main stream societal life. The major objectives of the association are to develop saving culture among PWDs and their families and to provide small loans to members that help to take advantage of business opportunities. Thus this study will identify if the SACCOs have empowered PWDs.

#### 4.1.1. Age and Membership size of SACCOs

**Table 4.1 SACCOs age and membership size**

S.N	SACCOs	Shashemene SACCO	Weldendau SACCO	Total
1	Age since formed(yr)	4	4	
2	Membership capacity			
	<b>Founding members</b>	37	155	192
	<b>Existing members</b>	75	178	253
	<b>Membership growth rate</b>	38(103%)	23(15%)	61(32%)

Source: Compiled from SACCOs records (Shashemene and Weldendau). From the end of 2012-2016

**Table 3.1** reveals that both SACCOs are four years aged. It also shows members' size at present is different from the size of the founding members. Both of them have added new members though in varying degree. The SACCOs were formed with 192 members. The average size of members at the time of formation was 96 while the current members' size of the SACCOs is 253

and the average being 127. Overall, there was an average increase of membership by 32%. In particular, Weldendau SACCO members' growth rate is 15% while Shashemene SACCO has shown an increase of members by 103% which significantly contributed to the landslide increase of 32%. Membership increase is key to SACCOs success. More members mean more capital mobilization in saving and share purchase. The capital mobilized serve as loan money. Besides members with different background bring in diverse skills and knowledge that help the SACCOs progression to the goals. Increase in membership is also found consistent with the principle open membership of the cooperative.

#### 4.1.2. Composition of SACCOs: PWDs, Non PWDs, Sex

**Table 4.2: SACCOs members' composition**

Membership Status	Sex	Shashemene SACCO	Weldendau SACCO	Total	Proportion (%)
PWDs	Male	13	48	51	36%
	Female	18	71	89	64%
	<b>Total</b>	<b>21</b>	<b>119</b>	<b>140</b>	<b>55%</b>
Non- PWDs	Male	29	47	76	67%
	Female	25	12	37	33%
	<b>Total</b>	<b>54</b>	<b>59</b>	<b>113</b>	<b>45%</b>
Total	Male	32	95	127	50%
	Female	43	83	126	50%
	<b>Total</b>	<b>75</b>	<b>178</b>	<b>253</b>	<b>100%</b>

Source: Compiled from SACCOs records (Shashemene and Weldendau). From the end of 2012-2016

The data in table 3.2 shows 55% of the total members are PWDs, while the remaining 45% are non PWDs (family members of PWDs and other disadvantaged people in the community).Furthermore, the male to female ratio is almost equal. Nearly half of the total

SACCO members are females and the other half are males. But this figure varies in sub-categories. Male accounts for 36% in the PWDs sub-category and 67% in the non-PWDs sub category. On the other hand, female members constitute 64% in PWDs and 33% in non-PWDs sub categories. Hence, the male members are higher in non-PWD category and females in the PWDs category. However the overall sex composition remains equal as the variation in the sub categories off set each other. From this it is concluded that the SACCOs are inclusive of both sexes.

### 4.1.3. SACCOs Capacity built

In order to achieve the goal of empowering members, the SACCOs need to empower themselves. The SACCOs organizational capacity to deliver the needed services has to be created and grow. Thus, description of SACCOs capacity built in financial resources, office physical capacity, technical capacity and democratic governance are described as follows in order to get an insight as to what extent the SACCOs are capable to deliver the services.

#### 4.1.3.1. Financial capacity Built

**Table 4.3: SACCOs growth in financial capacity**

1	Internal capital mobilized	Shashemene SACCO	Weldendau SACCO	Total
	Registration fee(Br)	1,150	2,100	3,250
	Saving mobilized	54,965	113,540	168,505
	Share sold	0	11,560	11,560
	<b>Total internal capital</b>	<b>56,115</b>	<b>127,200</b>	<b>183,315</b>
2	External(donation) fund	36,000	71,400	107,400
	<b>Total(internal &amp; external)</b>	<b>92,115</b>	<b>198,600</b>	<b>290,715</b>
3	Ratio of internal to the total	61%	64%	63%

Source: Compiled from SACCOs records (Shashemene and Weldendau) .From the end of 2012-2016

SACCOs are mainly expected to finance their activities from finance within. To meet those requirements SACCOs are to mobilize funds and build their financial capacities. Consequently the SACCOs have mobilized a total of 183,315 Birr from internal sources through collection of registration fee, members' savings and shares sale. They have also been able to raise 107,400 Birr from external sources (donation) from NGO. The donations from the NGO were made to build office, seed money for loan capital, financial documents purchase and the like-gaps found in the SACCOs initially in their capacities. From this it can be concluded that the SACCOs are financially capable to finance their activities which shows their independence.

The internal funds mobilized through registration fee, saving and share sold has reached 63% of the capital mobilized. As indicated in table 3.3, Shashemene SACCO has mobilized 61% of its financial resource from within, while Weldendau SACCO has managed 64%. Proportion of funds mobilized internally suggests the strength of the SACCOs to finance activities internally. Financial capacity built by the SACCOs is therefore an indicator of their level of independence and members' ownership of their institutions according to the cooperative principles. Hence forth, the SACCOs are increasingly becoming financially independent. Besides, the external supports were given in the areas of the gaps of the SACCOs and are therefore enablers to enhance their empowerment.

#### 4.1.3.2. Office physical capacity Building

The external gap filing of the NGO helped the SACCOs in building their physical capacities. The physical capacities are necessary to deliver effective and efficient services. Office capacities are enablers for effective services. SACCOs need to empower themselves to empower members. Hence, both SACCOs have built their own offices. The financial support has also enabled them to fulfill office furniture and equipment. Furthermore, all the SACCOs were able to fulfill documents and vouchers necessary to run the SACCOs activities.

#### 4.1.3.3. Technical Capacity Built

The SACCOs have been supported in enhancing their technical capacity to run their institutions. The members and leaders were given trainings to equip them with the requisite knowledge and skills. All members were trained in the basics of the SACCOs.

Leaders have also been trained in the areas of leadership and management of SACCOs. Furthermore, the promoting NGO facilitated annual workshop in which leaders of many SACCOs come together to learn from each other and share experience. Consequently, the functions and tasks of the SACCOs are being undertaken by the leaders-no employed staff to run the SACCOs day to day activities.

#### 4.1.3.4. Democratic Governance

The SACCOs belong to members and not to the elected officials. Members control their SACCOs in a democratic manner. In the bylaws of the SACCOs there are rules and regulations encouraging members control over their institutions. Some of the democratic governance indicators set out are holding executive committee and general assembly meetings, holding elections and auditing the book of accounts as per the term of the SACCOs constitutions. Accordingly, the records of the SACCOs show executive committee and general assembly meeting was conducted regularly with their respective bylaws. Both SACCOs have audited their book of accounts. They have managed to hold election in compliance with the bylaws fully.

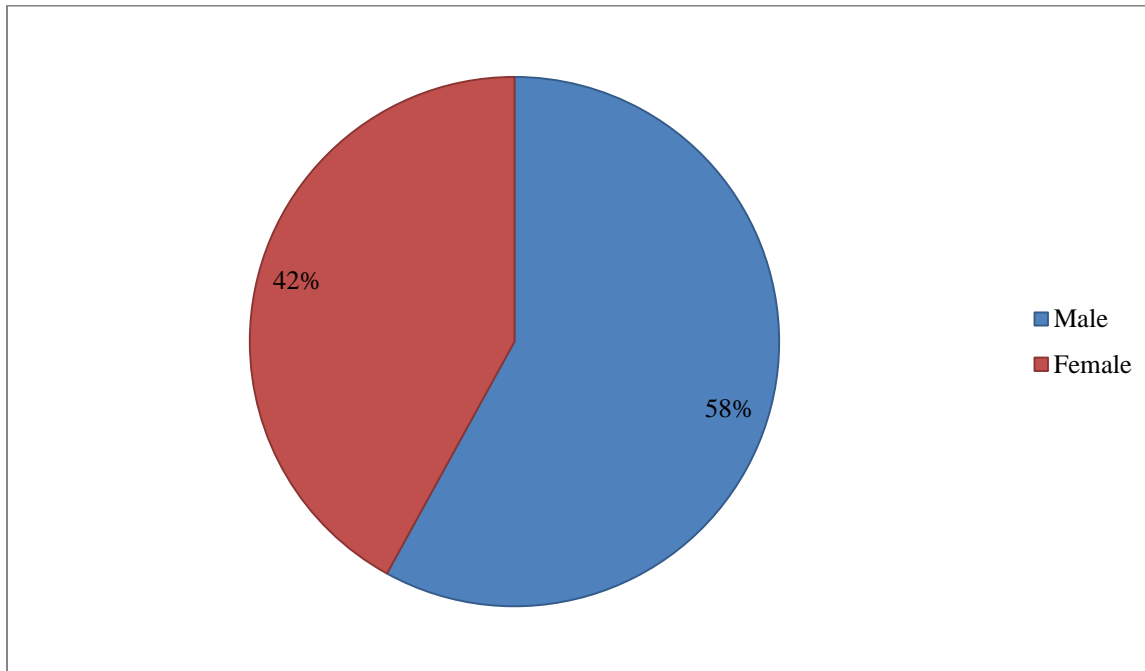
### 4.2. Social and Economic Profile of Sample Respondent

This section describes the socio-economic profile of respondents drawn from the SACCOs. Accordingly 153 respondents were selected using simple random sampling method. The socio-economic data of each respondent before and after joining the SACCOs was gathered through a questionnaire (Appendix 2). The collected data has been tabulated, analyzed and presented in the form of tables and figures. Hereafter explanation of respondents' profile are presented corresponding to their composition in sex, age, marital background, occupation and income levels; social and disability status.

### 4.2.1. Sex Composition of the Respondents

Out of the total 153 sampled respondents, about 58% are males while the remaining 42% are females. The data on sex distribution indicates the male members exceed their female counterparts. This implies the inclusiveness of the SACCOs of both sexes.

**Fig 4.1: Sex Composition of the Respondents**



**Source: Questionnaire results, 2017**

### 4.2.2. Age Distribution of the Respondents

All selected sample respondents were above 18, of which 71% are in the active working age group the young, early and late adulthood. The young age group constituted 12%, young adults 24%, late adult 36% of total sampled respondents and 29% of the respondents are above 60 years. The mean age of sample respondents is 50 years.

**Table 4.4: Age distribution of sample respondents**

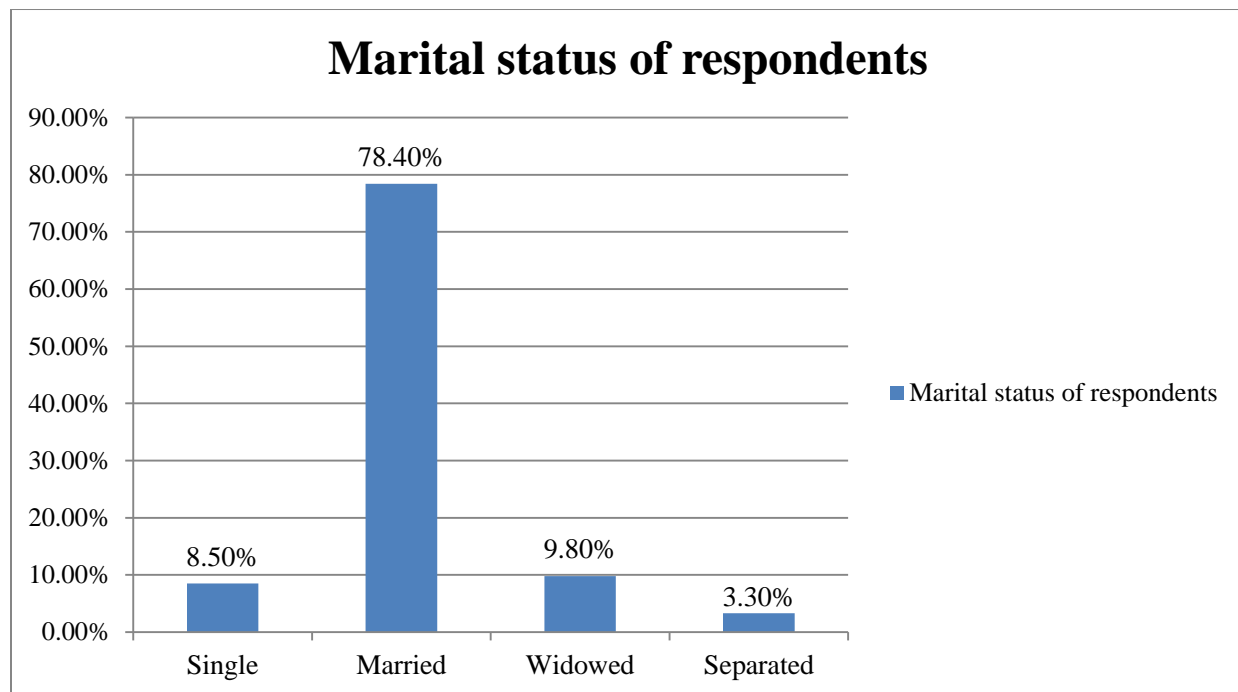
No	Age	Total	Percentage
1	18-30 years	18	11.8
2	31-40 years	36	23.6
3	41-60 years	55	36
4	60-80 years	44	28.6
	<b>Total</b>	153	100

Source: Questionnaire results, 2017

### 4.2.3. Marital Status of the Respondents

Considering the marital status of the sample respondents 9% are single, 78% are married, 10% are widowed and 3% are separated.

**Fig 4.2: Marital Status of the Respondents**



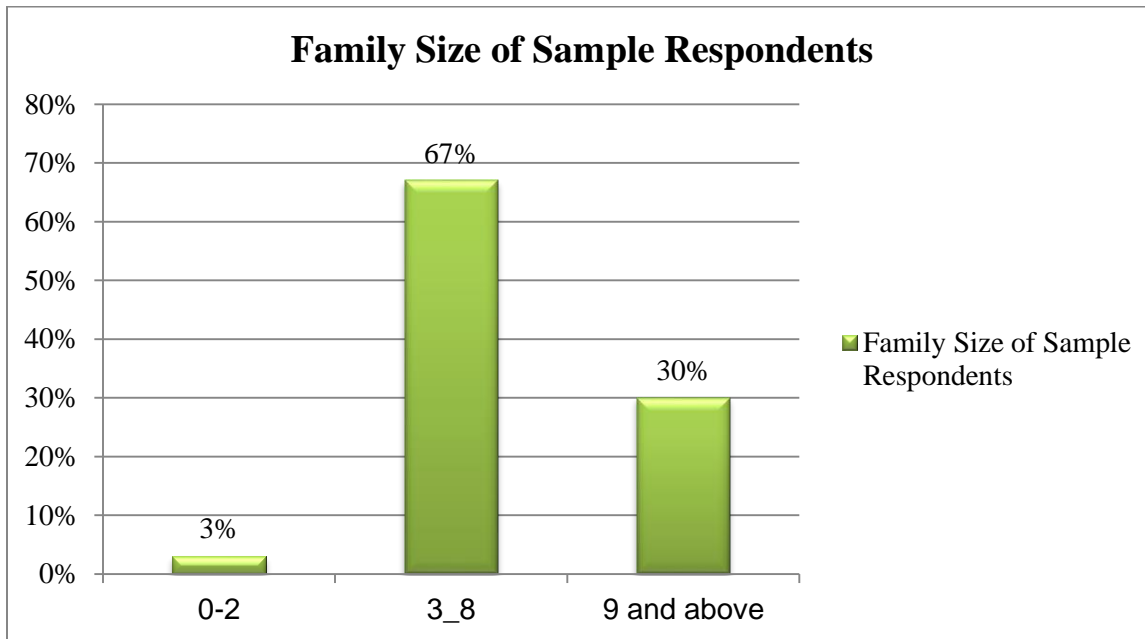
Source: Questionnaire results, 2017



#### 4.2.4. Family Size of the Respondents

The data of the 153 sample SACCO members shows, 67% of the respondents have a family size between three and eight. 30% of the respondents have households comprising of nine and above members. Therefore, it can be deduced majority of the respondents are responsible to fulfill livelihood to other dependents in the family.

**Fig 4.3: Family Size of Sample Respondents**



**Source: Questionnaire results, 2017**

#### 4.2.5. Literacy levels of SACCO Members

Of the total 153 SACCO members 39% are under the category of illiterate and read and write. Most of the respondents in the category of read and write can only put their signatures on registers and hence can be termed as illiterate. The remaining 61% are literate members. Among the literate sub-categories, 35% of the respondents completed their primary education, followed by 22% who reached high school, while the remaining 3% reached the college level.

**Table 4.5: Literacy level of respondents**

Education level	Number of sample members	Percentage
Illiterate	25	16.3
Read and write	36	23.5
Elementary and junior	55	35.3
High school	32	21.6
College	5	3.3
<b>Total</b>	<b>153</b>	<b>100</b>

Source: Questionnaire results, 2017

#### 4.2.6. Occupational Status of the Respondents

Majority of the sample respondents earn their living through animal husbandry. While 22% of the respondents engage in petty trade. 18% of the sample respondents are engaged in selling local drink. 7% of the respondents were employed in different nongovernmental organization as guard, while 6% works in different government organization. The last category (12%) has been earning livelihoods with other activities like farming, barber, tailor, horse cart and renting part of their houses. As shown in table 4.6, majority of the sample respondents are engaged in Animal husbandry which indicates rural nature of the area.

**Table 4.6: Occupational status of respondents**

Occupation	Number of sample members	Percentage
Animal husbandry	42	27.5
Petty trade	34	22.2
Local drink	28	18.3
Guard	11	7.2
Employed in Government organization	9	5.9
Daily laborer	10	6.5
Others	19	12.4
<b>Total</b>	<b>153</b>	<b>100</b>

Source: Questionnaire results, 2017

#### 4.2.7. Respondents Disability status

Of the total 153 sample SACCO members 60% are PWDs and the rest 40% being non-PWDs. The non-PWDs are either family members of PWDs or disadvantaged people in the community willing to join the SACCOs. The data of disability status indicates membership is open which satisfies the cooperatives open membership principle.

**Table 4.7: Disability status of the respondents**

Disability Status	Number of members	Percentage
PWDs	92	60.1
Non-PWDs	61	39.9
<b>Total</b>	<b>153</b>	<b>100</b>

Source: Questionnaire results, 2017

#### 4.2.8. PWDs respondents' disability category

Of the total 92 sample PWD respondents, 90% are people disabled by leprosy, and the rest 10% are other PWDs comprising the blind, physically challenged and persons with multiple disabilities. The data on disability type shows the SACCOs are of varying or cross disability types. This signifies SACCOs inclusiveness comprising people disabled by different causes which give strength and voice for PWDs.

**Table 4.8: PWDs respondents' disability type**

Disability type	Members	Percentage
Leprosy	83	90.2
Blind and other PWDs	9	9.8
<b>Total</b>	<b>92</b>	<b>100</b>

Source: Questionnaire results, 2017

## 4.2.9. Members Empowerment Gains

This section describes the economic, psychological, and social status of PWDs before and after joining the SACCOs. The perception of the SACCOs members regarding if they achieved in economic, psychological and social benefits after joining the SACCOs shall be elaborated. Relevant information has been collected from sample SACCOs members by using a questionnaire (Appendix 2). The perception of SACCOs leaders about economical, psychological and social status of members before and after joining the SACCOs will also be presented in this section. The data was collected through focus group discussions (Appendix 3).

### 4.2.9.1. Economic empowerment

The parameters used to measure the economic empowerment of SACCOs members are monthly income, monthly savings, income generation activities and ownership of properties.

In order to find out if there is a change on the economic status of SACCOs, paired t-test was used. Thus according to the result found on SPSS the outcome of Income and Savings are presented below.

#### ➤ Income

Since the level of significance at  $\alpha=0.025$  and degrees of freedom=152, the calculated value  $t_{cal}$  was found to be 23.21 which is greater than its critical value.

**Table 4.9:** PWDs respondents' evaluation of monthly income status before and after joining the SACCOs

		Paired Differences				t	df	Sig. (2-tailed)	
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower				Upper
Pair 1	After - Before	1246.14379	664.12781	53.69155	1140.06572	1352.22186	23.209	152	.000

Source: Compiled from questionnaire of sample respondents and analyzed by SPSS (2017)

➤ **Saving**

Since the level of significance at  $\alpha=0.025$  and degrees of freedom=152, the calculated value  $t_{cal}$  was found to be 19.39 which is greater than its critical value.

**Table 4.10:** PWDs respondents’ evaluation of monthly saving status before and after joining the SACCOs

**Paired Samples Test**

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	After - Before	173.88889	110.94276	8.96919	156.16851	191.60926	19.387	152	.000

Source: Compiled from questionnaire of sample respondents and analyzed by SPSS (2017)

In addition to this, most of the respondents have engaged in two or more income generation activities such as animal husbandry, selling local drinks and engaging into business. Due to this reason most respondents have got the chance to own properties such as home for living and for rent after joining the SACCOs.

Therefore the null hypothesis “**H<sub>0</sub>**: There is no difference between economic status of PWDs before and after intervention.” is rejected. Hence it is concluded that there is a significant improvement on economic status of PWDs after joining the SACCOs.

**4.2.9.2. Psychological empowerment**

The respondents have described that they had lower self-confidence, self-esteem; understanding about own rights, roles and responsibilities and negative attitude towards life before joining the SACCOs. Although PWDs sample respondents reported having been participated in SACCOs enabled them to acquire huge psychological benefits. The respondents have described that they have improved their self-confidence, self-esteem; understanding about own rights, roles and responsibilities, gaining knowledge, new ideas, and communication skills and positive attitude towards life.

The result is presented as below.

**Table 4.11:** PWDs respondents’ evaluation of psychological status before and after joining the SACCOs

**Paired Samples Test**

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 After - Before	7.93464	3.24579	.26241	7.41620	8.45308	30.238	152	.000

Source: Compiled from questionnaire of sample respondents and analyzed by SPSS (2017)

The level of significance at  $\alpha=0.025$  and degrees of freedom=152, the calculated value  $t_{cal}$  was found to be **30.23** which is greater than its critical value. Thus the null hypothesis “H0: There is no difference between psychological status of PWDs before and after intervention” is rejected. Hence we conclude that there is significant improvement on psychological status of PWDs after joining the SACCOs.

In addition to this, the mean result of the respondents’ self-confidence rate before joining the SACCOs was 2.8 while it had improved to 4.9 after joining the SACCOs. The self-esteem had also improved from 2.8 to 4.8. Respondents’ understanding about own rights, roles and responsibilities have also improved from 2.9 to 4.7.

Generally while comparing the grand mean, the psychological status of respondents had increased from 2.7 before joining the SACCOs to 4.7 after joining the SACCOs which shows that there is a significant level of psychological empowerment

**4.2.9.3. Social Empowerment**

The respondents have described that they had lower acceptance in the family and society, participation in family decision making, sense of responsibility for unity and collective action and contribution for children education & community before joining the SACCOs.

However after joining the SACCOs, the respondents acquired a number of social benefits. Some of those benefits are acceptance in family and community, participation in the family decision making, contribution for children education, contribution to community basic and social welfare services and developing a sense of responsibility for unity and collective action.

The result found is presented as below.

**Table 4.12:** PWDs respondents’ evaluation of social status before and after joining the SACCOs  
**Paired Samples Test**

	Paired Differences					t	Df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 After - Before	8.80392	3.13104	.25313	8.30382	9.30403	34.780	152	.000

Source: Compiled from questionnaire of sample respondents and analyzed by SPSS (2017)

The level of significance at  $\alpha=0.025$  and degrees of freedom=152, the calculated value  $t_{cal}$  was found to be **34.78** which are greater than its critical value thus, the null hypothesis “**H<sub>0</sub>**: There is no difference between social status of PWDs before and after intervention”. is rejected. Hence we conclude that there is a significant improvement on social status of PWDs after joining the SACCOs.

In addition to this, the mean result of the respondents’ acceptance in family rate before joining the SACCOs was 2.7 while it had improved to 4.8 after joining the SACCOs. The participation in the family decision making had improved from 3.4 to 4.7. The degrees of contribution for children education have also improved from 2.5 to 4.4. While the degree of contribution for community basic and social welfare services had improved from 2 to 4.3. And the development of sense of responsibility for unity and collective action had also improved from 3.4 to 4.5.

Generally while comparing the grand mean, the social status of respondents had increased from 2.8 before joining the SACCOs to 4.6 after joining the SACCOs which shows that there is a significant level of social empowerment.

#### **4.2.10. SACCOs Leaders perceptions on members empowerment gains**

All SACCO leaders agree that the cooperatives are relevant to empower its members economically, psychological and social perspective.

Some of the economic benefits members obtained which were mentioned by the SACCO leaders include: engagement in income generation activities, enable them to feed themselves and children, live better life due to better income, supporting education expenses of their children ,construction of houses and renting for income, furnishing houses and so on.

The SACCO leaders have mentioned some of the personal benefits members obtain.

Improvement in self-confidence, knowledge about saving, new knowledge and skills in animal husbandry and other business activities, motivation for work and so on.

The SACCO leaders have highlighted a number of areas in which they thought the social relationship of the members has shown improvement. Some of them are; improved communication that is, improved listening and speaking skills; mixing up with the society; creating good social relationship with neighbors.

### **4.3 SACCOs service rendered and utilized**

In this section service provided and utilized are described in order to assess the role of the SACCOs in empowerment of PWDs. The data for analysis and interpretation of services delivered was collected from SACCOs records by using data Collection instrument from SACCOs secondary sources (Appendix 1). Data on service utilization was collected from sample respondents through a questionnaire (Appendix 2). The collected data is entered into data entry format, tabulated, analyzed and interpreted.

#### **4.3.1 SACCOs Services**

The SACCOs main objective is to benefit the poor by encouraging them to save and provide them with credit in their collective effort to fight poverty and improve the members' economic and social conditions. To this end the SACCOs offer members with savings, shares and loan products. The members are also expected to agree to save their money together in the SACCOs and to make loans to one another at reasonable rates of interest. Let us first examine the services provided by the SACCOs.



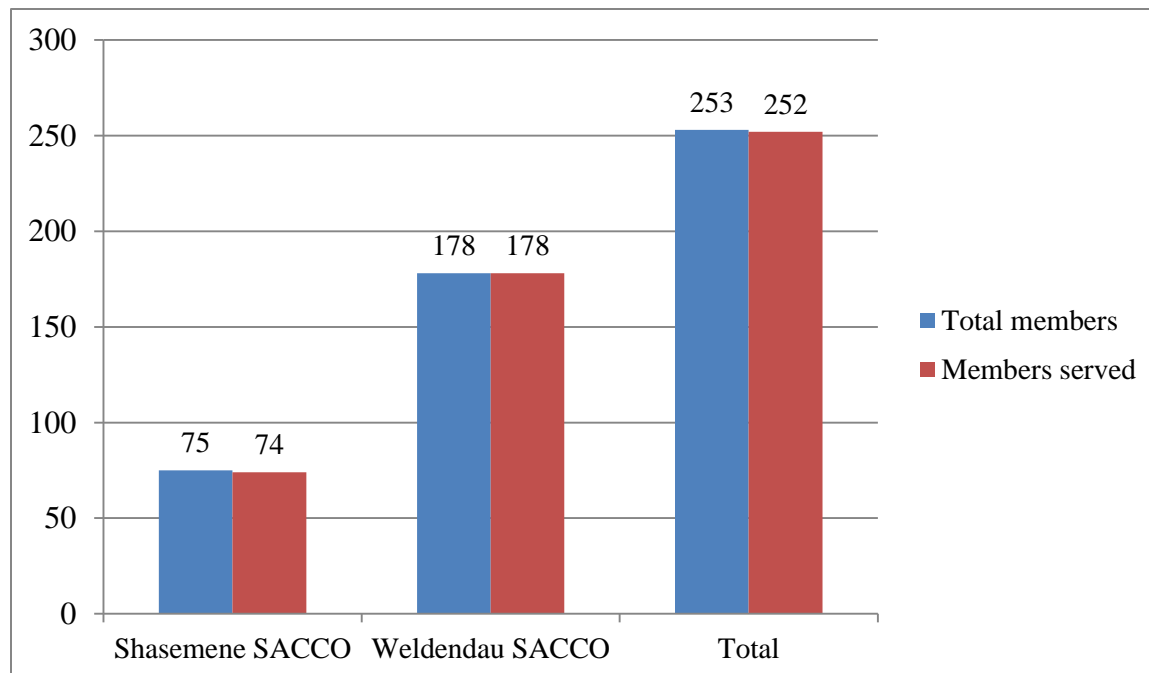
**Table 4.13: Saving and credit services provided**

		Capital mobilized			Loan services			
SACCOs	Members	Reg. fee	Share	Saving	Clients	Amount	Loan recovered	Outstanding balance
SS	75	1,150	0	54,965	74	406,800	309,137	97,663
WS	178	2,100	11,560	113,540	178	583,200	404,531	178,669
<b>Total</b>	<b>253</b>	<b>3,250</b>	<b>11,560</b>	<b>168,505</b>	<b>255</b>	<b>990,000</b>	<b>713,668</b>	<b>276,332</b>

Source: Compiled from SACCOs records (Shashemene and Weldendau). From the end of 2012-2016

Accordingly the SACCOs were able to raise a total of 183,315 Birr from registration fee, share sold and savings collected. The SACCOs were able to provide loans to 255 members. The amount of loan disbursed was 990,000 Birr. The SACCOs were able to recover 713,668 (72%) of the loan provided. The outstanding balance was 276,332 (28%).

**Figure 4.4: Ratio of SACCO members reached by loan service**



Source: Compiled from SACCOs records (Shashemene and Weldendau). From the end of 2012-2016

Another indicator of SACCOs success is assessed by the facilitation of loan outreach to members. As indicated in figure 4.4 252 (99 %) of the total 253 SACCO members have accessed the loan services. Weldendau SACCO was able to reach 100% while Shashemene SACCO was able to reach 99% of its members.

### 4.3.2 SACCOs members service utilization

153 respondents were the samples of the research from which information was collected. Data on the respondents' service utilization was collected through a questionnaire (Appendix 2) and is summarized in table 3.14. Even though providing services by the SACCOs is a necessary condition, it cannot be complete if members are not interested to make use of the services. Member service utilization is examined along the three products of SACCOs namely saving, shares and loan services.

**Table 4.14 Sample responses on SACCOs service utilization**

<b>1</b>	<b>Saving(monthly)</b>	<b>Total respondents</b>	<b>Percentage</b>
	20-100	25	16.3
	101-181	31	20.3
	182-262	23	15.0
	262-342	28	18.3
	343 and above	46	30.1
	<b>Total</b>	<b>153</b>	<b>100</b>
<b>2</b>	<b>Share purchase</b>		
	Number of share(one/person)	114	75
	Share value(100br/share)	114	75
	Share not accessed	39	25

3	Loan services		
	Respondents accessed loan	152	99
	Respondents not received	1	1
	<b>Total</b>	<b>153</b>	<b>100</b>
	Loan rounds		
	▪ One phase	17	11.27
	▪ Two phase	30	19.72
	▪ Three and above	105	69.01
	<b>Total</b>	<b>152</b>	<b>100</b>

**Source: Questionnaire results, 2017**

Respondents replied they were regularly saving; however their monthly saving is different between the SACCOs they belong. Accordingly, majority of the respondents 46 (30%) deposit a monthly saving of 343 birr and above. 31 (20%) of the respondents contribute a saving of 101-181 birr. 28 (18%) of the respondents contribute a saving of 262-342 birr. 25 (16%) of the respondents contribute a saving of 20-100 birr whereas 23 (15%) of the respondents contribute a saving of 182-262 birr.

When it comes to share purchase, 114 of the respondents have purchased one share per head. The share value remains the same across the members. 39 (25%) of the respondents haven't accessed share because they were not ready to buy shares due to their limited capacities.

When it comes to the respondents loan services utilization, 152 (99%) of the total have accessed loan service. Only one person hasn't accessed loan because he is not prepared to borrow and engage in business. The loan utilization has another dimension which is frequency of loan received. 105 loan beneficiaries or 69% have used loans for three and above rounds. Another 30 clients or 19% used loan for two rounds. The other 17 loaners or 11% took loan for the first time. The progression from one loan phase to another is an indicator that members are benefiting by financing income fetching activities and make use of loan services available by the SACCOs.

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

(ICA, 2012) SACCO is one form of cooperative whose business is to fight poverty through improving the members' economic and social conditions by enabling them access financial services. Owing to the values and principles of cooperatives, the goals of SACCOs may extend to other motives that require to joint actions for attaining a common target. To this end, SACCO can be described as an autonomous association of persons united voluntarily to meet their economic, social and cultural needs and aspiration through a jointly owned and democratically controlled enterprise.

To investigate the roles of SACCOs in the PWDs empowerment (economic, psychological and social) before and after joining the SACCOs was the central theme of this research. The roles of SACCOs in the collective and individual empowerment of PWDs had been reviewed from three related and interconnected angles. One, the extent to which the SACCOs are, as the institution to empower PWDs, empowered in their capabilities. Second, the extent to which the SACCOs delivered services consistent with PWDs empowerment objectives and values and principle of cooperatives. Finally examination was made from the view point of SACCOs contribution to the members' economic, social and psychology status.

In order to attain the above specified objectives, the mixed approach was applied. For the purpose of this study both primary and secondary data were used. Questionnaire was distributed to SACCO members, focus group discussion was made with SACCO leaders and data collected from Shashemene and Weldendau SACCOs; which were found from their bylaws, records and annual reports were used. The Questionnaire was applied to gather information from individuals about economic, psychological and social status of PWDs before and after joining the SACCOs, while focus group discussions were used to collect data from leaders of SACCOs to examine the effectiveness of SACCOs in empowering PWDs. Paired samples t-Test and relevant statistical techniques were used to analyze data. 153 sample members were selected using simple random sampling method.

## 5.1 Conclusion

The profile of SACCOs have been presented in some detail in relation to their ages, size and membership composition. Both SACCOs are four years aged. The SACCOs have also shown growth in the size of members in varying degree while the average increase was 32%. Growth in member size is an indicator of people being attracted to the SACCOs and their services having been relevant. PWDs in SACCOs constitute more than non-PWDs. Diversity in social and disability status shows SACCOs inclusiveness along the lines of the principles of open membership. Inclusiveness in disability types is advantageous to the PWDs empowerment as it gives strength and voice for the PWDs in promoting their common concerns and interests in relation to their disadvantaged position in the society. But the composition of males and females remains equal although there is a variation in the subgroups of PWDs and non-PWDs.

The profile of SACCOs as linked with the capacity built-capacities enable them to provide service to members. The capital mobilized serve as loan money. More members mean more capital mobilization in saving and share purchase. Besides members with different background bring in diverse skills and knowledge that help the SACCOs progression to the goals. Increase in membership is also found consistent with the principle open membership of the cooperative. The SACCOs internal fund mobilization as compared to external support has grown. The growth in funds mobilized internally indicates an increased level of SACCOs independence towards the path of self-sufficiency.

The SACCOs built office capacities by mobilizing internal and external resources is another enabler to provide effective services and improved their technical capacity to run their institutions. What is more, the overall evaluation of SACCOs performance in relation to democratic governance indicators has risen. In general, the analyzed data signified that the SACCOs are well empowered in their capacities for effective and efficient service delivery.

In sex composition, male members exceed their female counterparts to a certain extent. As to the age distribution, majority of the respondents were belonging to the active or working age group. When it comes to the marital status, majority of them were married, followed by widowed, single and separated. As to the family size majority of the respondents have households with three to

eight family sizes. It can be assumed majority of the respondents are responsible to fulfill livelihood to other dependents in the family. In terms of literacy status, majority of the respondents are literate who have reached primary education, high school or college level. This can help the SACCOs in recording and reporting of saving and credit activities by their own. Majority of the sample respondents are engaged in animal husbandry followed by petty trade, which indicates rural nature of the area.

Although the SACCOs are formed by PWDs, some of the members are non-PWDs; this is an evidence of inclusiveness in line with the cooperatives open membership principle. In addition, few people with different type of disabilities are found to be members showing cross disability composition of SACCOs. Majority of PWDs respondents' disability type is caused by leprosy because of a higher number of peoples affected by leprosy settled around Shashemene and Kuyera.

The major objective of SACCOs is to fight poverty through improving the members' economic and social conditions enabling access to financial services. To this end the SACCOs are constituted to offer their members with savings, shares and loan products. Having been mobilized a capital of Birr 183,315 and having been provided about 990,000 Birr loan for members for income generating activities are good achievement of the SACCOs. Thus, from the view point of service delivery the SACCOs have done a good job.

In saving mobilization the SACCOs have done compatible job. One of the SACCOs was able to convince members to increase monthly saving to at least to 100%. This level of saving is significant as most of the SACCO members have reported never before they were been able to save such amount-neither have they imagined to achieve so in their life time. The fact that majority of the respondents deposit over 100 Birr on monthly basis is indicative of making use of saving opportunities to their collective empowerment as more saving means more capital available to SACCOs for loan services. Share purchasing is also another way of raising SACCOs capital need for loan. The progression from one loan phase to another is an indicator that members are benefiting by financing income generating activities and make use of loan services available.

In addition, empowerment benefits obtained by the members of the SACCOs are also presented in this section. Accordingly, analysis of the perception of SACCO members has shown members have derived empowerment benefits in economic, social and psychological spheres of their lives after joining the SACCOs. The social empowerment of the members was found very high followed by psychological and economic benefits.

Likewise, examination of the perception of SACCO leaders did uncover participation in SACCOs has brought about tangible achievement to the empowerment of members after joining the SACCOs by obtaining knowledge and skills which helped them show improvements in economic, social and psychological spheres of their life.

Generally, so far the researcher knows the SACCOs have enabled to benefit in the three spheres of life.

**Economic empowerment:** PWDs sample respondents reported having been participated in SACCOs enable them to enjoy several economic benefits including saving, creation of income generation activities, increased income, and ownership of properties.

Overall on the basis of four economic improvement indicators the null hypothesis was rejected, since there is a significant improvement on economic status of PWDs due to their participation in the SACCOs.

**Psychological empowerment:** PWDs sample respondents reported having been participated in SACCOs enable them to acquire psychological benefits. The respondent have described that they have improved their self-confidence; self-esteem; understanding about own rights, roles and responsibilities and positive attitude towards life.

**Social empowerment:** The respondents participated in the SACCOs acquired a number of social benefits. Some of those benefits are acceptance in family and society, participation in the family decision making, sense of responsibility for unity and collective action and contribution for children education & community.

Finally, the way the cooperative approach which is grabbed, adapted and implemented in the context of PWDs by promoting organization (GLRA) has been found working and empowering. GLRA has promoted SACCOs in the context of marginalized and PWDs both in the rural and

urban areas although this study was done in rural areas. The organizations' financial and technical capacity building support to the PWDs is found consistent with empowerment perspective. The financial support was provided in the SACCOs gaps for office construction, loan seed money, documents and vouchers printing. These areas are critical at the initial stages and are enablers for the SACCOs. Henceforth, the SACCOs efforts to be independent and the promoting NGOs' gap filling approach were complimentary. Likewise, technical supports provided during the establishment and licensing, training of leaders and members, experience sharing workshops, office capacity building were instrumental for the SACCOs success and members empowerment gains.

## **5.2 Recommendations**

The variation in size, social and demographic factors are strengths that should be broadened to acquire benefits of diversity to the advantage of PWDs empowerment as diversity identified were helpful and consistent with open membership principle. Inclusiveness is crucial for empowerment of the disadvantaged PWDs to promote their interests and concerns collectively. Hence, there is a need to build on existing diversity in composition. In addition to the intensification of existing empowerment activities, there is a need to expand the scope of the SACCOs to poverty issues uncovered which may not be addressed through the conventional SACCO services.

The SACCOs are well positioned in the capability built which require them to continue capitalizing on the existing endeavors and strengths. The initiating NGO (GLRA) has done creditable work in providing empowering need based support in the identified gaps.

Though it has been concluded both the SACCOs and members have done remarkably well in service delivery and consumption being consistent with the capacity built in the empowerment of PWDs, there were certain short falls that have to be improved as well.

SACCOs should raise more internal capital through increased monthly saving, sale of shares to reach out more and more aspiring members with loans to enhance economic empowerment. The SACCOs should exert maximum efforts through increased monthly saving and sale of shares in



diversifying income generation projects and activities beyond loan provision for there is significant proportion of SACCO members difficult to motivate them to engage in business-those at very old age. Income generation activities which are suitable for persons at very old age such as consultancy could be used. Hence forth, livelihood options need to be thought within the SACCOs to stand up to the challenges through creation of projects and opportunities of employment considering their level of skills and abilities.

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## APPENDIX 1

### Data Collection instruments from Secondary sources:

#### SACCO records

1. Name of the cooperative \_\_\_\_\_
2. Year of the establishment \_\_\_\_\_
3. Address \_\_\_\_\_
4. Brief history on how and why established \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Major objectives

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### 5. Data on Membership status

No.	Description	Sex	Membership Status			Total members	Remark
			Leprosy	Leprosy family	Other PWDs		
1	Founding members	Male					
		Female					
		Total					
2	Members added	Male					
		Female					
		Total					

3	Members dropped	Male					
		Female					
		Total					
4	Existing members	Male					
		Female					
		Total					

## 6. Services provided to the members by the cooperative

### a. Saving mobilized and share sold

- ❖ Are members regularly saving? \_\_\_\_\_
- ❖ Is there an increase in individual saving amount over time? \_\_\_\_\_
- ❖ Are there diversified forms of savings apart from the regular(monthly) \_\_\_\_\_
- ❖ Registration Fee collected(ETB) \_\_\_\_\_
- ❖ Share sold out: No of shares \_\_\_\_\_ for Br. \_\_\_\_\_
- ❖ Individual members and total accumulated saving:
  - Individual saving: Minimum(Br) \_\_\_\_\_ Maximum(Br) \_\_\_\_\_
  - Total accumulated saving(Br) \_\_\_\_\_

### b. Loan service

- ❖ Total members provided with loan(No.) \_\_\_\_\_
- ❖ Total amount of loan provided(ETB) \_\_\_\_\_
- ❖ Repayment collected(ETB) \_\_\_\_\_
- ❖ Amount of outstanding loan \_\_\_\_\_
- ❖ Growth of loan size in phase: 1<sup>st</sup> round(ETB) \_\_\_\_\_ 2<sup>nd</sup>(ETB) \_\_\_\_\_ 3<sup>rd</sup>(ETB) \_\_\_\_\_ 4<sup>th</sup>(ETB) \_\_\_\_\_

- c. **Other services:** developmental, welfare, project and facilitation services provided by the cooperative to its members

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**7. Cooperative’s governance**

- Does the cooperative hold executive committee meeting regularly? How often?\_\_\_\_\_
  - Does the cooperative hold general assembly regularly? How often?\_\_\_\_\_
  - Has the cooperative audited its Book of accounts yearly by external auditors?\_\_\_\_\_ Number of audits made\_\_\_\_\_years\_\_\_\_\_
  - Has the cooperative presented those audit and annual reports to the general assembly?\_\_\_\_\_How many times\_\_\_\_\_and what were the feedbacks of the general assembly?\_\_\_\_\_
- 
- 

**8. Cooperative’s capacity building**

**a. Office capacity**

- Does the cooperative have its own office?\_\_\_\_\_
- Does it have office furniture?\_\_\_\_\_
- Does it have the necessary vouchers and documentations fulfilled for its activities?\_\_\_\_\_

**b. Capacity building supported obtained from NGOs and GOs**

**b.1 Capacity building support obtained from the GOs**

No.	Kind of support	Name of the GO	How often	Remark

**Kind of support could be:** land for office, office, audit service, training, licensing and finance, office equipment, promotion and etc

**b.2 Capacity building support obtained from NGOs**

No.	Kind of support	Name of the GO	How often	Remark


**Kind of support could be:** financial support (for office construction and furniture, printing and vouchers, running cost, loan seed money etc) training, review meeting and experience sharing, supervision and etc

## APPENDIX 2

### Questionnaire for members of the SACCOs on the study of the role of SACCOs in Empowering People with Disabilities in Shashemene and Kuyera

#### I. Personal and Socio economic Information

- Name \_\_\_\_\_ Sex M  F  Age \_\_\_\_\_
- Marital status: Single  Married  Widowed  Separated
- Family size: children \_\_\_\_\_ others \_\_\_\_\_
- Level of education: Illiterate  Read/Write  Primary/Junior   
Secondary  Higher
- Occupation: \_\_\_\_\_
- Income size: ETB \_\_\_\_\_
- Do you have some form of disability? Yes  No
- If yes for above: Disability group you belong(if any): Leprosy  Blind   
Deaf  Multiple  Others

#### II. The economic, psychological, and social status before and after joining the SACCOs

##### 2.1. Economic Empowerment

###### Before you joined the SACCOs

- a. How much do you save monthly? \_\_\_\_\_
- b. What kind of income generation activities were you involved with? \_\_\_\_\_  
\_\_\_\_\_
- c. How much was your monthly income? \_\_\_\_\_
- d. Do you own any property such as Land, House etc? \_\_\_\_\_  
\_\_\_\_\_

###### Since you joined this cooperative as a member

- a. How much do you save monthly? \_\_\_\_\_
- b. What kind of income generation activities are you involved with? \_\_\_\_\_  
\_\_\_\_\_



- c. How much is your monthly income? \_\_\_\_\_
- e. Do you own any property such as Land, House etc? \_\_\_\_\_

**2.2. Psychological empowerment**

**Before you joined this cooperative**

- a. I had self confidence and courage before I joined this cooperative.
- |                |                          |                   |                          |            |                          |
|----------------|--------------------------|-------------------|--------------------------|------------|--------------------------|
| Strongly Agree | <input type="checkbox"/> | Agree             | <input type="checkbox"/> | Average    | <input type="checkbox"/> |
| Disagree       | <input type="checkbox"/> | Strongly Disagree | <input type="checkbox"/> | Don't know | <input type="checkbox"/> |
- b. I had self esteem before I joined this cooperative.
- |                |                          |                   |                          |            |                          |
|----------------|--------------------------|-------------------|--------------------------|------------|--------------------------|
| Strongly Agree | <input type="checkbox"/> | Agree             | <input type="checkbox"/> | Average    | <input type="checkbox"/> |
| Disagree       | <input type="checkbox"/> | Strongly Disagree | <input type="checkbox"/> | Don't know | <input type="checkbox"/> |
- c. I knew well about my rights, roles and responsibilities before I joined this cooperative.
- |                |                          |                   |                          |            |                          |
|----------------|--------------------------|-------------------|--------------------------|------------|--------------------------|
| Strongly Agree | <input type="checkbox"/> | Agree             | <input type="checkbox"/> | Average    | <input type="checkbox"/> |
| Disagree       | <input type="checkbox"/> | Strongly Disagree | <input type="checkbox"/> | Don't know | <input type="checkbox"/> |
- d. I had knowledge, new ideas, and communication skills helpful applicable in my living before I joined this cooperative.
- |                |                          |                   |                          |            |                          |
|----------------|--------------------------|-------------------|--------------------------|------------|--------------------------|
| Strongly Agree | <input type="checkbox"/> | Agree             | <input type="checkbox"/> | Average    | <input type="checkbox"/> |
| Disagree       | <input type="checkbox"/> | Strongly Disagree | <input type="checkbox"/> | Don't know | <input type="checkbox"/> |
- e. I lead a happy and satisfied life before I joined this cooperative.
- |                |                          |                   |                          |            |                          |
|----------------|--------------------------|-------------------|--------------------------|------------|--------------------------|
| Strongly Agree | <input type="checkbox"/> | Agree             | <input type="checkbox"/> | Average    | <input type="checkbox"/> |
| Disagree       | <input type="checkbox"/> | Strongly Disagree | <input type="checkbox"/> | Don't know | <input type="checkbox"/> |

**Since you joined this cooperative as a member**

- a. I have self-confidence and courage after I joined this cooperative.
- |                |                          |                   |                          |            |                          |
|----------------|--------------------------|-------------------|--------------------------|------------|--------------------------|
| Strongly Agree | <input type="checkbox"/> | Agree             | <input type="checkbox"/> | Average    | <input type="checkbox"/> |
| Disagree       | <input type="checkbox"/> | Strongly Disagree | <input type="checkbox"/> | Don't know | <input type="checkbox"/> |
- b. I have self-esteem after I joined this cooperative.
- |                |                          |       |                          |         |                          |
|----------------|--------------------------|-------|--------------------------|---------|--------------------------|
| Strongly Agree | <input type="checkbox"/> | Agree | <input type="checkbox"/> | Average | <input type="checkbox"/> |
|----------------|--------------------------|-------|--------------------------|---------|--------------------------|

- Disagree  Strongly Disagree  I don't know
- c. I knew well about my rights, roles and responsibilities after I joined this cooperative.
- Strongly Agree  Agree  Average
- Disagree  Strongly Disagree  I don't know
- d. I have knowledge, new ideas, and communication skills helpful applicable in my living after I joined this cooperative.
- Strongly Agree  Agree  Average
- Disagree  Strongly Disagree  I don't know
- f. I lead a happy and satisfied life after I joined this cooperative.
- Strongly Agree  Agree  Average
- Disagree  Strongly Disagree  I don't know

### 2.3. Social empowerment

#### Before you joined this cooperative

- a. I had an acceptance in the family and community before I joined this cooperative.
- Strongly Agree  Agree  Average
- Disagree  Strongly Disagree  I don't know
- b. I had participated in family decision making process before I joined this cooperative.
- Strongly Agree  Agree  Average
- Disagree  Strongly Disagree  I don't know
- c. I was able to contribute for children education before I joined this cooperative.
- Strongly Agree  Agree  Average
- Disagree  Strongly Disagree  I don't know
- d. I was able to contribute to my community by fighting for basic facilities and welfare needs such as drinking water, street improvement, public sanitation and others before I joined this cooperative.
- Strongly Agree  Agree  Average
- Disagree  Strongly Disagree  I don't know
- e. I had a sense of responsibility for unity and collective action before I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  I don't know

f. I had participated in self-help groups before I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  I don't know

**Since you joined this cooperative as a member**

a. I have acceptance in the family and community after I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  I don't know

b. I have participated in family decision making process after I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  I don't know

c. I am able to contribute for children education after I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  I don't know

d. I am able to contribute to my community by fighting for basic facilities and welfare needs such as drinking water, street improvement, public sanitation and others after I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  I don't know

e. I have a sense of responsibility for unity and collective action after I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  I don't know

f. I have participated in self-help groups after I joined this cooperative.

Strongly Agree  Agree  Average   
 Disagree  Strongly Disagree  Don't know

**III. Membership of SACCO**

3.1. Name of the SACCO you are belonging to: -----  
 -----

3.2. When did you join the SACCO? -----

3.3. Saving

- How much do you save with the SACCO per month? Birr -----If you don't save give reasons why? -----  
 -----

3.4. Share

- Have you purchased a share?
- If yes how many shares for how much? -----  
 -----
- If no why? -----  
 -----

3.5. Credit

- Have you taken loan from your SACCO? Yes  No
- If yes, how many rounds and which amount:-----  
 -----
- If no why?-----  
 -----
- For what purpose have you used the loan?-----  
 -----  
 -----

3.6. What other services did you receive from your SACCO? -----  
 -----

**APPENDIX 3**

**Focus Group Discussion**

**1. Compare and contrast economical, psychological and social status of members:**

**➤ Before joining the SACCOS**

1.1. Economic status-----  
-----  
-----  
-----  
-----

1.2. Psychological status -----  
-----  
-----  
-----  
-----

1.3. Social status -----  
-----  
-----  
-----  
-----

**➤ After joining the SACCOS**

1.4 Economic status -----  
-----  
-----  
-----  
-----

1.5 Psychological status -----  
-----  
-----  
-----  
-----

1.6 Social status -----  
-----  
-----

-----  
-----

2. How do you rate your SACCOs services to its members?

Very good  Good  Satisfactory  Unsatisfactory

3. Anything the SACCO should improve for better service provision-----

-----  
-----  
-----

## APPENDIX 4

### A. Monthly income before joining the SACCOs

	Frequency	Percent	Valid Percent	Cumulative Percent
200	1	0.7	0.7	0.7
350	1	0.7	0.7	1.3
400	2	1.3	1.3	2.6
420	1	0.7	0.7	3.3
450	1	0.7	0.7	3.9
470	1	0.7	0.7	4.6
500	1	0.7	0.7	5.2
540	1	0.7	0.7	5.9
550	1	0.7	0.7	6.5
560	1	0.7	0.7	7.2
600	2	1.3	1.3	8.5
620	2	1.3	1.3	9.8
628	1	0.7	0.7	10.5
630	1	0.7	0.7	11.1
640	1	0.7	0.7	11.8
650	3	2	2	13.7
662	1	0.7	0.7	14.4
670	3	2	2	16.3
680	1	0.7	0.7	17
700	4	2.6	2.6	19.6
750	7	4.6	4.6	24.2
760	1	0.7	0.7	24.8
780	2	1.3	1.3	26.1
789	1	0.7	0.7	26.8
790	2	1.3	1.3	28.1
800	6	3.9	3.9	32
825	1	0.7	0.7	32.7
830	1	0.7	0.7	33.3
835	1	0.7	0.7	34
850	3	2	2	35.9
860	2	1.3	1.3	37.3
870	2	1.3	1.3	38.6
890	1	0.7	0.7	39.2
900	6	3.9	3.9	43.1
945	1	0.7	0.7	43.8
950	9	5.9	5.9	49.7
960	1	0.7	0.7	50.3

	970	1	0.7	0.7	51
	978	1	0.7	0.7	51.6
	980	1	0.7	0.7	52.3
	1000	13	8.5	8.5	60.8
	1050	1	0.7	0.7	61.4
	1100	5	3.3	3.3	64.7
	1120	1	0.7	0.7	65.4
	1130	1	0.7	0.7	66
	1150	1	0.7	0.7	66.7
	1200	12	7.8	7.8	74.5
	1251	1	0.7	0.7	75.2
	1260	1	0.7	0.7	75.8
	1300	5	3.3	3.3	79.1
	1310	1	0.7	0.7	79.7
	1340	1	0.7	0.7	80.4
	1350	1	0.7	0.7	81
	1400	7	4.6	4.6	85.6
	1500	9	5.9	5.9	91.5
	1520	1	0.7	0.7	92.2
	1600	3	2	2	94.1
	1620	1	0.7	0.7	94.8
	1800	1	0.7	0.7	95.4
	1900	1	0.7	0.7	96.1
	2000	1	0.7	0.7	96.7
	2010	1	0.7	0.7	97.4
	2100	1	0.7	0.7	98
	2120	1	0.7	0.7	98.7
	2400	1	0.7	0.7	99.3
	3000	1	0.7	0.7	100
	Total	153	100	100	

**B. Monthly income after joining the SACCOs**

		Frequency	Percent	Valid Percent	Cumulative Percent
	800.00	3	2.0	2.0	2.0
	1000.00	2	1.3	1.3	3.3
	1035.00	1	.7	.7	3.9
	1100.00	2	1.3	1.3	5.2
	1200.00	3	2.0	2.0	7.2
	1230.00	1	.7	.7	7.8
	1250.00	1	.7	.7	8.5



	1260.00	1	.7	.7	9.2
	1280.00	1	.7	.7	9.8
	1300.00	2	1.3	1.3	11.1
	1340.00	1	.7	.7	11.8
	1400.00	2	1.3	1.3	13.1
	1450.00	1	.7	.7	13.7
	1500.00	5	3.3	3.3	17.0
	1600.00	8	5.2	5.2	22.2
	1640.00	1	.7	.7	22.9
	1646.00	1	.7	.7	23.5
	1652.00	1	.7	.7	24.2
	1680.00	1	.7	.7	24.8
	1700.00	5	3.3	3.3	28.1
	1750.00	2	1.3	1.3	29.4
	1780.00	1	.7	.7	30.1
	1800.00	6	3.9	3.9	34.0
	1850.00	1	.7	.7	34.6
	1900.00	8	5.2	5.2	39.9
	1920.00	1	.7	.7	40.5
	1950.00	1	.7	.7	41.2
	2000.00	8	5.2	5.2	46.4
	2100.00	4	2.6	2.6	49.0
	2150.00	2	1.3	1.3	50.3
	2200.00	3	2.0	2.0	52.3
	2300.00	5	3.3	3.3	55.6
	2340.00	1	.7	.7	56.2
	2400.00	3	2.0	2.0	58.2
	2500.00	13	8.5	8.5	66.7
	2550.00	2	1.3	1.3	68.0
	2570.00	1	.7	.7	68.6
	2600.00	6	3.9	3.9	72.5
	2620.00	1	.7	.7	73.2
	2700.00	5	3.3	3.3	76.5
	2800.00	1	.7	.7	77.1
	2900.00	1	.7	.7	77.8
	3000.00	1	.7	.7	78.4
	3040.00	1	.7	.7	79.1
	3100.00	3	2.0	2.0	81.0
	3200.00	4	2.6	2.6	83.7
	3400.00	10	6.5	6.5	90.2
	3450.00	1	.7	.7	90.8

	3500.00	1	.7	.7	91.5
	3600.00	3	2.0	2.0	93.5
	3650.00	2	1.3	1.3	94.8
	3700.00	1	.7	.7	95.4
	3750.00	1	.7	.7	96.1
	3900.00	2	1.3	1.3	97.4
	4000.00	1	.7	.7	98.0
	4100.00	1	.7	.7	98.7
	4200.00	1	.7	.7	99.3
	4250.00	1	.7	.7	100.0
	Total	153	100.0	100.0	

## APPENDIX 5

### A. Monthly Saving before joining the SACCOs

		Frequency	Percent	Valid Percent	Cumulative Percent
	.00	7	4.6	4.6	4.6
	10.00	9	5.9	5.9	10.5
	15.00	9	5.9	5.9	16.3
	20.00	31	20.3	20.3	36.6
	25.00	9	5.9	5.9	42.5
	30.00	4	2.6	2.6	45.1
	35.00	1	.7	.7	45.8
	40.00	5	3.3	3.3	49.0
	45.00	1	.7	.7	49.7
	50.00	10	6.5	6.5	56.2
	60.00	1	.7	.7	56.9
	70.00	6	3.9	3.9	60.8
	100.00	13	8.5	8.5	69.3
	120.00	3	2.0	2.0	71.2
	150.00	17	11.1	11.1	82.4
	200.00	14	9.2	9.2	91.5
	250.00	5	3.3	3.3	94.8
	300.00	6	3.9	3.9	98.7
	350.00	1	.7	.7	99.3
	400.00	1	.7	.7	100.0
	Total	153	100.0	100.0	

**B. Monthly Saving after joining the SACCOs**

	Frequency	Percent	Valid Percent	Cumulative Percent
20.00	4	2.6	2.6	2.6
35.00	1	.7	.7	3.3
40.00	2	1.3	1.3	4.6
50.00	1	.7	.7	5.2
70.00	3	2.0	2.0	7.2
80.00	1	.7	.7	7.8
100.00	13	8.5	8.5	16.3
130.00	1	.7	.7	17.0
150.00	30	19.6	19.6	36.6
200.00	17	11.1	11.1	47.7
250.00	6	3.9	3.9	51.6
300.00	28	18.3	18.3	69.9
350.00	12	7.8	7.8	77.8
400.00	14	9.2	9.2	86.9
450.00	9	5.9	5.9	92.8
500.00	6	3.9	3.9	96.7
550.00	1	.7	.7	97.4
600.00	2	1.3	1.3	98.7
700.00	1	.7	.7	99.3
800.00	1	.7	.7	100.0
Total	153	100.0	100.0	

## APPENDIX 6

### A. Psychological status before joining the SACCOs

		Frequency	Percent	Valid Percent	Cumulative Percent
	5.00	8	5.2	5.2	5.2
	6.00	10	6.5	6.5	11.8
	7.00	9	5.9	5.9	17.6
	8.00	9	5.9	5.9	23.5
	9.00	15	9.8	9.8	33.3
	10.00	8	5.2	5.2	38.6
	11.00	16	10.5	10.5	49.0
	12.00	23	15.0	15.0	64.1
	13.00	19	12.4	12.4	76.5
	14.00	23	15.0	15.0	91.5
	15.00	9	5.9	5.9	97.4
	16.00	3	2.0	2.0	99.3
	19.00	1	.7	.7	100.0
	Total	153	100.0	100.0	

### B. Psychological status after joining the SACCOs

		Frequency	Percent	Valid Percent	Cumulative Percent
	15.00	1	.7	.7	.7
	16.00	6	3.9	3.9	4.6
	17.00	16	10.5	10.5	15.0
	18.00	26	17.0	17.0	32.0
	19.00	44	28.8	28.8	60.8
	20.00	60	39.2	39.2	100.0
	Total	153	100.0	100.0	

## APPENDIX 7

### A. Social status before joining the SACCOs

		Frequency	Percent	Valid Percent	Cumulative Percent
	7.00	1	.7	.7	.7
	8.00	2	1.3	1.3	2.0
	9.00	4	2.6	2.6	4.6
	10.00	8	5.2	5.2	9.8
	11.00	17	11.1	11.1	20.9
	12.00	19	12.4	12.4	33.3
	13.00	18	11.8	11.8	45.1
	14.00	23	15.0	15.0	60.1
	15.00	13	8.5	8.5	68.6
	16.00	19	12.4	12.4	81.0
	17.00	8	5.2	5.2	86.3
	18.00	14	9.2	9.2	95.4
	19.00	3	2.0	2.0	97.4
	20.00	3	2.0	2.0	99.3
	21.00	1	.7	.7	100.0
	Total	153	100.0	100.0	

### B. Social status after joining the SACCOs

		Frequency	Percent	Valid Percent	Cumulative Percent
	20.00	14	9.2	9.2	9.2
	21.00	32	20.9	20.9	30.1
	22.00	15	9.8	9.8	39.9
	23.00	38	24.8	24.8	64.7
	24.00	24	15.7	15.7	80.4
	25.00	30	19.6	19.6	100.0
	Total	153	100.0	100.0	