



## Harnessing Diversity through Visionary Leadership: Empowering Women and Communities in Awach SACCOS, Ethiopia

*Aprovechar la diversidad mediante un liderazgo visionario: empoderamiento de las mujeres y las comunidades en Awach SACCOS, Etiopía*

*Aproveitando a diversidade por meio de uma liderança visionária: empoderando mulheres e comunidades na Awach SACCOS, Etiópia*

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### Abstract

This paper examines how visionary leadership and strategic inclusion of women have transformed Awach Saving and Credit Cooperative Society (SACCOS) into a thriving financial institution in Ethiopia. It highlights the transformative impact of visionary governance, focusing on the leadership that has steered Awach SACCOS towards addressing economic disparities and empowering marginalized groups, particularly women. Drawing on plans, reports, and relevant literature, the study provides a

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comprehensive analysis of Awach SACCOS's transformative journey. Guided by a visionary approach inspired by successful savings and credit models, the leadership of Awach SACCOS established a community-centered financial institution that prioritizes inclusivity. The cooperative has introduced tailored financial products for women and youths, fostering economic growth and financial independence. Awach SACCOS has seen substantial growth, with membership rising to 143,095 by February 2024, 38% of whom are women. Women benefit from customized loan products, lower interest rates, and opportunities for entrepreneurial ventures and leadership. The paper underscores Awach SACCOS's achievements in promoting gender equality and economic empowerment. Awach SACCOS has enhanced financial access for women and youths, contributing significantly to Ethiopia's socio-economic development. This case exemplifies how cooperative governance and diversity-focused visionaries can drive impactful community transformation.

**Keywords:** Women empowerment, visionary leadership, community-centered and financial independence

## Resumo

Este artigo examina como a liderança visionária e a inclusão estratégica das mulheres transformaram a Awach Saving and Credit Cooperative Society (SACCOS) numa instituição financeira próspera na Etiópia. Ele destaca o impacto transformador da governança visionária, com foco na liderança que conduziu a Awach SACCOS a abordar as disparidades económicas e empoderar grupos marginalizados, particularmente as mulheres. Com base em planos, relatórios e literatura relevante, o estudo fornece uma análise abrangente da jornada transformadora da Awach SACCOS. Guiada por uma abordagem visionária inspirada em modelos de poupança e crédito bem-sucedidos, a liderança da Awach SACCOS estabeleceu uma instituição financeira centrada na comunidade que prioriza a inclusão. A cooperativa introduziu produtos financeiros personalizados para mulheres e jovens, promovendo o crescimento económico e a independência financeira. A Awach SACCOS registou um crescimento substancial, com



o número de membros a aumentar para 143 095 em fevereiro de 2024, 38% dos quais são mulheres. As mulheres beneficiam de produtos de empréstimo personalizados, taxas de juro mais baixas e oportunidades de empreendedorismo e liderança. O artigo destaca as conquistas da Awach SACCOS na promoção da igualdade de género e do empoderamento económico. A Awach SACCOS melhorou o acesso financeiro para mulheres e jovens, contribuindo significativamente para o desenvolvimento socioeconómico da Etiópia. Este caso exemplifica como a governança cooperativa e visionários focados na diversidade podem impulsionar uma transformação comunitária impactante.

**Palavras-chave:** Empoderamento das mulheres, liderança visionária, centrada na comunidade e independência financeira.

## Resumen

Este artículo examina cómo el liderazgo visionario y la inclusión estratégica de las mujeres han transformado la Sociedad Cooperativa de Ahorro y Crédito (SACCOS) de Awach en una próspera institución financiera en Etiopía. Destaca el impacto transformador de una gobernanza visionaria, centrándose en el liderazgo que ha guiado a Awach SACCOS hacia la resolución de las disparidades económicas y el empoderamiento de los grupos marginados, en particular las mujeres. Basándose en planes, informes y bibliografía relevante, el estudio ofrece un análisis exhaustivo del proceso de transformación de Awach SACCOS. Guiado por un enfoque visionario inspirado en modelos exitosos de ahorro y crédito, el liderazgo de Awach SACCOS estableció una institución financiera centrada en la comunidad que da prioridad a la inclusión. La cooperativa ha introducido productos financieros adaptados a las mujeres y los jóvenes, fomentando el crecimiento económico y la independencia financiera. Awach SACCOS ha experimentado un crecimiento sustancial, con un aumento del número de miembros hasta 143 095 en febrero de 2024, de los cuales el 38 % son mujeres. Las mujeres se benefician de productos de préstamo personalizados, tipos de



interés más bajos y oportunidades para emprender proyectos empresariales y de liderazgo. El documento destaca los logros de Awach SACCOS en la promoción de la igualdad de género y el empoderamiento económico. Awach SACCOS ha mejorado el acceso financiero de las mujeres y los jóvenes, contribuyendo de manera significativa al desarrollo socioeconómico de Etiopía. Este caso ejemplifica cómo la gobernanza cooperativa y los visionarios centrados en la diversidad pueden impulsar una transformación comunitaria impactante.

**Palabras clave:** Empoderamiento de las mujeres, liderazgo visionario, centrado en la comunidad e independencia financiera.

### **Descriptores**

P13 – Empresas cooperativas; empresas de trabajadores; propiedad de los empleados.

G21 – Bancos; instituciones de ahorro y crédito; microfinanzas.

J16 – Economía del género; desigualdad y empoderamiento de las mujeres.

### **Introduction**

Diversity and visionary leadership are widely recognized as essential forces for fostering social and economic progress (UNDP, 2023). Around the world, inclusive financial systems have been championed as a means to empower marginalized groups, particularly women, enabling them to access resources that drive sustainable development (World Bank, 2022). The cooperative model has gained significant traction as an instrument for community-driven financial inclusion, with studies highlighting its ability to enhance resilience and prosperity through collective governance (ILO, 2021).

Financial inclusion is widely regarded as a catalyst for economic development, yet gender disparities persist across global financial systems, with Ethiopia being no exception. Women in Ethiopia face structural barriers that hinder their access to formal financial services, limiting their ability to secure loans, open bank accounts, and participate in investment opportunities. As noted by the World Bank's Global Findex Database (Demirgüç-Kunt et al., 2018), gender-based financial exclusion is exacerbated by cultural



norms, limited financial infrastructure, and social restrictions that confine women's economic agency.

Recent studies highlight the growing gender gap in financial inclusion in Ethiopia, particularly in the adoption of digital financial services. According to Endashaw & Shumetie (2023), women are significantly less likely than men to own formal bank accounts, save through financial institutions, or use mobile banking services. This disparity is largely attributed to lower income levels, employment gaps, and regional development inequalities, which continue to hinder women's financial participation. Similarly, Adera & Abdisa (2023) emphasize that financial inclusion directly impacts women's economic empowerment, enabling them to increase household income, invest in businesses, and enhance their bargaining power within communities.

Despite efforts by the Ethiopian government and financial institutions to close gender gaps in financial access, challenges remain. The World Bank (2024) identifies key barriers such as collateral-based lending practices, limited financial literacy programs, and inadequate regulatory frameworks that disproportionately affect women. While initiatives like the National Financial Inclusion Strategy aim to expand women's access to credit and digital banking, implementation gaps persist, leaving many women financially marginalized.

Recognizing these challenges, Awach Savings and Credit Cooperative (SACCOS) has positioned itself as a leading financial institution that specifically targets women's financial inclusion. Through visionary leadership, particularly Mr. Zerihun's strategic focus, Awach SACCOS has successfully provided tailored financial products and services that empower women and strengthen community cohesion. By fostering economic participation, leadership development, and social integration, Awach SACCOS contributes to broader efforts aimed at gender equality and sustainable financial inclusion in Ethiopia.



## **Objectives of the Study**

This research explores the impact of visionary leadership on financial inclusion and community empowerment, with a specific focus on Awach SACCOS. The study aims to:

1. Examine the role of leadership in women's financial inclusion – Assessing how Mr. Zerihun's strategic approach transformed Awach SACCOS into an inclusive financial institution.
2. Evaluate the success of gender-sensitive financial products – Investigating how Awach SACCOS' loan programs, interest rate reductions, and financial education initiatives contribute to women's economic participation and entrepreneurial success.
3. Analyze the broader socio-economic impact of Awach SACCOS – Exploring how its inclusive policies foster community development, job creation, and financial literacy among underserved populations.

## **Methodological Approach**

This study employs a multi-method qualitative approach, integrating document analysis and an extensive literature review to comprehensively evaluate the impact of Awach SACCOS on women's financial inclusion and visionary leadership. The rationale for this approach lies in its ability to triangulate data from institutional records and scholarly discourse, thereby offering both empirical grounding and theoretical depth. By combining internal documentation with external academic and policy perspectives, the study ensures a holistic understanding of Awach's gender-responsive strategies and leadership practices.

## **Document Analysis**

The document analysis component involved a systematic review of Awach SACCOS' internal records, including strategic plans, annual reports (2015–2024), audited financial statements, gender-disaggregated loan portfolios, and training program evaluations. This method, as outlined by Yin (2014), enables researchers to extract factual data and trace



institutional patterns over time. The analysis focused on four key dimensions: (1) loan distribution by gender and sector, (2) membership growth trends with emphasis on female participation, (3) the scope and frequency of financial literacy and entrepreneurship training programs, and (4) leadership composition and promotion pathways for women.

These documents provided rich empirical insights into Awach's operational success and its alignment with Ethiopia's National Financial Inclusion Strategy (NFIS, 2022). For instance, the cooperative's consistent reporting on female loan uptake and leadership ratios allowed for longitudinal tracking of gender equity outcomes. Additionally, internal memos and board meeting minutes offered qualitative evidence of strategic intent behind gender-sensitive policy shifts, reinforcing the institution's commitment to inclusive governance.

## **Literature Review**

To contextualize the empirical findings, the study conducted a comprehensive literature review encompassing peer-reviewed journals, policy briefs, global cooperative reports, and gender equity frameworks. The review drew on foundational texts in mixed-method research (Tashakkori & Teddlie, 2010), feminist leadership theory (Charleston, 2025), and cooperative finance models (WOCCU, 2024; ICA, 2025). This enabled the study to situate Awach's practices within broader theoretical and regional debates on financial inclusion and gender-transformative leadership.

Key themes explored included: (1) the role of SACCOs in advancing women's economic autonomy, (2) visionary leadership as a driver of institutional innovation, and (3) the effectiveness of gender-inclusive governance structures in cooperative settings. Comparative insights were drawn from case studies on Kenya Women Microfinance Bank (KWFT), Rwanda's Umwalimu SACCO, and Uganda's Wazalendo SACCO, highlighting both convergences and contextual distinctions.

The literature review also identified gaps in existing research—particularly the underrepresentation of Ethiopian SACCOs in global gender finance discourse—and positioned Awach as a case study capable of addressing this void. By aligning theoretical



frameworks with Awach's documented impact, the study contributes to a growing body of knowledge on how cooperative institutions can serve as engines of gender equity and community transformation.

## **Results and Discussion**

### **1. The Genesis of Awach SACCOS- The Visionary behind the Transformation**

Awach Saving and Credit Cooperative Society LTD emerged from the visionary cooperative business model of Mr. Zerihun Sheleme, who aimed at addressing economic inequality and the underprivileged status of women. The cooperative sought to inclusively incorporate marginalized women, providing them with access to financial resources. It was a response to prevalent economic disparities leading to poverty, scarcity, and restricted financial access. Insights from interviews with the founder underscore that the cooperative's inception was primarily driven by his personal encounters with financial scarcity and the imperative to alleviate the absence of funds for meeting basic needs.

In an interview, Ato Zerihun shared, "I earned a higher salary but didn't own a television, while I saw mothers borrowing household essentials—like televisions, sofas, and refrigerators—from their cooperative to furnish their homes. Seeing this made me question myself with a sense of envy: 'Why don't I establish a cooperative to solve the communities' problems?'"

The founder's vision for Awach SACCOS rested on the belief that cooperative finance could mitigate systemic challenges to livelihood security. This vision drew from his own experiences, interactions, and familial background. Of particular note was his observation of women in his vicinity organizing to save money, illustrating the potential of cooperative finance to empower marginalized demographics.

The founder of Awach introduced the concept and potential benefits of the association to colleagues in the working vicinity, leading to the formation of the initial group of 41 members, consisting of 8 men and 33 women. Each member contributed five birr for registration and committed to saving 100 birr over ten months (equivalent to 10 birr



monthly), representing a novel and accessible saving method amounting to 10% of their annual salaries.



**Figure 1- Founding members of Awach Saccos Ltd.**

Awach was established in March 2007 with an initial capital of 15,236.00 Ethiopian Birr (ETB), which was roughly equivalent to 275.00 US Dollars (USD) at that time. The inspiration behind Awach came from observing a group of women in Addis Ababa involved in carpet-making, where their collective savings approach proved more financially viable than formal employment in certain government institutions. Initially at the district (Wereda) level but aspiring for national impact, Awach SACCOS aimed to be Ethiopia's premier sustainable savings and credit association. The organization was officially registered by the Addis Ababa Cooperative Promotion and Regulatory Department under proclamation No. 147/98.

Driven by the successful financial model of the Raiffeisen bank, The founder and CEO of Awach Mr. Zerihun Sheleme has been able to build, lead, control, and expand Awach SACCOS. Moreover, the founder's impetus to establish Awach SACCOS was inspired by successful microfinance models, notably those pioneered by Mohammed Yunus in



Bangladesh and similar ventures in Kenya. Exposure to these success stories fueled his ambition to establish a community-centered saving and credit system in Ethiopia. His query regarding the absence of such models in Ethiopia underscored his proactive stance and determination for positive change.

The founder's full-grown behaviors, evident in his initiative to establish Awach SACCOS, were shaped by diverse factors, including his family upbringing, past professional experiences, and exposure to successful role models. His upbringing, characterized by principles of honesty and integrity, significantly contributed to shaping his visionary persona. Ultimately, the establishment of Awach SACCOS reflects a convergence of personal experiences, inspiration from successful models, and a proactive drive to redress economic disparities and empower marginalized communities.

## **2. Visionary Principles Guiding Awach SACCOS' 18-Year Success**

At the heart of Awach SACCOS' success lies a set of core principles, deeply rooted in community values and ethical leadership, instilled by its founder, Mr. Zerihun Sheleme. These guiding philosophies have been instrumental in shaping the organization's financial operations, member engagement, and long-term sustainability.





***Figure 2- Mr. Zerihun Sheleme, Founder and CEO, Awach SACCOS LTD.,  
(February, 2025)***

*Inclusivity and Equity*

Awach SACCOS embraces a commitment to equal opportunity, ensuring non-discriminatory access to financial services for all members, particularly women. This principle fosters a culture of fairness, transparency, and mutual respect, reinforcing the organization's dedication to diversity in financial leadership.

*Integrity and Trust*

Recognizing the detrimental effects of misinformation, Awach SACCOS prioritizes truthfulness and transparency in all interactions. Avoiding the spread of rumors and upholding honest communication are central to maintaining a trustworthy financial institution that strengthens community relationships.

*Economic Prosperity through Sustainable Banking*

The organization is firmly committed to financial well-being, ensuring its members have access to long-term income-generating opportunities. Through structured savings programs, accessible loans, and capacity-building initiatives, Awach SACCOS empowers individuals to build financial security and contribute to economic growth.

*Ethical Leadership and Accountability*

Awach SACCOS actively discourages unethical shortcuts, emphasizing diligence and adherence to proper financial protocols. A strong zero-tolerance policy against dishonesty reinforces the organization's dedication to maintaining ethical business practices.

*Focused Engagement and Responsibility*



Members are encouraged to prioritize their individual and collective financial goals, avoiding distractions that do not align with their financial well-being. This focus ensures effective participation in cooperative programs and enhanced financial literacy.

### *Commitment to Community Development*

Awach SACCOS places significant emphasis on personalized member engagement, ensuring individual financial needs are met while fostering a strong sense of belonging. This principle reinforces the cooperative's mission to build meaningful relationships and promote long-term socio-economic transformation.

Awach SACCOS is a testament to visionary leadership, diversity-driven financial inclusion, and community empowerment. Guided by Mr. Zerihun Sheleme's principles and transformative vision, the cooperative has reshaped financial access for women in Ethiopia, promoting equity, integrity, and economic prosperity. By harnessing the power of diversity through inclusive finance, Awach SACCOS continues to drive sustainable development and leadership opportunities for marginalized communities.

## **3. Developments of Awach SACCOS**

The evolution of Awach SACCOS has been defined by strategic advancements in savings and loan products, designed to meet the diverse financial needs of its members while prioritizing the empowerment of women and marginalized communities. Since its inception, the cooperative has remained committed to financial inclusion, continuously refining its services to create equitable economic opportunities. Through innovative savings mechanisms, tailored loan programs, and inclusive membership strategies, Awach SACCOS has established itself as a leading financial institution, actively supporting economic growth and social development.

### **3.1. Expanding Saving Products for Financial Empowerment**

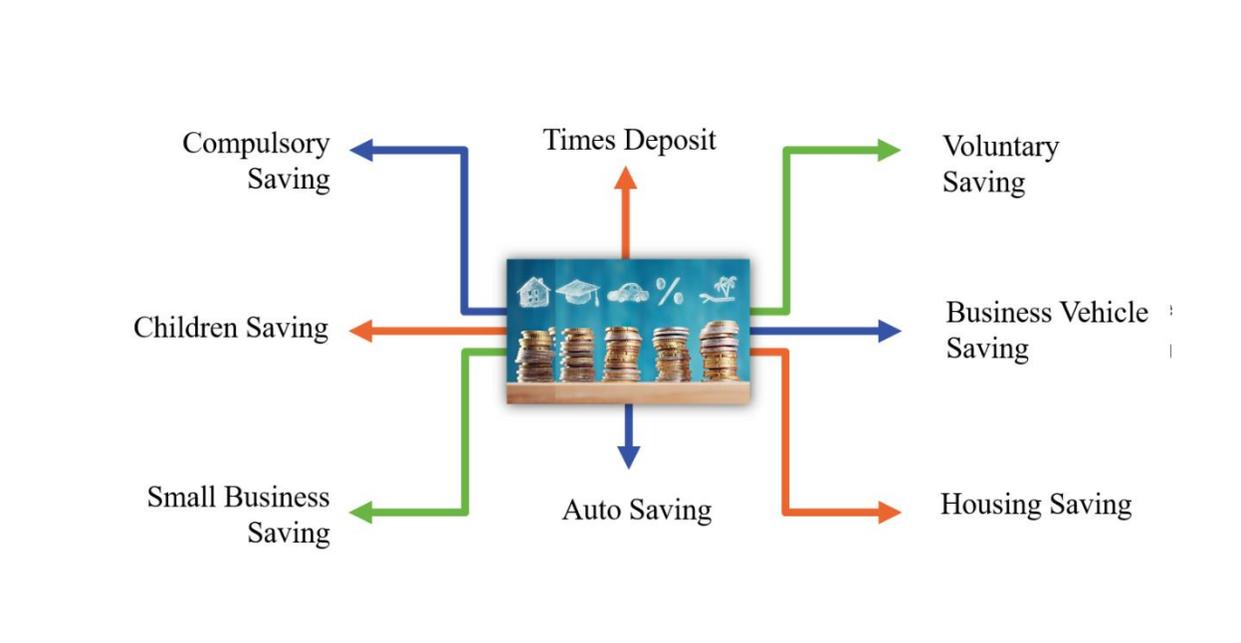
Awach SACCOS has progressively refined its savings product offerings, encouraging financial security and fostering responsible financial habits among members. Initially



launched with basic savings accounts, the cooperative has introduced a range of specialized savings options that cater to varying financial goals and demographic groups. Compulsory savings instill financial discipline and ensure members consistently build wealth—an approach similarly adopted by SACCOs like Kenya’s Mwalimu National SACCO, which uses mandatory savings to strengthen member equity and loan eligibility (Mwalimu SACCO Annual Report, 2023).

Children’s savings accounts promote financial literacy from an early age, echoing models seen in credit unions such as Vancity (Canada), which integrates youth-targeted financial education into its product suite (WOCCU, 2024). Time deposit accounts incentivize long-term financial planning through higher interest rates, a strategy also employed by Rwanda’s Umwalimu SACCO to encourage asset accumulation among teachers (Umwalimu SACCO Performance Review, 2023).

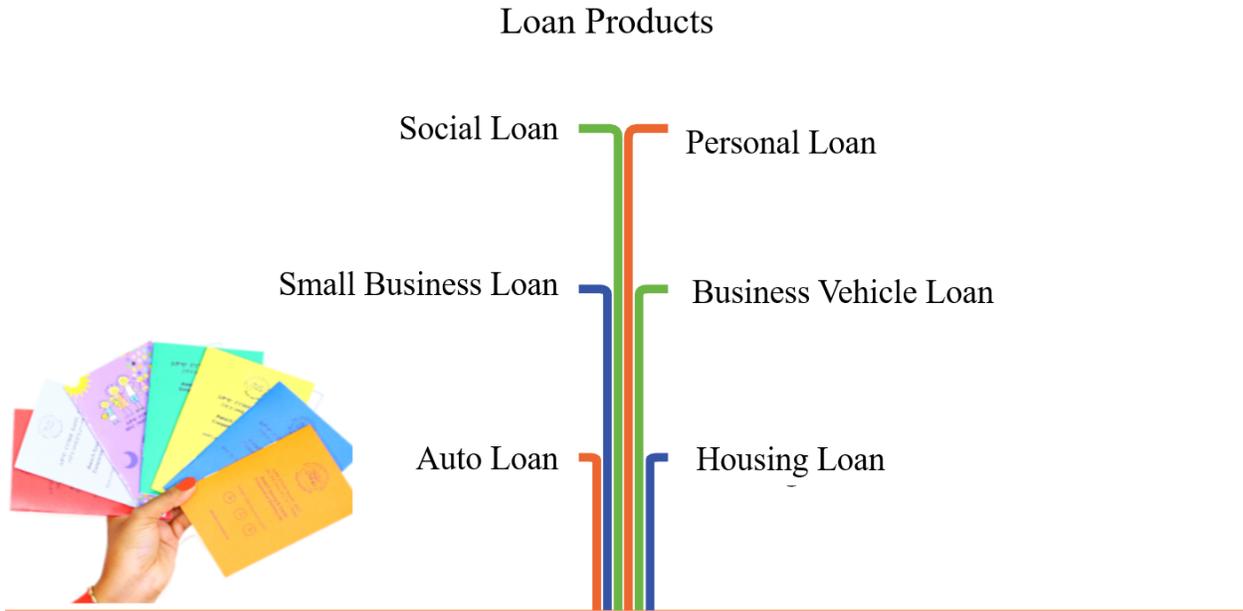
Voluntary savings accounts allow members flexibility in managing their finances, while business vehicle and housing savings programs directly support entrepreneurship and property ownership—mirroring the inclusive finance approach of Uganda’s Wazalendo SACCO, which links savings to livelihood improvement (Wazalendo SACCO Strategic Plan, 2024). The introduction of auto savings accounts enhances members’ quality of life by improving access to transportation, and small business savings accounts provide essential financial backing for innovation and job creation. Collectively, these diverse savings initiatives reinforce Awach SACCOS’ mission of financial empowerment and socio-economic sustainability, positioning it as a regional leader in cooperative financial innovation.



**Figure 3: Saving Products of Awach Saccos Ltd.**

**3.2. Tailored Loan Products for Economic Advancement**

Recognizing the crucial role of accessible credit in promoting financial independence, Awach SACCOS has structured its loan programs to address the specific needs of different member groups, including women, youth, and entrepreneurs. The cooperative offers social loans to support community development initiatives, personal loans for individual financial needs, small business loans to facilitate entrepreneurship, and business vehicle loans to improve commercial transport accessibility. Additionally, auto loans provide personal transportation financing, while housing loans enable members to acquire or improve their residential properties. To further ensure gender-equitable access, Awach SACCOS has introduced special loan programs for women, featuring lower interest rates and flexible repayment terms, helping them to overcome financial barriers and participate fully in entrepreneurial and economic ventures.



**Figure 4: Loan Products of Awach Saccos Ltd**

### **3.3. Membership Growth and Female Participation**

Since its founding in 2007 with just 41 members, Awach SACCOS has experienced exponential growth, reaching 143,095 members by February 2024. A key milestone in this expansion is the significant rise in female membership, now representing 38% (61,637) of the total member base. This reflects Awach’s commitment to gender equality and financial inclusion, aligning with global cooperative trends such as those seen in Rwanda’s Umwalimu SACCO, where targeted outreach has increased women’s participation to over 40% (Umwalimu SACCO Annual Report, 2023).

Youth participation at Awach constitutes 75% of total members, reinforcing the cooperative’s strategic focus on empowering the younger generation—a demographic also prioritized by Kenya’s Mwalimu National SACCO, which launched youth savings and entrepreneurship programs to address unemployment and financial literacy (Mwalimu SACCO Strategic Report, 2023). With an average of 3,400 new members enrolling



monthly, Awach SACCOS continues to be one of Ethiopia's most sought-after financial institutions, offering individuals access to tailored financial tools and community-driven support. This growth trajectory mirrors patterns observed in high-performing credit unions globally, such as Vancity (Canada), which attributes its sustained expansion to inclusive product design and member engagement strategies (WOCCU Global Trends Report, 2024).

- Current Number of Active Members as of February 2024 is 143,095 with 62% are male and 38% are female and 75% youth.
- On average about 3,400 new members join Awach Saccos Monthly.

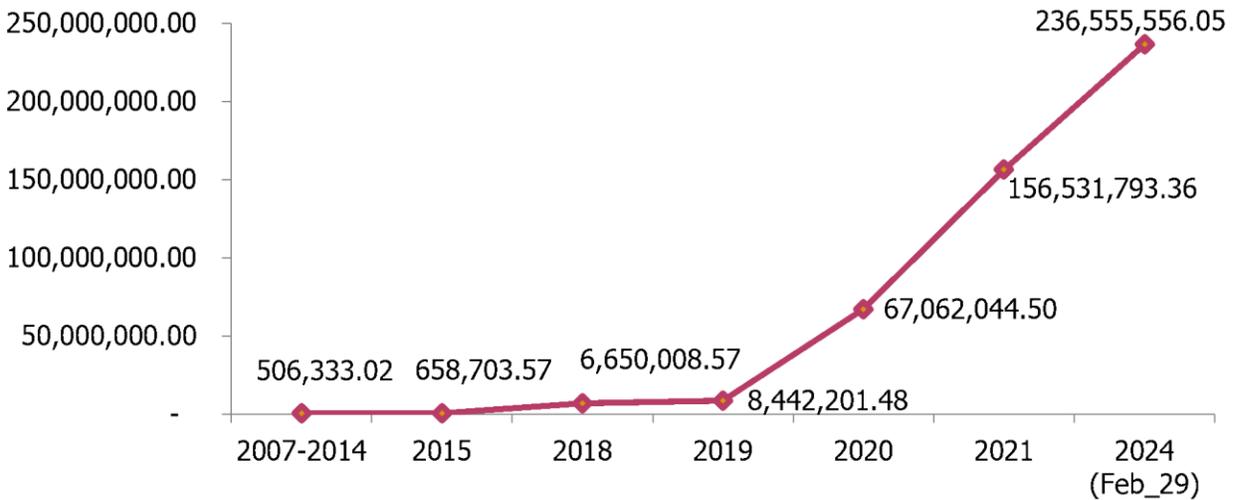
### **3.4. Scaling Loan Disbursement and Financial Growth**

Over the years, Awach SACCOS has demonstrated remarkable financial growth, as evident in its expanding loan disbursement capacity. Between 2007 and 2014, total loan disbursement stood at 506,333.02 USD. This figure soared to 6,650,008.57 USD in 2019 and skyrocketed to 236,555,556.05 USD by February 2024—a nearly 470-fold increase over 17 years. This trajectory reflects Awach's growing financial influence and its ability to provide economic opportunities for members across diverse sectors.

Such growth places Awach among the leading SACCOs in East Africa, comparable to Kenya's Stima SACCO, which reported loan disbursements of over 200 million USD in 2023, driven by digitization and member-focused lending (Stima SACCO Annual Report, 2023). Similarly, Uganda's Wazalendo SACCO has expanded its loan portfolio to over 150 million USD, emphasizing financial inclusion for military personnel and their families (Wazalendo SACCO Strategic Plan, 2024). Awach's financial expansion has had a tangible impact on Ethiopia's economic development by enhancing credit accessibility, supporting micro and small enterprises, and fostering entrepreneurial success among cooperative members.

This aligns with global cooperative finance trends, where credit unions and SACCOs are increasingly recognized as engines of inclusive growth. According to the World Council of Credit Unions (WOCCU), loan portfolio growth among top-performing cooperatives is

directly correlated with improvements in member livelihoods, asset accumulation, and local economic resilience (WOCCU Global Trends Report, 2024).



**Figure 5: Loan Disbursement**

### 3.5. Gender-Sensitive Loan Policies and Borrower Distribution

Awach SACCOS has actively implemented gender-equitable financial policies, ensuring women receive favorable lending terms to enhance their economic prospects. Female borrowers benefit from a lower loan interest rate of 13% per year—an initiative that has significantly increased women’s access to credit and expanded their financial independence. Between 2007 and February 2024, 36,108 members have received loans, underscoring Awach’s growing capacity to drive financial inclusion and reduce economic disparities.

This approach aligns with global cooperative finance trends, where gender-responsive lending is increasingly recognized as a catalyst for inclusive growth. For example, Rwanda’s Umwalimu SACCO offers tailored loan products for women entrepreneurs, contributing to a 42% female loan uptake rate (Umwalimu SACCO Annual Report, 2023).



Similarly, Kenya's Kenya Women Microfinance Bank (KWFT) has demonstrated that gender-sensitive interest rates and financial literacy programs can significantly boost repayment rates and business sustainability among female clients (KWFT Impact Report, 2023). According to the World Council of Credit Unions (WOCCU), SACCOs that embed gender equity into their lending frameworks report stronger portfolio performance and deeper community impact (WOCCU Gender Equity Brief, 2024).

Awach's model not only reflects these best practices but also positions it as a regional leader in cooperative finance, advancing Ethiopia's broader goals for gender equality and economic empowerment.

### **3.6. Exceptional Loan Repayment Rates and Institutional Efficiency**

Awach SACCOS has exhibited outstanding financial performance, achieving an impressive loan repayment rate of 99.02%. This figure not only surpasses the industry benchmark of 95% set by the International Financial Performance Measurement Standards (PERLS) but also reflects the cooperative's operational discipline and member commitment (WOCCU, 2024). Such a high repayment rate reinforces Awach's credibility, stability, and efficiency—key indicators of institutional health in cooperative finance.

Moreover, its low bad loan rate of just 0.98% illustrates robust financial risk management and prudent credit assessment practices. This performance compares favorably with leading SACCOs in East Africa, such as Kenya's Safaricom SACCO, which reported a non-performing loan (NPL) ratio of 1.2% in 2023 (SASRA Sector Report, 2024), and Rwanda's Umwalimu SACCO, which maintained an NPL ratio below 2% while expanding its loan portfolio (Umwalimu SACCO Annual Report, 2023). Globally, credit unions with NPL ratios under 2% are considered financially resilient, particularly in volatile economic environments (CUNA Credit Union Performance Report, 2024).

Awach's financial integrity positions it as a model SACCO in Ethiopia, contributing meaningfully to national economic development by expanding credit access, supporting entrepreneurship, and maintaining portfolio quality even amid inflationary pressures and regional instability.



### **3.7. Asset Growth and Financial Stability**

Awach SACCOS has experienced extraordinary financial expansion, with total assets increasing from just 272.02 USD in 2007 to 186,092,195.69 USD by February 2024. This remarkable transformation reflects strategic financial planning, effective leadership, and sound institutional policies. The asset growth has enabled Awach to significantly enhance its lending capacity, diversify its financial products, and improve service delivery—solidifying its role as a pillar of cooperative finance in Ethiopia.

This trajectory places Awach among the fastest-growing SACCOs in the region. For comparison, Kenya’s Safaricom SACCO reported asset growth from approximately 1 million USD in 2001 to over 180 million USD by 2023, driven by digital innovation and member-centric policies (SASRA Sector Report, 2024). Similarly, Rwanda’s Umwalimu SACCO expanded its assets to over 150 million USD by 2023, emphasizing teacher-focused financial empowerment and institutional governance (Umwalimu SACCO Annual Report, 2023).

Globally, credit unions with sustained asset growth—such as Vancity in Canada and Navy Federal in the U.S.—attribute their success to strong member engagement, regulatory compliance, and transparent operations (WOCCU Global Trends Report, 2024; CUNA Performance Review, 2024). Awach’s model reflects these principles, with active member participation, adherence to cooperative regulations, and operational transparency contributing to its long-term financial sustainability and resilience amid economic fluctuations.

#### ***Figure 6- Asset Growth of Awach saccos ltd***

The remarkable development of Awach SACCOS is a testament to the power of visionary leadership in harnessing diversity, fostering financial inclusion, and empowering



communities. By expanding saving and loan products, increasing female and youth participation, and strengthening financial policies, Awach SACCOS continues to be a pillar of economic resilience in Ethiopia. Through strategic innovation and an unwavering commitment to equity, the cooperative has successfully created a thriving financial institution that transforms lives and uplifts marginalized communities.

#### **4. Empowering Women through Visionary Leadership in Awach SACCOS**

Financial inclusion is a fundamental driver of economic empowerment, providing individuals—especially women—with the resources and opportunities to engage in entrepreneurial activities, secure financial stability, and contribute to broader economic growth. Within saving and credit cooperatives, financial accessibility plays a transformative role in expanding employment prospects and fostering local business development. Awach SACCOS has emerged as a pioneering institution in Ethiopia, leveraging its visionary leadership to ensure that women historically excluded from formal financial systems gain access to affordable credit, structured savings programs, and financial training to improve their economic standing.

This approach aligns with global cooperative finance trends. For example, Kenya Women Microfinance Bank (KWFT) has demonstrated that gender-sensitive lending and savings products can significantly boost women's economic participation and household resilience (KWFT Impact Report, 2023). Similarly, Rwanda's Umwalimu SACCO has integrated financial literacy and tailored credit access for women, contributing to a 42% female loan uptake rate (Umwalimu SACCO Annual Report, 2023). According to the World Council of Credit Unions (WOCCU), inclusive SACCOs that prioritize gender equity report stronger portfolio performance and deeper community impact (WOCCU Gender Equity Brief, 2024).

#### ***Championing Gender Equality in Financial Services***



Awach SACCOS stands as a model for gender-sensitive financial inclusion, embodying the principles of equity, empowerment, and representation. From its inception, the cooperative has prioritized women's economic participation, evident in the fact that 33 of its initial 41 founding members were women. This foundational decision was not incidental—it was a strategic effort to integrate women into the financial sector, recognizing their potential as agents of economic transformation. By embedding gender equity into its DNA, Awach positioned itself early on as a progressive institution committed to inclusive development.

Today, Awach SACCOS maintains this commitment with women comprising 40% of its total membership. This figure is not only statistically significant but also symbolically powerful, reinforcing the cooperative's long-standing goal of elevating female representation in cooperative finance. Compared to regional benchmarks, Awach's performance is exceptional. In East Africa, women typically represent 30–35% of SACCO membership, according to the African Development Bank's Gender Equality Index (2023). Awach's 40% membership rate therefore sets a new standard for gender-responsive cooperative development.

This level of inclusion has practical implications. It influences product design, ensuring that savings and loan offerings reflect women's financial realities and aspirations. It also strengthens governance, as a diverse membership base creates pathways for women to ascend into leadership roles. Awach's gender strategy is not just about access—it's about agency. By fostering an environment where women are both beneficiaries and decision-makers, the cooperative advances a holistic model of empowerment that aligns with Ethiopia's National Financial Inclusion Strategy and the African Union's Agenda 2063.

Awach's experience demonstrates that gender equality in financial services is not a peripheral issue—it is central to institutional resilience, member trust, and long-term impact. Through deliberate inclusion, Awach SACCOS is not only reshaping cooperative finance in Ethiopia but also offering a replicable model for SACCOs across the continent.

### ***Cultivating a Strong Saving Culture among Women***



One of Awach SACCOS' most notable achievements is its success in promoting financial literacy and nurturing disciplined savings habits among women. Internal assessments and qualitative studies have shown that female members of Awach consistently demonstrate stronger saving behaviors than their male counterparts, often prioritizing long-term financial security, household stability, and asset accumulation. This behavioral trend reflects not only personal discipline but also the cooperative's strategic investment in financial education and inclusive product design.

By fostering a culture of consistent savings and responsible financial planning, Awach SACCOS enables women to take control of their economic futures. Structured savings products—such as compulsory savings, children's accounts, and business-oriented savings plans—offer women the tools to build capital, invest in property, and launch income-generating ventures. These outcomes contribute to broader goals of financial independence and intergenerational wealth creation, particularly in communities where women have historically faced barriers to formal financial services.

This pattern mirrors global findings. According to UN Women's *Financial Inclusion Framework* (2024), women-led savings groups and cooperatives tend to exhibit higher repayment rates and more consistent savings behavior than male-dominated groups. The report emphasizes that while women may score lower on standardized financial literacy assessments, they often outperform men in practical financial discipline, allocating a greater portion of their income to family priorities and emergency reserves. Similarly, a 2025 study published in the *International Journal of Organizational Leadership* found that Awach's success in savings mobilization is closely tied to its emphasis on women's empowerment, capacity-building, and inclusive leadership (Debela et al., 2025).

Further evidence from the *International Journal of Research Publication and Reviews* (Pathak & Pandey, 2025) supports this trend, noting that in developing economies, women with access to financial literacy programs and cooperative savings mechanisms are 25–30% more likely to maintain regular savings and avoid over-indebtedness. Awach's model—combining education, tailored products, and community support—



demonstrates how financial institutions can unlock women's economic potential through culturally responsive and structurally inclusive strategies.

### ***Tailored Financial Products for Women's Economic Advancement***

Awach SACCOS transcends traditional membership offerings by actively supporting women's entrepreneurial aspirations through specialized financial products. Recognizing the unique challenges women face in accessing capital, the cooperative provides customized loan structures that facilitate income-generating ventures and business expansion. Women benefit from exclusive loan privileges, including a reduced interest rate of 13% per year for social, health, and education loans, compared to 13.5% per year for men.

This approach reflects best practices seen in institutions like Tanzania's SELF Microfinance Fund and Uganda's Wazalendo SACCO, which offer gender-differentiated loan terms to promote women's business growth (Wazalendo SACCO Strategic Plan, 2024). By removing financial barriers, Awach SACCOS equips women with the means to establish businesses, generate employment, and strengthen local economies—contributing to the broader cooperative movement in Ethiopia.

### ***Empowering Women in Leadership and Decision-Making***

Economic empowerment must go hand in hand with leadership opportunities, and Awach SACCOS has made this principle a cornerstone of its institutional culture. With women representing 59% of its workforce, Awach goes beyond employment—it cultivates a leadership pipeline that enables women to rise to influential roles within the organization. This includes senior positions such as deputy CEOs, department heads, and branch managers, demonstrating a deliberate strategy to embed gender equity into its governance framework.



Awach's leadership structure is exemplary in the cooperative finance sector. Two of its deputy CEOs—overseeing Finance and Corporate Services—are women, reflecting the cooperative's commitment to placing women at the helm of strategic decision-making. Additionally, 18 of its branch offices (67%) are led by female managers, and one branch is exclusively run by women. Overall, 65.6% of higher and middle management positions are held by women, a figure that significantly surpasses the regional average of 30–40% female leadership in SACCOs, as reported by the African Development Bank's *Gender Equality Index* (2023).

This level of representation aligns with the African Union's *Agenda 2063*, which calls for inclusive governance and the full participation of women in leadership across all sectors. It also reflects the goals of UN Women's *Women in Leadership and Governance Programme*, which emphasizes the importance of dismantling structural barriers and creating pathways for women to lead in financial institutions and public life (UN Women Africa, 2024). Awach's model demonstrates how cooperative governance can be both inclusive and performance-driven, with gender diversity contributing to innovation, accountability, and member trust.

Recent research presented at the ICA CCR Global Research Conference (2025) further highlights Awach's success. By integrating women into its leadership structure, Awach SACCOS not only challenges traditional norms but also sets a replicable standard for other cooperatives seeking to advance gender equity and institutional excellence.

### ***Recognizing Success and Building Female Networks***

Beyond its core financial services, Awach SACCOS has cultivated a culture of recognition and solidarity that actively celebrates women's accomplishments. This approach reinforces the importance of visibility, mentorship, and peer support in sustaining long-term empowerment. Events such as the annual March 8 Women's Day celebration serve as high-impact platforms to honor successful female borrowers, showcase entrepreneurial achievements, and inspire broader participation among women members. These celebrations are not merely ceremonial—they are strategic



interventions that validate women's contributions and encourage others to pursue financial and leadership opportunities.

Central to this effort is the Awach Women's Association, a member-led initiative that provides structured networking, mentorship, and peer support. Through regular forums, workshops, and informal exchanges, the association fosters collaboration among women entrepreneurs, enabling them to share experiences, build confidence, and access new markets. This model reflects a growing recognition within cooperative finance that social capital—especially among women—is a critical driver of retention, engagement, and leadership development.

Globally, peer networks and recognition programs have proven to be effective tools in advancing women's participation in financial institutions. According to UN Women's *Financial Inclusion Framework* (2024), women who engage in peer mentoring and recognition-based programs are 35% more likely to remain active in savings and credit cooperatives and 50% more likely to pursue leadership roles. The World Council of Credit Unions (WOCCU) similarly emphasizes that SACCOs with structured women's networks report higher member satisfaction and stronger portfolio performance (WOCCU Gender Equity Brief, 2024).

Awach's approach aligns with these global best practices and demonstrates how recognition and community-building can be leveraged to deepen impact. By celebrating success and fostering female networks, Awach SACCOS not only empowers individual women but also strengthens the cooperative's social fabric—ensuring that financial inclusion is accompanied by visibility, voice, and leadership.

### ***Future Directions: Strengthening Women's Financial Empowerment***

Awach SACCOS remains committed to deepening its impact on gender equality, continuously evolving its strategies to enhance women's financial inclusion, leadership, and business success. Future initiatives include expanding outreach to women, increasing participation in savings and loan programs, and integrating comprehensive financial education courses to improve women's financial literacy and entrepreneurial



confidence. Additionally, Awach SACCOS aims to strengthen gender-sensitive policies, ensuring its services remain inclusive and tailored to women's needs. By systematically measuring and evaluating women's participation, the cooperative seeks to drive long-term gender equity within Ethiopia's financial sector.

Through its visionary leadership and dedication to harnessing diversity, Awach SACCOS continues to empower women and communities, reinforcing the transformative power of financial inclusion and gender-sensitive cooperative strategies. By providing access to savings, loans, leadership opportunities, and entrepreneurial support, Awach SACCOS is reshaping Ethiopia's financial landscape, ensuring that women are not only participants in economic activities but also leaders in their communities. This model serves as an inspiring testament to the role of visionary leadership in driving sustainable social and economic change.

## **Conclusion**

This research highlights the critical role of financial inclusion in empowering women and strengthening communities, with Awach SACCOS serving as a model institution for gender-sensitive financial services in Ethiopia. Despite structural barriers that hinder women's economic participation, visionary leadership—exemplified by Mr. Zerihun Sheleme—has propelled Awach SACCOS to successfully close financial gaps and promote equitable access to savings and credit.

Awach SACCOS' commitment to inclusive finance and ethical leadership has transformed the financial landscape by providing tailored savings and loan programs, gender-sensitive policies, and leadership opportunities that actively support women's economic independence. The cooperative's rapid membership growth, high loan repayment efficiency, and expanding financial assets underscore its sustainability and impact in driving economic resilience.

Moreover, by integrating women into leadership roles, fostering financial literacy, and building social networks, Awach SACCOS has challenged traditional financial exclusion and strengthened gender equity within Ethiopia's financial sector. Its future strategies—



expanding outreach, refining policies, and enhancing financial education—will further solidify its role as a catalyst for economic transformation.

Ultimately, this study demonstrates that visionary financial cooperatives can dismantle economic barriers, ensuring that women are not merely participants in financial systems but leaders shaping their communities. Strengthening financial inclusion through policy improvements and institutional support will be pivotal in scaling Awach SACCOS' impact across Ethiopia, promoting long-term gender equality and economic development.

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