ASSESSMENT OF PERFORMANCE OF SAVING MOBILIZATION BETWEEN BRANCHES OF MFI, ETHIOPIA

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Abstract:

The captioned title of research attempts to evaluate the efficiency of saving mobilization performance of Micro Finance Institutions like Amhara Credit & Saving Institutions (ACSI) in Ethiopia in general and between the two branches (Arrerty and Deneba) of North Shoa Region in particular. Data are collected through primary data such as questionnaire and secondary data from the annual reports of ACSI. While convenient sampling is used to select the branches for the study, simple random sampling has been adopted to select the saving clients from the population of both the branches. In order to derive the saving mobilization performance, five parameters have been identified for the purpose of comparison between two branches. The purpose of this study is to verify whether or not any of these parameters are better between Arrerty and Deneba branch in terms of creating demand and awareness, optimizing supportive factors to access saving, overcoming of constraint factors of access voluntary saving, to evaluate saving performance and loan to saving ratio. The inferential analysis is deployed by resorting to paired sample t test in order to compare these parameters between the two branches. The findings of the study reveal that the Arrerty branch is better in saving mobilization performance than Deneba branch in terms of creating demand and awareness of saving mobilization, in minimizing constraint factors to access saving, improvement of total saving performance and loan to saving ratio. Arrerty branch is not better than Deneba branch in optimizing supportive factors to access saving. Thus the study concludes that the overall saving mobilization performance in Arrerty branch is better than Deneba branch of ACSI, North Shoa Zone, Ethiopia.

Key Words: Supporting Factors, Loan to Saving Ratio, Constraint Factors & Saving Mobilization.

Introduction & Background the Study:

Historically, Microfinance Institutions (MFI) offers credits mainly to poor people as a way to alleviate poverty. Today, there is a growing recognition that credit alone is not the only panacea of alleviating poverty. Poor people need and uses a variety of financial services, including savings. Savings have risen to the top of the microfinance as previously MFI focused primarily on providing loans and saving remained the "forgotten half" (Jacqueline .S, 2010). The recent shift from microcredit to microfinance reflects the recognition that all saving services and not just credits may help to improve security, manage risk and thus, in the long run improve the quality of lives of the poor household in developing countries (MacIsaac, 1997: Zeller and Sharma, 2000).

Savings can serve as in valuable reserves, as insurance against crisis factors such as illness, natural disaster, theft and other necessary human needs like education and housing that can easily drive the poor into destitutions (Karlan and Morduch, 2010). Like credit, saving helps households turn a sequence of small sums into useful lump sums. But, in real situations households prefer to save rather than borrow because it is low cost and gives them more control over their lives (Rutherford 2000). Moreover savings is a safer approach, and one that is appropriate for all families as at times borrowing is a high risk decision for poor families (Collins et al. 2009).

Poor people have multiple demands on their scant resources, they normally saves for specific time and specific purposes at an event found to motivate them to save more. Field surveys reveal that they prefer small, regular contributions that are collected at their doorstep (Karlan et al, 2004). At other time some features like "illiquidity or commitment savings" that hinder withdrawal also facilitate more savings (Karlan et al, 2004). Moreover, deposit taking is both a service to clients and potentially the largest and most immediately available cheap source of capital for financial institutions. For client savings provides an apparent 'cushion' for timely repayment of loans, can also be used as an alternative and rather cheap source of funds for the MFIs, due to the fact that the interest rates for deposits are regularly lower than those for loans (Schmidt and Zeitinger, 1998; Robinson, 2000).

Various studies have illustrated that poor people in developing countries including Ethiopia understands the importance of saving for future consumptions (Rutherford, 2008). But, most of them fail to access to save and formal deposit services as majority of these institutions which mobilize savings like commercial banks, postal savings banks and credit unions, are not accessible in terms of both proximity, or the time and procedures needed to complete transactions are too burdensome to poor households. Likewise they may impose barriers like minimum transaction sizes and require savers to retain a minimum balance or

operating hours may not be convenient for poor savers, both of which can exclude the poor (CGAP, 2005). Those who manage to save, are forced to invest informally in risky investments like jewelry, gold, animals or use of informal saving services which require time to be converted into cash. (e. g. saving clubs, ROSCA, ASCA) and at times they lose much of these savings either by natural disasters, theft or eroded by trivial expenditure (Moulick et al., 2008). Therefore, practitioners, politician and scholars should have a strategy to promote and ensure that poor people are aware and have access to the usage of formal financial institutions to provide saving services.

Background of Organization:

The Amhara Credit and Saving Institutions (ACSI) were established in the Amhara Region, Ethiopia, aiming to feel the gap of formal institutions to meet the need of small-scale borrowers in income generation schemes. Its operation is traced back to September 1995 when it was initially initiated by the Organization for the Rehabilitation and Development in Amhara (ORDA), an indigenous Non-Governmental Organization (NGO) engaged in development activities in the Amhara region. ACSI had undertaken its pilot activities in 1996 and it was licensed as a Micro Finance Institutions (MFI) in April1997. ACSI started its operation by first opening 6 branches. But prior to its operation it took about nine months to do preparatory works including baseline survey, setting the objectives, strategies, organizational structures of the institution, preparing the necessary recruiting and training staffs.

ACSI has a three-layered organizational structure: head office, zone office and branch. Whereas the head office and zone office mainly do the administrative task, the branch conducts the main marketing, operation, with staff directly contacting credit and saving clients on the following activities viz; loan delivery, monitoring, recollection and saving mobilization. ACSI has 10 zone offices and 412 branch offices to implement its plans. Each branch operates as profit center. Currently, ACSI has more than 9080 employees with the educational level of 12th grade complete, certificate, diploma, and degree and above; over 65% are at branch level, having direct contact with clients (ACSI, 2009).

ACSI currently delivers micro-finance activities including, credits, savings, micro insurance, money transfer, and fund management.

Statement of Problem:

Despite the fact that local population has substantial demand for saving products, majority of the people in Ethiopia are unaware of MFI and their services due to the weak financial system. According to CGAP (1998), Savings plays, not only crucial role in financing productive activities but also promotes micro-enterprises. Furthermore, evidence shows that the accumulation of savings help to create a domestic capital base that makes economies less dependent on foreign capital and more resistant to capital market fluctuations (CGAP, 2006). This is adequate evidence that poor people in developing countries including Ethiopia accredit high importance to savings.

Exploring issues related to create demand and awareness of savings mobilization amongst the poor households, which improve the performance of saving mobilization, is one of the key issues for assisting poor people to improve their saving. Therefore, this motivates the researcher to see the necessity to conduct the study focusing on to comparative study of saving mobilization performance between Arrerty and Deneba Branch of Amhara credit and saving Institutions.

Research Questions:

✓ What are the strategies of saving mobilization followed to create demand and awareness of poor households between Arrerty and Deneba branch?

✓ What are the factors that support the poor households to access saving between Arrerty and Deneba Branch?

✓ What are the factors that constraints poor households to access saving between Arrerty and Deneba branch?

✓ What are the current performance of saving mobilization between Arrerty and Deneba branch?

✓ What are current loan to saving ratio between Arrerty and Deneba branch?

Objectives of the Study:

General Objective:

The general objective of this research is to assess the saving mobilization performance of Amhara credit and saving institution between Arrerty and Deneba branch.

Specific Objectives:

The Specific objectives of the research are stated below:

✓ To compare the current strategy followed to create demand and awareness of saving mobilization between Arrerty and Deneba branch.

✓ To identify factors that supports poor households to access savings between Arrerty and Deneba branch.

✓ To identify factors that constraints poor households to access savings between Arrerty and Deneba Branch.

- ✓ To evaluate the current performance of saving mobilization between Arrerty and Deneba Branch.
- ✓ To evaluate the loan to saving ratio between Arrerty and Deneba branch.

Research Hypothesis:

In light of the objectives articulated above, the following hypotheses are framed for investigation:

- ✓ H_0: Strategies to create demand and awareness of saving mobilization of Arrerty branch is not better than Deneba branch.

  H_1: Strategies to create demand and awareness of saving mobilization of Arrerty branch is better than Deneba branch.

- ✓ H_0: Supportive factors to access saving at Arrerty branch are not better than Deneba branch.

  H_1: Supportive factors to access saving at Arrerty branch are better than Deneba branch.

- ✓ H_0: Constraint factors to access saving at Arrerty branch are not better than Deneba branch.

  H_1: Constraint factors to access saving at Arrerty branch are better than Deneba branch.

- ✓ H_0: Current performance of saving mobilization of Arrerty branch is not better than Deneba branch.

  H_1: Current performance of saving mobilization of Arrerty branch is better than Deneba branch.

- ✓ H_0: loan to saving ratio of Arrerty branch is not better than Deneba Branch.

  H_1: loan to saving ratio of Arrerty branch is better than Deneba Branch.

Significance of the Study:

The study initially will help to fill up the gap between the theory and the ongoing practice in the microfinance area regarding savings mobilization performance in MFIs. In addition, the study will provide essential information MFIs such as financial intimidation, strategy and marketing ability of MFIs, supportive factors, constraints, and customers' feedback about the service. This will help the institution to evaluate itself and take adjustments for future improvement. And also, this study will give some important information for customers about the institution which helps them to know where the position of the institution is, that will create psychological confidence about the institution.

Scope of the Study:

This study emphasizes on comparative study of saving mobilization performance between two branches of the Amhara Credit and Savings Institution (ACSI). The study has long term implications on the profitability of ACSI in general and performances of branch in particular. Further, the effectiveness of the study will bring have nots of the society as un bankable customers in to the ambit of micro finance. Due to physical and capacity constraints the study has been concentrated on North Shoa Zone taking samples of branches and included both rural and urban residents for the data collection. So this study will have future implications on savings mobilization performance in other regions of Ethiopia.

Limitations of the Study:

The research concentrates on two branches of Amhara credit and saving institutions. In particular, it considers only Arrerty and Deneba branches of existing savings clients. The study is also considering only samples of the clients. In addition the study was not considering detail investigations in relation to determinants of saving behavior of the clients. Since the study isfocused on financial savings, it cannot represent the aggregate savings behavior of people. Further, detailed informal of savings are not considered in the study. Further, potential customers of nearby captioned branches are not included as a respondent for this study.

Review of Literature and Research Gap:

In the above theories and empirical literature, it is observed that the savings do not depend upon income alone rather on the consumption pattern of the individuals also.The theories of literature, the main pillars favored by the supporters of the opposing view on local resource mobilization and the poor as savers (according to Adams 1978) is lack of capacity to save among the poor, low interest rate on small deposits, cost of mobilizing small deposits, and lack of appropriate saving product for the poor.

According to CGAP (1998) institutional governance, ownership and reputation of the Microfinance institutions are key factors for successful deposit mobilization. MFIs must ensure that they have the institutional structures that allow them to mobilize savings legally. "Institutional capacity requires that adequate governance, management, staff and operational structures are in place to provide savings services" (Ledgerwood, 1999).

The Empirical evidence has shown that around the world poor households save in various forms and for various purposes. The poor are willing to save part of their income if appropriate financial institutions are available. For instance Shipton (1992) provide evidence on the use of lock boxes in the Gambia. Rutherford (1999) also cites several commitment devices that villagers in East Africa use to stick to savings plans, including "buying a lock box and throwing away the key" and the use of "money guards" in which individuals hand over their savings to someone else that they trust to avoid using it.

Few studies have been done on factors that affect choice of household saving in different financial institutions and the few which are accessible have been conducted in other countries, in rural areas only or among the poor households(Carpenter and Jensen, 2002; Noula, 2002;Amimo et al., 2003;Aryeetey, 2004; Chandararot and Dannet, 2007, Newman, et al., 2007; Boring, 2010).Some of the studies used descriptive statistics to analyze the

decision to save in the financial institutions (Noula, 2002; Newman, et al., 2007; Chandararot and Dannet, 2007).

Generally, this brief review of theory and empirical literature has revealed that there are different factors that affect household savings. Most of these empirical studies focus on determinants of saving behavior of households using macro and micro data. None of the empirical study focuses on the variables to saving mobilization performance amongst the poor people of the society amongst *the* branches. Hence this study attempts to identify key variables of savings mobilization performance amongst the un-bankable customers between two branches to fill the existing research gap.

Research Design:

The study is a case study in the form of cross sectional design in which data were collected using primary source as questionnaires and also secondary source. The methodology used by the researcher is explanatory approach for both qualitative and quantitative data. The researcher has used samples of customers of branches of the Amhara Credit and Saving Institution branches operating under North Shoa zone office.

Population and Sampling Technique:

For this study the researcher has used simple random sampling and convenient sampling techniques to collect the required data from different sources. Simple random sampling used to select sample clients. Convenient sampling used to for selecting branches which this study is conducted. The reason to use convenient sampling for branch selection, since the study is comparative study, it is better to sample out those branches have nearest performance to compare in human resource, operational performance and potential of branches.

Currently, ACSI has 10 zonal office distributed over the whole Amhara Region. These are Awi zone office, North shoa zone office, East Gojjam zone office, West Gojjam zone office, North Gondar zone office, South Gondar zone office, North Wello zone office, South Wello zone office, Wagemera zone office, and Oromia zone office (ACSI, 2015).

A total of 412 branches are operating under those zonal offices. From 10 zonal offices the researcher has chosen North shoa zone office for the study in convenient sampling technique. Currently, there are 51 branches operating under North shoa zone office, out of these branches the researcher selected Deneba Branch (42 km far from DebreBrehan city) and ArrertyBranch (260 km far from DebreBerhan city) as a sample. The selection considers current performance of the branches, number of employees in the branches and potential of branches. "In designing a sample for a study, the researcher was the size of effect that he/she consider important and representative" (Abiy, Alemayehu, Daniel, Melese and Yilma, 2009). So, the researcher believed that these samples are representative for this study.

Under North shoa zone office of Amhara Credit and Saving Institution there are more than 2,50,374 active savers using the services provided in all 51 branches. From the total active savers available, 9359 active savers are from both Deneba and Arrerty branches. For the determination of sample size, there is no defined rule that can be followed (Kothari, 2004).

Out of the total population 2.14 % is taken as a sample in which is believed that it is representative and reliable for this study. Therefore, the sample size is 9359×2.14% = 200 savers (i.e. 100 savers from each branch) which are selected in simple random sampling method.

The main reason for the researcher to decide on this sample size is; there is a greater homogeneity in the clients of the institution, time and financial constraints, and the researcher believed that having more sample than this would not have much importance for the finding of the study.

Primary Data:

Primary data is collected by means of questionnaires. Questionnaires are designed to collect information from the savers of the institution by taking sample savers of the branches offices.

Secondary Data:

Secondary data was collected from micro-finance institutions operational report. Thus, the last nine years (From June 30, 2007 G.C. to June 30, 2015) of credit and saving report of MFIs (Arrerty and Deneba branch) report was used for the study.

Methods of Data Collection:

The study was conducted in North shoa zone office of ACSI located 130 km away from Addis Ababa to the northern part of Ethiopia. This study has employed both primary and secondary data collection methods. The main aim of the questionnaire is to obtain feedback from savers regarding their saving habit, the institutions service delivery and saving mobilization performance. It contained close-ended questions that indicate to saving mobilization performance of the institutions. In order to make the questionnaires more convenient to respondents it is translated in to local Amharic language.

The audited annual credit and saving report of the institution from the year from 2007 to 2015 are used for this study as core secondary data sources. In addition, other reports of the North Shoa zone office and branch offices, manuals, pamphlets (flayers), magazines prepared by the institution, newspapers, journals, books and websites are used as per the requirement of the study.

Data Analysis Methods:

The researcher has used both quantitative and qualitative data analysis methods. Inferential analysis has been resorted through the paired sample t test to compare the saving mobilization performance between Deneba and Arrerty branches.

Data Analysis & Interpretation:

The variables has been tested for reliability by using Cronbach's Coefficient Alpha which reveals that all factors have a Cronbach's Coefficient Alpha the reliability in this study as assessed was found to be 66.4% as indication of acceptability of the scale for further analysis (Refer Appendix-I). The inferential analysis with respect to the objectives are analyzed and interpreted below.

A. Assessment of Strategies to Create Demand and Awareness of Saving Mobilization Performance:

The ability to save of a household depends on creating demand and awareness of saving mobilization. Introducing the MFIs saving service, training the potential and existing clients, marketing ability of employees, and sharing saving experience of clients is considered as the most important explanatory variable of the saving mobilization performance.

Table 1: Paired sample t test to create Demand and Awareness of saving mobilization

Paired	Paired Difference					t	Difference	Sig (2 tailed)*
	Mean	Sd. Deviation		95% confidence interval of the difference				
		Sdt. Deviation	Std. Error	Lower	Upper			
A	-.040	0.974	0.097	-0.233	0.153	-0.411	99	0.682
B	-0.230	0.664	0.066	-0.362	-0.098	-3.461	99	0.001
C	1.308	5.252	0.841	-0.395	3.010	1.555	38	0.128
D	-0.130	0.525	0.053	-0.234	-0.026	-2.475	99	0.015
E	0.080	0.706	0.071	-0.060	0.220	1.133	99	0.260
F	0.120	1.387	0.139	-0.155	0.395	0.865	99	0.389
G	0.020	1.035	0.103	-0.225	0.185	-0.193	99	0.847
H	-0.140	0.472	0.047	-0.234	-0.046	-2.967	99	0.004
I	-0.140	0.513	0.051	-0.242	-0.038	-2.730	99	0.008

Source: Appendix-II SPSS Results

*Level of Significance at 5% (0.05)

Table number 1 reveals the results of analysis of paired sample t test as follows:

	Sig (2 tailed)	Sig. Level	Status of Hypothesis
A.	0.682	0.05	P value> 0.05, H_0 is accepted
B.	0.001	0.05	P value< 0.05, H_0 is rejected
C.	0.128	0.05	P value> 0.05, H_0 is accepted
D.	0.015	0.05	P value< 0.05, H_0 is rejected
E.	0.260	0.05	P value> 0.05, H_0 is accepted
F.	0.389	0.05	P value> 0.05, H_0 is accepted
G.	0.847	0.05	P value> 0.05, H_0 is accepted
H.	0.004	0.05	P value< 0.05, H_0 is rejected
I.	0.008	0.05	P value< 0.05, H_0 is rejected

The strategy to create demand and awareness has 9 parameters out of which in items number A,C,E,F and G, null hypothesis is accepted which indicates that the strategy to create demand and awareness saving mobilization of Arrerty branch is not better than Deneba branch in all these parameters. In items number B, D, H & I, null hypothesis is rejected which indicates that the strategy to create demand and awareness saving mobilization of Arrerty branch is better than Deneba branch in all these parameters.

B. Assessment of Supportive Factors to Access Voluntary Saving:

Table 2: Paired sample t test of supportive factors to access to voluntary saving

Paired	Paired Difference					t	Difference	Sig.(2 tailed)*
	Mean	Sd. Deviation		95% confidence interval of the difference				
		Std. Deviation	Std. Error	Lower	Upper			
A	-0.240	14.088	1.409	-5.035	0.555	-1.590	99	0.115
B	0.160	1.061	0.106	-0.051	0.371	1.508	99	0.135
C	0.040	1.136	0.114	-0.185	0.265	0.352	99	0.726

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D	0.010	.0990	0.099	-0.186	0.206	0.101	99	0.920
E	-0.010	0.732	0.073	-0.155	0.135	-0.137	99	0.892

Source: Appendix-III SPSS Results

Table No-2 reveals that in the above all paired of significance is >0.05 signifying that null hypothesis is accepted. This implies that supportive factors to access saving at Arrerty branch are not better than Deneba branch.

C. Assessment of Constraint Factors to Access Voluntary Saving:

Table 3: Paired sample t test of constraint factors to access voluntary saving

Paired	Paired Difference					t	Difference	Sig (2 tailed)*
	Mean	Std. Deviation		95% confidence interval of the difference				
		Sdt. Deviation	Std. Error	lower	upper			
A	4.320	8.524	0.852	2.629	6.011	5.068	99	0.000
B	-0.420	0.654	0.065	-0.550	-0.290	-6.421	99	0.000
C	0.765	9.549	2.316	-4.145	5.675	0.330	16	0.746
D	-0.360	0.595	0.059	-0.478	-0.0242	-6.051	99	0.000
E	-0.030	0.460	0.460	-1.210	0.061	-0.653	99	0.515
F	0.359	1.348	0.153	-0.663	-0.055	-2.352	77	0.021

Source: Appendix-IV SPSS Results

Table number 3 reveals the results of analysis of paired sample T test as follows:

	Sig (2 tailed)	Sig. Level	Status of Hypothesis
A.	0.000	0.05	P value< 0.05, H_0 is rejected
B.	0.000	0.05	P value< 0.05, H_0 is rejected
C.	0.746	0.05	P value> 0.05, H_0 is accepted
D.	0.000	0.05	P value< 0.05, H_0 is rejected
E.	0.515	0.05	P value> 0.05, H_0 is accepted
F.	0.021	0.05	P value< 0.05, H_0 is rejected

The constraint factors have 6 parameters out of which in items number C & E null hypothesis is accepted which indicates that Constraint factors to access saving at Arrerty branch are not better than Deneba branch.

In items number A, B, D, and F, null hypothesis is rejected which indicates that Constraint factors to access saving at Arrerty branch are better than Deneba branch.

D. Assessment of Saving Mobilization Performance:

The source of fund for financial institutions is also the main determinants for their performance. An institution whose main source of fund is donation most likely behave in different way from an institution whose main source of fund is raised from either deposit or commercial source of funds.

Table 4: Paired sample test of saving mobilization

Items	Paired	Paired Difference					t	Difference	Sig (2 tailed)*
		Mean	Std. Deviation		95% confidence interval of the difference				
			Std. Deviation	Std. error	Lower	upper			
A	CS	-1.933	5.1478	1.716	-.5891	2.024	-0.126	8	0.293
B	VS	7.722	5.471	1.823	3.517	1.192	4.235	8	0.003
C	TS	7.528	5.5865	1.955	3.020	1.203	3.551	8	0.005

Source: Appendix-V (SPSS Results),

Table number 4 reveals the results of analysis of paired sample t test as follows:

	Sig (2 tailed)	Sig. Level	Status of Hypothesis
A.	0.293	0.05	P value> 0.05, H_0 is accepted
B.	0.003	0.05	P value< 0.05, H_0 is rejected
C.	0.005	0.05	P value= 0.05, H_0 is rejected

The total saving mobilizations have 3 parameters out of which in items no A, null hypothesis is accepted which indicates that Current performance of compulsory saving mobilization of Arrerty branch is not better than Deneba branch. In items no B & C, null hypothesis is rejected which indicates that Current performance of voluntary and total saving mobilization of Arrerty branch is better than Deneba branch.

E. Loan to Saving Ratio:

Table 5: Paired sample test of Loan to saving ratio

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Paired	Paired Difference					t	Difference	Sig.(2 tailed)
	Mean	Std. Deviation		95% confidence interval of the difference				
		Std. Deviation	Std. Error	lower	upper			
Loan to saving Ratio	-0.7755	0.273	0.091	-0.985	-0.565	-8.520	8	0.000

Source: Appendix-VI (SPSS Results), VII & VIII (Secondary Data)

Table No-5 reveals the results of analysis of paired sample t test as follows:

Sig (2 tailed)	Sig. Level	Status of Hypothesis
✓ 0.000	0.05	P value< 0.05, H_0 is rejected

The null hypothesis of total loan to saving ratio rejected which indicates that loan to saving ratio of Arrerty branch is better than Deneba Branch.

Conclusion:
Based on the objectives and hypothesis of the study the researcher has concluded the study as follows:
- ✓ As per objective one and hypothesis one, Arrerty branch is better than Deneba branch in creating demand and awareness of saving mobilization performance.
- ✓ Based on objective two and hypothesis two, Arrerty branch is not better than Deneba branch in supportive factors access to saving.
- ✓ In objective three and hypothesis three Arrerty branch is better than Deneba branch in constraint factors access to saving.
- ✓ As per hypothesis four Arrerty branch is better than Deneba branch in voluntary saving and total saving mobilization performance.
- ✓ In objective five and hypothesis five Arrerty branch is better than Deneba branch in overall loan to saving ratio analysis.
  From this study, over all parameters of saving mobilization performance of Arrerty branch is better than Deneba branch of Amhara Credit and Savings Institutions (ACSI).

Recommendations:
In accordance with the result of the study the following recommendations are forwarded:
- ✓ The researcher recommends the institution to develop new saving products like youth (for those who want to save for their children for paying school free) and women saving.
- ✓ In addition, the institution should also give special attention to training and capacity building for front line officer on marketing ability to win trust of peoples. It also apply to partners and stake holders (community leader, religious representatives, agents, governments, NGOs etc) who are involved for promotion on behalf of the MFIs at different community forums.
- ✓ Institutions should demonstrate their competitive advantage in relation to other informal and formal savings mechanisms.
- ✓ Institutions should improve voluntary saving from the general public targeting people in urban areas with regular income and social institutions like "idir and Equb" to make deposits with ACSI.
- ✓ Institutions should design comprehensive marketing materials with clear, simple and compelling message, so front line staff can confidently adapt their marketing message.
- ✓ Lastly, the institutions should apply centralized management information system (MIS) and online to be competitive including likes agent banking and mobile banking to address more potential clients.

Scope for Further Research:
This study has analyzed comparative study of saving mobilization between two branches. It would be important to find out how changes in government policies on savings mobilization over time have affected level of savings in formal financial institutions and in semiformal financial institutions.

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Appendix 1: Reliability Test

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded[a]	0	0
	Total	20	100.0
a. List wise deletion based on all variables in the procedure.			
Reliability Statistics			
Cronbach's Alpha		No of Items	
.664		10	

Appendix 2: Paired Sample t Test – 1

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	How do you learn about ACSI.A - How do you learn about ACSI.D	-.040	.974	.097	-.233	.153	-.411	99	.682
Pair 2	Do you get training form ACSI.A - Do you get training form ACSI.D	-.230	.664	.066	-.362	-.098	-3.461	99	.001
Pair 3	How many times you take the training.A - How many times you take the training.D	1.308	5.252	.841	-.395	3.010	1.555	38	.128
Pair 4	Do staff members of ACSIs come to train households in saving mobilization frequently in your area of residence.A - Do staff members of ACSIs come to train households in saving mobilization frequently in your area of residence.D	-.130	.525	.053	-.234	-.026	-2.475	99	.015
Pair 5	Do they have regular dates specified for saving mobilization trainings.A - Do they have regular dates specified for saving mobilization trainings.D	.080	.706	.071	-.060	.220	1.133	99	.260
Pair 6	In your view how you rate the marketing ability of ACSIs staff members to win the trust the household.A - In your view how you rate the marketing ability of ACSIs staff members to win the trust the household.D	.120	1.387	.139	-.155	.395	.865	99	.389
Pair 7	How do you rate employees? of ACSI customer handling and treatment.A - How do you rate employees? of ACSI customer handling and treatment.D	-.020	1.035	.103	-.225	.185	-.193	99	.847
Pair 8	After you opened a saving account, do staff members of ACSI come to you residence and they remind you to save frequently.A - After you opened a saving account, do staff members of ACSI come to you residence and they remind you to save frequently.D	-.140	.472	.047	-.234	-.046	-2.967	99	.004
Pair 9	Do you share your experience on saving to other households (friends, neighbor, parents, family etc...) on behalf of ACSI.A - Do you share your experience on saving to other households (friends, neighbor, parents, family etc...) on behalf of ACSI.D	-.140	.513	.051	-.242	-.038	-2.730	99	.008

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Appendix 3: Paired Sample t Test – 2

Paired Samples Test

		Paired Differences			95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	How much time spends to make deposit and withdrawal at office in Amhara credit and institutions.A - How much time spends to make deposit and withdrawal at office in Amhara credit and institutions.D	-2.240	14.088	1.409	-5.035	.555	-1.590	99	.115
Pair 2	How do you rate the speed of service in Amhara credit and saving institutions to make deposit and withdrawals. A - How do you rate the speed of service in Amhara credit and saving institutions to make deposit and withdrawals. D	.160	1.061	.106	-.051	.371	1.508	99	.135
Pair 3	How do you rate the response of ACSI staff members, when you raise questions and problems.A - How do you rate the response of ACSI staff members, when you raise questions and problems.D	.040	1.136	.114	-.185	.265	.352	99	.726
Pair 4	How do you rate service hours of Amhara credit and saving institutions.A - How do you rate service hours of Amhara credit and saving institutions.D	.010	.990	.099	-.186	.206	.101	99	.920
Pair 5	Will you think of changing your saving account, if better services are provided elsewhere.A - Will you think of changing your saving account, if better services are provided elsewhere.D	-.010	.732	.073	-.155	.135	-.137	99	.892

Appendix 4: Paired Sample t Test – 3

Paired Samples Test

		Paired Differences			95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	How much distance in kilometers far ACSI office from your village.A - How much distance in kilometers far ACSI office from your village.D	4.320	8.524	.852	2.629	6.011	5.068	99	.000
Pair 2	Do you have transportation cost to make deposit and withdrawals at office of Amhara credit and saving institutions.A - Do you have transportation cost to make deposit and withdrawals at office of Amhara credit and saving institutions.D	-.420	.654	.065	-.550	-.290	-6.421	99	.000
Pair 3	If your answer to equation 27 is yes, how much cost incurs to make deposit or withdrawals.A - If your answer to equation 27 is yes, how much cost incurs to make deposit or withdrawals.D	.765	9.549	2.316	-4.145	5.675	.330	16	.746

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		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig.
Pair 4	Do you think this transportation cost hinders you to save small amount of money frequently.A - Do you think this transportation cost hinders you to save small amount of money frequently.D	-.360	.595	.059	-.478	-.242	-6.051	99	.000
Pair 5	If ACSI staff members come to your residence to collect saving, would you be willing to save frequently.A - If ACSI staff members come to your residence to collect saving, would you be willing to save frequently. D	-.030	.460	.046	-.121	.061	-.653	99	.515
Pair 6	If your answers to question 30 is yes, at what interval you want to save.A - If your answers to question 30 is yes, at what interval you want to save.D	-.359	1.348	.153	-.663	-.055	-2.352	77	.021

Appendix 5: Paired sample t test – 4

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	Arrertycs - Denebacs	-1.933E5	5.14889E5	1.71630E5	-5.89116E5	2.02441E5	-1.126	8	.293

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	Arrertyvs - Denebavs	7.7226E6	5.47104E6	1.82368E6	3.51722E6	1.19280E7	4.235	8	.003

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	Arrertyts - Denebats	7.5287E6	5.86522E6	1.95507E6	3.02033E6	1.20371E7	3.851	8	.005

Appendix 6: Paired Sample t Test – 6

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	ArretyLS - DenebaLS	-.77556	.27309	.09103	-.98547	-.56564	-8.520	8	.000

Appendix 7: Arrerty Branch Loan and saving performance

Year	Loan	Compulsory saving	Voluntary saving	Total net saving
2007	8,297,846.85	1,469,656.39	6,247,308.90	8,231,390.53
2008	12,290,143.92	1,984,081.63	6,425,749.44	9,180,075.95
2009	14,593,055.27	2,754,326.51	9100711.86	10504537.6
2010	13,048,676.39	1,403,825.80	9,604,572.16	11,800,946.13
2011	12,627,945.91	2,196,373.97	11,978,876.34	14,125,633.89

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2012	16,988,861.28	2,146,757.55	11,978,876.34	14,125,633.89
2013	28,849,395.27	3,160,057.11	20,798,667.71	23,958,724.82
2014	36,552,730.76	4,148,226.41	29,815,723.53	33,963,949.94
2015	57,579,150.81	6,429,397.17	35,376,643.76	41,806,040.93
Total	200,827,806.46	25,692,702.54	133,096,098.54	158,788,801.08
Average saving	22,314,200.72	2,854,744.73	14,788,455.39	17,643,200.12

Appendix 8: Deneba Branch loan and saving performance

Year	Loan	Compulsory saving	Voluntary saving	Total net saving
2007	6,863,711.43	1669638.74	1752207.72	3421846.46
2008	10,040,118.07	2198770.8	2284711.36	4483482.16
2009	13,415,141.40	3256228.81	2934127.54	6190356.35
2010	11,218,790.73	2254643.79	3347706.96	5602350.75
2011	12,290,649.03	2196373.97	9604572.16	11800946.13
2012	18,860,232.21	2146757.55	11978876.34	14125633.89
2013	28,495,407.69	3160057.11	20798667.11	23958724.82
2014	34,744,751.02	4148226.41	29815723.53	33963949.94
2015	57,579,150.81	6429397.17	35376643.76	41806040.93
Total	193,507,952.39	27432738.74	63592182.89	91024921.62
Average saving	21,500,883.60	3048082.08	7065798.1	10113880.18