

**ASSESSMENT OF FACTORS THAT AFFECT FINANCIAL
SUSTAINABILITY OF RURAL VILLAGE COMMUNITY BANK (VICOBA)**

A CASE OF NYAMAGANA DISTRICT

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SUSTAINABILITY OF RURAL VILLAGE COMMUNITY BANK (VICOBA)**

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By

Ephraim Charles

**A Dissertation submitted in Partial Fulfillment of the Requirement for Award of
the Degree of Master of Science in Project Planning and Management (MSc.
PPM) of Mzumbe University**

2018

CERTIFICATION

We, the undersigned, certify that we have read and here by recommend for acceptance by the Mzumbe University, a dissertation entitled; **Assessment of Factors that Affect Financial Sustainability of Rural Village Community Bank (VICOBA): A case of Nyamagana District**, in partial fulfillment of the requirements for the award of the degree of Master of Science in Project Planning and Management degree of Mzumbe University.



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Signature

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I, **Ephraim Charles**, hereby declare that, this dissertation is my own original work and that it has not been presented and will not be presented to any other University for a similar or any other degree award.

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DEDICATION

I humbly dedicate this dissertation report to my sister Betty SaimonHancy, my beloved Parents Mr.and Mrs. Charles Rugabandana and my lovely brothers and sisters.

LIST OF ABBREVIATIONS AND ACRONYMS

ASCRA	Accumulating Savings and Credit Associations
BOT	Bank of Tanzania
CARE	Cooperative for Assistance and Relief Everywhere
CRDB	Commercial Rural Development Bank
ILO	International Labor Organization
MDGs	Millennium Development Goals
MFIs	Micro Finance Institutions
NBS	National Bureau of Statistics
NGOs	Non-Governmental Organizations
NMB	National Microfinance Bank
NMP	National Micro finance policy
NPLs	Non-Performing Loans
ROA	Return on Asset
ROE	Return on Equity
ROSCAs	Rotating Servings and Credit Associations
SACAS	Serving and Credit Associations
SACCOs	Savings and Credit Cooperative Organizations
UN	United Nations
URT	United Republic of Tanzania
VICOBA	Village Community Bank

ABSTRACT

The study was geared to assess the financial sustainability of rural village community banks in Nyamagana District. Specifically, the study intended in finding out the factors that affect the financial sustainability of rural village community bank and to find the relationship between these factors and the financial sustainability of VICOBA. In order to answer the mentioned objectives of the study, a researcher used cross-sectional study design as the data were collected at a single point in time. The study used 100 respondents who are members of VICOBA. Not less, the data were used were the primary data that were collected from the field. Moreover, the data were analysed using descriptive and inferential statistics. In descriptive statistics, frequency, percentage, mean and standard deviation were used, whereas in inferential statistics a binary logistic regression model that used the maximum likelihood methods was employed in estimating the variables. In case of descriptive statistics, the findings revealed that the compelling factors that affect the financial sustainability of VICOBA in the study area included leadership and accountability, entrepreneurship skills of the members, education level of the members, member's income generating activities, amount of shares contributed by the members, amount of loan provided to members and security of the group fund. However other factors that were mentioned by the respondents included inadequate capital, income poverty, cost of borrowing, and poor commitment of the members. On the other hand, in the inferential statistics, the results showed that leadership and accountability, entrepreneurship skills of the members, education level, income generating activities, and security of group fund were found to be statistically significance in its coefficients as they are having positive sign. But, amount of shares by members and loan provided to members are found to be statistically insignificance in its coefficients as they are having negative sign. In addition, the study further found that leadership skills and accountability, entrepreneurship skills income generating activities, and amount of loan provided to members are statistically significance when judged by its probability. On the other hand, education level of the respondents, amount of shares by members and security of loan fund were found to be statistically insignificance when judged in its probability. The results also found that leadership and accountability, entrepreneurship skills of members, income generating activities

and loan provided to members are statistically significance when tested using its standard errors. However, education level of members, amount of shares by members and security of group fund were found to be statistically insignificance when arbitrated by standard error. In this, the study conclude that village community bank are considered to be crucial for the members within the group as it provides loans to members that help them to invest in income generating activities, entrepreneurship skills, encourage savings through amount of shares contributed by members and training particularly in business development. Therefore, the study recommend that entrepreneurship skills to members should be provided frequently in order to equip the members with adequate skills of entrepreneurship to enable them in identifying the projects that generate income that could be used in repaying back the loan and contribute members share.

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CHAPTER ONE

INTRODUCTION AND PROBLEM SETTING

1.1. Background of the Study

In the 1970s, Microfinance evolved all over the world, with a sole purpose of helping and upgrading the poor people economically in order to participate in small enterprises for income generation (Helmore, 2009). In the early 1980s, the microfinance movements started in places like Bangladesh and Bolivia and soon captured the interest of multilateral donor as well as private bankers (Mejeha and Nwachukwu, 2008). In 1990s which is referred to as the microfinance decade whereby “Dichter” saw accelerated growth in number of created microfinance institutions and an increased emphasis on reaching scale that made microfinance turn into an industry (Robinson, 2001).

However, the provision of credit to the poor was not the only services accompanied with the growth in microfinance, but the provision of other financial services such as savings and pensions as well when it became clear that the poor had a demand for these other services (Mix, 2005). In 1997 the launching of the Micro-credit Summit reinforced the importance of microfinance in the field of development. The Summit aimed to reach 175 million of the world’s poorest families, especially, with credit for self-employed and other financial and business services by the end of 2015 (Micro-credit Summit, 2005). It is however, important noting that because of believing that micro-credit can offer a considerable contribution to enhance the achievement of the Millennium Development Goals (MDGs), the UN declared the year 2005 to be the ‘International year of Micro-credit’ (United Nations, 2011).

Several models have been used to address microfinance services which among them is the Opportunity International in Columbia and Grameen Model (GM) in Bangladesh. These models, the poor were provided loans with low interest rates that allowed households to establish and expand income-generating activities (Robinson, 2001; Parivartan, 2006). But, the various existing microfinance models are derived from the GM. The model was invented in 1976 by Professor Muhammad Yunus, the founder and managing director of Grameen Bank (GB). Yunus believed that all human beings

are born entrepreneurs, but what differentiates them is the ability to access to opportunities (Armendariz, 2010).

Nowadays, since the GM became popular, microfinance has widely been recognized as a just and sustainable solution in alleviating global poverty (MCGE, 2009). The model was then adopted in all parts of the world and become popular in developing countries whereby in Africa it was first adopted in Mali. In the country the model was referred to as “Mata Masu Dubara” that meant ‘women on the move’ founded by CARE International. The model was then further introduced in other countries such as Zimbabwe, Mozambique, West Nile Uganda, and Eritrea (Ngalema, 2013).

Despite the worldwide popularity of microfinance services provision, financial inclusion is still a challenge to the big population especially rural dwellers. Helms (2006) stipulated that more than 3 billion poor people worldwide lacked access to basic financial services by the end of 2006. However, the problem was severe in developing countries of which about 90% of the people were having no access to financial institutions (Robinson, 2011).

Regardless of small coverage, informal MFI are important providers of financial services to those who are not served by the formal financial sector as one of the most important tools to help to solve the financial exclusion problem and bridge the gap for the poor though not a magic solution that cures all poverty to the poor people (Guntz, 2011; Bouri and Ibtissem, 2013).

Tanzania is not far from other developing countries in financial inclusion coverage. In this case, the data shows that about 56% of Tanzanian population is lacking access to financial services (Marr & Tubaro, 2011). In recognizing the significance of microfinance services in poverty alleviation, the government of Tanzania introduced the National Microfinance Policy [NMP] in 2000 and its amendment was done in 2017. The policy aimed at facilitating the development of a sustainable microfinance industry in rural areas mainly by extending the frontiers of microfinance services that can contribute to poverty reduction as well as improve income distribution beyond urban areas (United Republic of Tanzania [URT], 2000). In rural areas the MFIs are aimed

at facilitating provision of loans to active poor people without collateral, but with soft conditions so that they get capital to invest into income generating activities (Verhan, et al. 2014). The NMP did not solve all the problems because accessibility of poor Tanzanians to financial services to date remains a challenge. The majority of poor Tanzanians are not able to access financial services because microfinance sector in the country is young, small and very limited in rural parts.

Notwithstanding, the rural areas in the country unlike the urban areas, in which most of the formal financial institutions are situated, are financially serviced by SACCOS which are semi-formal financial institutions and VICOBA which are informal. The SACCOS despite being one of the important microfinance institutions in the rural parts of Tanzania are faced with the challenge of mismanagement and poor governance that have resulted in low trust among themselves (Ahlen, 2012).

VICOBA as opposed to other financial institutions in Tanzania operate in line with National Microfinance Policy. They have been contributing in empowering less privileged people both in urban and rural settings (Verhan, et al. 2014). As the banks have soft conditions, they are promoted in various parts of Tanzania not only to enhance overcoming capital shortcomings and empowering the poor to have their needs, but also reduce income poverty (Verhan et al, 2014).

Nowadays VICOBA are not only serving poor people but also the formal wage job low income employees (Kaleb, 2016), and the formal wage job middle income employees like teachers, nurses and accountants (Verhan, et al. 2014). The data shows that VICOBA cover more than 1,876 operating groups with more than 56,280 members.

1.2. Statement of the Problem

The general performance of VICOBA groups during their establishment in Tanzania is reported to be financially weak imply that the financial performance is not permanent for the future generations but basically for a certain circle (Verhan, et al. 2014). The weak performance of VICOBA leads to poor sustainability of the said community bank

However, majority of the scholars indicated good performance and shown the possibility of sustainability of VICOBA in different areas around the world particularly

in developing countries such as Tanzania. In this, for instance the study by Morios (2010) indicated that there is a good performance and sustainability of VICOBA in Tanzania as it involves different kind of people such as teachers, nurses, businessmen, doctors, farmers, livestock farmers and engineers to mention the few who are dedicated in improving their lives through engaging in VICOBA to raise their income.

However, there are other studies that shown VICOBA to fail to sustain in financially, for instance Kihongo (2005), Kitomari and Abwe (2016),and Lema (2011) shown that some VICOBA do not perform well a thing that lead to poor sustainability. But, most of studies fail to indicate on why some of VICOBA fail to perform well and sustain. Therefore, in filling this gap the study assessed the factors that affect financial sustainability of rural village community bank. In particular, the study studied on members' income generating activities, amount of share and loan provided by group, leadership and accountability, education level of members, entrepreneurship skills of the members and security of group fund as the factors that affect financial sustainability of VICOBA.

1.3. Objectives of the Study

1.3.1. General Objective

The main objective of this study was to assess the factors that affect financial sustainability of rural Village Community Banks (VICOBA)in Nyamagana District.

1.3.2. Specific Objectives

- i. To find out the factors that affect the financial sustainability of VICOBA operating in Nyamagana District.
- ii. To find out the relationship between members' income generating activities, shares of members, loan provided by group, education level, leadership and accountability, entrepreneurship skills of members, and security of fund to the financial sustainability of VICOBA.

1.4. Research Questions

- i. What are the factors that affect the financial sustainability of VICOBA operating in Nyamagana District?

- ii. Is there a significance relationship between members' income generating activities, share and loan provided by group, education level, leadership and accountability, and entrepreneurship skills of members and the financial sustainability of VICOBA?

1.5. Scope of the Study

This study was limited in Nyamagana District in Mwanza City whereby VICOBA's members were taken to be involved in the study.

1.6. Significance of the Study

This study is significant for both theoretical and practical pursuits. Theoretically, this study in the first place was to provide a better understanding of the financial status and its sustainability for VICOBA groups in Nyamagana District.

Practically, the findings of this study is to stimulate institutions and other stakeholders in Tanzania to incorporate VICOBA groups' establishment training programme a module on the importance of formulating the banks.

On the other hand, through understanding the general challenges that face VICOBA groups in Nyamagana District, this study act as a stepping stone that pave a way to formulate strategies and policies that will guide VICOBA groups in overcoming the underlying challenges for better performance.

1.7. Organization of the Study

This study is organized into six logical related chapters. Chapter one discusses the problem setting that covers about the background of the problem that is narrowed world widely till to Tanzania, problem statement that explains the magnitude of the problem relating to the conceptual framework developed and then establishes the research gap, study objectives both general and specific objectives, research questions, scope of the study and significant of the study.

Chapter two provides a critical review of the literature where by both theoretical and empirical literature was critically discussed. In the theoretical literature review, areas that have been covered is the explanations of key terms and concepts and related models and theories whereby the Grameen Bank (GB) model was discussed as the

study theoretical model. In the empirical part, various studies have been discussed and the relationship with the current study was established.

Chapter three tells about the methodologies that were used in achieving the overall study objectives. This covers the research design, area of the study, population, sampling techniques, and data analysis techniques.

Chapter four explain the data analysis and presentation of the findings whereby descriptive statistics by means of frequency distribution tables have been used to present the findings while frequency and percentage of occurrence was used to interpret the study findings. Chapter five presents the discussion of the findings while chapter six presents the summary, conclusion and policy implications of the findings.

CHAPTER TWO

LITERATURE REVIEW

2.1. Introduction

This chapter examines some literature relevant to the present study and presents the theoretical framework which guides the study. It is divided into two main sections namely theoretical and empirical literature review.

2.2. Theoretical Literature Review

2.2.1. Explanation of Key Terms and Concepts

2.2.1.1. Microfinance

Microfinance is defined by NSSP (2009) as the provision of financial services to the poor who conventionally have been excluded from the formal banking sector or have no access to formal financial institutions. It can also be referred to all types of financial intermediation services that include savings, credit, funds transfer, insurance and pension remittances provided to low-income earners such as households and enterprises in both urban and rural areas, including employees in the public and private sectors and the self-employed (Robinson, 2003). In this regard, microfinance can therefore be generalized as the provision of savings, loans and other financial services to the poor people and low-income earners who are living in both rural and urban areas, but are excluded from the formal banking sector or are unable to obtain such services from the formal financial sector.

2.2.1.2. Financial Sustainability

Financial sustainability is noted in different literatures to be one of the indicators that we need to look at to assess the performance of micro-finance institutions. A micro-finance institution is believed to be financially sustainable when it is capable of meeting full operating costs using revenue generated from offered services (Ali, 2013). There are two levels of financial sustainability. The one is operational self-sustainability which occurs when the operating income is sufficient enough to cover operational costs like salaries, supplies, loan losses, and other administrative costs. The second financial sustainability level is when MFIs are said to be financial self-

sustainable if it is able to cover costs of funds and other forms of subsidies received when they are valued at market prices.

In view of the above, financial sustainability of an MFI apart from being measured based on operational self-sufficiency and financial self-sufficiency requires also determining whether or not an MFI maintain good financial accounts and follows recognized accounting practices that provide full transparency for income, expenses, loan recovery, and potential losses (Meyer, 2002).

However, sustainability in this study is used to refer to the presence of long-term financial services from informal microfinance institutions bordered and used by members in a way that it meet members' demands or expectation at agreed manners in term of time, size, type of product and operation environment.

2.2.1.3. Microfinance Institutions (MFIs)

The institutions that provide microfinance services are referred to as Microfinance institutions (Robinson, 2003). MFIs represent institutional arrangements that provide credit and other financial services to the poor who are traditionally not served by the conventional formal financial institutions (NSSP, 2009). However, it is not exclusively institutions for the poor that engage in the field of microfinance. Commercial and nationalized banks, as well as insurance companies, are beginning to scale down in order to reach new markets and clients (Rutherford, 2002). Currently institutions that engage in the field of microfinance are classified into three basic types: informal, formal, and semi-formal providers (Parivartan, 2006).

Informal microfinance institutions are the ones whose financial services are provided by traditional credit providers and individuals who never face external intervention and have no legal status. The informal microfinance institutions includes Accumulated Savings and Credit Associations (ASCRA), Rotating Savings and Credit Associations (ROSCAs), moneylenders, self-help groups, personal loans from friends and relatives, traders with unregistered sources of credit, and Savings collector (Parivartan, 2006)

Formal microfinance institutions, these are those financial institutions whose services are provided by public and private banks, insurance firms, and finance companies

which are subject to the regulations and supervision of the central bank of the country in which they are operating (Wilson, 2001).

Semi-formal financial institutions, these are those financial institutions that fall somewhere in-between formal and informal microfinance institutions. They are usually not regulated by banking authorities, but are subject to supervision by government agencies where government department supports them with funds, technical assistance and policy guidance. A few examples of such institutions include credit unions, group lending, and cooperatives (Wilson, 2001).

2.2.2. Microfinance Institutions in Africa, East Africa and Tanzania

Microfinance institutions in Africa differ as the continent itself as collective styles have been employed ranging from traditional group-based microfinance institutions to specialized lending group by banks and sponsored by international non-governmental organizations (Olomola, 2002). However, in Sub-Sahara Africa (SSA) microfinance institutions is featured by heavy dependence on foreign savings for assisting microfinance in accomplishment its services.

Notwithstanding, in East Africa there are several microfinance institutions including Savings and Credit Cooperative Societies (SACCOS), Accumulation Savings and Credit Association (ASCAs), and Village Savings and Loans Association (VSLA) which are members based microfinance institutions. However, Scholer (2011) argued that the sustainability of these banks are determined by the contributions of members within the groups, savings and share capital contributions.

Moreover, in Tanzania there is Village Community Banks (VICOBA) which are formed informal voluntary groups of 25 to 30 individuals (Malamsha and Zakaria, 2016). The village community bank in Tanzania started to operate in 2001 with the aim of mobilizing savings for lending back to group members and it is based on the operation system based on rotation or cycle.

2.2.2. Rural Village Community Bank (VICOBA) in Tanzania

Village Community Bank (VICOBA) is a rural based and financial institution in nature as it encompasses Savings and Credit Association (SACAs) that involves indigenous

financial institutional system that have a modern financial institutional. More specifically, village community bank involves group members of 25 to 30 people who trust each other (Malamsha and Zakaria, 2016).

In term of administration, VICOBA fall under the operation and control of members in which members should be active in controlling the other members. Not less, VICOBA were found to be savior and helper to provide for the needs of the individual on financial issues and social matters such as education and health. However, in order for members within the group to participate effectively in VICOBA activities they are supposed to buy shares before taking loans from the group a thing that adds capital to the group to advance loan to group members.

2.2.3. Characteristics of Rural Village Community Bank (VICOBA)

VICOBA in general have three significant features that distinguish them from other institutions engaging in the provision of financial services. These features in particular include the absence of asset-based collateral, the simplicity of operations, and the smallness of loans advanced and/or savings collected (NSSP, 2009). However, the principal characteristics of informal microfinance institutions involves of short-term working-capital loans, lending based on character rather than collateral, sequential loans, starting small and increasing in size, group loan mechanism as a collateral substitute, quick cash-flow analysis of business and households, especially for individuals' loans.

Notwithstanding, VICOBA include prompt loan disbursement and simple loan procedures, frequent repayment schedules to facilitate monitoring of borrowers, interest rates considering higher than those for larger banks customers to cover all costs of microfinance programmers and with short term repayment periods, prompt loans collection procedures, simple lending facilities, close to clients, staff drawn from local communities with access to information about potential clients, which allows loan officers to conduct their loan screening and monitoring efforts efficiently because they are familiar with the local clientele and their activities (Adeniyi, 2011).

2.2.4. Evolution, Organization and Operation of VICOBA in Tanzania

VICOBAAs are member-based MFIs situated both in urban and rural settings of Tanzania where they are owned and run by the members and for the members. They provide savings services and loans to the members without any collateral, instead using joint liability and referees within the institution.

The origin of VICOBA groups is West Africa Mali, where they are popularly known as “**Mata MasoDubala**”. They were initiated in Tanzania by CARE International in the year 2000 where the first groups started in Zanzibar and Kisarawe in Coast region and later spread to whole mainland regions as well as to other organizations and institutions that undertake VICOBA (Ahlen, 2012).

The organization and general operation of VICOBA is more or less the same but interest rate, repayment time, minimum and maximum amount of savings and loans, value of one share, number of shares to save each week, and how often the money is divided among the members differ among the VICOBAAs. The freedom that each VICOBA group has in forming own rules and regulations, unlike those MFIs that are controlled and regulated by BOT and is the one that causes difference between VICOBAAs on the previously mentioned aspects.

The maximum number of members in a single VICOBA group is 30 people who regularly meet usually once per week to save shares and give loans to the members. The VICOBA group leadership team is constituted by 3 people among the 30 members of which one is a chairperson, one is a secretary and one is an accountant. The 30 members of VICOBA group are divided into 6 sub-groups of five people who work as the referee of each other's when an individual member wants to take a loan , which together with the savings work as a collateral. The money of all 30members of a VICOBA group is kept in an iron box usually in one of the member's home, but it can be kept in an account in a bank if it is big. The 30 members of the bank share the dividends at the end of the year (one cycle), that allows the starting of another cycle.

The members of a VICOBA group can access two types of loans from their bank. One of these loans is the soft loan. The members access this particular loan by only stating

how they are planning to use the loan. The accessed soft loan is paid after three months for the first loan and six months for the second loan. It is however important noting that the bank offers a loan amounting two or three times what a member has saved in the first loan cycle and from there the bank can offer any amount requested by a member. The social or emergency loan is another type of loan offered by VICOBA groups. This loan is small in size and is offered for shorter repayment time with no interest fees, but some VICOBA groups give the money to members who need it and they don't have to pay back. Funds for the social loan are obtained from fines which are collected whenever a member misbehaves or from a small compulsory weekly saving (Verhan, et al. 2014).

The running of VICOBA depends on the capital mobilized through loans from other financial institutions and shares saved by members. The mobilized capital increases because of payment of interests from loans given to the members. Non-existence of salaries costs and rent expenses also contributes into increasing the capital of the particular VICOBA group. That is operations of a VICOBA group are conducted at one of the members building and members themselves work for the bank (Cotzee and Cross, 2002; Verhan et al, 2014).

2.2.5. Microfinance Models

The models of providing microfinance services to the poor and low-income people share common themes despite being numerous (Herrington, 2012). The ones that were tailored and modified according to the needs of the poor in different developing countries are among the various existing microfinance models. However, the models that serves as a basis in most cases and are therefore noteworthy are Village Banking, Solidarity Group, Individual model, and Gramen model (Guntz, 2011).

2.2.5.1. Village Banking Model

A village bank is not a financial institution, but a community-based credit and savings association comprised by approximately 25 to 50 voluntary poor and low-income women who meet periodically to monitor funds obtained from NGOs or microfinance institutions. However, a village bank is assisted by the fund provider only in technical issues and supervision.

The members themselves are the ones who run this informal credit and savings group. They guarantee each other, and together involve in setting-up lending, repayment, and accountability conditions. The size of a loan that each member deserves to access is however determined by a self-appointed village bank committee. This committee decides who gets smaller loans out of the group. In general the loans provided by village banks are small, but additional credit is obtained only by members who save more (NSSP, 2009; Guntz, 2011; Herrington, 2012).

This model is applicable in this study as it point out on how group members should behave to make sure that they financially sustain.

2.2.5.2. A Solidarity Group Model

A solidarity group is a unity of self-selected individuals often women and usually in tightly knit rural areas, who group together to borrow a loan from an MFI. The members of the group in issue select each other based on their reputation and relationship, and intend to give each other an incentive to repay the loan as well as a source of support.

However, the entire group is responsible for ensuring every loan payment is made on time according to a predefined repayment schedule. This means that members of a solidarity group are accountable for the behavior of each other; such that members of the group will have to help each other repay loans (Herrington, 2012).

2.2.5.3. The Individual Model

The individual model involves direct provision of a loan, technical assistance as well as payment schedule and business management training by the MFI to the borrower who is solely accountable for paying back the full amount plus interest rates without financial support from a group in case he or she defaults. However, the borrower is able to receive a loan from the MFI applying an individual model only if he or she has a bails person that includes a family member, friend or a leader of the community.

The aforementioned bails people enable an MFI field officer to solicit required information for enhancing choosing the right clientele out of the people with no tangible collateral or credit history. Therefore, the need for the clients be closely

monitored and deeply researched makes the individual model the most expensive and labor-intensive model for the MFI (Guntz, 2011).

2.2.5.4. The Grameen Model

The Grameen model is the model from which many other models are extended or derived. This representation from time to time is copied and modified according to the respective needs of regional markets and clients. It was invented in 1976 by Professor Muhammad Yunus, the founder and managing director of Grameen Bank. The model proved to be successful and today is practiced in more than 250 outlets of Grameen Bank in more than 100 countries (Yunus, 1999; Guntz, 2011).

The lending process undertaken by the Grameen model is in the form of group lending approach that requires creating groups of five individuals. However, all the five clients constituting the group do not receive loans at the same time. This model requires loans go first to the two members of the group, then to another two, and then to the fifth group member that makes the entire group being jointly and severally liable for the single members. This means that the repayment performance of the first two individuals usually monitored for one month assures credibility of the entire group. The lending cycle continues only if the loans are correctly and timely paid (Hazeltine and Bull, 2003).

The set-up of a Grameen model based MFI requires a field officer and some qualified workers to have done a prior research in the village population so as to be in the position of making choice according to its potential demand and its need of financial support. The employees of the above mentioned MFI are required to support 15 up to 20 villages in the surrounding along with striving to make the local poor people aware of the microfinance possibilities through word of entrance and personal advisory (Guntz, 2011).

2.2.6. Factors Affecting the Sustainability of Village Community Bank (VICOBA)

There are several factors that affect the financial sustainability of rural village banks in many areas. Kitomari and Abwe (2015) argued that lack of will and readiness of the community members to join the group is one among the factors that affect the

sustainability of village community-based banks. Not less, the researchers also said that lack of appropriate education and proper knowledge on VICOBA lead to the financially unsustainability of many VICOBA. The scholars further argued that income poverty among the members, late repayment and loan defaults leads to weak financially in the group as the money will not be repaid one borrowed.

Kimando et al. (2012) argued that financial regulations, number of clients served, financial coverage and bulk of loan disbursed are the factors that affect the sustainability of most of microfinance institutions.

Malamsha and Zakaria (2016) on the study of the factors that affect the financial sustainability of microfinance institutions in Kenya argued that inadequate entrepreneurship skills, inadequate capital for business expansion, and income poverty are the factors that limit the success of microfinance institutions.

Moreover, Kinde (2012) conducted a study to identify factors affecting financial sustainability in Ethiopia. The findings were that microfinance breadth of outreach, depth of outreach, dependency ratio and cost per borrower affected the financial sustainability of microfinance institutions in the country.

2.3. Empirical Literature Review

There are number of empirical studies that have been conducted on the factors that affect financial sustainability of rural village community bank (VICOBA). However, this study investigated on the leadership and accountability, entrepreneurship skills of members, education level of members, members' income generating activities, shares and loan provided by group, and security of the fund.

2.3.1. Leadership and Accountability in the Group

The study by Malamsha and Zakaria (2016) who used multiple linear regression model in finding the factors that lead to the sustainability of VICOBA in Newala District in Tanzania found that leadership and accountability is the propelling factor that affect the sustainability of VICOBA as the leaders are the one of the members in the group and if they are strong and accountable for their duties makes the group to be sustainable otherwise it cannot be sustainable.

Perilleux et al. (2012) found that members-based organization face a serious challenges in developing sustainable microfinance institutions particularly village community-based banks due to lack of robust governance of their organization that are caused by lack of education to majority of the members.

Hollis and Sweetman (1998) did a study to identify the institutional designs that were conducive to success and sustainability of six microcredit organizations of 19th-century in Europe. The findings of this study indicated that organizations depended on charitable funding were more fragile and tended to lose their focus more quickly than those that obtained funds from depositors.

2.3.2. Entrepreneurship Skills of Members

The study in Tanzania by Kitomari and Abwe (2015) on the failure and collapse of village community banks who used descriptive statistics found that 19.1% of the studied population said that lack of entrepreneurs' skills is a limiting factor for the sustainability of village community bank.

2.3.3. Education Level of Members

Malamsha and Zakaria (2016) also found that education level of the member has positive relationship with the sustainability of VICOBA in the study area. The researcher found that VICOBA with group members that have at least secondary education are financially sustainable compared to those group members in VICOBA who have no education at all.

Kitomari and Abwe (2015) also found that lack of education among the group members in VICOBA is the propelling factor for the sustainability of the village-based community banks in many areas particularly in developing countries.

2.3.4. Members Income Generating Activities

Members' income generating activities is very crucial for the income earning that enable the members to contribute their shares in the group. Low income lead to poor contribution of shares and savings in the group of the members hence can lead to unsustainability of VICOBA in many areas. Malamsha and Zakaria (2016) found that

there is positive relationship with members' income generating activities with the sustainability of village community banks.

Notwithstanding, Kitomari and Abwe (2015) also found that 35.4% of the respondents in the study areas said that income poverty associated with lack of income generating activities is among the members affect the financial sustainability of VICOBA as they fail to buy shares and savings due to lack of income.

2.3.5. Shares and Loans Given by the Group

The study by Kimando et al. (2012) on the factors that affecting the sustainability of microfinance institutions in Kenya who used descriptive statistics found that bulk of credit provided by the microfinance institutions to their clients significantly affect the sustainability of microfinance institutions.

2.3.6. Security of the Fund

Most of VICOBA funds are kept by one of the group members in his or her house, but this thing has been a big challenges to many of VICOBA as thieves has been robing and took the money contributed by the group members a thing that lead to poor financially of the VICOBA.

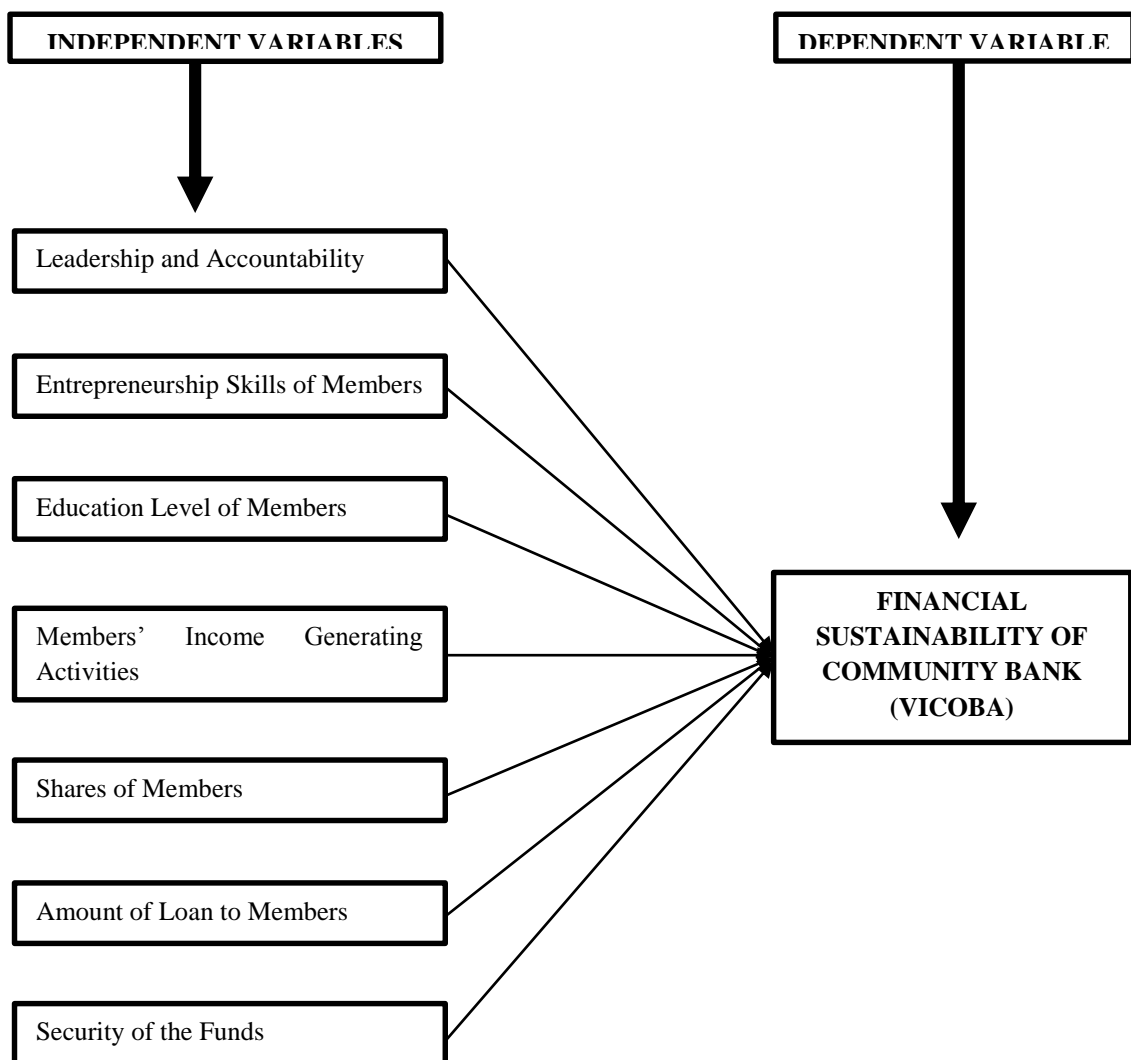
2.4. Gap in Knowledge

In view of the theoretical and empirical literature review, some of scholars indicated good performance and shown the possibility of sustainability of VICOBA in different areas around the world for stance the study by Morios (2010) indicated that there is a good performance and sustainability of VICOBA in Tanzania. However, there are other studies that shown VICOBA to fail to sustain in financially, for instance Kihongo (2005), Kitomari and Abwe (2016), and Lema (2011) shown that some VICOBA do not perform well a thing that lead to financially poor. In addition scholars just mentioned the occurrence of those factors that affect the financial sustainability village community banks but they failed to indicate on why the mentioned factors occur. Then, this study is designed to fill this gap.

2.5. Conceptual Framework

Basing on the theoretical and empirical literature review, the conceptual framework is drawn on the factors that affect the financial sustainability of commercial banks as shown in Figure 2.1. The conceptual framework provides the situations on how the factors of leadership and accountability, entrepreneurship skills of members, education level of members, members' income generating activities, shares, loans, and security of funds affect the financial sustainability of VICOBA.

Figure 2.1: Conceptual Framework



Source: Researcher's Sketch

2.6. Hypotheses of the Study

- i. **Null Hypothesis H_0 :** There is no positive relationship between leadership and accountability and financial sustainability of VICOBA.
Alternative Hypothesis H_1 : There is positive relationship between leadership and accountability and financial sustainability of VICOBA.
- ii. **Null Hypothesis H_0 :** There is no positive relationship between entrepreneurship skills of members and financial sustainability of VICOBA.
Alternative Hypothesis H_1 : There is positive relationship between entrepreneurship and financial sustainability of VICOBA.
- iii. **Null Hypothesis H_0 :** There is no positive relationship between education level of members and financial sustainability of VICOBA.
Alternative Hypothesis H_1 : There is positive relationship between education level of members and financial sustainability of VICOBA.
- iv. **Null Hypothesis H_0 :** There is no positive relationship between members' income generating activities and the financial sustainability of VICOBA.
Alternative Hypothesis H_1 : There is a positive relationship between members' income generating activities and financial sustainability of VICOBA.
- v. **Null Hypothesis H_0 :** There is no positive relationship between members' share and financial sustainability of VICOBA.
Alternative Hypothesis H_1 : There is positive relationship between members' share and financial sustainability of VICOBA.
- vi. **Null Hypothesis H_0 :** There is no positive relationship between loan given to members and financial sustainability of VICOBA.
Null Hypothesis H_1 : There is positive relationship between the loan given to members and financial sustainability of VICOBA.
- vii. **Null Hypothesis H_0 :** There is no positive relationship between security of the fund and financial sustainability of VICOBA.

Null Hypothesis H_1 : There is a positive relationship between security of the fund and financial sustainability of VICOBA.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

This chapter describes the methodologies that were used in the study. It presents information about research design, area of the study, and sample for the study, sampling procedures, methods of data collection, reliability of data, data analysis procedures and ethical considerations.

3.2. Area of the Study

The present study basically intended to assess the financial sustainability of VICOBA groups based in Nyamagana District. The selection of the mentioned area was attributing by the study familiarity and accessibility to the area.

Nyamagana District in Mwanza city is located on the southern shores of Lake Victoria in Northwest Tanzania. It covers an area of 1325km² of which 425 is dry land and 900km² is covered by water. However, of the 425km² dry land areas, approximately 86.8 Km² is urbanized while the remaining areas consist of forested land, valleys, cultivated plains, grassy and undulating rocky hill areas

Nyamagana District lies at an altitude of 1,140 meters above the sea level. Mean temperature ranges between 25.7⁰C and 30.2⁰C in hot season and 15.4⁰C and 18.6⁰C in the cooler months. The City experiences between 700 and 1000mm of rainfall per year falling in two fairly distinct seasons. The City is characterized by gently undulating granites and granodiorite physiographic with isolated hill masses and rock inselbergs. It is also characterized by well-drained sandy loamy soil generated from course grained cretaceous. The vegetation cover is typical savannah with scattered tall trees and tall grass.

3.3. Research Design

Research design is described as the grand plan of approach to a research topic. Selltiz, et al. (1962) clarified a research design as the conceptual structure within which research is conducted and it constitutes the blueprint for the collection, measurement and analysis of data. Nevertheless, Brink and Wood (1998) state that the purpose of a

research design is to provide a plan for answering the research question and is a blueprint for action. Its overall plan is to spell out the strategies that the researcher uses to develop accurate, objective and interpretative information. Then, this study used cross-sectional research design as the data were collected at one point in time through questionnaires.

3.4. Population of the Study

Population of the study is the targeted population that constitute the objects or individuals with the same characteristics. In this, the targeted population of this study are the group members of VICOBA in Nyamagana District in Mwanza City. Nyamagana District constitute about 550 VICOBA with a total of 16,500 members (Data were taken from the key informants at Nyamagana District).

3.5. Unit of Analysis

The unit of analysis in this study were the members of the group in village community banks that were studied.

3.6. The Sample Size and Sampling Techniques

3.6.1. Sample Size

Sample size is the number of respondents selected by a researcher to be involved in the study. Since the population of the study is known which is 16,500 group members, then the formula developed by Yamane (1967) was used in determining the sample size for the known population which is given hereunder as:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n = Sample size for a finite population

N = Total number of population under the study

e = Level of precision

However, by setting $e = 0.1$ would give a margin of error of 10% which determines how much higher or lower than the population mean that I was willing to let the sample

mean fall and give the appropriate sample size. Then, the following sample size for the representative of group members in VICOBA were used:

$$n = \frac{(16,500)}{(1+16,500(0.1)^2)} = \frac{16,500}{1+16,500(0.01)} = \frac{16,500}{1+165} = \frac{16,500}{166} = 99.39 \approx 100$$

Then, the sample size of this study were 100 respondents who are members in village community bank in Nyamagana District.

3.6.2. Sampling Procedures

The sample size were selected using systematic sampling. Kothari (2004) described systematic sampling as the one that involves of choosing a sample at regular interval. Since there are 16,500 group members in VICOBA in Nyamagana District. Then, the list of members were listed from the community development officers (CDO). The 16,500 members were divided by 100 in order to get the interval for selecting the sample which is 165. Therefore, the first respondent was selected randomly from the list then thereafter every 165 member was selected till 100 respondents were obtained.

3.7. Data Collection Methods

Data collection ascribes on how and where the data were collected which consist of the type of data collection, sources of the data, and data collection methods. The study used only primary data. Primary data are those which are collected afresh and for the first time, and thus happen to be original in character (Kothari, 2004). In this study, primary data were collected originally from the respondents.

Data collection method are the approaches that were employed in collecting relevant information from different sources. The primary data were collected using structured questionnaires that were interviewed to the respondents. Interview can be face to face interview or distance interview using telephones. However, this study used face to face interview using structured questions.

3.8. Validity and Reliability of Data

3.8.1. Validity of the Data

The study observed that various conditions that was considered applicable to enable collection of enough, relevant and unbiased data for the study. This was involved

conducting sampling carefully, playing guidance role during holding of group discussions, making the use of focus group discussions rather than semi-structured interviews in soliciting detailed primary data along with executing discussions with a reasonable number of participants.

3.8.2. Reliability of the Data

The data for this study was cross-checked and strengthened by making the use of complementary and therefore were enhancing the accuracy of the collected data. The study also use the insights contained in various micro-finance literatures to cross-check the data obtained.

3.9. Data Analysis and Presentation

This study used both descriptive statistics and inferential statistics. The descriptive statistics was applied to objective one and three, whereby inferential statistics was applied to objective two. The descriptive statistics were analyzed using frequency and percentages, whereas inferential statistics were analyzed using binary logistic model whereby maximum likelihood method was used to estimate the variables. The data were organized and computed using Statistical Package for Social Sciences (SPSS) and STATA. The binary logistic model that was used in estimating the model is given hereunder:

$$\ln\left(\frac{P}{1-P}\right) = Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7 + \mu_i$$

Whereby:

Y = Financial Sustainability of VICOBA

X₁ = Leadership and Accountability

X₂ = Entrepreneurship Skills of Members

X₃ = Education Level of Members

X₄ = Members Income Generating Activities

X₅ = Members' Share

X₆ = Loans Given to Members

X₇ = Security of Fund

β = Constant number to be determined

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$ and β_7 are coefficients of independent variables to be determined

μ_i = Disturbance term

3.10. Description and Measurement of the Variables

Variable	Definition of Measurements	Measurement	Unit	Expected Sign
Dependent Variable				
Financial Sustainability of VICOBA	The financial sustainability of VICOBA was measured by dummy variable 1 if there is a good services provided by VICOBA and 0 otherwise.	Dummy Variable	1,0	
Independent Variables				
Leadership and Accountability.	The leadership and accountability was measured by dummy variable 1 if the leaders are committed to work and serve the group.	Dummy Variable	1,0	+
Entrepreneurship Skills of Members	Entrepreneurship Skills of Members was measured by dummy variable 1 if group members got training concerning entrepreneurship and 0 otherwise.	Dummy Variable	1,0	+
Education Level of Members	Education level of members was measured by dummy variable 1 if the members have at least primary education and 0 otherwise.	Dummy Variable	1,0	+
Members' Income Generating Activities	Members' income generating activities was measured by dummy variable 1 if members have income generating activities and 0 otherwise.	Dummy Variable	1,0	+
Share of the members	Shares of the members was measured by the amount of shares a member have per year	Currency	Tshs	+
Loan Given to the Group Members	Loans given to the group members was measure by the amount of loan provided to each members.	Currency	Tshs	+
Security of the Fund	The security of fund was measured by dummy variable 1 if members with their respective VICOBA keeps their funds in Bank and 0 otherwise	Dummy Variable	Tshs	+

3.11. Ethical Considerations of the Study

The researcher before conducting research obtained permission from Mzumbe University before starting data collection. A researcher also asked for permission from Nyamagana District. In addition, the researcher assured the respondents on the confidentiality and anonymity of their information.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF FINDINGS

4.1. Introduction

This Chapter presents the analysis of the findings as collected from the field. The findings are based on research questions as well as objectives which guided the study. The findings are grouped into two sections of which the first section is about the presentation of the descriptive findings, whereas the second section is the inferential statistics that describe the relationship between dependent variable and independent variables that were used in this study.

4.2. Descriptive Statistics of the Findings

4.2.1. Social-Economic Characteristics of the Respondents

The social economic characteristics of the respondents were based on gender, age, education level, marital status and occupation as given in Table 4.1. The table indicates the frequency and percentages of the respondents basing on their nature of characteristics.

4.2.1.1. Gender of Respondents

The findings as indicated in Table 4.1 shows that the study involved 56% males and 44% females. This findings implies that the village community banks take into considerations of gender as there is no significance difference between males and females involved in VICOBA.

4.2.1.2. Age of Respondents

The study found it is necessary to include age of respondents so as to know the group of age who mostly participate in VICOBA. The results as indicated in Table 4.1 shows that the age group that participate mostly in VICOBA are those from 31 to 40 years as it was counted by 35% of all the respondents which was followed by those of the age from 41 to 50 that was counted out by 19% of the respondents. Moreover, the study found that 18% of the respondents are those in the age of 51 to 60 years and 16% of respondents are those of 61 years and above. However the least group of age that participate in VICOBA are those of age between 18 to 30 years. This finding implies

that VICOBA involve people of all age groups except those below 18 years which is considered as young children.

Table 4.1: Social-Economic Characteristics of Respondents

Characteristics	Category	Frequency	Percentage
Gender	Male	56	56.0
	Female	44	44.0
Age	18 – 30	12	12.0
	31 – 40	35	35.0
	41 – 50	19	19.5
	51 – 60	18	18.0
	61 and Above	16	16.0
Education Level	Illiterate	7	7.0
	Primary Education	70	70.0
	Secondary Education	17	17.0
	Diploma/Certificates	4	4.0
	University Education	2	2.0
	Tertiary Education	0	0.0
Marital Status	Single	40	40.0
	Married	38	38.0
	Divorced	8	8.0
	Widow	9	9.0
	Separated	5	5.0
Economic Activities	Farmers	47	47.0
	Livestock Keepers	23	23.0
	Civil Servant	19	19.0
	Businessmen	11	11.0

Source: Data Gathered from Field (2018)

4.2.1.3. Education Level of Respondents

The results as shown in Table 4.1 indicates that 7% of respondents has no education at all, 70% have primary education, 17% have secondary education, 4% have diploma or certificate, 2% have university education and there was no respondents who have tertiary education. The findings implies that majority of the members who were the respondents of this study have at least primary education. The researcher found that it was necessary to include the level of education of the members in VICOBA because education facilitate the understanding of procedures and policy of VICOBA hence carry it for the sustainability of the group.

4.2.1.4. Marital Status of the Respondents

Table 4.1 shows that 40% of respondents are single, 38% are married, 8% divorced 9% are widow and 5% are separated. This results indicates that majority of the members on the investigated VICOBA in the study area are those who are single. This results implies that single people are more interested in village community banks than other type of marital status.

4.2.1.5. Economic Activities of the Respondents

The findings as indicated in Table 4.1 revealed that 47% of the investigated members in VICOBA 47% involves in farming, 23% are livestock keepers, 19% are civil servant and 11% are businessmen. This results indicates that, VICOBA did not only involve farmers or livestock keepers but also involve other people like civil servant and businessmen.

4.2.2. Factors Affecting the Financial Sustainability of VICOBA

The first objective of this study was to find out the factors that affect the financial sustainability of VICOBA in Nyamagana District. Then, before answering the objective the study asked the respondents if are members of the investigated VICOBA and they were asked to indicate if they benefit from being a member of VICOBA whereas the results are presented in Table 4.2.

Table 4.2: Being Member and the Benefits of Being Members

Characteristics	Category	Frequency	Percentage
Members of the investigated VICOBA	Yes	100	100.0
	No	0	0.0
Is there any improvement in the activities you undertake after joining and getting services from VICOBA	Yes	97	97.0
	No	3	3.0

Source: Data Gathered from Field (2018)

The results as indicated in Table 4.2 shows that all respondents agreed to be a members of the investigated VICOBA. Not less, 97% of the respondents agreed to have improvement in the activities they undertake after joining and getting services from VICOBA. However, only 3% of respondents indicated of not being benefited from their VICOBA in any way.

In complementing the above statement, the study asked the respondents to indicate their agreement on the suggested factors that affect the financial sustainability of village community bank. The results of their agreement are indicated in Table 4.3 which shows the response of the respondents.

Table 4.3: Agreements of the Respondent

Factors	Category	Frequency	Percentage
Leadership and Accountability	Strongly Agree	80	80.0
	Agree	12	12.0
	Uncertain	2	2.0
	Disagree	3	3.0
	Strongly Disagree	3	3.0
Entrepreneurship Skills of Members	Strongly Agree	79	79.0
	Agree	14	14.0
	Uncertain	2	2.0
	Disagree	3	3.0
	Strongly Disagree	2	2.0
Education Level of Members	Strongly Agree	65	65.0
	Agree	21	21.0
	Uncertain	7	7.0
	Disagree	4	4.0
	Strongly Disagree	3	3.0
Members Income Generating Activities	Strongly Agree	57	57.0
	Agree	25	25.0
	Uncertain	9	9.0
	Disagree	5	5.0
	Strongly Disagree	4	4.0
Shares of the Members	Strongly Agree	54	54.0
	Agree	26	26.0
	Uncertain	9	9.0
	Disagree	9	9.0
	Strongly Disagree	2	2.0
Loan Provided by Group	Strongly Agree	44	44.0
	Agree	47	47.0
	Uncertain	4	4.0
	Disagree	3	3.0
	Strongly Disagree	2	2.0
Security of Fund	Strongly Agree	37	37.0
	Agree	60	60.0
	Uncertain	3	3.0
	Disagree	0	0.0
	Strongly Disagree	0	0.0

Source: Field Survey (2018)

The results as indicated in Table 4.3 shows that 80% and 12% of the respondents strongly agreed and agreed respectively that leadership and accountability are the strong weapons for the financial sustainability of VICOBA in the study area as strong leaders follows the rules and policies and strictly model the group. Notwithstanding, committed leaders are influential to the group and make sure that the group provide quality services to the members. However, 2% of the respondent were uncertain on whether the leadership and accountability leads to the financial sustainability of VICOBA. Yet, 3% and 3% of the respondents disagreed and strongly disagreed that leadership and accountability leads to the financial sustainability of VICOBA.

In case of entrepreneurship skills of members, the findings as indicated in Table 4.3 reveals that 79% and 14% of the respondents strongly agreed and agreed respectively that entrepreneurship skills of members influences the financial sustainability of VICOBA as entrepreneurship skills help the members to invest in income generating activities that will earn income to pay for members share and loan repayment on time. But, 2% of respondent were not sure if entrepreneurship skills help for the financial sustainability of VICOBA. Yet 3% and 2% of respondents disagreed and strongly disagreed of entrepreneurship skills of members to influence the financial sustainability of VICOBA.

Moreover, the findings as indicated in Table 4.3 shows that 65% and 21% of the respondents strongly agreed and agreed respectively that members' education level influences the financial sustainability of VICOBA. But, 7% of respondent were not sure if members' education level help for the financial sustainability of VICOBA. However 4% and 3% of respondents disagreed and strongly disagreed of members' level of education to influence the financial sustainability of VICOBA.

Notwithstanding, the results as indicated in Table 4.3 shows that 57% and 25% of the respondents strongly agreed and agreed respectively that members income generating activities influences the financial sustainability of VICOBA as income generating activities earn income to pay for members share and repay loan on time. On the other hand, 9% of respondent were not sure if members' income generating activities help for the financial sustainability of VICOBA. Yet 5% and 4% of respondents disagreed

and strongly disagreed of members' income generating activities to influence the financial sustainability of VICOBA.

All the same, the results as indicated in Table 4.3 reveals that 54% and 26% of the respondents strongly agreed and agreed respectively that members' shares influences the financial sustainability of VICOBA as members' shares increases the funds of the group. On the other hand, 9% of respondent were uncertain on whether members' share help for the financial sustainability of VICOBA. However 9% and 2% of respondents disagreed and strongly disagreed of members' share to influence the financial sustainability of VICOBA.

On top of that, the results as indicated in Table 4.3 further shows that 44% and 47% of respondents strongly agreed and agreed respectively that loans is the compelling factor that influences the financial sustainability of VICOBA as loans provided to group members earn interest rate that adds the fund of the group. Not less, the results further shows that 4% of respondents were in dilemma of whether loans influences the financial sustainability of VICOBA. On the other way, 3% and 2% of respondents disagreed and strongly disagreed respectively on the loans to influence the financial sustainability of VICOBA.

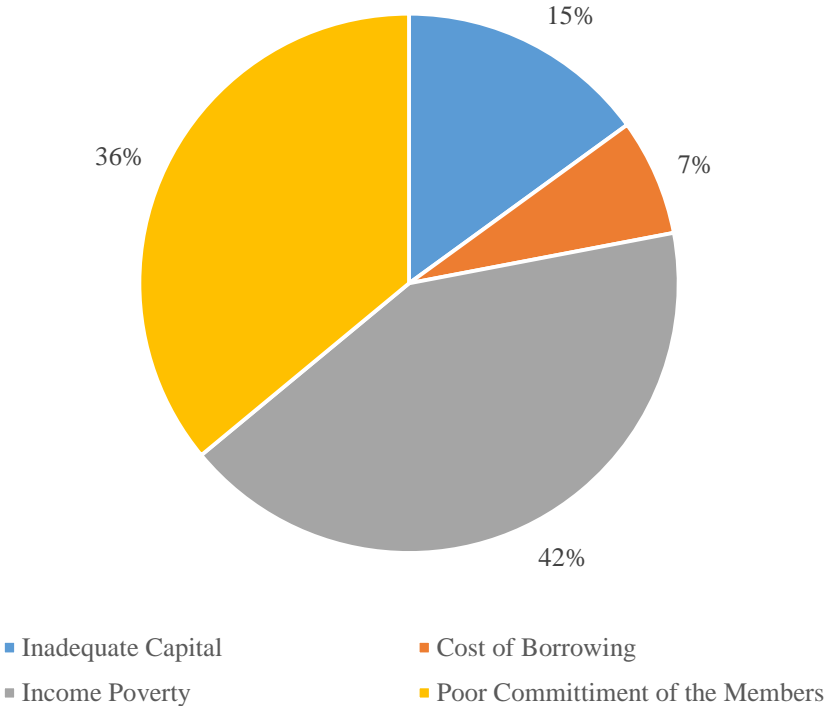
The findings as indicated in Table 4.3 further reveals that 37% and 60% of the respondents strongly agreed and agreed respectively that fund security influences the financial sustainability of VICOBA. However, 3% of respondent were not sure if fund security influences the financial sustainability of VICOBA. But, there was no member who disagreed on the fund security to influence the financial sustainability of VICOBA in the study area.

In complementing the above mentioned factors that affect the financial sustainability of VICOBA, the study asked the respondents to indicate other factors that affect the financial sustainability of VICOBA and the results are indicated in Figure 4.1 which shows the factors that were pointed out by the respondents.

The results as indicated in Figure 4.1 reveals that 42% of the respondents said that income poverty is the measure cause of poor financial sustainability of VICOBA as

most of the members when take loans use it to buy home staff particularly food a results that lead to the failure of repaying the loan back hence the group become short of fund that lead to poor financial sustainability of VICOBA. Not less, 36% of the respondents pointed out that poor commitment of the members lead to the poor financial sustainability of VICOBA as the members are not responsible for the group. Moreover, 15% of the respondents said that inadequate capital of the group caused by small amount of shares contributed by the group members is the factor that affect the financial sustainability of VICOBA. Likewise, 7% of the respondents asserted that cost of borrowing is another factor that affect the financial sustainability of VICOBA.

Figure 4.1: Other Factors Affecting Financial Sustainability of VICOBA



4.2.2. Descriptive Statistics of Continuous Independent Variables

The descriptive statistics of the continuous independents variables are clarified in terms of mean, standard deviation, minimum and maximum as presented in Table 4.4.

Table 4.4: Descriptive Statistics of Continuous Independent Variables

Variable	Observed	Minimum	Maximum	Mean	Std. Deviation
Income of Members	100	500,000	9,000,000	237,000	1,700,078.3
Amount of Shares	100	100,000	390,000	150,000	73,484.9
Loan Provided to Members	100	200,000	5,000,000	829,000	687,046.6

Source:Data Analyzed Through SPSS (2018)

The results as indicated in Table 4.4 shows that the minimum income of the members in the investigated VICOBA is Tshs.500,000/= whereas the maximum income of the members is Tshs.9,000,000/= per year. However, the mean income of the members is Tshs.237,000/= which signifies that the members get income from the activities performed by VICOBA. But, the standard deviation of income is 1,700,078.3 which implies that there is large difference between the low income earners and large income earners.

On the other hand, the results as indicated in Table 4.4 shows that the minimum amount of shares by the members is Tshs.100,000 per year, however the maximum amount of shares is Tshs.390,000/= per year. Not less, the average amount of shares by the members in the group is Tshs.150,000/= per member. However, the standard deviation of members' shares was found to be Tshs.73,484.9/=.

In case of loan provided to group members, the results as indicated in Table 4.4 reveals that the minimum and maximum of the amount of loan is Tshs.200,000/= and Tshs.5,000,000/= respectively. But, the standard deviation from the mean is Tshs.687,046.6/=

4.3. Inferential Statistics of the Findings

The second objective of the study was to find out the relationship of the factors that affect the financial sustainability of VICOBA and financial sustainability of VICOBA. In particular, the study aimed to find out the relationship of leadership, accountability of leadership, entrepreneurship skills of members, members' income generating activities, amount of shares by members, loan provided to group members and security

of the fund and financial sustainability of VICOBA. The study used binary logistic regression model by using maximum likelihood method to estimate the variables and the results are indicated in Table 4.5.

Table 4.5. Results of the Estimated Binary Logistic Model

				Number of Observation	=	100
				Likelihood Ratio Chi ² (7)	=	40.66
				Probability Chi ²	=	0.0000
				Pseudo R ²	=	0.5262
	Log Likelihood Ratio	=	-18.3070			
Variable	Coefficient	Std	Probability	95% Confidence Interval		
Leadership and Accountability	6.536	1.821	0.000	2.967	1.832	
Entrepreneurship Skills	2.963	1.449	0.041	0.122	1.241	
Education Level of Members	1.350	0.991	0.173	-0.592	1.632	
Income Generating Activities	4.570	1.995	0.022	0.661	1.740	
Shares of Members	-1.855	1.281	0.148	-4.366	-0.634	
Loan Provided to Members	-4.303	1.755	0.014	-7.744	0.903	
Security of Group Fund	1.845	1.146	0.108	-0.402	4.091	
Constant	19.896	18.891	0.292	-17.131	56.924	

Source: Data Processed Using STATA (2018)

The findings as indicated in Table 4.5 shows that the log likelihood ratio of the estimated binary logistic regression model is (-18.3070) which have no any implication to this study but it can be used in comparisons of nested models. However, the log likelihood ratio illustrate how quickly the model met. In the other hand, the estimation of the model reveals that the likelihood ratio chi-square of 40.66 with a P-Value of 0.0000 discovered that the model as a whole fits significantly better than an empty model with no predictors.

Nonetheless, the Pseudo R² of the estimated model is 0.5262 which is 52.62% which shows that the model is specifically specified correctly. This, means that the independent variables namely leadership skills and accountability, entrepreneurship skills of the members, education level of the members, members' income generating activities, amount of share, loan provided to group members and the security fund of the group are good measure of the financial sustainability of VICOBA. This results

indicate that the mentioned independent variables explain by 52.62% of the dependent variable which signifies goodness fit of the model.

In summary the estimated binary logistic regression model is presented hereunder basing on the parameter as given in Table 4.5.

$$\text{Ln}\left(\frac{P}{1-P}\right) = 19.8 + 6.5X_1 + 2.9X_2 + 1.3X_3 + 4.5X_4 - 1.8X_5 - 4.3X_6 + 1.8X_7$$

The estimated binary logistic regression model shows that leadership and accountability, entrepreneurship skills of members, education level of members, members' income generating activities, amount of shares by members, loan provided to members and security fund of the group are set equal to zero, then the financial sustainability of VICOBA will be 19.8.

4.3.1. Analysis of the Independent Variables of the Estimated Logistic Model

4.3.1.1. The Relationship Between Leadership and Accountability and the Financial Sustainability of VICOBA

The study intended to establish the relationship between leadership and accountability and the financial sustainability of VICOBA. In this results, the coefficient of leadership and accountability was found to have positive sign as expected with the value of 6.5 implying that for every one unit change in leadership and accountability increases the log odds of financial sustainability of VICOBA by 6.5. Therefore, leadership and accountability was found to be statistically significance in its coefficients.

Notwithstanding, the significance of leadership and accountability was also tested by the use of standard error and probability of its coefficient. In case of standard error, the rule of thumb says that, if the standard error is less than half of the estimated parameters then the estimated parameter is statistically significance then the null hypothesis is rejected and accept the alternative hypothesis, but if the standard error is greater than half of the estimated parameter then the null hypothesis is accepted and reject the alternative hypothesis. In this, since the standard error of leadership and accountability is 1.82 is less than half of its estimated coefficient of 3.3 then the alternative hypothesis

that there is positive relationship between the leadership and accountability and the financial sustainability of VICOBA is accepted and reject the null hypothesis.

Nevertheless, the significance of leadership and accountability was judged by using its probability. The rule of thumb says that the smallest probability at the tested significance level suggest the evidence of rejecting the null hypothesis and accept the alternative hypothesis. In this case, the probability of leadership and accountability is 0.0000 which is less than the significance level of 0.05. Therefore, it can be said that leadership and accountability is statistically significance even at 1% level of significance. Thus, the alternative hypothesis is that there is positive relationship between leadership and accountability and the financial sustainability of VICOBA is accepted and reject the null hypothesis.

4.3.1.2. The Relationship Between Entrepreneurship Skills of Members and Financial Sustainability of VICOBA

The coefficient of the entrepreneurship skills of members were found to be positive with the value of 2.9 which implies that for every one unit change in entrepreneurship skills of members increases the log odds of financial sustainability of VICOBA by 2.9 when assuming that the other independent variables are held constant. Therefore, entrepreneurship skills of members was found to be statistically significance in its coefficients as it was having positive sign as it was expected.

Not less, the significance of entrepreneurship skills of members was judged using standard error and the probability of its coefficient. The results was found that, the standard error of entrepreneurship skills of members which is 1.4 that is less than half of its estimated parameter of 1.5. Moreover, the probability of entrepreneurship skills of members of 0.04 was found to be less than the 5% level of significance. Then, this results suggests for the acceptance of alternative hypothesis that there is positive relationship between entrepreneurship skills and the financial sustainability of VICOBA in the study area.

4.3.1.3. The Relationship Between Education Level of Members and Financial Sustainability of VICOBA

The results as indicated in the binary logistic regression model shows that the coefficient of education level of the members is positive as it was expected. This value of 1.3 signifies that a unit increase in the level of education of the members increases the log odds of financial sustainability of VICOBA by 1.3 by assuming that the other independent variables namely leadership and accountability, entrepreneurship skills of members, members' income generating activities, amount of shares by members, loan provided to members and security of the fund of the group are held constant.

The significance of education level of members was also judged using standard error and the probability of its coefficient. The findings of the study shows that, the standard error of education level of members which was found to be 0.9 that is greater than half of its estimated parameter of 0.6. Likewise, the probability of education level of members of 0.17 was found to be greater than the 5% level of significance. Then, this results suggests for the acceptance of null hypothesis that there is no positive relationship between education level of the members and the financial sustainability of VICOBA in the study area.

4.3.1.4. The Relationship Between Members' Income Generating Activities and Financial Sustainability of VICOBA

The coefficient of members' income generating activities was found to be positive as it was expected and it has the value of 4.5. This value suggests that a unit increase in the members' income generating activities increases the log odds of financial sustainability of VICOBA by 4.5 by assuming that the other independent variables namely leadership and accountability, entrepreneurship skills of members, education level of members, amount of shares by members, loan provided to members and security of the fund of the group are held constant.

Furthermore, the significance of members' income generating activities was also judged using standard error and the probability of its coefficient. The findings of the study shows that, the standard error of members' income generating activities which was found to be 0.19 was less than half of its estimated parameter of 0.25. Likewise,

the probability of members' income generating activities of 0.02 was found to be less than the 5% level of significance. Then, this results suggests for the acceptance of alternative hypothesis that there is positive relationship between members' income generating activities and the financial sustainability of VICOBA in the study area.

4.3.1.5. The Relationship Between Amount of Shares by Members and Financial Sustainability of VICOBA

The coefficient of amount of shares by members was found to be negative of value of -1.8. This value suggests that a unit increase in the amount of shares by members decreases the log odds of financial sustainability of VICOBA by 1.8 by assuming that the other independent variables namely leadership and accountability, entrepreneurship skills of members, education level of members, members income generating activities, loan provided to members and security of the fund of the group are held constant.

Moreover, the significance of amount of shares by members was also judged using standard error and the probability of its coefficient. The findings of the study shows that, the standard error of amount of shares by members which was found to be 1.3 was found to be greater than half of its estimated parameter of 0.9. Likewise, the probability of amount of shares by members of 0.14 was found to be greater than the 5% level of significance. Then, this results suggests for the acceptance of null hypothesis that there is no positive relationship between amount of shares by members and the financial sustainability of VICOBA in the study area and reject the alternative hypothesis.

4.3.1.6. The Relationship Between Loan Provided to Members and Financial Sustainability of VICOBA

The study found that, the coefficient of the loan provided to members was found to be negative of value of -4.3. This value suggests that a unit increase in the loan provided to members decreases the log odds of financial sustainability of VICOBA by 4.3 by assuming that the other independent variables namely leadership and accountability, entrepreneurship skills of members, education level of members, members income generating activities, amount of shares and security of the fund of the group are held constant.

The significance of loan provided to members was tested using standard error and the probability of its coefficient. However, the results shows that, the standard error of loans provided to members was found to be 0.17 which is less than half of its estimated parameter of 2.1 in absolute term. Similarly, the probability of loan provided to members of 0.01 was found to be less than the 5% level of significance. Then, this results suggests for the acceptance of alternative hypothesis that there is positive relationship between loans provided to members and the financial sustainability of VICOBA and reject the null hypothesis.

4.3.1.7. The Relationship Between Security of the Group Fund and Financial Sustainability of VICOBA

The results of the coefficient of the security of the group fund was found to be positive of value of 1.8. This value suggests that a unit increase in the security of the group fund increases the log odds of financial sustainability of VICOBA by 1.8 by assuming that the other independent variables namely leadership and accountability, entrepreneurship skills of members, education level of members, members income generating activities, amount of shares and loan provided to members are held constant.

Not less, the significance of the security of group fund was established using standard error and the probability of its coefficient and the results shows that, the standard error of security of group fund was found to be 1.1 which is greater than half of its estimated parameter of 0.9. Correspondingly, the probability of security of group fund of 0.11 was found to be greater than the 5% level of significance. Then, this results suggests for the acceptance of null hypothesis that there is no positive relationship between security of group fund and the financial sustainability of VICOBA.

CHAPTER FIVE

DISCUSSIONS OF THE FINDINGS

5.1. Introduction

This chapter provides discussions of the findings of the study in accordance with the research objectives outlined in the first chapter of this work. The discussions are categorized into two sections. Section 5.2 discusses the factors that affect the financial sustainability of VICOBA, whereas section 5.3 discusses the inferential statistics.

5.2. Discussion of the Factors Affecting Financial Sustainability of VICOBA

The compelling factors that were the interest of the study included leadership and accountability, entrepreneurship skills of members, education level of members, members' income generating activities, amount of shares by members, loan provided to members and security of the group fund as discussed hereunder:

5.2.1. Leadership and Accountability and Financial Sustainability of VICOBA

Leadership and accountability was measured if the leaders are committed to serve the group. Nevertheless, the respondents said that shared leadership is the key for financial sustainability of VICOBA. In this case, leadership who are clarity of purpose, define task, focus on goals of the group, act definitively, display confidence, have positive mental attitudes, solution oriented, demonstrate accountability, invite genuine feedback, cultivate humility employ effective communication, take risks, willing to broadcast praise, engage in active listening and motivate others leads to financial sustainability of VICOBA. This findings are in line with the findings by Malamsha and Zakaria (2016) who investigated on the factors that influencing the contributions of members in achieving sustainability of VICOBA who found that leadership and accountability is the compelling factor that influences the financial sustainability of VICOBA.

5.2.2. Members Entrepreneurship Skills and Financial Sustainability of VICOBA

Entrepreneurship skills which involves of creative thinking, leadership, risk taking strong work ethics, collaborative, decision making to mention the few are essential for business development and project initiation. The investigated members said that entrepreneurship skills that they get from various stakeholders helped them to develop

successful business that generate income which help in the contribution of members' share and pay their loan back in time. In this view, entrepreneurship skills affect the financial sustainability of VICOBA. This results are consistent with the results with the results by Abwe (2016) in his study of failure and collapse of VICOBA in Tanzania who found that entrepreneurship skills help the member to take loans for long time and repay with interest a thing that lead for financial sustainability of VICOBA. Then, entrepreneurship skills affect the financial sustainability of VICOBA.

5.2.3. Education Level of Members and Financial Sustainability of VICOBA

Education is considered as key factor to better opportunities for finding employment, accessibility to information, services and in adopting correct actions to enable succession and development. The findings as indicated in the descriptive statistics reveals that majority of the members have at least primary education level. The question was asked to the members to indicate the importance of education in the financial sustainability of VICOBA. The respondents said that, education stimulate self-confidence and self-reliance. However, one respondent when asked on the importance of education on the sustainability of VICOBA said that education help in adapting to business skills and strategies that lead to improvement of income earning a thing that lead to the financial sustainability of VICOBA. This findings are in line with the findings by Abwe (2016).

5.2.4. Income Generating Activities and Financial Sustainability of VICOBA

Income generating activities are crucial for the financial sustainability of VICOBA as it enable the members to get income that are used to pay for the borrowed loan and contribute members' share. The findings indicated that majority of the members in the investigated VICOBA involve in at least one occupation. The findings of this results are in line with the findings by Retenge (2016) on the assessment of the contributions of VICOBA on households' income who found that income generating activities is one among the factors that can affect the financial sustainability of VICOBA. In this, the main objective of VICOBA is to help the group members to have own source of capital to invest in income generating activities so as to avert poverty.

5.2.5. Members' Share and Financial Sustainability of VICOBA

Members' share is the amount of money that the members contribute to the group to raise the fund of the group. The persistence contribution of shares by the members increases the financial sustainability of VICOBA. The findings indicated that, majority of the member supported that members' share affect the financial sustainability of VICOBA as when members pays their share the amount that owned by the group increases hence lead to its financial sustainability. This results are consistence with the findings by Malamsha and Zakaria (2016).

5.2.6. Loan Provided to Members and Financial Sustainability of VICOBA

Loans provided to members generate income in form of interest that raises the fund of the group. In this, the investigated members said that good repayment lead to the financial sustainability of VICOBA but poor loan repayment leads to the poor financial sustainability of VICOBA. This findings are in line with the findings by Lushakuzi et al. (2017) who studied on the village community bank and members' business sustainability who found that loan givens from VICOBAhelp for the sustainability of their business which in turns helps the members to repay the loan back with its interest resulting into the financial sustainability of VICOBA.

5.2.7. Security of the Group Fund

The amount of fund contributed by members on the meeting need a great care in keeping them. In the case of group fund safety, the money need to be kept in banks to avoid robbery. However, majority of the group keeps their money in one among the group member particularly an accountant. This poses a great failure of VICOBA once the fund is stolen.

5.3. Discussion on the Inferential Statistics

The results for the binary logistic regression model showed that leadership and accountability, entrepreneurship skills of the members, education level of the findings, income generating activities, and security of group fund were found to be statistically significance in its coefficients and they showed positive sign as expected as they increase the odds likelihood of financial sustainability of VICOBA. This results are in line with the results by Retenge (2016) who found positive relationship between

income generating activities and financial sustainability of VICOBA. However, the study found that amount of shares by members and loan provided to members are statistically insignificant in its coefficients.

Moreover, the found that leadership skills and accountability, entrepreneurship skills income generating activities, and amount of loan provided to members are statistically significance when judged in its probability. But, education level of the respondents, amount of shares by members and security of loan fund were found to be statistically insignificant when judged in its probability.

Notwithstanding, the findings also revealed that leadership and accountability, entrepreneurship skills of members, income generating activities and loan provided to members are statistically significance when judged by standard errors. But, education level of members, amount of shares by members and security of group fund were found to be statistically insignificant when judged by standard error.

CHAPTER SIX

SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS

6.1. Introduction

This chapter presents the summary of the findings in section 6.2 whereby in section 6.3 the study provide the conclusions 6.3 and in section 6.4 the study presents the recommendation and policy implication.

6.2. Summary of the Findings

The study was aimed at assessing the assessing the factors that affect the financial sustainability of rural village community bank. Specifically, the study was intended to find out the factors that affect the financial sustainability of VICOBA and to find the relationship between these factors and the financial sustainability of VICOBA.

The findings revealed that the compelling factors that affect the financial sustainability of VICOBA in the study area included leadership and accountability, entrepreneurship skills of the members, education level of the members, member's income generating activities, amount of shares contributed by the members, amount of loan provided to members and security of the group fund. However other factors that were mentioned by the respondents included inadequate capital, income poverty, cost of borrowing, and poor commitment of the members.

In case of inferential statistics, the results showed that leadership and accountability, entrepreneurship skills of the members, education level, income generating activities, and security of group fund were found to be statistically significance in its coefficients as they are having positive sign. But, amount of shares by members and loan provided to members are found to be statistically insignificance in its coefficients as they are having negative sign.

In addition, the study further found that leadership skills and accountability, entrepreneurship skills income generating activities, and amount of loan provided to members are statistically significance when judged by its probability. On the other hand, education level of the respondents, amount of shares by members and security of loan fund were found to be statistically insignificance when judged in its probability.

All the same, the findings of the estimated binary logistic model discovered that leadership and accountability, entrepreneurship skills of members, income generating activities and loan provided to members are statistically significance when tested using t standard errors. But then, education level of members, amount of shares by members and security of group fund were found to be statistically insignificance when arbitrated by standard error.

6.3. Conclusion of the Study

Village community bank are considered to be crucial for the members within the group as it provides loans to members that help them to invest in income generating activities, entrepreneurship skills, encourage savings through amount of shares contributed by members and training particularly in business development. Notwithstanding, loans provided to members and savings through members shares were found to be the main services provided by VICOBA in the study area.

6.4. Recommendation and Policy Implications

Basing on the importance of VICOBA and the study findings then, it can be recommended that:

- i. Entrepreneurship skills to members should be provided frequently in order to equip the members with adequate skills of entrepreneurship to enable them in identifying the projects that generate income that could be used in repaying back the loan and contribute members share.
- ii. Security of group fund should be put into first priority so that the fund should not be exposed to thieves. In particular, the group fund should be kept in banks instead to group members.

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APPENDICES

APPENDIX 1: QUESTIONNAIRE

My name is **Ephraim Charles** a candidate pursuing Masters of Science in Project planning and management (MSc. PPM) at Mzumbe University. I am carrying out an academic research on the topic “**Assessment of the Factors that Affecting the Financial sustainability of rural Village Community Bank in Nyamagana District**” as a partial requirement of my studies. Kindly I request you to respond to the questions given below to enable me accomplish my research. The information you fill in will strictly remain confidential and will be solely used for the purpose of the study. Your co-operation is exceedingly appreciated.

1. Gender of respondents
 - a) Male 1
 - b) Female 2
2. Age of the respondents
 - a) 18 – 30 Years 1
 - b) 31 – 40 Years 2
 - c) 41 – 50 Years 3
 - d) 51 – 60 Years 4
 - e) 61 and Above Years 5
3. Education level of the respondents
 - a) Illiterate 1
 - b) Primary Education 2
 - c) Secondary Education 3
 - d) Diploma/Certificates 4
 - e) University Education 5
 - f) Tertiary Education 6
4. Marital Status
 - a) Single 1
 - b) Married 2
 - c) Divorced 3

- d) Widow 4
- e) Separated 5
5. What is your occupation
- a) Farmer 1
- b) Livestock Keepers 2
- c) Civil Servant 3
- d) Businessmen 4
6. Are you a members of VICOBA?
- a) Yes 1
- b) No 2
7. In your experience and understanding, do you see any improvement in your activities after joining and getting services from VICOBA?
- a) Yes 1
- b) No 2
8. Do you think VICOBA can financially be sustainable?
- a) Yes 1
- b) No 2
9. Indicate your agreement of the following factors as that affect the sustainability of financial sustainability of VICOBA whereby:
1. Strongly Agree
 2. Agree
 3. Uncertain
 4. Disagree
 5. Strongly Disagree

No.	Factors Affecting Financial Sustainability of VICOBA	1	2	3	4	5
1.	Leadership and Accountability					
2.	Entrepreneurship Skills of Members					
3.	Education Level of Members					
4.	Members Income Generating Activities					
5.	Amount of Shares by Members					
6.	Loan Provided to Members					
7.	Security of Group Fund					

10. Give reason for each of your selection in equation 9
-
-

-
-
-
11. What are the other factors that affect the financial sustainability of VICOBA
-
-
-
-
-
12. Do the leaders are committed to work and serve the group
- a) Yes 1
- b) No 0
13. Do the members got training on the entrepreneurship?
- a) Yes 1
- b) No 2
14. Do you have at least primary education?
- a) Yes 1
- b) No 0
15. Do you have any income generating activities/
- a) Yes 1
- b) No 2
16. What is your annual income particularly for the year 2017?
17. Do you pay your share at the right time
- a) Yes 1
- b) No 2
18. What is your amount of share do you pay for the year 2017?
19. Do you take loan from your group?
- a) Yes 1
- b) No 0
20. What amount of loan did you take for the year 2017?
21. Where did you keep your group fund?
- a) Bank 1

b) Others	....	...	...	...	...	...	...	2
22. Is the services provided by the group are quality?								
a) Yes	...	...	...	...	...	...	...	1
b) No	...	....	....	...	...	....	...	0

APPENDIX II

THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT

MWANZA REGION

Telegrams : "REGCOM"
Telephone: 028-2500690 - 2500686
Fax : 028-2501057/2541242
E-mail: ras.mwanza@pmoralg.go.tz
In reply please quote:



REGIONAL COMMISSIONER'S OFFICE
P.O. Box 119,
MWANZA

Ref.No. **FA. 188/333/01/ 17**

24th May, 2018

District Administrative Secretary,
P.O. BOX 1148
NYAMAGANA.

RE: INTRODUCTION OF EPHRAIM CHARLES REG: 52401010/T.16

Refer the heading above.

The above named is a bonafide student of Mzumbe University pursuing MSc (Project Planning and Management)

He has been granted a permit to conduct a research. The research title is "*Assessment of Financial Sustainability of Rural Financial institutions (VICOBA) to Women Employment in Nyamagana District*"

Please, accord him the necessary assistance.

Thank you in advance.

A handwritten signature in blue ink, appearing to read 'B. K. Nyamsenda'.

B. K. Nyamsenda

For: REGIONAL ADMINISTRATIVE SECRETARY
MWANZA

Copy: Ephraim Charles
STUDENT

For: REGIONAL ADMINISTRATIVE SECRETARY
MWANZA

JAMHURI YA MUUNGANO WA TANZANIA
OFISI YA RAIS
TAWALA ZA MIKOA NA SERIKALI ZA MITAA

WILAYA YA NYAMAGANA

Anwani ya Simu: "ADMIN"

Simu na: 028-2501046

Unapojibu tafadhali taja:



OFISI YA MKUU WA WILAYA

WILAYA YA NYAMAGANA

S.L.P 1148

MWANZA

Kumb. Na.DC/P.20/2/

Tarehe 28-05-2018

Kwa: AFWA MIE
NDALI KATA
ZA MDELANI

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU EPHRAIM CHARLES

Mtajwa hapo juu ni Mwanafunzi / Wanafunzi wa Chuo

S. KIKUYI NZUMBE

Ameruhusiwa/Wameruhusiwa kufanya utafiti kuhusu

ASSESSMENT OF FINANCIAL SUSTAINABILITY
OF RURAL FINANCIAL INSTITUTIONS (VFISIA)
TO WOMEN EMPOWERMENT IN NYAMAGANA DISTRICT

Wilayani Nyamagana.

Tafadhali apewe/wapewe msaada na ushirikiano atakaohitaji/
watakaohitaji ili kufanikisha utafiti huo.

Kny: KATIBU TAWALA WILAYA
NYAMAGANA

K.P.Y. KATIBU TAWALA VIA WILAYA
NYAMAGANA.

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Simu na: 028-2501046
Unapojibu tafadhali taja:



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WILAYA YA NYAMAGANA
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MWANZA

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Tarehe 28-05-2018

Kwa: AFISA MEND
ATI KATA
YA BUTONGWA

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU EPHRAIM CHARLES

Mtajwa hapo juu ni Mwanafunzi / Wanaafunzi wa Chuo
KIKUYI MZUMBE

Ameruhusiwa/Wameruhusiwa kufanya utafiti kuhusu
ASSESSMENT OF FINANCIAL SUSTAINABILITY
OF RURAL FINANCIAL INSTITUTIONS (VICORA)
TO WOMEN EMPOWERMENT IN NYAMAGANA DISTRICT -
Wilayani Nyamagana.

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watakaohitaji ili kufanikisha utafiti huo.

Kny: KATIBU TAWALA WILAYA
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Simu na: 028-2501046
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WILAYA YA NYAMAGANA
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Tarehe 28-05-2018

Kwa: AFISA MTEN
DAJI KATA
YA BUTIMBA

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU EMIRAIM CHARLES

Mtajwa hapo juu ni Mwanafunzi / Wanafunzi wa Chuo
KIKUYI MZUMBE

Ameruhusiwa/Wameruhusiwa kufanya utafiti kuhusu
ASSESSMENT OF FINANCIAL SUSTAINABILITY
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Wilayani Nyamagana.

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Kidder
Kny: KATIBU TAWALA WILAYA
NYAMAGANA

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WILAYA YA NYAMAGANA
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Tarehe 28-05-2018

Kwa: AFISA MTENI
ASLI KATA
YA LWANHM
A

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU EPHRAIM CHARLES

Mtajwa hapo juu ni Mwanafunzi / Wanafunzi wa Chuo

KIKILI MZUMBE

Ameruhusiwa/Wameruhusiwa kufanya utafiti kuhusu
ASSESSMENT OF FINANCIAL SUSTAINABILITY -
OF RURAL FINANCIAL INSTITUTIONS (VICOBA)
TO WOMEN EMPOWERMENT IN NYAMAGANA DISTRICT.
Wilayani Nyamagana.

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watakaohitaji ili kufanikisha utafiti huo.

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WILAYA YA NYAMAGANA
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Kwa: AFISA MTENDA
JI. KATA YA
IGOGO

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU PHILIP CHARLES

Mtajwa hapo juu ni Mwanafunzi / Wanafunzi wa Chuo
KILU MZUMBE

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ASSESSMENT OF FINANCIAL SUSTAINABILITY
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Kwa: AFISA MENDI
ATI KATA
YA MUKUYANI

YAH: KIBALI CHA KUFANYA UTAFTI WILAYANI NYAMAGANA
NDUGU EPIRAM CHARIS

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KIKUYI MZUMBE

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ATI KATA
YA NYAMAGANA

YAH: KIBALI CHA KUFANYA UTAFTI WILAYANI NYAMAGANA
NDUGU EPHRAIM CHARLES

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WA CHUO KIKU MZUMBE

Ameruhusiwa/Ameruhusiwa kufanya utafiti kuhusu
ASSESSMENT OF FINANCIAL SUSTAINABILITY -
OF RURAL FINANCIAL INSTITUTIONS (VICOPA)
TO WOMEN EMPOWERMENT IN NYAMAGANA DISTRICT.
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KATI KATA
YA NYEGERI

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU EPHRAIM CHARLES

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CHUO KIKWY MZUMBE

Ameruhusiwa/Wameruhusiwa kufanya utafiti kuhusu

ASSESSMENT OF FINANCIAL SUSTAINABILITY OF RURAL FINANCIAL INSTITUTIONS (VICORA) TO WOMEN EMPOWERMENT.

Wilayani Nyamagana.

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Kwa: AFLSA MTEND
AJI KAJI YA
PAMBA

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU EPHRAIM CHARLES

Mtajwa hapo juu ni Mwanafunzi /Wanafunzi wa Chuo
WA SITUA KIKUU MZUMBE

Ameruhusiwa/Wameruhusiwa kufanya utafiti kuhusu
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Tarehe 28-05-2018

Kwa: AFISA MTEMD-
ALI KATA
YA LUHELELE

YAH: KIBALI CHA KUFANYA UTAFITI WILAYANI NYAMAGANA
NDUGU EPHRAIM CHARLES

Mtajwa hapo juu ni Mwanafunzi / Wanafunzi wa Chuo
KILU MZUMBE

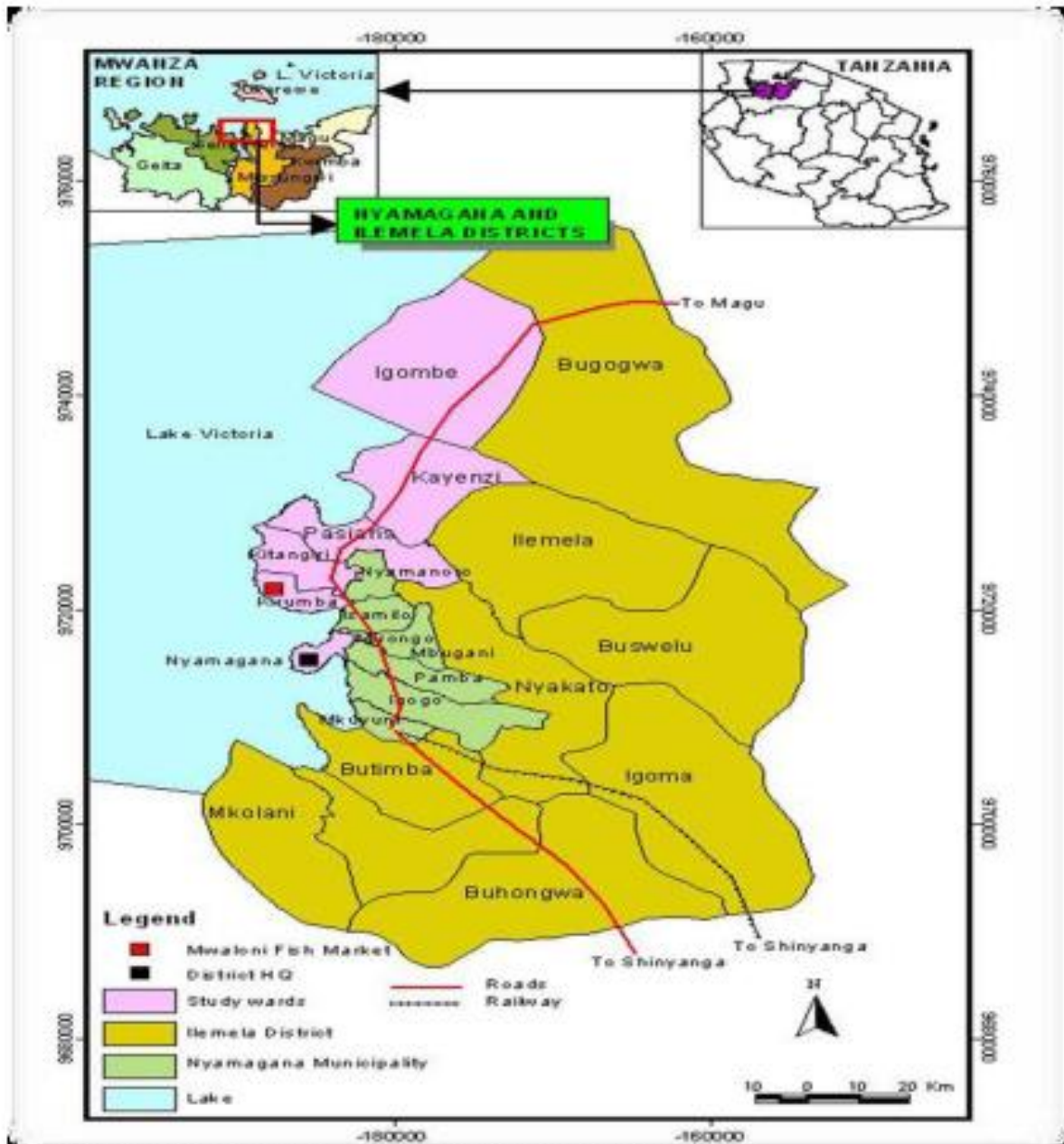
Ameruhusiwa/Wameruhusiwa kufanya utafiti kuhusu
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watakaohitaji ili kufanikisha utafiti huo.

Kny: KATIBU TAWALA WILAYA
NYAMAGANA

K.T.Y. KATIBU TAWALA WA WILAYA
NYAMAGANA.

Mwanza city map which show area of study Nyamagana and its



Source: MWANZA Remote Sensing and GIS Laboratory, (2012)

