



Empowering the poor through Self Help Group Approach: Case Studies of Hawassa and Dilla, Ethiopia

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Abstract: Empowerment is fundamentally about power – the power to redefine our possibilities and options and to act on them, the power within that enables poor people to have the courage to do things they never thought themselves to be capable of, and the power that comes from working alongside others to claim what is rightfully theirs (Rosalind et al, 2008). Poverty is a complex phenomenon and it cannot be solved only by providing income generating assets but through comprehensive human resource development of poor person enabling him/her to meet various needs. The Researchers kept in mind the poor and landless people in Ethiopia and set an objective as “To know, understand and analyze through cases how Self Help Group Approach (SHGA) is helping the poor to overcome their problems”. The poor or for that matter any marginalized groups can feel a sense of power when they are recognized, when their voices are heard, when they can choose and have their choice, they are partners in decisions and deeds that concern them and larger emphasize here is SHGA. To elicit the information for the above objective from the group members, the researchers followed the Focus Group Discussion with the four Self Help Groups consisting of 65 members (Hawassa and Dilla). Through these discussions all women in the four groups shared and expressed their experiences very happily. However, the researchers are presenting here four case studies, how the poor women have been empowered and overcome the day to day problems of their families and how happily they are leading their lives.

Key Words: Empowerment, Poverty, Marginalized groups, SHG Approach

INTRODUCTION

Empowering is a social, psychic and to a limited extent a material (in the initial stages) process. It has to grow over a period of time in the once socially and economically poor and disadvantaged groups or the individual, family and the community levels and between both the sexes and amongst all the age groups. Empowerment in the psychic and social sense does not come about to the target population by receiving money and other material things alone (E.D.Setty, Krishna Moorthy, 2010).

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power within that enables people to have the courage to do things they never thought themselves to be capable of, and the power that comes from working alongside others to claim what is rightfully theirs. Empowerment broadens poor people’s freedom of choice and action, expanding their assets and capabilities and enabling them to participate in, negotiate with, influence, control and hold accountable institutions that affect their lives (Rosalind et al, 2008).

A World Bank publication (Csazar, 2005) stresses that empowerment is more than participation in decision making because ‘it must also include the processes that lead people to perceive themselves as able to and entitled to make decisions’

“Empowerment happens when individuals and organized groups are able to imagine their world differently and to realize that vision by changing the relations of power that have kept them in poverty, restricted their voice and deprived them of their autonomy” (Eyben.R, 2011).

The poor or for that matter any marginalized groups can feel a sense of power when they are recognized, when their voices are heard, when they can choose and have their choice, they are partners in decisions and deeds that concern them and larger emphasize here that Self Help Group Approach (SHGA) to its twin objective of poverty alleviation and empowerment is through identification and organizing landless poor into viable, functional social groups (E.D.Setty, Krishna Moorthy, 2010). Here the dynamics or call it chemistry of development is interesting. Empowerment usually secures social strength, negotiating power, accessibility to resources and thus contributing to alleviation of poverty and the decrease in the poverty level is likely to increase empowerment, one supporting and strengthening the other.

Availability of the credit is the basic requirement for any citizen, more so, to a poor person. Credit, should be timely as well as easily available. Formal institutions, including banks are unable to meet the micro credit requirements of the poor people, as normally credit for income generation has been institutionalized rather than micro credit for various purposes.



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Operational Definition for Poverty in Ethiopia

Poverty as we understand is a complex phenomenon and it cannot be solved only by providing income generating assets but through comprehensive human resource development of poor person enabling him/her to meet various needs. The prevalence of poverty in Ethiopia, as reflected in the number of poverty-stricken population, is determined on the basis of a poverty line that separates the per capita income or consumption below which an individual is considered to be poor. The proportion of people in Ethiopia who are absolutely poor (those whose total consumption expenditure was less than US\$124.28 per year) during the year 1999/00 was 44% (MOFED, SDPRP, 2002). In Ethiopia today, large number of poor people live in urban areas because of the continued migration of rural poor in search of better opportunities. The most vulnerable segments of the Ethiopian population include: (1) the rural land-less, (2) small holders with a limited size of land, (3) drought victims as a result of shortage of rainfall, (4) female-headed households, (5) the urban unemployed in particular, and the urban poor in general and (6) street children (Asmamaw 2004).

Objective of the study

To know, understand and analyze through case studies how Self Help Group Approach is helping the poor to overcome their problems.

Methodology

The researchers have adopted qualitative research. Data collection is primary data and secondary data. Primary data is collected by adopting Focus Group Discussion (FGD). The data also includes the researchers' observations. Secondary data is collected through journals, brochures etc.,

A Brief about Focus Group Discussion (FGD)

Here it is relevant to present briefly on Focus Group Discussion. A focus group is a small group led through an open discussion by a skilled moderator. The group needs to be large enough to generate rich discussion but not so large that some participants are left out. The moderator's goal is to generate a maximum number of different ideas and opinions from as many different people in the time allotted. The ideal amount of time to set aside for a focus group is anywhere from 45 to 90 minutes. Beyond that most groups are not productive and it becomes an imposition on participant time. A homogeneous group of people based on the situation comprise the focus group. It takes more than one focus group on any one topic to produce valid results – usually three or four. You'll know you've conducted enough groups (with the same set of questions) when you're not hearing anything new anymore, i.e. you've reached a point of saturation (source: Eliot & Associates, 2005).

Social Setting

The participants are the self help group members and their age group ranges from 18 years to 55 years and all of them are women and they are the members in the SHGs. The researchers have taken four (8) different groups consisting of 65 members.

The Self Help approach in empowering the poor

Experiments in various developing countries proved that the poor can be helped by organizing them into small Self Help Groups (SHGs). Hence, poor SHGs have become the ray of hope to the development personnel. In this context, it would be appropriate to quote the case of BRAC (Bangladesh Rural Advancement Committee) has done dealing with the poor and their development. As one could see, it was a collective and sustained approach where the poor were brought together where in they gain the strength. As Mohd. Younis, the father of Grameen Bank, Bangladesh, has pointed out, “when the poor stand alone they are poor, but when they are brought together they gain strength” (source: Zafar Ahmad, 1991). Practically it has a proven example of the development of the poor in a developing country like Bangladesh. Empowerment is a both means and an end itself. Empowerment through legislative, political, economic and social means will facilitate among the poor. Similarly any development measures encouraging poor creating and providing opportunities to them in the field of especially entrepreneurship development would empower them.

Self Help Group Movement in Ethiopia – A brief evolution

Government of Ethiopia having realized the power and the potential of SHGs in alleviating the poverty has started the mobilizing the poor into SHGs with the help of Non Government Organizations (NGOs) in Ethiopia. It is a unique step the government has taken in mobilizing the poor into SHGs.

Here we have to mention something about Kindernothilfe (KNH) which strongly supported KHC (Kale Heywet Church) to start the Self Help Group Approach in Ethiopia in 2002. To know a brief about KNH is very important here. It was founded by a group of dedicated Christians in Duisburg, Germany in 1959, to help needy people in many developing and underdeveloped countries. KNH works in partnership with local organisations: usually churches, congregations or Christian organisations. However, assistance to children and poor people is always given, irrespective of religion, race or sex. The promotion of child rights is the foundation for co-operation with local partners. KNH works at national and international levels by joining alliances and co-operating with other organisations to achieve a global improvement of economic, social and political conditions. It participates in campaigns or initiates its own campaigns. Above all, KNH is committed to the implementation of the UN Convention on the



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Rights of the Child, which forms the base for its work (source: The Self Help Group Approach – A manual, 2008).

As a part of KNH partnership it started to work in Ethiopia with KHC. KHC was established in Southern Ethiopia in the early 1920s, following the pioneering missionary work of the former Sudan Interior Mission (SIM). KHC's vision is to bring about transformation in the lives of its members and the communities it serves with a particular focus on reaching the poorest.

In 2002 the KHCs Urban Ministries Department introduced the first Self Help Groups into Ethiopia. The first 100 people, the poorest in the community, were organized into five Self Help Groups in a town called Nazareth. Each group comprises of 15-20 people, the majority of whom are women. Each member joining a group commits to save a weekly amount, usually around 3-5 pence, with the intention of improving their lives. Once the group has saved sufficient funds small loans can be given to the members for specific needs and starting small businesses. Loans usually start between 50p & £3. There are now over 200 groups in Nazareth who collectively have either on loan or saved over \$150,000 USD and the poorest are now community leaders. In 2003 the Kale Heywet Church Urban Ministries Department combined the Self Help Group approach with a church mobilization approach developed first by Tearfund in the UK and started working with local churches in Addis Ababa, Hawassa and Jimma towns. In an evaluation of the approach supported by Tearfund in 2008 the evaluators commented: the SHG experience in Ethiopia is an excellent material to show to the world, and consequently influence the nations' programs and policies, that a small nation that ranks at the lowest docile of the worlds development has a giant hope that can rank at the top..." As a result of the success of the work in the urban areas the approach is now being taken to the rural Kale Heywet local church through a programme named Project Gilgal.

The Role of EKHC in Promoting SHG Approach in Hawassa and Dilla, Ethiopia

Ethiopian Kale Heywet Church (EKHC) used to go to the poorest of the poor people with the help of government officials and select the people and invite them for a meeting and they give a presentation how the poorest of the poor people will come out of the poverty (Concept of development). Some people do come to the meeting with immediate benefits and expectations from EKHC and Government officials. When they get information about ways and means coming out of the poverty most of the people do reject such programmes. But few people only would like to take the information. Then second stage of the presentation will be conducted to the people who have shown interest. In the second session they focus on political problems, economic problems, social problems and spiritual problems. They give

solution for economic problems i.e., savings. Political, social and spiritual problems i.e. coming together. After bringing awareness among the people EKHC facilitators and government officials will give a green signal to start a SHG by bringing the members together.

Constitution of SHGs and their operations

A typical SHG constitutes 15-20 poor people will come together to form a self help group of same area and similar and same economical and social status (Below Poverty Line). Common language is required to form the group. One goal should be there for the entire group. Main focus is on women but some male members are also present in the group. Out of 4200 members in Hawassa and Dilla, there are only 217 male members are present in 260 SHGs.

Among the members one person will be a chairperson, one is secretary and one will be acted as treasurer. Once in a week the group come together on a specific time. When the groups meet the role of facilitators will come into effect. Facilitators usually will bring awareness among the groups through dramas, role plays and success stories to understand how to save the money. Because, saving is the only way to develop their economic status and EKHC is not going to give any monetary help to them in this process. People in group may save minimum 0.25 cents to 1 Birr (Ethiopian Currency) per week. But today thanks to the awareness among the people, which has changed a lot and they are happily increased their savings 2 to 5 Birr per week. The church will appoint community facilitator to help the self help groups. Training will be given to the both facilitators and packages of training for SHG members. When the money of the group reaches to minimum 25 birr, the treasurer will open an account on their groups' name. Two group members and one facilitator signature is required for withdrawal of the money. The facilitator will play the role till the members do get confidence on each other and once they get the confidence, facilitator slowly stops playing his role in the group. Each of the group will have its own bylaws. So the interest rate of the amount given in the form of loan varies from group to group. The church gives training to the facilitator and pays salaries of facilitators and administration expense will be met by EKHC only.

The researchers are very happy to mention their interview with some SHG members who are happily shared their experiences and their success with the researchers. It is very interesting to note here how the poor are empowered and self sufficient socially and economically supporting their families especially their children in providing education, health and nutritious food, in a developing country like Ethiopia.

Herewith the researchers feel interesting to present four Case Studies from Hawassa and Dilla (Two from each)

Two case studies from Hawassa



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1. Person 'A' Short Story

Person 'A' is 55 years old and a mother of five children, 2 boys and 3 daughters. Her husband died 10 years ago. As a result, she became responsible to look after the children. In order to survive her family, she used to work in rich persons houses as a maid servant and she used to ask support from her relatives. But she could not meet the minimum requirements of the family like food, clothing, health, education, house rent, etc. As a result her family life became miserable.

In her own words how self help approach helped her to overcome the problems

In January 2007, Ethiopian Kale Heywet Church facilitators along with the Government Officials came to my village introducing about the Self Help Group program. They used door to door visit and registered poorest of the poor in the village. Then the ministers gathered us in the sub-city's compound and gave us briefing about Self Help Group concept and encouraged those who are interested in the concept to be organized in Self Help Groups. I was organized in GirarSefer Self Help Group with 20 members. We started weekly meeting and savings. Our group members' initial savings were 1 birr per week but now we are saving minimum 5 birr per week. In total we have saved 13,238 birr so far. The group has a social contribution of 3 birr per week that helps us to support one another during times of sorrow or emergency. The group's first loan to members was of 50 birr each and now the largest loan we have made is 1500 birr. Totally, we have circulated 36,800 birr as a loan among the group members since our establishment. We have received various trainings from EKHC SHG program facilitators and get empowered. After having received Basic Business Skills, I took 50 birr loan from the group and started a small business. I received loan several times (starting from 50 birr to 1500 birr). My business is doing well and I am feeding my children three meals a day. All of them are going to school and they do not get sick frequently as they do before. This transformation is because of the SHG approach. On the other hand, I bought a cow and she gets conceived after few months. Unfortunately, the cow died in two hours' time after she gave birth but the calf remains alive. However, there was no milk that the calf may be fed. By then the group members discussed the issue and decided to pay whatever cost to share her pains. And one of the SHG members promised to provide three litres milk on daily basis from his own cow for three months in order to feed the infant calf. The small calf has grown up and she became conceived. Finally, the calf gave birth and has become a mother. By now I could feed milk for my family from my own cow and I gain some more money from selling the milk to others. In addition to this, my group members gave me 1500 birr loan free of interest. I added some more money upon it and bought a bull. I fattened it and sold it back. Then I paid the loan back to the group and used the other money to expand my business and for other household expenditure. As a result,

I and my family members are enjoying better life. I have developed saving culture and understand how to make use of money. Therefore I say "This transformation is because of the SHG approach."

2. Person 'B' Short Story

Person 'B' was born in Wolayta Zone in the southern part of Ethiopia. She came to Hawassa, the capital city of the Southern Region, while she was young. She got married and has four children, one boy and three daughters. Her husband was the one who looks after the whole family members. He was a daily labourer. Unfortunately, he passed away and all the responsibilities of the family have been laid on her shoulder. She was confused and went here and there so that she may be able to provide basic things for her family members. However, she could not do that and she felt desperate. Let alone accessing proper medication and schooling, getting meals was very difficult for the family by then. This was because she could not afford adequate money for the expenditures. Therefore, she and her children were passing through very difficult circumstances.

In June 2008, one new thing happened in her village. She heard about Ethiopian Kale Heywet Church Self Help Group (SHG) Program. She and her friends came together and formed the SHG called EgizaberBalewu after taking orientation about the SHG. Initially the group members were 20 (all are women). Due to various reasons, some members left the group and by now they are 14. EgizaberBalewu SHG members started regular weekly meeting and saving. Their initial weekly savings were 1 birr but now they save from 5-30 birr per week. This means the group members savings are based on their weekly income. In total they have saved 21,763 birr thus far. The group has a social contribution of 1 birr per week that helps the group members to support one another during times of sorrow and emergency.

After having received saving and credit, and basic business skill trainings; the group started internal loan from the group's capital. The group's first loan to members was of 100 birr each and the largest loan the group members have made is 1500 birr. Totally, the group has circulated 38,500 birr as loan among the group members since the group's establishment. These loans have been used to open restaurants, groceries, kiosks, baking injera, selling coffee and tea, butter and cheese, vegetables, fruits, cereals and spices, and other small businesses.

In her own words how self help approach helped her to overcome the problems

I was the first person to take 100 birr loan from the group and started maize/corn business. I gained some profit and realized the benefit in the business. Then I paid the loan back with its interest and took another 300 birr loan. By then I expanded my business and increased my weekly saving from 1



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birr to 3 birr. And again I took 500 birr loan three times and paid the back with its interest. This time I have made my weekly saving 6 birr. After this I took 1000 birr loan three times and 1500 birr loan two times from the group. By now I have expanded the maize business and started other cereals and spices business. As soon as I joined the SHG, my hope has become refreshed. It was time for paradigm shift in my life history. Due to the business I engaged in my family's livelihood has been remarkably changed. I could afford all basic needs of my family members. Now my children and I eat at least three meals a day and I could send all my children to school. I could buy clothes to my family at least twice a year. Moreover, my communication skills were changed after joining the group. My group members and the facilitators helped me in developing confidence.

Two case studies from Dilla

3. Person 'C' Short Story

Person 'C' born in a village called walemi nearby Dilla. She studied upto 4th grade. Because of the cultural impact her parents stopped her education. After some time she was married and having 4 children, three boys and one daughter. Her husband is a daily labourer. Presently they are living in Dilla. She heard of Self Help Group Approach through EKHC. She wanted to join in SHG but her husband objected to this. After some time she approached EKHC facilitators to bring awareness in her husband. The facilitators brought awareness in her husband then he agreed his wife to join in SHG.

Then she joined the group namely LETA, which means grow in English. In the beginning itself this group has started to save 3-5 Birr per week. After saving for one year the group has started to give loans to the members 300 Birr. All the group members are taking loans and paying back with interest by doing petty business like selling salt, Vegetables, etc.,

In her own words about SHG Approach

I have joined LETA group which is having 20 members. Because of some reasons 4 members dropped from the group and only 16 are remaining in the group. My group has saved an amount of Birr 34,890 so far. Initially it was very difficult for our family to earn daily bread though my husband is a daily labourer. I have started to take loan from 300 Birr to 1500 and paid back with interest. With that loan amount I have started preparing Ingera (It is one kind of food which is commonly used by most of the Ethiopians), knitting, selling vegetables. With this I realized the benefits of doing business and helping the family and sending the kids to the school. Recently I have taken a loan of Birr 2000 for expansion and started selling packed Ber Bera (Chilli Powder) Shiro powder, Dabu (Bread), Butter along with vegetables. Now I am paying perfectly every month loan instalment along with interest and sending the children to the school and also the remaining

amount I am saving in the bank. Now I have lot of confidence that I can take care my kids and husband very well. This transformation comes to my family through SHG approach.

4. Person 'D' Short Story

Person 'D' born in a village called Wanago nearby Dilla. She is studying 12th Grade and unmarried. Her parents are illiterates and they do not have any interest to educate her. But since she is very interested in education she came out from her parents to Dilla and was working as a Maid Servant in rich people houses for continuing her education. She heard of SHG approach by EKHC and she approached EKHC facilitators to get awareness. They helped her to join in a group called ADITEKENO which means let us start by belief in English.

In her own words about SHG Approach

After getting awareness by EKHC facilitators and Government officials, I joined the group in 2011 and started saving 3 Birr a week. In 2012, January I got a loan of Birr 150 and bought 2 hens. 2 hens have grown up and started to give eggs. I sold eggs and getting some money. Through that I was paying back the loan amount. In 2013 I got loan of Birr 450 and bought nine hens. Then all the hens started to give eggs and I was selling and got more and more profits. Within 2 months of time I paid the loan amount to the group and I saved the same year 1000 Birr, apart from helping the parents for their livelihood. In 2014 I got loan again 1000 Birr and added 20 more hen. Now total I am having 30 hens and all are laying eggs and I am selling them. Besides I am selling Bunna (Coffee) and Fandusha (Pop Corn) whenever I find time after my class work. Some amount I am saving in the bank for my future and the rest is using for paying back of my loan instalment and meeting the day to day expenses of my parents and me.

She expresses her confidence and happiness to grow further and go for higher studies. With this one can understand the confidence level of the members of the SHGs.

Conclusion

The researchers are really happy to see in the poor people eyes happiness, confidence, trust, steps to overcome their poverty and taking care of their children in all aspects. The group members feel really empowered in their economic and social status. While the group members interacting with the researchers they are so enthusiastic and zeal to express that they are empowered. If we are looking for an approach in generating a genuine, authentic, systematic, meaningful, enlightened and highly motivated popular participation of the poor in their poverty alleviation and social empowerment programmes, we can cite here as one of the best approaches is **Self Help Group Approach** in developing countries like Ethiopia. The researchers are able to conclude the activities of SHG Approach which may be taken as its objectives in



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empowering the poor and alleviating their poverty as: Remind people where they are, why they are, what they are, Stimulating economic activities, Monthly meetings, Raising their social awareness, savings and credit. Through these activities the group members really feel that they are empowered, motivated, nurtured and embedded the confidence to take care of themselves in socio and economic activities.

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