

Indra Gandhi National Open University

School of Graduate Studies

Graduate School of social work

**Assessing the effectiveness of SHG in Socio -Economic Empowerment of Poor
women: The case of Sebeta town on selected SHGS.**

By Mekdes Ashenafi

**In partial Fulfillment of the Requirements for the Degree of Masters of Social
work from Indira Gandhi National Open University, school of social work.**

Sep, 2016

Addis Ababa, Ethiopia

Declaration

I hereby declare that the dissertation entitled The Effectiveness of Self Help Group (SHG) in socio-economic empowerment of poor women the case Sebeta town on selected SHG submitted by me for the partial fulfillment of MSW to Indira Gandhi National Open University (IGNOU) New Delhi is my own original work and has not been submitted earlier to IGNOU to another institution for the fulfillment of the requirement for other programme of the study.

Place: -----

Signature

Date -----

Enrolment no: ID1051128

Name: Mekdes Ashenafi Ruga

Address: Addis Ababa, Ethiopia

Certificate

This is to certify that Mrs. Mekdes Ashenafi student of MSW at St Marry University Indira Gandhi National Open University New Delhi was working under my supervision and guidance for her project work for the course MSWP- 001. Her project work entitled “Assessing the Effectiveness of SHG in Socio Economic Empowerment of Poor Women” the case of Selected SHG in Sebeta town which she is submitting her genuine and original work.

Place-----

Signature -----

Date -----

Name of the supervisor -----

Address of the supervisor -----

Acknowledgement

First of all I would like to extend my heartfelt gratitude for almighty God .Secondly ,I would like to thank my cooperative skill full advisor Mr Tesfaye Ejigu for his technical support that finally leads me to accomplish my tasks .Then I thank my families for their boundless support and everyone who cooperated for finalization of this paper.

List of Acronyms

CBO: Community Based Organization

CSA: Central Statics Authority

FBO: Faith Based Organization

FGM: Female Genital Mutilation

FDRE: Federal Democratic Republic of Ethiopia

GTP: Growth Tans formation Plan

HSRDP: Health Sector Reform Development Program

HIV/AIDS: Human Immune Virus /Acquired Immune Diffiency syndrome

IGA: Income Generating Activities

LIAE: love in Action Ethiopia

NGO: Non-Governmental Organization.

MOFED: Ministry of finance and economic development

PLWD: People Living With Disability

SHG: Self Help Group.

UNDP; United Nation Development program

UN: United Nation

WDTP: Women Development Initiative Plan

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CHAPTER 1: INTRODUCTION

1.1 Background of the study

“A nation would not march forward if the women are left behind”

- Swami Vivekananda`

Self help group (SHG) approach is developmental model which recognize poverty not only as a material deprivation but also as a continuous process of disempowerment that includes denial of choices, right and opportunities, displacement and operation. The approach is built on two basic principle .the first is on the recognition of immense potential of every human being to alleviate poverty. The second is on bringing to gather the poor who are voiceless and vulnerable in group to actively engage in development endeavors through empowering them to analyze their situation and take action. (Co SAP, consortium of self help group approach, annual report, 2009).

Self help group (SHG) are group of ten to twenty women and men organized to help each other socially, financially and emotionally .The concept of SHG is first introduced by lourants Mohamed Yonus in Bangladesh. (Mindaye Yohanes, Challenge and Contribution of self Help Group in empowering poor women ,2014) and In Ethiopia the approach was introduced in 2002 by kindernoothelfe (KNH) following an experience sharing workshop held in India where professionals from Ethiopia and other African countries took part and obtained enormous experience on SHG approach .following continuous training and experience sharing visits, Jerusalem children and community development organization (JeCCDO) and Ethiopia kale Hiwot church were pioneer organization to uphold the SHG approach and start interventions (Co SAP , Consortium of Self Help Group Approach , Annual Report, 2009) .

The Concept of women’s empowerment has gained increased attention over the past two decades. The idea that the empowerment of women is an essential component of international development first held prominence at the ICPD conference in Cairo in 1994 and then again at the Fourth World Conference on Women, Beijing 1995. These conferences marked a shift from thinking of women as targets for fertility control policies to acknowledging women as

autonomous agents with rights. Since these landmark events, there has been an explosion of conceptual and empirical work that attempts to gain a deeper understanding about how empowerment works, how it can be fostered and what kind of impacts it can have on the lives of women and their families. This movement can be seen as a response to the lack of representation of grassroots women's groups at the major international conferences. Simultaneously, given global recognition of the feminization of poverty, a wave of microfinance programs directed specifically at rural women became more prevalent. Participants and planners soon realized that while these programs were initially designed as poverty reduction programs, they had the unexpected consequence of empowering women by enabling women to take more active roles in decision-making on everything from household finances to healthcare. The basic assumptions undergirding these income-generating programs are that giving women access to working capital can increase a women's ability to "generate choices and exercise bargaining power as well as develop a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life" (UNIFEM, 2000). A new family law, a draft pension right policy for women, and other attempts made for the advancement of women such as on affirmative action provision for higher education, employment and promotion is worth mentioning.

In 1992, the Prime Minister's Office established the Women's Affairs Office. In 1993, the declaration of the first National Policy on Women occurred. These measures are among the major efforts made to address the miserable life condition of the women in general, and that of the poor women in particular, today, women's empowerment is considered a central outcome of microfinance programs. Microfinance programs are just one example of programs that can encourage the empowerment of women. In order to create an enabling environment to empower women to become active participants of the development process and to help them to benefit from it, a number of measures have been taken by the Ethiopian government. **(Sources, a national report on progress made in the implementation of the Beijing platform action Beijing + 10 Ethiopia, March 2004).**

The Self Help Group Development model is a community owned and managed development scheme designed to alleviate poverty in general and the miserable life condition of poor women in particular. This study was conducted in Oromiya Regional State, Liyu Zone, sebeta town Kebeles 01, 02, and 03, 04 and 05 the study examines the contribution of SHGs in

socio-economic empowerment of poor women that love in action Ethiopia is undertaking in sebeta town. Sebeta Town is one fast growing business and industrial towns in the region where there are many social problems flourishing as a result of the population growth and migration from rural. Many of people infiltrate into the town from various parts of the country in search of jobs. Data from the City Council Social Affairs Office and the kebele administrations revealed that over population, unemployment, destitution, lack of income, poor housing conditions, poor health conditions, etc are the major challenges that most dwellers are confronted with .(sebeta town annual report document by women, children and youth affair agency)

1.2 Statement of the problem.

Gender disparities in poverty are rooted in inequalities in access to economic resources. In many countries, women continue to be economically dependent on their spouses. Lower proportions of women than men have their own cash income from labor as a result of the unequal division of paid and unpaid work. (UN report 2015 .The world women 2015 trends and statics). Women in developing countries work both in and outside home but this did not able them to get enough payments because, lack of access to education reduced the access of high wage and employment opportunities are low for women (MDG,2013) the report under goal three of MDG, promote gender equality and empower women “indicated that women’s non agriculture employment is lower in Africa and more than 60 percent of female workers are engaged in risks jobs and are vulnerable for different hazards ,while wage rates for men and women are still un equal in many African countries (Mindaye Yohanes, Challenge and Contribution of Self Help Group in Empowering poor women ,2014).

One of the oldest countries in the world, Ethiopia has a population of 76.9 million¹ people spread over 1,127,127 square kilometers. The population is composed of more than 100 ethnicities, who speak over 70 different languages. Approximately 83.8%² of the population lives in rural areas; and of the total urban population, 40%³ is concentrated in the three largest cities, Addis Ababa, Dire Dawa, and Nazret. Economic development in Ethiopia is currently growing, and was estimated at 11.1%⁴ real GDP growths in 2007. However, with more than 40%⁵ of the population living below the poverty line, a large segment of the populations remains

one of the poor. (Yared Mokonin .Demographic data for development quoted from population council census, 2007)

Women in Ethiopia as anywhere else occupy the law status in the society. Although they represent 49.8% of the population and contribute mainly to food production and other, they have not shared the fruits of development equally with their male counterpart. Rights such as, access to land, credit and other productive resources are difficult for women to attain. They also experience multiple forms of other deprivations such as longer working days, women specific ill health, low levels of education relative to men, and lack of adequate representation in leadership and decision making positions.

Women represent only 7.6% of the House of People Representative (Parliament) and 12.9% of State (Regional) Council. While adult literacy rate for women is about 32% and net female primary enrolment ratio is about 27%, it is about 42% for males. Further, violence and discrimination against women is still widespread in the country. The country's economic and social development is also being adversely threatened by HIV/AIDS. It is estimated that 1.9 million people are living with HIV/AIDS and out of this number 1.1 million are women. Maternal mortality is also high in the country constituting 871 deaths per 100, lives. According to 2000 DHS, the total fertility rate in the country is 5.6%. Due to these women's disadvantage position in the society and as a commitment to gender equality, the Federal Democratic Republic of Ethiopia (FDRE) issued the national Ethiopian Policy on Women in 1993 and granted equal right for women in its Constitution.

In the so-called poor nations of the world, many development strategies experimented through various development agents/organizations, have not yielded the desired results. However, it's evident that few countries have benefited from such development efforts and have succeeded in rapid economic growth and poverty alleviation. In an effort to change the miserable life of its people, the government of Ethiopia has undertaken a series of economic and social reform programs that are designed to ensure better living conditions. Among these efforts is the national "Sustainable Development and Poverty Reduction Program" enacted in 2002. Agricultural Development Led Industrialization, Justice System and Civil Service Reform, Decentralization and Empowerment, and Capacity Building in public and private sectors are the major four components that this program has committed to implement. Although poverty reduction is the core agenda of the country's development and various attempts have been made

by different authorities to change the miserable living conditions of the poor, hitherto poverty remains the major challenge of the nation even in the upcoming millennium. In order to cope up with their problems through collective action, Ethiopians have their own traditional way of pooling their resources so as to help each other at the neighborhood level. 'Iqub', Iddir, and 'Mahber' are among the major strategies that poor people usually form to cope up with poverty. Although these coping mechanisms are not exactly the same with the Self Help Group (SHG) concept, which this study has attempted to examine, they share some common characteristics with it.

In Ethiopia, women are responsible for almost all the household chores, in addition to the support they provide in agriculture and caring for livestock production. The situation of the environment they live in, lacking appropriate technology increases, the burden of women and decreases their opportunity to become involved in income generating activities, and as a result, this limits their participation within development sectors. Different Declarations and Ratification of various human rights measures fight against gender inequality and the struggle to ensure the rights of women that enable them to live dignified and productive lives. Although, the ratifications have been made, the achievement towards applying these interventions remains poor. Different studies indicated the low status of women in developing countries in general and in Ethiopia in particular (**sources Almaz, 1991; Hirut, 2004; Mukuria, 2005**).

Lack of access to productive resources such as land; lack of access to education, employment opportunities, basic health services, and protection of basic human rights; low decision making; violence and harmful traditional practices are some of the indicators of the socioeconomic Marginalization of women in the country.

Sebeta Town is one fast growing business and industrial towns with total population of 67,500 among them 38,231 are women. There are many social problems flourishing as a result of the population growth and migration from rural. Many of people infiltrate into the town from various parts of the country in search of jobs. Data from the City Council Social Affairs Office and the kebele administrations revealed that over population, unemployment, destitution, lack of income, poor housing conditions, and health related issues such as HIV/AIDS are the main challenges that the town is facing. Women are the most vulnerable and victims due to their low status both socially and economically. Unemployment is one of the big problems of women in the town, some women employed with low wage in informal sectors and factories, but most

women are unemployed still. (Sources: *sebeta town women, children and youth affair agency Annual report*.)

Thus according to (Gordon 1996) quoted by Mindye Yohanes in his thesis all the above factors such as the underrepresentation of women ,their engagement in hazardous jobs, low monthly income etc have certain director indirect contribution for the slow pace of Ethiopian development .Therefore ,it is believed that there is a great need of sustainable development activities such as empowerment ,advocacy, entrepreneurship trainings and increase literacy rates to alleviate poverty and improve the life condition of people who are living below the poverty line so its invaluable to bring the holistic change or transformation in the life society .in line with SHG is one of the best development strategy which is intended to promote the total development of women economically ,socially ,politically and culturally .

1.3 Objective of the study

The objective of the study was to assess the effectiveness of SHG on socio economic empowerment of poor women in sebeta on selected SHGs and members

1.3.1 General objective

Contribution of SHGs on household and on members' socio economic empowerment is crucial of self help group to understand. Although it is felt that the 'love in action Ethiopia in its Trans Action Program has been able to improve the lives of poor women through introducing self help group development model, the general objective of this study is "To assess the effectiveness of SHG in socio- economic empowerment of poor women within the selected SHG of Sebeta town, in which Love in Action Ethiopia is engaged.

1.3.2 Specific objective of the study.

- To assess the effectiveness of SHG on the economic life of the members such as education, health care, food security, level of income and housing.
- To assess the effectiveness of SHG on the social life of its members such as awareness on HIV/AIDS and family planning, skill development, decision making power and leadership skill of women in SHG.

1.4 Research questions

In order to meet the above motioned objectives, this study address the following basic questions

- Has participation in the SHG enhanced the economic life of its members?
- Has participation in the SHG enhanced the social life of its members?

1.5 Limitation of the study

1. The present study was undertaken as a part of the requirement of the post graduate program. So there were constraints of time and other resources and therefore some issues like conducting interview with families of SHG's members , especially partners and children's , interview with economic strengthening committees on behalf of kebele administration could not be explored in greater depth in comprehensive manner.

2. The study relied on the respondent's memory to gather information pertaining to certain variables under study. Though utmost care was taken while collecting data, possibility of some errors cannot be ruled out.

3. The study was conducted in only on selected SHG that are formed by love in action Ethiopia thus the findings and outcomes of the research cannot represent entire SHG situation in sebeta e town , so generalizations made by present study may not be directly applicable to whole SHG.

1.6 Significance of the study

1. The study may help the future researchers to continue further investigation on this Subject.

2. The study may prove to be a good or a specific review of the status of the SHG members and understand the effectiveness of SHG as an 'approach' towards 'Empowerment' both socially and economically.

3. The study may help to develop an integrated strategy for effective intervention in the Study area i.e. to identify the kind of skill training, orientation and functional knowledge needed for the SHG members.

4. The findings of the study may influence the government policies and programmers initiated from time to time aiming at the up liftmen of women status and their identity.

Love in Action Ethiopia is one of the nongovernmental organizations working on HIV/AIDS prevention and care support capacity building and education on different sites of Ethiopia. The head office is located in Addis Ababa. It has projects in oromiya, and SNNPR region. The target populations on this study will be poor women who are involved in SHG program established by love in action Ethiopia in selected Kebeles of the town. This study mainly emphasized on the effectiveness of SHG in socio economic empowerment of women.

2. CHAPTER TWO

REVIEW OF RELATED LITERATURES

2.1 Concept of Self Help Group Approach:

A Self-Help Group (SHG) is an informal association of people in a village, hamlet or urban neighborhoods. It is an association of poor persons/weaker sections in a community with a common objective of working together for their economic and social development and also for their overall community development. SHG approach has certain characteristics that may have little variations depending on the type of societies where it is applied. The size of the group is in the range of 10-20 individuals. The members share similar characteristics such as same sex, background or social order, occupation, poverty attributes etc (homogeneity). Members are bound by trust, mutual respect and affection (affinity). Though informal, the group follows sound organizational management principles such as agreed rules and regulations, frequent meetings, maintenance of accounts etc. Mutual help (one for all and all for one) is the guiding principle of the group. Members are guided by the principle of self-help rather than dependence on external help. They are bound together by the collective goal of improving their income and social status primarily through the organizational strength of working together. As the first step towards the above, members make small savings every month. From the common pool thus created, they meet the small credit needs of members who otherwise would have to approach the moneylender. Interest is charged on this small loan, which helps the group to build up its common pool. Members decide the rates of interest and loan repayment installments. The group opens a saving bank account in a financial institution (bank, cooperative society) in which all cash balances, except those that are needed for day-to-day expenses, are deposited. In some countries (it is not yet implemented in Ethiopia), on the strength of its common fund (including savings, outstanding internal loans and interest collections) the group accesses credit from the bank. The group can withdraw money from this credit line as and when its members need credit to start income generating ventures. During its meetings, the group also discusses other common issues and takes up collective action to solve problems of their own members as well as of the community. The group also becomes capable to access support from ongoing development

programs sponsored by government and non-government organizations. (Fekadu Negguise 2014 , as cited on his study entitled The Impact of Self Help Group Approach in the lives of beneficiaries at household level ,20140).

2.1.1 Formation of Self-help Groups

The SHG is group of rural poor who have volunteered to organize themselves into a group for eradication of poverty of the members. They agree to save regularly and convert their savings into a Common Fund known as the ‘Group corpus’. The members of the group agree to use this common fund and such other funds that they may receive as a group through a common management.

The group formation will keep in view the following broad guidelines:

- A self-help group may consist of 10 to 20 persons. However, in difficult areas like deserts, hills and areas with scattered and sparse population and in case of minor irrigation and disabled persons, this number may be from 5-20. And the group members should be homogenous groups that came from the same economic background
- The group should devise a code of conduct (Group management norms) to bind itself. This should be in the form of regular meetings (weekly or fortnightly), functioning in a democratic manner, allowing free exchange of views, participation by the members in the decision making process.
- The group should be able to draw up an agenda for each meeting and take up discussions as per the agenda.
- The members should build their corpus through regular savings. The group should be able to collect the minimum voluntary saving amount from all the members regularly in the group meetings. The savings so collected will be the group corpus fund.
- The group corpus fund should be used to advance loans to the members. The group should develop financial management norms covering the loan sanction procedure, repayment schedule and interest rates.
- The members in the group meetings should take all the loaning decisions through participatory decision making process.

- The group should be able to priorities the loan applications, fix repayment schedules, fix appropriate rate of interest for the loans advanced and closely monitor the repayment of the loan installments from the loan
- The group should operate a group account preferably in their service area bank branch, so as to deposit the balance amounts left with the groups after disbursing loans to its members.
- The group should maintain simple basic records such as Minutes book, Attendance register, Loan ledger, General ledger, Cash book, Bank passbook and individual passbooks.

2.1.2 Empowerment Aspects of SHGs

Women empowerment is the center of Self Help Group approach. Since many of the target of SHG program are the poorest of the poor who did not have access to formal education, providing training that takes into account the level of understanding of these women is a key strategy of women empowerment. Studies show that the success of any strategy of women empowerment depends upon the following factors.

- Level of education, hard work
- Family planning, small family
- Health, medical services, cleanliness
- Environment, tree growing, kitchen gardening
- Income level
- Employment (Fekadu Negguise 2014 ,Cited from on his study entitled The Impact of Self help group Approach in The lives of Beneficiaries at Household level ,)

2.1.3 Empowerment of Women through Self Help Groups

Mahatma Gandhi states that the position of women the society is an index of its civilization. “Train a man and you train an individual, Train a woman and you build a nation”. The SHGs are the major resource of inspiration for women’s welfare. Special programme have been designed for training and capacities building of women beneficiaries of the SHGs. Regular skill development training programmes are being organized for value addition SHGs productions for

better packaging, standardization of ingredients, pricing and to develop marketing skills among women.

The concept of SHGs moulds women as a responsible citizen of the country with social and economic status. It leads women to develop the habit of raising loans, form savings, inculcated with a sense of belongingness, habit of thrift and discipline among themselves. The concept of self-monitoring has been introduced by the SHGs in a phased manner with the aim to make women totally own their movement and institutionalize its sustainability through networking. The women groups have taken the initiative to educate their own members with great enthusiasm. Women belonging to lowest strata of the society are getting habituated to savings and paved the way for decision making power in the family. In developing SHGs uplift the women who are mostly invisible in the social structure by creating self- confidence and self-reliance.

The dictionary meaning of the word ‘empowerment’ is to give power to make them able (person/group). The Oxford Dictionary defines empowerment as the ‘action of empowering, the state of being empowered’.

The term ‘**empowerment**’ as the range of activities from individual self-assertion to collective resistance, protest and mobilization that challenge basic power relations. Empowerment is a process aimed at changing the nature and directions of systematic forces, which marginalize women and other disadvantaged sections in a given context.

2.1.4 Economic Impact of Self-Help Groups

Women have tremendous energies to start their own enterprises given the right opportunities. They have developed abundant self-confidence and self-esteem through self-help group movement not only to overcome economic poverty but also social and gender issues which can be tackled effectively through this process.

The micro-financing of women through self-help groups has helped the groups to achieve a measure of economic and social empowerment. It has developed a sense of leadership, organizational skill, and management of various activities of a business, right from acquiring finance, identifying raw material, market and sustainable diversification (Source: by Fekadu

Negguise, on his study entitled the impact of self help group Approach in their lives of beneficiaries at household level, 2014)

2.2 Empowerment of Women: The Concept and Approach

Today, women empowerment is considered an essential components of international development and poverty reduction .The concept of women empowerment has gained increased attention over the past two decades .This concept first held at international prominence at the international conference on women, on population and development in Cairo in 1994 and then again at the fourth world Conference on women, Beijing 1995. But the central role of women in development originated during grassroots movement occurring years earlier.

The international Conference at Cairo and Beijing announced to development agencies the shift from thinking of women as targets for fertility control policies to acknowledging women as autonomous agents with rights. By 2000, the united Nation was including women's empowerment and advancement as central part of their agenda (UN women).as result of these Conferences, abroad assessment of women empowerment through the UN system was undertaken. Theses assessment helped shift resources and ideologies towards women role in development, the emergence of women empowerment as central concept in development was the result of earlier grass roots movement aimed at empowering disenfranchised communities with women playing a central role. Grassroots organizing included the formation of self help groups, which became central ground for women's activism and participation and helped to shape the changing developmental landscape. (The Campbell Collaboration .2013, a systematic review The Effect of Economic Self Help Group Programs on women empowerment)

2.2.1 Conceptualization of Empowerment

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. However, in most developing countries, women have a low socio and economic status. In such countries effective empowerment of women is essential to harness the women labor in the main stream of economic development. Empowerments is the process of enabling or authorizing an individual to think, behave, take action and control work in an autonomous way. It is the process by which one can gain control over one's destiny and the circumstances of their

lives. Empowerment can be viewed as means of creating a social environment in which one can make decisions and make choices either individually or collectively for social transformation.

Women empowerment enables autonomy and control over their lives. The empowered women become agents of their own development, able to exercise choices to set their own agenda and be strong enough to challenge their subordinate position in the society. Although women constitute half of world's population yet they are the largest group which is excluded from the benefits of social and economic development. Women constitute a strong labor force which needs to be mobilized and encouraged to make an effective contribution to the development process

2.2.2 Outcome of empowerment

- Economic empowerment
- Political empowerment
- Social empowerment
- Psychological empowerment

2.2.2.1 Economic Empowerment:

Economic empowerment refers to earning power, collective bargaining for economic gains, control over means of production, involvement in decision-making regarding economic aspects of development of skills in management. Economic empowerment implies a process of redistribution of resources and power between different groups. It helps in building confidence, self-assertion and courage

2.2.2.2 Political Empowerment:

The ability to participate in decision-making around access to resources, rights, and entitlements within communities. This can be measured using indicators such as awareness of rights or laws, political participation such as voting, the ability to legally own land, the ability to legally inherit property, and gain leadership positions in government.

2.2.2.3 Social Empowerment:

The ability to exert control over decision-making within the domestic sphere. Measures can include women's mobility or freedom of movement, freedom from violence, negotiations and discussion around sex, control over choosing spouse, control over age at marriage, family size decision-making, and access to education.

2.2.2.4 Psychological Empowerment:

The ability to find the power within oneself to make choices and act upon them. This can be measured using outcome indicators such as self-efficacy or agency, feelings of autonomy, sense of self-worth, self-confidence or self-esteem.

(The Campbell Collaboration .2013, a Systematic review .The Effect of Economic Self Help Group Programs on women empowerment).

2.2.3 Importance of Economic Empowerment

Poverty is the biggest challenge development efforts to bring about a perceptible change in the quality of life of the people in developing countries a vast section of population suffers from malnutrition, unemployment, and poor health care. This is particularly, true in the case of four main weaker sections of society namely, women, children, elders and PLWD. The high rates of illiteracy and low economic status of women underlie the need for increasing their earning by providing income-generating assets. Provision of employment opportunities to women is one way to improve their nutrition, health, education and social status. In most of the developing countries greater emphasis is laid on the need for development of poor women and their active involvement in the main stream of development especially economic that enhancement of women's earning would have a more profound effect on the welfare of the family as a whole. Since it increases women's income, it results more directly in better health and nutrition for children. Thus grouping women for economic empowerment is of great importance, which has major implications on the overall empowerment of women.

2.3 Overview of Poverty in Ethiopia

Ethiopia is the second –most populous country in sub Saharan Africa with a population of about a 90 million (government of Ethiopia latest estimate is 85.8 million: UN estimate is 94.1 million , and population growth rate of 2.6%(2013).one of the world oldest civilization, Ethiopia is also

one of the world poorest countries .The country's per capital income of \$ 470 is substantially lower the regional average (Gross national income ,Atlas Model) .the government aspires to reach the middle income status over the next decade. The economy has experienced strong and broad based growth over the past decade, averaging 10. % per year in 20014.20015-2012/2013 compared to the regional average of 5.3%. Expansion of the services and agricultural sectors account for most of this growth ,while manufacturing sectors performance was relatively modest .Private consumption an public investments explain demand side growth with the latter assuming an increasingly important role in recent years .Economic growth brought with it positive trends in reducing poverty , in both urban and rural areas. while 38.75 of Ethiopians lived in extreme poverty in 2004-2005,five years later this was 29.6%,which is decreased of 9.1 percentages points as measured by national poverty line, of less than \$0.6 per day ,using the Growth and Transformation Plan (GTP), the target is to reduces this further to 22.25 by 2014-2015.

Gender differentials persist at all levels and women disproportionately bear the burden of poverty, which is mainly attributed to a lower social status given to them and the resulting powerlessness, and discrimination against them in terms of access to and control of resources and opportunities. Women also experience a lack of access to leadership and other decision-making positions, while coping with exposure to violence of varying magnitudes including domestic violence, which is traditionally considered as acceptable and is treated as a family affair, etc (Bezabih Tolosa , 2007, PP 6)

2.4 Initiatives taken to address women's Problems in Ethiopia

2.4.1 Women and Economy

Since women constitute half of the population in Ethiopia, they significantly contribute to the country's economy, mainly in the agriculture and the informal sector. According to Central Statistics Authority (CSA) 1996, there are more women (64.3%) than men in the informal sector. Despite their contribution to the economy and social development, however, they did not enjoy the fruits of development equally as their male counterpart. To this effect, they do not have access to, health, education, and other productive resources and they are not adequately represented in leadership and decision-making positions at all level.

In order to address these problems, various measures have been taken by the government. With the support of the Government, Women Entrepreneurs are being organized at all levels ranging from Federal to Regional level. Women in the informal sector are being a member and benefit from these associations.

Further, the FDRE constitution of the 1995 guarantees women the right to acquire, administer, control, use and transfer property including land. The National Policy on Ethiopian Women that aimed at facilitating conditions to the speeding up of equality between men and women in the political, social and economic life of the country is worth mentioning.

As per the implementation strategy of the policy, the Ethiopian Women Development Fund is established with the aim of contributing towards bringing economic empowerment of Ethiopian women by providing the necessary financial and technical support to organized women groups.

The overall development objective women' Development Initiative project (WDIP) is, therefore, to enhance women's participation in the development interventions by mobilizing women at the grass root level and unleashing their potential to support the development process. In order to strengthen the EWDF, the Ethiopian Government has handed over institutions, which were previously owned by former women organizations and associations. In order to achieve the above objectives, the Women's Development Initiative Project (WDIP) is established in may 2001. The WDIP is a learning and innovative loan, which aims to test methodologies to enhance the social and economic welfare of poor households. The project financial inputs have been generated from three major funding sources. While the World Bank generates 5 million USD as a learning and innovative loan, the Italian Government contributes USD 1.8 million grant for this project. There is also matching fund from the Ethiopian Government and other donors. The total running cost of the project is USD 8 million.

Apart from the EWDF project which is being implemented at national level to economically empower women, awareness on gender budgeting is also being undertaken at a national level to planners and policy makers in order to engender the national budget and promote equitable budget allocation. However, since the issue of gender budgeting is at its rudimentary stage in the country, a lot remains to be done in the area. To this end, the Women's Affairs Office in the Prime Minister Office in collaboration with the Ministry of Finance and

Economic Development (MOFED) is planning to conduct a preliminary gender analysis of the national budgets accompanied with advocacy and lobbying work .(Bezabih Tolesa, 2007)

2.4.2 Ownership of property

Article 40(3) of the FDRE constitution states that rights to ownership of rural and urban land are exclusively vested in the state and the people of Ethiopia. The same constitutional provision affirms that land is a common property of the nations and peoples of Ethiopia and shall not be subject to other means of exchange. Article 35(7) of the constitution states that women have equal rights with men with respect to the use, transfer, administration and control of land. The Federal Rural Land Administration Proclamation No 89/1997 states that "the land administration law of a region shall confirm the equal rights of women in respect of the use, administration, and control of land as well as in respect of transferring and bequeathing of holding rights. Some of contents of the land administration law delegates each regional council to enact which shall" ensure free assignment of holding rights both to peasants and nomads, without differentiation of the sexes...", allow women to use hired labor on their holdings or to, otherwise, make agreements there to and law down a system based upon transparency, fairness as well as the participation of peasants especially women, for purposes of assigning holding rights and carrying out distribution of holdings

2.4.3 Violence Against women

Violence against women such as rape, domestic violence, abduction for marriage, sexual harassment, female genital mutilation, early marriage are widely speared in the country and are being widely recognized, as a violation of women's right apart from the physical and psychological consequence it has on the life of a woman. Women in Ethiopia as anywhere else are also victims of various violence and harmful traditional practices simply because of their gender. Patriarchal domination, cultural and traditional practices, economic deprivation etc are among the reasons for violence against women in Ethiopia.

Cognizant to this fact, a lot of awareness has been undertaken by various stakeholders including the Sect oral women's affairs machineries, and civil society organizations. Various strategies,

including IEC materials, training's/workshops, media campaign (both print and air), panel discussions, legal aid for women etc were used in this regard.

Taking the multi dimensional consequences of violence against women into consideration, the government of Ethiopia has taken measure in creating conducive environment for the revisions of legal reforms that are discriminatory to women. Accordingly, the family law has been revised in a gender sensitive manner and the penal code is at stake

2.4.4 Education and Training of Women

One of the strategic objectives and actions in the Beijing Declaration and the Platform of action is education and training of women. The strategic objective clearly states that education is a human right and an essential tool for achieving the goals of equality, development and peace. Following the declaration, Ethiopia has been trying to close the gender gap in education through formulation of policies, strategies and action oriented measures.

The new education and training policy declared in 1994, has addressed the importance of girls education and among others it clearly stated that the government will give financial support to raise the participation of women in education. It further stated that, special attention would be given to the participation, recruitment, training and assignment of female teachers.

2.4.5 Women and Health

Due to various discrimination that the women have based on their gender such as violence against women (rape, domestic violence, women's trafficking etc), harmful traditional practices (early marriage, FGM etc), son preference etc, they are subjected to poor health, which poses grave health risks. They also have different and unequal access to basic health services Ethiopia's burden of disease is dominated by prenatal and maternal conditions followed by communicable and infectious disease like malaria, TB and HIV/AIDS and nutritional problems. While the total fertility rate is 5.9%, the health problem of mothers and children combined accounts for 50% of all deaths and 56% of daily lost (HSRDP, 1998).

The 1998 Ethiopian Health Sector Reform Development Program (HSRDP) the government has embarked is the result of a critical examination and analysis of the nature, magnitude and root causes of the prevailing health problems of the country and awareness to newly emerging health problems.

Hence, the 1998 Health Sector Development Program is designed in such a way that it responds to the largely preventable and poverty related causes of morbidity and mortality. Therefore, in relation to policy attentions and program reform strategy the health needs of women and children has been given due attention and focus among the priority areas for intervention.

3. CHAPTER THREE

RESEARCH METHEDODOLOGY

3.1 Research Design

As the objective of this study is to assess and understand the effectiveness of SHG in socio-economic empowerment of women, mitigating the effect of poverty at the individual and household levels, it is Exploratory and descriptive. It will be descriptive because the general socio- economic characteristics of the study group shall be described by sex, age group, source and size of income, level of education, religion, etc. The study is exploratory as it investigates the socio-economic situation of the subjects under the study. Thus, the nature of the study requires using both a quantitative as well as qualitative data collection techniques. The quantitative method employed in this study shall be simple statistics expressed in frequencies, percentages, and tabulation; and they were used to give explanations on the demographic and socioeconomic characteristics of the study subjects. In order to seek answers to research questions, a qualitative research method used in this study

3.2 Sampling Techniques

The objectives stated earlier as examined through an exploratory study of the functioning of selected SHGs in 'love in action Ethiopia Trans ACTION program. The project is purposively chosen considering that sebeta town is one of the fastest growing towns in the region where the socio-economic problems that affect the well-being of the poor community, particularly those of the poor women, are believed to be rampant. Moreover, as the project under the study is believed to be one of the Love in action Ethiopia has total of 240 SHG members .for the purpose of this study 104 respondents were randomly selected from all SHG groups .

3.3 Sample size

Considering the time in which the group members were organized together, 12 SHG were selected. 90 SHG members were selected randomly for questioner and one project coordinator; 12 SHG chair person, and one person from government administration, a total of 18 were participate on the structured Interview. Generally total of 104 sampled individuals were studied.

3.4 Data Collection Tools.

The researcher used both primary and secondary data. The primary data were collected by using questioner and structured interview .the secondary data was collected from documents and other different literatures.

The quantitative data were collected by using self-survey. Questioner divided in different section, which measure different study variables these include general information such as demographic data of respondents, and socio economic status of women before and after joining SHG. All categories of primary data collection were conducted in Amharic after translating the questions from English to Amharic. Then again the Amharic version responses were translated into English for analysis.

Structured interview were administered to collect qualitative data from twelve SHG leaders, one project coordinator and one government administration. Interview was conducted with coordinator in order to collect data about Organization back ground, project distribution or nature and operational definition. The questions were designed to collect qualitative data regarding mission and vision of the organization, number of direct and indirect beneficiaries, total budget allocated for the project, gender mainstreaming and feature plan of the organization on empowering women and challenges they faced while running SHG as leading agency and to collect the observation of economic strengthening officer (community facilitator).

Structured interview were administered for 12 SHG chair person, to collect information regarding the contribution SHG on their socio-economic status, and their leadership role as SHG leaders, the leaders were not included on the first sample (questioner). The interview helps the researcher to explore and deeply understand.

3.5 Data Collection Procedure

The researcher first contacted love in action Ethiopia sebeta branch to get permission after getting permission, the translated questioner was employed on randomly selected SHG members, following these 90 members were selected using the random sampling technique. And structured interview was administered on 14 purposively selected samples; Quantitative data were collected prior to qualitative data

3.6 Source of data.

The required qualitative and quantitative information collected directly from the carefully and randomly selected sample respondents through questionnaires, interviewees and documents with different beneficiaries'. This primary data was accompanied by the impartial and critical observation of the researcher. The secondary data from government office, different books, WebPages, project documents and pamphlets concerning with role of SHG in socio economic empowerment of women was reviewed.

4. CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

The data generated from the interview, questioner and different documents are thematically analyzed based on the conceptual framework of the study .Both the qualitative and quantitative data were analyzed. The questionnaires returned were checked before they were analyzed. Unanswered or incorrectly filled questionnaires were identified and then the survey questions arranged based on the code numbers and variable categories.

Part one: Quantitative Analysis

A total of 90 survey questioners have been sent to sample subject and all of them have been returned.

A. Respondent's characteristics

For the propose of analysis, respondents age, sex, religion, and marital status, therefore the below is the demographic characterizes of 90 respondents

Table 4.1 Age Composition of respondents

Age –range	No of respondent	Percentage
20-24	9	10
25-29	19	21.1
30-34	36	40
35-40	18	20
Above 40	8	8.9
Total	90	100

Source: Questionnaire Survey 2015

It is evident that from the table above, the majority i,e 40 % of respondents belongs to the age group of 30- 40 , respondents from age 25-29 are 21.1%, respondents from age 35-40 are 20% and respondents in the age category above 40 years old are few i,e 8.9%.

Table 4.2 Religious Composition of respondents

Religion	No of respondents	Percentage
Orthodox	69	76
Muslim	6	6.7
Catholic	2	2.2
Protestant	13	14.4
Others	-	-
Total	90	99.3

Source: Questionnaire Survey 2015

Table 4.2 Shows that the majority of the respondent's i.e. 76 -percent of respondents belongs to orthodox religion while protestant religion respondents are 13 percent, Muslim and catholic religions are 6 and 2 percent respectively.

Table 4.3 Marital status of respondents

Marital status	No of respondents	Percentage
Married	69	76
Widowed	12	13
Divorced	4	4.4
Single	5	5.5

Source: Questionnaire Survey 2015

Table 4.3 shows that majority of respondents (76 %) are married 13 percent respondents are widowed, 4 of respondents are divorced while 5 percent are unmarried.

Table 4.4 Respondents level of education

Level of education	No of respondents	Percentage
Illiterate	6	6.7
Read and write	59	65.5
Primary	8	8.9
Secondary level	5	5.5
Certificate	2	2

Diploma and above	0	
Total	90	

Source: Questionnaire Survey 2016

Table 4.4 shows that majority of the respondents (65 %) can write and read through the help of adult education, 6.7 % are illiterate, 8.9 % are primary level, 5.5 % are secondary level and only 2.2 % of the respondents have certificate. It reveals that majority of the respondents can only read and write because they are the member of adult education in the town, most of them joined adult education after they joined SHG by the initiation of their friends in the group so SHG helped them as the source of information about adult education and now they can write and read.

B. Major Variables

The major variable focus on the main area of study, socio economic status of women in SHG before and after they joining SHG and empowerment aspect of SHG on its members.

Table 4.5 Respondents Length of membership in the SHG

Length	No of respondents	Percentage
>1	0	
1-2	0	
2-3	90	100%
4-6	0	
>7	0	
Total	90	

Source: Questionnaire Survey 2016

Since the sample respondents are selected based on the length of their membership, members who spent at least more than two years, all SHG members i.e. 100% of the respondents membership span was between 2 -3 years

Table 4.6 Respondents Sources of information About SHG

Source of information	No of respondents	Percentage
Peer-education	72	80
Friends	13	14.4
Relatives	5	5.5
Total	90	99.9

Source: Questionnaire Survey 2016

Table 4.6 shows that majorities of respondents that means 80 percent of respondent get information about SHG in during their peer to peer education sessions 14, Percent from their friends out of peer education session and 5.5percent respondents get information from their relatives. It is evident that the peer education groups are one of the group types that can influence each other.

Table 4.7 Respondents source of loan prior to joining SHG

Sources of loan	No of respondents	Percentage
Private money lenders	12	13.3
Relatives /friends	24	26.6
equb/Edir	18	20
No means	36	40
Total	90	99.9

Source: Questionnaire Survey 2016

Table 4.7 shows that prior to joining SHG the majority of respondent's i.e. 40 percents do not have a means to take a loan, 26.6 percent take loan from their relatives or respondents, 20 percent respondent from Equb or iddir and 13.3 percent respondents take loan from private money leaders, .this data shows that majority of respondents were don't have means take loan before joining SHG.

Table 4.8 Reason respondent like loaning from SHG

Reason	No of respondents	Percentage
There is no interest rate like other sources of credit.	38	42.2
No guarantees (land, fixed asset) requested to take loan.	36	40
SHG is accessible more than other credit sources.	16	17.8
Total	90	100

Source: Questionnaire Survey 2016

Table 4.8 shows that the main reason that the majority of respondents 42.2 interested to take loan from SHG is for the reason that there is no interest rate like other sources of credit, while 40 percent of respondent interested to take loan from SHG because there is easier guarantees than other loan alternatives, 17.8 percent of respondents interested to take loan from SHG due accessibly of SHG s more than other credit sources.

Table 4.9 Respondent level of income before joining SHG

Level of income	No of respondent	Percentage
<100 birr	13	14.4
101-200 birr	20	22.2
201-300 birr	32	35.6
301-400 birr	17	18.9
401-500 birr	8	8.9
>500 birr	0	
Don't know		
Total	90	100

Source: Questionnaire Survey 2016

Table 4.9 shows that Before joining SHG the income level of Majority of respondents, i.e 35.6% is between 201- 300 birr, 22.2 % of respondents income level is between 101-200 birr, 18.9 % is

between 301-400 birr,14.4% is less than 100 and only 8.9 respondents income level is between 401- 500 birr.

Table 4.10 Proposes that respondents use by the loan secured from SHG

Purpose of loan	No of Respondents	Percentage
Purchase of food items	8	8.9
Purchase of clothes	3	3.3
Business/trade	71	78.9
For school fee	6	6.9
For house rent	2	2.2
Total	90	100

Source: Questionnaire Survey 2016

Table 4.10 shows that majority of respondents 78.9 percent use the loan they secured from SHG for business purpose,6.9 percentages for school fee, and 2.2.Percent for house rent and 8.9 percent is for purchase of food. It is evident that majority of respondents use the loan they secured from SHG for business or trade.

Table 4.11 Respondent place of saving their money

Saving places	Before joining SHG		After joining SHG	
	No of respondents	Percentage	No of respondents	Percent
Keep in my house	22	24.4	0	0
Put it with my relatives	13	14.4	0	0
Save In bank			16	17.8
Never saved	55	61.1	0	0
SHG	0		74	82.2
Total	90	99.9	90	100.2

Source: Questionnaire Survey 2016

It is evident from table 4.11 that before joining SHG majority of respondents 61.1 percent of the respondents never save money, 24.4 percent of the respondent save money in their house while 14.4 percent of respondent put or save their money with their relative, after joining SHG majority of respondents that means 82.2 % save their money in SHG and 17.8 percent of respondents save at bank , we can conclude from this data that there is an increase trade on saving capacity and behavior of responds after joining SHG, before they join majority of them never save and after they joined they start to save at SHG and Bank

Table 4.12 Purpose of saving

Purpose of saving	No of respondents	Percentage
For food consumption	8	8.9
For cloth	3	3.3
For IGA	73	81.1
School fee	6	6.7
Others	0	99.7
Total	90	

Source: Questionnaire Survey 2016

Table 4.12 shows that the majority of respondents that i.e.81.1 percent of them save money for income generating activities and 6.7 percent of respondents save money for school fee. 8.9 of them save money for food consumption.

Table 4.13 Partner view towards respondent's contribution in SHG

View	No of respondents	Percentage
Appreciation	71	78.9
Normal	13	14.4
Less appreciation	6	6.7
Total	90	100

Source: Questionnaire Survey 2016

As it is shown in the above table, after joining SHG partner view towards their partners' participation or contribution is 78.9 percent means the majority respondents partners

appreciated their contribution, 14.4 percent of partner saw their contribution as normal while 6.7 percent respondents partners' less appreciate their contribution .

Table 4.14 Socio Economic- Status after joining SHG.

Areas	Same		Increased		Decreased	
	No of respondents	Percentage	No of respondent	Percentage	No of respondents	percentage
Literacy/Education	67	74.4	23	25.5	0	
Access to credit sources			90	100	0	
Family income			90	100	0	
Skills development	34	37.8	56	62.2	0	
Awareness on HIV/AIDS and other diseases			90	100	0	
Awareness on family planning			87	87	0	
Total	90				0	

Source: Questionnaire Survey 2016

One of the main objective the study was assessing the contribution of ' SHG in socio economic empowerment of poor women, this paper has considered variables like literacy/education, access to credit sources, family income, skills development, awareness on HIV/AIDS and family planning, in order to assess socio economic status of respondents after they joined SHG. It is evident from the above table that expect on literacy and education variable and skills and development the socio economic status of women is increased in all variables such as access to credit access, family income, awareness on HIV/AIDS and family planning with 87% after joining SHG and of 90 respondents only 23 respondents that means 25.5 percent of

respondents reported as there is an increase literacy status since they joined SHG while 74.4 percent of respondents replied that as there is no change in their literacy status since they joined SHG.

Table 4.15 Decision making power of respondents after joining SHG

Areas	Before joining SHG			After joining SHG		
	Male	Female	Jointly	Male	Female	Jointly
	Percent	Percent	Percent	Percent	Percent	Percent
Education of children.	58.9	13.3	27.7	6.7	45.5	47.7
Family expenditure	62	16	20	6.7	51.1	48.8
Loaning	83.3	3	13.3		58.9	41.1
Savings	54.4	16	27.7	2.2	54.4	43.5
Participation in meetings	78.9	11	8.9	21.1	37.8	41.17

Source: Questionnaire Survey 2016

One important indicator of empowerment is the ability to make decisions within the household and outside. As women are an important part of the community, building their capabilities is very essential to manage affairs of communities. Table-1 5 shows that before and after joining the SHGs, women are participating and exercising more in family decision making and they have a say in the family affairs. This paper has considered variables like children education ,family expenditure ,loaning, saving and participation on social meetings ,test the decision making power of women and the results shows that after joining the SHGs women has increased her decision-making power. Before joining SHGs women role in decision making in all the indicators were very low. Education of children 13.3 %, family expenditure 16 %, loaning 3%, saving and participation in the meetings are 16 % and 11 percent respectively. But after joining the SHGs women role in decision making in all the indicators were increased. Education of children 45.5 %, family expenditure 51.1%, loaning 58.9%, saving and participation in the meetings are 54 % and 37.8 percent respectively. And social visits are 40% and 33% respectively. And table shows

after joining the SHG increased in wife and husband (joint) role in decision making, of all indicators.

Table 4.16 Level of domestic violence before and after joining SHG

Areas	Before joining SHG		After joining SHG	
	No of respondents	Percentage	No of respondents	Percentage
Frequently	15	16.7	0	0
Rarely	27	30	0	0
Occasionally	32	35.5	2	2.2
Never	16	17.8	88	97.8
Total	90	100	100	100

Source: Questionnaire Survey 2016

Table 4.17 shows that before joining SHG the level of domestic violence was high of out the respondents 16.7 % has been abused frequently, 30% rarely,35.5 occasionally and 17.8 never have been abused but after joining, SHG 97.8 percent of respondents do not encountered any type of domestic violence while 2.2 percent of respondents encountered domestic violence occasionally . This shows the direct relationship of socio economic status of women and domestic violence, the more women are empowered economically the less they encountered any kind of gender based violence.

4.17 Trainings and Capacity building taken by group members.

Training types	No of participation	No of respondents	Percentage
Capacity building	3	88	97.8
Skill development	2	46	52
Marketing linkages	2	69	76
Micro enterprise development	2	73	81
Literacy	1 round	23	25.5

Source: Questionnaire Survey 2016

The above table shows that respondents took different trainings at different times. Among the trainings 97.8 percent of respondent take capacity building training three times, 52 % took skill building trainings two times, 76% of respondents took marketing linkage trainings two times 81% respondents took, micro enterprise development trainings two times and literacy 25.5 % they only attended one round .

Part two Qualitative data analysis

Qualitative data collected through in depth interview from love in action Ethiopia project coordinator to collect information on three main areas background of the organization and project, and on operational definition and also in-depth interview conducted with sebeta town administration head, in order to collect information on the general socio-economic situation of the population, the main problems that the town encountered regarding socio-economic condition of women, initiative taken by the town administration to solve the problem of poor women and the role of NGO in solving social problem in the town are the main points raised and also interview was conducted with twelve key informants SHG leaders and four community facilitators and one project coordination staff

4.18 In-depth Interview with selected key Informants SHG leaders.

In-depth interview was administered to twelve key informants SHG chairs person in order to collect information regarding the contribution of SHG on their socio economic status and question related to their leadership role.

4.18.1 Respondent's General information

Based on the interview result all SHG leaders are married and out of 12 interviewed 58.3 % of them can write and read , 16.7 % have secondary education level and the rest 25% have primary education level .out of 12 respondents 100% that means all of them had been in SHG for more than 3 years ,all respondent are SHG leaders(chairperson) who are elected by their members and out of all key informants interviewed 58.3% of them belongs to orthodox religion, 33.3% of them protestant and 8.3% is from Muslim religion .

4.18.2 Empowerment Aspect of SHG

Under this parameter decision making power of respondents at household and community level, leadership impact of SHG leaders after they join SHG, saving patterns of the respondents were taken as the main area to focus. The data gathered from the key Informants shows that the concept of SHG is good and important to change the living Condition of the poor by providing loan for the group members. Therefore based on the interview result, 94 % of the respondent's decision making power on the areas of children education, family planning, expenditure, saving and participation at community meetings improved after they joined SHG while 6% of them respond that there is improvement on the above motioned areas but there are still some gaps regarding their decision power especially on the area of family planning and participation on different meetings, one the respondents said that “sometimes my husband had taken the money I put in our home for saving purpose he may buy anything that that interests him without my consent or without deciding together ”.

One of the purposes of SHG is for the members to exercise the leadership skill through using rotational leadership style that means every member will have a chance to lead the group and that helps every member to improve their leadership skill. All of the interviewed women 100% stated that since they became SHG leaders they could improve their leadership skill and also they use the skill they got at household level with their family, they also mentioned that the rotational style of leadership gave opportunity to all members the chance to improve their leadership skill. The other part of SHG role is about the developing saving culture and getting access to capital for its members ,saving and loaning is the common process in SHG, the study found that 78.8% interviewed had saved money for only for business purpose(IGA) while 3.2% save for scholastic materials and school fee in addition to IGA and the rest 8 % save money for food consumption and clothing , and IGA that means the majority of respondents save money for IGA purpose while the rest save not only for IGA but also for other expenses too . The study found that more than 99% of the interviewed had taken loan from their group and about 78.8 % of the loan was used for the purpose of initiating or expanding income generation activities where us 22% loan was used for different purposes such as medical expenses, clothing, school fee and food consumption in addition to IGA .

The socio- economic effect of SHG on members after they Joined SHG was the main areas that researcher want emphasis. All of the respondents that means 97 % responds interviewed

explained that their socio economic status has been changed since they joined SHG, majority of the respondents mentioned that after they joined SHG there are improvements on areas of children education, income, accessing health services, participation in community meetings, engaging in IGA, deciding on the household expenditure, low incident of abuse at home and also they able to use family planning properly without the interface of their partners, there was also an increase on the awareness of HIV because of peer to peer education group discussions conducted . While the 3% of the key in formats respond that after they joined SHG their social economic status has changed though there are still gap regarding some areas such as use of family Planning, deciding on income gain from IGA and loan secured from SHG.

One of the interviewed said that “sometimes my husband become interested to use all the loan I have taken from SHG for IGA purpose, for other purposes like buying home furniture or other things he might take all the loan and bought what he likes, this kind of things created problem to repay the loan I have taken within the fixed period of time”.

The other interviewed explained that as there was an improvement in her socio economic status but still there are some miss understanding regarding use of family planning, especially the long term family planning is not well accepted in the community due to miss conception of community members about long term family planning methods causes infertility, due to this my husband was not happy to use family planning especially the long term methods and I don't have full right to chose the methods too. But in general majority of interviewed key informants Socio economic status has changed since they joined SHG.

4.18.3 General Information about SHG

S. no	SHG leaders code	Total Number of members formed	Current number of members	%	How much money saved so far .	How much of members received loan once	%	Members received loan two wise	%	Remark
1	01	25	23	92	66378	23	100	14	60	
2	02	25	25	100	97212	25	100	13	52	
3	03	25	25	100	84100	25	100	9	36	
4	04	25	24	96	75123	24	100	4	16.7	
5	05	25	22	88	65147	22	100	11	50	
6	06	25	25	100	98467	2	100	3	12	
7	07	22	22	88	78456	21	100	5	20	
8	08	22	19	76	47945	19	100	9	40.9	
9	09	25	25	100	136578	25	100	6	31.5	
10	010	25	25	100	152892	25	100	15	60	
11	011	23	23	92	70561	23	100	5	21	
12	012	25	21	84	69894	21	100	3	14.2	
	Total	292	279	95.5	1,042,753	279		95		

Sources: Own Survey 2016

SHG leaders were interviewed about the general information regarding the SHG member's number, money saved so far and the frequencies of loan received by members per their group. According to the interview result 95.5 % of SHG members are still in their group and the rest 13 (4.5 %) group members stop coming to SHG due to different reason such as lack of interest to continue with a group, change of location, health problem and death. A total of 1,042,753 Ethiopian birr saved so far , out of the money saved so far all SHG (279) members that means 100% received loan once while 95 SHG members (34%) received loan twice. The group saving is increasing time to time, a groups member can save three times of the weekly

saving ,since the majority of SHG members are engaged in IGA they are in very good status to save continuously .

All interviewed joined SHG between the interval of two and three years and are elected by group members with active involvement of all members, the election is rotational and group members had chance to be a leader through rotational leaders selection process .

Most of the SHG groups engaged in IGA, the most common income generation activities undertaken by the groups were cafeteria, shops, injera, pity trade, diary and pottery. It could be at individual and group based on the interest of the individuals.

The groups have smooth working relationship with government bodies, most of leaders were focal person who are working with government and other stakeholders representing their group members .Majority of interviewed explained that whenever the group had an issue such working asking working place, Market linkage, linkage with micro finance and if there is any need on capacity building and also the government call the group's members on different meetings especially when there is meeting or trainings related to economic empowerment ,micro enterprise trainings .

The main challenge that SHG leaders face as leaders were lack of trust among members, members are not sure about the sustainability of the group, dalliance of work place permission and disagreement of some members.

4.19 Interview with Project Coordination Staff

In addition to beneficiaries' data, interview was conducted to get information about the Organization, project distribution and operational definition. Based on the interview, the name of the organization is called love in Action Ethiopia which is a local nongovernmental Organization located at Sebeta town 01 kebele with the mission of providing care and support services for most at risk population. Economic empowerments through IGA, SHG, awareness creation and care support activities are the main activities. The project had 1123 of Male and 2321 female direct beneficiaries and around 5000 indirect beneficiaries The operational definition of SHG is Self Help Group and around 12 SHG formed during the project period, each SHG has 20-25 individual members, In all projects gender mainstreaming was ensured the numbers of women beneficiaries are more than men beneficiaries, the organization has a plan to prepare proposal to

extend its project ,according to the coordinator the budget allocated to this project is around 1.5 million birr . At the end of the interview the coordinator suggested that the organization alone that means love in action Ethiopia would not secure women empowerment without the support of stakeholders such as government organization, FBO and CBO. From the interview it was concluded that the involvement or participation of women in the project was more than male, the project gave more emphasis to mainstream gender in to its project, the organization has a feature Plan to establish more SHG to empower women economically and socially by preparing proposals and they measure the outcome of SHG they formed by the consistency of meetings, savings and when there is strong group solidarity among group members and group initiation for trainings and to start business. According to the project coordinator the main challenge of SHGs lack of trust and frustration among some members because of their past painful experience related with other loan and credit saving institutions which failed to handle corruption and theft activities of some individuals, therefore the members claim that they might face such kind of injustice again. Some IGA groups unable to actively engage in business activities and shortage of capital storage were some of the challenges raised by project coordination staff.

4.20 Interview with Sebeta town Administration Staff

Based on our interview with sebeta the town administration staff , in sebeta town there are approximately more than 150,0000 populations living in the town. The number of population is increasing from time to time due to the establishment of factories, flower farms and others migrants people from rural and other towns to the town in order to search jobs, these migrants are facing many social problems such as housing and unemployment problems. Most of the migrants are women who come for daily labor work and also the town has many poor women who are unemployed. The main livelihood activity of the population is small trade and factory employment with very small amount of wage. The administration worked with different stakeholder including NGO to mitigate the effect of poverty in the town especially regarding solving the socio –economic problem of poor women, in addition facilitating loan from bank and creating linkage with micro enterprise where the support of the government provided to women in the town especially to those who are already in SHG. Shortage of budget and absence of organization who works on socio economic empowerment were the main challenges of the town to strengthening SHG

The Government is working hard to support women in the town with support of different stakeholders but they have still shortage of budget and to work more on the area, as the main livelihood activities of the population are small trade and employment at factories with small wage with large number of migration from rural to urban areas searching for jobs at town which is creating high pressure on administration to handle socio economic problem of poor women in the town.

5. CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of findings

- Majority of 40 percent of respondents of self help group members are belonging to age group of 30-34 years.
- Majority of 79 percent of the members are belonging to Orthodox religion.
- Majority of 76 percent of the members are married.
- Majority of 65.5 percent of the members can read and write.
- Majority of 100 percent of the members have membership period is between 2 to 3 years.
- Majority of 80 percent of the members source of information about the SHG is from peer to peer education.
- Majority of 40 percent of the members do not have source of loan prior to joining SHG
- Majority of 42.2 percent of the members like loaning from SHG because in SHG there is no interest rate like other source of credit.
- Majority of 35.6 respondents level of income before joining SHG was between 201-300birr.
- Majority of 70 percent of the members use the loan they secured from SHG for business / trade purpose.
- Majority of 61.1 percent of the responds never save money before joining SHG while majority of respondents 82.2 save their money at SHG after joining SHG.
- Majority of 61.1 percent of the responds never save money before joining SHG while majority of respondents 82.2 save their money at SHG after joining SHG.

- Majority of respondents 93.7 percent of members save money for income generating activities.
- Majority of respondents 78.9 percent partner view towards respondent contribution is appreciation.
- Expect on literacy and skills development, the socio economic status of respondents is increased after joining SHG.
- Decision making of women in all indicator are increased after joining SHG majority of respondents start to decide jointly on all indicators mentioned in the above table.
- Majority of respondents 97.8 percent level domestic violence is decreased after joining SHG.
- Majority 97.8 percent of respondents taken capacity building trainings.
- Majority of interviewed SHG leaders explained that their socio economic status has changed since they joined SHG
- The Rotational style of leadership gave all participants the chance to exercise and develop their leadership skill.
- Majority of interviewed said that the main problem they faced as leader was create trust among members and also about the program itself.

5.2 Conclusion

SHG is a powerful instrument for poverty eradication in the new economic era. As women are the most Vulnerable section of the society the quick progress of SHG is upward vehicle for women empowerment. SHGs have not only produced tangible assets and improved living condition of members but also helped in changing much of their outlook and attitude.

In the study, it has been found that SHGs have served the cause of women empowerment, social-solidarity and socio-economic betterment of poor women. SHG serves as a democratic tool for grassroots development for women. SHG promotes self-reliance by generating its own funds. It breaks the vicious cycle of debts. It is an effective agent for change and serves as a solid platform for women empowerment.

Finally it can be concluded that, SHG are effective tool for poverty alleviation and improving socio economic status of poor women. This analysis signifies that the system of SHG facilitates its members to improve their financial position through ensuring their saving behavior , decision making power both in personal and family issues the family and also increase income level and asset creation capability of SHG members. Thus, SHGs have served the cause of women empowerment, social solidarity and socio-economic betterment of the poor women for their consolidation in study area. Finally it is observed that SHG activities are truly empowering women. In the light of what has been described and analyzed in the findings above and the observation made during the visit, the overall progress of the SHGs is good. However, it was seen that there remains a lot to be done to bring the SHGs up to the desired level of empowerment sought by the group. Some SHGs have made their opinions crystal clear that they needed something to motivate them because they are very much frustrated because of the small loan capacity of SHGs due to the small capital accumulation. It is therefore, imperative to think of other ways that their capital could be enhanced, they also need more capacity building trainings on market linkage, and both the project coordinator and town administrator suggested that to ensure the empowerment of women the participation of all stakeholders is very crucial the problem of women is not only an issue of government or nongovernmental organization but also active and meaningful participation of all stake holders is very vital to ensure the issue of women empowerment and also advocacy should be done on the area

5.3 Recommendation

Based on the conclusion made from above in order to fully ensure the socio economic empowerment of women through SHG the following recommendations are provided.

- More capacity building training should be given to SHG on business skills, market linkages and micro enterprise developments so that they will be effective in their IGA.
- Self Help Group is powerful tool to enrich the savings activities and poverty alleviation. In this context the government should encourage SHG through proper allocation of budget and advocacy so that. non-Government Organizations and other support agencies

can fully engaged in supporting the SHG through capacity buildings and technical supports

- Primarily, the SHG members should clearly understand the vision, mission, goal, and objectives of the SHG to achieve their goal effectively because one of the challenges those respondents raised regarding the challenges that facing the group was passive participation of members in the groups so that clear understanding of the group mission and vision could be one of the solution.
- In order to strength the women empowerment, female literacy has to be promoted in SHG the literacy rate of women in SHG is very high and their participation of women in the literacy class in SHG is very low too so that is should be promoted since literacy is one aspect of women empowerment..
- NGOs and Government should take necessary steps for marketing the goods produced by SHGs.
- SHG leaders need to take more capacity building skill on their leadership skill, including on conflict resolution skills.

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Annex I. Questionnaire Guide (for SHG members)

St marry university

Graduate School of Social Work

I. Questionnaire Guide to be used with SHG members

Introduction: Good morning/afternoon. “My name is Mekdes Ashenafi I am a social work student at St marry university am interviewing people is SHG here in sebeta town kebele 01, 02,and 03, in order to find out about the SHG in improving the living condition of economically poor women. As you are the member of the LIAE SHG, I would like to discuss about the benefit of the project your answers are completely confidential your name members will not be written on this form unless willing, and will never be used in connection with Any of the information you tell me.

1) Age

S.N	Age Range
1	20-24
2	25-29
3	30-34
4	35-40
5	Above 40

2) Religions

1	Orthodox
2	Muslim
3	Catholic
4	Protestant
5	Others
6	Orthodox
7	Muslim

3) Marital Status

Sn	Marital status
1	Married
2	Widow
3	Divorced
4	Single

4) Level of education

Sn	Level
1	Illiterate
2	Read and write
3	Primary Level
4	Secondary level
5	Certificate
6	Diploma and above

5) For how long (in years) have you been a member of the SHG?

s.n	interval
1	>1
2	1-2
3	2-3
4	4-6
5	>7

6) What was your source of information about SHG

	Source of information
1	Peer-education
2	Friends
3	Relatives

7) What was your source of loan before and after to joining the SHG?

1	Private money lenders
2	Relatives/friends
3	Equib /iddir
4	NO means

8) Why do you like the loan provision by the SHG?

1	There is no interest rate like other sources of credit.
2	No guarantees (land, fixed asset) requested to take loan.
3	SHG is accessible more than other credit sources.

9) What was your level of income before joining the SHG?

1	<100 birr
2	101 - 200 birr
3	201 - 300 birr
4	301 - 400 birr
5	401 - 500 birr
6	> 500 birr
7	Do not know

10) For what purpose(s) do you use the loan secured from the SHG?

1	Purchase of food items
2	Purchase of clothes
3	Business/trade
4	For house rent
5	For school fee

11) Where did you save your money before and after joining the SHG?

1	Keep in my house
2	Put it with my relatives
3	Save in Bank
4	Never saved
5	Others

12. What is/are the main purpose of saving?

Sn	Areas
1	For food consumption
2	For cloth
3	For IGA
4	For school fee
	Others -----

13 How does your husband view your contribution to the household after the SHG?

Participation?

1	Appreciation
2	Keeps quite(as normal)
3	Less important (no appreciation)

14. Change on socio-economic status after joining SHG

Areas	Same	Increased	Decreased
Literacy/Education			
Access to credit sources			
Family income			
Skills development			

Awareness on HIV/AIDS and other diseases			
Awareness on family planning			

15) INCREASE DECISION-MAKING POWER OF SHG MEMBERS IN THEIR FAMILY AFFAIRS

Who decides on?

S.no.	Areas	Before joining SHG.			After joining SHG		
		Male	Female	Joint	Male	Female	Joint
1	Education of children						
2	Family expenditure						
3	Loaning						
4	Savings						
5	Participation in meetings.						
6	Family members ill discipline						
7	Involving in IGAs						

16) How was the level of domestic violence prior to joining the SHG?

1	Frequently
2	Rarely
3	Occasionally
4	Never

17. TRAINING AND EXPERIENCE

a. Since you joined the SHG, have you ever received trainings? _____

B. If yes,

Type of training No. of participations Usefulness Yes/No

S.no	Types	Frequencies	No of participations	No of participations Usefulness Yes/No
	Capacity building			
	Skill development			
	Marketing linkages			
	Microenterprise development			
	Literacy			

Annex II: Key informant interview Guide (For Self-Help Groups Leaders).

Introduction: Good morning/afternoon. “My name is Mekdes Ashenafi I am a social work student at St marry university am interviewing people is SHG here in sebeta town kebele 01, 02,03,04 and 05, in order to find out about the SHG in improving the living condition of economically poor women. As you are the member of the LIAE SHG, I would like to discuss about the benefit of the project to you as a member and SHG leader. Your answers are completely confidential your name members will not be written on this form unless willing, and will never be used in connection with any of the information you tell me.

Part I: Background Questions

A. Respondent Identification

1. Interview Code _____ Date of Interview: _____
2. Sex of the Respondent: _____
3. Age of the respondent: _____
4. Residence of the respondent: Town: _____ Kebele: _____
6. Name of the SHG he/she belongs to: _____
7. Duration in the SHG (when did he/she join the SHG)? _____
8. Level of participation (responsibility in the SHG): _____
9. Marital status: _____
10. Level of Education: _____
11. Religion: _____

B Respondents Empowerment

12 Do you participate in decision-making at?

- a. Household level (e.g., children’s education, health, and family income expenditure, (Probe for detail explanation)
- b. Community level – In SHG affairs, cluster meetings, village meetings, community works

13 Leadership impact of the project for the SHG leaders and members

a. Did SHG help you to improve your leadership skill? If yes, how and in what way?

14 Saving Patterns

a. What is/are the main purpose of saving? _____

b. What is the main purpose of loaning? _____

c. Change on economic status after joining SHG _____

C. About SHG

16. How many members are in your group? _____

17. How many members do you have in your group? Is the group size increasing, decreasing, or stable? _____

16. When you joined the group? In _____

17. Who you elected as a leader? _____

18. How much money does your group saved so far? _____

20. Is the group saving increasing or decreasing?

21. What IGAs do the members involved in so far?

22. What working relationship do you have with the concerning government, nongovernment offices working in the area?

24. What challenges did you face?

Thank you

Annex III Interview Guide (for the project coordinating Staff).

St marry university

Graduate School of Social Work

1. Background Information

1.1. Name of the organization -----

1.2. Type of organization: -----

1.3. Location: Sub City Keble Telephone -----

2. Project Description

2.1. Vision and mission of the project _____

2.2. Project activities and services being provided _____

2.3. Project outreach service coverage area _____

2.4. Project beneficiaries' _____

2.5. Total number of the project beneficiaries: Male: _____ Female: _____ Total: _____

Ask for gender proportion (Ask for detailed elaboration if there is major variation in the Percentage of male and women ratio) _____

3. Operational definitions

3.1 Self help group: -----

3.4 Number of SHGs _____

5. Total annual budget for your programs _____

6. Is there any proposal for future project extension? _____

7. If you have additional comments. _____

Annex IV. Interview Guide (For kebele officials.)

St Marry University

Graduate School of Social Work

1. How many poor people live in your kebele? What is the trend looks like?
(Increase/ decrease)?
2. What are the major means of livelihood of the people in this area?
3. What is the role of the Kebeles in mitigating the effect of poverty?
4. Does your town have any kind of assistance program to poor people who live in the Keble?
If yes, what kind of support do you give and what are the bases to be eligible for support?
5. What do you think should be the role of NGOs in fighting poverty?
6. What are the major problems of the town, which hinders its activities?

Annex V: Curriculum Viet

Annex VI: List of Tables

Table 4.1 Age category

Table 4.2 Religion Based classification

Table 4.3 Classification of respondent based on marital status

Table 4.4 Classification based on Education

Table 4.5 Classification based on membership span

Table 4.6 Classification based on respondent's source of information

Table 4.7 Respondent's source of loan before joining SHG

Table 4.8 Respondent's reason for joining SHG

Table 4.9 purpose of loan

Table 4.10 Respondents place of saving

Table 4.11 Amount of money saved after joining

Table 4.12 Purpose of saving

Table 4.13 Partners view towards respondent's participation

Table 4.14 Respondent's socio economic status after joining SHG

Table 4.15 Decisions making power of respondent's after joining SHG

Table 4.16 level of domestic violence before and after joining.

Table 4.17 Training and capacity building