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By Fikadu Gutu & Wondaferahu Mulugeta

Jimma University

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The Role of Microfinance on Women's Economic Empowerment in Southwest Ethiopia: In the Case of Four Woredas around Gilgel-Gibe Hydroelectric Power Dam

Fikadu Gutu ^a & Wondaferahu Mulugeta ^a

Abstract- In Ethiopia, microfinance programs are currently being promoted by the government as well as nongovernmental organizations (NGOs) as a solution strategy for simultaneously addressing both poverty alleviation and women's empowerment. However, only a limited number of researches attempted to explore the relationship between women's participation in micro-credit programs and their empowerment by using empirical data. To fill this gap, we conduct a cross-sectional study with overall aim of assessing the role of Micro finance institutions (MFI's) on women's empowerment. We employed a multi-stage sampling approach and a total of 374 women's, 182 (Micro finance institution) MFI clients and 192 non-clients were included in to study. Using a structured questionnaire adopted from the 2011 Ethiopian demographic health survey, we collected data on background characteristics of women's and their household and characteristics specific to women's empowerment. Four measures of women's empowerment, namely, source and level of income, control and access to asset, saving habit, and participation in household decision, were used. Client and non-client women's are then compared with respect to the above mentioned women's empowerment components. To test whether or not the observed variation in decision making autonomy among client and non-client women's, we used logistic regression model. MFI membership status was observed to have a statistically significant association with source and level of income (p-value less than 0.000 for both). MFI membership was also statistically significantly associated with control over asset (p-value <0.000). The odds of non-client women to participate in decisions about their own health care and family (relative) visit are 0.55 and 0.51, respectively, as compared to client women. Further, the odd of non-client women to participate in at least three of the decisions made at household level is 0.39 as compared to client women. Beside this success story of MFI, loan repayment problem was observed on some of the clients due to various reasons. Therefore, considering the contribution of MFI in alleviating the root cause of poverty, the government of Ethiopia and NGO's working on this area should focus on increasing the coverage of MFIs and in providing training for members before loan; which is crucial for the achievement of the goal of the program.

Keywords: women empowerment, MFIs, binary logistic model.

Author a o: Department of Economics, College of Business and Economics, Jimma University, Jimma, Ethiopia.
e-mails: fikegutu@gmail.com, wondm2001@yahoo.com

I. INTRODUCTION

a) Background of the study

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

Study conducted on economic empowerment of women by gendernet (2011), reveals that, the economic empowerment of women is a precondition for continuous development and for the poor of poor growth. Gender equality and empowered women are catalysts for multiplying development efforts. Investments in gender equality give up the highest returns of all development investments. Women usually invest the more part of their earnings in their families and communities than others. A study conducted in Brazil showed that the likelihood of a child's survival increased by 20% when the mother controlled household income. In addition, increasing the role of women in the economy is part of the solution to the financial and economic crises and critical for economic pliability (sprit) and growth.

However, at the same time, we need to be mindful that women are in some contexts bearing the costs of recovering from the crisis, they become unemployment, un- attractive working atmosphere and



increasing instability according to gendernet in 2011 study result.

Higher female earnings and bargaining power translate into greater investment in children's education, health and nutrition, which is road to economic growth in the long-term. The share of women payment in waged/and salaried work increases from 42% in 1997 to 46% in 2007. In India, Growth Domestic Product (GDP) could rise by 8% if the female/male ratio of workers grew up by 10%. Total agricultural outputs in Africa could increase by up to 20% if women's access to agricultural inputs was equal to men's. Women-owned businesses comprise up to 38% of all registered small businesses worldwide. The number of business owned women's in Africa, Asia, Eastern Europe and Latin America is rising rapidly and, with that growth, come direct roles on job creation and eradicating poverty (United Kingdom Department for International Development, 2010).

b) Statement of the Problem

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

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

In addition, the studies which assess the role of micro-finance on women's economic empowerment so far limited in urban or not done enough in rural part of the country. This is due to the fact that, both micro-finance institutions development and priority attention to women's empowerment (economic empowerment) were new while comparing with other countries.

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

c) Objective of the Study

The main and general objective this study was, to assess the role of microfinance program on women economic empowerment and how it improving women's source and level of income.

II. REVIEW OF RELATED LITERATURE

a) Why women's empowerment matters?

Women have now gained an international reputation for their excellent credit performance, making them a priority for poverty-oriented credit programs. For the majority of women borrowers, credit is much more than access to money: it is about women lifting themselves out of poverty, and achieving economic and political empowerment within their homes, their villages, and their countries. For example; 40 per cent of poverty reduction in rural Bangladesh has been attributed to the role of microcredit (Khandker et al, 2005).

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

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

b) Micro-finance and Women Empowerment

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

Also Mayoux (1998), states empowerment as, Empowerment is also related to the process of internal



change and to the capacity and right to make decisions. According to Kabeer (2001), it consists of *change, choice* and *power to define empowerment*. It is a progression of change by which individuals or groups with little or no power gain the ability to make choices that affect their lives.

Generally, poverty is the end position implying lack of entitlement emerging from insufficient assets and capabilities for the fulfillment of basic livelihood needs. This results in the social and economic exclusion of a certain class and category of people and their consequent disempowerment. Hence, the idea of 'empowerment' has influenced development practitioners, development agencies (government and non-government), theoreticians and almost all donor agencies in the last decade (Padma and Getachew, 2004). Women's economic empowerment is the process, and the outcome of the process, by which women achieve greater control over assets and intellectual resources, and becomes independent on external forces.

III. METHODOLOGY OF THE STUDY

a) Study Area

The study was conducted in south west Ethiopia, in the case of woredas around Gilgel-Gibe Hydroelectric Power Dam. The study area was found in Jimma zone, Oromiya regional National State, in Southwest of Ethiopia. Oromiya Regional National State is the largest state of the country, Ethiopia. Specifically study area which was four woredas around Gilgel-Gibe Hydroelectric Power Dam, which found in Southwest part of Ethiopia, which is located 55 Km away from Jimma town, with an approximate latitude of $7^{\circ} 48'$ to $7^{\circ} 50'$ North and longitude $37^{\circ} 17'$ to $37^{\circ} 20'$ East. The area extends over 1,607 Km², with an altitude of about 1760 m.a.s.l. The study area is administratively structured into 4 districts (locally known as woreda).

b) Sample Size Determination and Sampling Techniques

To select two woredas namely Omo Nada and Sokoru the researchers used lottery method from four woredas around Gilgel-Gibe Hydroelectric Power Dam. Additionally sample kebeles purposively grouped in to two groups depending on their distance from woredas main town. In first group which are far less than or equal to 15km and in the second group kebeles which are far for more than 15km. Finally, twelve kebeles from two selected woredas of the study areas were taken for this study. Finally 374 samples have been collected based on the simplified formula developed by (Noel, et al, and 2012). The sample size needed to obtain an approximate $100(1-\alpha)\%$ confidence interval for the population proportion of decision making women's (P) of length at most $2d$, was determined by the following formula (Noel, et al. 2012).

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

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

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

c) *Method of Data Collection*

A cross sectional survey method was employed by using semi-structured questionnaire among selected representative households in the study area. The primary data was collected via structured interview questioner in February 2015. Among others, the structured questioner comprises three main parts. The first part deal with basic household and respondent characteristics and the second part deal with household and respondent participation in bank, credit association, and micro finance institution. And the third part deal with women's decision making, especially, which are indicator of empowerment. And which are considered to be important variables that affect the behavior of women empowerment on a priori theoretical grounds.

d) Study Methodology and Data Analysis

i. *Study Methodology*

For the study, methodology used by Amin et al (1998) and, Schuler and Hashemi (1994) to evaluate impact of microfinance on women's economic empowerment was used with some modification.

ii. *Data Analysis*

Data was analyzed using STATA software package version 11.0 (Stata Corp 4905 Lake way Drive, College Station, Texas 77845 USA) for regression analysis. The empirical analysis of the study conducted using both descriptive statistics and logistic regression analysis. Various tables generated to describe characteristics of respondents. Household and individual-level comparison would be made in terms of socio-demographic and socio-economic characteristics between client and non-client of micro finance as well as decision making and non-decision making women's using chi-square test for categorical variables.

e) *Estimates of the Model*

Assessing the role of microfinance on women's decision making participation at household level of respondents at the participant level requires adjustments to control for differences between clients and non-clients. The role of MFIs on respondents was

assessed based on the dependent variables indicated below. The variables used in regression are respondent age, marital status, educational level, Households headship status, type of occupation, type of payment/earning, employment status and membership of microfinance status. The functional relationship

$$Y_{ij} \sim \text{Bernoulli}(P_j) \\ \log \frac{P_j}{1-P_j} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_k X_k \quad \dots \quad (\text{Equation 2})$$

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

The explanatory variables that affect the decision making status of the women's are expressed both qualitatively and quantitatively. According to Maddalain 1999, where the dependent variable is dichotomous, many studies show that Probit and Logit models are appropriate. Since the Logit model is simpler in estimation than Probit model. So, Logit model is preferred to the Probit model for this study. In addition, Logit model is a more realistic pattern of change in the probability compared to other qualitative dependent variable models like the Probit, for two main reasons. First, the odds ratio, which is a measure of the strength and direction of relationship between the two variables, has a special property of not requiring variables to be normally distributed. Second, mathematical transformation of the odds ratio is the Logit model. This mathematical transformation removes the problem of asymmetry existing in the odds ratio and in turn makes this a superior method (Peng et al, 2005).

The question of decision-making in household level is expressed in dichotomous form. Thus, a "women made decision" is assigned a value of 1, otherwise 0.

Women Economic Empowerment function of the study defined as:

$$DM = f(MFIM, AG, ME, EL, HHH, ES, TOJ, TOP)$$

Where,

DM = Decision making

MFIM= Micro Finance Institution Membership status

AG = Age

ME = Marital Status

EL = Educational Level

HHH = Household Headship

ES = Employment Status

TOJ = Type of job Occupation

TOP = Type of payments

between the probability of decision making and explanatory variables is specified as:

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

IV. RESULT AND DISCUSSION

a) Demographic and Social Characteristics of Respondents

Among interviewed respondents 15(4%) were between the age of 18-24, 215(57.5%) between 25-32, 111(29.7%) between 33-39 and 33(8.8%) were between 40-47 respectively. In addition 273(73%) respondents were married or live with their husband, 70(18.7%) divorced, 30(8%) widowed and only 1(0.3%) were single. 59(15.8%) of respondents reported that they were living in suburban and 315(74.2%) live in rural area. Also, from total respondents, 253(67.6%) had no education or didn't read and write, 109(29.1%) primary education and only 12(8%) were at secondary and higher education level.

b) Socioeconomic Characteristics of the Households Heads

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

i. Asset Ownership of Respondents Household

The survey result shows that, 335(89.6%) of respondents household own house with less than or equal to 3 rooms while 39(10.4) respondents household own greater than three rooms house. Meanwhile 312(83.4%) of respondents indicated the floor of their house is natural floor, while 45(12%) rudimentary floor

and 17(4.5%) indicated their houses having finished floor respectively. Concerning the main construction material for their home, 211(56.4%) of the respondents used natural roof, 8(2.1%) rudimentary roof and 155(41.1%) finished roof. In addition 228(61%) of respondent used natural wall, 134(35.8%) rudimentary wall and only 12(3.2%) have finished wall. However, only 105(28.1%) of respondents indicated that they have electricity while the majorities 269(71.9%) do not have electricity in their home.

Regarding to household effect, the majority 285(76.2%) of households have radio and 89(23.8%) do not have. However, only 70(18.8%) households have television at home. The majority of respondents (about 269 or 71.9%) have personal mobile phone. Even among the respondents from rural areas about 67% of them have mobile phone. Only 58(15.5%) of household respondents have fixed line phone and 316(84.5%) of respondents do not have. Among the households in rural areas, 11(3.5%) of them do not own agricultural land. This indicates that, households in rural Ethiopia are much less likely to possess consumer items like televisions, telephones, radios and electricity.

ii. Employment Status, Occupation and Earning type of the Respondents

Employment is one aspect of social life in which gender roles and relationships emerge. For this, respondent were asked a number of questions regarding their employment status, including whether they were working in the seven days preceding the survey and, if not, whether they had worked in the 12 months before the survey. Then, we classified respondents as currently employed, not currently employed and not employed. Currently employed is defined as having done work in the last seven days and includes women's who did not work in the last seven days but who are regularly employed and were absent from work for leave, illness, vacation, or any other such reason. We say a woman is not currently employed if she had worked in the past 12 months before the survey but not working in the seven days preceding the survey. At the time of the survey, about 44.1% women's were currently employed and an additional 50.26 percent were not currently employed but had worked sometime during the past 12 months.

Employment increases with increasing age, with those in the age group 40-47 much more likely to be currently employed. About 96 % of women are who have no education and all women's with secondary and higher education had been working in the past 12 month preceding the survey. There is notable variations in the proportion of employment by place of residence and membership in MFI's status. Rural women are more likely to be employed than Sub-urban women (95.56 percent compared with 88.14 percent).This is probably because of the survey data collection took place during

the agricultural season when most women in rural areas are likely to be engaged in farm work. The proportion of employed women is higher among MFI members than non members.

Most employed women's are engaged in the agricultural sector. Specifically, more than three forth (75.67 percent) of employed women's employed women are engaged in agricultural jobs. Sales and service is an important occupation category, employing 13.3 percent of the women.

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

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

The study survey show that, of respondents 88.8 percent heard about MFIs and only 11.2 percent of them were reported they don't have information about MFIs services. In addition, 48.7 percent of respondents reported they were member of MFIs. The result indicates that microfinance institutions outreach is still so low. In contrast to the result, in the first step in the Government's Sustainable Development and Poverty Reduction Program (2002) is to encourage the further spread of modern financial services in the country. So this is what needs attention from government, policy makers and development association those work on women's empowerment.

c) Determinant Factors of Women's Participation in Household Decision making

Since we had not adjusted our analysis to other covariates the observed difference in women's participation in decision may explain by other factors beside membership status. For this, we consider age, marital status, educational level, residence, number of household members, owner ship of agricultural land, ownership of live stock, employment status, sector of employment, type of earning, and saving habit in addition to MFI membership status as a candidate factor that may affect the odds of women's participation in decision making.

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

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This leads us to four response variable. Namely,

1. *Owenhealhtcare*

$$Y_{1i} = \begin{cases} 1 & \text{If a women participate in decision about her own healthcare} \\ 0 & \text{If a women did not participate in decision about her own healthcare} \end{cases}$$

2. *Major household purchase*

$$Y_{2i} = \begin{cases} 1 & \text{If a women participate in decision about major household purchase} \\ 0 & \text{If a women did not participate in decision about major household purchase} \end{cases}$$

3. *Daily household purchase*

$$Y_{3i} = \begin{cases} 1 & \text{If a women participate in decision about daily household purchase} \\ 0 & \text{If a women did not participate in decision about daily household purchase} \end{cases}$$

4. *Family/relative visit*

$$Y_{4i} = \begin{cases} 1 & \text{If a women participate in decision about family visit} \\ 0 & \text{If a women did not participate in decision about family visit} \end{cases}$$

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

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

For each of the five responses we fit a multiple binary logistic regression where factors that are significant at 20% significance level in the univariate analysis are included in to the model. The regression result in table 1 shows that, the probability of the

decision making shows direct relationships with explanatory variables and the entire coefficient have the expected sign. However, the extent to which these variables relate with the dependent variable is different.

Table 1 : Mult-Variates logistic Result (n=374)

Characteristics	Health care		Major house hold Purchasing		Daily Household Purchasing		Family Visit		decision making	
	OR	P-value	OR	P-value	OR	P-value	OR	P-value	OR	P-value
MFI-membership										
Member	1.00		1.00				1.00		1.00	
Non-member	0.550	0.015	0.757	0.219			0.512	0.022	0.391	0.001
Age										
18-24	1.00		1.00				1.00		1.00	
25-32	1.08	0.899	0.783	0.713			2.220	0.244	1.373	0.690
33-40	1.918	0.314	0.270	0.055			0.718	0.633	0.354	0.193
40-47	1.01	0.984	1.109	0.896			2.952	0.228	1.972	0.490
Marital status										
Single	1.00		1.00				1.00		1.00	
Married	5.73	0.98	1.68	0.99			3.78	0.98	1.43	0.99
Divorced	2.50	0.98	7.72	0.99			0.00	0.99	3.96	0.99
Widowed	1.97	0.98	6.59	0.98			0.00	0.99	8.68	0.99
Educational level										
No-education	1.00		1.00				1.00		1.00	
Primary education	1.71	0.05	3.70	0.00			1.35	0.34	2.06	0.03

Secondary & above			1.11	0.86					
HH headship									
Male	1.00		1.00			1.00		1.00	
Female	2.48	0.00	0.57	0.04		0.33	0.00	0.68	0.24
Employment status									
Employed	1.00		1.00			1.00		1.00	
Unemployed	1.68	0.36	0.48	0.11		0.94	0.91	0.62	0.36
Occupation type									
Agriculture	1.00		1.00		1.00	1.00		1.00	
Government and NGOs employed	0.64	0.15	0.60	0.07		1.69	0.22	0.65	0.22
Trade	*								
Daily laborer	**								
Others	1.56	0.43	0.44	0.08	0.04	0.01	1.02	0.97	0.58
Type of payment									
In cash	1.00		1.00			1.00		1.00	
In kind	1.64	0.19	2.44	0.01		0.48	0.26	2.71	0.02
In cash and kind	0.54	0.68	**						
Not payment at all	2.00	0.06	3.57	0.00		0.31	0.06	1.61	0.24

The result in table 1 above also shows that, Participations of women's in decision making is statistically significant with membership of MFIs, educational level and type of payment. The odd ratio of non-client women participation in general decision making is 0.39 as compared to client women. That is, the level of participation of client women in general decision making is higher by 69% as compared to no client. Women who are in the third category of educational level (secondary and higher) group did not have a statistically significant difference from that of women in the first group of educational level (no education) participation in general decision making.

However, women in the second (primary education) category of educational level are statistically significance with compared of the first category of educational level (no education). That is, adjusting to other covariates, the odd ratio of participation in general decision making for women in the second educational level category is 2.05 as compared to women's in the first educational category. In other word, the level of participation of women in first educational categories/no education in general decision making is lower by 1.05% as compared to primary educational level. In addition, Women who are in the third (in kind only) and forth (not paid) type of payment group did not have a statistically significant difference from that of women in the first group of (in cash only) interims of participation in general decision making. However women in the second (in cash and kind) type of payment are statistically significance with compared to the first type/category. That is, adjusting to other covariates, the odd ratio of participation in general decision making for women in the second category is 2.71 as compared to

Source: Data collected from respondents 2015 women's in the first payment category. In other word, the level of participation of women in second type of payment categories in general decision making is lower by 1.71% as compared in first type of payment category.

d) Discussion of the Study

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

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

From result of the study, when we can generalized the significance intervention of microfinance services, promises both to combat poverty and to develop the institutional capacity of financial systems through finding ways to cost-effectively lend money to

poor households. Poor households are typically excluded from the formal banking system for lack of collateral, but the microfinance movement exploits new contractual structures and organizational forms that reduce the riskiness and costs of making small and uncollateralized loans.

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

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

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

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

increase participation in decision making is also increase. In other word, the level of participation of illiterate (no education) women in decision making is lower by 1.05 percent as compared to primary educational level.

Type of payment has remarkable variation on women decision making. Women those are took payment in kind only and not paid at all have low participation in decision making when we compared with who receive in cash and kind. In addition, women those are receive their payment in cash only more participate in decision making when compared with the other type of payment. In other word, women those receive in cash only have higher by 1.71 percent participation in decision making when compared with women receive payment in cash and kind. Generally, from all independent variables statistically significant in this study micro finance had the lion share on women's economic empowerment.

V. CONCLUSIONS

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

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

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

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

economic empowerment of the women; which is acknowledged by study findings. In addition, economic empowerment of women is about producing society believed on justice and impartial societies. Also believes that, woman economic empowerment issue is not only about equality, it is about right, humanity, and it is global issue to eradicate poverty.

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