

**MEKELLE UNIVERSITY**  
**COLLEGE OF BUSINESS AND ECONOMICS**  
**DEPARTMENT OF MANAGEMENT**

**THE CONTRIBUTION OF MICRO-FINANCE INSTITUTION TO THE LIVELIHOOD OF  
MICRO CREDIT BENEFICIARIES:**

**THE CASE OF LIDETA MICRO- FINANCE INSTITUTION, ADIGRAT TOWN, TIGRAY,  
NORTHERN ETHIOPIA**

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The Contribution of Micro-Finance Institution to the Livelihood of Micro  
Credit Beneficiaries:

The Case of Lideta Micro-Finance Institution, Adigrat Town, Tigray, Northern  
Ethiopia

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## Statement of Declaration

I, Martha Welday, declared that this thesis entitled **“The Contribution of Micro-Finance Institution to the Livelihood of Micro Credit Beneficiaries: The Case of Lideta Micro-Finance, Adigrat Town, Tigray, Northern Ethiopia.”** is my own original work and has not been presented for a degree, diploma or fellowship to this or any other university and that all the sources of materials used for the thesis have been duly acknowledged.

Martha

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Date: \_\_\_\_\_

## Statement of Certification

This is to certify that this thesis entitled “**The Contribution of Micro-Finance Institution to the Livelihood of Micro Credit Beneficiaries: The Case of Lideta Micro-Finance Institution, Adigrat Town, Tigray, Northern Ethiopia.**” Submitted in partial fulfillment of the requirement for the award of the degree of MA, in Development studies of the college of Business and Economics, Mekelle University, through the Department of Management, done by Mrs. Martha Welday, ID, No, CBE/PR075/05 is carried out by her under our guidance.

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## List of Abbreviations and Acronyms

BDS.....	Business Development Services
CGAP.....	Consultative Group to Assist the Poor
CDW.....	Community Development Workers
DECSI.....	Dedebit Credit and Saving Institution
ETB.....	Ethiopian Birr
GORs.....	Government Office Regions
HIV/AIDS.....	Human Immune Virus Acquired Immune Deficiency Syndrome
IRP.....	International Recovery Platform
ISDR.....	International Strategy for Disaster Reduction
LMFI.....	Lideta Microfinance Institution
MF.....	Microfinance
NGO's.....	Non-governmental Organizations
PHS.....	Preventive Health Services
REST.....	Relief Society of Tigray
TVET.....	Technical and vocational education and training
UNDP.....	United Nations Development Program
WFP.....	World Food Programme

## **Glossary**

**Mahiber:** is a religious gathering

**Woreda:** it is an administrative division which is correspondent to District, Ethiopia

## Abstract

*Micro –finance plays a great role in improving the livelihood of its beneficiaries. The objective of this study was to assess the contribution of Lideta Micro-Finance Institution (LMFI) to the livelihood of the beneficiaries' case of Adigrat. In order to see the MF contribution to the livelihood of beneficiary previous researches in Tigray focused mainly on physical and financial capital based conditions. This research has incorporated limited financial, human and social indicators in the assessment of the contribution to livelihoods. The information for the purpose of assessing the contribution of LMFI to the livelihood of beneficiaries was obtained from primary and secondary sources. 120 respondents with at least four years stay in the institution have been selected using purposive sampling. Quantitative and qualitative data were collected through semi-structured questionnaires and ten beneficiaries addressed through a questionnaire have also participated in focus group discussion. Further, the interview was conducted with five members of LMFI experts and Community Development Workers (CDW). The result of the study suggests that program participation has a positive contribution to the household income and social performance. However, the rate of children school enrolment before and after beneficiaries joined the institution showed no changes at all. Whereas, the beneficiaries care for their child's education in the form of providing school materials and making strict follow up on their education has shown positive changes after they joined the institution. Besides, the children of the beneficiaries have invested their time in helping the business in a way that doesn't interfere with their education. Hence, government bodies, nongovernmental and other concerned bodies by taking this result into consideration, they should work for further progress of MF.*

**Key words:** Micro-finance, Micro-Credit, livelihood, Contribution



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# CHAPTER ONE: INTRODUCTION

## 1.1. Background of the study

Microfinance is a powerful instrument to reduce poverty. To mention some uses Microfinance provides: it creates financial service access to beneficiaries, it builds beneficiaries assets, it builds the beneficiaries resistance to different outside and unexpected shocks. However, it is important to note that Microfinance is an instrument to curb poverty, but this doesn't mean it works in every place and for all segments of the society (Schwartz, 2013). Moreover, Ideally Microfinance is thought to always improve its client's capability. However, as different researches indicate this is not always the case (Orbuch, 2011). In some cases microfinance contributes negatively and aggravate the poverty of the beneficiaries, this case had been found in places where there is a surplus microfinance institution (Bateman and Chang, 2012).

Microfinance plays key role in achieving human, physical and social capital to poor people. Creating access to education, training and productive capital, organizational building, and providing physical capital contribute to the self-confidence of the poor. The provision of capital to the poor in order to alleviate individuals' poverty is not the only aim of Microfinance; rather it creates financial institutions to poor people who are excluded from the formal banking sector Wreen (2007). On similar lines, report of the National Bank of Ethiopia (2010), states that MFs play vital role in income generation and asset building as well as poverty reduction and that is mainly because; MFs largely serve low income groups that have no or little access to formal bank loans.

Based on Dunford, (2006) research, there is an assumption that the positive contribution of microfinance in improving the lives of a significant number of very poor people will likely raise and become more and more convincing in the next few years. In the meantime, increment of girls' school enrolment, reduction of infant maternal mortality, improved access to reproductive health services and significant environmental resource conservation are evidences which are enough to say that MFI in Bangladesh and other developing countries contribute to the achievement of Millennium Development Goals.

Tigray is one of the regions in Ethiopia, which is struck by recurrent droughts. Of the total thirty nine major recorded droughts in the country that are characterized by food shortages, famines and excess mortality, more than half of them occurred in parts of the country that include this region. In addition, the border conflicts with Eritrea from the year 1998-2000, the extended national wars that ended in 1999 and the 1896 and 1935 Italian invasion are some of the historical boundary wars in Ethiopia that had happened to in Tigray. The performance of the governance that has been considered as weak for decades together with the situation above resulted in less environmental and biological stability in the Region. Ruined lands, meagre resource bases, and population pressure, which led to further land fragmentations and mismanagement and hence to an even poorer performance of agriculture, also relative to the national average are manifestations of the environmental and ecological imbalance (Woldenhanna and Oskam, 2001 cited in Achamyelh, 2011).

Dedebit Credit and Saving Institution (DECSI) were established in 1997 to provide loan and saving opportunities to the poor people living in urban and rural areas of Tigray region and its target is to benefit individuals who are not accessible to the formal financial sector. Besides, the objective of the institution is to create affordable and accessible micro-finance service to the poor people in the region (Haftom, 2011). However, as Guush and Gardebroek (2011) accredits, due to the quick expansion of the service by 2000, DECSI was providing loans to 210,000 borrowers with 447 million Ethiopian Birr (ETB) total outstanding loans and ETB 74 million total savings. Moreover, in 2002 the nine branches and ninety six sub-branches with headquarters in the capital city of the Regional State (Mekelle) covered more than 91% of the villages in the region and extended loans to about half a million borrowers.

Lideta Microfinance Institution (LMFI) has begun its service in Adigrat town in November 2009 and in Mekelle town on August 2012. Starting 2009, the institution is contributing to the availability of alternative and sustainable financial and non-financial services to the active poor and low income people starting from this time. LMFI is a share company and was established with total capital of 2.5 million Ethiopian Birr. The ownership structure of LMFI is 100% non-government owned, Adigrat Diocese Catholic Secretariat and other

different Catholic institutions which are involved in diverse human development activities are some of the shareholders. Moreover, the institution has formally registered with national banks in April 2012 with the registration number, MFI/035/12.

LMFI provides both financial and non-financial services to its target society. The head office of the institution is located in Adigrat town with two branch offices in Adigrat and Mekelle. The financial service that the institution gives is loan service, saving service and credit life insurance service. In addition to the financial service, the institution offers non-financial services to its clients that include business development and management, basic short computational and skills training, conflict resolution among centres & groups and other awareness creation about crosscutting issues like HIV/AIDS, gender and the environment (LMFI working paper, 2012).

When LMFI began its service in 2009, the beneficiaries were required to come in group form and the loan amount was 500 ETB for each member. Yet, from one cycle to another cycle the loan amount increased and recently these former beneficiaries take a loan amounting 13, 000 ETB. Currently, due to the gradual increase in the cost of living in the country new beneficiaries take a loan that amounts to 3,000 ETB. The loan repayment time interval is from six months to one year depending on the loan amount (LMFI working paper, 2012).

## **1.2. Statement of the Problem**

Microfinance and MFI are among the tools used to address the problems of poverty and development finance at a grass root level; mainly for the poor that has no access to large financial institutions like banks. Yet, their net impact on the lives of the poor people is a debatable issue in the development arena. According to Wreen (2007), Microfinance contributes to the development of human, social and physical capital to the poor. Similarly, European Academic Research (2014) argued that some researchers conducted in Microfinance showed the result that people who access the Service of Micro Finance runaway from poverty and their living condition were improved.

On the other side having a severe constraint of MFI to be considered as a development policy and the short range positive effect of the development option for a little minority is one of

Bateman and Chang argument that has been published in 2012. The very critical doubt raised by Ellerman (2007) as cited in Bateman and Chang (2012) is that the methodology used to evaluate the impact of MFI, mainly, for the purpose of proving the positive contribution of the service, has its own problem. Though it seems natural to see contradictory contribution of MF since it is implemented in different areas and by different institutions, use of indicators by itself contributes to the variety of results.

In Tigray, number of researches have been conducted to examine the contributions of microfinance, but focused mainly on financial and physical capitals; which in turn underlined in income and household asset of beneficiaries, respectively. Guush and Gardebroek (2011) for instance, studied DECSI's contribution in relation to financial and physical capitals which are household consumption and housing improvement respectively. Moreover, the results indicate that microfinance credit significantly raised both annual per capita household consumption and the probability of improving housing (roofs), which is an important welfare indicator in the study area.

In 2010, a study was made by World Vision and its partners in 'Sa'si Tsada Emba' Woreda on African Community Resilience Project, which partly focused on assessing the loans provided by government agriculture office, World Vision and DECSI. This mainly focuses on access to loans, microcredit use and source of repayment. In a broad coverage the study gave to the loan conditions by DECSI, it depicts that some of the beneficiaries implement the loan in a productive purpose, whereas the remaining of them use the loan for household consumption including materials for house construction. Besides, the beneficiaries have a problem in repaying their loans and those that fail to repay their loans are highly marginalized by the society.

If microfinance is going to bring a sustainable development it has to integrate various human and social interventions. If this is done it can contribute for the accomplishment of millennium development goals Orbuch (2011). In Bangladesh, where there is ample microfinance institutions are creating income generating opportunities and there by enhancing the income of individuals, creating better health status , creating better access of education to children, helping individuals posses better assets and promoting the social involvement of individuals. The sum of these positive contributions of microfinance on its



beneficiaries helps to develop their self steam and to involve in various decision making activities. If these goals are met microfinance can easily achieve a sustainable development on the livelihood of its beneficiaries (Bhuiyan, Siwar, Ismail and Islam, 2012).

Generally speaking, in order to see the MF contribution to the livelihood of beneficiary assessments have so far focused on financial, physical, microcredit access and use, repayment and source of repayment despite these indicators do not adequately show us the multifaceted impacts of MF on the lives of the poor.

That is, Social and Human capitals have an important role in improving the livelihood of the poor, but have gotten little attention as indicators of MF contributions. So this researcher will incorporate some human and social capital indicators in the assessment of the contribution to livelihoods.

Moreover, previous MF studies in Tigray including the researches mentioned earlier had focused mostly on the rural beneficiaries of the region. Studies on Micro-finance in the urban beneficiaries of the region are not yet well assessed. Hence, this research by the fact that it focuses on the beneficiaries in the urban part of the region is important for its result.

### **1.3. Objectives of the Study**

The study has both general and specific objectives.

#### **1.3.1. General Objective**

The general objective of this research is to examine the contribution of LMFI service on the livelihood of micro credit beneficiaries.

#### **1.3.2. Specific Objectives:**

2. To assess the income level of micro credit beneficiaries after they joined the LMFI.
3. To assess the contribution of LMFI to the level of children's education and business management capacity of beneficiaries.
4. To assess the social benefit that LMFI brought to beneficiaries.

#### **1.4. Research questions**

1. What changes in income has the LMFI brought in the lives of beneficiaries?
2. What is the contribution of LMFI to children's education and business management capacity of beneficiaries?
3. Does LMFI contribute to increase the social capital of its beneficiaries?

#### **1.5. Scope and limitations of the study**

- Since the study is conducted based upon limited livelihood indicators of beneficiaries, the conclusions are only indications of the contribution the LMFI has had towards this features. The result couldn't be generalized to the overall livelihood changes of the beneficiaries.
- It is important also to note that because of the fact that micro finance services are perused with diverse socio economic, cultural and institutional environment, and its results could not be generalized to the zonal or regional level.

#### **1.6. Significance of the Study**

This study has the following importance for different parties who are expected to make use of this research for planning as well as for their daily activities.

1. It increases the research materials related to micro finance in the locality and inspires other researchers to make further investigations.
2. It would also help the institution where LMFI is implemented, the government and non-government organization, working in the study area, to get a clear picture of their program, to provide basic information and act innovatively.

## **1.7. Organization of the Research**

This study is organized in five chapters. The first chapter discusses the background of the study, the statement of the problem, objectives, and research questions. The second chapter comprises the literature review. The third chapter explains the details of the research methodology. The fourth chapter explains the results and discussions of the research; and finally conclusions and recommendations of the study are presented in chapter five.

## CHAPTER TWO: REVIEW OF RELATED LITERATURE

### 2.1. Concepts and Definitions

**Microcredit:** Microcredit is the name given to small size loans made to poor people who are regarded as bad financial risks, by conventional banks, as they have insufficient savings or assets to obtain a loan. In relation to this, flexible and easy to recognize regulations on loans, small scale activities based on local conditions and needs, clients are small entrepreneurs and low-income households used to generate income (Bliss, 2005).

According Canadian Center of Science and Education (2014) Micro-credit is defined as providing a small amount of loan to poor people, and special focus is given to women who are living lives in poverty at rational interest for generating earnings through self-employment.

Microcredit aims at providing loan opportunity to the very poor segment of society. Moreover, the loan opportunity in turn aims at helping beneficiaries create their own business and thereby improving their livelihood (Bhuiyan, Siwar, Ghafal, Islam) 2012.

**Microfinance:** refers to the provision of formal financial services to poor and low-income (in particular, non-salaried) people, as well as others systematically excluded from the financial system. However, microfinance embraces not only a range of credit products (for business purposes, for consumption smoothing, to fund social obligations, for emergencies, etc.), but also savings, money transfers, and insurance. Besides, microfinance refers to formal

financial services that delivered by providers that are registered with or licensed by a government (CGAP, 2013).

Microfinance is providing financial service for poor and low income people. Moreover, micro-finance is considered as loans and other services provided by organizations which recognize themselves as a Micro Finance Institutions. Principally, the concept micro-finance can be closely defined as the provision of basic financial service such as loans, savings, insurances, and other to the low-income clients, people who are self-employed are also part of it (Ledgerwood, 1999 cited in Avais, 2014).

**Financial Service:** significantly refers to financial services given by MF institutions. Generally, this includes credit and saving service, but some micro-finance institutions not only provide the credit and saving services, but also insurance and payment services (Canadian Center of Science and Education, 2014).

**Nonfinancial Service:** Nonfinancial services are services given by micro-finance often focused on business development services such as training, educational service and health interventions to improve the livelihood of clients aimed at poverty reduction that can enhance the skills and productivity to create a better life-cycle (Orbuch, 2011).

Nonfinancial service refers to social intermediation services provided by MF institutions such as group formation, development of self-confidence and training in financial literacy and management capabilities (Canadian Center of Science and Education, 2014).

Microfinance institutions apart from financial services, they also provide non-financial services such as business development service (BDS) and preventive health services and others. Biosca, Lenton and Mosley (2011), while clarifying some of the services:

**Business Development Service:** this service is included in the non-finical service and its target is to educate beneficiaries' basic skills that enhance their business performance. These incorporate topics such as setting selling prices and setting favorite places for selling and other important themes.

**Preventive Health Service:** the purpose of this is to improve health consciousness. In addition to this, it also helps people gain improved preventive health practices and utilization of standard health care services.

**Cross cutting issues:** these issues are implemented in coordination with the core development works of governmental or non-governmental organizations. These crosscutting issues vary according to the interest of the organization. For instance, the general concern of the Government Office Regions and its partners is aid co-ordination, institutional capacity development, gender mainstreaming and environment (UNDP Rwanda annual report, 2006).

**Capital:** this is the sum of the productive resources and principally involves the future income that will generate using the current materials or labour one invests (Bhuiyan, Siwar, Islam) 2012.

**Asset:** this can be categorized into tangible and non-tangible and it principally involves resources that help one in his/her plans and activities to create a better living condition. This

means the strategies to develop livelihood depend on the assets (Bhuiyan, Siwar, Islam) 2012.

**Livelihood:** The term livelihood is recognized as humans inherently develop and implement strategies to ensure their survival. Besides, the hidden complexity behind the term comes to light when governments, civil society, and external organizations attempt to assist people whose means of making a living are threatened, damaged, or destroyed. From extensive learning and practice, various definitions have emerged that attempt to represent the complex nature of a livelihood (International recovery platform secretariat, 2009).

*“When asked “what is a livelihood”, few would struggle to answer. “Making a living”, “supporting a family”, or “my job” all describe a livelihood.” International recovery platform secretariat (2009) (P1)*

According to Department for International Development, Document on Livelihood (2001), accredits that, when the concept of livelihood arises, it is important to note that it entails different assets within it. In addition, the growth of these assets measure the progress of livelihood conditions. These livelihood assets include Human Capital, Physical Capital, Financial Capital, and Social Capital. As it indicated in this paper:

**Physical Capital:** this includes people possessions not only to fulfil their basic needs, but also to gain other capital; this is like getting access to transport in order to get access to infrastructure. This includes possession like building, bicycle, agricultural tools, and electrical and communication system.

**Human Capital:** It includes household member's knowledge, skill and capability to improve their day to day living conditions.

**Financial Capital:** This includes important assets for smooth life. These are cash income, saving, loan supply and remittance.

**Social Capital:** This includes social resources like networks, social claims, social relations, affiliations and associate. The resources enhance peoples trust to each other and thereby reducing transaction and building informal safety net among the poor people.

**Natural Capital:** this includes resources that people get naturally such as land, water, soil, mineral, plant, fisheries, animal life and the environment.

## **2.2. Microfinance and its aim on the livelihood of the beneficiary**

At the beginning, MF has been introduced in Bangladesh, with the idea of supporting small, informal microenterprises and to creating self-employment to the extensive and rapid poverty happened in Bangladesh. However, in 1990's, the concept had a great attention from the international development community and adequate fund were budgeted taken as poverty reduction Policy, Bateman and Chang (2012). Particular focus given to women and having majority women users of Microfinance service is one among the reasons that contribute to the rise in popularity in Bangladesh and other places where microfinance institutions are expanding. (Taiwo, 2012)

The Grameen solidarity group model is a kind of loan targets at individuals involved in group form. The average number of individuals in a group is 4–7 and this creates a high social benefit among the individuals. The individuals in the group forecasting the guarantee of the



group trust and help each other. These groups contribute to the development of a solid network in the society (Alemayehu, 2008).

In Ethiopia, Micro-credit programs are recent phenomena, introduced in 1980's by Nongovernmental organizations as one component of poverty reduction. In 1996, the MF proclamation (40) 1996 had been ratified and in numbers of MFIs has been established and operate with the aim of giving financial services to the poor people with no access to financial service as a result of the legal framework created (Endalew, Endrias and Jema, 2013). Moreover, the main target of governmental and non-governmental Micro Finance services is to improve the livelihood of the poor and thereby ensuring food security all over the country. Yet recently there are 31 legal Micro Finance institutions in the country Bekele, and Dereje (2008). In Tigray, DECSI is the pioneer micro finance institution established with the aim of giving financial services for production service since 1994. Then DECSI had been launched officially in 1997, one year after the proclamation of MF ratified in the country and the expansion quickly disseminated into many small villages of Tigray, Guush and Gardebroek (2011).

The research conducted on DECSI in Tigray has come out with the results that the MFI service notably contributes to the rise of per-capita household consumption. In addition, this service has significantly improved housing condition, particularly roofing, which is considered as a significant wellbeing indicator in the study area (Guush and Gardebroek, 2011). Achamyeleh's (2011) in his research on DECSI concluded that the credit taken shows a positive correlation with the improvement of child nutrition and DECSI targeting the poor of the poor segment of the society more than the moderate poor rural households were also the other finding on the service in this area.

### **2.3. Microfinance and its contribution of financial capital**

Isserles (2009) explained in his research about a small reservation on MFI, that's a little enhancement has been realized in the lives of the people who have access to the service. According to European Academic Research (2014), some researchers conducted in Microfinance (e.g. Malik, Malki, & Imai) showed the result that people who access the Service of Micro Finance ran away from poverty and their living condition were improved.

However, Lozano and Japos (2011) gave their thought that data from local and international research discovered the smallest significance of financial gain into the enhancement of the lives of the beneficiary. Having a severe constraint of MFI to be considered as a development policy and the short range positive effect of the development option for a little minority is one of Bateman and Chang argument that has been published in 2012.

Regardless of the efforts made to measure the contribution of long term effects of MF service to poverty reduction, the result is yet limited due to the problem of measuring counterfactual outcomes and poor follow-up of the long-term service to measure the impact (Guush and Gardebroek , 2011). Regardless of the aim of the MF, encouraging small income people to engage in self-employed activities, the use of credit has difference for clients to other clients. Though most people take credit for productive purpose and others also use the loan they take from MFI for expense purpose, such as school fees, housing, construction materials, and daily consumption needs (Institutional Assessment Report of world vision, 2010). However, Fernando (2010) accredits the critical call for investigating on the impact of micro-finance model and in its general trend.

## **2.4. Microfinance and its contribution to human capital**

According to Nichols, (2004) the provision of microcredit has had a range of positive impacts on a poor community in central China. In addition, it led to several positive impacts in the lives of borrowers, particularly in terms of self-satisfaction, economic security, improved living conditions, increased spending expenditure on education and health, and an enhanced sense of well-being and expressing a sense of enhanced confidence in themselves and their ability to manage their own economic affairs. This enhanced industriousness also led to social benefits at the wider level, it was claimed, people were now less idle and so less inclined to engage in activities such as gambling, fighting, and theft.

Based on Kahna and Rahaman (2007) research at MF, spreading the access of education throughout the society is another critical goal of all Micro Finance Institutions. Besides, eliminating level of poverty, illiteracy and disease and contributing to human development is the mission of Micro finance and has a goal of expanding educational opportunities for the disadvantaged children and their effort is to provide necessary technical and financial support.

## **2.5. The Contribution of Micro-Finance Institution in Building Social Capital**

The MFI has a number of development assistance programs to promote community interaction and to sustain social contact either through extended family networks or geographic proximity as a means of building social capital through frequency of mandatory meetings with borrower groups. In addition, group lending, achieves clients to meet weekly in groups to make loan payments low rates of income, builds new social capital among participants and strengthening existing social capital. These meetings encourage regular interaction among members of highly localized communities. Encouraging clients to meet more often (for six to ten months), leads to persistent increases in social ties. Besides, social interactions encourage norms of reciprocity and trust. In fact, participation in groups is often used to measure an individual's or community's degree of economic cooperation (Feigenberg et al., 2010). In addition, as a result of getting together, Isserles came with the data that the use of contraception and child immunization had increased.

The contribution of MFIs funding to the rural and urban women and youth, business expansion is the vital role played by MFI. These institutions play a vital role in boosting up the incomes of their clients. At the MFIs services, the reason behind the massive use of the loan service as compared to the rest of the services is that most small scale entrepreneurs require funds for starting up ventures, reinvesting in the existing businesses or overcoming various financial obligations (Charles, 2003).

### **2.5.1. Social performance indicator**

The ‘social performance indicator’ developed by the Centre for a Russian International Socio-political and Economic study has been used to evaluate seven microfinance institutions in Mozambique. The evaluation paper has been presented at the African economic conference in Addis-Ababa, Ethiopia, in 2007. The social performance indicator included in the document will be presented next.

1. **Outreach to the poor and excluded:** if the outreach of the microfinance services is going to be measured it must include the amount of economically and socially excluded part of the population.
2. **Adoption of services and products to the target clients:** These measures the number of beneficiaries satisfied with the products and services of the institution.
3. **Improving social and political capital of clients:** this assesses the transparency existing between the institution and the beneficiaries. In addition, it also assesses how much recognition the beneficiaries’ voice has in the institution and beyond.
4. **The Social Responsibility of the Microfinance:** this assesses the coordination between the culture of the microfinance and the cultural and socioeconomic condition of the beneficiaries. This focuses on the relationship between the credit guarantee and the existing culture of the beneficiaries. It also assesses the relationship between staff and the beneficiaries. Besides, it evaluates the participation of beneficiaries in the decision making of the institution.

## **CHAPTER THREE: RESERCH METHDOLOGY**

### **2.1. Site selection**

The study had been conducted in Adigrat town located on the Eastern Zone of Tigray Region. The fact that this town was selected is based on the reason that LMFI did a long time of service in the town and it is appropriate to see its contribution on its beneficiaries. LMFI branch office in Mekelle was established in August 2012.

### **2.2. Description of the Study Area**

#### **3.2.1. Physical Characteristics and Demography**

Adigrat town is located in the Eastern part of Tigray. It is found at 014°16'34'' N latitude and 039 ° 27'51'' E longitudes and its altitude ranges from 2000 - 3000 meters above sea level. The mean annual rainfall of the study area is 400 to 600mm and the annual minimum and maximum temperature is 6°C and 21.8°C respectively, and the town has an estimated population of about 72,631 (Alembrihan and Haylegebriel, 2014).

#### **3.2.2. Social and Economic characteristics**

Adigrat town, there are 17 manufacturing industries, 915 wholesale traders, 2350 retail traders, 1381 service trades and four fuel stations. There are five banks and one micro-finance organization called Dedebit giving financial service in the town.

There are five private kindergartens, one government and four private primary schools, seven private and nine government junior secondary schools, three government and one private senior- secondary schools, one preparatory school, one TVET, one university, one government and five private colleges in Adigrat town.

Regarding the health services, the town has one government hospital, two government health centres and eight private clinics in the town. The town has ambulance that gives service for emergency cases. (Ministry of Urban development, housing and construction, 2013)

### **3.2.3. Vulnerability**

In a study under the title of “food security and vulnerability in selected town of Tigray Region, Ethiopia (2009) undertaken by WFP, UNICEF and Tigray Regional Government in some town of the Tigray Region including Adigrat town it has been depicted that 58% of the population live on absolute poverty. This figure has a difference with that of the national image (44%). From Adigrat town households 3.8% possess poor asset and their mean monthly per-capita expenditure is 237 ETB.

## **3.3. Research Strategy and Design**

### **3.3.1. Research Strategy**

This research analyzed the qualitative and quantitative data collected using sample survey, focus group discussion, and key informant interview and recording data of LMFI. Sample survey was used as a quantitative tool to study the participants of the program on some of the main living condition indicators. The questionnaire included among other questions related to level of income, saving, education, business activities, social interactions to understand the whole process and to capture unanticipated consequences. The researcher used focus group discussion with two groups of beneficiaries and necessary data were obtained from key informant’s interview from LMFI CDW (Community Development Workers) and experts.

### **3.3.2. Research Design**

To answer the research question of this study, the researcher employed cross-sectional survey studies. Triangulation has been employed for it helps to increase the reliability of the results by comparing the data obtained from one source with the other sources. The data obtained from questionnaire and focuses the group discussion has been triangulated with data from key informants from LMFI recorded data.

### **3.4. Data**

#### **3.4.1. Data Sources**

The potential sources of primary data were the credit users themselves and the community development workers. Secondary data were collected from the LMFI data base.

#### **3.4.2. Data Type**

Both primary and secondary types of data were used to achieve the stated objectives of the study. The primary data were collected through the use of semi-structured questionnaires, focus group discussions and key informant interview. Secondary data were obtained from the records of LMFI.

### **3.5. Target population and Sampling**

The target population for this study is LMFI beneficiaries in Adigrat. According to LMFI record, there were 1571 LMFI beneficiaries in Adigrat. Hence, beneficiaries who have at least four years of attachment to the institution were selected using purposive sampling technique, which corresponds to 120 beneficiaries.

Various studies have so far been done focusing on the contribution of microfinance on their beneficiaries. These studies have been done by taking beneficiaries that have three or four or more years of stay in the institution. Recently a study has been conducted by Bekele and Dereje (2014) in Mekelle city by taking beneficiaries that have three years of stay in the institution. This researcher by taking into account the various researches done on microfinance has purposely selected beneficiaries that have at least four years of stay in the institution.

### **3.6. Sampling Design**

Household-level data of LMFI were collected through semi-structured questionnaire through sample survey. The study conducted by using purposive sampling technique. To select the household respondents through purposive sampling technique, the first step was identifying a



group of individuals who are known as beneficiaries of the institution. From 1571 household heads who have provided service from the LMFI, the researcher have taken beneficiaries who have at least Four years of attachment to the institution, and this number corresponds to 120 beneficiaries. Thus, the lists of household respondents are the sample frame of the study. The data collected were further supported by focus group discussions, key informant interviews and LMFI recorded data.

### **3.7. Data Collection Instrument**

#### **3.7.1. Questionnaire**

Basically, the questionnaire employed was a semi-structured one in such a manner that it brought out maximum information about the contribution of LMFI on the lives of the users. The questionnaire contained a combination of closed and open ended questions. The open ended questions encouraged respondents to provide detailed answers to the questions, while the answers to the closed ended questions required that the researcher seeks further clarification from other sources in order to be able to use such information adequately. Five enumerators had been employed to collect data from the beneficiaries and it was expected that each enumerator would complete five questionnaires a day.

#### **3.7.2. Focus Group Discussion**

Qualitative data had been collected through focus group discussion. Focus group discussion was used to increase the researcher's understanding of the case. It also served as part of data triangulation to ensure reliability and validity. The focus group discussion was guided by few questions. 10 beneficiaries addressed through questionnaire have participated further in focus group discussions. Five subjects from each (1<sup>st</sup> and 2<sup>nd</sup> cycle) have been chosen for the focus group discussion. The researcher to choose these subjects has undertaken an informal discussion with both cycle beneficiaries and has selected those who have better skills in expressing their thoughts freely. Therefore, the researcher conducted the focus group discussion with a total of ten discussants.

### **3.7.3. Key Informant's Interview**

The key informant interview constituted Five LMFI CDWs and experts. These CDW and experts were addressed through interview in order to acquire information with the findings from the LMFI beneficiaries. From the five members chosen for the key informant interview the three are CDWs whose tasks are selecting beneficiaries for the institution studying business related and other background of the beneficiaries, and providing and collecting loans from and to the beneficiaries. From the remaining two one serves as expert of the Adigrat branch of the institution and he is in charge of reporting, monitoring and evaluation works. The last member is from the head office in charge of the highest management and control works and additionally he follow-up the overall works done on the both branches.

## **3.8. Data Processing and Analysis**

The data from this study has been extracted manually. Analysis of quantitative data was conducted by employing simple statistical tools such as averages and percentages, while all qualitative data were manually extracted by key common issues, coded and analyzed by categorization, classification and summarization techniques using MS Excel. The findings were then systematically organized, summarized and presented in the form of figures and tables as appropriate.

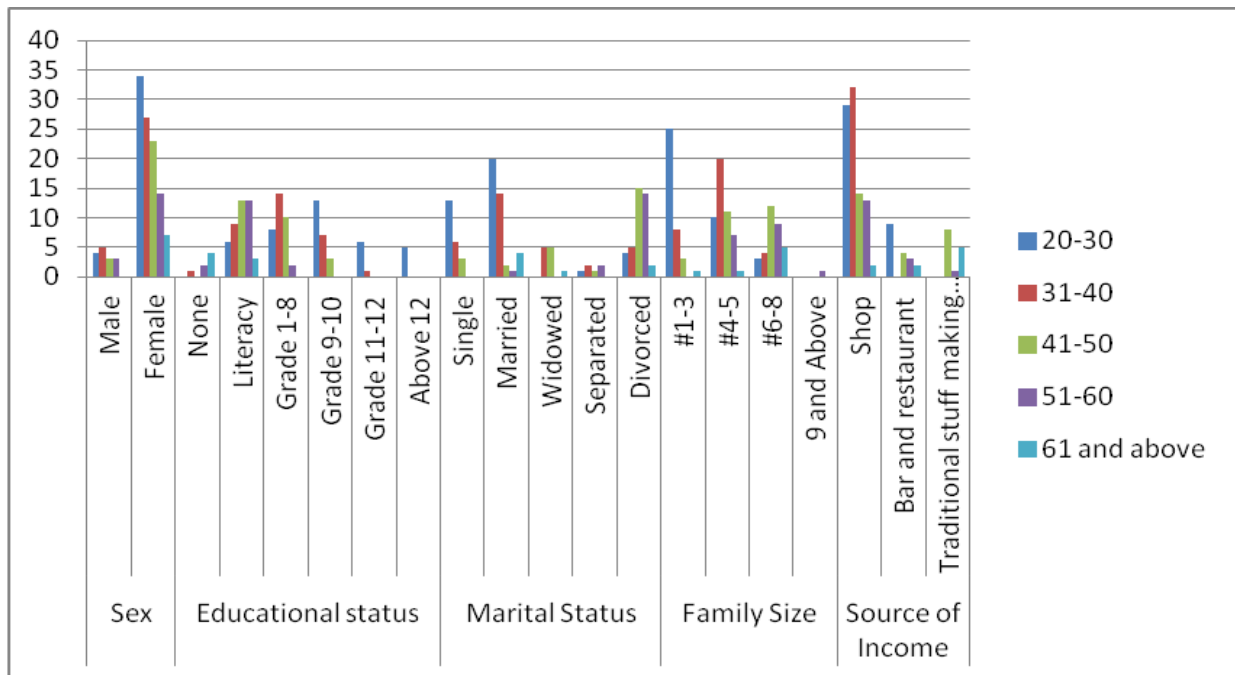
## CHAPTER FOUR: RESULTS AND DISCUSSIONS

This chapter provides the empirical findings obtained from the collected data along with discussions explaining the findings of the study. The primary information was collected from beneficiaries of LMFI through a questionnaire, focus group discussion and key informant interview and the secondary information collected from LMFI recorded data.

### 4.1. General characteristics

The study particularly targeted 120 beneficiaries of LMFI who received financial and non-financial services at least four years. The primary information obtained through 120 questionnaires, whereas two focus group discussions were conducted with ten members of each five from two cycles. Further the primary information obtained through interview with five CDW and experts of the program. The secondary information further gathered from LMFI recorded data. 120 Respondents were selected using purposive sampling who have at least four years of attachment to the institution.

Figure 1: General characteristics of beneficiaries



*Source: Research household survey, 2014*

### **4.1.1. Age**

According to Stoeldraijer and Van (2010) in discussion paper developed based on age, wage and productivity in 2010 having seen many cross-section time series estimations, it has been found out that the highest productivity age category is 30-45 and the lowest is 25 and below.

In this study, 24.16 % of respondents were in the age group 20 to 30 years, 41.66% indicated being between 31 to 40 years, and 20% in the age group 41-50, 10% in the age group 51-60 and 4.17 % were in the age group 60 years and above. This means that a greater number of respondents were between 31- 40 years.

As this study indicates 52% of LMFI beneficiaries are on are on this highest productivity age category (30-45) within congruent with the fact that microfinance gives due attention to beneficiaries who are productive income generating business.

### **4.1.2. Gender**

Beginning of 1976, United Nations Decade for Women, feminist educators and activities from all over the world, have struggled to change and promote development thoughts and practices of women. Due to the impact of this, nowadays programs promoting the development process of women are being introduced. Moreover, much of the microfinance work target currently focuses on women.

The sample of this study incorporates both female and male participants. It shows that of the respondents were 87.5% female and 12.5% male. This is testimony to the fact that most beneficiaries from LMFI are women.

When first LMFI endorsed the program has taken into account that 75% and above of the beneficiaries must be females. This study shows that the program has achieved the targeted plan.

#### 4.1.3. **Educational status**

As Feleke (2011) indicates microfinance creates a much better positive effect on beneficiaries equipped with a better education and skill training on business administration, income generating and loan repaying, than on beneficiaries have no education and training skills.

According to Figure: 1, 4.1 % of respondents have diploma and degree while 5.9 % indicated having grade 11-12, whereas 16.17% attained grade 9-10, 28.3% attended elementary school or grades 1 -8. The majority, 36.6% attended basic literacy skills and the reaming 5.8 % were illiterate. Based on the key informant's interview, the illiterate figure indicates beneficiaries who don't attend a basic literacy program due to several problems.

As this educational status data indicates 5.8% of the beneficiaries have no any kind of literacy skills. In a related issue, as the data from key informant interview indicates that the reason for this is due to the beneficiaries' absenteeism and withdrawal during training programs. Hence, the institution taking into account the benefit of skill training has managed to engage beneficiaries in literacy programs.

#### 4.1.4. **Marital status**

As Schwartz (2013), depicts lonely women (single, widowed, separated and divorced), have a better tendency to become beneficiaries of microfinance.

In terms of marital statuses in this study, 16 % of respondents were single, about 32.5% married, 1.7% widow, whereas 33.3% divorced and 9% separated. This indicates that there are a high number of separated families which constitute for about 42%.

The result indicates that the total 67% are lonely and 33% of beneficiaries are married. Yet, this marital status data contrast with that of Feleke's (2011) data. According to Feleke the majority of the women beneficiaries were married. Besides, Feleke also depicts that due to their marriage partners the beneficiaries find it easy to gain better business ideas and additional income from their partners in order to start income generating activities.

#### 4.1.5. **Family size**

When a family has a large number of members a Variety of interests and occupations will exist. This potentially leads to the multifaceted demand for financial services. A probability of diversified income generating activities will be real in the family and result different sources of income for repaying loan and reduce the external risks Monje, Gonzalez, Meyer, Navajas, Schreiner and Rodriguez as cited in Taiwo (2012).

In terms of family size, 30.8% respondents have one up to three, 40.8% have between four up to five, whereas 27.5% have between six and eight and 0.3% had nine and above.

In this study the family size was defined the number of people who live together permanently. About 69 % of the respondents have four and above family size.

#### 4.1.6. **Source of income**

As Bateman and Chang (2012) indicate microfinance targets on providing microcredit service to the poor segment of the society, enabling them to run their own business and generate income and defeat poverty.

According to figure 1, the result indicates the fact that LMFI targeted only at beneficiaries who engaged in their own business. 100% of beneficiaries have their own small business. About 74% of respondents owned small shops which 39.1% of their business operated in the local market and the remaining others is based at home. 15% of the respondents owned a small bar and restaurant whereas the remaining 11% are engaged in traditional stuff making and selling business.

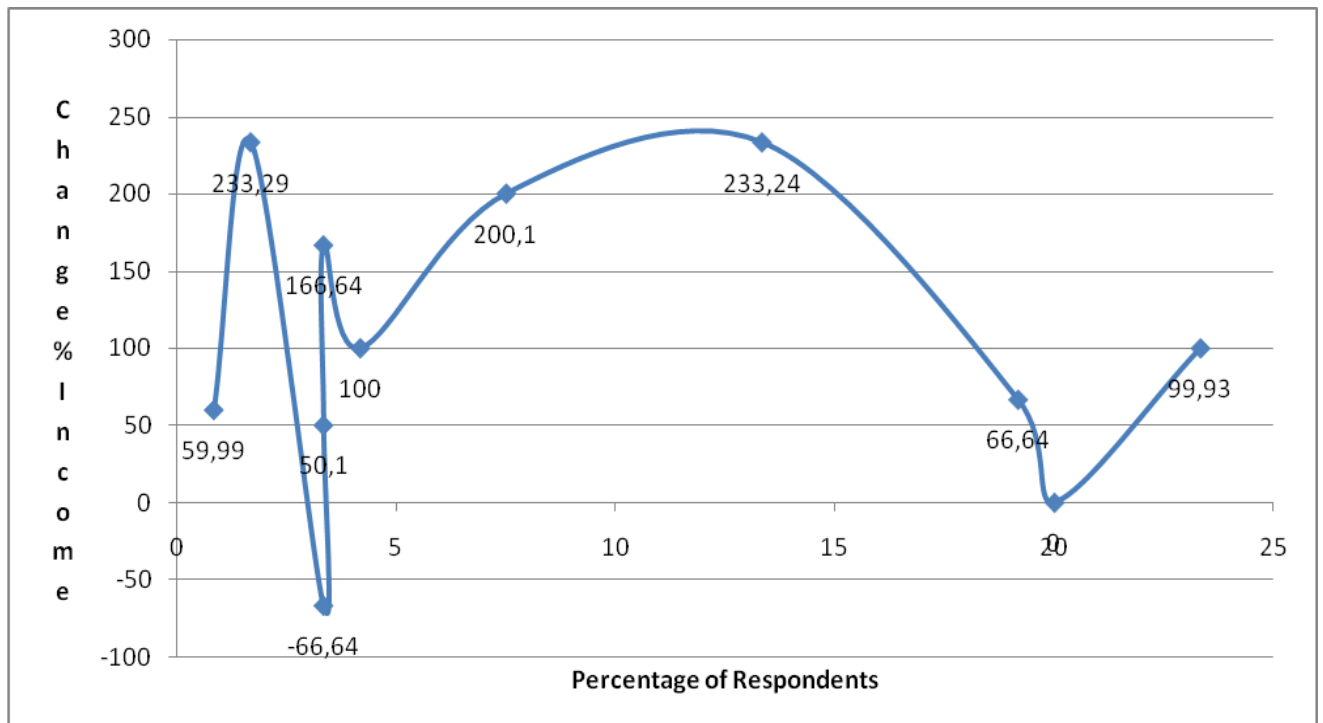
As the data from this study indicate all LMFI beneficiaries are engaged in their own income generating business. Hence, LMFI services go incongruous with the general MF targets.

## 4.2. Financial Capital

### 4.2.1. Income

According to Khandker (1999), when the income of beneficiaries enhances saving and educational asset it ensures household economic security and basic needs. Moreover, the effect of the service from Microfinance is first seen on income and employment. It is after this that it can be diversified to consumption, nutrition and education.

Figure 2: Change percentage of income



Source: Research household survey, 2014

From the figure above, it's evident that the income of beneficiaries showed an increment after they join the LMFI as it indicated that 25% of them have 101-233.29% income increment, whereas 38.8% show 50-100% increment. However the income of 20% percent of the beneficiaries remained the same and 3.3 % of them showed a decrease in their income.

This could mean that the LMFI service has positive and significance relating to the improved income of beneficiaries. In order to see the contribution of LMFI, the researcher tried to minimize the effects and influences of other sources of incomes and incomes that come after beneficiaries who joined in the program.

This result has been obtained by comparing the beneficiaries' income before they joined LMFI with the average category taken from the questionnaire.

Based on the focus group discussion data, participants comparing their past and present livelihood, many of them said that they have progressed in their income, children educational conditions, business management and social performance.

*'Today, thanks to LMFI, I sell cold beer and my income has improved.'*

This is the opinion of one of the participants of focus group discussion who was selling not cold beer as she was not able to buy refrigerant before she joined the LMFI. This beneficiary said that not having a television in her house was affecting her business and income. But now she said that people are happy to stay longer in her house and as the result her income is enhanced.

As one member of the focus group discussion, Male, expressed:

*"When I first joined LMFI, I was working as a shoe shine boy and LMFI staff members were my customers. But due to the loan I took from the institution my capital has increased from time to time and now I own a shop where I sell shoes and clothes. In addition, I have bought a bicycle to assist my day to day work. For the future my plan is to intensify my business works and reach into a state where I do not need any more loan assistance."*

In congruence with the findings from Chalchisa (2006), this research also reveals the positive contribution of microfinance in the growth on income conditions of the beneficiaries. However, although findings for Chalcis indicate no signs of growth on the voluntary saving habits of beneficiaries after they joined the institution in contrast this research reveals a

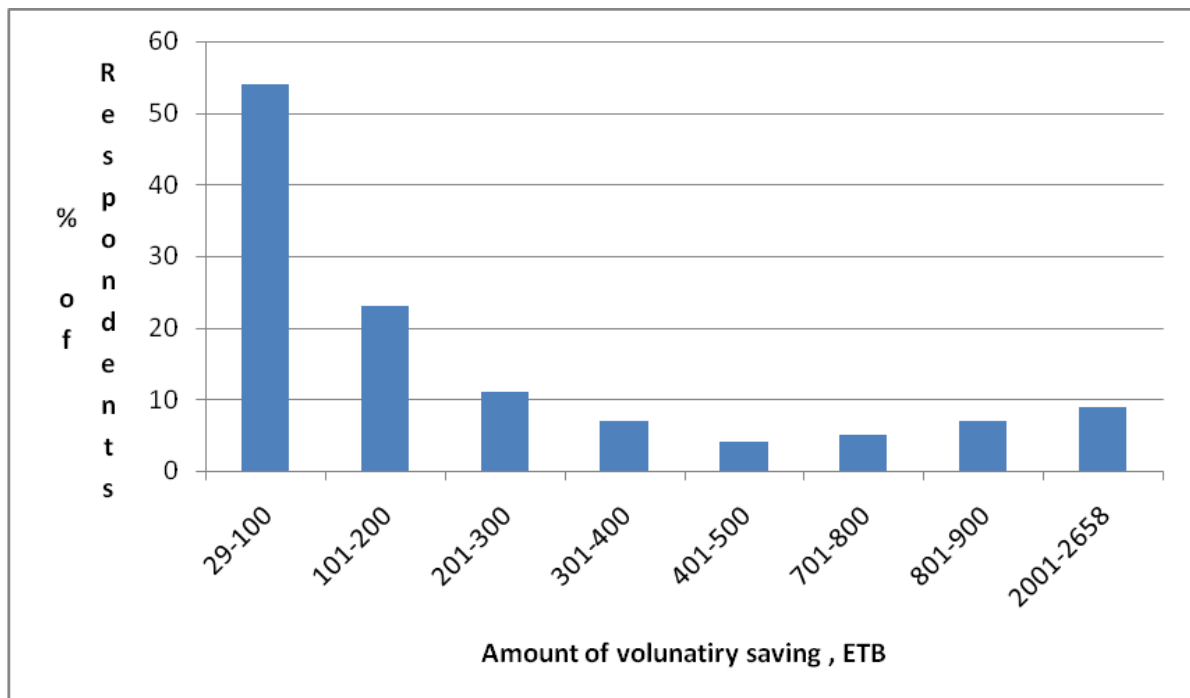


considerable growth on the saving habits although the amount differs from one individual to another.

### 4.2.2. Saving

Saving scheme is related to income and aims at making the beneficiaries consumption smooth and enables them to pay back their loan. Moreover, there are voluntary and mandatory way of saving developed and managed by the institution and they highly contribute to the benefit of the institution Chalchisa (2006).

Figure 3: Saving status of beneficiaries



Source: LMFI recorded data, 2014

According to figure three in terms of voluntarily saving in Birr (ETB) 13.3% of beneficiaries achieved to save 801-2658, 7.5% saved between 401-800 , whereas 15% of respondents saved between 201-400 and 64.16% of respondents saved between 29-200. This type of saving is based on full will of beneficiaries and beneficiaries are free to save and withdraw it at any time.

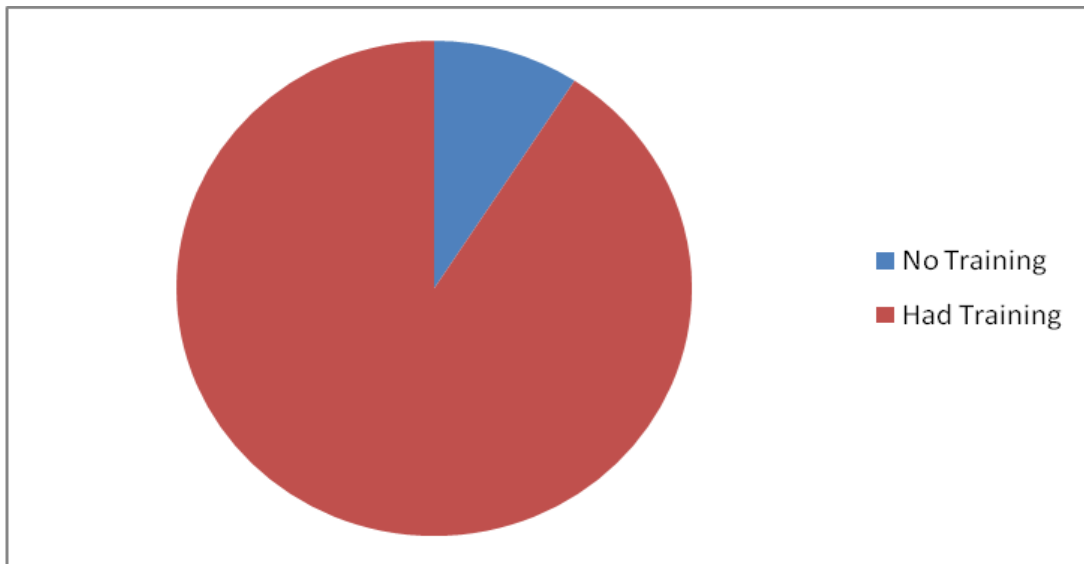
As saving habit of beneficiaries is concerned, they are fully aware of the benefits of saving and are in the state of implementing it. From the respondents addressed using a questionnaire 30% of them expressed that they use their saved money to promote business and create other business works. The other 32.5% expressed that they use the saved money as a guarantee in case of health problems and other family problems. The other 9.17% use the saved money for purchasing school materials for their children and buying household materials. The other 26.6% expressed that they have no particular immediate plans, but they are simply content with the growth of their saved money when important necessities come into their life, the remaining 1.6% failed to give a response. This shows the time by time growth in awareness and practices of saving on the part of the beneficiaries. This in turn is believed to promote their business works and can serve as a guarantee in time of unexpected risks.

### 4.3. Human Capital

#### 4.3.1. Beneficiaries Participation on Trainings

Orbuch (2011) accredits that the social service provided by microfinance contribute to the growth of human development. Educational services including trainings contribute to the overall awareness promotion of the beneficiaries, thereby making them productive in their life. In addition, it also equips them with the fundamental skills as to how to set selling prices, purchase goods and calculate properly their costs and benefits. This in turn contributes to the growth of their income benefit and guarantees the institutions with the return of their loans.

Figure 4: Beneficiaries participation on Trainings



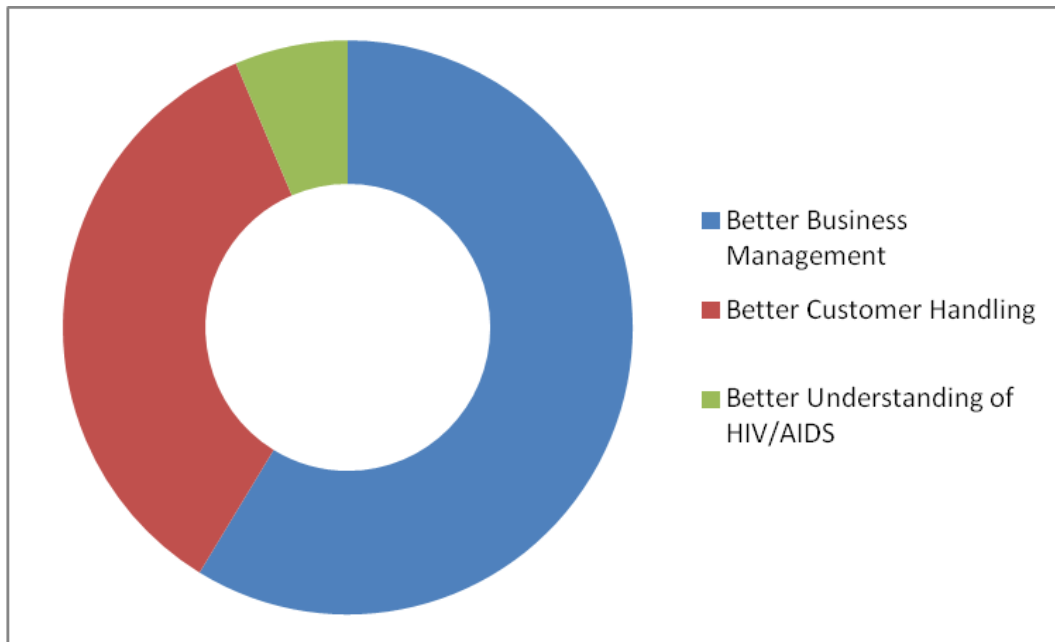
*Source: Research household survey, 2014*

In terms of training, 90.8% of respondents had been trained in business development and management, basic short computational and skills training, conflict resolution among centres & groups and other awareness creation about crosscutting issues like HIV/AIDS, gender and the environment. Among them further 36.6% attended the basic literacy program. However,

9.17% of the respondents had not attained training due to several problems. According to the LMFI expert and a member of LMFI management, this was due to absenteeism and dropouts of beneficiaries after attending training. Moreover, In terms of its significance it is evident that beneficiaries find it positive as 66% of respondents confirmed as highly significant and the remaining 34% as significant.

### 4.3.2. Outcomes of trainings

Figure 5: Outcomes of trainings



Source: Research household survey, 2014

According to the figure five the outcomes of training were positive. The result indicates 58.6% have improved business management capacity, including managing to record daily sales and the cost of materials or goods. Whereas 34.8% of respondents developed better customer handling and as the result have more customers and 6.4% confirmed that they have a better understanding of HIV. This could mean that the training made respondents beneficial by different aspects and the large number of the figure goes to business related benefit.

As the results of the focus group discussion indicated due to the continued training the beneficiaries took they have been able to take a good experience as how to get goods from the market, how to set their selling price and other valuable information in their market and this in turn has played a great role in their income.

### 4.3.3. Educational Conditions of Children

Services provided to beneficiaries is believed to promote the educational status of children. In a study by Chowdhury and Bhuiya (2004) as cited in Fleke (2011) from Bangladesh it is observed that there is a better educational performance of children after beneficiaries joined the Microfinance institution.

Table 1: Children school enrollment

School Enrollment of Kids	No of Respondents	Remark
Attend Only this Time	2	<ul style="list-style-type: none"> <li>Lack of awareness on the side of parents and inability to afford school materials</li> </ul>
Quit this Time	1	<ul style="list-style-type: none"> <li>Shifted to business</li> </ul>
Never Attended	1	<ul style="list-style-type: none"> <li>Lack of interest</li> </ul>
Have Always been Attending	87	
<b>Total</b>	91	<ul style="list-style-type: none"> <li>The remaining 29 respondents are with no children</li> </ul>

Source: Research household survey, 2014

According to table one, the school enrolment data show increment only by 2.2% . The main problem was due to lack of awareness on the side of parents and inability to afford school materials before they join in the program.

Though the rate of children school enrollment showed no difference, Whereas the focus group discussion result shows that, due to the institutions, awareness raising program principally focuses on education, beneficiaries have more awareness, they are affording better school materials to children, and overall they become supportive on their children education after they joined to the program than before. Besides, the children of the beneficiaries have invested their time in helping the business in a way that doesn't interfere with their education.

*“I am not letting my children anymore to be absent from school, my social inclusion has improved and I have got much experience from my group members, how aware they are on the education of their children”*

This is a say one participant remembering the time that she was letting her children to take care on the business while she attends some social events outside the home.

And another participant, Female, also explained her experience by saying,

*“Currently, due to the good income I generate from my market I am able to buy the materials my children need for their school, but previously I used to feel embarrassed when the children asked me to buy them the necessary materials for their school. Currently I and my children are content with our lives.”*

Besides, as the result from the focus group discussion indicates the income of the beneficiaries has shown a considerable growth through time. Yet, the children of the beneficiaries invest their time in helping the business in a way that doesn't interfere with their education.

When the health status of beneficiaries is compared before and after the joined the institution as the results of the focus group discussion reveal there is a positive increase

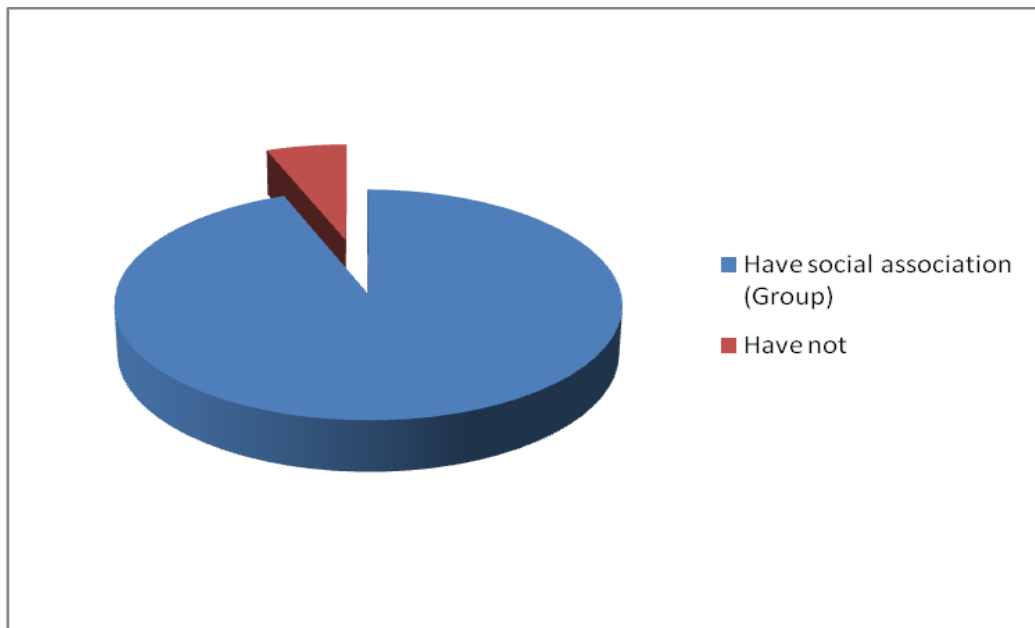
in the health awareness and status of beneficiaries after they joined the institution. Some of these positive changes are implementing health prevention schemes broadcasted through mass medias and taking a member of family immediately into nearby clinic or hospital when he/she get sick. As one of the focus group discussion witnessed, previously when she got sick she hoped she would get cured simply when the time goes on and did not go to health center. But, currently after she joined the microfinance she takes care of her health and immediately goes to a health center when she gets sick.

## 4.4. Social Capital

According Augusto and Ferriera (2007), current microfinance institutions shouldn't only come demonstrate the impact of their service towards financial wealth, but social benefits to the community be supposed to come together. Moreover, Orbuch (2011) suggests if microfinance is going to contribute to the achievement of millennium development goals it has to involve non-financial services part from the financial services.

### 4.4.1. Social grouping

Figure 6: Social association status



*Source: Research household survey, 2014*

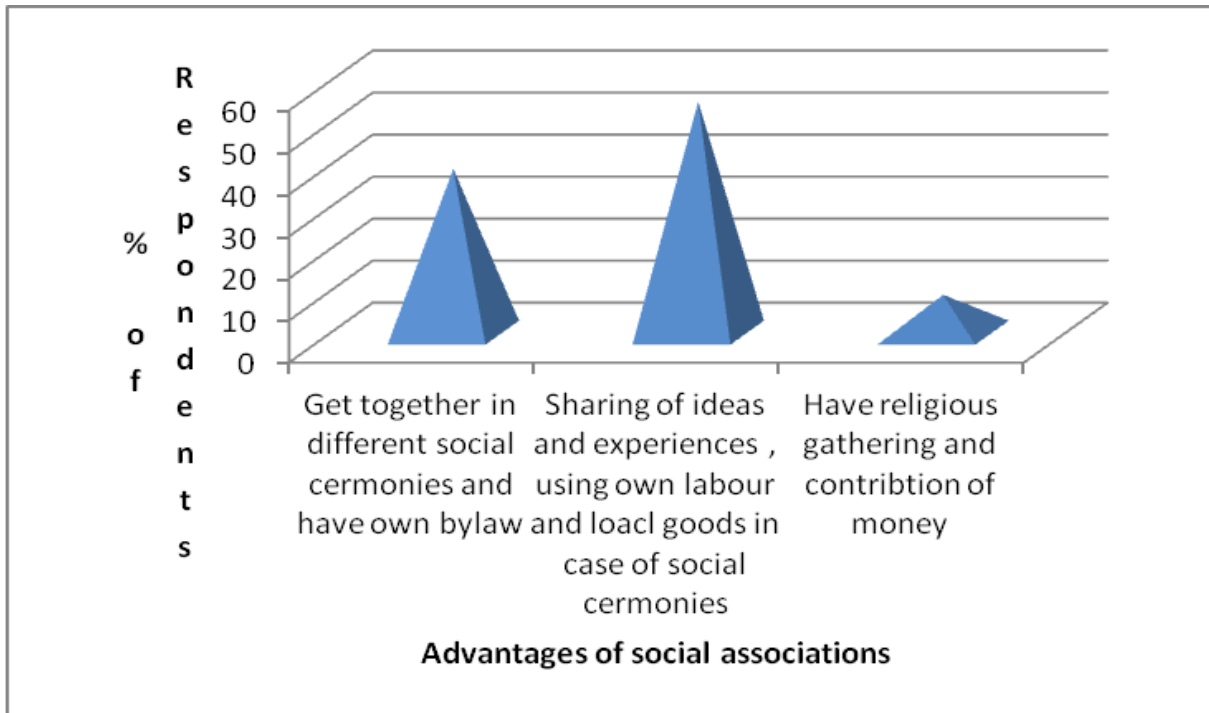
According to figure 6: 94% of respondents were member of different social grouping or associations. And the remaining 6% were not participating in any of social grouping. According to this it could mean that most of the respondents involved in different social associations.



#### 4.4.2. Advantages of social grouping

In terms of the advantages of social grouping, among the respondents, 53.3% respondents confirmed that their social grouping is functional in sharing of ideas, experience of business and life and further for sharing of local goods in the case of social celebrations created among them. 37.8% of respondents confirmed that they get together in different social ceremonies and have their own regulation and 8.73% were members of ‘ Mahiber Silasie’ (This is religious gathering).

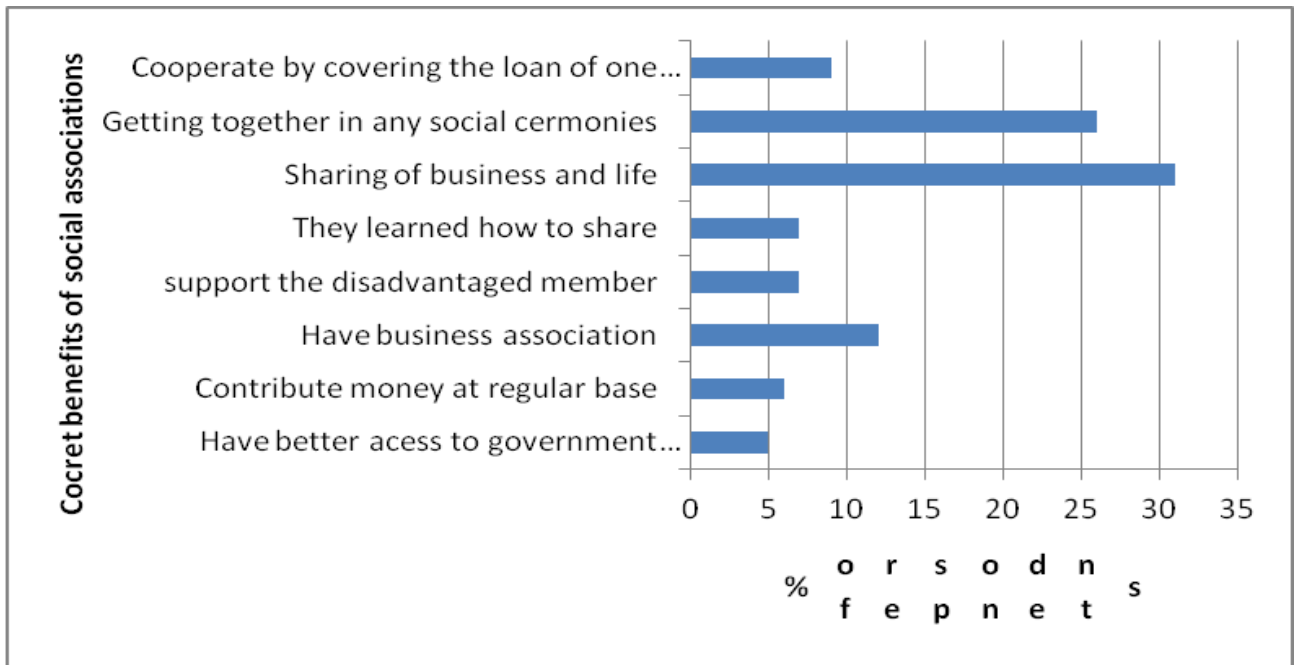
Figure 7: Advantages of social associations



Source: Household survey, 2014

#### 4.4.3. What beneficiaries think they gained from their social grouping?

Figure 8: What beneficiaries think they gained from their gathering



Source: Research Household survey, 2014

Respondents telling concrete benefit obtained from their social association, 8.8% of respondents gained better access to government services through their association, 5.8% of respondent contribute regular money they use for the support of different social ceremonies among them like 'Edir', 11.6% have local market association in selling and accessing the wholesalers, 6.7% indicated that, through their own saving system also beneficiaries cooperate by giving a prior loan chance firstly to the most disadvantaged member of the group. 6.7% of respondents developed the feeling of sharing as they said that they don't have any problem of sharing now. 30% of respondents confirmed that their association helped them to share all the challenges and opportunities of business and life. 25.2% of respondents confirmed that they get together in every social ceremony and 8.7% respondents gave

evidence that, when one member of the beneficiaries' faces risks in her/his business affairs, the others cooperate by covering her/ his loan and thereby saving her from moral problems.

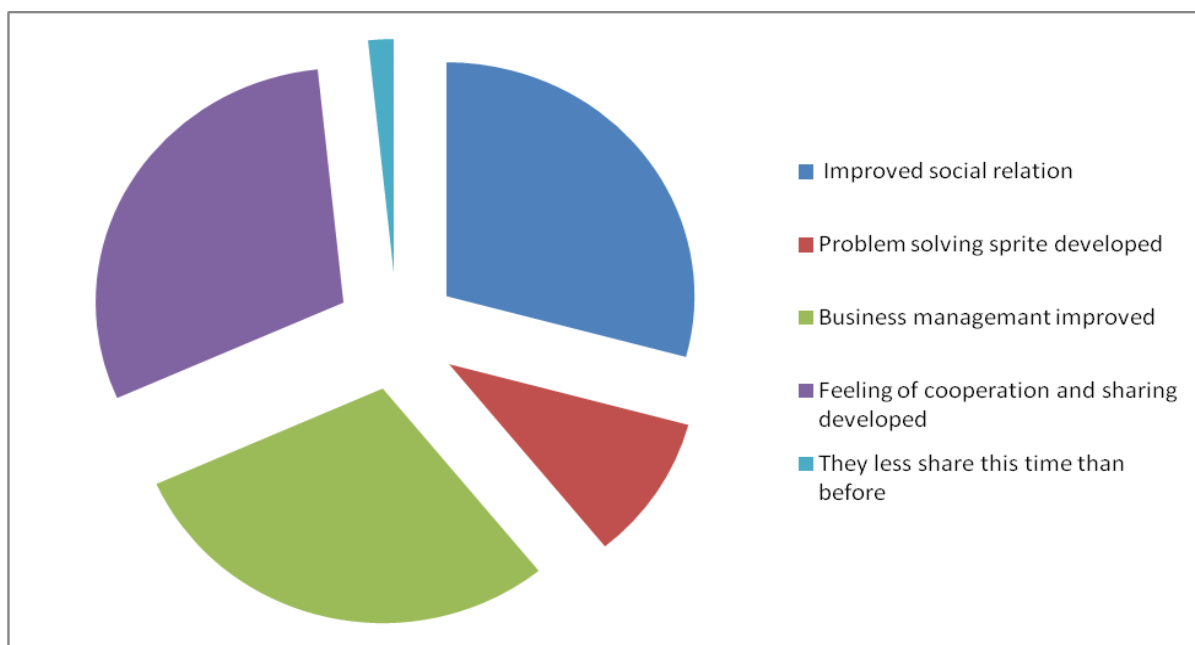
Besides, as results of the interview indicated the CDWs participate in social ceremonies arranged by the beneficiaries and also beneficiaries also attend in social ceremonies celebrated by the community development workers.

The result from this partly contrasts with results from a study conducted by World Vision in Woreda 'Sa'si Tsada Emba'. The result of this study indicates a high growth in the social capital of beneficiaries after they joined LMFI. In addition, the beneficiaries co-operate when one or more of their members are unable to repay their loans and thereby saving them of the moral and economic problems arising in consequence. Whereas the data from the study by World Vision and its partners indicate when one or more members of the beneficiaries are unable to repay their loans the beneficiaries do not cooperate to cover the loan of their members and there exists a low social relation among the beneficiaries. Besides, beneficiaries that fail to repay their loans are highly marginalized by the society.

In this study, the facts the beneficiaries co-operate in repaying the loan of their members are unable to do so can lead to the assumption that the default rate is very low. In relation to this, the study shows that the default rate of LMFI is 4%. As one of the members of management points out, it is not difficult to achieve 100% repayment rate. Yet, much effort has to be exerted to curb the dependency problem created by aid services from NGO in the past years.

#### 4.4.4. Results of Weekly Meeting

Figure 9: Results of weekly meeting



Source: Research household survey, 2014

Regarding to the benefit what respondents get from the centre weekly meeting, 29.6% respondents achieved to have improved social relation, 10% of respondents develop a spirit of problem solving, and 29.6 of respondents achieved better business management capacity. 30% of respondents developed a better feeling of cooperation and sharing and 1.7% of respondents confirmed that they shared less and the time they spend for sharing has reduced now than before.

As results of the focus group discussion reveal, the social capital of beneficiaries is enhanced by the experience of idea sharing among them. This experience of idea sharing has enabled beneficiaries to withstand challenges in their business and social experience. In addition, it has also helped them to effectively use opportunities in their business experiences. Besides,

when one member of the beneficiaries' faces risks in her business affairs, the others cooperate by covering her loan and thereby saving her from moral problems. Due to the improved social capital the members have developed among them, they have managed to avoid financial costs by using their own labour and local goods in the case of social celebration created among them. In their own saving system also beneficiaries cooperate by giving a prior loan chance firstly to the most disadvantaged member of the group.

As one of the CDWs expressed in an interview the beneficiaries' attitude towards the weekly meeting arranged by the institution was initially not good because the beneficiaries believed it interferes with the time for their private business and household works. As a result, the institution has resolved to reduce the content and time duration of the meeting and now the beneficiaries are content with the resolution. Yet, the beneficiaries admitted the benefits of the meeting if it were not for its time consuming.

#### **4.4.5. Focus group discussion results which principally focus on social performance**

During the field survey, one of the members of management of LMFI informed the researcher that the institution had a plan to measure the social capital of its beneficiaries using social performance indicator, from the Association of Ethiopian Microfinance Institutions. The researcher in her effort to obtain this document got the social performance indicator that has developed by Russian International Socio-political and Economic Study and being used to evaluate Seven Microfinance Institutions in Mozambique in 2007. Hence the researcher adapted these social performance indicators into research and obtained the below mentioned results using focus group discussions.

On the aspect of including economically and socially excluded part of the population the average income of the beneficiaries before joining the microfinance, 49.5% of them were living below the poverty line. The focus group discussion also evaluates that members of the society who previously were engaged in minor business works like shoe shining selling eggs in the street and related works are now involved in the microfinance.

In addition, the beneficiaries witness the adequacy of the products and services from the microfinance. The beneficiaries also mention that if the institution can create individual loan opportunities for the future it would be better. The institution having this in mind accepted their suggestion and promised to do so.

Concerning the transparency existing between the beneficiaries and the institution, the beneficiaries suggested that there is full transparency and that they are aware of much of the works and procedures of the institution. However, the beneficiaries mentioned that are not happy with the weekly repayment timing and suggested that it would be better if it were monthly instead of weekly. Yet, the institution has not responded positively and has continued on its former weekly basis. Concerning this one of the members of the management of the institution suggests the following idea.

*“The fact that the loan repayment timing is on a weekly basis makes the beneficiaries work harder on their business to meet the schedule time. Hence, this enhances their income. Besides, it also saves the loan amount from becoming burdens to the beneficiaries during the time of repayment. In an informal discussion that we make with different beneficiaries they suggest that they are content with the weekly repayment basis for the loan amount becomes easier to repay. Yes, when it is seen generally there are some reservations and disagreements from some of the beneficiaries on this issue.”*

Concerning the relation between the microfinance culture and the Scio-economic culture of the beneficiaries it can state that it is very smooth. For instance the beneficiaries state that the pre-loan taking procedures in the institution are less complicated and easy. Besides, representatives from the clients are involved in a meeting with management members and their ideas are forwarded to the institution.

## CHAPTER FIVE: CONCLUSION AND RECOMMENDATION

### 5.1. Conclusion

The thesis assessed the contribution of Lideta micro-finance Institution to the livelihood of micro credit beneficiaries in Adigrat town. The study enables to see the contribution in terms of income, children educational status, business management position of the beneficiaries and social capitals. While assessing the contribution in terms of income, the effects of income sources that are added after beneficiaries join in to microfinance and income that generated out of the main business are trying to minimize through questioner.

The income status result suggested that the loan provided by the institution shows a positive relation in beneficiaries' income as it indicates that about 75% clients have improvement in their income. Furthermore the assessment showed that all the clients have voluntarily saved despite the low and high saving.

The evidence points the fact that the training provided by the institutions had a positive contribution relating to the improved business management capacity of beneficiaries. Better handling of customers and having more number of customers, raising awareness of saving and better management of money, better understanding of HIV/AIDS and managing to record daily sales and the cost of materials (goods) were some of the evidence indicated in the study. In addition, the data collected indicates that beneficiaries are happy after they join in the program and take part in various social activities within their groups and society where they live.

However, the percent of children enrollment before and after join to Micro-finance showed no difference. Here may be the gap is already filled due to the government vast intervention on education. Whereas the focus group discussion result shows that, owing to the institutions awareness raising program principally focuses on education, beneficiaries have more awareness, they are affording better school materials to

children, and overall they become supportive of their children's education after they joined to the program than before. Besides, the children of the beneficiaries have invested their time in helping the business in a way that doesn't interfere with their education.

The study reveals that the program has a direct link with the improved social capital of the beneficiaries. As results of the assessment indicate, beneficiaries due to the experience of idea sharing have developed the resilience in their business and social life. Moreover, due to the improved social capital the members have developed among them, they have managed to avoid financial risks by using their own labour and local goods in the case of social celebration (marriage, mourning...) created among them. Finally, the members cooperate in creating their own saving system in which the most disadvantaged members are helped by receiving a prior loan opportunity and thereby saving from financial and moral problems.

Finally, Data from deep focus group discussion indicates improved social performance on the beneficiaries. This result is based upon the evidence from the focus group discussion participants and it reveals that the social performance indicators that have developed by Russian International Socio-political and Economic Study are mostly fulfilled.

(In LMFI so far there has not been a study implemented on beneficiaries in comparison with a control group that consisted of no beneficiaries. Hence I inform if there is any interested body to make further research on this area).



## **5.2. Recommendation**

Based on the results of this study, the following recommendations are made:

The study showed that voluntary savings' of beneficiary households increase as they have participated in the services of LMFI. Thus, it is important to encourage and give more education to MFI clients for the behavior of voluntary saving in order that they would be able to expand their business and protect them against the risks.

As the result of the study indicates, so far the service given to the beneficiaries was limited only to some group of society who were already engaged in business. However, if the opportunity could be diversified in a way that can consider the demands of other people, carefully designing services that meet their needs may give access to the community those who are in distance to the opportunity.

Despite the informal gathering of data and onetime assessment of service delivery of LMFI no assessment has been made yet to see the contribution of the service to the livelihood condition of the beneficiaries. So beneficiaries focused studies and assessments should be conducted by the institution in order to see what they are really contributing.



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**Appendices**  
**Appendix I**  
**Mekelle University**  
**College of Business and Economics**  
**Department of Management**  
**Post Graduate Program in Development Studies**  
**Household Survey Questionnaire**

This is a **Questionnaire to be filled by the beneficiaries of LMFI (Lideta -Microfinance Institution) in Adigrat**. This questionnaire is prepared by Martha Welday to conduct the research by the title of “**the contribution of LMFI to the livelihood conditions of microcredit beneficiaries**”, the case of Adigrat City. This research is carried out on the partial fulfilment of the requirements for the completion of a master’s degree in development studies in Mekelle University.

This research is undertaken under the supervision of Ato Abadi Afera and it invites you to give a genuine response based upon the questions it entails. You can be sure about the confidentiality of your responses since it is restricted to my advisor only for the mere proper conduct of the study. In addition to your free will the study allows you also to withdraw at any time in a way that prevents adverse consequences which requires you contacting the researcher. If you are willing to see the findings of the research I can promise you a copy of this research. Above all I express my heartfelt gratitude to every respondent of my questionnaire for sharing me your valuable information and time.

✓ **Important tips about the questionnaire**

I. No need to **mention name**

II. You are required to put only a **tick mark** (✓) in the questions followed by boxes  that correspond your answer

III. You are required to **circle** the letter of the choice that is most appealing to you

IV. Write **your answer** in the space provided is so required.

V. Give a **precise short answer** on the questions followed by blank spaces

VI. for **open ended questions** you may use given blank spaces or additional blank paper that will be attached at the back

VII. For further information or ambiguity contact the investigator at the following address

Tell: +251 91 4 752 027

Date \_\_\_\_\_ E.C.

**Section I: Personal details**

1.	How old are you?	-----
----	------------------	-------

2	Sex	-----
---	-----	-------

3.	Marital status	
	Single	<input type="checkbox"/>
	Married	<input type="checkbox"/>
	Widowed	<input type="checkbox"/>
	Divorced	<input type="checkbox"/>
	Separated	<input type="checkbox"/>

4.	Level of Education	
	None	<input type="checkbox"/>
	Informal basic literacy skills	<input type="checkbox"/>
	Grade 1-8	<input type="checkbox"/>
	Grade 9-10	<input type="checkbox"/>
	Grade 11-12	<input type="checkbox"/>
	Above grade 12 ( <b>describe shortly</b> )	

5.	Family size	Number -----
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6.	Permanent source of income	-----
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**Section II: Income level**

1.	Before joining this microfinance, what was your <b>prior monthly income</b> ?	
	Below ETB 500.00	<input type="checkbox"/>
	ETB 501.00 -1000.00	<input type="checkbox"/>
	ETB 1001.00-2000.00	<input type="checkbox"/>
	ETB 2001.00-3000.00	<input type="checkbox"/>
	ETB 3001.00-5000.00	<input type="checkbox"/>
	Above ETB 5001.00	<input type="checkbox"/>

2.	After joining the microfinance what is your <b>current monthly income</b> ?	
	Below ETB 500.00	<input type="checkbox"/>
	ETB 501.00 -1000.00	<input type="checkbox"/>
	ETB 1001.00-2000.00	<input type="checkbox"/>
	ETB 2001.00-3000.00	<input type="checkbox"/>
	ETB 3001.00-5000.00	<input type="checkbox"/>
	Above ETB 5001.00	<input type="checkbox"/>

3.	Do you have <b>other source of income</b> currently?	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No

4.	If you response for the above question is 'YES', specify?	
I.	<b>Source</b> -----	<b>Monthly income</b> ----- -



II.	<b>If your other source of income cannot be measured or expressed monthly, specify still?</b>	----- -----
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5	How much <b>money have you saved</b> voluntarily since joining the microfinance?	-----
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6	Do you hearty approve this provided <b>saving opportunity</b> from the microfinance?	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No

7	If your response to the above question is ' <b>YES</b> ', Please Explain it more?	----- ----- -----
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8	If your response to question number 6 is ' <b>NO</b> ', explain still?	
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### III. Human Capital

1.	Is there any <b>training</b> of any kind given to you by the institution?	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No

2.	If your response to the above question is ' <b>YES</b> ', what is the function of this training?	----- -----
----	--	----------------

3.	If you respond to the above question, how do you evaluate the <b>significance</b> of the training in your life?	
	Highly Significant	<input type="checkbox"/>
	Significant	<input type="checkbox"/>
	Less significant	<input type="checkbox"/>

	No change	<input type="checkbox"/>
	No significance	<input type="checkbox"/>

4.	If your response for the above question is <b>positive</b> , what is your concrete evidence? Please mention?	_____ -----
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5.	Before joining this institution, were all your children attending school? ( <b>those that reach school age and above</b> )	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No

6.	If your response for the above question is <b>'NO'</b> , what was the main problem?	
	Inability to afford school fee	<input type="checkbox"/>
	Burden of work in or outside home on the side of children	<input type="checkbox"/>
	Lack of awareness on the side of parents	<input type="checkbox"/>
	Specify if any else	_____ ----- ----

7.	Currently are all your children attending school? ( <b>those that reach school age and above</b> )	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No

8.	If your answer to question number 4 is <b>'NO'</b> and to question 6 is <b>'Yes'</b> what do you think is the main reason?	
	Increment in income	<input type="checkbox"/>
	Reduction or loss of work on the part of children	<input type="checkbox"/>
	<b>Please specify if else</b>	----- -

9.	If your response for question 6 is <b>'NO'</b> , what do you think is the main problem?	_____ -----
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**Section IV: Social Status**

1.	Do you have any <b>social grouping</b> within the members of the institution? (Pertinent only to the conditions of beneficiaries after they joined the institution)	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No

2.	If Your response for the above question is ' <b>YES</b> ' what is the function of this social grouping?	<hr/> <hr style="border-top: 1px dashed black;"/>
----	---	---

3.	If you respond for the above question, Please specify if there is <b>any concrete change</b> you obtained?	<hr/> <hr style="border-top: 1px dashed black;"/>
----	--	---

4.	Roughly <b>measure</b> the function?	
	Highly significant	<input type="checkbox"/>
	significant	<input type="checkbox"/>
	Less significant	<input type="checkbox"/>
	No change	<input type="checkbox"/>
	No significance	<input type="checkbox"/>

5.	What have you benefited from the <b>(Center) regular weekly meeting?</b>	<hr/> <hr style="border-top: 1px dashed black;"/> <hr style="border-top: 1px dashed black;"/>
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**Thank you!**

## **Appendix II**

### **Focus group discussion**

#### **Guiding question for focus group discussion**

- Past and present trend in income, children educational conditions, business management and social relationship
- If there any deed or opportunity beneficiaries created using loan they take and were unable before
- Outreach of LMFI to socially excluded part of the population
- The level of satisfaction towards products and services from the institution
- The level of transparency between the institution and beneficiaries
- Recognition of beneficiaries voice
- Coordination of microfinance culture of LMFI and beneficiaries socio-economic culture
- Participation of beneficiaries in decision making of the institution
- If beneficiaries believe that there is change in their life
- Future plan of beneficiaries

## Appendix III

### Interview

#### ✓ Interview questions to the key informants

Dear my interviewee:

My name is Martha; I am a post graduate student on development studies in Mekelle University. Currently I am conducting a research on ‘**the contribution of LMFI to the livelihood conditions of microcredit beneficiaries**’ in Adigrat city. The main target of the research is to see its contribution on these beneficiaries. Experts and community development workers daily decisions will have a direct or indirect impact on the livelihood conditions of the beneficiaries I presume. Currently, you my interviewee are a selected source of information. Your information is confidential and is merely targeted to the proper conducting of the research. Many thanks to you!

#### I. General questions

1. Organization-----
2. Position occupied-----
3. Years of experience in the institution-----

#### II. Questions pertinent to LMFI concerning beneficiaries

1. Do you have criteria to compare the livelihood conditions of the beneficiaries through time, if any please discuss?
2. Have done any case study that reveals the conditions in the livelihood of the beneficiaries?
3. What is the saving condition of the beneficiaries? And how is the attitude of the beneficiaries towards saving?
4. How LMFI see the issue of ‘social relation’ as an institution?
5. How do you observe the fact that these beneficiaries hold a regular center meeting on a weekly basis?

6. How do you see the social relationship among the beneficiaries?
7. If you happen to know these beneficiaries when they first joined the institution, how do you compare their social relation through time until currently?
8. Do you have any observation about the benefits that you think these beneficiaries obtained do you to their social relation?
9. What is the attitude of the beneficiaries towards their weekly based regular meeting concerning its use? How about yourself as a member of the institution?

# Appendix IV

## መቐለ ዩኒቨርሲቲ

ናይ ቢዝነስን ኢኮኖሚክስን ኮሌጅ

ናይ ማኔጅመንት ክፍሊ ትምህርቲ

ናይ ደቫለፕመንት ስተዲስ ድሕሪ ምረቃ ፕሮግራም

### አብ ዓዲግራት ንዝርከቡ ናይ ትካል ልደታ ማይክሮፋይናንስ ተጠቀምቲ ዝተዳለወ ፅሑፋዊ መሕትት

እዙ ፅሑፋዊ መሕትት አብ ዓዲግራት ብዝርከቡ ናይ ትካል ልደታ ማይክሮፋይናንስ ተጠቀምቲ ዝምላእ እንትኸውን ዕላማኡ ድማ መፅናዕቲ ንምክያድ 'ዩ:: :: እዙ መሕትት ዘዳለዎቶ ማርታ ወልዳይ እንትትኸውን ኣብዚ ሓዚ ጊዜ ኣብ መቐለ ዩኒቨርሲቲ ናይ ደቫለፕመንት ስተዲስ ናይ ማስተርስ ዲግሪ ተምሃሪት እያ:: ናይዚ መፅናዕቲ ርእሲ “ ትካል ልደታ ማይክሮፋይናንስ ኣብ ተጠቀምቲ ዝህልዎ ኣስተዋፅኦ” ዝብል እዩ:: ንስኹም እትህብዎ መልሲ ነዚ ዝካየድ ዘሎ መፅናዕቲ ኣዝዩ ኣገዳሲ ሰለዝኮነ ቅኑዕ ዝኾነ መልሲ ብምሃብ ዘለኩም ኣስተዋፅኦ ንክተበርክቲ ትዕደሙ :: ብዛዕባ እትህብዎ መልሲ ሚስጢራውነቲ ዝተረጋገፀ'ዩ:: እቲ እትህብዎ ሓበሬታ ባቲ መፅናዕቲ ዝከታተል ግለሰብ ዝረእ ጥራሕ እንትኸውን ዓላማኡ ድማ ናይቲ መፅናዕቲ ሓቃውነት ንምምርጫ ጥራሕ እዩ::

ካብዚ ብተወሳኺ እቲ እትህብዎ ሓበሬታ ኣብ ምሉእ ፍቃድ ናታትኩም ዝተደረሸ እንትኸውን ነቲ መፅናዕቲ ብዘይጎድእ መልክዑ ኣብ ዝኾነ ይኹን ጊዜ ናይ ምቁራፅ ነፃነት ከም ዘለኩም ከረጋግፀልኩም እፎቲ:: ናይቲ መፅናዕቲ ውፅኢት ንምርእይ ድላይ ዘለኩም እንድሕር ኮይኑ ፣ ድሕሪ እቲ መፅናዕቲ ምዝገባ ቅዳሕ ናይቲ ውጽኢት ክልእክ ፍቃደኛ እዩ:: ብዝተረፈ ጊዜኩም ሂሳብኩም ንእትገብረዎ ምትሕብባር ኣዝየዩ ዘመስግን::

#### ✓ ፅሑፋዊ መሕትት ንምምላእ ዝጠቐሙ ሓበሬታታት

1. ስም ምጽራሕ ኣየድልን::
2. ብሳፕን ንዝተገጀቡ ሕቶታት እዚ ምልክት እዚ (✓) የቐምጡ::
3. ምርጫ ንዘለዎም ሕቶታት፣ እቲ ዝመረፅኩም መልሲ ምኽባብ ኣድላይ እዩ::
4. ባዶ ቦታ ወይ ድማ እዚ ምልክት እዚ(\_\_\_\_\_) ዘለዎም ሕቶታት፣ ኣብቲ ዝተፈቐደ ቦታ ሕፅር ዝበለ መልሲ የቐምጡ::
5. ስፍሕ ዝበለ ገለፃ ንዘድልዩም ሕቶታታት ድማ ኣብቲ ዝተውገበ ክፍቲ ቦታ ወይ ከፃ ኣብ ድሕሪት እቲ ፅሑፋዊ መሕትት ዝተጣበቐ ነፃ ወረቐት ምጥቃም ትክእሉ ኢኹም::
6. ንዝበለፀ ሓበሬታ እታ መፅናዕቲ እትገብር ዘላ ግለሰብ ብቁፅሪ ስልኪ +251 91 4 752 027 ተጠቒምኩም ክትረክቡ ትክእሉ ኢኹም::

ዕለት \_\_\_\_\_ ዓ.ም.

**ሀ. ውልቃዊ ሓበሬታታት**

1.	ዕድመኸ./ኻ/ ክንደይ 'ዩ?	-----
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2.	ፆታ	-----
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3.	ናይ ሓዳር ኩነታት	
	ሓዳር ዘይብላ /ሉ/	<input type="checkbox"/>
	ሓዳር ዘለዎ /ዎ/	<input type="checkbox"/>
	ዝተፋተሐት /ሐ/	<input type="checkbox"/>
	በዓል ዝዘኣ /ኡ/ ዝሞታ/ተቶ/	<input type="checkbox"/>
	ዝተፈላለዮት /የ/	<input type="checkbox"/>

4.	ናይ ትምህርቲ ደረጃ	
	ኣብ መሰረተ-ትምህርቲ ይኸን ኣብ ዝኾነ ይኸን ስሩዕ ትምህርቲ ዘይተሳተፈት/ፈ/	<input type="checkbox"/>
	መሰረተ ትምህርቲ	<input type="checkbox"/>
	1-8 ደረጃ ትምህርቲ	<input type="checkbox"/>
	9-10 ደረጃ ትምህርቲ	<input type="checkbox"/>
	11-12 ደረጃ ትምህርቲ	<input type="checkbox"/>
	ካብ 12 ክፍሊ ደረጃ ትምህርቲ ንላዕሊ እንድሕር ኮይኑ በይዛኪ/ካ/ ግለፅዮ /ዎ/	----- -----

5.	ኣባላት ስድራ	ብቁዕሪ -----
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6.	ቀዋሚ ዝኾነ ናይ እቶት ምንጪ	
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**ለ. ናይ እቶት ደረጃ**

1.	ቅድሚ ናይዚ ልቓሕ ኣገልግሎት ምርካብኪ/ካ/ ዝነበረኪ/ካ/ ወርሓዊ እቶት ክንደይ'ዩ ነይሩ?	
	ትሕቲ 500.00 ቅርሺ	<input type="checkbox"/>
	501.00 -1000.00 ቅርሺ	<input type="checkbox"/>
	1001.00-2000.00 ቅርሺ	<input type="checkbox"/>
	2001.00-3000.00 ቅርሺ	<input type="checkbox"/>
	3001.00-5000.00 ቅርሺ	<input type="checkbox"/>
	ልዕሊ 5001.00 ቅርሺ	<input type="checkbox"/>

2.	ሐዚ ዘለኪ/ካ/ ወርሓዊ እቶት ክንደይ 'ዩ?	
	ትሕቲ 500.00 ቅርሺ	<input type="checkbox"/>
	501.00 -1000.00 ቅርሺ	<input type="checkbox"/>
	1001.00-2000.00 ቅርሺ	<input type="checkbox"/>
	2001.00-3000.00 ቅርሺ	<input type="checkbox"/>
	3001.00-5000.00 ቅርሺ	<input type="checkbox"/>
	ልዕሊ 5001.00 ቅርሺ	<input type="checkbox"/>

3.	ቅድም ኢልኪ/ካ/ ካብ ዝገለፀክዮ /ካዮ/ ተወሳኪ ዝኾነ ናይ እቶት ምንጪ ኣለኪ/ካ/ ዶ?	
	<input type="checkbox"/> እወ	<input type="checkbox"/> ኣይፋሉን

4.	ነቲ ላዕለዎይ ሕቶ መልሰኺ/ካ/ 'እወ' እንድሕር ኮይኑ እቲ ምንጪ እንታይ'ዩ ክንደይ ዝኣክል'ኹዩ?	
ሀ.	ምንጪ እቶት -----	ብወርሒ እንትልካዕ ----- -----
ለ.	እቲ ተወሳኪ እቶት ብወርሒ ክልካዕ እንተዘይተኻኢሉ፤	

5.	ናይዚ ልቃሕ ተገልጋሊት/ሊ/ ድሐሪ ምኻንኪ/ካ/ ዝዓቆርክዮ/ካዮ/ (ድሌት ዕቋር ) ክንደይዮ?	-----
	ብዝበለፀ ዶ ክተብራህርዮ/ሃዮ/ ?	----- -----

6.	ነቲ ላዕለዋይ ሕቶ መልሲ እንድሕር ሂብኪ/ካ/ ጠቓምነቱ ብምሉእ እምነት ተረዲእኪ/ካ/ ዲኪ/ካ/ እትዓቁሪ/ር/ ?	
	<input type="checkbox"/> እወ	<input type="checkbox"/> ኣይፋሉን

7.	ነቲ ላዕለዋይ ሕቶ መልስኪ/ካ/ 'እወ' እንድሕር ኮይኑ፣ ዘለኪ/ካ/ ርድኢትን እምነትን 'ዶ መብራህራህክልና/ካልና/ ?	----- -----
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8.	ንሕቶ ቁፅሪ '6' መልስካ 'ኣይፋሉን' እንድሕር ኮይኑ፣ በይዛኪ/ካ/ ኣብራህርህዮ/ሃዮ/?	
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**ሐ. ህዩማን ካፒታል**

1.	እዚ ትካል ኣብ ዘዳለዎ ዝኾነ ይኹን ስልጠና ናይ ምስታፍ ዕድል ረኺብኪ/ካ/ 'ዶ ትፈልጡ /ዋ/?	
	<input type="checkbox"/> እወ	<input type="checkbox"/> ኣይፋሉን

2.	ነቲ ላዕለዋይ ሕቶ መልስኪ/ካ/ 'እወ' እንድሕር ኾይኑ እቲ ስልጠና ኣብ ምንታይ ዘድሃብዮ ነይሩ?	----- ----- -----
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3.	ነቲ ላዕለዋይ ሕቶ መልሲ እንድሕር ሂብኪ/ካ/ እቲ ዝተውሃበ ስልጠና ክንደይ ጠቐሙኒ ኢልኪ/ካ/ ትሓስቡ?	
	ኣዝዩ ጠቓሚ	<input type="checkbox"/>
	ጠቓሚ	<input type="checkbox"/>

	ብውሒዱ ጠቅሚያ	<input type="checkbox"/>
	ጥቅሚ ይኸን ጉድጓት አይረከቡሉን	
	አይጠቅመንን	<input type="checkbox"/>

4.	ነቲ ላዕለዋይ ሕቶ መልስኪ/ኻ/ አወንታ እንድሕር ኮይኑ፤ ብከመይ ከም ዝጠቅመኪ/ካ/ ገለ ጭቡጥ ነገር ይምነገርከና/ካና/?	_____ ----- _____
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5.	ቅድሚ ናይዚ ልቃሕ አገልግሎት ምርካብኪ/ካ/፤ ኩሎም ደቕካ አብ ትምህርቲ መአዲ ተሳተፍቲ ደ ነይሮም? ( ዕድመኡም ንትምህርቲ ዝበዕሉ ጥራሕ ይምልከት)	
	<input type="checkbox"/> እው	<input type="checkbox"/> አይፋሉን

6.	ነቲ ላዕለዋይ ሕቶ መልስኪ/ኻ/ 'አይፋሉን' እንድሕር ኮይኑ፤ ምኽንያቱ እንታይ'ዩ ነይሩ?	
	ናይ ትምህርቲ ክፍሊት ምኽፋል ዘይምኽኣል	<input type="checkbox"/>
	አብ ገዛ ወይ ካብ ገዛ ወፃኢ ዝነበረ ናይ ቐልዎት ናይ ስራሕ ፃዕቂ	<input type="checkbox"/>
	ናይ ወለዲ ናይ ግንዛብ ዓቕሚ ትሑት ምዃን	<input type="checkbox"/>
	ካልእ እንድሕር ሃልዩ ምገለፅክልና/ካና/ ደ?	_____ ----- _____

7.	አብዚ ሕዚ ግዜ ኩሎም ደቕኸኪ/ኻ/ አብ ትምህርቲ መአዲ ተሳተፍቲ ደዮም?( ዕድመኡም ንትምህርቲ ...)	
	<input type="checkbox"/> እው	<input type="checkbox"/> አይፋሉን

8.	ንሕቶ ቁፅሪ '4' መልስኪ/ኻ/ 'አይፋሉን' እንድሕር ኮይኑ፤ ንሕቶ ቁፅሪ '6' ደማ 'እው' እንድሕር ኮይኑ ቀንዲ ምኽንያቱ እንታይ'ዩ ኢልኪ/ካ/ ትሓስቢ/ብ/?	
	ናይ እቶት ምውሳኽ	<input type="checkbox"/>
	ናይ ቐልዎት ስራሕ ፃዕቂ ምቕናስ	<input type="checkbox"/>
	ካልእ እንድሕር ኮይኑ በይዛኪ/ኻ/ ግለፅልና/ፀልና/?	_____ ----- _____

9.	ንሕቶ ቁፅሪ '6' መልሰኸ/ኸ/ 'አይፋ-ሉን' እንድሕር ኮይኑ፤ እቲ ቀንዲ ፀገም እንታይ 'ዩ ኢልኪ/ካ/ ትሓስቢ/ብ/?	
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**መ. ማሕበራዊ ኩነታት**

1.	አብ ውሽጢ እቲ ትካል ነንሕድሕድ ተጠቀምቲ ዘራክብ ዝኾነ ይኹን ማሕበር አለክን? (እዚ ሕቶ ዝምልከት ተጠቀምቲ ድሕሪ ናብቲ ትካል ድሕሪ ምእታዎን ዘሎ ኩነታት ጥራሕ 'ዩ)።	
	<input type="checkbox"/> እወ	<input type="checkbox"/> አይፋ-ሉን

2.	ነቲ ላዕለዋይ ሕቶ መልሰኪ/ካ/ 'እወ' እንድሕር ኮይኑ ናይቲ ማሕበርኩም ዋና ጥቕሚ ወይ ድማ ዓላማ እንታይዩ?	
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3.	ነቲ ላዕለዋይ ሕቶ መልሲ እንድሕር ሂብኪ/ካ/ ገለ ጭቡጥ ዝረከብክዮ/ካዮ/ ጥቕሚ እንድሕር ሃልዩ በይዛኪ/ካ/ ግለፅልና/ፀልና/?	
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4.	እቲ ጥቕሚ ክትዕቕንዮ/ና/ እንተዝንገረኪ/ካ/ ከመይ ምገለፅክዮ/ካዮ/	
	አዝዩ ጠቓሚ	<input type="checkbox"/>
	ጠቓሚ	<input type="checkbox"/>
	ብውሑዱ ጠቓሚ'ዩ	<input type="checkbox"/>
	ጥቕሚ ይኹን ጉድኣት አይረኽብኩሉን	<input type="checkbox"/>
	አይጠቐመንን	<input type="checkbox"/>

5.	ካብ ሰሙናዊ ኣኼባ ዝረከብክዩ /ካዮ/ ጥቕሚ እንታይዩ?	<hr/> <hr style="border-top: 1px dashed black;"/> <hr style="border-top: 1px dashed black;"/> <hr style="border-top: 1px dashed black;"/> <hr style="border-top: 1px dashed black;"/> <hr style="border-top: 1px dashed black;"/>
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*ደጊ መ የመስግን!*