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Microfinance Institutions and Women Empowerment: Somali Microfinance Institution

BY

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Advisor: Abebe Y. (Ph.D.)

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SCHOOL OF GRADUATE STUDIES

This is to certify that the thesis prepared by Mohamed Rashid Abdikadir, entitled: Microfinance Institutions and Women Empowerment: the Case of Somali microfinance institution submitted in the partial fulfillment of the requirements for the award of Master of Science in Accounting and Finance complies with the regulations of the university and meets the accepted standards with respect to originality and quality.

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ABSTRACT

Women play a vital role in all functions. Their role should be enhanced by empowering them financially. Microfinance has been found as a main solution to empower women and eradicate poverty. The focus of the study has been on micro-credit, given to the poor women to help them to initiate business, in order to increase their income which in the long run will empower them. Main objectives of the study were to determine the factors affecting of women empowerment through microfinance institution's services and the impact of microfinance on the living standard of females in the study area. For this purpose a sample of 151 women who had taken credit from the Somali microfinance institutions were randomly selected from jigjiga branch. Information regarding demography and other variables were collected through structured questionnaire. In order to understand the complexity of the phenomenon of women empowerment, a structured interview schedule and focus group discussion were also conducted. Different statistical instruments such as descriptive analyses and inferential statistics were employed to present the information scientifically, and to build up the relationship between the various explanatory variables and dependent variable. The analysis specifies that the response about joining microfinance was very encouraging. Beneficiaries of microfinance felt positive influence of microfinance on their level of self-confidence, family life, husband and wife relations and decrease in household domestic violence. Their decision making ability regarding income and expenditure, children's education and health, had also increased. Women's own perception after joining microfinance was also very positive. The results of the econometric model showed that marital status, credit history, household income, education, and household head have statistically significant influence on women empowerment. On the other hand, family size, age and number of children within household do not have statistically significant influence on women empowerment. It is suggested that the process of available credit should be made easier and outreach of microfinance sector should be expanded throughout the country.

Key words: Microfinance Institutions, Women, Empowerment, Jigjiga

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List of Abbreviations and Acronyms

ACSI	Amhara credit and saving institution
ADB	Asian development bank
ADF	African Development Forum
AEMFI	Association of Ethiopian Microfinance Institutions
BPFA	Beijing Platform for Action
CEDAW	Convention on the Elimination of Discrimination against Women
CSA	Central statistical Agency
DECSI	Dedebit Credit and Savings Institution
ESRS	Ethiopian Somali Regional state
FGD	Focus group discussion
HDR	Human Development Repot
MFI	Microfinance institutions
NABARD	National bank for agriculture and rural development
NGOs	Non-governmental organizations
NOCHILD	Number of children
OCSSCO	Oromia Credit and Savings share company
OMFI	Omo microfinance institution
SHG	Self Help Group
SMEs	Small and Medium enterprises
SMFI	Somali microfinance institutions
SMFSC	Somali microfinance share company
UN	United Nations
UNCDF	United nations Capital Development Fund
UNDP	United nations development program
VSLA	Village saves loan association

CHAPTER ONE

1.1.Background of the study

The use of microfinance organization can be traced since the early 1700's when the financial organizations used to provide small loans to the rural community. In 1846 Germany evidenced the use of microfinance institutions to help the local farmers of the community. In 1974, Muhammad Yunus from Bangladesh established the world's first microfinance institution (MFI) named as the 'Grameen Bank' which aimed at empowering poor especially women and bring about the sustainable operation of microfinance. The concept was popularized by the self-help groups (SHG) as loans were provided to the group and not to the individuals (Stenzel, 2009). Later the United Nations declared 2005 to be the International Year of Microcredit.

The development of microfinance institutions in Ethiopia is a recent phenomenon. Which is mostly provided by donor funded programs through NGOs and government institutions (Yigerem, 2010). The proclamation No. 40/1996, which provides for the establishment of microfinance institutions, was issued in July 1996. Since then, various microfinance institutions have legally been registered and started delivering microfinance services (Wolday, 2000). The Licensing and Supervision of Microfinance Institution Proclamation of the government encouraged the spread of Microfinance Institutions (MFIs) in both rural and urban areas as it authorized them among other things, to legally accept deposits from the general public, diversify sources of funds, to draw and accept drafts, and to manage funds for the micro financing business (Getaneh, 2005).

Microfinance is a development strategy that offers credit and savings services to the poor, particularly women, for income-generating projects. In addition to providing economic benefits, microfinance is an effective tool for women's empowerment, and newly acquired business skills may be accompanied by improvements in self-esteem and self-confidence, the ability to resolve conflicts, household decision making power, and expanded social networks (Schuler, Hashemi 1994 andCheston, Kuhn 2002). According to Peck and W/Yohannes (2009) much of the eagerness behind microfinance is driven by its potential to help poor people, better manage their financial resources, take on new economic opportunities, mitigate everyday risks, reduce vulnerability and improve their living condition.

Microfinance has been understood as contributing not only to poverty reduction and financial resources and sustainability, but also to a series of economic empowerment, increased well-being, social and political empowerment for women by addressing the goals of gender equality and empowerment (Mayoux and Hartl, 2009). Littlefield, Murduch and Hashemi (2003) state that access to microfinance institutions can empower women to become more confident, more assertive, more likely to take part in family and community decisions and better able to confront gender inequities. Microfinance programs are supposed to empower women through increased role of decision-making in the household and community, improved business skills, better incomes, greater self-confidence, and better social acceptance among others. Women who are participating in the microfinance programs are also assumed to feel less marginalized, and have higher aspirations for their children's education (Samuel, 2006).

Empowerment is the processes by which women take control and ownership of their lives through expansion of their choices (UN, 2001). According to Harper (1996), women empowerment differs from one country to another and between different income groups within each country. However, women's economic, social and political position is generally worse in poor countries as compared to the rich. Women empowerment is giving the ability to generate choices and exercise bargaining power, developing a sense of self-worth, a belief in one's ability to secure desired changes and the right to control one's life (Narayan, 2002).

Today in Ethiopia, there are a lot of different Microfinance Institutions that are targeted on poor especially women, in terms of both financial and non-financial services. Somali Microfinance Institution (SMFI) is one of the Micro financing Institutions in Ethiopia formed and established by Somali regional state and some other stockholders that are licensed on January 31/2011 by the National Bank of Ethiopia. The institution has currently has 23 branches and one (1) sub branch. Its main objectives is to offer finance and savings services to the active poor both in rural & urban areas, to Support self-employment and income generating activities, to promote rural and urban micro and small enterprises and to improve the culture of savings by the wider public. The Somali microfinance Institution provides both financial and non-financial services. The financial services include provision of credit and mobilization of savings while the non-financial service basically deals with small business training for the clients.

1.2.Statement of the problem

According to the World Bank's gender statistics database, women have a higher unemployment rate than men in virtually every country. In general, women also make up the majority of the lower paid, unorganized informal sector of most economies. These statistics are used to justify giving priority and increasing women's access to financial services on the grounds that women are relatively more disadvantaged than men (World Bank, 2010).

Empowerment of women and gender equality are prerequisite for achieving political, social, economic, cultural and environmental security among people. According to Beijing (1995) access to credit is an important mechanism for reducing women's poverty and to empower them. Both the Convention on the Elimination of Discrimination against Women (CEDAW) and the Beijing Platform for Action (BPFA, 1995) address women's access to financial resources. As stated by Narayan (2002), in most poor countries, men's domination over women is strongest within the household. Access to credit and participation in income-generating activities is assumed to strengthen women's bargaining position within the household thereby allowing them to influence a greater number of strategic decisions.

Ethiopia is also one of the poor countries in the world where women have a low standard of living. Plans to reduce poverty are central to the government's development agenda, and many policies, goals and objectives are focused on targeting the most disadvantaged households. Microfinance is considered by the government to be one of the important tools in fighting poverty (Human Development Report, 2010). This study was assessed the impacts of having access to microfinance services on women's incomes and their sources, standards of living, as well as better self-image and decision making power. It also gives women the tools and skills they need to participate more effectively and successfully in formal politics, decisions and policies that affect their lives.

Generally, this study deals with microfinance institution and women empowerment by giving microcredit to women in order to play an active role in the economic, political and socio-cultural sphere in the study area. Since, Somali microfinance institution has established recently, there is no researches conducted in this area and is suitable to make a research in order to know the role of the microfinance in this region. So the study which is the microfinance institution and women empowerment incase Somali microfinance institution jigjiga branch full fill on this gap.

1.3.Research Objectives and Hypothesis

The main objective of the study was to assess the microfinance institutions and Women Empowerment: (The Case of Somali Microfinance Institution Jigjiga branch, Somali Regional State, Ethiopia).

To achieve the general objective, one hypothesis (H) and three specific research objectives (RO) were developed.

H1: *Access to microfinance institution has an impact on the living standard of females*

RO1. To identify the factors affecting of women empowerment through Somali Microfinance Institution’s services in the study area;

RO2. To identify the challenges that women clients face while working with microfinance institutions in the study area;

RO3. To assess the clients’ image (perception) towards participation of Somali Microfinance Institution’s financial and non-financial services

1.4.Significance of the Study

The main objective of the study was to analyze the microfinance institution and the empowerment of women. The findings of the study were believed to show the factors affecting of women empowerment such as economic, socio-cultural, political empowerment in addition to their living standards. Furthermore, the study also assessed the perceptions and challenges of women clients face while working with the microfinance institutions.

The outcome of this study will help the government, policy makers and financial intermediaries on the contribution of microfinance towards women empowerment in the country. Also, the study will help other stakeholders particularly Somali Microfinance Institution S.C in reviewing their lending policies towards women in order to achieve greater efficiency and offer value added financial services. The findings of the study will be used by other researchers who might be interested to conduct further studies on the subject.

1.5. Scope and Limitation of the study

The research work was limited only to women clients of Somali Microfinance Institution S.C. in jigjiga and it only focused on one branch of SMFI. Therefore, it may not have a strong justification and representativeness to generalize about the impact of MFIs on empowering women in the entire region.

The limitations of the study were the time and financial constraint. Because the study is time and finance bounded as compared to the wideness and intensiveness of the work. Lastly, the accurateness of the study was also be greatly depends on the information given by the samples that are taken from the microfinance institutions.

1.6. Organization of the study

This paper was organized into five chapters. The first chapter contains the background of the study, statement of the problem, objectives, significance of the study, scope and limitation of the study and organization of the paper. Chapter two presents literature review related to microfinance and women empowerment. Chapter three deal with the research method which is used to collect and analyze the data. Analysis and presentation of the findings of the study was described in chapter four. The last chapter, chapter five, presents the conclusions drawn from the findings, and the recommendations made to address the problems uncovered. And all the materials used in the study are listed under the reference section.

CHAPTER TWO

2. LITERATURE REVIEW

In the previous chapter, the main problems and objectives to be addressed in the study have been stated. This chapter presents the review of related literature. The chapter is organized in three sections. The first section reviews theoretical studies on women empowerment and microfinance while the second section presents the empirical evidence on women empowerment and microfinance and related issues. The final section provides concluding remarks on the review of the literature and identifies the knowledge gap that has been addressed in the study.

2.1.Theoretical review

In this section it presents theoretical review of relating to microfinance institution and women empowerment.

2.1.1. Definition of women empowerment

Waller (1992) defined empowerment as "people assuming control and mastery over their own lives in the context of their social and political environment." Rowlands (1997) explained empowerment as a process of enabling or authorizing an individual to think, behave and take action and controlling work in an autonomous way. It involves some degree of personal development. Individuals become empowered when they obtain the right to determine choices in life and to influence the direction of change through the ability to gain control over material and non-material resources.

Empowerment is defined as the processes by which women take control and ownership of their lives through expansion of their choices (Chamber, 1993; UN, 2001). Thus, it is the process of acquiring the ability to make strategic life choices in a context where this ability has previously been denied. The core elements of empowerment have been defined as agency (the ability to define one's goals and act upon them), awareness of gender power structures, relation in the social system that foster or hinder empowerment, self-esteem and self-confidence (Kabeer, 2001).

According to UN (2001) women empowerment is a process by which women gain the ability to generate choices, exercise bargaining power, and develop a sense of self-worth. It is also a belief in one's ability to secure preferred changes, enrichment of resources and capabilities of women

(Bennet, 2002). According to Cheston and Kuhn (2002), empowerment is about change, choice and power. It is a process of change by which individuals or groups with little or no power gain the power and ability to make choices that affect their lives

According to ADF (2008), empowerment is about people both women and men taking control over their lives, setting their own agendas, gaining skills, building self-confidence, solving problems, developing self-reliance, and expressing their voice. It is both a process and an outcome. No one can empower others, only the individual can empower his/her self to make choices or to speak out. However, some institutions can support processes that can nurture self-empowerment of relegated individuals or groups.

For Mayoux (1999) empowerment is a process by which women become aware of their own situation and strive communally to gain greater access to public services. Empowerment is also defined as a process through which women are able to transform their self-perception and gender roles. Generally empowerment involves transformation at three broad levels: within the household, within the community, and at a broader institutional level (cheston and Kuhn.2002). Narayan (2002) describes empowerment as "the enhancement of assets and capabilities of diverse individuals and groups to engage, influence, and hold accountable the institutions which affect them."

2.1.2. The concept and definition of Microfinance

The term 'micro-finance' has been given a working definition by different banks at the international level. National Bank for Agriculture and Rural Development (NABARD) defines microfinance as: "provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi-urban and urban areas for enabling them to raise their income levels and improve living standards" (NABARD, 2001). While Asian Development Bank (ADB) defines microfinance as "the provision of a broad range of financial services such as deposits, loans, money transfers, and insurance to small enterprise and households and their micro enterprises" (ADB, 2000).

Microfinance is a term used to refer to the activity of provision of financial services to clients who are excluded from the traditional system on account of their lower economic status. The financial services will most commonly take the form of loan and savings by removing collateral requirement and creating banking system which is based on mutual trust (Wikipedia). Microfinance is the supply of loans, savings, money transfers, insurance, and other financial services to low income people and encompass a wide range of providers that vary in legal structure, mission, and methodology offer these financial services to clients who do not have access to mainstream banks or other formal financial service providers (Lafourcade et al., 2005).

Microfinance is a cost-effective means of contributing to development and poverty alleviation, because any dollar invested is used more than one time. However, it also takes considerable effort in terms of human resources, financial planning and the shaping of a supportive infrastructure to bring microfinance institutions to such a scale that they can play a role as an integrated part of the broader financial sector. Once microfinance institutions have matured, profits can actually be high, enabling them to expand and increase outreach to the poor through internally generated funds (UNCDF, 2003; Khan and Noreen, 2012). A more useful and possibly practical definition of microfinance is given by Meyer and Nagarajan (2000), which defines microfinance as "the provision of a broad range of financial services such as deposits, loans, payment services, money transfer, and insurance to low-income households and their micro-enterprises".

2.1.3. Women Empowerment through Microfinance

Most micro finance organizations target poor women and usually those from socially excluded groups. The reason for the targeting of women under microfinance organizations is the relationship between gender and development. Various researches conducted by institutions such as the World Bank (2001) indicate that gender inequalities prevent growth and development. Hence, acknowledging the prevalent gender inequalities and the impact on development, microfinance provides women with access to working capital and training to mobilize women's productive capacity to alleviate poverty and pave the way for development.

Women are basically the poorest of the poor. According to UNDP (2003) Human Development Reports, women make up the majority of lower paid and unemployed portion of most economies. It is believed that the welfare of a family is enhanced, when women are helped to increase their incomes. This is due to the fact that women spend most of their incomes on their households.

Mayoux (2002) found that microfinance programs have significant potential for contributing to women's economic, social and political empowerment. Access to savings and credit can initiate or strengthen a series of interlinked and mutually reinforcing virtuous spirals of empowerment. Majority of microfinance programs target women with the explicit goal of empowering them because, women are amongst the poorest and the most vulnerable of the underprivileged social group and helping them, should be a priority. Moreover, investing in women's capabilities empowers them to make choices and contributes to greater economic growth and social development (Sarumathi and Mohan, 2011).

Mayoux (2001) revealed that empowerment is about change, choice, and power. It is a process of change by which individuals or groups with little or no power gain the power and ability to make choices that affect their lives. The structure of power has sources and ways exercised could directly affect the choices of women make in their lives. Hence, microfinance programs can have tremendous impact on the empowerment process if their products and services take these structures into account.

Generally, it is essential that empowerment strategies are designed to enable women to gain greater access to information, control over resources and the ability to make decisions themselves (Kabeer, 2005).In order to enhance women's access to credit, the establishment of new and strengthening of existing micro credit mechanisms and micro-finance institutions needs to be undertaken to enhance the outreach of credit (Cheston and Kuhn, 2002). In addition, other supportive measures should be undertaken to ensure adequate flow of funds. The promotion of women's political participation is an important approach to supporting their empowerment. This includes promoting women in government, national and local party politics as well as supporting women's involvement in NGOs and women's movements. Although women are found in large numbers in lower-level positions in public administrations, political parties, trade unions and business, their representation in chief executive and economic areas is generally very poor(Cheston and Kuhn, 2002)..

2.1.4. Measurement of Microfinance in Different Levels

According to (Wakoko, 2003) the impact of microfinance can be studied at three different levels i.e. individual level, household level, and entrepreneurial level. The study also follows three levels to evaluate the impact of microfinance on women empowerment.

2.1.4.1.Household Level

Due to microfinance the social and economic status of a household is expected to changes. It brings changes in the level of household income, improvement in living standard, change in household assets and increase in household expenditures (Wokoko, 2003).

2.1.4.2.Individual Level

Different studies declare that microfinance brings a positive change at individual level. Some of the important changes are control over resources, self-esteem and respect from others, improved self-confidence level and improvement in decision making ability of women (Wokoko, 2003).

2.1.4.3.Regional Level

With-in region Microfinance institutions are in different stages of development those are creation of jobs at regional level and provision of financial services to rural areas (Wokoko, 2003).

2.1.5. Indicators of Women Empowerment through Microfinance

According to Cheston and Kuhn (2002), indicators are not universal. Consequently, we cannot determine which indicators should be selected or how many indicators should be used to measure a given result. The response to this question depends on the complexity of the results being measured, the level of response available for monitoring impact and the amount of information needed to make reasonably-informed decisions.

Lakwo, (2007) used participation in common local activities, changes in decision making position of women, self-esteem, and change in asset base of women as indicators of women empowerment in his study conducted in Uganda. The SEEP network (2000) suggested personal savings, average amount of personal savings in the program, increased self-esteem, increased confidence and more proactive behavior, increased control of resources on the part of women clients and increased decision-making in the business as indicators of women empowerment as a result of participation in microfinance program.

On the other hand, in a study conducted in Haiti, Malawi and Nigeria by the United Nations Capital Development Fund (UNCDF) self-esteem, decision making at household level, decision making at enterprise level and decision making on the use of program loans are used as indicators of empowerment (UNCDF, 2004). Hulme (1999) also suggested individuals control over resources, involvement in household and community decision making, levels of participation in community activities and social networks and electoral participation as indicators of empowerment. According to him, all changes are influenced by mediating processes (specific characteristics of the agent and of the economic, physical, social and political environment) that influence both behavioral changes and the outcomes in ways that are difficult to predict. Birgit (2001) also mentioned factors that influence the change process to be age, marital status, educational status/functional literacy, household size, dependency ratio, years of membership, degree of remoteness, amount of current loan, cumulative amount of loan received and market access as independent factors affecting the change process.

The indicators of women empowerment was also measured by constructing simple index on the basis of four dimensions of women empowerment those are: economic empowerment, social empowerment, political empowerment and personal empowerment. Economic empowerment refers to increase in financial resources i.e. increase in income, savings, expenditures and self-employment. There is increase in consumption according to marginal propensity to consume, ensuring an increase of productive investment and assets. Women are economically empowered when they have control over resources, spend according to their own will, work to earn income for themselves and for their family, and make decisions concerning financial matters. Social empowerment refers to the awareness among women who are really mistreated and dominated by males in various areas of the underdeveloped countries. Generally, Social empowerment is associated to the involvement of people in different political institutions and communities, decision-making influence and freedom of mobility. The other factors included in social empowerment are increase in the use of contraceptives and participation in different social meetings. Political empowerment refers to women's right to vote. It also includes their association with political parties, expression of their own view point about political matters.Personal Empowerment refers to individual self-confidence, self-esteem, self-determination, life of dignity and respect, decision making ability, feeling strong within the household and strength within a woman. If a woman is personally empowered it declares that she is confident and has the ability to take interest in decisions with in the family and outside the family and also in the businesses (Mohammad and Mohammed 2007).

2.2.Empirical Findings on Women Empowerment

Hashemi et.al (1996) investigated whether women's access to credit has any impact on their lives, irrespective of who had the managerial control. Their results suggest that women's access to credit contributes significantly to the magnitude of the economic contributions reported by women, to the likelihood of an increase in asset holdings in their own names, to an increase in their exercise of purchasing power, and in their political and legal awareness as well as in composite empowerment index. They also found that access to credit was also associated with higher levels of mobility, political participation and involvement in „major decision-making" for particular credit organizations.

Mayoux (1997) argues that the impact of microfinance programs on women is not always positive. Women that have set up enterprises benefit not only from small increases in income at the cost of heavier workloads and repayment pressures. Sometimes their loans are used by men in the family to set up enterprises, or sometimes women end up being employed as unpaid family workers with little benefit. She further points that in some cases women's increased autonomy has been temporary and has led to the withdrawal of male support. It has also been observed that small increases in women's income are also leading to a decrease in male contribution to certain types of household expenditure. Rahman (1999) using anthropological approach with in-depth interviews, participant observations, case studies and a household survey in a village, finds that between 40% and 70% of the loans disbursed to the women are used by the spouse and that the tensions within the household increases (domestic violence).

Mayoux (1997) further discusses that the impact within a program also varies from woman to woman. These differences arise due to the difference in productive activities or different backgrounds. Sometimes, programs mainly benefit the women who are already better off, whereas the poor women are either neglected by the programs or are least able to benefit because of their low resource base, lack of skills and market contacts. However, poorer women can also be more free and motivated to use credit for production.

The findings of Mayoux (1998) shown that the links between microfinance and women's empowerment are positive but limited by design, cost effectiveness in eliminating poverty, and a misplaced diversion of resources. The paper stated many women did not control loan use.

Microfinance programs in some cases create domestic tension between spouses, and many women focused on personal rather than social objectives.

Syeda (2014) the analyses of the data obtained in her study indicated that microfinance has a positive impact on the status of women economically as well as socially. Their living standard has been improved. Their level of self-confidence has also increased. The relation between family members, husband and wife, other members of society have improved and become obvious.

Kato and Kratzer (2013) study conducted in Tanzania through collecting quantitative and qualitative data the result shows that Women members of microfinance institutions (MFIs) are more empowered compared to non-members in non-program areas. In total 454 women participated in the survey and 10 women in the in-depth interviews. The data were analyzed using Mann-Whitney U test. The results show a significant difference between the women members of MFIs and non-members in the dependent variables related to women empowerment. Women members of MFIs have more control over savings and income generated from the business, greater role in decision-making, greater self-efficacy and self-esteem, and greater freedom of mobility and increased activities outside home.

Sarumathi and Mohan (2011) study conducted on self-help microfinance model taking 181 rural women samples and both the qualitative and quantitative data were collected and analyzed using percentage, simple correlation coefficient, paired t-test and cross tabulation methods. The result showed microfinance and SHGs are effective in reducing poverty, creating awareness, and ultimately contributes to psychological wellbeing and social empowerment among rural women.

Evidence from Bangladesh as reported by Kabeer (1998) shows that microfinance gave women a sense of power, reduced abuse and strengthened their independence. In Nepal, Shrestha (1998) noticed that participating in microfinance programs, increases women power to purchase necessities independently, resist wife-beating, earned respect and participation in community level decisions. In the context of Dominican Republic, profit earned from micro funded business goes to the family for upkeep (Grasmuck and Espinal,2000).

In Philippines, Cheston and Kuhun (2002) noted that women have gained confidence and leadership experience through microfinance funding and capacity building, and some have gone on to be elected as leaders at community level elections. Similarly, women in Bangladesh feel they are empowered because they can articulate their needs(Kay 2003).In India as elsewhere, using 59 microfinance institutions in West Bengal, Sanyal (2009), found that economic ties fashioned through access to credit improves women social capital and increases women ability to embark on collective action.

According to Otero (1999) the role of micro finance is in the 'provision of financial services to low income poor self-employed people'. These according to Otero (1999) generally include savings and credit but can also include other financial services such as insurance and payment services.In Kenya, micro finance institutions have also been seen as avenues through which development can be channeled to reduce poverty and improve peoples' livelihoods. The government and development partners and practitioners have realized that the provision of financial services such as credit to the poor and the vulnerable most of whom are women, disabled and youth (young boys and girls) can go a long way in improving their livelihoods and hence welfare (Johnson and Rogaly, 1997).

In Ghana, Akudugu (2011) findings also confirmed that financial capital from microfinance have positive contributions to women livelihood through improved access to healthcare, education and increased income levels. However, research conducted by Norwood (2011) reveals that membership in a microcredit does not enhance contraceptive use in Abokobi and Pantang, both suburbs of Accra. Studies of Peprah (2012) affirmed that microfinance significantly improved the well-being of women in Mfantsiman Municipality in the Central Region of Ghana.

Wolday (2003) concludes that the microfinance industry in Ethiopia showed remarkable growth in terms of outreach. He states that the "MFIs have been successful in addressing the financial needs of the rural poor." Good repayment rates, mobilization of significant amount of savings from the poor, and promotion of food security among the poor were reported by the study.

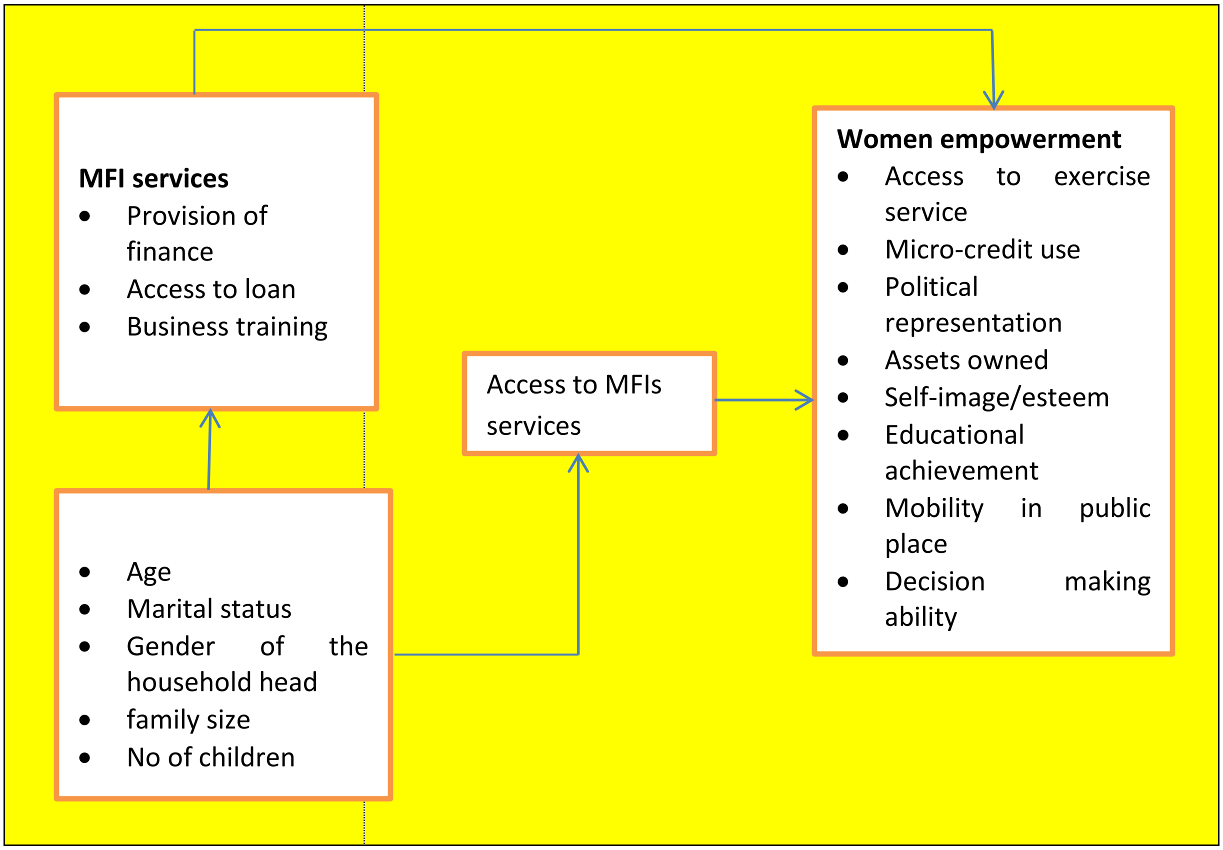
Hossaena (2013) conducted study on women empowerment through microfinance: the case of village saving and loan association in kurfachelle district, east hararghe zone, oromia regional state, applying descriptive statistics and econometrics logistic regression model for data collected from 200 VSLA members and non-association members and result shows there was strong and positive association between women empowerment and VSLA microfinance. In the same source women participation in VSLA enhanced members' exposure to and participation in various extension services, better community participation, increased bargaining power within the household and community levels, improved decision making power compare to non-association members.

Meron (2007) conducted at the Specialized Financial and Promotional Institution (SFPI). The researcher used both qualitative and quantitative methods. The results have shown that microfinance had positive impacts in the economic empowerment of the clients, although the income increases were small. Participation in microfinance has also enhanced the women's self-confidence and enabled them to realize their potentials to engage in business and improve the household which is positive sigh of empowerment.

Conceptual Framework of the Research

Conceptual framework is generally established in accordance with the theoretical framework and literature review. The variables used in this study were classified into three levels these are individual levels, household levels and regional levels. These elements affect women's empowerment in different ways. Individual characteristics include age and marital status of women participant; Household characteristics consist of household monthly income, family size, number of children, and gender of the household head. These characteristics not only affect women empowerment but also have an effect on access to microfinance. Therefore, microfinance is an independent variable that tends to empower women. Women empowerment as dependent variable remained the main concern for the study.

Figure: 1.1 Conceptual frame work



Source: Conceptual framework modified from (sebstad et al, 1995)

2.3.Conclusion and identification of the knowledge gap

In general, the literature review indicates that the relationship between microfinance institutions and empowerment of women is very wide. Most micro finance organizations target poor women and usually those from socially excluded groups. The reason for the targeting of women under microfinance organizations is the relationship between gender and development. Various researches conducted by institutions such as the World Bank indicate that gender inequalities prevent growth and development. Hence, acknowledging the prevalent gender inequalities and the impact on development, microfinance provides women with access to working capital and training to mobilize women's productive capacity to alleviate poverty and pave the way for development World Bank (2001).Microfinance programs have significant potential for contributing to women's economic, social and political empowerment. Access to savings and credit can initiate or strengthen a series of interlinked and mutually reinforcing virtuous spirals of empowerment. Majority of microfinance programs target women with the explicit goal of empowering them because, women are amongst the poorest and the most vulnerable of the underprivileged social group and helping them, should be a priority Mayoux (2002).

The review of empirical studies reveals that a lot of studies were done to the microfinance and women empowerment, but mostly they focus on different dimensions of women empowerment. Previous studies only focus on the impact of microfinance institutions on economic empowerment, impact of microfinance institutions on personal empowerment, microfinance and poverty reduction, role of microfinance institutions in SMEs and so on. For example, Wolday (2003) investigate the microfinance industry in Ethiopia in terms of outreach. Abebe Tiruneh (2006) investigated the impact of microfinance on poverty reduction in Ethiopia: the cases of three branches of specialized financial and promotional institution. Haimanot Eshetu (2007) also had done on the Impact of Micro-finance on Women's Economic Empowerment a Case-Study of Amhara Credit and Saving Institution (ACSI), Kobo Woreda, Amhara National Regional State, Ethiopia.Tayechimdessa (2014) has also done on the impact of microfinance financial services on the economic empowerment of women: the case study of wisdom micro financing institution at wolisoworda.

Finally, No research has been done in the area of the microfinance institution and women empowerment in Ethiopian Somali regional state. Given this lack of empirical studies, it is hoped that this study fill a gap and provide useful support for better understanding of the microfinance institution and women empowerment of Somali microfinance institution in Ethiopian Somali regional state.

CHAPTER THREE

3. METHODS OF RESEARCH

This chapter presents a detail discussion of the research method that was applied in the study. Hence, topics related to research approach, data type and source, sampling technique and sample size, data collection instruments and method of data analysis to be used were discussed.

3.1.Research Approaches

This section introduces the fundamental elements of research approaches. The three common approaches to conducting research are quantitative, qualitative, and mixed methods. Researchers typically select the quantitative approach to respond to research questions requiring numerical data, the qualitative approach for research questions requiring textual data, and the mixed methods approach for research questions requiring both numerical and textual data (Carrie, 2007). The subsequent discussions present the basic features of quantitative, qualitative and mixed methods research approaches in an orderly manner.

3.1.1. Quantitative research approach

Quantitative research is the one in which the investigator primarily uses positivist claims for constructing knowledge. Positivists believe that reality is stable and can be observed and described from an objective viewpoint i.e. without interfering with the phenomena being studied (Philips, 1990).

Well designed and implemented quantitative research has the advantage of making generalizations to a wider population from the sample. To enhance the generalization of findings, quantitative research approach follow standardized procedures in sample selection, instrument design, implementation and analysis. Despite these advantages, quantitative research design has a number of limitations: lack flexibility in design, standardization can cause bias or hinder exploitation of new ideas, and lack interpretive and exploratory examination of a research problem (Creswell, 2003).

A quantitative research approach employs strategies of inquiry such as experiment and survey; collects information using preset standardized instruments; and uses statistical methods in describing patterns of behavior and generalizing from sample to populations.A survey research is one of the ways to gather data in the social sciences. In line with this, a survey design provides a quantitative or numeric description of trends, attitudes, or opinions of a population by studying a sample data with the intention of statistically generalizing to the population under investigation (Creswell, 2003). Survey enables the researcher to obtain data about practices, situations or views at one point in time through questionnaire. Under the experimental research, the researcher investigates the treatment of an intervention into the study group and then measures the outcomes of the treatment (Carrie, 2007).

3.1.2. Qualitative research approach

Qualitative research approach is the one in which the investigator often makes knowledge claims based on the multiple meanings of individual experiences, socially and historically constructed meanings, participation in issues, collaboration or change oriented with an intent of developing a theory or pattern. In contrast to quantitative research design, qualitative approach is rooted on the philosophy constructivist. Constructivists contend that only through the subjective interpretation of and intervention in reality can that reality is fully understood (Mertens, 1998).

Marshall and Rossman (1999) noted that qualitative research emphasizes meanings (words) rather than frequencies and distributions (numbers) when collecting and analyzing data.A qualitative research approach uses strategies of inquiry including narratives, ethnographies, case studies, observations, interviews, and the findings are communicated subjectively through descriptions using words rather than numbers (Creswell, 2003).

Qualitative research design has its own advantages and disadvantages. The advantage of a qualitative research design is that it is flexible and emergent without being constrained by standardized procedures that the investigator to explore and understand phenomena entirely in their natural setting (Creswell, 2003). Wimmer and Joseph (2006) also justified that qualitative techniques can increase a research's depth of understanding of the phenomenon under investigation. In spite of the above advantageous, qualitative research design has its own limitations: lack of standardized rules reduces the objectivity of the findings, the personal view and stand of the researcher may induce bias in the interpretation of the data, and the findings cannot be statistically generalized for a broader population under investigation (Creswell, 2003).

3.1.3. Mixed methods approach

As indicated in the above discussion, both quantitative and qualitative research approaches have limitations. According to Sale et al., (2002) the advantage of a quantitative research approach may be limitations for a qualitative approach and vice versa.

Mixed research design, which is supposed to alleviate the limitations of quantitative and qualitative approaches, bases on pragmatic knowledge claims. Pragmatists contend that knowledge claims arise out of actions, situations, and consequences rather than antecedent conditions. There is a concern with applications and solutions to problems. Instead of methods being important, the problem is most important, and researchers use all (mixed method) approaches to understand the problems (Creswell, 2003).

Researchers incorporate methods of collecting or analyzing data not only numerical data, which is customary for the quantitative research, but also narrative data, which is the norm for qualitative research in order to address the research questions defined for a particular research study. The goal for researchers using the mixed methods approach is to draw from the strengths and minimize the weaknesses of the quantitative and qualitative research approaches (Carrie, 2007).

3.2.Research Methods Adopted

In light of the research problem and the underlying philosophy of each research approach highlighted above, the current research combines both qualitative and quantitative research approaches. That is, to get the benefits of a mixed method approach, as presented earlier, and to mitigate the bias in adopting only one approach. The quantitative aspect, qualitative aspect, and data analysis methods adopted in this study are further elaborated in the following sections.

3.2.1. Quantitative aspect of the study

The quantitative aspect of the research method intends to obtain data needed to generalize about the microfinance institution and women empowerment particularly jigjiga branch. To gather data for quantitative aspect of the current study, survey design was employed to assess the microfinance institution and women empowerment. The following section reveals the survey design of the study.

3.2.1.1.Survey design

To obtain data at one point in time from a sample selected relevant for the investigation of the microfinance institution and women empowerment, this study employed a cross-sectional survey with a structured questionnaires, which administered through distributing to the sample of microfinance institution in Jigjiga.

The adoption of the survey method is to obtain information that was not available from other sources and for standardization of measurement (same information collected from every respondent). In this regard, Linda (2002) noted that the nature of survey methods include standardization of measurement, use of probability sampling, and uniqueness of information. Typically, there are many modes of survey administration which includes face to face, telephone, mail, web, and combination of methods. The use of mail and web modes of survey design has many advantages. However, the current study used paper structured questionnaire.

The questionnaire perhaps, is the most used and the most abused survey instrument (Osuala, 2005). Questionnaire really constitutes the first attempt at scaling. The questionnaires are advantageous whenever the sample size is large enough to make it economical for reasons of time or funds to observe or interview every subject. The greatest difficulty with questionnaires that are distributed to the subjects or potential respondents is the probable bias which exists when less than the total number in the sample actually responds to the questionnaires. The questionnaire was prepared and distributed to ensure fair and equitable distribution and response from the respondents which was expected to give a true and fair representation of the views of the respondents to allow for generalization in the final analysis.

Sample Design

In selecting sample, three factors determine the size of an adequate sample which includes: nature of population, types of sampling design and degree of precision desired (Salant and Dillman, 1994). Using a sample that is too large is a waste of resources while using a sample that is too small means getting results that are likely to be lacking in validity. In light of this, to select adequate sample size, the following procedures were employed.

First the population was defined as the women clients of Somali microfinance institutions spread across jigjiga town. Second 4,451 women clients were identified as population units which were the beneficiaries of Somali microfinance institutions. Finally 151 women clients were proportionally selected from the total women clients.

Simple random sampling technique was employed that draw a portion of a population so that each member of the population has an equal chance of being selected. A sample drawn at random is unbiased in the sense that no member of the population has any more chance of being selected than any other member. Therefore, sample size was determined based on the simplified formula provided by Yamane (1967), at 95% confidence level, 5% degree of variability and 8% level of precision and 4,451 sample frame as list of units in the population.

$$\mathbf{n} = \frac{\mathbf{N}}{\mathbf{1 + N(e^2)}}$$

$$\mathbf{n} = \frac{\mathbf{4{,}451}}{\mathbf{1+4{,}451(0.08)2}}$$

$$\mathbf{n = \underline{\underline{151}}}$$

Where **n** is the sample size, **N** is the total population (total female clients of SMFI jigjiga branch which is **4,451**cleints) and **e** is the level of precision.

Survey instrument

The survey instrument contains close-ended questions. The close-ended questions are designed to keep the questionnaire to a reasonable length and this encourages response and validity in terms of the representativeness of the returns. It minimizes the risk of misinterpretation unlike the open-ended questions. It also permits easier tabulation and interpretation for the researcher.

The questionnaire was designed in four main sections. The first section is respondent's profile of women beneficiaries in microfinance institution. The second, third and fourth sections possess the questions relating to the subject matter of the inquiry. These sections were designed to collect both qualitative and quantitative data on Microfinance institution and Women empowerment. Specifically, questions relating to the factors affecting of women empowerment, challenges that clients face while working with MFIs and perception towards participation of Somali microfinance institutions services respectively. The responses for these second, third and fourth sections form the basis for the analysis. This represents purely the primary source of data collection and it was prepared in both English and Af-somali accordingly for the purpose of clarity and ease understanding of the informants. The English and Af-somali version questionnaires are presented in appendices 1and 2 respectively.

Conduct of survey

The survey with randomly selected sample of Somali microfinance institutions were conducted in the period between April and May, 2018. The survey questions were developed by translating the research questions and research objectives in to questions. Then it was given to the research advisor for final suggestions and comments. Then 151 women clients of Somali microfinance institution were contacted based on their address found in jigjiga and questionnaires were distributed after explaining the purpose of the study and getting their consent to participate in the survey. However, some of the addresses were found incorrect and were replaced by others. Lastly, all of the 151 women clients were returned the questionnaires since the researcher and the nominators' were directly involved in the filling of the questionnaire to the respondents.

3.2.2. Qualitative aspect of the study

To substantiate the data obtained through survey and to get clarification on some issues, in-depth interviews and FGD with microfinance institution clients were also used. This form of data collection procedures constitutes the qualitative aspect for the study.

3.2.2.1.In-depth interview

As a research method, the interview is a conversation carried out with the definite aim of obtaining certain information. It is designed to gather valid and reliable information through the responses of the interviewee to a planned sequence of questions. Structured interview was also conducted to (8) eight persons of the key informant's clients of Somali microfinance institution jigjiga branch those are considered to have the accurate and reliable information needed. These eight persons were not included for the 151 clients of the respondents in the questionnaire.

3.2.2.2.Focus group discussion

Focus group discussion (FGD) was also conducted with women clients of Somali microfinance institution jigjiga branch that was addressed a total of (12) twelve persons of two (2) groups for an in-depth discussion. For each group was contained (6) six persons. This focus group discussion was hold with the help of FGD guide and involvement of the researcher himself.

3.3.Data analysis

After the data was collected, data processing was carried out. The raw data was also converted into suitable form for analysis and interpretation. This was achieved through arrangements of activities including editing, coding, entry, and tabulation. The objectives were to check the completeness and consistency of the answers to each of the questions. Statistical analysis was also carried out using SPSS Software (v.20).

Descriptive statistics was used to obtain for the main variables of concern which are comprised of women empowerment. For instance, measure of central tendency such as mean, median, mode and measures of dispersion such as standard deviation, variance, range and standard errors were used. For inferential statistics, logistic regression model was used to estimate the factors affecting of microfinance institution on women empowerment. Logistic regression model is a model that permits for estimation of the probability of occurrence of an event which predicts a binary dependent result from a set of independent variable. In this study, the dependent variable was women empowerment in relation to Monthly income of household, Number of children, Credit history, Marital Status, Family size, Gender of the household head, Education of the respondent, and Age of the respondent.

3.4.Definition of Variables and their expected signs

Dependent variable: (Women Empowerment)

Different studies used different variables for determination of women empowerment. The present study considers three aspects of women empowerment i.e. personal empowerment, socio-political empowerment and economic empowerment. These are measured by using different variables for each.

The study for economic empowerment of women used for variables like power over resources, work for earning income, contribution in household expenditures and decision making ability regarding financial issues. A woman is economically empowered when she has control over resources to be used by her. Similarly, it provides economic independence as she has the ability to earn for herself and the capacity to contribute in household expenditures enhancing her importance. Economic empowerment implies that women must be considered while making decisions on household financial matters.

The study for personal empowerment of women was used for variables which are gained more respect within family and community, self-confidence, economic independence and understanding between her spouses. A woman is personally empowered when she feels herself strong inside the house-hold. She knows the importance of her status and position in the household. At the same time self-confidence is a very important variable to measure personal empowerment.

Another aspect of women empowerment is socio-political empowerment. Participation in social and political activities makes women empowerment, women are considered empowered when they move freely without any restrictions from the household and community to visit her native family members or friends (Khan, 2010). Their political empowerment means women's right to vote according to their own choice without any imposition from other family members. Along with freedom of mobility and right to vote, women's decision making ability concerning social and political issues is also important to measure their socio-political empowerment.

Therefore the dependent variable (women empowerment) was measured with the summation of these variables included in each empowerment category.

Independent variables

The independent variables are composed of a set of variables that affect women empowerment. These variables are Monthly income of household, Number of children, Credit history, Marital Status, Family size, Gender of the household head, Education of the respondent, and Age of the respondent.

1. **Age (AGE):** it is a continuous variable and measured in number of years of the respondent. Age can generate or erode confidence. With age as a woman get older assumed more or less risk averse to invest productive activities. It was assumed that women with young age are more likely to engage in income generating activities that enhance asset ownership and access to information, which ultimately leads to better empowerment (Kishore et al., 2004).
2. **Marital status (MARSTAT):** it is a categorical variable. It is in marriage where adulthood is recognized and the power to take responsibilities over one's life is well acknowledged.

Therefore, it is assumed that married women are more likely to be empowered than single, widowed or divorced ones.

3. **Family Size (FAMSIZE):** It is a categorical variable which refers to the total number of household members in a given family. The more the family size the household will be endowed with the larger labor contribution to household members and the lesser the work burden on women, which enables her to engage in productive economic activities (SEEP network, 2000 and Birgit, 2001). Therefore, family size is assumed to have positive relationship with women empowerment.
4. **Level of formal education (FOREDUC):** is a continuous variable and measures the number of school years achieved by women. The probability of taking loans increases as the household gets more formal education or could be attending in adult literacy programs. If a woman is relatively better educated, she can have relatively better motivation to do income generating activities. Therefore, it is assumed to have positively influence women empowerment.
5. **Number of children (NOCHILD):** is a continuous variable which refers to the number of children in a given family members. The larger the dependency ratio in the household, the lesser the possibility for women to engage in income generating activities being woman spend more time to look after these children (Birgit, 2001). In the research area, caring for children and old age people are left as a responsibility of women. Hence, it is assumed to have negative relationship with women empowerment.
6. **Credit history taken (CREHIS):** it is a continuous variable and is measured in the number of years of membership of the woman in the microfinance institution. Therefore, it is assumed that level of empowerment increases with years of membership in microfinance institution.
7. **Household head (GENHH):** is a dummy variable which takes the value of 1 for female otherwise 0. Being male or female plays a vital role in the life of his siblings. Household head is considerably related with an increase in the ability to make decision for women. It is a matter of fact that household head can empower or disempowered the women by allowing them to do or not to do certain things related to family traditions.
8. **Monthly income of the household (MONINCOM):** is a continuous variable and is measured by the total income earned by all family members in a month. Income is the main

determinant of a household's socio-economic position and thus it has a position in the social stratification system.

Definition and Codes of Variables

The dependent variable women empowerment is classified. The independent variables included in the model are a combination of dichotomous and continuous variables. The variables code and expected sign of influence summarized here in the table below.

Table3. 1Definition and codes of variables

Variable Code	Variable Type	Variable Definition	Expected Signs (+/-)
AGE	Continuous	Age of the respondent	-
GENHH	Dummy	Gender of the household head	-
FAMSIZE	Continuous	Family size	-
CREHIS	Continuous	Credit history taken	+
MARSTAT	Categorical	Marital Status of the respondent	-
NOCHILD	Continuous	Number of children	-
MONINCOM	Continuous	Monthly income of the household	+
FOREDUC	Continuous	Level of formal education	+

3.5.Model Specification

3.5.1. Choice of Regression Technique

There are some regression models where dependent variables are dichotomous; take 0 or 1 values. In the present study we want to examine the determinants of women empowerment as a function of age, family size, marital status, and monthly income, number of children, education, household head and credit history taken. Women empowerment is a dummy variable and can take only two values 1 if woman is empowered 0 if not empowered.

An exceptional characteristic of the model is that the dependent variable is of the category in which the response is only no or yes. Dummy variable is dependent variable if we use a typical linear regression model, and the interest is to discover the probability of occurrence and the probability that the event will not occur. Some estimation problems are related with this type of models, like:

1) The disturbances are not normal and violate the assumption of linearity

2) Heteroscedastic variance of the disturbances

3) Non fulfillment of $0 \leq E (M \mid X) \leq 1$ means the conditional probability of occurrence of the event is outside the 0 and 1 range

4) Very low value of R2 shows that model is not fit very good (vasishat, 2012)

Linear probability model is not rationally a very good model as it presumes that there is linearly increase in Pb i = E (M = 1|X) with X, but this increased effect remains constant which is not pragmatic (vasishat, 2012). Therefore, there should be probability model with two characteristics: 1) if X increases, Pb i = log E (M = 1|X) also increases but varies between 0-1, and 2) Pb i and X has a nonlinear relationship, i.e. as X gets smaller, 1 come up to 0 at slow rate and come up to 1 at slow rate as X gets larger. In the presence of such problems we cannot use the linear probability models (Arafat, 2013). Where pb i is probability, E is estimation of an event and M = 1/X probability of occurrence of an event.

Binary dependent variables compel us to use logit model instead of Linear Probability Model. The "logit" model gives solution to these problems:

Ln [Pb / (1- pb)] = XB + ϵ

Where:

- Ln is the natural log, logexp, where exp=2.718
- Pb is the probability of occurrence of event, Pb (Y=1)
- Pb /(1- pb) is the odds ratio
- Ln[Pb /(1- Pb)] is the logistic regression.

The difference between logistic and probit model is that the error term in probit model is normally distributed but in logistic model we have to make certain adjustment because the error term is logistic distributed. The logistic distribution constrains the estimated probabilities to lie between 0 and 1(Arafat, 2013).

For example, the predictable probability is:

- Pb = 1/[1 + exponent($-\alpha - \beta$X)]

Therefore:

- if $\alpha + \beta$X =0, then Pb = .50
- as $\alpha + \beta$X becomes larger, Pb comes near to 1
- as $\alpha + \beta$X becomes small, Pb come near to 0.

The coefficient should be carefully interpreted. The slope coefficient shows rate of change. The slope coefficient is explained as the change in the log odds as X changes. This procedure is used to find-out marginal effects in variables (Arafat, 2013).

Logit model and probit model are used broadly in such type of research where dependent variable is binary. There is very small adjustment required to compare the coefficient of the both models (Arafat, 2013). So it is preferable to use the logit model for the determinants of women empowerment because the outcome variable is binary and leads to a model which can predict the probability of an event happening for an individual.

3.5.2. The Logit Model

Logistic regression model is the method that permits for estimation of the probability of occurrence of an event which predicts a binary dependent result from a set of independent variable. In the present study the dependent variable is women empowerment in relation to Number of children, gender of the household head, family size, age, credit history, monthly income, education and marital status.

$Pb = E(M=1/X) = (\beta i + \beta 1\ Agehh + \beta 2 Hhedu + \beta 3\ Genhh + \beta 4\ Famsize + \beta 5 Martstat + \beta 6\ CreHistory + \beta 7\ Nochild + \beta 8\ Monincomhh) + \varepsilon$

Where X is a vector of all variables in the model like Age, Household head, Gender, Family size, Marital status, Credit history, Number of children and Monthly income of the household.

Let us take the following illustration of the Women Empowerment

$Pi = E(M=1/X) = 1/1 + e\ \{\beta i + \beta 1\ Agehh + \beta 2 Hhedu + \beta 3\ Genhh + \beta 4\ Famsize + \beta 5 Martstat + \beta 6\ CreHistory + \beta 7\ Nochild + \beta 8\ Monincomhh\}$

$Pi = E(M=1/X) = 1/1 + e\ \{-Wi\}$ …………………………………………………………… (3.1)

Where $Wi = (\beta i + \beta 1\ Agehh + \beta 2\ Hhedu + \beta 3\ Genhh + \beta 4\ Famsize + \beta 5 Martstat + \beta 6\ CreHistory + \beta 7\ Nochild + \beta 8\ Monincomhh)$.

The above equation (3.1) is called logistic distribution function. The value Wi is between $-\infty$ to $+\infty$; Pi varies between 0 and 1. An estimation problem has been generated because Pi is nonlinear in X as well as in the β's. Therefore we cannot use OLS technique for parameters estimation (Vasishat, 2012).

So probability of being empowered is given by Pi = 1/1 + exp (w) Then (1- Pi), the probability of not empowered is (1- Pi) = 1 / 1+exp (w) Therefore, one can write

$Pi / (1 - Pi) = 1 + exp^{(w)} / 1 + exp^{(-w)}$……………………………..………………………. (3.2)

Pi / (1- Pi) is the odd ratio in favor of women empowerment i.e.; the ratio of the probability that women become empowered or not is the natural log of the equation (3.2).

$WE = (\beta 0 + \beta 1\ Agehh + \beta 2 Hhedu + \beta 3\ Genhh + \beta 4\ Famsize + \beta 5 Martstat + \beta 6\ CreHistory + \beta 7\ Nochild + \beta 8\ Monincomhh + \varepsilon)$……………..…………………………………………. (3.3)

Logit is denoted by L. Now for an equation of interest can be written in the following form:

$= (\beta 0 + \beta 1\ Agehh + \beta 2 Hhedu + \beta 3\ Genhh + \beta 4\ Famsize + \beta 5 Martstat + \beta 6\ CreHistory + \beta 7\ Nochild + \beta 8\ Monincomhh + \varepsilon)$…………………………….……………………………. (3.4)

Maximum likelihood method is used for the estimation of logistic model. This is known as a method to find estimation of an unidentified parameter of assumed population distribution. Therefore, the logistic regression model used this study was as follows:

$$WE = (\beta 0 + \beta 1\ Agehh + \beta 2 Hhedu + \beta 3\ Genhh + \beta 4\ Famsize + \beta 5 Martstat + \beta 6\ CreHistory + \beta 7\ Nochild + \beta 8\ Monincomhh + \varepsilon)$$

Where:

WE	Women empowerment
Agehh	Age of the respondent
Hhedu	Education of the respondent
Genhh	Gender of the household head
Famsize	Family size

Martstat	Marital Status
CreHist	Credit history
Nochild	Number of children
Monincomhh	Monthly income of household

Analysis of the Regression

To analyze the objectives of the study it is found a vital to run the variables in a binary logistic regression model. However before running the model it is necessary to check multicollinearity test among the independent variables. According to Gujarati (2004), there are various indicators of multicollinearity and no single diagnosis will give complete information about the problem. Hence, for this research Variance Inflation Factor (VIF) and Condition Index (CI) were used to test the existence of multicollinearity effect among the variables. Thus, variables which raised the condition index above 30 and VIF result greater than 10 to be rejected from the model. However, the test results of the variables for both VIF and CI shows no multicollinarity problems detected among explanatory variables.

Table3. 2Multicollinearity test for explanatory variables

S/n	Variables	Collinearity Statistics	
		VIF	Condition Index
1	Age of the respondent	4.148	2.528
2	Marital Status of the respondent	3.780	3.997
3	Family Size of the household	4.855	2.382
4	Household Head	7.848	3.944
5	Education of the respondent	1.810	1.229
6	Household Income	1.156	1.234
7	Credit history	1.014	1.854
8	Number of children with in household	4.681	1.676

Source: Survey results, 2018

Table3. 3Classification Table a, b

Observed			Predicted		
			Women Empowerment		percentage correct
			Not empowered	Empowered	
Step 0	Women Empowerment	Not Empowered	0	44	.0
		Empowered	0	107	100.0
	Overall Percentage				70.9

a. Constant is included in the model.
b. The cut value is .50

Source: Survey results, 2018

The results shown on the above table headed classification table is the results of the analysis without any of our independent variables used in the model. This will serve as a baseline later for comparing the model with our predictor variables included. In the Classification table, the overall percentage of correctly classified cases is 70.9 percent. In this case, SPSS classified or guessed that all the cases would have empowered. We hope that later, when our set of predictor variables is entered, we will be able to improve the accuracy of these predictions.

Table3. 4 Omnibus Test of Model Coefficients

		Chi-square	**Df**	**Sig.**
Step 1	Step	71.444	22	.000
	Block	71.444	22	.000
	Model	71.444	22	.000

Source: Survey results, 2018

The results shown in the table headed Omnibus test of model coefficients below is where our model (set of predictor variables) is tested. The Omnibus Tests of Model Coefficients gives us an overall indication of how well the model performs, over and above the results obtained for classification table, with none of the predictors entered into the model. This is referred to as a goodness of fit test. For this set of results, we want a highly significant value (the Sig. value should be less than .05). In this case, the value is .000 (which really means $p < .05$). Therefore, the model with our set of variables used as predictors is better than SPSS's original guess shown in the classification table. The chi-square value, which we need to report in our results, is 71.444 with 22 degrees of freedoms.

Table3. 5Hosmer and Lemeshow Test

Step	Chi-square	Df	Sig.
1	5.018	8	.840

Source: Survey results, 2018

The results shown in the table headed Hosmer and Lemeshow Test below also support our model as being useful. This test, which SPSS states is the most reliable test of model fit available in SPSS, is interpreted very differently from the omnibus test discussed above. For the Hosmer-Lemeshow Goodness of Fit Test poor fit is indicated by a significance value less than .05, so to support our model we actually want a value greater than .05. In this study, the chi-square value for the Hosmer and Lemeshow Test is 5.018 with a significance level of .840. This value is larger than .05, therefore indicating support for the model.

Table3. 6Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	139.390	.223	.785

Source: Survey results, 2018

The table headed Model Summary gives us another piece of information about the usefulness of the model. The Cox & Snell R Square and the Nagelkerke R Square values provide an indication of the amount of variation in the dependent variable explained by the model (from a minimum value of 0 to a maximum of approximately 1). These are described as pseudo R square statistics, rather than the true R square values that you will see provided in the multiple regression output. In this study, the two values are 0.223 and 0.785, suggesting that between 22.3 percent and 78.5 percent of the variability is explained by this set of variables.

Table3. 7Classification Table a

Observed			Predicted		
			Women Empowerment		percentage correct
			Not empowered	Empowered	
Step 1	Women Empowerment	Not Empowered	22	22	50.0
		Empowered	8	99	92.5
	Overall Percentage				80.1

a. The cut value is .50

Source: Survey results, 2018

The classification table provides us with an indication of how well the model is able to predict the correct category for each case. We compare this with the classification table shown for the above, to see how much improvement there is when the explanatory variables are included in the model. The model correctly classified 80.1% of cases overall (sometimes referred to as the percentage accuracy in classification: PAC), an improvement over the 70.9% in the above previous table.

The *sensitivity* of the model is the percentage of the group that has the characteristic of interest (Empowered) that has been accurately identified by the model (the true positives). In this paper, we were able to correctly classify 92.5 percent of the women clients who have empowered. The *specificity* of the model is the percentage of the group without the characteristic of interest (Not empowered) that is correctly identified (true negatives). In this paper, the specificity is 50 percent (women who have not empowered correctly predicted not to have empowered by the model). The positive predictive value is the percentage of cases that the model classifies as having the characteristic that is actually observed in this group. To calculate this for the current example, you need to divide the number of cases in the predicted = Empowered, observed = Empowered cell (99) by the total number in the predicted = Empowered cells (22 + 99 = 121) and multiply by 100 to give a percentage. This gives us 99 divided by 121 * 100 = 81.82 percent. Therefore the positive predictive value is 81.82 percent, indicating that of the people predicted to have empowered our model accurately picked 81.82 percent of them. The negative predictive value is the percentage of cases predicted by the model not to have the characteristic that is actually observed not to have empowered. Therefore, the necessary values from the classification table are: 22 divided by (22 + 8) * 100 = 73.33.

CHAPTER FOUR

4. RESULT AND DISCUSSION

4.1.Descriptive analysis

Descriptive analysis was carried out to accomplish the objectives of the study, and also to know the demographic and socio-economic characteristics of the sample in the study area. Descriptive analysis was used for categorizing and analytically summarizing the data in a comprehensible form. It is also based on the percentages and classification of the data.

4.1.1 Characteristics of Respondents

This section deals with the background characteristics of the respondents considered in the study. A total of 20 individuals were involved in the in-depth interview and focus group discussion. The age of the study participants ranged from 20 to 40 and above. The majorities of the participants were above the age of 35 and is predominately followers of Islam. The respondents, whose educational level ranged from illiterate to secondary level, mostly learned about the existence and function of the microfinance institution from kebeles, their friends and relatives. The respondents have been members of the microfinance institution from one to more than four years. Furthermore, it is observed that the participants differ in their marital status consisting of married, widow and divorced women.

Regarding the quantitative study, it was involved a total of 151 respondents. A response rate of 100 percent was achieved since the researcher and the nominators' were directly involved the filling of the questionnaire to the respondents. The background characteristics of respondents are presented below.

Table 4. 1Response rate

Responses	Valid responses	Response rate
151	151	100%

Table4. 2Socio- demographic characteristics

Variable	Category	Frequency	Percentage
Age of the respondents	Between 20-30	28	18.5
	Between 31-40	35	23.2
	Between 41-50	66	43.7
	>50	22	14.6
	Total	151	100
Gender of the respondents	Female	151	100
	Total	151	100
Marital status of the respondent	Married	104	68.9
	Single	1	0.7
	Divorced	22	14.6
	Widowed	24	15.9
	Total	151	100
Religion of the respondents	Islam	146	96.7
	Christianity	5	3.3
	Total	151	100

Source: Survey results, 2018

Age of the respondents

From the table 4.2 above shows that the largest proportion of the sample 66 (43.7%) was between 41 and 50 years of age. About 35 (23.2%) of the sample was between 31- 40 years. The youngest age being between 20 and 30 years was 28 (18.5%). A very insignificant proportion 22 (14.6%) was the age of greater than 50 years. The analysis of the data showed that the majority of the respondents were middle aged and responsible borrowers.

Gender of the respondents

On the second variable the table 4.2 above shows that all of the respondents 151 (100%) were females, since the objective of the research was assess the microfinance institutions and women empowerment that is why women were selected as a respondent of this study.

Marital status of the respondents

Marriage is one of the social phenomenon where adulthood is recognized and power to take responsibilities over one's life is acknowledged. Though Marriage has benefits in terms of building social, economic and family system but still it has some drawbacks on women empowerment in a country where gender equity and equality not well addressed. In such instances married women may have more power to make decision and control on household resources, limited mobility to participate in social and run income generating activities.

As far as marital status is concerned majority of the respondents were married as the table 4.2 depicts that almost 104(68.9%) of the women were married, living with their husbands and supporting their families. While 22 (14.6%) were divorced and 24 (15.9%) of them were widowed. While only 1 (0.7%) of the respondent was single that had never been married.

As shown in the above table most of the respondent's religion was Islam which constitutes 146(96.7%) of the respondents. While the rest constitutes 5(3.3%) of the respondents were belong to Christianity.

Size of the family members

This variable is used as one of the indicators to determine the number of members living in a particular household. This variable exposes that a household that bears large number of members extends more rights to women. Another reason is that having more family members' women can get moral support especially from other females in terms of household work, child caring and social visits. So, the purpose of inclusion of this variable is to find out the effect of large and small family members on women empowerment.

Table4. 3Frequency distribution and percentages of respondents with respect to family size

Variable	Category	Frequency	Percentage
Size of the family	Less than 5 persons	57	37.7%
	Between 6-8 persons	54	35.8%
	Between 9-10 persons	26	17.2%
	More than 10 persons	14	9.3%
	Total	151	100%

Source: Survey results, 2018

As shown in the above table 4.3 the analysis shows that 57(37.7%) of participants had five or less than five family members. The percentage of 6 – 8 family members was 54(35.8%) whereas

26(17.2%) of the respondents have between 9 – 10 members in their family. The study also finds out that only 14(9.3%) of the respondents had more than 10 family members. Therefore larger family size indicates higher level of consumption which in turn requires increase in income to overcome the expenses. Microfinance provides them the opportunity to improve their economic position. A large number of family members also signify low level of saving, as propensity to consume is higher.

Household head of the respondent

Table no 4.4 shows that majority of households were headed by their husbands. The percentage is 99(65.6%). Only 52(34.4%) of the households are headed by the respondents by themselves. This is because percentage of respondents living in with their spouse is greater than compared to females not living with their spouse.

Table4. 4Frequency distribution and percentages of respondents with respect to household head

Variable	Category	Frequency	Percentage
Head of the household	My self	52	34.4%
	My husband	99	65.6%
	Total	151	100%

Source: Survey results, 2018

Level of formal education

The formal education is measured in number of years a woman attend formal school. The more women attend formal education, the better capacity to seek information, improve analytical ability, and better aware on microfinance products that enhance to make decision to take more loans and engage in productive business.

As shown in the table 4.5below most respondents had no education or little education. About 99(65.6%) of the respondents were illiterate, Another 23(15.2%) can only read and write, About 24(15.9%) had formal education that ranges up to the Primary level, and only 5(3.3%) had secondary level of education. Therefore this shows that most of respondent's low back ground in education not exceeding the elementary level of education.

Table4. 5Frequency distribution and percentages of respondents with respect to education

Variable	Category	Frequency	Percentage
Education of the respondents	Illiterate	99	65.6%
	Read and write	23	15.2%
	Primary level	24	15.9%
	Secondary level	5	3.3%
	Total	151	100%

Source: Survey results, 2018

Monthly income of the household

Household income is total income earned by all family members in a month. Income is the main determinant of a household's socio-economic position and thus it has a position in the social stratification system.

In the table 4.6below the monthly household income of respondents was shown. Accordingly, the higher proportion of the respondents 84(55.6%), fall with the incomes levels of 3,000 - 4,000 Birr. While 52(34.4%) of clients earned monthly household incomes of greater than 5,000 Birr. And the rest of the respondents 11(7.3%) and 4(2.6%) earned the monthly household income range of 2,000 – 3,000 Birr and 500 - 1,000 Birr respectively.

Table4. 6Frequency distribution and percentages of respondents with respect to income

Variable	Category	Frequency	Percentage
Monthly income	500 – 1,000 Birr	4	2.6%
	2,000 – 3,000 Birr	11	7.3%
	3,000 – 4,000 Birr	84	55.6%
	>5,000 Birr	52	34.4%
	Total	151	100%

Source: Survey results, 2018

Similar to the above, the results of the focus group discussions and in-depth interview revealed that the increases in income after joining the microfinance institutions were moderate for the majority of the clients. In addition, some respondents were high. While some other participants were not able to tell whether their incomes have actually increased or decreased after their involvement in the microfinance institutions.

A 39 years old woman who has been a client of the microfinance institutions for three and have years stated the situation as follows.

> *"I was previously engaged in small business and continued in the same business after I joined the microfinance institutions. I have not seen any change in my life after my participation in the microfinance institutions. I cannot say whether my income has improved or worsened after joining microfinance institutions (Interview)".*

A 40 year old woman with an experience of four years with the microfinance institutions stated as follows.

> *"I was involved in small business trade before joining the microfinance institutions. Following my membership in the microfinance institutions, I was able to expand my business and settle my debts timely. My income has somehow increased after I joined the microfinance institutions (FGD)".*

Number of children

A woman's strength increases with the increase in the number of her children. Her control over resources increases to fulfill the requirements of her children. More children make women more empowered. This is intended to facilitate them to make adequate money to contribute in household expenditure.

The analysis of the number of children with in the households shown on the table no.4.7 below was that the majority of respondents 48(31.8%) had a number of children between six to eight and 42(27.8%) of the participants had more than eight children. The households having of three to five children were 27(17.9%) and families of three and less than three children were 33(21.9%).

Table4. 7Frequency distribution and percentages of respondents with respect to number of children

Variable	Category	Frequency	Percentage
Number of children	<3 children	33	21.9%
	3 – 5 children	27	17.9%
	6 – 8 children	48	31.8%
	>8 children	42	27.8%
	Total	151	100%

Source: Survey results, 2018

4.2. Factors Affecting of Women Empowerment through Microfinance Institution's Services

According to the objective of the factors affecting of women empowerment through MFI services have been measured in different dimensions those are decisions regarding socio-political matters, decisions regarding economic or financial matters and decisions regarding personal matters.

Table4. 8Analysis of decisions regarding socio-political matters

S/no		Yes	Percent	No	Percent
1	Can you visit your friends and relatives without permission of your spouse?	114	75.5	37	24.5
2	Do you have any association with political parties?	40	26.5	111	73.5
3	Do you have the ability to participate in voting and other democratic procedures?	147	97.4	4	2.6
4	Do you participate in the group meetings and social events in your locality?	146	96.7	5	3.3
5	Does your husband stop you from participating in such programs?	8	5.3	143	94.7
6	Can you decide on the treatment of your family members by your own?	143	94.7	8	5.3
7	Do you take decisions on the problems of your children's education by your own?	134	88.7	17	11.3

Source: Survey results, 2018

As the above table shows that majority of the participants 114(95.4%) have agreed that they can visit their friends and relatives without the permission of their spouse while 37(24.5%) of the participants could not have the power to visit their friends and relatives without the permission of their spouse. Based on the question related to the association of the political parties most of the respondents 111(73.5%) do not have member of any association of political parties. Also majority of the participants 147(97.4%) could have the ability to participate in voting and other democratic procedures while only few 4(2.6%) of the participants responded in a negative. After the joining of the microfinance institutions almost all of the participants 146(96.7%) participate in the group meetings and social events in their locality. When asked to the question does your husband stop you from participating in such programs most of the respondents 143(94.7%) have answered that their husbands do not stop from participation.

Based on the treatment of their family members mostly 143(94.7%) have responded that they could decide the treatment of their family by their own except for few 8(5.3%) of the participants. On the question do you take decisions on the problems of your children's education by your own 134(88.7%) of the respondents have agreed that they can take the decision on their children's education while the rest of the respondents 17(11.3%) have responded that they could not take the decision of their children's education by themselves rather they discuss with their spouse or some of their family members.

The focus group discussion and interview have also revealed that the majority of the clients generally show low interest and confidence to claim for their political and legal rights even after joining the MFI. Most respondents have indicated that they are not even aware of what their legal right is and where to go when they need help or become necessary to complain. After joining MFI, the priority becomes the making of money and business expansion rather than fighting for their rights. They also lack adequate time since they become busy working for their business activities. The provision of finance cannot by itself bring about political empowerment. It is not possible to attain political empowerment without the creation of awareness on relevant issues and the provision of training and education on leadership and related issues. Cheston and Kuhn (2002) indicate that political empowerment is usually a fairly rare outcome of most microfinance programs. This is because only a few MFIs work towards the political mobilization of women.

Table4. 9Analysis of decisions regarding Economic or financial matters

S/no		Yes	Percent	No	Percent
1	Do you have your own income after you joined the MFIs?	151	100	-	-
2	Do you have the power to spend money on things of your choice?	139	92.1	12	7.9
3	Does your husband discuss with you when he spends income for the family?	121	80.1	30	19.9
4	Do you take decisions on the purchase, or repair of the house on your own?	137	90.7	14	9.3
5	Do you have the power to purchase jewelry for your own family?	119	78.8	32	21.2
6	Do you take decisions on saving, borrowing and investment on your own?	138	91.4	13	8.6
7	Do you offer financial support to the people outside of your family?	111	73.5	40	26.5

Source: Survey results, 2018

The above table 4.9 reveals that 151(100%) of the respondents have their own income. This indicates that they have their personal business and they utilize the credit for productive purposes. As far as expenditures are concerned almost 139(92.1%) respondents have the power to spend money on things of their choice and spend by themselves, only 12(7.9%) do not have the power to spend money on things of their choice according to their own will.

The percentage of husbands who ask their wives while spending income for the family was 121(80.1%) and only 30(19.9%) do not consider the matter of spending income with their spouse. The results show that 137(90.7%) women had taken decisions on the purchase, construction, modification or repair of house whereas this issue was undecided by 14(9.3%) of the participants.

The table above also signifies that majority of our respondents could take decisions on different economic aspects. About 138(91.3%) respondents could decide on the issues of saving, borrowing and investment by their own will while 13(8.6%) of the participants could not decide on the issue of saving, borrowing and investments. When asked about decisions on the purchase of gold and jewelry for family 119(78.8%) of the women were able to take decisions on this matter but 32(21.2%) of the participants replied that they do not have the power to purchase jewelry for their families. When asked about how they are able to offer financial support to the people of outside their family mostly 111(73.5%) they have responded that they can offer financial support to the people outside their family while the rest of the participants 40(26.5%) said that they cannot offer because some of the reasons are exist. As loan is taken by women, their economic status increases which strengthens their position in the household.

Table4. 10Analysis of decisions regarding personal matters (N=151)

S/no		Yes	Percent	No	Percent
1	Have you become more self-confident?	137	90.7	14	9.3
2	Have you gained more respect in the family and neighborhood/community?	139	92.1	12	7.9
3	Have you gained economic independence?	138	91.4	13	8.6
4	Is there improvement in understanding between you and your husband?	115	76.2	36	23.8

Source: Survey results, 2018

According to the above table 4.10 shows that after joining the microfinance institutions most the respondents 137(90.7%) agreed upon the fact that their confidence level had increased while 14(9.3%) of the respondents have not proven this issue. Majority of the women had gained economic independence 138(91.4%) by getting credit from microfinance institution.

Their importance and respect in the family, community and neighborhood 139(92.1%) had also enhanced after joining the microfinance institutions. Microfinance had also improved family relationship by increasing the understanding between husband and wife. 115(76.2%) of the participants have acknowledged this while the rest 36(23.8%) of participants disagree because they were mostly by widowed and divorced women those do not live together with their spouse.

4.3. Impact of Microfinance Institution on Living Standard of Females

According to the objective of the living standard of females in the study area have been measured through different variables those are after joining the microfinance institution have you become strong women within family, reasons that made you strong within your family, purpose of usage of loan were all affects the living standard of females and whether there is improvements of their living standards after they have joined the institution.

Table4. 11Feeling strong women within your family (N=151)

Variable	Category	Frequency	Percentage
Have you become strong women with in your family?	Yes	151	100%
	No	0	0%
	Total	151	100%

Source: Survey results, 2018

As the above table 4.11, shows that almost all of the participants 151(100%) have agreed that they have become strong women with in their family after the participation and taking loan from the microfinance institutions.

Table4. 12Reasons that make you strong within your family (N=151)

Variable	Category	Frequency	Percentage
Reasons that make you strong with in your family	Husband gives more respect	38	25.2%
	Husband's family gives more respect	32	21.2%
	Become central to decision making within the family	65	43.0%
	Interactions with natal family have increased	16	10.6%
	Total	151	100%

Source: Survey results, 2018

According to the above table 4.12, when asked about the reasons that have made strong within their family some of the respondents 65(43%) have said that they have become central to decision making within the family after taking the loan or credit from the microfinance institutions while 38(25.2%) of the respondents have said that their husbands gave more respect. Some other 32(21.2%) of the participants have also responded that their husband's family gave them more respect after taking the loan from the microfinance institutions and the rest 16(10.6%) of the respondents have responded that the interaction between them and natal family have increased after taking the loan from the microfinance institutions.

Table4. 13Purpose of usage of loan (N=151)

Variable	Category	Frequency	Percentage
Purpose of use of the loan from the MFIs	Purchase of food items	35	23.2%
	Business/trade	99	65.6%
	Cafeteria	17	11.3%
	Total	151	100%

Source: Survey results, 2018

As can be seen from Table 4.13, only 35(23.2%) of the respondents have used the credit money for the purchase of food items and 17(11.3%) of the participants have used the credit money for cafeteria. While the rest 99(65.6%) of the participants use the funds for small business and trade. Hence, microfinance has enabled the women to engage in small businesses.

The focus group discussion and in-depth interview also indicated that almost all of the clients utilize the money for business purposes.

A32 year's old woman describes the situation as follows.

> *"I use the loan secured through microfinance institutions to buy and sell vegetables in the market. Although I am not able to make more profits, the business has enabled me to support my children and my family (Interview)".*

From the above results, we can see that the majority of the clients are engaged in economic activities that offer self-employment. Financial services play a role in enhancing the economic production capabilities and social well-being of poor women and their household. Although the client's opportunity for self-employment through the finance secured from microfinance institution does not automatically empower them, rather it would lead them towards the goal.

Table4. 14Improvements of living standards (N=151)

Variable	Category	Frequency	Percentage
Do you agree that your living standard have improved after you join the MFIs?	Strongly agree	151	100%
	Total	151	100%

Source: Survey results, 2018

Living standard of microfinance beneficiaries had also improved. Almost all the participants **151(100%)** have accepted the fact that their living standard is better than before. None of the respondents have denied this truth.

4.4. Challenges that Women Clients Face While Working With Microfinance Institutions

According to the challenges they face while working with MFI mostly they report that the limitations of the microfinance institutions was the size of loan which is too small in size and existence of the problem in group dynamics.

Table4. 15Problems of repaying loan (N=151)

Variable	Category	Frequency	Percentage
Do you face any difficult in repaying your loan?	Yes	51	33.77%
	No	100	66.23%
	Total	151	100%

Source: Survey results, 2018

According to the above table 4.15 when asked about a question about whether the clients of the microfinance institutions face any difficult in repaying their loan while, working with the microfinance institutions or not. 51(33.77%) of the respondents have responded that they face a problem in repaying their loan while the rest 100(66.23%) of the participants did not face any problem in repaying their loan while working with the microfinance institutions.

Table4. 16Cause of repayment problem (N=51)

Variable	Category	Frequency	Percentage
What caused your repayment problem?	Loan activity was not profitable	8	15.69%
	I or others in my family had been sick	3	5.89%
	Lack of sales/ demand	18	35.29%
	Used enterprise capital for consumption (food, clothing, household goods)	6	11.76%
	Sold on credit and did not get paid back on time	16	31.37%
	Total	51	100%

Source: Survey results, 2018

According to the above table 4.16, a question was asked to the respondents of the previous table 4.15 those have responded “YES” or said that they face a problem when repaying their loan. Now another question was asked which says what caused to your repayment problem. Most of the respondents 26(17.2%) responded that their exist lack of sales or demand with in community that is why we face a problem of not repaying the credit that we have taken from the microfinance institutions on time. While 7(4.6%) of the respondents have responded that the loan activity was not profitable by itself. While another respondents 6(4%) responded that they have sold on credit and did not get paid back on time from their customers and 6(4%) of the participants have responded that they use the loan for consumption purposes such as food, clothing and household goods. And the rest 5(3.3%) of the participants responded that they or others of their family had been sick that could not allowed them to repay their loan taken from the institutions.

Table4. 17Managing of the difficulties / problems (N=51)

Variable	Category	Frequency	Percentage
How do you manage these problems?	Sold household assets	12	23.53%
	Borrowed from relatives, friends, neighbors (cost free)	30	58.82%
	Borrowed at cost from village money lenders	2	3.92%
	I did not pay	7	13.73%
	Total	51	100%

Source: Survey results, 2018

According to the above table 4.17, a question was asked to the respondents of the previous tables 4.15 and 4.16 those have responded “YES” or said that they face a problem when repaying their loan and those have mentioned their repayment problem. Now the question is how they managed these problems that have faced.

Most of the respondents 30(19.9%) responded that they have borrowed money from their relatives, friends and their neighbors with cost free in order to pay the credit taken from the institutions. While 12(7.9%) of the participants have responded that they have sold some of their household assets in order to pay the credit taken from the institutions. The participants those have said we did not still pay the credit taken from the institutions were 7(4.6%). And the rest 2(1.3%) have responded that they have borrowed money from village money lenders with a cost in order to pay the credit taken from the institutions.

Table4. 18Limitations of the MFIs (N=151)

Variable	Category	Frequency	Percentage
Limitation of MFIs	Free interest rate	8	5.3%
	Too small loan size	67	44.4%
	Repayment policy	25	16.6%
	Problematic groups dynamic	51	33.8%
	Total	151	100%

Source: Survey results, 2018

According to the above table 4.18 some of the limitations of the microfinance institutions have been asked to the clients of the microfinance institutions. Therefore most of the respondents 67(44.4%) have responded that the limitation of the microfinance institutions was the size of loan which is too small while 51(33.8%) of the participants have also responded that there exists in a problem of group dynamics. The percentage of the respondents who have responded that the limitation of the microfinance institutions was the repayment policy was 25(16.6%). The rest only 8(5.3%) of the participants have responded that there is no interest charged by the microfinance institutions.

Most of the participants in the focus group discussion as well as the in-depth interview consider the loan offered as very small which is not adequate to start business or any other activity.As seen in the literature review part of the study, the microfinance institutions usually offer small loan amounts. This small loan size impedes large capital investments and also limits their engagement in business activities.

A 43 years old lady who has been a member of the MFI for the last four years said this.

> *"In fact, the loan size increases as we settle the loan in full and take another. However, the loan still falls short of the amount needed to start business. It would be better if they could increase the amount of loan so that we are able to engage in our own business, earn better incomes and settle our debts more quickly (Interview)."*

Table4. 19Demerits of the group (N=151)

Variable	Category	Frequency	Percentage
Demerits of MFIs	Exclusion of the poorest	23	15.2%
	Patriarchal system	32	21.2%
	No transparent management within the group	89	58.9%
	Others Please specify__________	7	4.6%
	Total	151	100%

Source: Survey results, 2018

According to the above table 4.19 it asks about the disadvantage of the group. Most of the respondents 89(58.9%) have responded that there is no transparent management within the group. The percentage of the participants who responded that the disadvantage of the group is the exclusion of the poorest was 23(15.2%). While the percentage of the participants who responded that the disadvantage of the group is patriarchal system was 32(21.2%) and the rest 7(4.6%) of the participants have mentioned the disadvantage of the group was some others.

As explained above, one of the great roles of MFI is its easier guarantee requirements as it allows clients to get money by forming a group and be collateral to each other. Although the advantage of such an arrangement is clear, it might also leave the clients in a disadvantageous position. This occurs when a group member fails to pay the debt making the rest of the group settle on her behalf.

A 35 years old woman reminded the consequence she faced as a result of the default of a group member.

> *"When we joined MFI all of us had agreed to settle our debts timely. However, one of the members failed to repay the loan and we had to settle her loan on top of ours. The situation was very difficult (FGD)."*

The above indicates that although MFI has pleased the clients from fulfilling collateral requirements and enabled them access to credit, they still bear burdens when a group members fail to settle debts as per the repayment schedule.

4.5. Perception of Women Clients towards Participation of MFI's Services

Alikert scale was used to measure the perception of women clients towards participation of MFI, where a scale of 1 to 5 was used where 5 was to a strongly agree, 4 agree, 3 neutral, 2 disagree and 1 strongly disagree. As shown in the table below, on average, the respondents who said strongly agree, indicated that participation of micro finance services had been able increase income, savings, increases power of decision making, increases confidence to face problem, microfinance creates better awareness, improves social status, improves participation in community activities and reduces the level of domestic violence. To an agree extent, the respondents were able to provide employment opportunity, creates knowledge about their banking operations, improves their level of children's education, and improves their employability skills. While to a neutral extent, Participation in microfinance increases value of household asset, increases value of productive asset, and improves health and nutrient of household.

The main effect of micro finance services was found to be enhanced savings with mean of 4.95 and standard deviation of 0.253, increase in income with mean of 4.94 and standard deviation of 0.238 and reduces level of domestic valances with a mean of 4.99 and standard deviation of 0.081, creates better awareness with a mean of 4.89 and standard deviation of 0.338. While the enhanced participations of women in decision making was a mean of 4.81 and standard deviation of 0.407. And the confidence to face problem was a mean of 4.88 and standard deviation of 0.345.

Table4. 20Perception of women clients (N=151)

S/n	Description	Mean	SD	Comments
1	participation in microfinance increases income	4.94	0.238	Strongly Agree
2	Participation in microfinance increases savings	4.95	0.253	Strongly Agree
3	Participation in microfinance increases value of household asset	3.64	1.041	Neutral
4	Participation in microfinance increases value of productive asset	3.78	1.131	Neutral
5	Participation in microfinance provides employment opportunity	4.48	0.944	Agree
6	Participation in microfinance increases power of decision making	4.81	0.407	Strongly Agree
7	Participation in microfinance increases confidence to face problem	4.88	0.345	Strongly Agree
8	Participation in microfinance creates better awareness	4.89	0.338	Strongly Agree
9	Participation in microfinance creates knowledge about banking operations	4.26	1.042	Agree
10	Participation in microfinance improves social status	4.79	0.456	Strongly Agree
11	Participation in microfinance improves level of children education	4.60	0.850	Agree
12	Participation in microfinance improve health and nutrient of household	3.86	1.100	Neutral
13	Participation in microfinance improves employability skills	4.46	1.044	Agree
14	Participation in microfinance improves participation in community activities	4.90	0.300	Strongly Agree
15	Participation in microfinance reduces level of domestic valances	4.99	0.081	Strongly Agree

Source: Survey results, 2018

Table4. 21Credit history (N=151)

Variable	Category	Frequency	Percentage
For how long in years have you been taken the credit?	1-3 years	43	28.5%
	4-6 years	83	55.0%
	7-8 years	25	16.6%
	Total	151	100%

Source: Survey results, 2018

As the above table shows based on the number years that women clients of Somali microfinance institutions have taken the credits, it shows that most 83(55%) of the participants took the credits between four up to six years. While the percentage of clients who took credit the years between one up to three was 43(28.5%). And the rest 25(16.6%) of the respondents have taken the credits the years between seven up to eight years. This shows us the microfinance institution was established very recently and the respondents have full information about the microfinance institutions since its establishment. After joining MFI, almost all of the respondents do not use any other source of credit other than the microfinance institution. This is because of MFI appears to be a steady source of working capital. MFI offers loan once the previous one has been settled and clients can borrow money at any time as far as they clear their debts on time.

The majority of the respondents in the focus group discussion also said that they like MFI due to the easier guarantee requirements compared to other sources. In addition, they found it hard to borrow money from banks or other loan services that require collaterals because most lack basic education, formal job, working capital, etc. MFIs offer them to make groups of four to five clients and allow them to show a collateral role for each other. Under this arrangement, if one member of the group fails to pay the loan, the other group members are supposed to settle the debt.

Table4. 22Decision concerning about the use of loan through MFIs (N=151)

Variable	Category	Frequency	Percentage
How do you make decision concerning about the use of loan?	Independently	54	35.8%
	Together with husband	83	55.0%
	Jointly with other family members	7	4.6%
	Husband's decision	7	4.6%
	Total	151	100%

Source: Survey results, 2018

According to the above table, when asked the participants about how they take decisions concerning about the use of loan from the microfinance institutions, majority of the respondents 83(55%) have responded that they took decisions concerning about the use of loan from the microfinance institutions together with their husbands. 54(35.8%) of the respondents have also responded that they took decisions concerning about the use of loan from the microfinance institutions independently. The percentage of the respondents those took decisions jointly with other family members were 7(4.6%). While the rest 7(4.6%) of the participants took decisions based on their husband's decision.

The results of the focus group discussion and in-depth interview also showed a similar situation as to the role of the wife and the husband in such decisions. Those who decide by themselves gave two reasons for this. The first one is that some clients do not tell their MFI membership and loans taken to the husbands for fear that the latter might stop giving them money for household expenditure. Hence, the clients use the money by themselves. In the second case, the husband knows about the MFI but he is not involved in taking the loan, its repayment as well as managing or utilizing the money.

A 30 years old lady states that

> *"My husband knows that I use the money secured through microfinance institutions to support the family. He basically has no say on the money. I decide on the money and hold sole responsibility for the repayment (FGD)".*

On the other hand, there are cases where the husband fully participates in the taking and repayment of the loan as well as the management and decision about it.

A 45 years old woman explained as follows.

> *"We discuss and jointly decide on all issues. I joined the microfinance institutions with his full agreement and jointly decide on the money that I borrowed from the institution. We also share the responsibility of debt repayment (FGD)".*

We have seen that MFI has provided opportunities for self-employment through the delivery of finance. As a result, the client's incomes have increased although the amounts are small. Improvements are also observed in client's saving practices. Furthermore, the women have managed to decide on the loan either by themselves or jointly with the husband. However, the situation is not the same for all clients. In this regard, there are clients whose incomes have deteriorated or who do not save money or even do not engage in any business after joining the MFI. Nonetheless, looking at some of the clients, participation in MFI had a positive sign towards economic empowerment.

Table4. 23Effect of joining microfinance institution (N=151)

Variable	Category	Frequency	Percentage
How did the decision to join MFIs affect your family life?	Less family quarrels	14	9.3%
	No change	137	90.7%
	Total	151	100%

Source: Survey results, 2018

According to the above table, the decision of joining the microfinance institutions has affected the lives of families. The percentage of the family lives that have got some family quarrels was 14(9.3%), while majority 137(90.7%) of the participants have responded that the decision to join the microfinance institutions did not have changed the lives of our family.

Table4. 24The sources of information (N=151)

Variable	Category	Frequency	Percentage
Sources of information	People	50	33.1%
	Kebele administration	101	66.9%
	Total	151	100%

Source: Survey results, 2018

In table 4.24, as per the response of the clients, the means through which they joined the microfinance institute were mainly two. 50 (33.1%) of the clients heard of the institute from other people those were their relatives and friends. While the source of information for the remaining 101 (66.9%) of the participants were Kebele administrations.

Results of the focus group discussions and interview were also indicated that the majority of the clients heard basic information about the micro finance institute, the existence of MFI, how to borrow money, collateral requirements, etc., from their neighbors, friends or relatives. Others have indicated that they learned about the MFIs from Kebele administrations through meetings organized to explain about such programs.

Table4. 25The trainings and awareness sessions (N=151)

Variable	Category	Frequency	Percentage
How do you see the trainings and awareness sessions that MFIs gives its clients?	Very important	144	95.4%
	Less important	7	4.6%
	Total	151	100%

Source: Survey results, 2018

According to the above table, majority of the respondents 144(95.4%) have responded that the trainings and awareness sessions that the microfinance gives them is very important for the clients. While the rest 7(4.6%) of the participants have seen it as less important.

The results of the focus group discussion and interview show that the majority of women have received some sort of training on small business entrepreneurship. Some clients have received training once while others had the chance to get it twice and more. Most attended trainings when they joined the microfinance institutions. This indicates that the client's awareness regarding business entrepreneurship has increased after joining the microfinance institutions.

4.6. Regression Estimates

Finally, the determinants of women empowerment in microfinance institution have been examined by estimating logistic regression model. The data for this section was collected from clients of Somali microfinance institution with survey. Table 4.26 and 4.27shows the result of descriptive statistics and logistic regression model respectively.

Table4. 26Descriptive Statistics

Variables	Mean	Median	Minimum	Maximum	Std. Deviation
Age of the respondent	42	35	20	50	0.957
Marital Status *	1	1	1	4	1.195
Family Size	8	5	5	10	0.962
Household Head *	2	2	1	2	0.477
Education *	1	1	1	4	0.876
Household Income	3,500	3,000	500	5,000	0.840
Credit history *	3	2	1	7	0.663
No of children	6	5	3	8	0.896

Source: Result from SPSS

Note:

- Marital status was measured in a category form 1 = married, 2=single, 3=divorced and 4=widowed
- Household head is a dummy variable 1=female headed by household otherwise 2= male
- Education is a category 1= illiterate, 2=read and write, 3=primary and 4=secondary level
- Credit history was measured in a number of years taking loan 1=1-3years, 2=4-6years and 3=7-8years.

Table4. 27Variables in the Equation

Variables	B	S.E.	Wald	Df	Sig.	Exp(B)	95% C.I. for Exp(B)	
							Lower	Upper
Age of the respondent	1.355	0.21	2.731	3	0.698	3.876	0.489	3.406
Marital Status	0.377	4.0192	15.607	3	0.001	1.468	0.219	9.732
Family Size	1.399	1.062	1.043	3	0.791	4.052	0.180	3.593
Household Head	1.504	0.381	15.621	1	0.000	4.500	0.216	5.789
Education	0.309	0.568	3.443	3	0.016	1.362	2.150	18.512
Household Income	2.754	1.620	14.813	3	0.000	15.753	1.031	18.047
Credit history	2.122	0.657	7.072	3	0.000	8.348	0.130	10.911
No of children	0.629	0.686	3.153	3	0.569	1.876	0.206	1.315
Constant	0.852	0.211	16.272	1	0.000			

a. Variable(s) entered on step 1: Age, Status, Size, Head, Education, Income, Children, Credit history.

Source: Result from SPSS

4.7. DISCUSSION OF THE FINDING

In this section the analyzed information will be discussed according to the objectives of the study. The findings will be compared with the findings and discussion of other researchers on the similar topic from different parts of the world. The study examined how micro finance services led to women empowerment. The results are consistent with prior research with the view that women's participation in micro finance services leads to an increased women's empowerment.

Credit history taken: experience of women in taking credit has positive influence on women empowerment. The result shows consistent with the prior expectation. The main reasons that more women get experience in taking credit activities the better they become in economic status that enhance self-confidence to make voice in the household decisions. The more wealth a woman has mean the less economic dependency on the husband income that enhance women confidence to control and utilization of household resources. Moreover, the longer years of experience in taking credit mean the women have better contacts to visit market centers and access to information that ultimately enhance bargaining power of woman in the household and community levels.

The results of the study show that women with greater years in the field of microfinance are more empowered as compared to those who have taken loan for the first time (base category). The findings of the results declare that women's empowerment increases 8.348 times more for women with greater years in the field of microfinance compared to the base category. This means the greater the period of microfinance the greater is their empowerment.

The findings are similar to the one of Mayoux (1999) who found out that sustainable microfinance services led to women's economic empowerment through stimulating women's micro enterprise development, leading to increased income under women's control. Hunt and Kasynathan (2001) also found that micro finance motivated women empowerment through confidence, knowledge, or training that they gained by being customers of microfinance institutions. Hunt and Kasynathan (2001) further found that some of the women felt that they could take action against wrong doing after they became members of credit groups. This indicate that participating in microfinance services increases the women's self-esteem and self-efficacy which lead to more active role in decision making both within the household and the community.

Hashemi et.al (1996) investigated whether women's access to credit has any impact on their lives. Their results suggest that women's access to credit contributes significantly to the magnitude of the economic contributions reported by women, to the likelihood of an increase in asset holdings in their own names, to an increase in their exercise of purchasing power, and in their political and legal awareness as well as in composite empowerment index. Also the results of Hossaena (2013) who conducted study on women empowerment through microfinance: the case of village saving and loan association in kurfachelle district, east hararghe zone, oromia regional state, has shown that there was strong and positive association between women empowerment and VSLA microfinance. In the same source women participation in VSLA enhanced members' exposure to better community participation, increased bargaining power within the household and community levels, improved decision making power compare to non-association members.

Level of formal education: level of formal education has been expected to have positive influence on women empowerment. The results found in line with the prior expectation indicating positive and significant impact on women empowerment. Being educated women build confidence and enhance information seeking behavior as well. The result on the logistic regression analysis shows that the base category was Illiterate. Therefore women clients those are illiterates were 1.362 times less empowered as compared to those women who can read and write, primary level and secondary level.

According to the education of the respondents, most of the respondents had no education or little education. About 99(65.6%) of the respondents were illiterate, Another 23(15.2%) can only read and write, About 24(15.9%) had formal education that ranges up to the Primary level. Therefore, this shows that most of respondent's low back ground in education not exceeding the elementary level of education. But still the regression model show that education has significant impact on women empowerment. The findings are similar to the Akudugu (2011) findings who also confirmed that access to microfinance have positive contributions to women livelihood through improved access to education and increased income levels.

Marital status: marital status has been expected to have both positive and negative influence on women empowerment from gender equity and male dominance point of view. The result of the regression model showed as it has positive influence. Married women because of their affiliation to husbands are considered more powerful than unmarried women. They are likely to make more decisions in their homes than single women. This is because married women share responsibilities with their partner. Single women are less empowered in terms of decision making as they have to look upon their elders that include their brothers, fathers, mothers and sometimes their grandparents. As far as marital status is concerned, married women was taken as reference category. The result shows that empowerment of married women is more as compared to unmarried women. It is found that married women were1.468 times more empowered as compared to the unmarried women those are single, divorced and widowed. The married women have to support their family and contribute in household income and expenditures, so they are more willing to work, and have more control over resources to fulfill their family requirements.

The current study shows that the result of the regression model on marital status of the respondents have positive influence on women empowerment. The findings are similar to theSyeda (2014) who analyzed the data obtained in her study indicated that marital status of the participants in Pakistan had significant impact on women empowerment. While the results of Hossaena (2013) who conducted study on women empowerment through microfinance: the case of village saving and loan association has shown that marital status was negatively associated between women empowerment and VSLA microfinance. The main reasons for such difference may be due to gender inequality that emanates from local tradition and cultural practice of the host community that praise men dominance as normal ways of life, particularly in rural parts of the country. The gender inequality that commonly reflected on women's access to productive assets, control, and decision making power in the local community favors men's than women.

Household Head: the household head has been expected to have both positive and negative influence on women empowerment. The results found in line with the prior expectation indicating positive and significant influence on women empowerment. Females who are heads of their households might already have initial exposure to independently make decisions on large sales without being dominated or influenced by their husband or any other close adult male relatives. Therefore, the results shown on the logistic regression females who are headed by their households were4.500 times more as compared to those headed by their husbands. The (reference category myself) was females headed their households by themselves. Majority of households were headed by the husbands of the participants. The percentage was 99(65.6%) of the respondents were headed by their husbands. Only 52(34.4%) of the households were headed by the respondents by themselves. This is because, the percentage of respondents living in with their spouse is greater than compared to respondents not living with their spouse.

According to this study the results of the household head found positive and significant influence on women empowerment. The findings are similar to the Rahman (1999) who used anthropological approach with in-depth interviews, participant observations, case studies and a household survey in a village, finds that between 40% and 70% of the loans disbursed to the women are used by the spouse and that the tensions within the household increases (domestic violence).Mayoux (1998) also shows that the links between microfinance and women's empowerment are positive but limited by design, cost effectiveness in eliminating poverty, and a misplaced diversion of resources. The paper stated many women did not control loan use. Microfinance programs in some cases create domestic tension between spouses, and many women focused on personal rather than social objectives because of the household is headed by men.

Monthly Income: the average monthly income of the household has been expected to have positive influence on women empowerment. The results found in line with the prior expectation indicating positive and significant influence on women empowerment. Monthly income also depicts economic empowerment and financial stability of women. The women are economically empowered if their income is greater than one thousand Birr which is our reference category; the monthly income of women with less than one thousand Birr incomes contribute 15.753 times less empowered as compared to those who earn more than this.

The findings are similar to the Kato and Kratzer (2013) study conducted in Tanzania through collecting quantitative and qualitative data. The results show monthly income of the household has positive and significant influence on women empowerment. Women members of MFIs have more control over savings and income generated from the business, greater role in decision-making, greater self-efficacy and self-esteem, and greater freedom of mobility and increased activities outside home. The findings are similar to the Syeda (2014) who analyzed the data obtained in her study indicated that monthly income of the household had significant impact on women empowerment. According to the results of Meron (2007) who conducted at the Specialized Financial and Promotional Institution (SFPI) have shown that income has positive impacts on women economic empowerment Although, the income increases were small Participation in microfinance has also enhanced the women's self-confidence and enabled them to realize their potentials to engage in business and improve the household which is positive sigh of empowerment.

The rest of the explanatory variables that are expected to have influence of women empowerment are unexpectedly found to be statistically insignificant from the regression model. These are; age of the respondents, size of the family and number of the children with in the house hold.

Age of the respondents: Age is one of the key factors that influence human confidence to take risk in business. This is because as the age of respondents getting older their behavior changes and become risk averter compare to the period at younger age. In this case age has direct influence on women choice and decision to engage in small business that demand frequent travels between market centers and also limit them to take more loans from microfinance institutions. Though the current study have shown that age of the respondents have an odds ratio of 3.876 and p-value of 0.698 shows that age has no significant contribution to model and the reason could be sample variation with the previous studies. Different finding such as Kishore et al., (2004) on the study of Women's Empowerment in India and its States have found that age has significant and positive influence on women empowerment through microfinance institutions services. They were assumed that women with young age are more likely to engage in income generating activities that enhance asset ownership and access to information, which ultimately leads to better empowerment.

Number of the children within the household: a woman's strength increases with the increase in the number of her children. Her control over resources increases to fulfill the requirements of her children. More children make women more empowered. This is intended to facilitate them to make adequate money to contribute in household expenditure. However the current study revealed that number of children with an odds ratio 1.876 and p-value 0.569 has no significant contribution to the model. Different findings such as Syeda (2014) who analyzed the data obtained in her study indicated that number of children within the household had significant impact on women empowerment. Rahman (1999) who used anthropological approach with in-depth interviews, participant observations, case studies and a household survey in a village, finds that most of the loans disbursed by the microfinance to the women are used by their children and that the tensions within the household increases as the number of the children increases.

Size of the family: This variable is used as one of the indicators to determine the number of members living in a particular household. This variable exposes that a household that bears large number of members extends more rights to women. Another reason is that having more family members' women can get moral support especially from other females in terms of household work, child caring and social visits. So, the purpose of inclusion of this variable is to find out the effect of large and small family members on women empowerment. However the current study revealed that size of the family with an odds ratio 4.052 and p-value 0.791 has no significant contribution to the model. According to the research conducted by Meron (2007) at the Specialized Financial and Promotional Institution (SFPI) the researcher used both qualitative and quantitative methods. The results have shown that microfinance had positive impacts in the economic empowerment of the clients. Participation in microfinance has also enhanced not only the women's self-confidence but also enabled the family to live in a happy life and realize their potentials to engage in business and improve their households.

4.8. Summary of the logistic regression results

Direct binary logistic regression was performed to assess the microfinance institution and women empowerment. The model contained eight independent variables (age, marital status, monthly income, number of children, credit history, education, household head and family size). The full model containing all predictors was statistically significant, "$\chi 2$ (22, N = 151) = 71.444 p < .001, indicating that the model was able to distinguish between respondents who were empowered and who were not empowered. The model as a whole explained between 22.3% (Cox and Snell R square) and 78.5% (Nagelkerke R squared) of the variance and correctly classified 80.1% of the cases. As a result, five of the independent variables made a unique statistically significant contribution to the model (Marital status, Monthly income, Credit history, Education and household head). And the rest of the explanatory variables (Age, Size of the family and Number of children within the household) were not made statistically significant contribution to the model.

CHAPTER FIVE

5. SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

This chapter presents the summary of findings, conclusion and recommendation of the study. The objective of the study was to assess the microfinance institutions and women empowerment. This institution provides credit to women as a method of loan to empower them economically, socially, personally and politically. As other services provided by microfinance institutions are in their infancy, the main focus of the study was on micro credit. The research was conducted at the Somali microfinance institution (SMFI) Jigjiga branch. The researcher used mixed approach which is both qualitative and quantitative methods to obtain a reliable data. The sources of the data were both from primary data and secondary data. The data was collected through different instruments such as questionnaire, focus group discussion and interview.

The clients considered in the study were women in the age range of 20 to above 50 years and predominately followers of the Islam. The educational level of the women ranged from illiterate to secondary school while their marital status fall in the categories of married, widowed, divorced and singles. The majorities of the client's 83(55%) have an experience of four to six years with the microfinance institution. Furthermore, private money lenders were the source of credit for most of the women before they joined the MFI. On the analysis of family members the respondents were mostly 54(36%) and 26(17%) between 6-8 and 9-10 members in their family respectively. Microfinance provides them the opportunity to improve their economic position. A large number of family members also signify low level of saving, as propensity to consume is higher. And the monthly income of the household of respondents ranges between 500 Birr to above 5,000 Birr.

While the decisions concerning about the use of loan from the microfinance institutions, majority of the respondents 83(55%) have responded that they took decisions concerning about the use of loan together with their husbands. 54(36%) took decisions independently, while 14(9%) took decisions jointly with other family members and based on their husband's will.

The study discovered that women beneficiaries of microfinance have been capable to provide for their household as compared with the time that they had not joined microfinance institutions therefore the impact of MFIs on the living standards of the respondents have become strong with in their family after the participating and taking loan from the institution.

The study on perception of women clients towards participation of microfinance services showed that on average, the respondents who said strongly agree, indicated that participation of micro finance services had been able increase income, savings, increases power of decision making, increases confidence to face problem, microfinance creates better awareness, improves social status, improves participation in community activities and reduces the level of domestic violence. To an agree extent, the respondents were able to provide employment opportunity, creates knowledge about their banking operations, improves their level of children's education, and improves their employability skills. While to a neutral extent, Participation in microfinance increases value of household asset, increases value of productive asset, and improves health and nutrient of household

The analysis of the study also demonstrates that women's involvement in microfinance reduce their economic reliance on husband or other family members which increases their empowerment. Microfinance institution gives its clients a training and awareness sessions that have made very useful for the clients during their business work. According to the limitations of the microfinance institutions majority of the participants have responded that it was the size of loan which is too small and existence of problem in group dynamics.

The results of the binary logistic regression were performed to assess the microfinance institution and women empowerments. The full model containing all predictors was statistically significant and as a whole explained between 22.3% (Cox and Snell R square) and 78.5% (Nagelkerke R squared) of the variance and correctly classified 80.1% of the cases. As a result, marital status, monthly income, credit history, education and household head made a unique statistically significant contribution to the model While, the rest explanatory variables were not made statistically significant contribution to the model.

5.2. Conclusion

Empowerment is a complex process of change that is experienced by all individuals somewhat differently. While economic, social and political resources are often critical in ensuring that women are empowered, they are not always sufficient. Without women's individual or collective ability to recognize and utilize resources in their own interests, resources cannot bring about empowerment. Although microfinance is not always empowering for all women, it has the potential to have a powerful impact on women's empowerment and most women do experience some degree of empowerment as a result. It is unlikely that any one intervention such as the provision of loans or the provision of training will completely adjust power and gender relations. Therefore, women should be given an opportunity to access different microfinance services so that they can be able to unlock their full economic, social and political potential and develop a greater voice in their homes and hence move from being disempowered to the state of being able to exercise their denied rights.

Microfinance should not be seen as a universal remedy for women empowerment but rather as an important tool in the mission of empowering women in all aspects. Savings mobilization has the potential to give women both access and control over their resources, investments, and long-term planning schemes.

Despite the significant impact of MFIs on women's empowerment, a large number of clients have not become financially self-sufficient and still rely on credit from MFIs. The policy-makers of SMFIs should, therefore, pay attention to the important mechanisms or processes that will enhance the capacity of women to run their businesses, enabling them to become self-sufficient rather than relying excessively on microcredit. Therefore, there is a need to identify factors that would enhance the sustainability of women's businesses, especially those of the microfinance clients, and this remains an important area for future research.

The analyses of findings reveal that microfinance has a positive impact on women empowerment. Credit given by these institutions makes women economically independent and financially strong which leads towards their personal and socio-political empowerment. They are empowered as they gain self-confidence, increase in their living standard, and improvement in their decision making ability and economic independence as a result of microfinance program. The microfinance beneficiaries become more important than before.

Furthermore the findings of the research show that the living standard of women has also improved as a result of microfinance. There is increase in their income; increase in their household expenditure and increase in expenditure on health and education of their children. Thus it favors our research question that microfinance has a positive impact on living standard of females in the study area. These findings are also supported by Gilbert (2006).According to him micro-credit enables women to increase their earnings which improves their living standard.

Microfinance programs help the poor women to stand on their own by improving their status and standard in their household, thus helping them to play their role in the progress of society and development of the country in a positive way. The idea of Nobel Prize winner, Muhammad Yunus, has taken the form of an insurgence and brings hope to the poor women to empower themselves and change their status from a subordinate position to the status of equality.

Despite the challenges, MFIs within the economic context help women to withstand shocks that could collapse their activities, increase incomes and savings over time, increase productivity, and also help women clients to acquire the necessary skills needed to manage their activities.

Since this study was based on a small sample size from only one branch of microfinance institution in jigjiga branch, the results cannot be generalized to other branches of microfinance institution in the region. More extensive studies that include a larger sample size from different branches could further shed light on how microfinance effects on women empowerment.

5.3 Recommendations

Women empowerment is a wider area of study. The present study highlights some of its aspects and recommends further studies in this area. The main purpose of this study was to further consider the empirical association between microfinance and women empowerment. On the basis of the findings the following recommendations have been made;

5.3.1 Recommendation for MFIs

- To put in to empower women and support the poor section of the society, the provision of microfinance services should be simple and less time consuming.
- The women participants are enthusiastic to borrow from microfinance institutions. The reason is that they do not have to pay collateral and the interest that they pay to other banks.

Therefore it is suggested that microfinance programs should be encouraged to alleviate poverty and to empower women. Since microfinance interventions are well-recognized all over the world as an effective tool for poverty alleviation and improving socio-economic status of the poor

- ❖ The amount of credit will correlate with the size of investment that can be undertaken. Increasing the amounts of credit to women has the potential to ensure that major investments in businesses can be boarded upon by women. MFIs need to adopt new and innovative credit schemes that enable women to access more credit to be able to increase their investment portfolios.
- ❖ It is observed that the regular recipients are not only satisfied by the mode of loan payment but are also utilizing them in healthy productive activities and earning handsome income. It is therefore suggested that more institutions dealing with microfinance should be established and their dealing should cover larger areas to provide ease to more needy people.
- ❖ The MFIs should give enough loans and allocate substantial budget in order to provide more training to the entrepreneurs on doing business efficiently. The MFIs should reduce the long and tiresome procedures when people want to get loans. Although not many, only a few have complained of a delay and long period taken to process the loans which need to be improved.
- ❖ The process of saving on a regular basis should be fully included since it is an empowering experience especially for the women used to living at the margin and can contribute to an improvement in the quality of their lives as it serves to capitalize on their productive activities.
- ❖ The study also recommends that MFIs to enhance women training mostly to enhance their skills. The leaders in the women enterprises should be trained and advised more on investment as the results in this study indicated that investment advisory was moderate.

5.3.2 Recommendation for Women clients

- ❖ The borrowers are advised to utilize the borrowed fund for the proposed aims and not otherwise. They should have prior plan before getting loan and to abide by the initial plan; they should not change their plans upon securing loans. This will enable them to repay the loans and avoiding confiscation of their properties. Members are also advised to learn and apply entrepreneurial skills and apply them in doing their business. They should also follow all principles required in doing businesses.

- The fact that the loans offered at MFIs are usually not sufficient, it is also recommended that women entrepreneurs be given a loan size based on the assessment of their individual enterprises and successively be graduated to a level where individuals access loans on their own to encourage individual ability and also serve as a catalyst for being more empowered.

5.3.3 Recommendation for Government and Policy makers

- Microfinance is an appropriate tool for empowering women. Therefore policymakers should find the methods to invest in human capital while making credit available to the poor women.
- It is recommended that since micro finance institutions could help in women's empowerment and also in wider outreach to most of the un-banked areas in the country, there is a need for the government to support creation of an enabling environment for greater development of the sector by removing regulatory obstacles and providing incentives to microfinance institutions that meet established standards for delivering financial services to the poor.
- In all, MFIs need to better assist women by disbursing credit on time, increasing the amount of credit, making flexible credit conditions and reducing interest rates on credit. MFIs need to intensify training programs to upgrade the managerial skills of women clients to be able to become successful in their various business activities.
- MFIs play a critical role in the provision of capital to women especially those described as the un-bankable by the formal sector banks. However, the contribution of these women clients to national development is significant and should be given the needed attention by both the government and the civil society.
- Awareness concerning microfinance program is necessary to improve its activities about women empowerment.

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APPENDIX-I

Questionnaire English Version

Questionnaire to Be Filled Up By Women Clients of Somali Microfinance Institution

Dear Respondents,

This questionnaire is prepared by **Mohamed Rashid Abdikadir**, a student of **Master of Science in Accounting and Finance Addis Ababa University**. Its objective is to assess "***the impact of Microfinance Institutions on Women Empowerment: The Case of Somali Microfinance Institution in Jigjiga branch, Somali Regional State, Ethiopia"***. The information you provide is totally required for only academic purpose and shall be kept strictly secret and confidential. Please feel free to provide your experiences concerning about the microfinance services.

Thank you in advance for your kind cooperation.

Yours Faithfully,

Note: please make a circle for your answer on the parts of alternatives and put a tick mark **(√)** for the table parts in your answers.

PART ONE: DEMOGRAPHIC PROFILE

S/No	**Demographics**	
1.	Age of the respondent	**1.** < 20 **2.** Between 20-30 **3.** Between 31-40 **4.** Between 41-50 **5.** >50
2.	Gender of the respondent	**1.** Female **2.** Male
3.	Marital Status of the respondent	
		1. Married
		2. Single
		3. Divorced
		4. Widowed
4.	Religion of the respondent	
		1. Islam
		2. Christianity
5.	Family Size	
		1. <5 persons
		2. Between 6-8 persons
		3. Between 9-10 persons
		4. >10 persons
6.	Household Head	
		1. My-self
		2. My husband
		3. Father-in-law
		4. Others Specify ___________
7.	Education of the respondent	
		1. Illiterate
		2. Read and write
		3. Primary level
		4. Secondary level
8.	Household Income	**1.** <500 birr **2.** 500-1,000 Birr **3.** 2,000- 3,000 Birr **4.** 3,000 – 4,000 Birr **5.** > 5,000 Birr
9.	Number of children with in household	**1.** <3 children **2.** 3-5 children **3.** 6-8 children **4.** >8 children

<u>PART TWO</u>: FACTORS AFFECTING OF WOMEN EMPOWERMENT

S/No.	SOCIO-POLITICAL ASPECT (after joining MFI)	YES	NO
1.	Can you visit your friends and relatives without permission of your spouse?		
2.	Do you have any association with political parties?		
3.	Do you have the ability to participate in voting and other democratic procedures?		
4.	Do you participate in the group meetings and social events in your locality?		
5.	Does your husband stop you from participating in such programs?		
6.	Can you decide on the treatment of your family members by your own?		
7.	Do you take decisions on the problems of your children's education by your own?		

S/No.	ECONOMIC & FINANCAIL DECISION ASPECTS (after joining MFI)	YES	NO
1.	Do you have your own income after you joined the MFIs?		
2.	Do you have the power to spend money on things of your choice?		
3.	Does your husband discuss with you when he spends income for the family?		
4.	Do you take decisions on the purchase, or repair of the house on your own?		
5.	Do you have the power to purchase jewelry for your own family?		
6.	Do you take decisions on saving, borrowing and investment on your own?		
7.	Do you offer financial support to the people outside of your family?		

S/No.	PERSONAL ASPECTS (after joining MFI)	YES	NO
1.	Have you become more self-confident?		
2.	Have you gained more respect in the family and neighborhood/community?		
3.	Have you gained economic independence?		
4.	Is there improvement in understanding between you and your husband?		

PART THREE: PERCEPTION OF WOMEN CLIENTS TOWARDS MFIs SERVICES

Perception of women clients towards MFIs services	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
1. Participation in Microfinance increases income					
2. Participation in Microfinance increases savings					
3. Participation in Microfinance increases value of Household assets					
4. Participation in Microfinance increases value of Productive assets					
5. Participation in Microfinance provides employment opportunities					
6. Participation in Microfinance increases power of decision making					
7. Participation in Microfinance increases confidence to face problems					
8. Participation in Microfinance creates better awareness					
9. Participation in Microfinance creates knowledge about banking operations					
10. Participation in Microfinance improves social status					
11. Participation in Microfinance improve level of education (children education)					
12. Participation in Microfinance improve nutrient and health of household					
13. Participation in Microfinance improves employability skills					
14. Participation in Microfinance improves participation in community activities					
15. Participation in Microfinance reduces level of domestic violence					

16. For how long (in years) have you been taking credit from the MFIs?

1. 1-3 years　　**3.** 7-8 years

2. 4-6 years　　**4.** >10 years

17. Are you able to get the amount you want from the MFIs?

1. Yes　　**2.** No

18. Do you think that the services you have taken from the MFIs would increase your income?

1. Yes **2.** No

19. If question #3 is yes, by how much amount of money is increased per month?

1. 1,000 birr **3.** 2,000- 3,000 birr

2. > 4,000 birr **4.** Do not know

20. How do you make decisions concerning about the use of loan secured through MFI?

1. Independently
2. Together with husband
3. Jointly with other family members
4. Husband's decision

21. How did your husband view your contribution to the household after MFIs participation?

1. Appreciation
2. Keeps quite (as normal)
3. Less important (no appreciation)
4. No spouse

22. How did the decision to join MFIs affect your family life?

1. Less family quarrels
2. More family quarrels
3. No change
4. others (specify) ____________

23. How do you see the trainings and awareness sessions that MFIs gives its clients?

1. Very important **3.** Less important

2. Good **4.** Bad

24. Do you have your own group in the MFIs?

1. Yes
2. No

25. What is the number of members in your group?

1. 5-10
2. 10-15
3. 15-20
4. Above 20

26. How long have you been member in the group?

1. less than 2 years
2. between 2-5 years
3. between 5-8 Years
4. More than 8 years

27. What is your position in the group?

1. Convener
2. Active member
3. Ordinary member

28. Would you recommend to the other women to be a member of MFIs?

1. Strongly agree
2. Agree
3. Disagree
4. Strongly disagree

PART FOUR: LIVING STANDARDS OF WOMEN CLIENTS OF THE MFIs

1. After taking the loan, do you feel you have become strong women within your family?

1. Yes **2.** No

2. If yes, then identify reasons that make you strong within the family?

1. Husband gives more respect
2. Husband's family gives more respect
3. Become central to decision making within the family
4. Interactions with natal family have increased

3. For what purpose(s) do you use the loan secured from the MFIs?

1. Purchase of food items
2. Business/trade
3. Cafeteria
4. Others Please Specify _______________

4. Do you agree that your living standard have been improved well after you joined the MFIs?

1. Strongly agree	**3.** Disagree
2. Agree	**4.** Strongly disagree

5. Has participation and training in the MFIs helped you improve any of the following	Improved Greatly (5)	Improved Slightly (4)	Remained Constant (3)	Slightly Bad (2)	Worsened (1)
5.1 Reading/ Writing skills					
5.2 Communication in the meeting					
5.3 Communication with the outsiders/ bank officials/ others					
5.4 Reading bank documents					
5.5 Maintenance of records					
5.6 Confidence in managing financial crisis					
5.7 Skills for one's own work/ business					

PART FIVE: CHALLENGES OF WOMEN CLIENTS WHILE WORKING WITH THE MFIs

1. Did you face any difficulty in repaying your loan?

1. Yes **2.** No

2. If yes, what caused your repayment problems?

1. Loan activity was not profitable
2. Used enterprise capital for consumption (food, clothing, household goods)
3. Sold on credit and did not get paid back on time
4. Family celebration (wedding, birth, etc.)
5. Disaster (natural, theft, fire, etc.)
6. Other (specify)______________________

3. How did you manage the difficulties?

1. Sold household assets
2. Borrowed from relatives, friends, neighbors (cost free)
3. Borrowed at cost from village money lenders
4. I did not pay
5. others/specify_________________________

4. What are the limitations of the MFI?

  1. Free interest rate
  2. Too small loan size
  3. Repayment policy
  4. Problematic groups dynamic
  5. Others (specify)___________________________

5. Demerits of the group

  1. Exclusion of the poorest
  2. Patriarchal system
  3. No transparent management
  4. Others (please specify)______________________

Numerator's Name: _________________________ Date: ___________ Signature: ________

THANK YOU!

INTERVIEW QUESTIONS

Age _________________

Religion _________________

Marital Status _________________

Level of Education _________________

Duration of Microfinance Membership (In Years) _______________

1. In your view, what are the advantages and disadvantages of the microfinance delivery by the institution?

2. Before joining the MFI, where did you use to borrow money from? If you had a source of credit, please explain any problems you experienced with the former source of credit.

3. Who decides on the use of the loan received from the MFI?

4. Is there any change in your household decision making after you have become a member of Microfinance institution?

5. Are there any changes in your political participation before and after you became a member of the MFI? What about with respect to your legal rights?

6. How would you compare your self-confidence before and after you joined the MFI?

7. How do compare your domestic workload before and after you joined the MFI? Does your husband assist you in carrying out the workload?

8. Do you make contributions to the household from the loans secured from the MFI? If yes, how does your husband view your contribution to the family?

9. How do you utilize the loan secured from the MFI? How do you compare the income and saving levels before and after joining the MFI?

Thanks for your participation.

FOCUS GROUP DISCUSSION QUESTIONS

Age ________________

Religion ________________

Marital Status ________________

Level of Education ________________

Duration of Microfinance (MFI) Membership (In Years) ______________

1. From where did you heard about the MFI before you joined it? What were things you heard about the institution?
2. Before joining the MFI, where did you use to borrow money from? If you had a source of credit, please explain the differences between the previous and the current source of credit.
3. What is your current income level in comparison to the one prior to joining the MFI? What about your savings?
4. Who decides on the use of the loan you take? How do you spend the loan?
5. How do describe your husband's cash expenditure before you and after you joined the MFI? If you have noticed any change, what do you think are the reasons for it?
6. Did you encounter any form of violence from your husband before you joined the MFI? What about after your participation in the MFI? If yes, what do you think are the reasons for the situation?
7. Are there any changes in your political participation before and after you became a member of the MFI? What about with respect to your legal rights?

Thanks for your participation.

APPENDIX-II

Questionnaire Af-somali Version

Su'aalo loogu talagalay in ay buuxiyaan haweenka macaamiisha u ah Hayada lacagaha yaryar ee Soomaalida

Jawaab bixiyaha qaaliga ahow,

Su'aalahan waxaa diyaariyay **Maxamed Rashiid Cabdiqaadir,** oo ah arday dhigta **master dabiiciga ah ee culuumta dhaqaalaha iyo xisaabaadka ee jaamacada Addis Ababa.** Ujeedadeeduna tahy sidii loo qiimayn lahaa **"*Saamaynta ay ku leedahay Hayada lacagaha yaryar Awoodsiinta Haweenka: Hayada lacagaha yaryar ee soomaalida laanteeda jigjiga, Dawlada Deeganka Soomalida, Itoobiya".*** Warbixintaad nasiisaan dhamaanteed waxaa looga baahanyahay kaliya dhinaca waxbarashada waxaaana loo ilaalin si adag oo qarsoodi ah. Fadlan farxad dareen si aad u siisaan khibradiina ku saabsan dhinaca adeega ee Hayada lacagaha yaryar.

Waad ku mahadsantihiin ugu horayn wada shaqaynta wacan.

Fiiro gaar ah: fadlan gooba gali jawaabtaada qaybta is hoos taala, waxaad siisaa calaamada saxda (√) qaybta shaxanada hoose ku qoran.

Qaybta 1aad: Muqaalka Dadka

Tiro	**Muqaalka Dadka**	
10.	Da'da jawaab bixiyaha	**6.** Ka yar 20 Sano **7.** U dhaxeysa 20-30 Sano **8.** U dhaxeysa 31-40 Sano **9.** U dhaxeysa 41-50 Sano **10.** Ka wayn 50 Sano
11.	Jinsiga jawaab bixiyaha	**3.** Dhadig **4.** Lab
12.	Xaalada guurka	
		5. Guursaday
		6. Kali ah
		7. La furay
		8. Carmal
13.	Diinta jawaab bixiyaha	
		1. Islam
		2. Orthodox
		3. Catholic
		4. Others__________
14.	Baaxada qoyska	
		5. Ka yar 5 qof
		6. U dhaxeeya 6-8 qof
		7. U dhaxeeya 9-10 qof
		8. Ka badan 10 qof
15.	Madaxa Qoyska	
		5. Naf ahaantayda
		6. Ninkayga
		7. Soddogay
		8. Qof kale (cadee)___________
16.	Waxbarshada Jawaab bixiyaha	
		5. Waxna qorin waxna akhriyin
		6. Akhriya Qorana
		7. Heerka hoose
		8. Heerka sare
17.	Dhaqaalaha qoyska	
		6. Ka hooseeya 500 Birr **7.** U dhaxeeya 500-1,000 Birr **8.** U dhaxeeya 2,000- 3,000 Birr **9.** U dhaxeeya 3,000 –4,000 Birr **10.** Ka badan 5,000 Birr
18.	Tirade caruurta ee qoyska	
		5. Ka yar 3 ilmood **6.** U dhaxeeya 3-5 ilmood **7.** U dhaxeeya 6-8 ilmood **8.** Ka badan 8 ilmood

Qaybta 2aad: Arimaha saamaynaya awood siinta haweenka

Tirada	Dhinacyada dhaqan siyaasadedd (kadib ku biirista MFI)	HAA	MAYA
8.	Maad booqan kartaa qaraabadaada iyo saaxiibadaa fasax la'aan ninkaaga?		
9.	Maad la leedahay wax xidhiidh ah urur siyaasadeed?		
10.	Awood ma leedahay aad kaga qayb qaadan karto codaynta iyo nidaamyada kale ee dimuqraadiyadeed?		
11.	Maad ka qayb qaadataa kulanada kooxaha iyo dhacdooyinka bulshada ee deegaankaaga?		
12.	Ninkaagu muu kuu diidaa ka qayb galka barnaamijyadan sare ku xusan?		
13.	Ma go'aansan kartaa daawaynta xubnaha qoyskaaga kali ahaantaa?		
14.	Maad qaadataa go'aan ku saabsan dhibaatooyinka waxbarashada ee caruurtaada kali ahaantaa?		

Tirada	Dhinacyada Go'aansashada Dhaqaalaha (kadib ku biirista MFI)	HAA	MAYA
8.	Maad haysataa Dakhli kuu gaar ah kadib intaad kubiirtay MFI?		
9.	Maad haysataa awood aad ku kharashgarayso lacagtaada shayyada dhookhaaga ah?		
10.	Ninkaagu muu kaala xaajoodaa adiga markuu ku kharashgaraynayo dhakhliga qoyska?		
11.	Maad qaadataa go'aanada soo gadashada ama hagaajinta guriga kali ahaantaa?		
12.	Maad haysataa awood aad ugu soo gado Dahab Qoyskiina?		
13.	Maad qaadataa go'aanada kaydinta, soo daymashada iyo maalgalinta kaligaa?		
14.	Maad ugu deeqdaa taageero dhaqaale dadka ka baxsan qayskaaga?		

Tirada	Dhinacyada Shakhsiyadeed (kadib ku biirista MFI)	HAA	MAYA
5.	Maad heshay kalsoni dheeraad ah?		
6.	Maad heshay ixtiraam badan qoyskaga dhexdiisa, dariskaga iyo bulshadaba?		
7.	Maad heshay/ faaiiday Madaxbanaanida Dhaqaalaha?		
8.	Ma jirtaa horumar isfahan adiga iyo ninkaaga?		

Qaybta 3aad: Aragtida haweenka macaamiisha u ah Hayada lacagaha yaryar dhinaca adeegyada

Aragtida haweenka macaamiisha u ah Hayada lacagaha yaryar	**Aad u Raacsan (5)**	**Raacsan (4)**	**Dhexdhexaad (3)**	**Khilaafsan (2)**	**Aad u Khilaafsan (1)**
29. Ka qayb-galka Hayada lacagaha yaryar wuxuu kordhiyaa dhakhliga					
30. Ka qayb-galka Hayada lacagaha yaryar wuxuu kordhiyaa kaydinta					
31. Ka qayb-galka Hayada lacagaha yaryar wuxuu kordhiyaa qiimaha hantida qoyska					
32. Ka qayb-galka Hayada lacagaha yaryar wuxuu kordhiyaa qiimaha wax soosaarka hantida					
33. Ka qayb-galka Hayada lacagaha yaryar waxay siisaa fursadaha shaqada					
34. Ka qayb-galka Hayada lacagaha yaryar wuxuu kordhiyaa xooga go'aan qaadashada					
35. Ka qayb-galka Hayada lacagaha yaryar wuxuu kordhiyaa kalsoonida wajahaada dhibaatooyinka					
36. Ka qayb-galka Hayada lacagaha yaryar waxay abuurtaa wacyigalin wanaagsan					
37. Ka qayb-galka Hayada lacagaha yaryar waxay abuurtaa aqoon ku saabsan hawlaha bangiyada					
38. Ka qayb-galka Hayada lacagaha yaryar waxay hagaajisaa xaaladaha bulshada					
39. Ka qayb-galka Hayada lacagaha yaryar waxay hagaajisaa heerka waxbarasho ee caruurta qoyska					
40. Ka qayb-galka Hayada lacagaha yaryar waxay hagaajisaa nafaqada iyo caafimaadka qoyska					
41. Ka qayb-galka Hayada lacagaha yaryar waxay hagaajisaa xirfada aan dhamaanaynin					
42. Ka qayb-galka Hayada lacagaha yaryar waxay kor uqaadaa kaqaybqaadashada hawlaha bulshada					
43. Ka qayb-galka Hayada lacagaha yaryar waxay yaraysaa heerka rashbadaha guriga					

44. Intee in le'eg ayaad ka ahayd xubin Hayada lacagaha yaryar**?**

3. U dhaxaysa 1-3 sano **3.** U dhaxaysa 7-8 sano

4. U dhaxaysa 4-6 sano **4.** Kabadan 10 sano

45. Maad awoodaa in aad heshid lacagta aad ka rabtid Hayada lacagaha yaryar**?**

2. Haa **2.** Maya

46. Maad umalayn haysaa adeegyada aad ka qaadato Hayada lacagaha yaryar in ay kordhiso dakhligaaga?

   2. Haa
   3. Maya

47. Hadii su'aasha sedexaad ay tahay Haa, intee in le'eg oo lacag ah ayay korodhay bishiiba?

   3. 1,000 Birr **3.** U dhaxaysa 2,000- 3,000 Birr
   4. Kabadan 4,000 Birr **4.** Ma garanhayo

48. Sideed u qaadataa Go'aanada ku saabsan isticmaalida amaahda xaqiijisatay iyadoo loo marayo Hayada lacagaha yaryar?

   5. Madax banaan
   6. Si wada jir ah ninkayga
   7. Si wada jir ah qoyska kale xubnihiisa
   8. Go'aanka ninkayga

49. Ninkaagu sidee ayuu u arkay tabarucaadaada qoyska kadib ku biirista/ ka qayb galka Hayada lacagaha yaryar?

   5. Mahadnaq
   6. Ka aamusid (sidii caadiga ahayd)
   7. Aan muhiim ahayn (aan mahad naqin)
   8. Nin malihi

50. Sidee ayuu u saameeyay nolosha qoyskaaga go'aanka ku biirista Hayada Lacagaha yaryar?

   5. Muran yar qoyska
   6. Muran badan qoyska
   7. Isma badalin
   8. Wax kale (cadee) ____________

51. Sideed u aragtaa kulanada tababarada iyo wacyigalinta ee Hayada Lacagaha yaryar siiso macaamisheeda?

   3. Aad muhiim u ah **3.** Aan muhiim ahayn
   4. Fiican **4.** Ma fiicno

52. Maad leedahay koox Hayada lacagaha yaryar dhexdeeda?

   1. Haa **2.** Maya

53. Waa imisa tirada kooxdiina aad ku jirto?

   1. 5-10 qof
   2. 10-15 qof
   3. 15-20 qof
   4. Kabadan 20 qof

54. Intee in le'eg ayaad xubin ka ahyd kooxda?

   1. In kayar 2 sano
   2. U dhexaysa 2-5 sano
   3. U dhexaysa 5-8 sano
   4. In kabadan 8 sano

55. Waa maxay shaqadaada kooxda dhexdeeda?

1. Hogaamiye
2. Xubin firfircoon
3. Xubin caadi ah

56. Maad kula talinhaysaa haweenka kale in ay xubin ka noqdaan Hayada lacagaha yaryar?

1. Aad u taageersan
2. Taageersan
3. Khilaafsan
4. Aad ugu khilaafsan

<u>Qaybta 4aad</u>: Heerarka nolosha ee haweenka macaamiisha u ah Hayada lacagaha yaryar

6. Intaad qaadatay daymaha kadib, maad dareentaa in aad noqotay qof xoog ku leh qoyskaaga dhexdiisa?

2. Haa **2.** Maya

7. Hadii Haa tahay jawaabtaada su'aasha kowaad, sheeg sababaha kaa dhigay xoog qoyskaaga dhexdiisa?

5. Ninkayga ayaa isiiyay xushmad badan

6. Qoyska Ninkayga ayaa isiiyay xushmad badan

7. Waxaan udub dhexaad u noqday go'aan qaadashadii qoyskayga

8. Waxaa kordhay isdhex galka qoyskayga

8. Maxaad u isticmaashaa daymaha aad ka qaadato Hayada lacagaha yaryar?

5. Soo gadashada cuntooyinka

6. Ganacsi

7. Maqaayado

8. Wax kale (fadlan cadee) _______________

9. Maad taageersantahy in heerarka noloshaadii ay horumartay intaad ku biirtay Hayada lacagaha yaryar?

3. Aad u taageersan **3.** Khilaafsan

4. Taageersan **4.** Aad u Khilaafsan

10. Ka qayb galka iyo tababarada ee Hayada lacagha yaryar muu kaa caawiyay kor u qaadida kuwan soo socda midkood	**Aad u hagaagtay (5)**	**Hagaagtay (4)**	**Sidiisii ah (3)**	**Wax yar xun (2)**	**Sii xumaatay (1)**
a. Xirfadaha akhrinta iyo qoraalka					
b. Ka hadlka kulanada gudaha					
c. Ka hadlka kulanada dibada					
d. Akhrinta dogmentiyada bangiyada					
e. Dayactirda diiwaanka					
f. Kalsoonida maaraynta dhibaatooyinka dhaqaale					
g. Xirfadaha shaqo ee khaaska ah					

Qaybta 5aad: Dhibaatooyinka ay la kulmaan haweenka macaamiisha markay la shaqaynayaan Hayada lacagaha yaryar

6. Maad la kulantay wax dhibaato ah dib u bixinta dayntaada?

2. Haa **2.** Maya

7. Hadii Haa, maxaa sababay dhibatooyinka dib ubixinta?

7. Waxqabadka dayntu ma lahayn faaiido

8. Dayntii ayaan isticmaalay (cunto, hu' iyo qalabka guriga)

9. Waxaan dayntii ku bixiyay dayn kale walina la iima soo celinin

10. Dabaaldaga qoyska (aroos, dhalasho, iwm)

11. Masiibooyin (mid dabiici ah, xatooyo, dab, iwm)

12. Wax kale (fadlan cadee)______________________

8. Sideed u maaraysay dhibaatooyinkii?

6. Waxaan iibiyay hantidii guriga

7. Waxaan ka soo amaahday qaraabadayda, saaxiibaday,dariska (dulsaar la'aan)

8. Waxaan ka soo amaahday kuwa lacagaha daymiya tuulada(dulsaar)

9. Iskama bixinin

10. Wax kale (fadlan cadee)________________________

9. Maxay tahay dhibaatooyinka Hayada lacgaha yaryar?

6. Dulsaar la'aan

7. Daymaha aad u yar

8. Qaabka dib ubixinta daymaha

9. Dhibaatooyinka dhaqdhaqaaqa kooxaha

10. Wax kale (fadlan cadee)___________________________________

5. faaiido la'aanta ama khasaarooyinka kooxaha

5. Ka saarida dadka saboolka ah

6. Waa nidaam rageed

7. Maamul hufan ma jiro

8. Wax kale (fadlan cadee)________________________________

Mahadsanidin

Magaca buuxiyaha: ________________________________

Taariikh: ___________________

Saxiix: _____________________