The effects of NGOs on socio-economic empowerment of women: Empirical evidence from some NGOs operating in Ethiopia

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ABSTRACT

Women have been the most disadvantaged and discriminated sections of the society all over the world, particularly in developing countries. This study aimed to investigate the effects of NGOs on socio-economic empowerment of women by conceptualizing and developing five basic dimensions of empowerment including income, saving, decision-making ability, expenditure level, and assets ownership rights of women. To test the hypotheses in this study, the researcher targeted three NGOs operating in the study area for a long period. For analysis, data were collected from 80 respondents selected using stratified random sampling technique. Data were analyzed using SPSS V20. The result of the five hypotheses tested showed the existence of a positive and significant statistical difference between prior and post involvement of women in the various intervention approaches used by the NGOs to empower women socio-economic perspectives.

Key words: Poverty, empowerment, NGOs.

INTRODUCTION

According to Taylor and Pereznieto (2014), women’s economic empowerment is the method of realizing women’s equal accessibility and control over economic resources. Achievement of women empowerment is now a global policy priority for its potential effects on the sustainable Development Goals of the United Nation (UN) that targets poverty reduction, well-being and human development. The achievement of these goals besides the government is partially realized through Non-Governmental Organization (NGOs).

The emergence of NGOs is centered on their ability to offer a development alternative, making a set of claims about the more effective approaches necessary for addressing poverty and challenging unequal relationships (Bebbington et al., 2008; Lewis and Kanji, 2009) and NGOs can fill the gaps caused by inefficient state provision of services of rehabilitation, namely, economic, social, educational and medical (Lang, 1999).

International and indigenous non-government controlled welfare and community organizations have existed for longtime all over the world. However, in the last three decades, Non-Governmental Organizations (NGOs) have expanded and grown enormously in developing country for the humanity and socio-economic problem of the society. Emerging from long-term traditions of charity and self-help group, NGOs vary widely in origin and levels of formality (Lewis and Kanji 2009). The NGOs are found in the form of religious groups, private foundations, charities, research organizations, and federations of dedicated physicians, civil society organizations, and citizen associations.

It is argued that where government lack public services, NGOs play a significant role in the direct provision of social and economic services. Similarly, in developing countries, NGOs emerged and play the roles as service providers and significantly NGO worked on poverty alleviation and reducing income inequality. As Vakil (1997) explained the perceived failures of state led development approaches throughout the 1970s and 1980s powered interest in NGOs as a development alternative, offering innovative and people-centered approaches to service delivery, advocacy
and empowerment.

Most international and domestic NGOs working in Ethiopia are religious based and had been working in relief, rehabilitation and development works and they are active in their operations. Most of them are working with the marginalized people at the grass root level. The emergency of large number of new NGOs and expansion of NGOs in Ethiopia is related to the devastating drought in the 1974/75, and again in the 1984/85. From that time onwards, NGOs highly expanded in Ethiopia and have offered variety of services and designed and implemented various development projects that support socio-economic development of the country.

The purpose of this study is to analyze the effects of NGOs on socio-economic empowerment of women and developed five hypotheses: there is statistically significant difference in the income, saving; decision making, expenditure level of women and assets ownership rights of the participated women prior and post involvement in NGOs intervention program. The investigation of this research focused on the effect of NGOs on social and economic empowerment of women exposed to the NGOs empowerment approaches. This study is organized as follows: a theoretical and empirical review of the literature; formulation of the theoretical framework of the study; the results; and finally, conclusion.

**REVIEW LITERATURE**

The common objective of NGOs working in gender related area is alleviation of poverty and ensuring the economic empowerment of women (Cassen, 1999; Sen, 2001; Chambers, 1999). Enhancing women’s engagement in productive activities is fundamentally equal with action against poverty (Cassen, 1999). Economic independence of women leads to freedom of making decisions on family planning and the household assets; this can in turn have important effects on poverty reduction (AlmazFiseha, 2010).

According to O'Neil et al. (2014) defined women's empowerment as a process of psychological, political, social and economic change, through which women individually and collectively gain power and control over their lives. Empowerment can be approached from distinct viewpoints, which needs different political priorities and strategies.

However, as Alsop et al. (2005) argued that empowerment is mainly about making changes that give individuals greater freedom in pursuing their goals; and among different established institutions of achieving empowerment, the popular and most widely used institution is NGO.

Non-Governmental Organization (NGO) takes many different meaning and forms in different countries. In some country such as England, they are known as voluntarily organization, private voluntarily organization, and national voluntary organization but in the United States, they take different names such as non-profit organization, not-for-profit organization, intermediary organization, and umbrella organization (Paul, 2000; Lewis, 2001). NGO has no clear cut meaning; it is defined differently based on the legal status, economic and/or financial considerations, functional areas, and their organizational features (Vakil, 1997). As Mufune (1996) defined, NGOs are organizations that are to some degree organizational expressions of volunteerism. Volunteerism entails a capacity on the part of the individual to serve of their own free will without expectation of monetary or other personal material gain. In similar way, Todaro (1996) also defined NGOs as voluntary organizations that work with and on behalf of mostly poor grass roots people's in developing countries. Generally, most of the NGOs are charitable, benefiting the community represent the idea of humanity and not for profit; self-motivated and committed to help the poor; the needy and the weak independent of outside interference and control (Tegene, 1994). But Korten (1990) identified four essential characteristics for the definitions of NGOs that enable them to be distinguished from other organizations in civil society: they are voluntary, independent, not-for-profit and not self-serving.

The roles of NGOs are so broad but due to the scope of this study the researchers focused only on the roles of NGOs in the social and economic empowerment of women. As Save the Children Fund (1997) demonstrated, NGOs have made a great contribution in poverty alleviation, redressing gender balance, combating environmental degradation and involving the poor in participatory development.

NGOs are increasingly promoted as the solution for correcting all the iniquities and problems encountered in the developing regions (Clark, 1995; Diamond, 1993; Renshaw, 1994). High number of NGOs working in developing country is mainly working on how to alleviate poverty and income inequality in the rural and urban areas (Clark et al., 2003). The major strength of NGOs are the grassroots linkages they offer enabling them to design services and programs using innovative and experimental approaches centered around community participation (Bebbington et al., 2008).

The task of NGOs is not to compensate for the government failure or market deficiency; rather, the role of NGOs is about innovation and subsequent mainstreaming and multiplication (Uvin et al., 2000). The goal of the NGOs are to expand poor, particularly women's opportunities for entrepreneurship by promoting access to and participation in economic processes and structures, including access to employment and control of economic resources. People-centered socioeconomic development emphasizes the need to strengthen and support the capacity and self-reliance of women. The opportunity for advancement of economic power can facilitate and result in empowerment and a
sense of self-worth brought about by economic self-sufficiency and self-reliance, "under conditions that give people both the opportunity and incentive to mobilize and manage resources (Korten, 1987).

In helping the poor to climb out of poverty, NGOs use two approaches: supply-side and demand-side (Clark, 1995). In the supply side approach, NGOs can directly provide services to the people, while in the demand-side NGOs play indirect roles. However, the two approaches are not mutually exclusive.

RESEARCH METHODOLOGY

This research used a mixed research design means descriptive and casual design; where the descriptive design used descriptive statistics of frequency, mean, standard deviation and cross tab; and casual design used multiple regressions analysis to determine the impact of the independent variables on the dependent variables, that is, women social and economic empowerment.

Data used for this research were collected by triangulation method, that is, combination of astructured questionnaire, interview and observation from three dominant NGOs operating in the study area for a long period in women empowerment area.

The sampling techniques used were stratified, and simple random sampling techniques were used to minimize the bias of data collections from the non-homogenous target population. For validity of the study, the researchers used construct validity. For reliability, a cronbach alpha of 0.81 was attained, confirming the reliability of measurement to be used.

RESULTS AND DISCUSSION

The survey instrument was done on respondents profile with respect to their age, educational level, and marital status. As regards the age distributions of the women respondents, about 58.75, 32.50, 2.5 and 5% are between the ages of 41-50, 31-40, 20-30 and above 51 respectively. Similarly, for marital status, majority of the respondents were married; and on average, the respondents included in this survey had completed elementary school and only small fraction of them never attended school at all. Generally, no significant differences were observed among the women involved in the NGOs under investigation regarding their demographic status: age, marital status and education.

The designed survey questionnaire under different categories of Likert scale model to measure the effects of the NGOs on the social and economic status of the poor women under the NGOs intervention program was analyzed hereafter.

NGOs’ intervention programs and women empowerment

It is well known that the first goal of the millennium development programs (MDGs) is eradication of extreme poverty and hunger. Poverty is one of the most important global problems, and the fight against poverty is currently becoming vital. The focus of eradication of poverty is highly on women since large percentages of women greatly live in absolute poverty. Thus due to the seriousness of the problem and increasing trends of people under serious poverty, the United Nations have declared 2008-2017 as the Second Decade for the eradication of Poverty (Sach, 2005).

Improving the status of women is an integral part of the work of eradicating poverty and building civil society. Poverty can only be eradicated if half of the world’s populations of women are educated and strong enough to generate income for themselves and their families.

The summarized response of the women on intervention mechanisms used by the three NGOs under investigation to alleviate poverty are expansion and provision of education and education facility, establishment and offering of medical services at low cost and free treatment and services without costs for some special issues, construction of public projects such as water supply and sanitations services, basic skills training for income generation activities and saving habits, awareness creation on environmental protection and wise usage of natural resources.

Effects of NGOs intervention program on Income levels of women

Women's poverty is directly related to the absence of economic opportunities and autonomy including credit, land ownership and inheritance, and participation in the decision-making process. Improving the status of women is an integral part of the work of eradicating poverty. Poverty can only be eradicated if women half of the world's populations are educated and strong enough to generate income for themselves and their families. Around the world, many programs target women in an attempt to reduce poverty: a goal which empowers women in many other ways. Microcredit programs are a key example. When women receive small loans to start their own small businesses, they gain experience, confidence, practical skills and economic independence.

All of these skills and experiences go beyond simple economic improvement and lead women toward taking active roles in their lives and the lives of their communities. The income generating activities enable women to have access to income, and enhanced decision-making on health, education, consumption, etc. Women also interact with outside markets and the community, and this process...
gradually enables them to play an active role in social, political and economic issues affecting themself, household and the community (Mayoux, 1998). White (1991) on Bangladesh women borrowers as well as by Mbilinyi and Omari (1993) in Tanzania, demonstrated how credit facilities improved the income of low income women.

Table C provided in the appendix part of this research shows the descriptive statistics on the differences of income levels of the poor participants' women before and after involvement in income generating activities designed and sponsored by NGOs to empower and alleviate poverty. As shown in the table, for income levels before joining the NGOs program, 23.88% of the participants had no income; however after involvement in the NGOs program, all of them started to earn some amount of income. Whereas for prior involvement, majority of them (62.68%) were under very low income category, however after involvement in the NGOs, 46.27% of the women participated were grown to high income earning category.

Generally, for post involvement in the NGOs income generating program, a radical change was observed in the last two income ranges of high and very high, where formerly none of them had earned that ranges of income and latter on 19(28.36%) and 6(8.95%) of them were between high and very high income ranges. From the above analyzed data, there was a significant change in the income levels of the participants between post and prior involvement in NGOs. This finding confirms the result of Asemash (2003) in a study conducted in Tigray region that the credit provided to the poor has brought a positive impact on the life of the clients as compared with those who do not get access to the credit services.

**NGOs intervention program on saving capacity of women**

Getting income and consuming alone have no value unless that part of the income is saved to serve future growth. From the discussion made above, under the NGOs intervention mechanisms' programs for women empowerment is development of the saving habits of the poor women from their small incomes. The descriptive statistics result of the effects of the NGOs on the saving levels of the poor grass roots women showed that earlier to the training and awareness creation program and participation in income generation program by the NGOs, 38% saved nothing and 43% of them were within the category of very low saving level. Whereas for post involvement in NGOs empowerment intervention program, 31% of them were within the medium saving category and 55% were within the high saving level category. Prior none of them were within very high saving category, while for post involvements, 13% of them were within very high saving category.

From the analysis, 82.08% of the respondents had saved below very low saving category, that is, Birr 260 annually prior involvement. For post involvement, none of the respondents were below this saving level, while 13.4% of the poor participants women had saved within low saving category (Birr 261-520) per year prior involvement, but for late involvement, the number of participants who had saved within this range increased to 31.34%.

Besides the frequency distribution, the mean distribution of the saving levels prior was very low but after intervention significantly increased. Similarly, the standard deviation of the saving levels among the participants after taking part in the program was slightly decreased and shown marginal improvement in income inequality.

In summary, the significant difference in the saving levels was the result of accessibility to affordable credit or finance and training services designed and given frequently to enhance the income levels and to foster saving habit of the participants to improve their wellbeing and security.

**NGOs intervention program on decision making ability of women**

Poverty is perceived and experienced differently by men, women and social classes. In the society, the controller of resources has more power to influence socio-politics and poverty alleviation. Intra-household inequalities in making decision affect women's power in alleviating poverty because they cannot make decision in allocation or distribution of resources at the household level or at higher entrepreneurial levels.

Besides the economic marginalization, women are marginalized in decision making in the family and society level. Regarding the action of the NGOs in enabling improving women decision making ability, the result showed that for prior intervention program only 10.45% of the participants participated in personal and family decision making, but for late involvement income generating program, majority, 83.58%, of them started involving in personal and family decision making.

Besides the frequency distribution, there was also difference in coefficient of variations (CV) in pre and post decision making ability. The analyzed data showed that in a situation where formerly women have been marginalized in household decision-making process, intervention by the NGOs improved their role in decision-making process.

**NGOs intervention program on assets ownership rights of women**

In measuring poverty or wealth of women, the level of their access to and control over resources must be considered. This is because from a gender perspective, power over resources is a key concept of poverty (Mbughuni, 1994).
The controller of resources has more power in poverty alleviation; poverty is also linked to lack of access by the poor households to the assets necessary for a higher standard of income or welfare (World Bank, 2000).

The descriptive statistics showed a slight increase in the enjoyment levels of women to assets ownership right post involvement in poverty alleviation and women empowerment program of the NGOs. As regards prior intervention program, only 16.42% of the women had full ownership rights on her family’s asset but after participation in intervention program the number of women that enjoyed assets ownership right increased by 26.86% and become 43.28%.

On the other hand, the statistics showed a relative decrease in the standard deviation and coefficient of variations. The findings showed that the NGOs actions significantly enabled women to enjoy assets ownership rights; however, all participants had not fully enjoyed assets ownership rights even after they owned their own income and assets, however it is unpromising trend.

**Hypothesis testing**

The summary of hypothesis testing is outlined below:

**Hypothesis 1:** There is statistically significant difference in the income levels of the participants’ women between the prior involvement and post involvement of NGOs.

The analysis shows the existence of significant difference, where the calculated $x^2$ in statistics is much greater than the critical value, $124.05 > 11.07$, at $\alpha=0.05$. That is, the result shows that there is statistically significant difference in the income levels of participants’ women prior and post involvement in NGOs.

In other words, the statistic is large enough since some of the cells have large discrepancies between the observed and expected frequencies. Thus, the null hypothesis can be rejected since the P value statistic is too small relative to the calculated $X^2$. This suggests that there is a significant difference in income levels of participated women prior and post involvement in NGOs. Thus, women empowerment programs by the NGOs significantly affected the income of the women involved in the NGOs intervention program.

**Hypothesis 2:** There is statistically significant difference between the saving levels of the participants prior and post involvement in NGOs. The result of the second hypothesis (Ho) showed the non-existence of statistically significant difference in the prior and post saving levels of the women. This hypothesis is supported by the analysis that shows the existence of significant difference, where the calculated $x^2$ in statistics is much greater than the critical value, $76.51 > 9.488$, at $\alpha=0.05$, which suggests the existence of statistically significant difference in the income levels of participants’ women prior and post involvement in NGOs.

**Hypothesis 3:** There is statistically significant difference in the enjoyment of asset ownership rights in the period prior and post involvement of NGOs. This hypothesis is supported by the calculated value of $X^2$, which is $39.96456 > 7.81$ (df= 3 at 0.05) of theoretical value. This suggests that involvement in NGOs empowerment intervention program enables women to enjoy assets ownership rights from the assets they accumulated from the intervention program.

**Hypothesis 4:** There is statistically significant difference in expenditure level of women on family/personal matters before and after involvement in NGOs. The hypothesis analysis shows the existence of significant difference, where the calculated $x^2$ value is much greater than the theoretical value, $(75.59>5.99)$, at $\alpha=0.05$. This result shows that there is statistically significant difference in expenditure level of women before and after involvement in NGOs.

**Hypothesis 5:** There is significant difference in women decision making at the family level and in the society between prior and post involvement of NGOs. There is statistically significant difference in decision making level of women on family/personal matters before and after involvement in NGOs. The hypothesis analysis shows the existence of significant difference, where the calculated $X^2$ value is much greater than the theoretical value, $(54.387>5.991)$, at df= 3, $\alpha=0.05$. That is, the result shows that there is statistically significant difference in decision making level of women before and after involvement in NGOs.

**Major project priorities by the NGOs for women empowerment**

The range of NGOs work is as diverse as their interest. Their perspective and operation may be local, regional, national and international. The major projects carried out by the NGOs under investigation in the area of development and social services are the rural finance and poverty alleviation; natural resource management and conservation are the leading projects in their descending order, followed by care and support for orphans and vulnerable children's and livelihood development program by 92 and 85%, respectively. This is followed by Health and HIV/Aids, Gender and Development, and Education with 77, 69 and 62%, respectively. Finally, special program is the least project carried out within the organization. This analysis is a key indicators that the NGOs are fundamentally working in diversified areas of poverty alleviation and empowerment program to dry the roots of poverty from its’ low levels.

**Alternatives intervention approaches used by the NGOs in women empowerment**

A range of approaches and strategies adopted by the three...
NGOs to address women issues linking gender issues to development programs, and promoting rights based approach to social inclusion. The intervention programs of the NGOs are in the form of services related to education, health care, micro-finance, agricultural extension, emergency relief, and human rights (Lewis and Kanji, 2009).

The summary of the interview, open ended and closed ended questionnaire on the alternative intervention approaches used by the NGOs is summarized as follows. In the early period, the NGOs enable the local community to be accessed to education, health, rural roads, water supply and sanitation prior to the coverage of the government service concentrating on the supply side, that is delivering services, providing development programs, or assisting official bodies to increase the spread of their own programs but starting from the last decades NGOs partly diverted their program from the public service delivery to household service by empowering the women, who are half of the community but who marginalized for a long period of time.

The NGOs under considerations are using a variety of approaches to empower the disadvantaged women at the grass roots levels based on their own goals and capacity. The common approaches being used by them are low cost credit service, subsidized loan facility, training of new skills by which they generate their own means of income and economize and use their assets, provide health and nutrition service for children of the poorest, offering money freely for the old and disabled people without support. Figure 4 provided in the appendix section shows detailed techniques used by the NGOs under study in poverty alleviation and women empowerment.

According to Stormiest (2002) there are three major functions of NGOs service delivery such as relief, welfare, basic skills; educational provision including basic skills and often critical analysis of social environments; and finally public policy advocacy. Baccaro (2001) also illustrated a combination of micro-credit, awareness raising, training, and other social services as a means of women empowerment.

In summary, the most widely used alternative methods by the NGOs under considerations to empower women and alleviate poverty were lending of money at low interest, awareness creation training on saving and wise utilization of resources, lending without interest rate, supplying foods and health services, and transfer payments for elderly and disabled poor women.

Conclusions

The objective of this study was to investigate the effects of NGOs on socio-economic empowerment of women. Women’s socio-economic empowerment is fundamental for poverty eradication, gender equality, better families’ well-being, and comprehensive economic growth. Overcoming these problems requires bold and compressive strategies. This study focused on five key factors that indicate the effects of NGOs on women empowerment levels; and the intervention approaches by the NGOs. The major factors considered were income, saving, decision making ability, expenditure levels, and assets ownership rights of the poor women as a result of the intervention program by the NGOs.

The results of the tested hypothesis show the existence of significant effects of the NGOs intervention program on the tested variables. Similarly, for the empowerment of the poor women at grass root levels, the NGOs under considerations used approaches of lending of money at low interest, awareness creation training on different aspects, lending money free interest rate, supplying foods and health services in special cases, and transfer payments for elderly and disabled poor women.

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