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## Needs Assessment Report

### Understanding Childcare Needs and Preferences Among Low-Income SACCO Members

October, 2024

Addis Ababa, Ethiopia



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## Executive Summary

*This needs assessment aimed to identify the childcare needs, preferences, and challenges faced by low-income SACCO members in Addis Ababa, Ethiopia. The study involved a survey of 248 SACCO members and explored themes related to childcare needs and arrangements, challenges of balancing work and childcare, availability and access to childcare services, and contributions to the childcare development initiative.*

### Key Findings:

- **High Demand for Childcare:** Many SACCO members have young children and require childcare services.
- **Limited Access to Childcare:** Many SACCO members do not have access to nearby childcare centers, limiting their options.
- **Cost as a Barrier:** The cost of childcare services was found to be a significant barrier for many SACCO members.
- **Strong Willingness to Contribute:** Many SACCO members are willing to contribute to the establishment and operations of childcare initiatives in various ways, including volunteering their time and services, and providing financial support.

## 1. Background of the Study

### 1.1 Overview of Organization for Women in Self-Employment (WISE) and Its Impact

The Organization for Women in Self-Employment (WISE) has been empowering low-income women in Ethiopia through economic and social interventions since 1997. Through its 110 SACCOs, WISE has reached over 58,000 women, providing them with training, loans, and support in various areas such as entrepreneurship, leadership skills, and literacy, to improve their economic well-being.

### 1.2 Childcare Challenges and the Engage Project

While WISE's programs have been successful in empowering women, many SACCO members face significant challenges in balancing childcare responsibilities with their economic activities. The Engage Project, a collaboration between WISE and COADY International Institute, aims to address this issue through different initiatives including providing capacity-building training and support to women.



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## 2. Problem Statement

Despite WISE's efforts to empower women, the lack of accessible and affordable childcare services remains a major barrier to women's economic empowerment in Addis Ababa, Ethiopia. This challenge is particularly challenging for low-income women including SACCO members.

To effectively address the childcare needs of SACCO members, it is essential to have a comprehensive understanding of their preferences, challenges, and expectations. Accordingly, this needs assessment aims to explore the prevalence of childcare needs, existing arrangements, challenges encountered, preferences for childcare services, and willingness to invest in such services.

Moreover, the insights gained from this assessment will inform the forthcoming action research on "Women's Economic Empowerment and Childcare within Low-income Saving and Credit Cooperative (SACCO) Members." This research will focus on assessing the childcare challenges, in detail, faced by SACCO members and identifying affordable and reliable childcare solutions to support their economic empowerment, ultimately contributing to their economic development and active participation in society.

## 3. Objective

The objective of this needs assessment is to identify the childcare needs, preferences, and gain insights into the challenges encountered by low-income SACCO members. The findings of the assessment will serve to inform the planned intervention action research, which aims to explore the potential childcare service intervention options.

## 4. Research Questions

1. What are the primary childcare needs and arrangements of low-income SACCO members?
2. What are the challenges faced by low-income SACCO members in balancing work and childcare responsibilities?
3. What are the availability and accessibility of childcare services in the target communities?
4. What factors influence the selection of childcare services by low-income SACCO members?
5. What are the perceived benefits and challenges (if any) of using childcare services?



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6. What are the willingness and preferences of low-income SACCO members regarding the use of childcare services?

## 5. Significance of the Needs Assessment

The needs assessment plays a vital role in ensuring that the intervention action research is relevant, effective, and responsive to the specific needs of low-income SACCO members. This assessment is significant for several reasons:

1. **Targeted Interventions:** Understanding the specific needs, preferences, and challenges of low-income SACCO members will enable the development of tailored intervention strategies.
2. **Informed Decision-Making:** The findings from the assessment will provide valuable insights that can inform the planned intervention action research.
3. **Evidence-Based Approach:** By conducting a needs assessment, the intervention action research will be grounded in empirical evidence, enhancing its credibility and effectiveness.

## 6. Methods and Methodology

### 6.1 Methods: Survey Administration

A structured questionnaire was designed to collect data from a representative sample of 248 low-income SACCO members who have children under the age of five. The survey was administered in person and by phone, depending on the preferences of participants and their availability.

### 6.2 Methodology

1. **Sampling:** A simple random sample of 248 women was selected from a population of 650 low-income SACCO members with children under the age of five.
2. **Data Collection:** The survey was conducted using paper-based questionnaires that first developed in English, then translated into Amharic, depending on the participants' preference. Data was collected through in-person and phone calls.
3. **Data Analysis:** Quantitative data from the survey was analyzed using descriptive statistics, including frequency distributions, percentages, and summary measures.

### 6.3 Ethical Considerations



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To ensure the ethical conduct of the needs assessment, different measures were put in place. These included obtaining informed consent from participants, ensuring they were aware of the needs assessment's purpose, potential benefits, and their right to withdraw at any point. Additionally, all participant data was kept confidential and treated in accordance with ethical research standards. Moreover, data security measures were also taken, with the data securely stored and managed by the organizational data manager to maintain confidentiality.

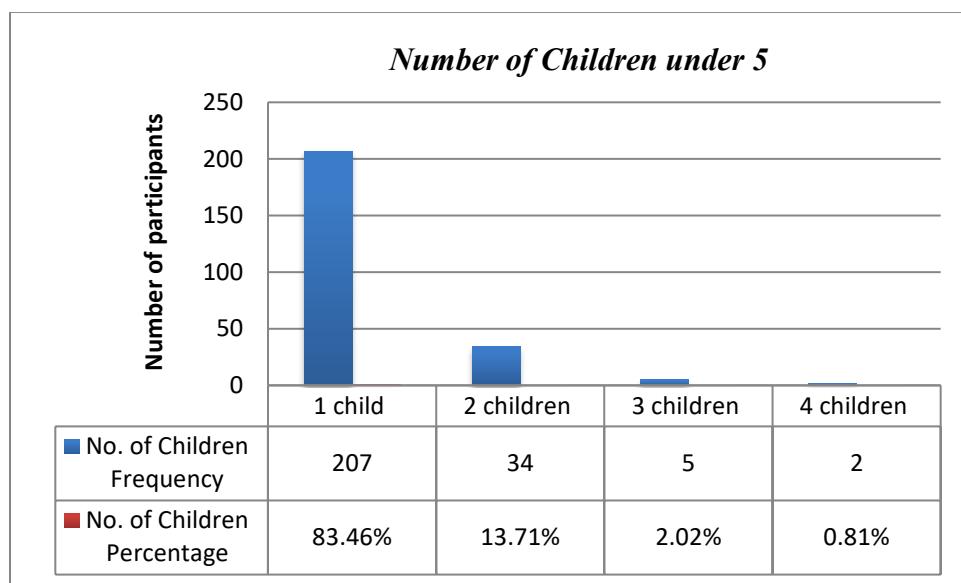
## 7. Data Analysis and Findings

### 7.1 Childcare Needs and Arrangements

#### Number of Children:

The majority of participants (83.46%) have one child under the age of five, while a smaller percentage have two children (13.71%), and even fewer have three (2.01%) or four children (0.81%). This indicates a significant need for childcare services among families with young children (refer figure 1).

**Figure 1: Number of Children under 5**



#### Employment Status

**Table 1: Participants Responses to Yes or No Questions**

Questions	Participants Response
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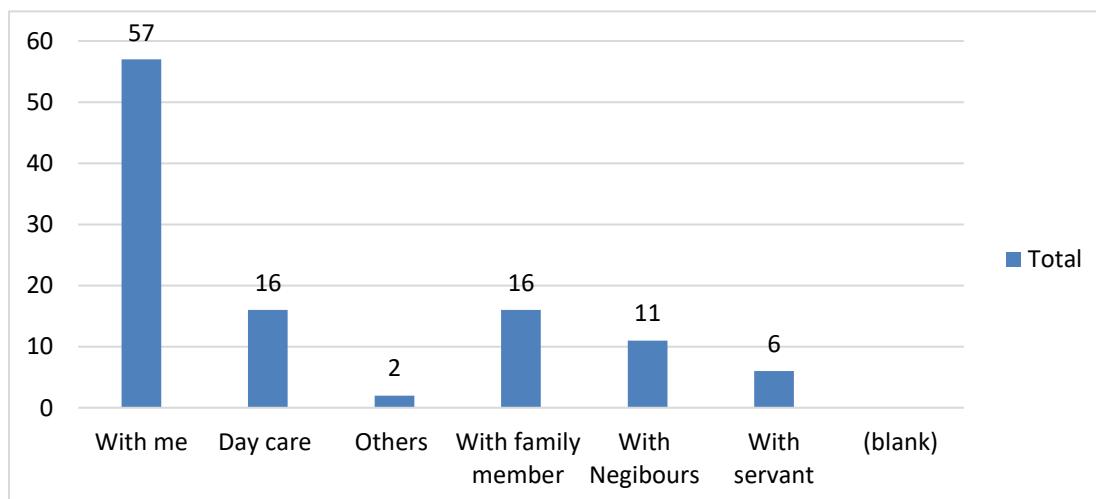
	Yes	No
<i>Do you have a job?</i>	108	140
<i>Do you face any challenges while doing business with children?</i>	108	140
<i>Is there a childcare center around your residence?</i>	138	110
<i>Are you using childcare services for your child?</i>	32	216
<i>If you get free childcare services, will you use the service?</i>	232	16
<i>Do you think that using childcare services will benefit mothers?</i>	245	3

Among all participants of the study, 43.55% (108 out of 248) are employed, while the majority (56.55%, 140 out of 248) are unemployed (refer the above Table 1). As outlined in section 7.2, some of the reasons for unemployment include lack of job opportunities, unavailability of working space, health issues, insufficient start-up capital, and the adverse effects of the Addis Ababa Corridor Project, which led to displacement and loss of livelihood.

### Childcare Arrangements

Among working mothers, the most common childcare arrangement is caring for the child themselves (52.78%). Family members and daycare are the next most frequent arrangements, each accounting for 14.81% of cases. Less common arrangements include neighbors (10.18%), servants (5.56%), and others (1.85%), as shown in figure 2.

**Figure 2: Childcare Arrangements**



### Key Findings:

- **High Prevalence of Childcare Needs:** A significant proportion of low-income SACCO members have young children, highlighting the urgent need for childcare services.



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- **Dominance of Informal Arrangements:** Family members are the most common childcare providers, indicating a reliance on informal arrangements.
- **Limited Use of Daycare:** Daycare is used less frequently, potentially due to cost, availability, or other factors.

#### Implications:

- **Demand for Childcare Services:** The high number of working mothers with young children suggests a strong demand for accessible and affordable childcare services.
- **Need for Alternative Options:** The relatively low use of daycare indicates a need for more accessible and affordable options for working mothers.



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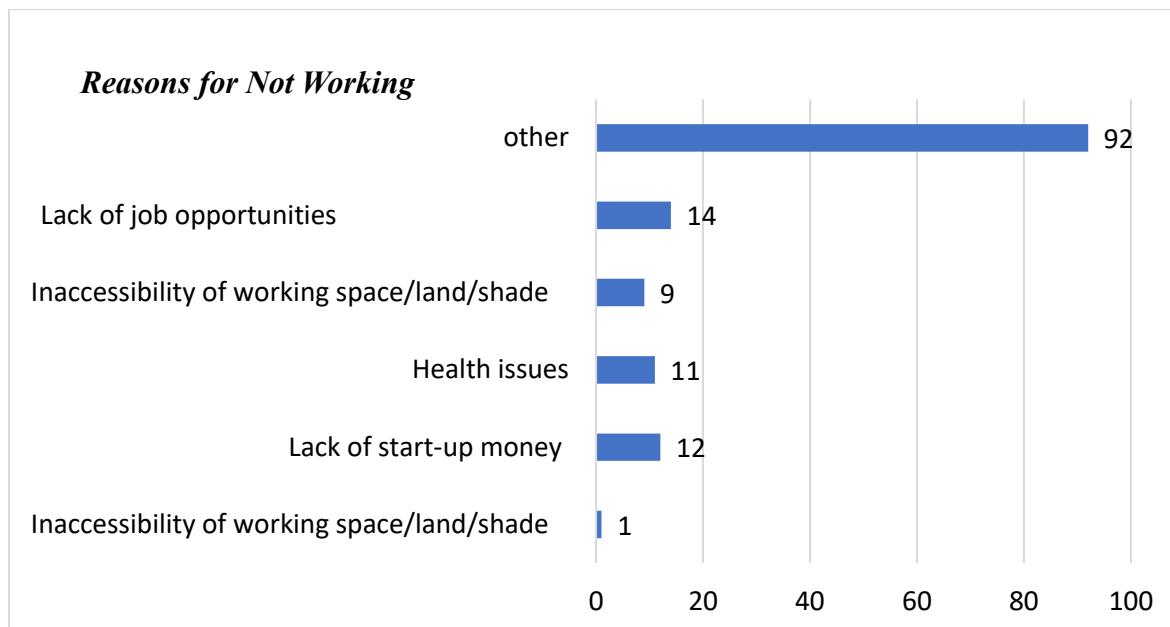
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## 7.2 Challenges of Balancing Work and Childcare

### Reasons for Not Working

Among women who were not working, the most common reason cited was a lack of job opportunities (14 out of 140). Other frequently mentioned reasons included unavailability of working space (9 out of 140), health issues (11 out of 140), and lack of start-up money (12 out of 140). A significant number of women (92 out of 140) attributed their joblessness to other reasons including the Addis Ababa Corridor Project, which resulted in displacement and loss of livelihood (refer figure 3).

**Figure 3: Reasons for Not Working**

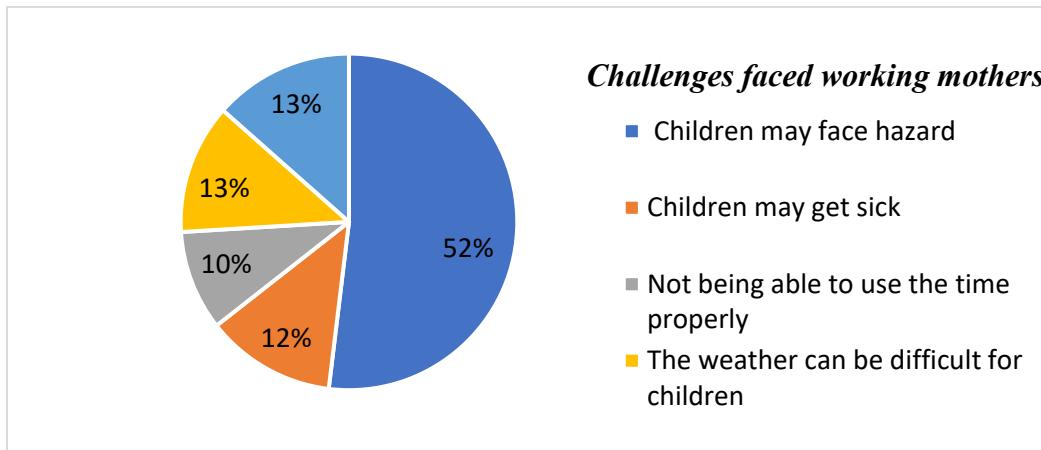


### Challenges Faced by Working Mothers

As shown in Figure 4, the most common challenge faced by working mothers was accidental incidents involving their children (52%). These incidents included children falling and breaking bones due, and children running into the street, increasing the risk of traffic accidents. Other challenges mentioned by respondents included exposure to harsh weather conditions (13%), children getting sick (12%), and difficulty using business time effectively (10%). Among the working participant women, 13% mentioned other challenges, such as customer displeasure of spending time with children at work, discrimination in job opportunities due to having children, and the need for women to prioritize personal time.



Figure 4: Challenges faced working mothers



#### Key Findings:

- **Lack of Job Opportunities:** The most significant barrier to women's economic participation was the lack of job opportunities.
- **Impact of Addis Ababa Corridor Project:** A large number of women attributed their joblessness to the displacement caused by the Addis Ababa Corridor Project.
- **Childcare Challenges:** Working mothers faced various challenges related to their children's safety, health, and well-being, which impacted their productivity.

#### Implications:

- **Economic Empowerment:** Addressing the lack of job opportunities is crucial for empowering women and improving their economic participation.
- **Childcare Support:** Providing childcare support can help working mothers balance their responsibilities and improve their productivity.
- **Policy Interventions:** The impact of the Addis Ababa Corridor Project highlights the need for policies and programs to support women affected by development projects.

### 7.3 Availability and Access to Childcare Services

#### Prevalence of Childcare Centers

Among the total sample of 248 SACCO member women, 55.65% (138) reported that there are childcare centers near their residences. Conversely, 44.34% (110) indicated that there are no childcare centers in their vicinity (refer Table 1).



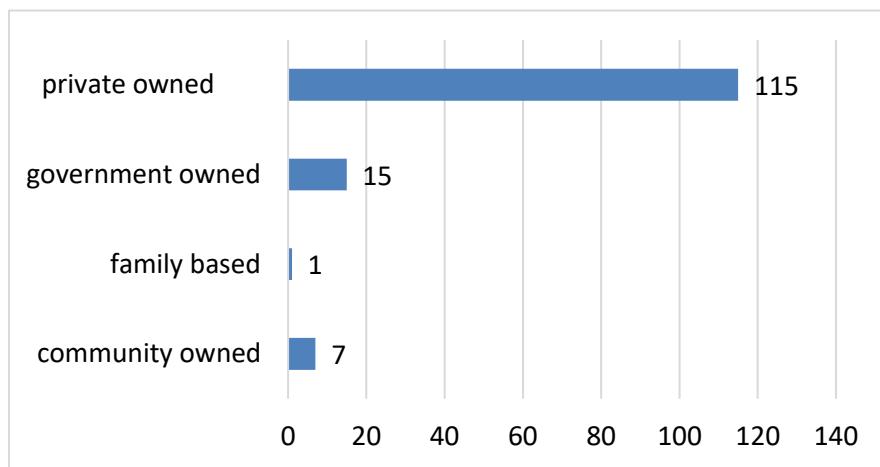
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## Types of Childcare Centers

As shown in Figure 5, among the 138 participants who reported having childcare centers nearby, 115 indicated that these centers were privately owned. Fifteen participants reported community-based childcare services, while seven reported government-owned centers. Only one participant mentioned a family-based childcare center.

*Figure 5: Types of Childcare Centers*



## Usage of Childcare Services

Only 12.90% of participants of the study (32 out of 248) are currently using childcare services. The majority of 216 (87.10%) are not using childcare services (refer Table 1).

## Types of Childcare Services Used

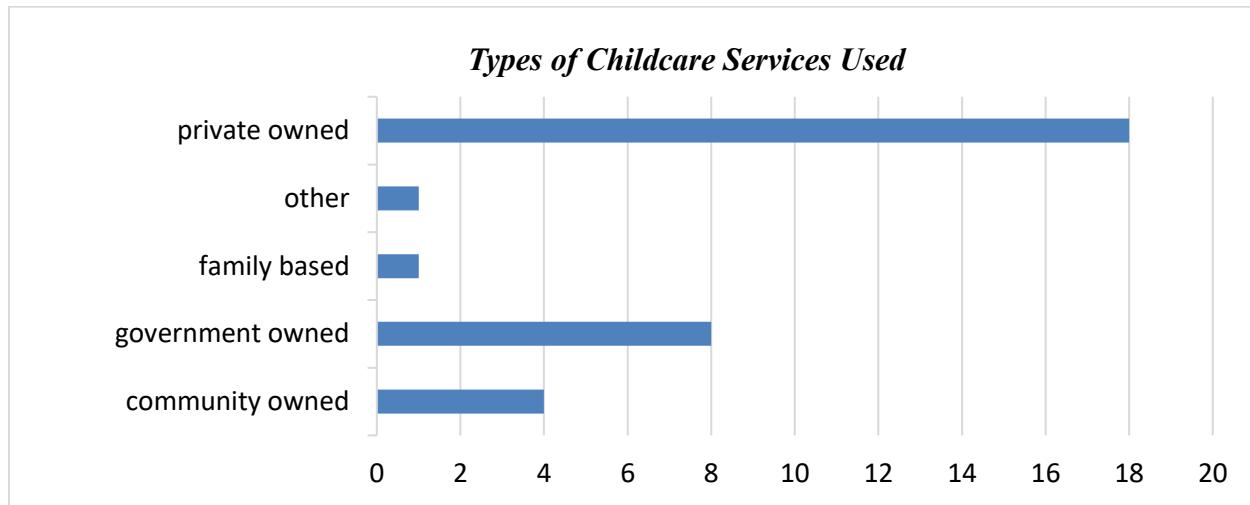
Of the 32 SACCO member women using childcare services, 18 utilize private-owned centers. One woman uses a family-owned center, while eight use government-owned centers. Four women use community-owned centers, and one uses other alternative childcare services, as shown in Figure 6.

*Figure 6: Types of Childcare Services Used by the Working Mothers*



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#### Cost of Childcare Services

As shown in Figure 7, the cost of childcare services in Addis Ababa, Ethiopia, varies significantly. Of the 32 SACCO member women using childcare services, two pay a monthly fee exceeding 2000 Birr, six pay between 1501 and 2000 Birr, nine pay between 1001 and 1500 Birr, two pay between 501 and 1000 Birr, and thirteen pay between 100 and 500 Birr.

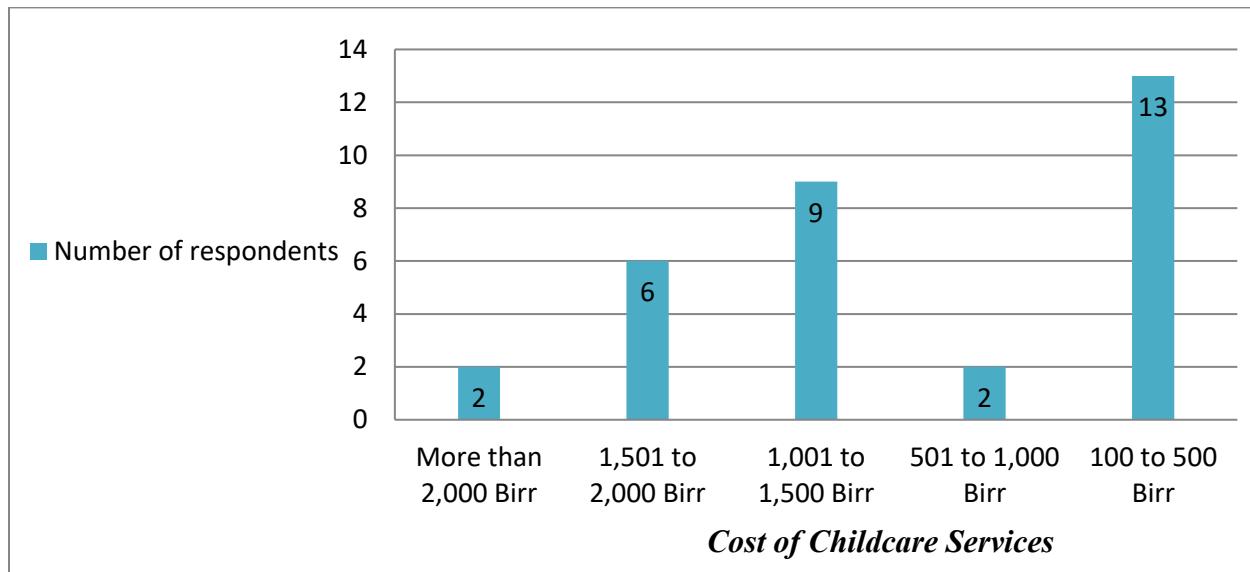


Figure 7: Cost of Childcare Services

#### Key Findings:



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- **Limited Access to Childcare:** A significant number of SACCO members do not have access to childcare centers in their vicinity, limiting their options for childcare arrangements.
- **Prevalence of Private-Owned Centers:** Private-owned childcare centers are the most common option, suggesting a demand for quality and flexibility in childcare services.
- **Cost of Childcare:** The cost of childcare services can be a barrier for many SACCO members, as a significant number of participants pay between 1000 and 500 Birr per month.

Implications:

- **Need for Increased Access:** The limited availability of childcare centers highlights the need for efforts to expand access to these services in areas where they are lacking.
- **Affordability Challenges:** The high cost of childcare services can be a major barrier for many women, limiting their ability to participate in the workforce.
- **Demand for Quality Childcare:** The preference for private-owned centers suggests a demand for quality and flexibility in childcare services.

#### 7.4 Cost, Affordability and Preferences of Childcare

Reasons for Not Using Childcare Services

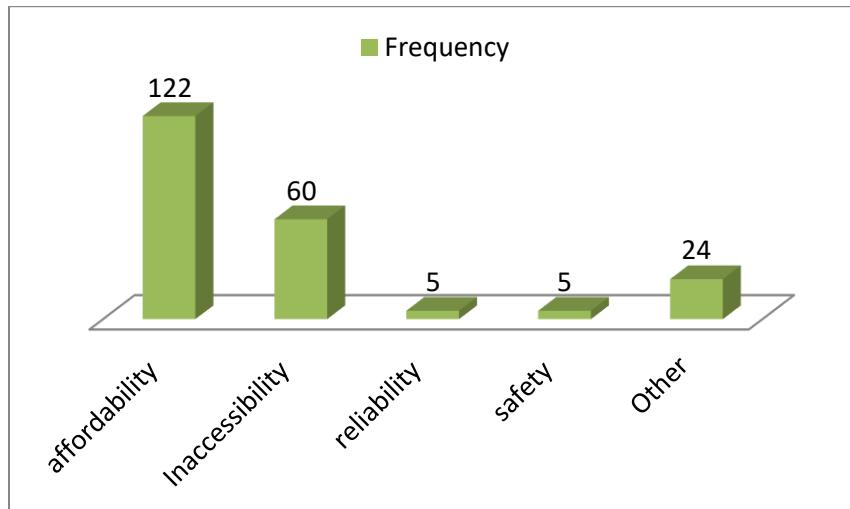


Figure 8: Reasons for Not Using Childcare Services

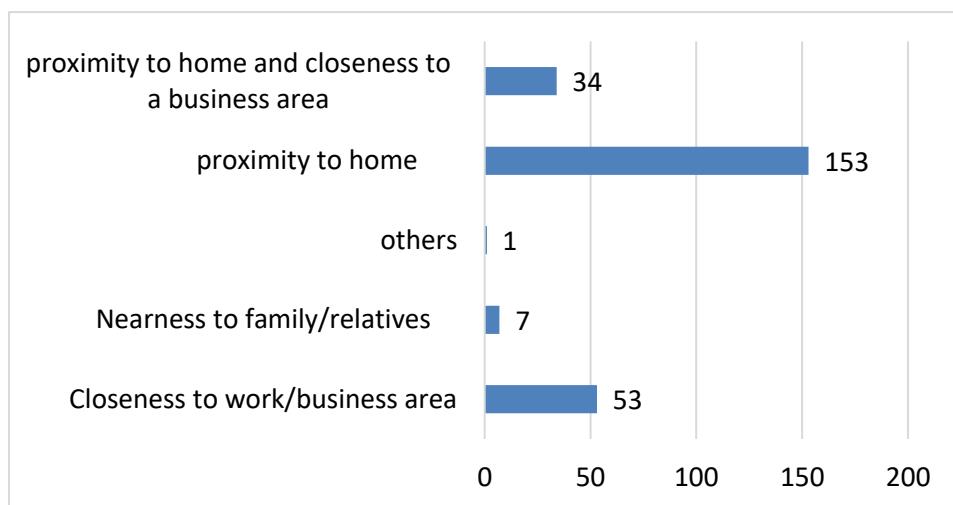


Of the 216 participants not using childcare services, 122 cited affordability as the reason. Inaccessibility was cited by 60 participants, while reliability and safety were mentioned by five participants each. Twenty-four participants mentioned other reasons, including the inability to afford childcare due to unemployment (refer figure 8).

#### Childcare Center Selection Criteria:

Of the participants, 153 preferred a childcare center close to home, 53 preferred one near their business area, and 34 preferred a location that was both close to home and their business area. Seven participants preferred a center near family or relatives, while one participant expressed other preferences (refer figure 9).

**Figure 9: Childcare Center Selection Criteria**



#### Willingness to Pay

Among the 216 participants not currently using childcare services, 122 indicated inability to pay. Seven indicated they could afford to pay less than 100 Birr, while three could pay between 101 and 250 Birr, eight between 251 and 350 Birr, ten between 351 and 450 Birr, 23 between 451 and 500 Birr, and 43 more than 500 Birr monthly (refer figure 10).

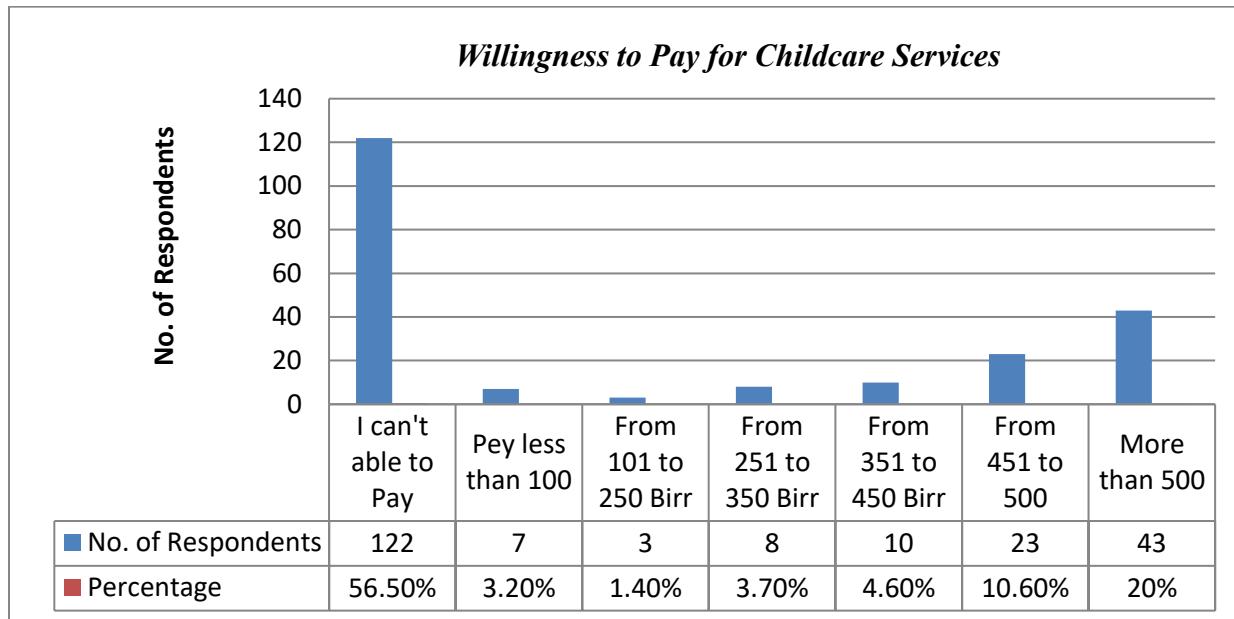


Figure 10: Willingness to Pay for Childcare Services

#### Key Findings:

- **Affordability as a Major Barrier:** The most common reason for not using childcare services was affordability, indicating that cost is a significant barrier for many SACCO members.
- **Proximity to Home and Business:** Participants prioritized proximity to home and business areas when selecting childcare centers.
- **Limited Willingness to Pay:** A significant number of participants were not willing or able to pay the current market rates for childcare services.

#### Implications:

- **Need for Affordable Childcare Options:** The high cost of childcare services can be a major barrier for many SACCO members, limiting their access to these services. There is a need for more affordable childcare options to meet the needs of low-income families.
- **Importance of Location:** Proximity to home and business areas is a crucial factor when selecting childcare centers, highlighting the need for accessible options.
- **Financial Support:** Providing financial assistance or subsidies for childcare services could help make them more affordable for SACCO members.



## 7.5 Childcare Services Benefits for Women

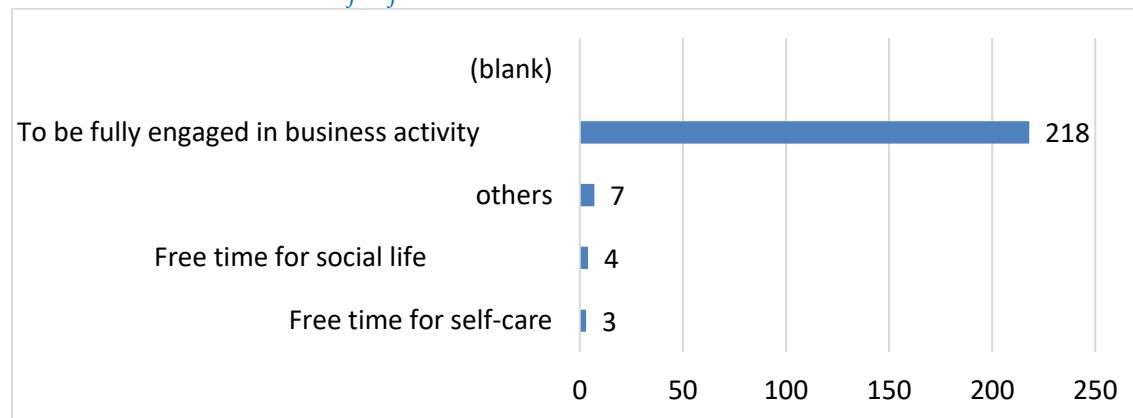
### Willingness to Use Childcare Services for Free

Of the participants, 232 indicated they would use free childcare services, while 16 would not. Those who declined cited various concerns. One participant expressed worry about their child's timely feeding, while another was concerned about the potential for inappropriate drug. Five participants were concerned about their child's well-being at a free center, and three mentioned other reasons such as their husband's reluctance or personal challenges related to moving. A small number of mothers lacked awareness of daycare options.

### Childcare Services Benefits for Women

As shown in figure 11, a significant majority (245 out of 248) of participants believed that childcare services would benefit mothers. Of these, 218 indicated that it would allow for full engagement in business activities, while four mentioned having free time for social life and three for self-care. Seven participants mentioned other benefits, such as greater job selectivity, improved child health and development, and enhanced socialization. The data highlights the challenges faced by working mothers and the potential benefits of childcare services in supporting their various endeavors.

**Figure 11: Childcare Services Benefits for Women**



### Key Findings:

- **High Willingness to Use Free Childcare:** The majority of participants expressed a willingness to use free childcare services.
- **Concerns About Free Childcare:** A small number of participants were hesitant to use free childcare services due to concerns about their child's well-being, safety, and care.



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- **Perceived Benefits of Childcare Services:** The majority of participants (245 out of 248) believe that childcare services can benefit mothers, primarily by allowing them to fully engage in business activities. Other perceived benefits include free time for social life and self-care.

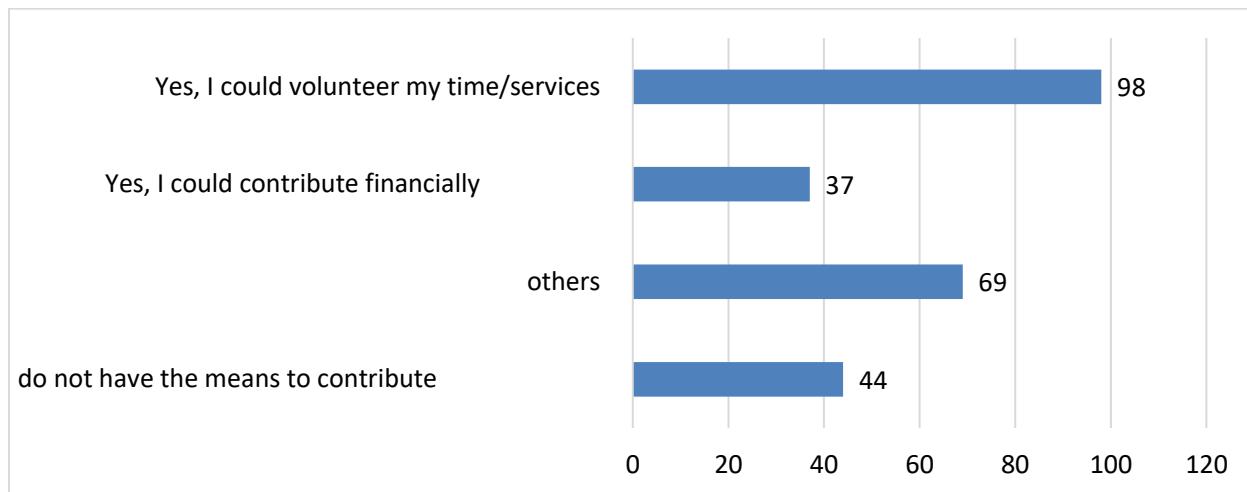
#### Implications:

- **Strong Demand for Childcare Services:** The high willingness to use free childcare services indicates a strong demand for these services among SACCO members.
- **Addressing Concerns About Free Childcare:** Addressing concerns about the quality of care, safety, and child development in free childcare centers is essential to increase their utilization.
- **Potential Benefits of Childcare:** The perceived benefits of childcare services highlight their potential to support women's economic empowerment and well-being.

#### 7.6 Contributions to the Childcare Development Initiative and Working Hour Preferences

##### Willingness and Types of Contributions to the Childcare Development Initiative

*Figure 12: Contributions to the Childcare Development Initiative*



Of the 248 participants, 98 were willing to volunteer their time and services to a childcare center, while 37 were willing to contribute financially. Forty-four women were unable to contribute due to financial instability or displacement. Sixty-nine participants indicated other forms of contribution, such as providing labor or materials. A significant majority of the sample women were willing to contribute to the construction of a childcare center in various ways (refer figure 12).



### Preferred Childcare Working Hours

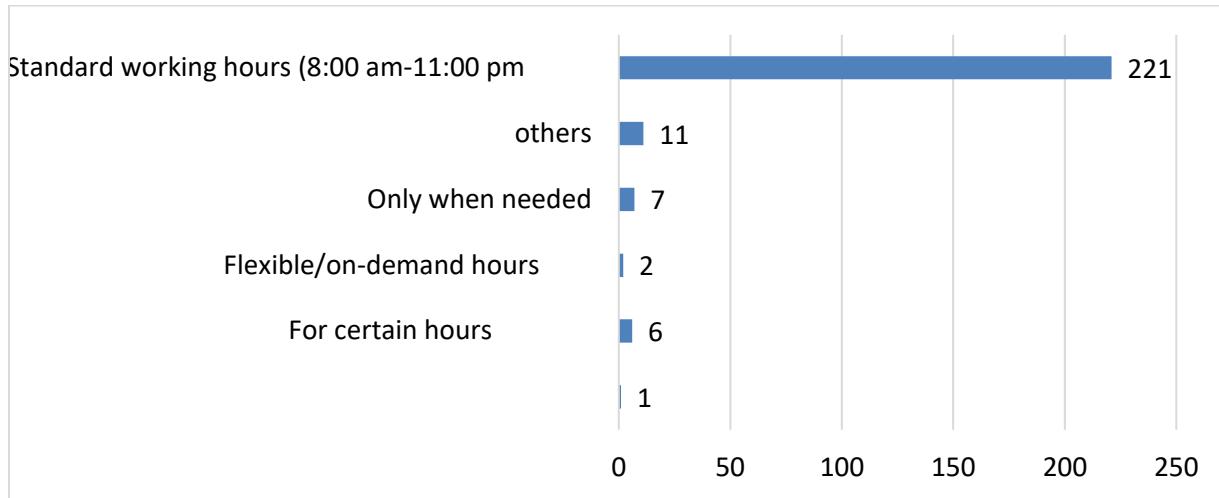


Figure 13: *Childcare Preferences*

Regarding preferred working hours for a childcare center, 221 working mothers preferred standard working hours from 2:00 AM to 11:00 PM. Seven respondents preferred part-time childcare usage, while six preferred half-day services in the morning or afternoon. Two mothers preferred flexible hours, using the services on an as-needed basis. Others specified seven-day-a-week usage with either standard working hours, 2:00 AM to 9:00 PM, or hours that aligned with their own work schedules. The data indicates that access to childcare centers could encourage mothers to work longer hours than their current schedules (refer figure 13).

#### Key Findings:

- **Strong Willingness to Contribute:** A significant number of participants expressed a strong willingness to contribute to the establishment and operations of childcare initiatives in various ways, including volunteering their time and services, and providing financial support.
- **Preferred Working Hours:** The majority of participants preferred standard working hours from 2:00 AM to 5:00 PM for a childcare center.

#### Implications:

- **Community Engagement:** The willingness of SACCO members to contribute to the childcare development initiative demonstrates strong community engagement and support for the project.



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- **Diverse Forms of Support:** The variety of contributions offered by participants indicates a willingness to provide support in different ways, which can be leveraged to establish and operate a sustainable childcare center.
- **Need for Flexible Childcare Options:** The preferred working hours of participants highlight the need for childcare centers that offer flexible options to accommodate different work schedules.

## 8. Conclusion

The needs assessment provides valuable insights into the childcare needs, preferences, and challenges faced by low-income SACCO members in Addis Ababa, Ethiopia. Key findings include:

1. **Limited Access to Childcare:** A significant number of SACCO members do not have access to childcare centers in their vicinity, limiting their options for childcare arrangements.
2. **High Cost of Childcare:** The cost of childcare services found to be a significant barrier for many SACCO members, particularly those with lower incomes.
3. **Demand for Quality Childcare:** There is a demand for affordable, accessible, and quality childcare services among SACCO members.
4. **Strong Willingness to Contribute:** A significant number of participants expressed a strong willingness to contribute to the establishment and operations of childcare initiatives in various ways, including volunteering their time and services, and providing financial support. This demonstrates a genuine commitment to the development of accessible and affordable childcare options within their communities.

## 9. Recommendation

- ***Expand Access to Childcare Centers:*** Increase the availability of childcare centers in areas where they are lacking to improve access for SACCO members.
- ***Promote Affordability:*** Implement programs to make childcare services more affordable for low-income families.
- ***Support Community-Based Childcare Initiatives:*** Encourage and support the development of community-based childcare centers to increase access and affordability of childcare services for low-income households.



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- *Advocate for Services Expansions.* Governmental and non-governmental organizations are encouraged to consider expanding the accessibility and provisions of childcare services to reach out to disadvantaged community members including the SACC O member women.

By addressing these recommendations, WISE can contribute to improving the economic empowerment of women by providing them with access to affordable and quality childcare services.