

ST.MARY'S UNIVERSTY COLLEGE
BUSINESS FACULTY
DEPARTMENT OF MANAGEMENT

**AN ASSESSMENT OF MICROFINANCE CREDIT PROVISION TO
UNEMPLOYED WOMEN IN THE CASE OF ADDIS CREDIT AND
SAVING INSTITUSTION.**

BY
SEMEGNISH MEKONNEN

JULY, 2010
SMUC
ADDISABABA

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**A SENIOR ESSAY SUBMITTED
TO THE DEPARTMENT OF MANAGEMENT
BUSINESS FACULTY
ST.MARY'S UNIVERSTY COLLEGE**

**IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF THE BACHELOR OF ARTS IN MANAGEMENT**

JULY, 2010

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ACKNOLEDEMENT

First of all I would like thank my advisor; Ato Henock Arega for his guidance and follow ups through the work. I am grateful to kolfe keranyo branch ADCSI staff members and my special thanks to my family and friends for their encouragement during the study.

Table of Contents

Acknowledgement	i
Table of Content	ii
List of Abbreviation.....	vii

INTRODUCTION

1.1. Background of the Study.....	1
1.2. Background of the Organization.....	2
1.3. Statement of the Problem.....	3
1.4. Research Question.....	4
1.5. Objective of the Study.....	4
1.6. Significant of the Study.....	5
1.7. Delimitation of the Study.....	5
1.8. Research Design and Methodology.....	6
1.8.1 Types of Data to be Collected.....	6
1.8.2 Methods of Data Collection.....	6
1.8.3 Population and Sampling Techniques.....	6
1.8.4 Methods of Data Analysis.....	6
1.9. Organization of the Study.....	7

REVIEW OF RELATED LITERATURE

2.1. Micro Financing Definition and Concepts.....	8
2.2. Micro Financing Institution in Ethiopia.....	9
2.3. The Performance of MFIs in Ethiopia.....	10
2.4. Women and Unemployment.....	12
2.5. Micro Financing and Unemployed women.....	14
2.6. Situation of Unemployed Women and the role of MF to improve their livelihood in Ethiopia	16
2.6.1. Socio Economic status of Women.....	16
2.6.2. Female Education in Ethiopia.....	17
2.6.3. Access to Employment and Income Generation.....	18
2.7. Impact of Access to Credit on Employed Women in Ethiopia.....	19

DATA PRESENTATION, ANALYSIS AND INTERPETATION

3.1. Characteristic of the Sample Respondents.....	24
3.2. Finding of Data Analysis.....	26
3.2.1. Survey Result.....	26

3.2.2. Social Impact of Credit on Unemployed women.....34

SUMMERY, CONCLUSION AND RECOMMEDATION

4.1. Summery.....41

4.2. Conclusion.....42

4.3. Recommendation.....44

BIBLIOGRAPHY

APPENDICES

Table of Content

Table 1.1 Types of Women Work.....	21
Table 3.1 Age of the Sample Respondents.....	24
Table 3.2 Sample Respondents by Marital Status.....	25
Table 3.3 Number of Children of Respondent's.....	25
Table 3.4 Distribution on Respondents According to Education.....	26
Table 3.5 The Purpose of loan.....	26
Table 3.6 Years of Membership.....	27
Table 3.7 Loan Size of Sample.....	27
Table 3.9 Agreement of Repayment Period.....	29
Table 3.10 Response on the Repayment Period.....	29
Table 3.11 Whether Interest rate of ADCSI equal to CBE or not.....	30
Table 3.12 Respondent on the Interest Rate Compare to CBE.....	30
Table 3.13 Respondent Job before Membership of ADCSI.....	31
Table 3.14 Monthly Incomes of Unemployed Women's before Member of ADCSI.....	32
Table 3.15 Knowledge of Respondents about the Profitability the Business.....	32
Table 3.16 Condition of Income after joined ADCSI Program.....	33

Table 3.17 whether Change on their Livelihood or not after Member of ADCSI.....	34
Table 3.18 Response on Decision Making at House Expenditure.....	35
Table 3.19 Women Participation on Business activity equal to men at Household and Community after Members of ADCSI.....	35
Table 3.20 Summary of Staff Position.....	37
Table 3.21 Staff Response.....	37
Table 3.22 Supports for Weak Clients.....	38

LIST OF ABBREVIATIONS

ADCSI	Addis Credit and saving institution
MFI	Microfinance institution
ACSI	Amhara Credit and Saving Institution
NGO	Non Governmental Organization
AEMFI	Association of Ethiopia Microfinance Institution
UNCDF	United Nation capital Development Fund
UNDP	United Nation Development Program

CHAPTER ONE

Introduction

1.1 Back ground of the Study

Microfinance institutions are institution that provide sustainable financial and other service using innovative methodologies and systems at low cost to meet the need of low income sections of the population and act as the population and acts as financial intermediaries in genuine sense. (AEMFI August, 2000). Governments have started subsidized credit for unemployed women and to support low income group of the population. Poor people need and use a variety of financial service including deposit, loans and other service. They use financial resource for different purpose like business opportunity, develop and improve their life, to cover large expense and others (Schneider, 1996).

In developing countries they cannot be used as collateral to gain access to financial resources from formal financial institution .Therefore, the argument was microfinance attempts to cover the critical gaps in the formal financial systems.

The United Nation has declared in 2005 the “International year of micro credit”, the essential goal of the UN international year of micro credit is to strength and spread the availalibility of goods financial services. This offered the possibility and hopes too many unemployed women of improving their own situation through their own effort. The attempt to directly empower poor people, particularly unemployed women using micro credit has become one of the key driving mechanisms.

Microfinance institution (MFI) that serve poor and low income clients. Most of the clients are self employed, house wife, youngest people and others. Microfinance provides small loans to unsalaried borrower taking little or no collateral.(Elizabeth and Richard, 2004).

In Ethiopia, credits and saving programmers were operated for many years by NGO's. Microfinance institution shows many activities in 2000. Proclamation No.40/88 National Bank of Ethiopia give licensing authority which regulates the business operation. Currently there are 27 microfinance institution are operating in the country to support low income groups, to reduce unemployment rate and to increase the economics of the society. In Addis Ababa alone there are six MFIs that give microfinance service to poor people most of they give prior to women. One of these microfinance institutions is Addis Credit and Saving Institutions (ADCSI).

1.2 Background of the Organization

Addis credit and saving institution (ADCSI) is microfinance institution which operates within the boundaries of Addis Ababa city Administration .It was established and registered at the National Bank of Ethiopia on January; 2000. The institution have vision to become Addis Ababa city society free from poverty and jobless and the enterprise to be sustainable and liable for even in the whole Africa model microfinance institution. The mission of the institution to offer sustainable and continuous credit and saving services, in both qualitative and quantitative manner for those Addis Ababa city society existed poverty and jobless problems and involving in providing the service for society who are participating in micro and small enterprise, especially for unemployed women. The purpose of MFI's in Ethiopia including ADSCI is to create opportunity or access to have small capital very poor groups of society failed by the conventional bank for lack of requisite Collateral. The objective of such programme is ultimately to help poor people to increase the house hold income, to meet human needs and wants and to accumulate assets.

Most unemployed women are lack of borrow money from Banks and formal or informal financial institution like money lenders, saving and credit clubs and others because of collateral requirements. Women of Ethiopia have experienced to face many problems during the past several years. These various problems like social, cultural, political and economical problems have affect the whole population particularly

unemployed women. These conditions affect the ability for women to practice their role and responsibility in their family and society.

The traditional role of women in Ethiopia is very small they work at home like children growth, collecting woods and etc. Because of these the participation and decision making on different socioeconomic and political activities are very weak. The government to create this program to participate in microfinance helping them self to be self employed to get financial sources one of these microfinance particularly ADCSI.

This study provides a better understanding of unemployed women to help themselves to use credit service in the urban area of Addis Ababa in the case of ADCSI in Keble 12 Kolfe Keraniyo.

1.3 Statement of the Problem

Research done by UNDP and World Bank among others indicates that gender inequalities in developing countries inhibit economic growth and development World bank report confirms that societies that discriminate on the basis of pay the cost of lower living standards of the people, lower economic growth, unemployment and poverty. Microfinance has come to play a major role in many of these gender, unemployment and development problem. (Befekadu and Berhanu, 1999/2000)

Ethiopia is one of the poorest countries in the world the country's economy is predominating by agriculture. Unemployment is the biggest problem of the country. The socio economic situation of the country is characterized by low growth of income, high population growth, economic inefficiency and high unemployment rate. (Ibid)

Ethiopian women, who constitutes about 50% of the population and who comprise the majority unemployment segments of the population are exposed to poverty. Unemployed women have less access in formal sector employment, social security and government programs. These factors combine insure that unemployed women's financial resources

are meager and unstable. Because of these problems unemployed women so not have independent income, which enables them to increase access to control resources, more equitable status in households and community increase self esteem. This all mentioned are almost absent in the lives of Ethiopia women. (Thedey and Mengistu 2002)

1.4 Research Questions

Unemployed women in our country face so many problems and so as to solve their problem and to increase their contribution to the economy different governmental and non governmental organization are engaged in different sector. One of the institutions is ADCSI by providing credit service. This research tries to see whether unemployed women are benefited from ADCSI or not. Therefore, the student raises the following research questions in order to treat the above mentioned problems.

1. What is the attitude of unemployed women clients towards credit provision of ADCSI?
2. Does credit service brining a change on unemployed women's economy status?
3. Why some unemployed women are not paying their loan properly?
4. Does credit service bringing equality among men and women in the house and society?

1.5 Objective of the Study

The general objective of this research paper is an assessment of microfinance credit provision to unemployed women in the case of Addis Credit and saving institution around kolfe area. In relation to this, the specific objectives are:-

- To assess the skill acquired by unemployed women to effectively use the credit obtained.

- To assess the capacity of unemployed women in the area of financial management.
- To find out the major problems those hinder the development of unemployed women through ADCSI activities.
- To examine the impact of micro credit service on unemployed women.

1.6 Significance of the Study

The student researcher attempted to assess the credit provision on unemployed women in kolfe area Keble 12 of Addis Ababa town. Thus the outcome of this study can be used for the following purpose.

1. It points the concerned body to create an enabling for unemployment rate reduction.
2. It is expected to increase public awareness about credit and saving.
3. It is also raises public awareness about the reliability of microfinance clients, especially unemployed women, in repaying loan, managing household income, building assets and they contribute to the economy.
4. The study will also serve as stepping stone for other researcher of related topics.

1.7 Delimitation of the Study

The external realities that unemployed women face in all Addis Ababa are broadly similar. The study confined to unemployed women clients who had participated in ADCSI and after. The company is operating throughout the city having 10 branches and 99 service posts the researcher restricted in to a single branch and 10 service posts. The research study tried to make that the selected branch of ADCSI found around Kolfe keranio in 12 Keble.

1.8 The Research Design and Methodology

1.8.1. Types of Data to be Collected

There are different types of data used in this study. Both primary and secondary data are used. Primary data are collected from unemployed women's participating in credit service of ADCSI and secondary data source were various documents of ADCSI and other source like research material, journals, books and etc.

1.8.2. Methods of Data Collection

The data collection instrument of this research is questionnaire and interview. The questionnaires are open and closed ended to be distributed to unemployed women participating condition. The questionnaires distributed to those unemployed women who stayed in ADCSI one year and more than one year in that work to know the effect at the finance source and the interview prepare for staff members only.

1.8.3 Population and Sampling Technique

The student researcher uses Simple random sampling techniques it is the best way to collect the data. The source of data was business women who have taken loan from ADCSI in kolfe Area Keble 12 for different business activity. The total population is 580 out of this the total population 15% taken as a sample size, therefore the total sample size is 87.

1.8.4 Methods of Data Analysis

The methodology used for the analysis of the collected data was descriptive method; the raw data gathered were processed and analyzed through tabulation, which used percentage and ratio.

1.9 Organization of the Study

This paper has four chapters: The first chapter tells us the introductory part of the paper; second chapter explains about review of the related literatures, the third chapter shows the data analysis and interpretation, finally the fourth chapter indicates the summary, conclusion and recommendation part of the paper.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1 Micro Financing Definitions and Concepts

According to Robinson (2002:9); Microfinance refers to small scale financial service primarily credit and saving provided to people who farm or fish or herd. ADB, (African Developing Bank),(2006) defined microfinance as....”The provision of broad range of financial service such as deposits, loans payment services, money transfer and insurance to low income households and their micro enterprises”. (As quoted in M, Graw Hill and 2002:1 x).

Micro finance refers to small-scale financial services, primarily credit and saving, provided to people who operate small enterprise where goods are produced, prepared or sold (Demisse, 2007). Micro finance institution (MFIS) in Ethiopia does not go far above decade. Hence, getting the necessary information is a little bit difficult than any other areas .However, under this study, it has been tried to gather information from different sources and writers about MFI's and presented as follows.

A steady growing number of people in many third world countries are unable to find employment in the formal sector of the economy. Lacking adequate training, capital and legal security, over half the population in this country is oblige to derive their livelihood from sources of income in the informal sector, which they have in many cases created they. For a long time, national governments and donors ignored this sector. However, due attention has been given since the last two decades, which can proved by the number of

institution established to support this sectors, and policy adjustment made and different measures, (Ibid)

MF is a recent financial development that targets at the financial needs of the poor borrower and savers who are far away from the financial market. The rural poor in the remote parts of Ethiopia and the urban poor in the ghettos will find it difficult and threatening to go to the doorsteps of big bank and seeks financial Services. Consequently, productive men and women at the grass roots level are detached from one of the main inputs for poverty and unemployment reduction.

Globally MFIs are a new industry, which was started operation around 1980's when governments started subsidized create for poor farmers. Based on these, profitable and market led financial service has been providing for economically active low-income group. In developing countries, the poorest sections of the population have little or no access to financial resources (Schneider, 1996). The first micro finance institution is started operation during this period in Asia, and was established by the known economist professor Mohamed Yanus by the name Grameen bank. It has served over 2.4 million customers of whom 94% are unemployed women's.

2.2 Microfinance institution in Ethiopia

Ethiopia has an estimated population of 80 million. Agriculture is the main stay of the economy and approximately 85% of the country's population live in the rural areas. Ethiopia is ranked 169 of 174 countries on the human development index about 45% of the population in Ethiopia are reported to live below poverty line (Tafesse, 2000)

Unemployment's are the main challenges and fundamental issues of economic development in Ethiopia. The major causes of low economic growth and high incidence of unemployment in Ethiopia include lack of employment opportunities, skills, education.etc...

In Ethiopia, though saving and credit program were operated for a number of years by NGO. Microfinance operation in a regulated form is a relatively new phenomenon. The idea of Micro credit was first introduced by the World Bank's Market Town program. This program was implemented jointly with Development Bank of Ethiopia and the bureaus of Trade and Industry in what was called "16 Market Towns" in stage one and then spread to all the major towns of the country. Most of the borrowers were women. Microfinance institution started proliferating following the issuance of proclamation No.44/96, which regulated the business of microfinance in the country. The National Bank of Ethiopia that is the licensing authority has been releasing a number of guidelines that underpin the operation of microfinance in the country (Tirit, 2004).

Currently, there are 27 micro finance institution (MFIs) operating in both rural and urban areas of Ethiopia. The major target clients of most of the MFIs operating in urban area are women. While for those in rural areas the lion's share of the clients are man. The outreach in terms of size of clients of the MFIs in Ethiopia is estimated to be about half a million active clients. The objective of almost all of the MFIs in Ethiopia is Poverty alleviation and unemployment reduction. MFIs in Ethiopia are allowed to mobilize saving deposits from their clients as well as from the public at large. The credit delivery modality of all the MFIs is group based. They're by waiving the usual requirement for material collateral. MFIs have been trying to reach both rural and urban women with credit and saving services. (Wolday, 2000)

2.3 The Performance of MFIs in Ethiopia

The performance of MFIs is mainly evaluated in terms of sustainability and outreach. The sustainability of MFIs is measured on the basis of their capacity to generate enough revenue (excluding subsidies) to cover the cost of all factors of production and loanable funds. Outreach is measured in terms of number of clients, loan size, percentage of loan to clientele below poverty line, percentage of female client's range of financial and non

financial service offered to the poor, the level of transaction costs levied on the poor and extent of client satisfaction with respect of financial service. However, on the top of the sustainability and outreach criteria, one has to include development effects (income and empowerment) on the target group as core performance criteria.

over a brief period of time, MFIs in Ethiopia have reached more than half a million clients delivered about Birr 526 million to these clients, Have Birr 273 million of loans outstanding and mobilized about Birr 129 million of saving.(Wolday,2001).the clients served by the MFIs in Ethiopia are mainly the poor. On average 62.8% of the total borrower are unemployed women and average loan size from Birr 700 to Birr 1500 this shows that most of the clients are poor and unemployed women. (Berhanu, 1996)

Microfinance programs must internationally focus on an internal reorganization that prioritizes the role of unemployed women within the organization and in her community and family. Regardless of their approach to achieve the goal of gender equality and women's empowerment. Microfinance institutions must keep in mind some generalized methodological consideration designing a broad based, gender focused, and financially sustainable microfinance program.

It is imperative that when a microfinance institution decides to take on a gender based policy; they understand that the transformation involves more than just targeting women. Creating gender based policy requires that the institution examine all internal and external policy and procedures form a gender respective. This involves a process though which anexamines all of the underlying structure and assumptions about gender roles and responsibility that have historically discriminated against women as borrowers and employees (Mayoux.2002). Mayoux (2002) uses the term “male stream policy” to describe the underlying structures presume in the financial system that prohibit women from archiving true economic and financial independence and empowerment. This “male stream policies” put a substantial limitation women's ability to equally access and benefits from financial programs and services. A common example of “male stream

policy” occurs when a women is required to have her loan application signed by her husband. Even though a husband does not need his loan application signed by wife, even when it is her property that he uses for collateral. (Mayox.2002)

As a follow up to examination of underlying structures from a gender prospective, it is important for microfinance institution to set guidelines pertaining to employee recruitment, promotions, roles and responsibilities. Mayox (2002) reports empirical evidence those points to correlation between both women’s access to credit source and saving levels of female staff. Mayoux (2002) argue that “institutionalizing gender” will require fundamental changes in the organizational cultural, internal procedures and recruitment and hiring criteria. There is also a need for guidelines and incentives for the implementation of this gender based policy. If gender focused organizations aiming to meet preferences and needs of its women. Saving services must be an integral component of its program. Since women often make financial security, safety and provision priorities in their households, there is a great potential for saving programs targeted at women to foster economic empowerment (United Nations Group on women and finance, 1995). In addition, saving from investment, this can make a significant contribution to finical sustainability of the institution (Robinson, 2001).

2.4 Women and unemployment

All over the world, the significant women entry in to the work force over the past three decades has produced profound transformation in the organization of families, society, and the economic and urban life.

Women have always actively participated in their local economies. In Africa, for example, women produce 80% of the food and in Asia 60% and in Latin America 40%. In many cases women not only produce the good but market it as well, which gives them a well developed knowledge of local market and customers. For instance, in Africa all talks related to family’s support are the responsibility of women, due to cultural and traditional

aspect, a women's presence has been a question of survival of her family. Women, especially unemployed women, must divide their time between work "productive rule" and family "reproductive rule" and balancing all the demands. Time is valuable for these women, as their livelihoods depend largely on their ability to fulfill the multiple demands of the household and the market place. (Kebede, 2005)

In spite of the remarkable importance of women's participation their jobs have been considered as an "extra incomes" to family survival or simply to improve family living conditions. Moreover microenterprises owned by women have been considered as a way to meet primary needs instead of profitable source of income. (Ibid)

Research done by UNDP and World Bank among others indicates that gender inequality in developing countries inhibit economic growth and development. World Bank report confirms that societies that discriminate on the basis of pay the cost of greater poverty, slower economic growth, weaker governance, and a lower living standard of their people. Microfinance has come to play a major role in many of these donor's gender and development strategies because of its direct relationship to both unemployment alleviation and women.

It is generally accepted that women are disproportionately represented among the world's poorest people. In its 1995 Human Development Report, the UNDP reported that 70% of the 163 billion people living on less than \$1 per day are women. According to the World Bank's gender statistic 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 economic.

Unemployment affects a disproportionate number of women. Unemployed women are more likely to be among the very poor. In general, women in female headed households have less education, lower incomes and higher fertility. In addition to placing a great strain on the single parent, larger household life is associated with lower per capital food

expenditure. In addition to, the facts that women are often paid less for similar tasks. They are essentially barred from higher paying occupation. In urban areas, Women are much less likely to obtain formal employment in private companies or public agencies and are frequently restricted to illegal low productive jobs. The illegality of piece work, as in the garment industry, prevents it from being regulated and renders it exempt from minimum wage laws of social benefits. Similarly; rural women have less access to the resource necessary to generate stable incomes and are frequently subject to lows that further compromise earning potential. Legislation often prohibits women from owning property or using institutionally provided resources such as credit and training. With income enhancing programs are accessible exclusive to men, exacerbating existing income disparities between men and women. (Kebede, 1999)

The welfare women and children are influenced by the design of the development policy under source the importance of integrating unemployed women into development program. To improve living condition for the poorest individuals, unemployed women must be drawing in to the economic mainstreams. This would initial increasing female participation rates in the long education of training programs, female sector employment, and credit provision program. The consequence of decline in women's relative or absolute economic status as both ethical and long term economic implication. Any process of growth that fails to improve the welfare of the people experiencing the greatest hardship, broadly recognized to be women and children has failed to accomplish one of the principal goal of development. In the long run, the low status of women is likely to translate into lower rates of economic growth. (Cheston and Kune, 2003)

2.5 Microfinance and unemployed women

Microfinance is a strategy capable of reaching unemployed women and evolving them in the development process. The microfinance industry has made great strides towards

identifying barriers to unemployed women to financial services and developing ways to overcome those barriers. (Cheston and Kune, 2003)

A 2001 survey by social united on microfinance of the united nation capital development fund (SUM/UNCDF) of 29 microfinance institution revealed that approximately 60% of this institutions' client are unemployed women and six of the 29 focused entirely on unemployed women. Among the remaining 23 mixed programs 52 % of clients were women. According to USAID's annual micro enterprise result for 2000, approximately 70% of USAID supported MFIs' clients were unemployed women. However, with a percentage of women clients ranging from 27% in near east to 87% in Asia (Ibid).

Although men, as well as women, face difficulties additional enterprise, unemployed women have many barriers to overcome. Among them are negative socio, cultural attitudes. Legal barriers, practical external barriers, lack of education, and personal difficulties. In spite of these, for women especially unemployed women, microenterprise ownership has emerged as a strategy for economical survival. In this context, credit for microfinance development has been a crucial issue over the past two decades. Researchers have shown that investing in unemployed women offers the most effective means to improve health, hygiene, and educational standards for families and consequently for the whole of society. Thus, a special support for women in both financial and non financial service is necessary.

Microfinance institutions around the world have been creative in developing country products and services that avoid barriers that have traditionally kept women from accessing formal financial services such as collateral requirement, guarantor requirements, documentation requirement, cultural barriers, limited mobility and literacy. (Cheston and Kuhn, 2003)

Total borrowers in Addis Ababa are higher than the national percentage on the average.

Well over 84% and 62% of frequent borrowers in rural and urban arrears respectively are unemployed women's. Women's contributed a substantive were to provide. For the basic needs of their families in terms of food, clothing, health, education, etc. (AEMFI, 2001)

Some of the driving forces behind starting a business by unemployed women in the informal sector according to selamawit, 2007 are:-

- Unemployment problem that makes them resort to self employment.
- Rural urban migration seeking for better life.
- Lack of education and skills for employment opportunities.
- Unsatisfied house hold substance needs, such as basic requirement like foods, cloths and the education of chilled.
- Lower initial and inheritance of trading from family etc.
- Since many unemployed women have multiple responsibilities as mother and producer they tend to engage in activities that are home based and less risky.

2.6 Situation of unemployed women and the role of microfinance to improve their livelihoods in Ethiopia

2.6.1 Socio economic status of women

Women in Ethiopia make up 49% of the total population estimated at 61.7 million in 2006 is documented that women in rural Ethiopia (where 85% of the population live, commonly work over, 15 hours a day. They receive little economic benefit from their labor. Too few women are represented indecision making bodies in the country. They have also less access to education than men. (UNCDF, 2000)

A number of studies justifies that male supremacy and subordination of women were the characteristics of Ethiopia society until recently and the status of women remained low. This is particularly true in rural areas. Unemployed women play a predominant role in the production by carrying out complementary task with their home tasks. Moreover, they are not entitled to ownership of land only less than 10% of Ethiopian has ownership right. (Kebede, 2005)

Generally, the status of unemployed women can be measured in terms of their educational attainment, labor participation, access to health care service, type of occupational and decision making power in the family. Unemployed women who are educated; participate in the labor force and who can make decisions regarding their family affairs have a relatively higher status.

2.6.2 Female education in Ethiopia

Every human being has the right to education. This principle has been proclaimed and confirmed in a number of important declaration and international conventions, the most important article 26 of the universal Declarations of Human Right and the convention and accommodation in education, which was adopted by the general conference of UNESCO in 1996. (Tekeste, 2006)

Even if the principle of equality of women and men in the case of education is equal, it would not women the girls and boys in that would have same chance of completing schooling. Because (cultural values of the society on education still imply more on spending on education of male children compared to female children). Even if parents send both sexes with the same opportunity school, in most cases girls are married before completed their school, this is mostly applied in less developed countries like Ethiopia. When illiteracy rates are considered, the gap between men and women becomes even wider. Globally, more than 960 million adults are illiterate, two third of whom are women. In a many parts of developing world, girls are simply no expected to attend

school. Sixty million of 100 million children who have no access primary school are girls. (Human Right of women, 2000)

In Ethiopia, both formal and informal schooling exist the informal or traditional education exists for many centuries. With regard to informal or traditional education exists for many centuries. With regard to informal or traditional education, it was in the hands of church and mosque for member of years. In various parts of the country the schools where under the Ethiopian Orthodox Church and used to teach the sons of clergy and autocracy due to cultural influence thus female education. (Tekeste, 2006)

Modern education in Ethiopia started at the beginning of 20th century during Menilk II. The education policies during Emperor Minlik II's time were targeted mainly towards producing trained manpower. His educational policy tried to keep in line with the interest of the Ethiopian Orthodox Church (Ibid).Therefore, the educational policy did not intend to work against the church, and it means that females were excluded participation in modern education. Modern education for began women after the opening of Emperor Menilk school girls in Addis Ababa, in 1931. Although the school provided free boarding for its students, for its students, their number remained very low.

The enrollment of females in education has increased overtime that is during Haileselese regime the predication of female student was better than before years and under the current government leader enrollment highest previous periods. But when we compare the participation of females with males even today there is gap will be broadening when we consider higher level education.

2.6.3 Access to employment and income generation

Work is the ultimate source of basic necessities (food, shelter and clothing) typically, access to paid work influences one's economic, political, social and cultural position in given society. Compton has emphasized the economic importance that results from having an opportunity to paid work shaping one's own density. Position in the social

hierarchy is determined not merely by occur, the typical probability of obtaining different types of employment. It is claimed that market position is an enormously important determinates of the formation of collectives on the basis of common position on the productive process with their corresponding life style and patterns of association, sociological orientation and mode of action (Compton, 1996 by Tekeste).

A position of income disparity between male and female headed household can be explained by the large earning differentials between men and women. In addition to the fact that women are often paid less for similar tasks. They are much less like to obtain formal employment in private companies or public agencies and were frequently restricted to illegal, low productivity jobs. The illegality of piece work, as in the garment industry, prevents it from being regulated and renders it exempt from minimum wage laws or social security benefits. Similarly, rural women have less access to the resources necessary to generate stable incomes and are frequently subject to laws that further compromise earning potential. Legislation often prohibits women from owning property or signing financial contract without husband's signature and women are typically ineligible for intuitively provide resources such as credit and training with a few notable exceptions, government employment or income enhancing programs are accessible exclusively to men, exacerbating income disparities between men and women (Kebede, 2005). These is specifically in sub saran African countries specially in Ethiopia.

The extent of internal basis is strongly influenced by the economic status of women. Women's share of income within the home is relatively high, there is relatively high, there is less discrimination against girls and women are better able to meet their own need as well as their children. However, women's control over household income and resources are limited for number of reasons: of primarily importance is unremunerated. Collecting fire wood and working may even be intangible as with children care. Women's controls over households are not paid for the work they perform in the family agricultural or business sector. For example, in Mexico 22.5% of women in the

agricultural sector and 7.63% of women in non agricultural sectors work full time without pay. These figures are greatly under stated in that they do not include women who work part time in family production. It is common for the male head of household to control all funds from cash crops or the family business, even though the spouse provides a significant portion of the labor input. In addition in many cultures, it is considered socially unacceptable for women to contribute significantly to household income and hence women's work may remain unrecognized. These combined factors perpetuate the low economic status of women and lead to strict limitation on their control over household resource. (Ibid)

When we come to the case of Ethiopia, unemployment is one of the most serious burning issues in developing countries like Ethiopia, where unemployment and underemployment are the major problem; women tend to be less represented in formal employment. An employment survey under taken in 1990/1999 showed that female labor force participation was only 35% of which with most women employed were in low skilled and low paying activities (Tekeste, 2006). In the urban areas of Ethiopia, women are employed in jobs that are inferior interims of skill levels and promotional aspects during repetitive, short cycle and relatively quickly learned jobs for which technical knowledge of the production process as a whole is not necessary. The industries in which most women are concentrated processing textile, garments, rubber, chemicals, etc which traditionally are regarded as a typically women's occupation. (Ibid)

Table 1.Types of women works

Types of women works	Percentage
Administrative and managerial	0.25
Secretarial, file clerks	24.26
Medicine	35
Commerce and business	44.22
Home Economics	77.66

Source: ADCSI

A large percentage of women (more than men) are employed in the official clerical (24.26%) sector these is such as secretarial, file clerks etc. Women are least represented in the administrative and managerial areas (0.25%).In industrial sector a high concentration of women is seen in manufacturing which is low paying. Moreover, women are employed in jobs that are traditionally known as “women occupation” such as home economics 77.66%,commerce and business 44.22% and medicine 35%.In these professions, the main factors explaining concentration of women in low paying jobs is explained as the disparities of educational opportunities between men and women. Because of social attitudes the education of men is preferred over the education of women. Girl’s primary role in the society is beloved to being a house wife and mother. It is also described in the study in the study that most Ethiopian women have internalized a low self image, which is the result of the socialization process in parochial society. (Tekeste, 2006)

2.7 Impact of access to credit on unemployed women in Ethiopia

Numbers of serious studies are suggesting that microfinance can produce improvements in a range of welfare measures, including income stability and growth, school attendance, nutrition and health. Microfinance has been widely credited with empowering unemployed women by increasing their contribution to household income and assets and thus, their control over decision affecting their lives. Of course, microfinance has generated considerable enthusiasm not just in the development community but also politically with the predictable result that some of its merits have been oversold. (Elisabeth and Richard, 2004)

In the occupational or employment creation ACSI have a positive impact on unemployed women livelihood. Unemployed women's are benefited from by get new jobs or improve on the previous job. Before joining ACSI 73.3% of the client was unemployed. Employment creation has direct impact on income generation. Before credit go to of the respondent had monthly income of below 200 birr but after the loan they earn income increase (their percentage decrease to 13.3%). (Mergia, 2006)

Increasing income of unemployed women leads to better standard of living of all family members as these women are contributing in terms of financial resource to the family. Family members now confer greater legitimacy and value to unemployed women and give them more entitlement that they would have otherwise so that microfinance service not only increase women's income but also improve the relative position of women in the household. Also unemployed women's can increase their asset holding after obtaining credit. It show the fact that the consumers can acquire consumer double like household equipments. The increment of asset give them claim the possession of certain asset in the family or feed entitlement there credit service intuition. In general ACSI successful in its

activity toward unemployment reduction focus on empowering unemployed women by increasing their contribution to household income, asset and also employed. (Ibid)

CHAPTER THREE

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This section of the study deals with the presentation, analysis and interpretation of data gathered through questionnaires and interview to identify and investigate the assessment of microfinance on unemployed women in particular reference to kolfe area of kebele 12 Addis Ababa. This part gives meaning to the raw data which are meaningless by themselves unless summarized, organized and analyzed by administering different mechanisms.

3.1 Characteristic of the Sample Respondents

From the total population of 580 unemployed women clients, 87 (15%) were taken as sample and questionnaires and interview were prepared and distributed to these sample respondents and staff member who are directly in contact with loans. As the title of the study indicates all sample respondents are unemployed women. When we look the age of respondents we get the following table.

Table 3.1 Age of the sample respondents

Age	Number	Percentage
Below 20 years	8	9.2
21-35 years	54	62.07
Above 35 years	25	28.73
Total	87	100

Source: survey result, 2010

Table 3.1 indicates that the majority (62.07%) of the sample respondents are between 21-35 years while the smallest (9.2%) below 20 years old. That means, largest of unemployed women clients are adult which believe to be more productive in business.

Table 3.2 Sample Respondents by Marital Status

Marital status	Number	Percentage
Single	26	29.89
Married	39	44.83
Divorced	9	10.34
Widowed	13	14.94
Total	87	100

Source: survey result, 2010

When we look at the marital status of the client as shown in the table 3.2, the majorities of the respondent are married (44.83%) followed by single (29.89%), widow and divorced (10.34%) and (14.94%) for each. Since the majority of unemployed women clients are married, accessibility of credit helps these women to generate their own income and to increase economic independency. Also they contribute a certain portion of household expense to the family.

Table 3.3 Number of Children of Respondents'

No of children's	Number	Percentage
0	11	12.64
1-2	21	24.14
3-4	35	40.23
5-7	14	16.09
Above 7	6	6.9
Total	87	100

Source: survey result, 2010

As shown in the above 3.3 the majority of the sample respondents (40.23%) have 3-4 children next to these (24.14%) have 1-2, (16.09%) have 5-7, (6.9%) have above 7 and the last one is (12.64%) have nothing. This table shows about 80% of unemployed women have three or more children so that the microfinance is helping unemployed women to spend on children education, health and food.

Table 3.4 Distribution on Respondents according to Education Status

Education	Number	Percentage
Illiterate	20	22.99
Primary level	45	51.72
Secondary	22	25.29
College/University	-	-
Total	87	100

Source: survey result, 2010

According to 3.4, the majority (51.72%) of clients have primary level, next secondary level and the least illiterate. The respondents revealed that they do not complete their education because of socio economic problems like unemployment, poverty....etc those problems resulted in loss of skilled women power and lack of earning potential which further adds to the low standards of living and low income. About 75% of unemployed women clients of ADCSI did not complete their education. This shows that the institution contribute a lot for unemployed women who have no accesses to work formal and informal institution.

3.2 Finding of Data Analysis

3.2.1 Survey Result

The finding of the study is presented one by one as follows.

Table 3.5 the purpose of Loan

Types of business	Number	Percentage
For starting a new business	87	100
For expand the existing one	-	-
Total	87	100

Source: Survey result, 2010

The borrowers are taking the loans either to start a new business or to expand the existing ones. The above table shows all of the customer are utilized the loan funds to start the new business because of the whole respondent are unemployed women to borrow money to start a new business.

Table 3.6 Years of Membership

Client use of loans	Number	Percentage
Three month	–	–
Six month	–	–
One year	38	43.68
More than one year	49	56.32
Total	87	100

Source: Survey result, 2010

We can see table 3.6 that, the majority of clients stay more than one year (56.32%) the second one is spend their time for one year (43.68%) and no one clients stay below one year. The respondent forced to repay the loan three month and six month period is too short to pay the loan because of this the respondent stay one year or more than a year enough amount of profit repay for the borrowed money.

Table 3.7 Loan Size of Sample Respondent

Loan size in birr	Number	Percentage
Below 2000 birr	9	10.34
2001-4000 birr	24	27.59
4001-6000 birr	36	41.38

Above 6001 birr	18	25.29
Total	87	100

Source: Survey result, 2010

It can be seen from table 3.7, sample respondents taking below 2000 birr constitutes (10.34%), range of 2001-4000 birr (27.59%), 4001-6000 birr (41.38%) and above 6001 birr (25.29%). As the survey result indicate in the majority of the respondents borrow limited amount capital which is insufficient to finance or begin a new business. Some of the clients start from little amount and gradually they like to increase their loan size but as the amount increase requirement also increase. The respondent said the amount of loan size is sufficient means the clients engaged on small business like traditional petty trade, which need not large amount of capital and its returns also very low and insufficient capital like animal rearing, hotel service, etc.

Table 3.8 Response on the Loan Size

Response on the loan size	Number	Percentage
Sufficient	26	29.86
Below sufficient	47	54.02
More than sufficient	14	16.09
Total	87	100

Source: survey result, 2010

As the survey result shown in table 3.6, (29.86%) of the respondent the loan size is sufficient, (54.02%) of the respondent the loan size is below sufficient and (16.09%) of the respondents the loan size is more than sufficient. The table indicates that, the majority of the respondents said that the amount of loan size is below sufficient. These shows many of ADCSI clients the amount of loan size below sufficient to run the business this is leads to an expected low profit due to shortage of capital.

Table 3.9 Agreement of Repayment Period

Agreement of repayment period	Number	Percentage
Six month	–	–
One year	31	35.63
Above one year	56	64.37
Total	87	100

Source: survey result, 2010

As indicate in table 3.9, the respondent whose agreement of repayment period is one year 35.63% and 64.37% of the respondent have their agreement of repayment is above one year in general term. Most of the respondent forced to repay the loan before two years. This period is short to undertake their wants and get enough amount of profit repay for the borrowed money.

Table 3.10 Response on the Repayment Period

Repayment period enough or not	Number	Percentage
Yes	34	39.08
No	53	60.91
Total	87	100

Source: survey result, 2010

From the survey result as presented in table 3.10, 60.91% of the respondents agree that the repayment period is not enough and 39.08% of respondent agree the repayment period is enough.

This shows that as we mentioned above most of the clients are engaged on big type business because of this it takes long period to get return the loan. The following table shows the number of respondent whether the interest rate charged by the ADCSI is equal or not to the Commercial Bank of Ethiopia.

Table 3.11 Whether Interest Rate of ADCSI equal to CBE or not

Interest rate of ADCSI equal to CBE or not	Number	Percentage
Yes	12	13.79
No	75	86.21
Total	87	100

Source: Survey result, 2010

As it is clearly shown in table 3.11, 86.21% of the respondent believe that ADCSI interest rate is not equal to Commercial Bank of Ethiopia and 13.79% of the respondent answer it is equal to bank rate. As the above table indicated that the majority of unemployed women's respondents are the interest rate in ADCSI is not equal to bank rate. This show as unemployed women have no detail information about the interest difference between CBE and ADCSI.

Table 3.12 Respondent on the Interest Rate compare to CBE

Response	Number	Percentage
Low	-	-
Medium	49	56.32
High	21	24.14
Very high	17	19.54
Total	87	100

Source: Survey result, 2010

As indicated in table 3.12, 56.32% of the respondent are ADCSI interest rate is medium, 24.14% of the respondents are the interest is high and 19.54% of the respondents replied the interest rate of ADCSI is very high. The survey result revealed that more than half of unemployed women accept the interest rate. This show unemployed women clients of ADCSI have positive implication for the interest they pay.

Table 3.13 Respondent Job before Membership of ADCSI

Job	Number	Percentage
House wife/no work	87	100
Employee	–	–
Self employee	–	–
Total	87	100

Source: Survey result, 2010

As the survey results indicate in table 3.13 100% are house wife /no work. The study result shown that the majority of the respondents are housewife /no work. This indicated that they had no job before they become member of ADCSI. After engaging in business they are able to generate their own income and they reduce dependency on their husband income and unemployment.

Table 3.14 Monthly Income of Unemployed Women's before Member of ADCSI

Monthly income	Number	Percentage
Below 200 birr	48	55.17
201-300 birr	26	29.89
301-400 birr	13	14.94
Above 401 birr	-	-
Total	87	100

Source: survey result, 2010

According to the survey result, the monthly income of respondents before membership of ADCSI below 200 birr is 55.17%, of the respondents within the range of 201-300 birr is 29.89%, 14.94 % of the respondents within the range of 301-400 birr and there is no respondent income is above 401 birr. So, from the above table it is easy to understand the majority of the respondents their monthly income is too low. This shows that the living condition of this unemployed women's are subsistence life and their financial contribution in household is low and the great portion of expenditures covered by their husbands.

Table 3.15 Knowledge of Respondents about the Profitability of the Business

Knowledge	Number	Percentage
Yes	23	26.44
No	64	73.56
Total	87	100

Source: Survey result, 2010

Table 3.15 shows that 26.44% of the respondents have knowledge of the business but the rest of 73.56% have no. From this it could be realized that the majority of the respondents have no knowledge of the business. This indicated that for unemployed woman clients of ADCSI it is difficult to start new type of business activity because most of them has no educational and skill achievements is very low.

Table 3.16 Condition of Income after joined ADCSI Program

Income after joined ADCSI program	Number	Percentage
Income increase	54	62.07
Income decrease	12	13.79
Stayed the same	21	24.14
Total	87	100

Source: Survey result, 2010

As it is observed table 3.16, 62.07% of the respondents income is increased after they joined ADCSI, 13.79% of the respondents income is decreased and 24.14% of the respondents income have not get any change on their income. As one understands from the above table, the highest portion of the respondent's income is increased after they joined ADCSI program. Running successful business not only contribute to women's improve welfare, it contributes both directly and indirect to their all round development thus ADCSI brought about increase income of clients. The rest of the respondent the income decrease and stayed the same because of they have not enough knowledge about the business and how to use the loan properly. Most women use the loan in household expense and their children needs and wants from this reason the income will be decrease.

Table 3.17 whether change on their Livelihood or not after Member of ADCSI

Change on their own livelihood or not	Number	Percentage
Yes	55	63.22
No	32	36.78
Total	87	100

Source: Survey result, 2010

As the above table 3.17 indicated 63.22% of the respondents are enjoyed by enhance of their life and 36.78% of respondent had not see change of life. As table indicated the majority of unemployed women respondents said that there is a change on our life. This shows that ADCSI has been playing a great role on livelihood of its unemployed women clients. One of the objectives of microfinance is to help the target household to improve capability enhancing the human capital with the house through better education, health improvement, skill acquisition and security.

3.2.2 Social impact of credit on unemployed women

Social empowerment is occurred when unemployed women experience a great role in their decision making and status in their family and community. Unemployed women's ability to influence or to make decision that affects their lives and their future. Because most unemployed women have not dependent income their decision making ability is low.

Table 3.18 Response on Decision Making at House Expenditure

Response on decision making	Number	Percentage
Yes	74	85.05
No	13	14.94
Total	87	100

Source: Survey result, 2010

Table 3.19 shows that 85.05% of unemployed women's are decision maker in the household 14.94% of respondents they are not decision maker. From the above table, the majority of respondents are decision maker after a member of ADCSI. Unemployed women who have financial contribution in household expense after they become client and gets decision making power in areas of household expenditure. Therefore ADCSI credit service playing a great role in decision making ability and giving the opportunity to become business women.

Table 3.20 Women participation on Business Activity equal to men at Household and Community after Members of ADCSI

Participation on business activity equal to men	Number	Percentage
Low	12	13.79
Very low	9	10.34
High	46	52.87
Very high	20	22.89
Total	87	100

Source: Survey result, 2010

The above table indicated that, 13.79% of the respondent's participation equal to men in the household and community is low, 9 % of the participant very low, 52.87% of the respondent report their participation is high and 22.89% of sample respondent participation in business activity equal to men is very high. As one understands from the above table the highest proportion of respondent's participation is high. From this unemployed women were involved in the business activity as in depend business persons and their economic activity were identical to those of their male counterpart. When unemployed women began to earn more income and become able to cover household expenses their decision making power increase greatly. And the financial contribution had helped them earn greatly respect from both their household and community. The respondents are well known for their business success and hard work as men so these clients are considered as example for other unemployed in the community.

The strength of the institution as the survey result pointed out the majority of the respondents said that, our changes are feeding and closing it is the basic problem of Ethiopia children. This indicates that ADCSI has been playing a major role in poverty and unemployment reduction activity. Microfinance service as under taken by ADCSI levels much to be desired to be effective in improving human capital that enables people to maintain and raise their living standard. As reflected in the impact related the education of children, expenditure on food, health and self help moreover the credit delivery struggling in sustain their family's livelihood and it has great role in economic empowering of women by supporting their economic participation which is foundation for other dimension of empowerment. The weakness of ADCSI is they have not given door to door services for the customer.

Table 3.21 Summary of Staff Position

Staff positions	Numbers	Percentage
Branch manager	1	10
Sub-branch manager	2	20
Accountant	1	10
Credit officer	6	60
Total	10	100

Source: Survey result, 2010

As indicated in table 3.21, the major categories of employees who gave their words are credit officers (60%), Accountant (10%), branch manager (10%) and branch manager (10%). The next table shows that their responses whether they provided their service or not to their clients.

Table 3.22 Staff Response

Do you provide orientation to clients	Number of staff	Percentage
Yes	8	80
No	2	20
Total	10	100

Source: Survey result, 2010

As shown in table 3.22, (80%) of the staff offers the necessary orientation for their customer before providing the loan and the rest of (20%) did not orientations given to clients are properly train their customer due to different reasons. Most of the orientations give in similar way, such as how clients repaid their loans, how fill the business plan, the

reason of insurance payment, the duration of loan repayment and other necessary criteria of ADCSI Policy, and briefing the amount of loan interest.

According to sources from ADCSI, anyone who wants to obtain credit from ADCSI must fulfill the following such as the clients should be resident of Addis Ababa city, the age of the customer should be 18 and above, the customers should have enough guaranties according to the institutions policy, and the business of the clients should be down in Addis Ababa city.

Repayment of loan shall not exceed 12 (twelve) months, however, considering the nature of the enterprise for which the loan is extended and repayment performance the institution may reschedule such loans.

The interest rate to be charged on loans advances extended by micro finance institution shall be determined by the board of director of each MFI (Directive No MFI /13/2002) and each MFI is free to set the interest rate it shall pay on demand deposit. The maximum loan amount extended to any one borrower shall not exceed 5% of the total capital of microfinance institution.

As shown in the table below, 90% of the staff members are supporting their clients.

Table 3.23 Supports for weak clients

Do you have special supports for weak clients	Number of staff	Percentage
Yes	9	90
No	1	10
Total	10	100

Source: Survey result, 2010

As shown in the above table, 90% of the staff members are supporting their clients.

The methods of supporting their weak clients different some are using by refinancing and the others are offering additional training. 90% of the staff beliefs that their customer may face the following problems like accidents, financial shortage and market fluctuation and etc. On the other hand, 10% of the staff beliefs that the weakness of the clients are assumed as personal faults.

Microfinance institutions are the major and helpful for unemployed women and also for their life. Therefore to facilitate them to use the money they borrowed for the proper purpose there must be strict follow up.

Table 2.24 Customer Follow Up

Response of customer follow up	Number	Percentage
Yes	61	70.11
No	26	29.88
Total	87	100

Source: Survey result, 2010

According to the above table, (70.11%) of customers clearly state there is no follow up and the rest of (29.88%) of the customers says that there is follow up.

The follow-up on clients' business performance focused on the customers working area activity, customers handling, customer's financial rewards, clients working house and the business similarity from their proposal.

The staff member's subjective response of the reason why there is no follow up of customers:-

a. The intuition should give prior for new customers, because of this there is no follow up for the existing customers how to expand their business and how to use the money they borrowed.

b. The customer's house fairness is one of the problems of follow up.

CHAPTER FOUR

SUMMERY OF FINDING, CONCLUSION AND RECOMMENDATION

The research study is designed to assess the credit provision of unemployed women in the case of Kolfe area of Addis Ababa particularly in the case of ADCSI. This chapter presents the summary of the finding of the study, the conclusion and recommendation based on the findings of the research.

4.1 Summary

ADCSI's micro financing program is designed to extend micro credit to the unemployed people in Addis Ababa. This program is interested to expand self employment opportunity to the poor and unemployment people in order to reduce poverty and the existing problem of unemployment in the city. In connection with this the summary of the findings are presented as follows.

- The large proportion of the beneficiary of ADCSI (44.83%) is unemployed women of Addis Ababa and interims of marital status they are married and have children.
- Most of unemployed women (51.72%) have not learnt more than elementary.
- Majority of unemployed women (85.05%) developed decision making in the house and their participation in management activity towards the business.
- More than half of the client responds (63.22%) because of the credit service they can change their livelihood especially in feeding and closing their children.

- Interims of the loan size, many of the clients (41.38%) got birr 4001-6000 and the majority of the respondent agree repayment period between one and two years.
- Unemployed women (43.68%) accepted the interest they pay even if it is greater than CBE.
- The large proportion of unemployed women (73.56%) participate in petty trade with no knowledge about the profitability of the business but their income increases after they join ADCSI.
- Most of the customers (54.02%) received loan amount insufficient for their business.
- 90% of the staff members are supporting their weak clients by different mechanisms.

4.2 Conclusions

Ethiopia recently adopted the micro credit strategy and started implementing it through the provision of micro credit to the poor and unemployed people. Addis credit and saving program is designed to extend micro credit to the poor and unemployed people in Addis Ababa. They give priority for unemployed women in the provision of financial service. The objective of this study was to assess microfinance credit provision to unemployed women on the case of ADCSI in Kolfe area of Addis Ababa. Based on the analysis and findings in the previous chapter the following can be concluded.

Most of ADCSI women clients are unemployed women. Although most of these women are married, have children and house wife in this case they have no their own business to generate income. Before they joined ADCSI program their income was small and most of them have no income ADCSI plays a great role for unemployed women who did not have their own income. Now they do not wait money from their husbands to buy some necessary things for themselves and their family. ADCSI's unemployed women clients

have no business skills, much of the respondent are engaged in small business like petty trade because they have no educational skill achievement to large business. When we look at the loan repayment period, it is enough for those who choose running small business. But for large business activity like animal rearing the amount and the duration are insufficient to undertake the business and to repay the loan.

ADCSI provision of credit interest rate is higher than CBE but the clients accept the interest they pay. It shows that they are happy with the chance of doing their own business even if the bank interest of CBE is lower than ADCSI because the bank loan requirements discourage unemployed women.

ADCSI credit service plays a great role in social employment women. Unemployed women clients of ADCSI do not manage their business independently. It managed jointly with their husband but it is not stapes forward for unemployed women's because in pass experience unemployed women does not participate at tall. Involvement in credit provision of microfinance unemployed women get more support to participate in the business activity equal to men in their household and community. In this respect the participation of unemployed women in the business activities give more respect in community and increase in the household expense let them to earn respect from their family. Decision making ability of unemployed women increase, regarding on the area of household expenditure and their financial contribution also increase to household expense. And the most important contribution of the ADCSI service is that it developed confidence of the unemployed women's.

In general this survey shows that the credit service given by ADCSI contribution in poverty reduction and creating employment opportunities, rise in household expenditure sharing etc. It implies as microfinance has a great role on unemployed women life style.

4.3 Recommendation

According to the findings, ADCSI has a great role for the majority of unemployed women clients to have economic, social and personal impact on the bases of the analysis of credit service. Some of the weakness of ADCSI identified in this study was in relation to loan size and the repayment rate. The misuse of the loan by unemployed women and the unfairness of the repayment amount per month are among others. To make things appropriate all repayment period should be depends on the profitability of the business rather than to focus on the amount of loan. Some business may recover with in short period and others may take longer time. This study suggests the following set of related recommendation that need to be considered.

- The institution highly appreciate saving culture it's good habit specially for unemployed women and give a chance for unemployed women to start new business or improve the previous that bring change on the life standard.
- Training is very important the training provide to the unemployed women participation include confidence building, leadership skill, education on health, family planning and nutrition. The learning should also include learning new trade and gender specific topics that rights, community problems and common family problems.
- ADCSI should make close follow up in loan utilization and recovers so as to ascertain that the unemployed women are ones benefiting from the loan facility.
- The loan size should be based on the business the clients need to work. It appreciate creativity and entrepreneurial activity they can bring something new to the society by creating wealth for them size.

- ADCSI should attempt to mix their clients by promoting unemployed women who are engaged in growth oriented enterprise this could be used as role model for others who are at several levels.
- Some unemployed women says that the interest rate is high and the loan size is less than what the business required, so the institution should deal with this client problem and try to solve their problems.
- Creating better awareness before loan
- Make regular visit to unemployed women premises.
- Suggest new ways of business activities.

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APPENDICS

St. Mary's university college

Faculty of Business

Department of Management

Questionnaires women to be filled by women clients of ADCSI

Thank you in advance for your co-operation.

The purpose of this questionnaire is an assessment of microfinance credit provision to unemployed women in the case of ADCSI in kolfe area kebele 12/13 of Addis Ababa for the partial fulfillment of the degree program in Business Management at St. Mary university College Addis Ababa. The study finds out whether women are benefited from institution credit service or not and it gives possible suggestion.

This question contains both closed ended and open ended questions. You are kindly requested to provide your answer for the closed ended by circling the letter choices and by writing your responses in the space provided for the open ended questions. Please don't write your name.

1. Age of beneficiary

- a. less than 20 b. 21-35 c. Above 35

2. Educational level of beneficiaries of the project

- a. Illiterate b. Primary c. High school d. college/University

3. Marital status

- a. married b. widowed c. divorced d. single

4. How many children do you have?

- a.1-2 b.3-4 c.5-7 d. above 7

5. For how long you are using this microfinance?

- a. 0-2 b.3-4 c.5-7 d. above 7

6. Did you take the loan to start a new business or existing one?

- a. To start new business b. To expand the existing

7. How many amount of loan size that you asked? _____
8. How many did you get? _____
10. How do your express the loan size?
a. sufficient b. below sufficient c. more than sufficient
11. How many period your agreement to repay the loan?
a. six month b. one year c. more than one year
12. Do you think that the grace period given to repay the credit is enough?
a. yes b. no
13. If your answer is no in the above question why? Please specify _____
14. Does the interest rate of ADCSI equal to commercial bank interest rate?
a. yes b. no
15. From the above question your answer is no how do you express?
a. low b. medium c. high
16. What is your job before a client of ADCSI?
a. House wife/no work b. employee c. self employee d. if other

17. What was your monthly income before a membership of ADCSI?
a. Less than 200 birr b. 201-300 birr c. 301-400 birr d. above
401 birr
18. When you start this business activity, do you have deep knowledge about the profitability of the business?
a. Yes b. no
19. How do you express your income earning after you join ADCSI?
a. increase b. decrease c. no change
20. Have you got any asset after accessing ADCSI?
a. yes b. no

10. ለብድር መጣሻ የተሰማመት ጊዜ ምን ያህል ነው?
ሀ. 6 ወር ለ. አንድ ዓመት ሐ. ከአንድ ዓመት በላይ

11. የተሰጠው የመከፈያ ጊዜ በቂ ነው ብለው ያሰባሉ?
ሀ. አዎ ለ. አላሰብም

12. ለ12ኛው ጥያቄ አላሰብም ካሉ ለምን? እባክዎት ይግለጹ

13. የብድሩ ወለድ ከንግድ ባንክ ወለድ ጋር ሲነፃፀር እኩል ነው?
ሀ. አዎ ለ. ይለያያል

14. ለ12 ጥያቄ መልስዎ ይለያያል ከሆነ የወለዱ መጠን?
ሀ. ዝቅተኛ ለ. መካከለኛ ሐ. ከፍተኛ

15. ብድሩን ከማግኘታዎ በፊት ሥራዎ ምን ነበር?
ሀ. የቤት እመጬ ት/ .ስራ አልነበረኝም ለ. ተቀጣይ

ሐ. የግል ስራ ነበረኝ ማ. ሌላ ካለ

16. የወር ተመጣጣኝ ገቢዎ ስንት ነበር?
ሀ. ከ200 ብር በታች ለ. ከ 201 - 300 ብር

ሐ. ከ301 - 400 ብር ማ. ከ401 ብር በላይ

17. ብድሩን ወሰደው ወደ ሰራው ሲሰማዱ ይህ ዘርፍ አትራፊ መሆኑን አለመሆኑን ጠበቅ ያለ ዕውቀት ነበር?
ሀ. አዎ ለ. የለኝም

18. ከአዲስ ብድር ጋር መሰራት ከጀመሩ በኋላ ገቢዎ?
ሀ. ጨምሯል ለ. ቀንሷል ሐ. ለወጥ የለወም

19. የብድር ተጠቃሚ በመሆንዎ በቤትም ወስጥ ቋሚ ንብረት ሊኖር ችሏል?
ሀ. አዎ ለ. የለም

20. የአዲስ ብድርና ቁጠብ ተጠቃሚ ከሆኑ ጀምሮ በቤተሰብዎና በራስዎ ሕይወት ላይ ለወጥ ማግኘት ችለዋል?
ሀ. አዎ ለ. አልቻልኩም

21. ከብድር በፊት ለማያሰፈልጉት ነገር የሌሎች ጥገኛ ነበሩ?
ሀ. አዎ ለ. አልነበርኩም

22. ለ21 ጥያቄ መልስዎ አዎ ከሆነ ከብድሩ በኋላስ ከገንኛነት ተላቀዋል?

ሀ. አዎ

ለ. አልተላቀኩም

23. የብድር ተጠቃሚ ከሆኑ ጀምሮ በቤተሰብዎ ወጪ በተመለከተ ውሳኔ ሰጪዎት?

ሀ. አዎ

ለ. አይደለሁም

24. ስራዎን ማን ነው በኃላፊነት የማቆጣጠረዎ?

ሀ. ብቻዎን

ለ. ባልዎ

ሐ. ከባልዎ ጋር

25. የጥቃቅና አነስተኛ ብድር ተጠቃሚ ከሆኑ ጊዜ ጀምሮ በሕይወቶ በቤትና በማህበረሰቡ ወስጥ በማንኛውም የሥራ ዘርፍ ከወንዶች ጋር እኩል ተሳትፎ የማድረግ ብቃትዎ ምን ያህል ነው?

ሀ. ዝቅተኛ

ለ. በጣም ዝቅተኛ

ሐ. ከፍተኛ መ. በጣም ከፍተኛ

26. በአዲስ ብድርና ቁጠባ ተቋም ስልጠና አግኝተዋል?

ሀ. አዎ

ለ. አላገኘሁም

27. ለ27 ጥያቄ መልስዎ አዎ ከሆነ በስልጠናው ተጠቃሚ ሆነዋል?

ሀ. አዎ ተጠቃሚ ሆኛለሁ

ለ. ተጠቃሚ አልደለሁም

28. ለ27 ጥያቄ መልስዎ አላገኘሁም ከሆነ ለምን እባክዎት ይግለጹ?

29. የአዲስ ብድርና ቁጠባ ተቋም ጠንካራ ጎን ብለው የማይምኑት?

30. የአዲስ ብድርና ቁጠባ ተቋም ዳካማ ጎን ምንድን ነው ብለው ያምናሉ?

Interview guide line for Addis Credit and Saving Institution

1. What is your work position in ADCSI?
2. What are the major activities in this institution?
3. Do you provide orientation or training to your clients?
4. If your answer is yes you give orientation for your clients in what aspect?
5. How much the loan size and loan period allowed for each unemployed women?
6. What kind of elements do you consider for obtaining the loan?
7. What is the loan interest rate?
8. How you follow up the women clients' business performance?
9. Do you special support for weak clients?
10. If your answer is yes, please specify the way of supporting systems?
11. If your answer is no, why?
12. Do you have any recommendation, suggestion or comment?

DECLARATION

I the undersigned declare that this senior essay project is my original work prepared under the guidance or advisor, Ato Henock Arega. All source of materials used the manuscript have been duly acknowledged.

Name: Semegnish Mekonnen

Signature:

Place of Submission

Date of Submission

Advisor Signature

SUBMISSION APPROVAL SHEET

This Senior Research Paper has been submitted to the Department of Management in partial fulfillment for the requirement of BA Degree in Management with my approval as an advisor.

Name:

Signature:

Date of Submission: