

The Role of Farmers' Multipurpose Cooperative Societies in Promoting Business among Women, Albuko Woreda, Amhara Regional State, Ethiopia

Engdawork Sisay

Department of Cooperative, Faculty of Business and Economics, kotebe Metropolitan University
P/O.Box 31248 Addis Ababa, Ethiopia

Abstract

Cooperatives have played a valuable role in improving the socio economic status of its members in general and women members in particular. They have developed their financial and technical capacities by providing various resources and assistances. Mean while, most women especially those who were living in rural areas have a problem in beginning and developing their own business. The problems include credit, training, market information, skill development and others. The above mentioned problems have inhibited them to start and develop their own business. Given such limitations, the study was conducted to know the role of farmers' multipurpose cooperative societies in promoting business among women in two farmers multipurpose cooperative societies namely, Segno Gebeya and Degaga farmers multipurpose cooperative societies to study the contributions provided by the societies, to explore the socio economic characteristics of respondents in relation with their perception on the contributions and to assess their perception on the contributions by taking a total of 99 sample respondents. The study employed descriptive statistics, Spearman correlation test and qualitative ways of analysis to achieve the objectives. The result shows that, the societies have provided technical assistance, loan, market information, business related training and they arranged discussion forum. They provided the above mentioned contribution at various intervals. According to Spearman's correlation result, educational level and perception of the respondents on the contributions are positively correlated indicating that the higher the educational level, the better would have a positive perception on the contributions. Besides with this duration in business and the women members perceptions on the contributions are negatively correlated indicating that the higher duration in business results a negative perception on the contributions. Age is found to have no correlation with the perception of the respondents on the contributions. The major constraints observed in providing the contributions were; distance from home to cooperative office, incapability and lack of experiences of those engaged in the provision of the contributions, unable to provide the contributions continuously, engaging in household chores, unable to find a potential and good source of loan, infrastructural problems etc.

Keywords: Cooperative, Contributions, Promote Business

1. Introduction

Cooperative enterprises have significant advantages especially for rural women which limit their access to resources. Cooperatives have played a crucial role in rural economy and in ensuring poor households survival. The cooperatives have also led to increased mobility among women, the creation of networks of women and the building of women solidarity. In the agricultural sector, women farmers have scarce access to agricultural resources and services for production due to gender inequalities, the double burdens of farming and family responsibilities and the lack of social services and government programs to support women. Therefore, providing effective support for women's businesses is crucial for promoting business among women. This include measures to facilitate the creation of women's businesses such as training programs providing women with essential technical skills, monitoring programs to give women peer support. The establishment of business incubators is another important way of helping to ensure the survivability of women's business (Saikou et al, 2008).

For women, beginning a business is a journey from poverty to prosperity, total dependence to equality, agricultural labor to entrepreneurs in industry and in service sectors and finally, as opportunity entrepreneurs. It has almost reached a stage where it is more suitable a profession than getting employed in public /private organizations which have their own limitations.

Thus the women's journey mirrors the transformation of the nation from low to high-income countries. The economic status of the women is now accepted as an indicator of a stage of development and therefore it becomes imperative for the government to frame policies enhancing the rights, roles and opportunities of women, for their betterment in particular and society in general (Jayammal and Phil, 2001).

Women's in agricultural cooperatives have played an important role in rural development in mobilizing limited resources for women farmers and producers.

While efforts are being made to improve women's status within existing cooperative institutions, the establishment of women-led or women member cooperatives poses strong potential for sustainability promoting women's small scale industries. In addition, to offer potentials in fostering women's, income generation, women's

cooperatives offer several potentials benefits. A primary benefit is that it can serve as a major support network. It also offers the opportunity for women to exercise decision making power (Saikou et al, 2008).

When opportunities are provided to women economically, this will lead to their active participation in leadership and decision- making positions. Moreover, the economic empowerment of women at various levels, in different cultures and situations will also bring about economic and social benefits not only in their respective families but also to their community and the society as well (Asean foundation, 1998).

2. Research Methods (Methodology)

Quantitative approach was used in order to produce statistical data and measure the responses of the respondents for achieving the objectives of the study. Semi Structured questionnaires were used for this approach. Qualitative approach was also used to explore the attitude, perception and view of participants towards the role of farmers' multipurpose cooperative societies in promoting business among women. Thus for this approach methods like; focus group discussion and key informant interview were employed. The study area were selected Purposively. From the available farmers' multipurpose cooperative societies, those which have an experience of four years and above, have a better operational and financial efficiency compared with other farmers' multipurpose cooperative societies, good number of women members and have a good number of women members begun their own business by getting loan from the societies was selected. Based on this two famers' multipurpose cooperative societies was selected. As of the unit of analysis, the sample of respondent were taken on the basis of the formula given by Kothari (2004).

$$n = \frac{Z^2 * P * q * N}{e^2 (N-1) + Z^2 * P * q}$$

The total sample then becomes $n=99$. The study used both primary and secondary data. The methods of data collection includes semi-structured questionnaires, focus group discussion and key informant interview. Semi-structured questionnaire were developed and administered among the women members of sample respondents from each selected cooperative societies. As regards to focus group discussion, the discussants were organized committees. Moreover the study employed both quantitative and qualitative methods of data analysis. Descriptive and inferential statistics were also employed in such a way that, descriptive statistics such as percentage were used to analyze data generated through semi structured questionnaires and interview and inferential statistics such as Spearman's correlation were used. Data generated by the use semi structured questionnaire were analyzed quantitatively and data generated by the use of focus group discussion and key informant interview were analyzed qualitatively

3. Results and Discussions

This chapter presents the findings from descriptive analysis, correlation and qualitative ways of analysis. To achieve the objective of the study, simple descriptive statistics, correlation and qualitative ways of analysis were employed. The results of the findings were tabulated along with respective interpretation.

4. Conclusion

Most women in rural areas do not have access to education, training, loan and other support services due to various reasons. This lack of access to resources has hampered their ability to access information on support services that could improve their business, enable them to earn a reasonable income and thereby to accumulate enough capital. Given such limitations, cooperatives have significant contributions in mobilizing loan from donor agencies and by providing different business related contributions to promote and develop women members business.

As it was observed in the analysis, loan, market information, technical assistances, arranging a discussion forum and business related trainings were provided to women members who began their own business at various frequencies. Meanwhile, due to the problems like; distance from home to cooperative office, incapability and lack of experience in providing the contributions, engaging in household chores, infrastructural problems, superiority of male in the household and others problems raised with in the societies and the women themselves there was a problem in delivering the contributions at a regular interval basis.

Although the road to poverty alleviation among women is tough and challenging, this study has shown that the farmers' multipurpose cooperative societies have played a key role in addressing the women's problem by providing different contributions.

To conclude it would be a pertinent to say that, if the contributions are stopped from the societies, many of the women members will not be able to start their own business and those who already began will not be able to continue their business. For those women, were not able to build their own technical and financial capacities, the support from the societies is crucial and should remain to continue at any cost.

5. Recommendation

The following recommendations are put forward for increasing the role of farmers' multipurpose cooperative

societies in promoting business among women.

Continuous, on time delivery and at a frequent interval supply of the contributions is needed for enhancing women's capacity in administrating their business.

Women's education and training program in the area is needed to enhance their role in business. The training program should focus on marketing, trade fair participation, product quality, business opportunity identification and networking.

It is necessary to devise the credit extension system in keeping with genuine needs of women's business. The credit requirement should be assessed properly and the required amount of loan should be disbursed accordingly.

The credit system should be capable of meeting short and long-term capital needs of the loans on easier terms and conditions.

Finding a potential market for the women member's products. This can ensure a good return in the form of price for their products. Moreover it may also take step to set up different display centers in different parts of operational areas to facilitate the marketing effort of the women business.

Hiring a well qualified manager enable the women to get access to the contributions easily and as they needed. Through continuous and closely follow up of the women business will lead to in empowerment of women on their business. And government and various and non-governmental organizations should offer various training and managerial skill development for the manger.

Effective communication system should be developed among all stakeholders involved including women. Through experience sharing and transferring information in different areas, various contributions can be provided at a right time and place.

Create better infrastructural facilities which help to deliver the contributions within a short period of time and enable to make contact with women members at a frequent interval.

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Table 1. Educational Level in relation with perception of the respondents on Technical Assistance, Loan, Discussion Forum and Training Related with Business.

		Educational Level of respondents	Perception of Respondents on technical Assistance	Perception of Respondents on Loan	Perception of respondents on Market Information	Perception of respondents on discussion forum	Perception of respondents on Training related with business
Spearman's Rho	Educational Level of respondents	1.000	.713**	.506**	.415**	.326**	.538**
	Perception of Respondents on technical Assistance	.713**	1.000	.770**	.601**	.537**	.801**
	Perception of Respondents on Loan	.506**	.770**	1.000	.481**	.567**	.711**
	Perception of respondents on Market Information	.415**	.601**	.481**	1.000	.437**	.516**
	Perception of respondents on discussion forum	.326**	.537**	.567**	.437**	1.000	.525**
	Perception of respondents on Training related with business	.538**	.801**	.711**	.516**	.525**	1.000

Source: Survey data, 2011

Note: **. Correlation is significant at the 0.01 level (2-tailed)

As far as educational level in relation with perception of respondents on the technical assistances is concerned, Spearman's Correlation indicated there is a positive correlation between educational level and perception of the respondents on the technical assistance which is provided by the societies as observed in table 4.18. With regard to educational level in relation to perception of respondents on loan concerned, the result .506** showed that there is a positive relationship between educational level and perception of respondents on loan. Again the result .415** which is reported in table 4.18 shows that there is a positive relation between educational level and perception of the respondents on market information. In other words the result 415** shows an increase in educational level resulted in a positive perception among the respondents on market information and vice versa. Similarly educational level and perception of the respondents on discussion forum revealed a positive relationship between the two variables.

Finally, educational level and perception of the respondents on training which is related with business concerned, the output .538** shows that there is a positive relationship between educational level and perception of respondents on training related with business. Generally from table 4.18, it could be concluded that the educational level of the respondents and all the contributions which are provided by the societies have a positive relationship which is revealed by Spearman's correlation test.

Table 2. Age in relation with perception of the respondents on Technical Assistance, Loan, Discussion Forum and Training Related with Business

		Age of Respondents	Perception of Respondents on technical Assistance	Perception of respondents on Loan	Perception of respondents on Market Information	Perception of respondent on the discussion forum	Perception of respondents on Training related with business
Spearman's Rho	Age of Respondents	1.000	-.216*	-.195	-.113	-.112	-.216*
	Perception of Respondents on technical Assistance	-.216*	1.000	.770**	.601**	.537**	.801**
	Perception of respondents on Loan	-.195	.770**	1.000	.481**	.567**	.711**
	Perception of respondents on Market Information	-.113	.601**	.481**	1.000	.437**	.516*
	Perception of respondent on the discussion forum	-.112	.537**	.567**	.437**	1.000	.525**
	Perception of respondents on Training related with business	-.216*	.801**	.711**	.516**	.525**	1.000

Source: Survey data, 2011

As to age in relation with the perception of respondents on technical assistance concerned, the result -.216* revealed that there was no correlation between the two variables. Similarly Spearman's correlation result -.195, -.113, -.112 and -.216* on perception of the respondents on loan, market information, discussion forum and training related with business respectively revealed there was an independent relationship (no correlation) with age of the respondents. From this it could be concluded that age has no correlation with the perception of the respondents on the contributions.

Table 3. Duration in Business in relation with perception of the respondents on Technical Assistance, Loan, Discussion Forum and Training Related with Business.

		Duration in Business	Perception of Respondents on technical Assistance	Perception of respondents on Loan	Perception of respondents on Market Information	Perception of respondents on the discussion forum	Perception of respondent on Training related with business
Spearman's Rho	Duration in Business	1.000	-.843**	-.880**	-.542**	-.621**	-.739**
	Perception of Respondents on technical Assistance	-.843**	1.000	.770**	.601**	.537**	.801**
	Perception of respondents on Loan	-.880**	.770**	1.000	.481**	.567**	.711**
	Perception of respondents on Market Information	-.542**	.601**	.481**	1.000	.437**	.516**
	Perception of respondents on the discussion forum	-.621**	.537**	.567**	.437**	1.000	.525**
	Perception of respondent on Training related with business	-.739**	.801**	.711**	.516**	.525**	1.000

Source: Survey data, 2011

Note: **. Correlation is significant at the 0.01 level (2-tailed).

As far as duration in business in relation with perception of respondents on the technical assistances concerned, Spearman's Correlation result was $-.843^{**}$ indicated duration in business and perception of the respondents on technical assistance was negatively correlated as indicated in table 4.20. Again with an attempt to investigate what kind of relationship they have between duration in business and perception of respondents in loan, the output $-.880^{**}$ showed an inverse (negative) relationship between them. Concerning duration in business in relation with the perception of the respondents on market information Spearman's correlation revealed that there was a negative relationship between the two variables. In other words, the result $-.542^{**}$ showed an increase in educational level result; a decrease on the perception among the respondents on market information and vice versa. Similarly, duration in business and perception of the respondents on discussion forum revealed that there was a negative relationship between the two variables. Lastly duration in business and perception of the respondents on training related to business concerned, the output $-.739^{**}$ showed that there was a negative relationship between duration in business and perception of respondents on training related to business. To conclude, duration in business and the women members perceptions on the contributions are negatively correlated indicating that the higher duration in business results a negative perception on the contributions.