

**CHALLENGES FACING WOMEN ENTREPRENEURS USING VILLAGE
COMMUNITY BANK: A CASE OF MBAGALA WARD, TEMEKE
MUNICIPAL**

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**DISSERTATION SUBMITTED IN PARTIAL FULFULMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER IN COMMUNITY
ECONOMIC DEVELOPMENT OF THE OPEN UNIVERSITY OF
TANZANIA**

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CERTIFICATION

The undersigned certifies that he has read and recommends for acceptance by the Open University of Tanzania a dissertation entitled: “**Challenges facing Women Entrepreneurs using Village Community Bank: A of Case of Mbagala Ward, Temeke Municipal**”, in partial fulfillment of the requirements for the Degree of Masters in Community Economics Development of the Open University of Tanzania.

.....
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.....
Date

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DECLARATION

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.....

Signature

.....

Date

DEDICATION

This work is dedicated to my family, which endured my absence and busy schedule.

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Several people played a key role in compiling this project report without their support this work could not be completed. To all of them I express my sincere gratitude since it is not easy to exhaust the list. I am obliged to mention a few of them.

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ABSTRACT

Village Community Banks (VICOBA) plays an important role of enabling the poor to save and access credit. This study aimed to identify problems being faced by women entrepreneurs in village community bank; explore challenge in accessing loan from financial institution; examine the income generating activities in relations to economic growth of village community bank's women entrepreneur. Basically three objectives were test and the study reveals that the community of Mbagala ward faced the challenge of poor income generation activities and lack of prime space, also it is easy to access loan but there is no availability of financial services that provide load at low interest and many people receive low income at household level. The study used a combination of probability and non-probability to select 90 respondents of VICOBA groups and non-VICOBA members within the study area. Primary data were collected using interviewing through questionnaire, observation, focus group discussions and key informant interviews. Quantitative data were analyzed using SPSS where means, frequencies and percentages were determined. The finding also show that this problem can be trickled-down by self saving techniques that have to be done in VICOBA project where small VICOBA can join and formulate a strong VICOBA where community can make saving which the profit obtained will be used to improve their income generation activities and the study generalised that there is a need assisting VICOBA group members to tackle the problem of inadequate entrepreneurship skills by conducting training sessions to VICOBA group leaders and group members in inceresing their income generetion and thereafter ineffective use of their resources.

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LIST OF ABBREVIATIONS

AMCOS	Agricultural Multi-Sectorial Cooperative Societies
CAN	Community Need Assessment
CBO	Community Based Organization
CDO	Community Development Officer
CED	Community Economic Development
MCO	Municipal Cooperative Officer
MEMKWA	Mpango wa Elimu ya Msingi kwa Waliokosa
MEO	Mtaa Executive Officer
MFI	Microfinance Institution
MMD	Mata Masa Dubara (Hausa language of Niger).
NGO	Non-Governmental Organization
RRA	Rural Rapid Appraisal
SACCOS	Savings Association and Credit Cooperative Societies
SIDO	Small Industries Development Organization
SPSS	Statistical Package for Social Scientist
TASAF	Tanzania Social Action Fund
VICOBA	Village Community Bank
WDC	Ward Development Committee
WEO	Ward Executive Officer
WOE	Women Owned Enterprises

CHAPTER ONE

PARTICIPATORY COMMUNITY NEEDS ASSESSMENT

1.1 Introduction

Women are constrained by education/training, business experience, discriminations, socialization/networking and unwillingness to take risk (Nchimbi, 2002). Also the overall negative attitudes towards the business owned by women-particularly by men, and inadequate and affordable business premises also limit the overall performance of female owned enterprises. On sources of funds for starting and running business, the insufficient internally generated liquidity is therefore one of the factors which are frequently cited as the causes of micro entrepreneurs business failure (Chijoriga and Cassimon, 1999).

In Temeke, the cultural environment of coast regions makes it more difficult for women to start and run enterprises due to the expectations and demands of their traditional reproductive roles (Olomi, 2003). The negative attitude and belief about women's traditional role have some significant impact on women entrepreneurs as indicated below: (1) Not being able to access appropriate resources (2) Being especially vulnerable to harassment from male officials and business men (3) Lack of adequate education (4) Limited or no experience of formal employment and business (5) limited network especially business related networks.

Community needs assessment was conducted between September and December 2015, in Temeke District council. The aim of Community Needs Assessment was to understand and look into what works well and what needs improvement in the

district. The assessment also aimed at exploring the opportunities and obstacles for the community development. Observation, interview and focus group discussion and transect walk techniques were used to generate information from the community members which was used to determine possible concern of the concern for the low income earning from the livelihoods in Temeke communities. Participatory methods were used in order to make the community to understand the process.

This chapter will describe in detail the findings of the participatory needs assessment, economic and environmental assessment. The methodology used included research design, sampling procedures, research questions, data collection and data analysis. Following findings from various sectors described, the potential concern for the low income earning from the livelihoods in Temeke communities.

1.2 Temeke District Profile

1.2.1 Administrative Structure of Dar es Salaam

Temeke was first established as a district in 1972 following the introduction of the Decentralization Policy in Tanzania. Prior that time Dar es Salaam City and Coast Region constituted a single region known as Coast Region, which constituted Mzizima, Kilwa, Rufiji, Kisarawe Bagamoyo and Coastal districts. Later on, the region was further subdivided into two Regions namely Coast (Pwani) and Dar es Salaam. While the former included Kisarawe, Bagamoyo, Rufiji, Mafia, Mkuranga and Kibaha districts, the later encompassed Ilala, Kinondoni and Temeke districts. Of recent, a portion of land was apportioned from Mkuranga District and added to the present Municipality's area of jurisdiction.

1.2.2 Governance

Temeke District is administratively divided into 3 divisions, 41 districts, 201 “Mtaa”. The “Mtaa” is the lowest governance unit of the district council, below which is the household. Every village has its elected village council, holding ordinary meetings once per month and the village assembly meets on quarterly basis. There is an Mtaa executive officer (MEO) who is an employee of the district council and the chief executive of the village. The MEO is also the secretary to Mtaa council and village assembly. At the district level, there is a district development committee (WDC), which meets quarterly under the chairmanship of the district councillor who is also the representative of the district to the district council. The district executive officer (WEO) is the chief executive at this level and the secretary to the WDC. See Annex for the overview of districts and Mtaa.

1.2.3 Social Services

Generally, the district has water scarcity due to power shortages and leakage within the water distribution system. Average required consumption of water is about 7,000m³ per day. Only 2,170m³, which, is about 31% of the water requirements, is produced per day. The main source of water is underground water found in Dawasco; other sources of water in the district currently are shallow wells and rain water harvesting tanks.

1.2.4 Health Services

Temeke District has a total of 27 health facilities, which include 23 dispensaries, 3 health centres and one hospital, which is located at the district head quarters. In addition, the district has one private laboratory and 10 drug stores. With an exception

of one privately owned health centre, the district council owns the rest of the health facilities. It is estimated that the majority of the people in the district (76.9%) have access to health facilities within 5km from their residences.

1.2.5 Education Sector

Temeke district has two levels namely; Basic and Secondary levels. Basic or First level education in Temeke includes pre-primary, primary and no-formal adult education. Secondary or second level education has ordinary and advanced level of secondary schooling.

The district needs more investments in these levels. More pre- Primary, Primary and secondary schools are needed. Good facilities to suite the investments are there. These are like land, electricity and water the district also needs modern library services for eradication of illiteracy to her people.

1.2.6 Markets and Financial Services

There is one market in Temeke town. While around Mtaa there are petty trading are conducted along roadsides, Mtaa centers and through vending at homesteads. Commonly sold items include; oranges, tomatoes, sugarcane, mushroom etc. Most of the 'kiosks' sells industrial items such as gametes, sugar, salt, kerosene, etc. The executive officers, raised concern on lack of construction items in their Mtaa which hider people to construct Modern houses. The only place to get construction materials is from Temeke town, which is located about range from 40- 112km from their Temeke. Lack of public transport from the district to various Mtaa makes it expensive to transport the construction materials from Temeke town to the different Mtaa.

Temeke district have only one financial service. The only place where you can access banks and financial services is in Temeke Town where there is National Microfinance Bank, Tanzania postal bank. Community members are depending from traditional lending systems, which don't provide opportunities for the community members to get enough loans for commercial purposes.

1.2.7 Geographical Location

Geographically, Temeke district is located in the southeast of Tanzania, between longitude 39 ° - 40° East and latitude 10° -11° south. It is bordered to the West by Ilala district, to the East by, to the North by Mkuranga District and to the South by the Ilala.

1.2.8 Land area and Administrative Units

Temeke district covers a total land area of about 2,439 square kilometres and lies at about 900 metres above sea level on the Plateau. The district headquarters is located about 140 km on the. The District has 3 divisions, 40 wards, 201 and registered Mtaa.

1.2.9 Population size, Growth and Distribution

According to the National Census of 2012, Temeke District has a total population of 205,492 out of whom 95018 were males while 110,474 are females and has a population growth rate of 1.2%, the district has total number of 58,712 households with an average household size of 3.5. Table 6 shows the total population by districts, (Source: Census report of 2012).

1.3 Community Needs Assessment

The Community Needs Assessment (CNA) was conducted by researcher in collaboration with community development officer, Agricultural officers, and VICOBA women micro entrepreneurs members, ward executive officer and Mtaa executive officers between February and April 2016. The assessment targeted the following areas; VICOBA groups women micro entrepreneurs, Economic and environment where by obstacles and causes of obstacle and community assets that could be applied to address the obstacles identified. The main concern for the participatory community needs assessment was to identify problems from the community. The assessment basically aimed at finding the challenge facing women entrepreneurs using Village Community Bank (VICOBA).

1.3.1 Objectives of the CAN

The objectives of the CNA were divided into two, namely; general and specific objectives.

1.3.1.1 General Objective

The main objective of this study was to find the challenges facing women entrepreneurs in Village Community Bank.

1.3.1.2 Specific Objectives

- (i) To identify problems being faced by women entrepreneurs in village community bank
- (ii) To explore challenge in accessing loan form financial institution

- (iii) To examine the income generating activities in relations to economic growth of village community bank's women entrepreneur.

1.3.2 CNA Questions

- (i) What are the problems being faced by women entrepreneurs in village community bank?
- (ii) What are the challenges in accessing loan from financial institution?
- (iii) What are income generating activities in relations to economic growth of village community bank's women entrepreneur?

1.3.3 CNA/ Research Methodology

This section presents methodologies that will be used in the CNA. They included research design, sampling technique, data collection method, data analysis methods and CNA findings.

1.3.3.1 Research Design

The study used a cross-sectional design, where by data was collected at a single point in time. Cross sectional design take the form of questionnaire survey, with participants" selected using random sampling processes (Matthews and Ross, 2010). This design was preferred as in addition to its simplicity it allows determination of relationship between variables (Kothari, 2010). The design is further considered favorable in situations of limited resources and time as was the case for the present study.

1.3.3.2 Sampling Technique

Population

In this particular study, population is made by people of all races, age, educational level, socio-economic status and residential status who were community members of Mbagala ward during the time of survey.

Eligibility Criteria

For this particular study, criteria for participation included:

- (i) Permanent resident of Mbagala ward
- (ii) Community member aged 18 between 45 years old (VICOBA and None VICOBA Member)
- (iii) Sound mind
- (iv) Ward leader

Permanency in residency means guarantee of stay at Mbagala ward at least for the longevity of the VICOBA. Respondents should be of sound mind to provide correct answers. Community members aged 18 – 45 years old have been considered since it forms part of the population that is considered to be more productive according to the researcher's opinion. Ward leaders have been selected disregard of their age and residence.

1.3.3.3 Sampling Procedure

Sampling is the process of selecting a portion of the population to represent the entire population (Polit and Hungler, 1999). The study used both random and purposive

sampling. Community leaders were elected on purpose because of their leadership positions in the community. Other community members were selected by convenience sampling because it was the easiest way to reach respondents and interview them in a timely manner given the largest sample under study and difficult in accessing the interviewees.

1.3.3.4 Sample and Sample Distribution

The population for this study comprised of all members of VICOBA groups and non-VICOBA members within the study area. A combination of purposive sampling (non-probability) and simple random sampling (probability) was used to select respondents. The selection was purposive because only those villages implementing VICOBA in delta area were picked for the next stage of sampling. By using the identified criteria Mtaa Executive offices from each mtaa with the help of group chairpersons from each group, three respondents were randomly selected from each VICOBA group making a total of 70. In addition, 20 non-VICOBA members were also randomly selected from the four wards; this was done with the help of village chairpersons within the study area.

Therefore, the study involved a total of 90 respondents. The choice of this sample size aimed at ensuring that sufficient numbers of respondents were included for meaningful analysis. Six key informants were purposively interviewed based on the position they held in relation to the proposed study, these were, the District Community Development Officer (DCDO), the Municipal Cooperative Officer (MCO), Ward Executive Officers (WEOs) from Mbagala and Enterprise Coordinator from an NGO (UHIKI) dealing with VICOBA.

Table 1: Population and Sample Distribution

Respondents' Category	Respondents Title	No. of Respondents
Ward leaders	Ward executive officer	1
	CDO officer	1
Mtaa Leaders	Mtaa Executive officers	3
VICOBA women micro entrepreneurs supervisor	VICOBA supervisors	3
VICOBA women micro entrepreneurs leader	VICOBA women micro entrepreneurs Secretaries	6
VICOBA women micro entrepreneurs	VICOBA groups member in women micro entrepreneurs	56
Non VICOBA member		20
Total		90

Source: Field Survey (2015)

1.3.3.5 Data Collection Method

Two methods were used to collect data for this particular study, namely; interviewing and observation. These methods were used to collect primary data.

Interviewing

Interviewing was used in this CNA to seek opinions and views from respondents on obstacles and opportunities for development and what can be done to reduce obstacles and maximizes opportunities utilization by the community and the government. Researcher used structured interviews with open-ended questions. The structured interviews were adopted to focus the study within its variables. Open-ended questions were adopted to avoid interviewer bias by asking lead questions.

Interviewer bias was also reduced by jotting down information as presented by interviewees themselves.

Observation

Observation is defined as the systematic recording, analysis and interpretation of people's behavior (Marshall and Rossman, 2003). Observation collects data where and when an event occurs. It does not rely on people's willingness to provide information. It directly sees what people do rather what people say. Observation was used in this study particular study for evaluating how community members at Luchingu village utilized available development opportunities.

1.3.3.6 Data Analysis

Data were analyzed by both qualitatively and quantitatively. Data were checked for completeness, accuracy and validity before they were used for analysis. Open-coding procedure was used for analysis. Open-coding involved naming and categorization of phenomena through case examination of data. The first step was to categorize data based on research objectives. Data analysis begin with individual response and responses from different respondents were purposively sorted and grouped to make them tally with research objectives and research questions (Enon, 1998). This reduced data into small manageable and analytical packages which were used for analysis and drawing conclusion (Saunders et al, 2009; Kothari, 2004). Descriptive analysis was used to measure and arrive at conclusion on the accuracy of information. Data analysis involved detailed case write-ups and reflection on the descriptions. Quantitative data were analyzed using Statistical Package for Social Scientists.

1.4 CNA Findings

The purpose of this section is to present and analyze data obtained in the field in simpler measures of statistics so that the data can be interpreted and understood majority of people.

1.4.1 Response Rate

The response rate was calculated and analysed. The responses per respondents are provided in Table 2.

Table 2: Response Rate

Respondents' Category	No. of Respondents	Percentage
Ward leaders	1	1.1
CDO	1	1.1
Mtaa Leaders	3	3.3
VICOBA women micro entrepreneurs supervisor	3	3.3
VICOBA women micro entrepreneurs leader	6	6.1
VICOBA women micro entrepreneurs	56	62.2
Non VICOBA member	20	22.2
	90	100

Source: Field Survey, (2015)

1.4.2 Problems Being Faced by Women Entrepreneurs used Village

Community Bank

Respondents argue that there are many challenges being faced by women entrepreneurs in VICOBA. This objective intended to analyze the challenges that women micro entrepreneurs in Mbagala ward faced. Specifically the study has revealed poor income generation activities are the main challenges (29%) and other

challenges such as loss of capital (14%), decline in business (19%), poor infrastructure (4%), lack of general space (11%) and lack of prime space (23%) the respondents argue that the most challenges that they faced in VICOBA as shown in Table 3.

Table 3: Challenges Faced by Women Micro Entrepreneurs

Response	Frequency	Percentage (%)
Loss of capital	13	14
Decline in business	17	19
Lack of Prime Space	21	23
Poor infrastructure	4	4
Lack of General Space	10	11
Poor income generation activities	25	29
Total	90	100

Source: Field Survey, (2015)

These findings are in line with those obtained by Kombe (2005). One form of reactions is characterized by skirmishes and massive clashes between the police and micro traders (Machingas), since machingas and women micro entrepreneurs do work side by side, the clashes often resulting into loss of millions of worth business owned by micro business traders; including women micro entrepreneurs. It was obtained that shortage of prime and general spaces were contributed by Municipal authorities. During the interview with Municipal officials about 70 per cent suggested that reallocation of trading sites was offered only to those traders who were having large capital. The findings from this study are in line with those obtained by Lyons and Msoka.

Respondents reported that some basic needs are not available in the district, these includes, laboratory services, building materials such as cement , iron sheets, nails etc, as well spare parts for bicycles and motorcycles, farm inputs. There is also lack of clean and safe water in the villages, which was reported causing diarrhea in the Mtaa particularly during the rain season. Other stress which was revealed by the villagers was the lack of entrepreneurial skills for their business activities. Most of the petty trading Mtaa admitted that they don't have any entrepreneurial skills.

Numbers were resorting to informal trade as a means of getting by. Some councilors opposed the move, by mere reason that the act would harbor health problems and jeopardize the interest of licensed traders. Councilor Jaffrey of Indian origin spearheaded the opposition.

The new controls announced a satisfied Councilor Jeffers, 'should go a long way towards solving the indiscriminate trading which was going on in Dar es Salaam. This approach was maintained after independence in December 1961. Once African politicians and officials assumed responsibility for managing the town, their response to the problems of rapid urban growth bore marked similarities to that of their colonial counterparts. The ideal of a restricted urban population engaged informal wage-earning employment persisted in the official rhetoric.

Informal sector accounts for substantial and increasing share of urban employment in most of the developing countries and majority of the urban and rural dwellers employment in most of the developing countries depend on informal activities for their livelihoods. Undoubtedly, informal sector seems to be an important player in

the creation of employment opportunities in both urban and rural areas through individual initiatives and therefore any credible strategy to reduce poverty in study area in particular and the country as whole must pay attention to this sector. This study therefore, is intended to investigate the contribution of informal sector to poverty reduction in Mwanza City using food Vendors as a case study.

1.4.2.1 Status of Community Development Volunteerism in Temeke District

Assessment of the volunteerism behaviors in the Mtaa was important as most of the development projects nowadays demands Mtaa participation, to build sense of ownership of the project and sustainability of development intervention. Therefore, it was necessary to assess the volunteerism behavior in the villages, as summarized in Table 4. Bellow 57% of the responded reported that volunteerism in the MTAA is increasing as compared to 43% who revealed that it is declining. The increase in volunteerism is probably due to good leadership and democratic decision-making process.

Table 4: Status of Volunteerism in Temeke Municipal

Response	Frequency	Percent
Decreasing	39	43
Increasing	51	57
Total	90	100

Source: Field Survey (2015)

1.4.2.2 Decision-making in Mtaa

Majority of the respondents 57% admitted that the decision making process is conducted in open minded and in a transparency ways while few 43% admitted to be

not conducted in open minded. To justify their perception in decision making process in their villages, respondents mentioned that they have been involved voluntary works for their villages, they have been participating in decision making when a new project or information which needs majority decisions in their villages, also they regularly attend village assembly meetings and income and expenditure reports are presented to the Mtaa.

1.4.2.3 Challenges Faced by Temeke Municipality in Addressing Micro Business Operations

In spite of various strategies employed by Temeke municipality to ensure all micro traders in the city abided by the reallocation policy, the eviction operation exercise has encountered numerous obstacles. Apart from budget deficit in the Municipal, other barriers cover areas like frequent violence and unavailability of open spaces to establish new markets and corruption. 80 per cent of the officials who responded to the study cited frequent violence as a leading challenge toward achieving their operation goals. Generally, the officials observed that since the establishment of the reallocation policy, micro traders have been organizing themselves into groups of ten to twelve in order to resist from being caught by city authorities. Traditional weapons like stones, sticks and other locally made are being used by micro traders to attack city authorities.

There is generally lack of cooperation from micro traders. About 70 percent of interviewed officials mentioned this behavior of micro traders as among the challenges. They cited micro traders' behavior like making temporal retreat (lasting from few hours up to many months) and bouncing back to business once the pressure

is over. They exemplified most critical area as Mchikichini near Karume stadium in Ilala. Other micro entrepreneurs have abandoned the new business places allocated to them, like Tazara Market, Tandika, Mbagala Zakim, and Rangitatu are going back to their former unauthorized trading areas during nights and weekends.

The interview further showed that all of the municipal officials thought that budget deficit was also a challenge to achieve their aims of putting all micro entrepreneurs in proper place. As the Municipal planner commented: The central government has formulated a policy but a consideration on implementation resources is left to the implementers like municipals...the municipal is facing financial challenges since the central government removed nuisance taxes.

This has eliminated 60 percent of the funding raised in the municipals (15/06/2010). The increase in number of micro entrepreneurs in Temeke Municipal also was another challenge. Officials pointed out that the number of youths joining micro trade in Dar es Salaam municipalities (Ilala, Kinondoni and Temeke) has increased significantly to about 700,000.

They cited opportunities in this trade and increased poverty level in rural areas as pushing factors. Population increase in municipals has lead to the establishment of poor settlement areas and hence the lack of open space for establishing new market areas in the city. About 60 per cent of municipal officials thought that this challenge was inherited since all previous governments (first, second and third phase) failed to establish a sustainable city land use plan.

1.4.3 Challenge in Accessing Loan from Financial Institution

The data summarized in the Table 5 shows that 81% of the respondents revealed that there is no availability of financial services that provide loan at a simple interest and the procedure to acquire loan is very hard which people can not afford due to lack of collateral, while Table 6 shows that 71% said they can access loans but not from the financial institution rather from individuals in their the Mtaa and outside the Mtaa. Absence of loans facilities was reported to be caused by the lack of poor roads to the villages, which hinders financial institutions to reach to the villages to provide such services in the villages. During Sacco's project, the project wanted to support credit and savings groups in the Mtaa.

However, as it has been mentioned before, the project phased out before completing planned activities hence saving and credit schemes were not established. When asked if they see the need for Microfinance in their Mtaa. Reported that the need are there as they would like to access financial services, they father advised that if possible, the Mtaa. Savings and credit schemes to be preferred as they have heard from other areas on how that model can help poor people to access loans and build the saving culture.

Table 5: Availability of the Financial Services in Mbagala Ward

Response	Frequency	Percent
Available	17	19
No available	73	81
Total	90	100

Source: Field Survey (2016)

Table 6: Loan accessibility Temeke District

Response	Frequency	Percent
Not easy to Access	26	29
Easy to Access	64	71
Total	90	100

Source: Field Survey (2015)

1.4.3.1 Business Status in the Temeke District

Entrepreneurship skill is one of the important factors for stimulation and growth of the businesses in a particular society. Lack of the entrepreneurship skills in a community leads to poor existence of the business in the society. Many respondents revealed that they lack business skills and they have never attended any entrepreneurship training in their villages.

Table 7 shows that 79% of the respondents admitted that they have never attended the entrepreneurship skills. Reasons given by the respondents were difficult to access most of the training institution such as VETA and SIDO which are not situated in Temeke.

On the other hand, villagers said that there is no Cooperative officer and community Development Officer at ward and village levels who could sanitize and train them in business venture. When asked if they get profit from the petty trading in the villages most of the business people revealed that they gain average profit as sometimes they cannot keep even records of what they do.

Table 7: Entrepreneurship Training in the Villages

Response	Frequency	Percent
Yes	19	21
No	71	79
Total	90	100

Source: Field Survey (2015)

1.4.3.2 Validity of the Data

The findings from this study are valid because the sampling was done without bias. The assessment also involved the participation of beneficiaries who know deeply the situation of their own area. The accuracy of information is estimated to be 85%. The different tools used for assessment for instance the focus group discussion and survey questionnaire came up with the related findings.

1.4.4 Income Generating Activities in Relations to Economic Growth

Table 8 shows the income of the Mtaa in Temeke district, 47% of the respondents reported to earn between Tshs 50,000 to 100,000 per year and 11 respondent equal to 12% argued that the household income that they acquire is more than 300000 per month.

Table 8: Households Income

Response	Frequency	Percent
50000-150000	42	47
150000-250000	24	26
250000-300000	14	16
More than 300000	10	12
Total	90	99.8

Source: Field Survey (2015)

The response reveal that member in VICOBA have medium households income which is 50000 – 300000, this implies the VICOBA women entrepreneurs contributing to economic growth of the ward due to the activities that their performing in their daily operations.

1.4.4.1 Economic Assessment Findings

The economic assessment revealed that, the ward are characterised with poor economic interventions which are not doing well due to lack of capital and entrepreneurial skills to most to the ward. Most of basic needs for the community members are obtained outside of their ward, which are also difficult to access due to poor transport and road networks. Due to the above reasons the income of the community members was reported to be very moderate.

However, despite a number of economic activities being available in the ward, the community is faced with the four major challenges; poverty, inadequate entrepreneurship skills and knowledge, poor access to micro-credit facilities and low investment capabilities due to inadequate or lack of capital.

1.5 Community Needs Prioritization

Pair wise ranking method was used to rank the community needs identified from community, economic, health and environmental assessment to get the community priority problem which ranked higher compared to other problems identified. The Table 9 shows the pair wise ranking results and scores for each need.

As it can be seen from Table 9, low households income scored 4 as compared to the rest of the other problems and therefore it was the priority needs for Temeke District.

The second priority was poor road network and transportation as it ranked 3. Inadequate and unsafe water supply scored 2 while the inadequate health facilities scored 1. From the problem prioritization above, the related issue for the Temeke district is the low households' income generation.

Table 9: Problem Prioritization

Problem	Low household income	Inadequate water supply	Inadequate health facilities	Poor Road network and transportation	Score	Rank
Low household income	Low household income	Low household income	Low household income	Low household income	4	1
Inadequate and unsafe water supply		Inadequate and unsafe water supply	Inadequate health facilities	Poor road network	2	3
Inadequate health facilities			Inadequate health facility	Poor road network	1	4
Poor road network				Poor road network	3	2

This reveals that increasing household income will enable Temeke communities to improve their livelihoods and life standards for the villages. It was therefore necessary to look for ways or projects that will support increase in households' income for Temeke communities. The researcher in collaboration with the respondent had to look for existing opportunities in their villages that will help in formulating income generation activities for the Mtaa.

Problem prioritization for Temeke district, lead to identifying possible option for improving household income in Temeke district. A list of income generation projects was developed by the villagers basing on their experiences. The proposed income generating micro projects included; establishment of village banks

(VICOBA) in the villages so that people can start savings and credit schemes and improve of cash crops production in their mtaa. After a long discussion, participants admitted that Entrepreneur capacity building through VICOBA groups can be opted as a sustainable solution for income generation in the district. The reason given to support Entrepreneur project in the district was it has relative low running cost, the only major cost is during initial costs. Another reason for opting Entrepreneur capacity building is the fact that, the district has many resources to support entrepreneur activities therefore Entrepreneur can be practiced within Temeke Mtaa as it helps to improve the living conditions of the Mtaa. The consensus reached marked a start of modern Entrepreneur activities in the Temeke district as a means of diversifying household income for Temeke society.

1.6 Conclusion

The research team which was composed of the ward agricultural officer, Community Development officer Staffs, government officials at the District, District managed to conduct participatory assessment in four areas of the community, economic, environment and health. The assessment was completed through application of different methods and tools which included, focus group discussion, questionnaires, documents review, observation, transect walk in the Mtaa.

The finding of the assessment was many, which included; low income, lack of entrepreneurship skills, poor health facilities. The team also found that lack of reliable market for their product, lack of capital and poor prices for their products offered by business people.

However, it was revealed by the team that, there exist untapped assets in the villages if they are utilized can contribute the improvement of the livelihoods of the Mtaa in Temeke district. These assets includes, arable land, cultural resource base and tourism attraction potentials, water resources, as well as favorable weather condition which can support growth of economy for the Temeke district. The District also is lack of having development partners, which are willing to engage and collaborate with the villagers in various development initiatives.

Temeke communities through participatory needs assessment has prioritized Entrepreneur capacity building as the best option for them to diversify livelihood options for the community members since it going to help people to involve in income generation through various Entrepreneur activities in their perspective areas by full utilization of available economic resources.

CHAPTER TWO

PROBLEM IDENTIFICATION

2.1 Introduction

This chapter examines the problem identified in the chapter one through need assessment conducted in Village Community Bank groups. Through pair wise ranking the Village Community Bank group members came up with one problem to be addressed. The problem identified becomes the project of this study. Community Need Assessment (CAN) was conducted to VICOBA group of Mbagala Ward for purpose of finding out the group strengths, challenges, weaknesses and assets.

The information collected helped the researcher to identify gaps that exist in all VICOBA group. Various participatory tools were applied during data collection method. Those tools included focus group discussion, unstructured interviews, questionnaires and observation.

The problem identified during Community Need Assessment include inadequate entrepreneurship skills, inadequate capital to expand their businesses, poverty, high prices of agriculture inputs, high Local Authority taxes and lack of ready market for some of their products. Through pair wise ranking inadequate entrepreneurship was identified as the problem to be addressed. Table 10 shows in detail the problems, cause of problems and strength/opportunity available.

Table 10: Problem, Cause and Strength/Opportunity

Problem	Cause	Strength/opportunity
Lack of the entrepreneurship skills	Lack of awareness of organizations which provide entrepreneurship and group management skills.	(i)Availability of Community development workers and cooperative workers. (ii)Presence of small lending organizations such as FINCA and PRIDE.
Inadequate capital to expand the business	The resources which are mobilized from group are not enough to fulfill all group members.	(i) Presence of soft loan provided by District Council to women and Youth (ii) Availability of financial facilities such as Banks, SACCOS and organizations such as FINCA and PRIDE.
Poverty	(i)Low level of education, (ii)Lack of technology (iii)Lack of Assets to put down as deposits or bond. (iv)inadequate employment opportunities (v)Difficulty in paying back loans.	(i)Availability of credit facilities. (ii) Availability of fertile land and water sources for agriculture activities. (iii)Presence of Government policies such as MKUKUTA, Kilimo kwanza, and MKURABITA which provide opportunity and strategies for eradicating poverty in Tanzania.
Lack of ready market for some of their products	(i)Inadequate information concerning available market	(i)Availability processing industries.
High prices of agriculture inputs	High transport cost due to fuel price and poor infrastructure.	(i)Presence of price regulatory mechanisms. (ii)Presence of Government policies to provide subsidize to agriculture inputs.
High Local Authority Taxes	Lack of knowledge concerning Government policies	(i)Availability of communication system such as Radio, Magazine and Internet services.

Source: Research Findings (2016)

2.2 Background to Research Problem

Legally, MFIs in Tanzania are not allowed to mobilize savings but many of the NGO-MFIs engage in the mobilization of “savings” in the guise of “loan insurance funds”. All provide loans to ongoing businesses and only very few provide start-up capital. None of them directly provide loans for other purposes such as consumption, education or health. Some provide credit to women only. In any case, some 77% of all the loans from NGO-MFIs are received by women (J.M.L Kilonde, 2002).

Women play a key role in the private sector and micro, small and medium enterprises (MSMEs) in Tanzania. The proportion of women owned enterprises (WOEs) is reported to have increased from 35 per cent in early 1990s (NISS, 1991) to 54.3 per cent in 2012 (MIT, 2012). This amounted to 1.716 million WOE, over 99 per cent of which are microenterprises with fewer than five employees and almost three-quarters have only one employee. The majorities of women entrepreneurs are aged between 25 and 40 years, and have a low level of education. On the one hand, these women entrepreneurs are a potential motor for the economy to generate jobs and reduce poverty.

On the other hand, multiple obstacles continue to impede their capacity to start and grow businesses in sectors that generate quality jobs. Although many women have an untapped potential for entrepreneurial development, they are often impeded by a lack of the necessary capacities, skills and resources. They face more disadvantages than men due to legal impediments, cultural attitudes, less mobility and their businesses tend to be younger and smaller than men's. All of these areas came through in the report, to varying degrees.

A key barrier is the cultural environment that makes it more difficult for women to start and run enterprises based on traditional reproductive roles and power relations. Gender-related impediments also include challenges in claiming rights to property and assets, which could be pledged as collateral for loans and inequality in inheritance rights.

Most WOE's in Tanzania are concentrated in informal, micro, low growth, and low profit activities, where entry barriers are low but price competition is intense. These include trade, food vending, tailoring, batik making, beauty salons, decorations, local brewing, catering, pottery, food processing and charcoal selling. Most WOE's sell their products in the local market, with only small percentages selling regionally or internationally.

Women been on a disadvantage side the research has in mind that Ward Community Banks (VICOBA) play an important role of enabling the poor save and access credit, with this background a researcher go far in identifying major challenges facing women in operating Ward Community Bank.

2.3 Problem Statement

Although Mbagala Ward is located in the urban area, most of the income of its people depends much on agricultural secondary activities, which involve small entrepreneurs. Agriculture is among the sectors which is not performing well because it is associated with a lot of constraints. Those constraints include low capital, inadequate technology and lack of ready made market, due to above constraints people of Mbagala Ward prefer to undertake other activities which can help them to

supplement the income from agriculture. Therefore nonfarm activities such as vegetable selling, kiosks, retails shops and small restaurants are very important for the community members. Small business activities generate employment especially to family members and additional income. Retails shops supply consumer goods to organization members and also generate income to owners.

The establishment of VICOBA project was aimed to favour the poor in terms of microfinance services for their income generating activities in a sustainable manner. Tanzania government has been trying to develop various strategies to reduce poverty among communities such as establishment of community bank so that community members can generate income through their own credit and to have loan to support their capital, such effort has shown low impact towards community income generation.

Therefore for the community members to perform better in small business they have formed VICOBA groups for purpose of obtaining soft loans to start the business and buying agriculture input such as fertilizer and seeds. Since small businesses cannot easily access finance from banks because they lack physical collateral and banks charge high interest rates. On their part banks consider the loans required as being too small, high risk and requiring high administrative costs hence high interest rates they are charging.

Despite VICOBA being in a position towards poverty alleviation has been well documented both theoretically and empirically, the existing literature largely ignores challenges facing women entrepreneurs in ward community bank so there is a need

to investigate community banking system towards sustainability in community income generation in Tanzania. Therefore it is important to determine challenges facing women entrepreneurs in ward community bank.

2.3 Project Description

Determine challenges facing women entrepreneurs in ward community bank: the case of Mbagala ward, Temeke Municipal at Dar es Salaam region This VICOBA project aims to give the Mbagala community members ability to generate more income, particularly in small economic group headed by community members and well as to access better economic activities and services.

2.3.1 Target Community

Mbagala community especially poor household who live in a low income will benefit and other people lives near Mbagala ward, which means will increase community members at large. As the project initiated by the community themselves, the community will participate in the project activities as follows; manpower, volunteer in project activities, attending training, seminar and workshops, monitoring and evaluation of the project activities.

2.3.2 Stakeholders

Stakeholders and other targeted groups will be participating actively during the preparation and implementation of the project. The project has the following major players: Council Community development department in Temeke Municipal provides training on capacity building.

Table 11: Stakeholders

Stakeholder group	Role of the Stakeholder	Concerns of Stakeholder	Expectations of Stakeholder
Individual	-Community mobilization and sensitization, -Implementation, Monitoring and evaluation the project activities	Common understanding of the project objective, - Imparted with different skills e.g. monitoring skills, evaluation skill lobbying and advocate skills.	Gain knowledge, skills and experience. - share experience as a group
CBOs, FBOs	- provide training and training materials and facilitate availability of working tools - Provision of Technical support and facilitation the availability of soft loans. - Financial support especially during the training. - community mobilization, sensitization and Monitoring the implementation of the project activities,	Ensure the effectiveness and efficiency of the project implementation, -Tracking the progress of the project and pick the best practices, challenges and lesson learned. - capacity building	Networking with other stakeholders, -Understanding the Community and Increase credibility and visibility.
Government Agencies	Provide training and training materials - Provision of Technical support and registration of the group and provision and facilitation the availability of soft loans. - facilitate the linkage with other organizations and institutions and monitoring and evaluation of the implementation of the project activities.	Ensure and facilitate smooth running of the project activities, - Tracking the progress of the project and pick the best practices, challenges and lesson learned	Networking with other stakeholders,
Community Development Department	Provide knowledge about entrepreneurship and group management skills.	Community will efficiently run the business hence high Profit.	Gain knowledge, skills and experience. - share experience as a group
Cooperative Department	Capacity building to group members on business and financial skills and proper management of VICOBA groups.	Economic empowerment of community	Gain knowledge, skills and experience. - share experience as a group

Accounting and Trade department.	Provide soft loan to VICOBA women and youth	Economic empowerment of community	Gain knowledge, skills and experience. - share experience as a group
Financial institution: DCB, NMB, NBC, and SACCOS	Provision of loans and Capacity building to group members on business and financial skills.	Economic empowerment of community	Networking with other stakeholders, -Understanding the Community and Increase credibility and visibility.
Radio, Magazine and internet services	Provide information to group members concerning government policies and market information.	Group member will know the Government strategies for poverty eradication and obtain market for their produces.	Gain knowledge, skills and experience. - share experience as a group
NGOs deal with orphans	Social support to orphan and vulnerable children	Orphans and vulnerable children supported with basic needs such as food, shelter and school material.	Networking with other stakeholders, -Understanding the Community and Increase credibility and visibility.
VICOBA	Provision of loans and Capacity building to group members on business and financial skills and proper management of VICOBA groups	Economic empowerment of community	Networking with other stakeholders, -Understanding the Community and Increase credibility and visibility.

2.3.3 Project Goals in Community Economic Development terms

To support Mbagala community to increase income generation by involve them into socio economic activities through initiating VICOBA activities as the one of method to intervene low income generation by using their contributions.

2.3.3.1 Project Objectives

- (i) To mobilize community to participate on VICOBA activities.
- (ii) To facilitate Training for the trainers and community trainees member on techniques of VICOBA.
- (iii) To mobilization raw materials for project implementation.
- (iv) To implement Project phase one activities in the project sites

2.4 Host Organization profile

2.4.1 Organization Profile

In 2014, the Nguzo VICOBA Group was established with 30 members where 2 are male and 28 are female. The group is situated in Mbagala ward at Mbagala Ward in Temeke Municipal, one of the main objectives of the group is to increase income generation among member themselves through their own initiatives, joint efforts, time and resources. However the group aims to improve the standard of living through community economic empowerment and participation, which lead to employment creation, income – generation and skill transfer.

2.4.2 Organization Structure of the Host Organization

The organization structure is formed by member's general assembly, executive committee that is formed by Chairman, Vice Chairman, Secretary and Treasurer. The structure shows the group office bearers who were elected in 2014 and according to group constitution handout, the new leaders would be elected in 1 years' time. The general assembly is the annual members meetings and according to constitution the assembly would meet after 12 month of commenced.

2.4.3 Organization Mission

To provide quality financial and social services so as to improve the livelihood of the Mbagala ward community in Mbagala ward through advocacy, capacity building, social presence and public private partnership.

2.3.4 Organization Vision

To ensure Nguzo VICOBA is becoming one of the strongest economic groups among available economic groups, which listen to what community needs so as to cover the wide geographical area in the promotion of socio economic activities in Mbagala community.

CHAPTER THREE

LITERATURE REVIEW

3.1 Introduction

This chapter has covers the literature review concerning capacity building of Village Community Bank groups. It covers the theoretical review, empirical review and policy review related to capacity building on entrepreneurship skills and group management of Village Community Bank.

Microfinance programme are expected to improve the welfare of the poor women and men by impacting the economically active poor. They would be helped to raise social welfare by promoting human capital investment. Different scholars have discussed microfinance as a tool for the poor and low income earners towards poverty reduction and development strategy at various levels. However many of them have a common consensus about various problems facing the field of microfinance in the process of impacting the poor community.

3.2 Definitions

Microfinance is generally defined as the provision of a broad range of financial services such as deposits, loans, payment services, money transfers and insurance products - to the poor and low-income households, for their microenterprises and small businesses, to enable them to raise their income levels and improve their living standards (Bangko Sentral et al., 2002).

Microfinance Institutions (MFIs) can be described as those institutions that offer loans and other financial services to Micro and Small Enterprises (MSEs). Loans are

usually small, and the conditions to access credit are usually not as stringent as those demanded by formal financial institutions (FFIs) (J.M. Lusugga Kironde; 2002).

3.3 Theoretical Review

Canadian International Development Association (1996) has defined capacity building as the process by which individuals, groups, institutions, organizations and societies enhance their abilities to identify and meet development challenges in a sustainable manner. Also according to UNDP (1997) capacity building is the process through which individuals, organizations, institutions and societies develop abilities (individually and collectively) to perform functions, solve problems, and set and achieve objectives.

Capacity building can take many forms, from enhancing an organization's stock of information technology and equipment, to growing its membership and increasing its fundraising activities. But most common capacity-building activities are training, workshops, and seminars to build staff skills. In addition, capacity building often includes on-the-job training, which has proven to be an even more powerful training mode than those previously mentioned. On-the-job training typically accompanies in-house technical assistance from organizational staff and often figures in external consultancies contracted to deliver capacity-building services (Norem and McCorkle 2008).

Based on the above explanation the project of capacity building of Village Community Bank in Mbagala Town Ward focuses mainly in the provision of training to group leaders and group members. The training concentrated on the provision of

leadership and group management skills to village Community Bank group leaders, entrepreneurship skills, business skills and financial management to group members. The training provided is expected to change the behavior of group members on the way of conducting business activities. The training will add new skills, which will enable them to perform better in business activities. Also through training/knowledge gained will help them to better use and manage resources they obtain from Village Community Bank

United Nations Development Program (1997) has defined ‘training’ as the process to modify attitude, knowledge or skill behavior through learning experience to achieve effective performance in an activity or range of activities. Also ILO (2002) defined ‘Training’ as the process of acquiring the knowledge, skills, and attitude that are needed to fill the gap between what people want to do, and what they are able to do now’.

3.3.1 Knowledge for Entrepreneurship

Acs and Virgill (2010) contend that knowledge expansion results in productivity improvements within a firm, which creates it and other proximate firms, thus enabling economic growth. A source of economic problems in developing countries is the underproduction of knowledge and human capital, as low levels of both forms of capital accumulation can slow down technological change (Nijkamp and Poot, 1998). Knowledge is particularly important in the product and production discovery process (Hausmann and Rodrick, 2003). The creation of new firms, new products and improved production processes create “demonstration externalities” (Audretsch

2006) as entrepreneurs learn from examples and through better awareness and enhanced possibilities of market entry through new firm creation.

Knowledge is a strategic asset that helps organizations maintain their competitive ability in a turbulent environment (Jantunen, 2005). The success of organizations consequently is built upon organizations' and individuals' speed in learning. As organizations striving in today's fast-changing marketplace are facing the need to have employees who know how to learn and who can quickly retool and be ready for new challenges. Self-directed learners seem to be individuals who are most likely to succeed at this and are becoming an increasingly valuable resource within modern organizations (Naisbitt and Aburdene, 1985).

3.3.2 Human capital and Entrepreneurship

Knowledge creation is a function of human capital development and opportunity recognition. Human capital is defined as an individual's stock of education, experience, skills and intelligence. Becker's (1964, 1993) human capital theory, suggests that education and experience develop skills that enable workers to be productive. Human capital is enhanced through such learning and this manifests itself in varieties of high value opportunity recognition, skills enhancement and resource acquisition and use (UNDP, 2009).

The language, technical and social skills of new venture creation can be learned through entrepreneurship education and training. Ahmad and Hoffman (2007) argue that a country's entrepreneurial performance depends on numerous underlying factors coupled with the personal attributes of entrepreneurs. They explain that

entrepreneurs and entrepreneurship are created by a combination of three factors: opportunities, skilled people (technical and entrepreneurial capabilities and competencies) and resources (finance, technology). These three factors are all affected by two important conditions: the surrounding regulatory framework and culture, which includes the business environment and people's attitudes and aspirations for entrepreneurship

The quality of human capital (reflected in the education, training and experience of employees and owners) is expected to have a positive impact on firm growth. This is based on both neoclassical growth theory as well as the New Growth Theory where the quality of human capital is closely related to the role of 'knowledge'. There is already plenty of evidence from previous studies that the firm's likelihood of starting-up, survival, growth and successful performance in the market is affected by its human capital (Hoxha, 2009; Parker and Praag, 2006; Brown 2005; Chandler and Hanks, 1998). Human capital has also been treated as a complement to 'technology' with a positive impact on productivity and growth (O'Mahony, 2008). Both 'training' and 'education' have been used as indicators of the quality of human capital, with training as an alternative mechanism of enhancing employees' and managers' skills, and their positive impact on growth (Kirby, 1990).

3.3.3 Requisite Skills Needed By Entrepreneurs

3.3.3.1 Business Management Skills

For entrepreneurs to engage in enterprise creation, they need to understand business methods, advised by highly trained people, how to plan, book keeping, understand

the intricacies of modern businesses, amongst others. This skill is much needed especially in a situation when entrepreneurship mostly dominated by the informal sector (Nuakoh, 2003).

3.3.3.2 Financial Management Skills

Entrepreneurs need the financial management skills in order to start their businesses. Analysts say that one of the biggest problems facing entrepreneurship mostly in the developing world is financial management (African Report, 2008). Research indicates that the people who work in the informal sector mostly have limited access to formal education; profiles in terms of the years spent in education suggest quite low levels of training.

The lack of formal education can affect the way they manage their finances. It has been suggested by some experts that one of the skills needed by entrepreneurs in Africa is the financial management Skills. The entrepreneur should therefore be provided with skills including record keeping, savings, opening bank accounts, cash flow, budgeting and savings as well as writing business proposals. This would enable them to manage their finances as well as move their enterprises from the micro levels to mid –companies (Fluitman 1989).

3.3.3.3 Importance of Training to MSEs

Training is the important tools for growth of MSEs and has been recognized worldwide. Training adds skills to MSEs owners, change behavior on how to conduct business activities and also enhance their ability to perform better. If the MSEs owners obtain the right skills they can be able to operate their businesses

under competitive environment. Through training, the enterprises owners can acquire networks, technology and acquire new and better management techniques. This is because business training is mainly geared towards building entrepreneurial skills in order to better their business practices, (Roomi 2009, CIDA 1999).

Microfinance programmes was mainly introduced as means to provide credit which is the important source of the needed capital. However provision of credit alone without business skills will not be possible for enterprises to perform at optimal level. It is also possible that the outcry from MSEs for credit could be reduced through enhanced business skills as the owners get exposed and gain more knowledge on how to better use and manage resources they have (Gebru 2009 and Kuzilwa 2005).

3.3.3.4 Training to Village Community Bank (VICOBA)

Most communities nowadays have village banks from which members borrow small loans. Therefore if the community especially members of the village bank, had been provided with training in business skills they will be able to utilize the loans efficiently and run successful businesses. The majority of the population served by the village bank is illiterate or semi-literate which makes it more challenging in business management (Norwegian Church Aid Annual Report, 2010).

The training of VICOBA members is a crucial part of the process. Expanding trusted networks of family, friends and neighbors into functioning savings-and loan groups means learning new behaviors and new skills. At VICOBA training sessions, participants receive a thorough understanding of the principles for savings, business

planning, and credit and loan management. Other skills include learning basic accounting of financial transactions, cost and price calculations (LAMP Global Report, 2007).

Through the development of the VICOBA, the members may receive continued business training, discuss the merits of a loan or business proposal, debate a variety of ideas for small business start-ups, or even discuss other issues of common interest to the group, such as an upcoming meeting of the Village Council or how they can use their influence to spread awareness about HIV/AIDS (LAMP Global Report, 2007).

Strategies for poverty alleviation have been using microfinance services as one of the important tool for intervention. Anton Simanowitz (2002) argued that microfinance programs are one of the most important interventions to reduce poverty in developing countries. This has lead in recent years, huge growth in the number and size of microfinance organizations, the volume of microfinance clients, and the provision of subsidized donor funding.

Nitin Bhatt and Shui-Yan Tang, (2001) argued the good performance of programs like ACCION's BancoSol in Bolivia, Bank Rakyat Indonesia's (BRI) Unit Desa program in Indonesia and the Grameen Bank in Bangladesh is evidence that it is possible for microfinance institutions to make small loans to large numbers of poor people in a sustainable manner. They continue to argue that the significant income and employment opportunities for the poor have been created through the evolution of micro-finance services created in developing countries. Poverty reduction is part

of the mission of a large proportion of microfinance providers, and donor funding is allocated to microfinance on this basis.

However, the impact assessments of microfinance programs have shown limited performance to target and track the changes of the poor. Anton Simanowitz (2002) argued that some MFIs suggest that financial performance indicators are sufficient to indicate whether or not they are doing a good job. They believe that, if clients are willing to pay for a service (i.e., repayment rates are good), it can be assumed that they are happy to pay for the MFI's services because they perform well. But financial performance does not measure change in people's lives. Indebted clients may repay loans even when their businesses fail and much hardship results.

Therefore the Impact Assessment for a microfinance intervention is important to be taken into account with appropriate methodological approach. Linda Mayoux (2001) noted that existing impact assessments have made an important contribution to understanding some of the complex interactions between microfinance interventions and different dimensions of poverty reduction and empowerment.

David Hulme (1997) pointed that the central issue in IA design is how to combine different methodological approaches so that a 'fit' is achieved between IA objectives, program context and the constraints of IA costs, human resources and timing. In the microfinance literature on impact assessment, the consensus seems to be that multiple methods as opposed to a single method must be used tapping the breadth of quantitative approach and the depth of the qualitative approach.

David Hulme (1997) provided three main elements to a conceptual framework related to microfinance impact assessment:

- (i) A model of the impact chain that the study is to examine; this has two main schools of thought with regard to microfinance, are useful to distinguish which link(s) in the chain to focus on, these are termed the 'intended beneficiary' and the 'intermediary'. The intermediary school of thought focuses purely on the beginning of the chain and particularly on changes in the MFI and its operations.

Two key variables focused on are institutional outreach and institutional sustainability. If both outreach and sustainability have been enhanced then the intervention is judged to have a beneficial impact as it has widened the financial market in a sustainable fashion basing on the assumption that such institutional impacts extend the choices of people looking for credit and savings services and that this extension of choice ultimately leads to improved microenterprise performance and household economic security.

- (ii) Specification of the unit(s), or levels, at which impacts are assessed; after completion of the design of a model of the impact path, the choice of the unit(s) or levels of assessment is necessary. Through a household economic portfolio model (HEPM) the latter seeks to assess impacts at household, enterprise, individual and community levels and thus produce a fuller picture of overall impacts.

- (iii) Specification of the types of impact that are to be assessed; Many variables can be identified to assess impacts on different units, which must be able to be defined with precision and must be measurable so as to be used. Economic indicators can be used to assess microfinance I As especially in measuring changes in income. Other popular variables have been levels and patterns of expenditure, consumption and assets.

A study by Barnes (1996) showed that assets are a particularly useful indicator of impact because their level does not fluctuate as greatly as other economic indicators and is not simply based on an annual estimate. Among the social indicators include educational status, access to health services and nutritional levels. Others are the socio-political arena in an attempt to assess whether microfinance can promote empowerment measurement of individual control over resources, involvement in household and community decision-making, levels of participation in community activities, social networks and electoral participation.

Professor Paul Mosley (1998) advocated the use of a control group, which compares a population that had benefited from a micro-credit scheme to another which had not. However the method faces various challenges three of them being sample selection bias, misspecification of casual relationships and motivational problems.

There are various methods for undertaking impact assessment, however not all are best fit for IA of microfinance intervention. The summarized methods in the Table below demonstrates common methods for conducting impact assessment followed by methods which best fit for IA of microfinance intervention:

Table 12: Demonstrates Common Methods for Conduction Impact assessment

Common Impact Assessment Methods Method	Key Features
Sample Surveys	Collect quantifiable data through questionnaires. Usually a random sample and a matched control group are used to measure predetermined indicators before and after intervention
Rapid Appraisal	A range of tools and techniques developed originally as rapid rural appraisal (RRA), involving the use of focus groups, semi-structured interview with key informants, case studies, participant observation and secondary sources
Participant Observation	Extended residence in a program community by field researchers using qualitative techniques and mini-scale sample surveys
Case Studies	Detailed studies of a specific unit (a group, locality, organisation) involving open-ended questioning and the preparation of 'histories'.
Participatory Learning and Action	The preparation by the intended beneficiaries of a program of timelines, impact flow charts, ward and resource maps, well-being and wealth ranking, seasonal diagrams, problem ranking and institutional assessments through group processes assisted by a facilitator.

Source: Colin Kirkpatrick and David Hulme (2001)

Colin Kirkpatrick & David Hulme (2001) explained the three broad categories of impact assessment methods suiTable for microfinance as follows:-

Quantitative statistical methods; these involve baseline studies, the precise identification of baseline conditions, definition of objectives, target setting, rigorous performance evaluation and outcome measurement. Such methods can be costly, limited in the types of impacts, which can be accurately measured, and may pose difficulties for inference of cause and effect. Some degree of quantification may be necessary in all impact assessments, for evaluation of the success of the intervention and the magnitude of any adverse effects.

Qualitative methods sui Table for investigating more complex and/or sensitive types of social impacts, e.g. intra-household processes, policy issues and investigation of reasons for statistical relationships and policy implications. These methods generally require high levels of skill, and may be relatively costly. The validity of specific impact assessments adopting this approach has to be judged by the reader on the basis of:

- (i) The logical consistency of the arguments and materials presented;
- (ii) Strength and quality of the evidence provided;
- (iii) Degree of triangulation used to cross-check evidence;
- (iv) Quality of the methodology; and
- (v) Reputation of the researcher(s).

Participatory approaches sui Table for initial definition or refinement of the actual or potential impacts which are of concern to stakeholders, questions to be asked, and appropriate frameworks and indicators to be used. Such approaches can contribute to all types of assessment, and are particularly suited to exploratory low budget assessments and initial investigation of possible reasons for observed statistical

relationships. They offer a means of involving stakeholders in the research, learning and decision-making processes. These methodologies also require a certain level of skill, depending on the issues to be addressed and ways in which they are integrated with other methods.

Some degree of stakeholder participation is likely to be necessary in all impact assessments, in order to achieve a good understanding of stakeholder perceptions of impacts. Whatever mix of techniques is used, consideration should be given to:

- (i) Transparency and public accountability
- (ii) Stakeholder involvement
- (iii) Reliability of the information obtained
- (iv) Reliability of inference for policy improvement
- (v) Cost and skill requirements

Concerning the assessment tools, according to the study conducted by AIMS (Assessing the Impact in Microenterprise Services) and Small Enterprise Education and Promotion (SEEP) network (2000), it was agreed that the field needed a mid range approach to impact assessment which is cost-effective, useful and credible. AIMS/SEEP (2000) study designed five tools for impact assessment which offer many possibilities to the users, three of them are qualitative and two quantitative. These include the following:

- (a) Impact Survey is a principle quantitative tool administered to a sample group of clients and a comparison group.

- (b) Client Exit Survey is a quantitative tool administered to the clients who recently have left the program so that to identify when and why clients left the program and what they think its impact as well as its strength and weaknesses has been.
- (c) Loan use strategies over time is a qualitative which is an in depth individual interview focusing on how the client has used his or her loan and business profits overtime. Its purposes include determining how loan is used and allocated in decisions change overtime as well as documenting changes in the individuals borrower, enterprise, family household and community that are associated with participation in the program.
- (d) Client empowerment is qualitative which focuses on women clients and uses an in-depth interview to determine if and how women have been empowered by participating in the program.
- (e) Client satisfaction is a qualitative tool is using a focus group discussion that explores client's opinions', what they like and dislike of specific features of the program, as well as their recommendations for empowerment.

Although each tool complements the others, and although all tools are tested as a set, they can be used individually or in any combination. The ESG Consulting, LLC (2004) reports on Participatory Impact Assessment (PIA) for UNCDF assessed successfully the client impact (poverty reduction) using the SEEP/AIMS five tools. The four key areas of impact assessed are poverty reduction (Client impact), institutional sustainability, policy and replication and strategic positioning. Using various evaluation questions other tools used were primary and secondary, notably

semi structured interviews, ratio analysis and benchmarking. All these tools add value in the microfinance IA methodologies.

3.4 Empirical Literature Review

The VICOBA model which exist today in Mbagala Town Council also exist in other regions in Tanzania and African Countries such as Uganda, Rwanda, Eritrea, Zimbabwe and Mozambique. The methodology adapted is the same to all countries although they may differ in terms of names. In all models whether are VICOBA, VSLAs, ROSCA and ASCA the capacity buildings in the form of training have been an important tool in their formation and development of groups. Therefore the following is the literature review concerning the community lending in Niger, Uganda, Rwanda and Tanzania. In all experience training is part and parcel of their development. Social and Economic Development Initiation of Tanzania (SEIDIT) is among the stakeholder who initiate the formation of Village Community Bank groups in various rural areas of Tanzania.

The formation of VICOBA group involve the conduction of various training session include meaning and importance of a VICOBA group, rules and regulations, conflict resolution skills, saving and credit operation guidelines. Therefore through training group members has been able to utilize the loan efficiently and run successful business. Most of the members after training have confidence in many issues concerning their business compared to the past.

3.4.1 Village Savings and Loans Associations (VSLAs) in Niger

Village Savings and Loans Associations (VSLAs) are recognized as a strong model for delivering financial services in rural, remote areas. The first version of this

methodology, designed by CARE International, in Niger was called Mata Masu Dubara (MMD, Ingenious Women or Women on the Move). CARE Niger provides technical training and assistance for twelve months.

During this period, groups undergo training and support through four distinct phases: Mobilization, intensive development, maturity and graduation. Training that runs through these phases' covers aspects of association formation, association management and leadership, loan conditions and procedures, association regulations, record keeping and conflict management. Also MMD groups benefited from training on themes such as legal issues, literacy, women's leadership, decentralization, family planning and HIV/AIDS (CARE 2006).

3.4.2 Saving and Loan Association in Uganda

Saving and Loan Association (SLA) which is the same as MMD model was adopted in West Nile District of Uganda in 1999. Before the groups graduated they must pass through four stage training which includes mobilization, intensive training, development and maturity stage. In all training period the group members obtain skills about operations of the VS & L groups and business development services training include the planning and management of the Income generating activities and advanced business training. (CIDA, 1999).

3.4.3 Saving and Loan Association (SLA) in Rwanda

Is the model which adopted in Rwanda between 1999 to 2004. Unlike other model it does not promote new groups, but it identifies and selects existing associations that are already formed but are often inactive. Also is the same as MMD model in Niger

the groups must undergo 4 stages and graduate after 8 months training. During mobilization stage group are taught about how SLAs are organized, benefits and requirements to become an SLA. In intensive training phase group leader like chairman and an advisor learn the role of the management committee, loan procedures, interest procedures, penalties, internal rule, problem solving and conflict resolutions.

And group member obtain training about planning and management of an Income Generating Activities and at the end of the training module the group members expected to understand the best practices in businesses promotion, business planning and financial management (CIDA, 1999). Also like VICOBA group in Tanzania the SLA in Rwanda have social scheme which pay once every four week. The social fund help the group members with social emergencies such as sickness or death of household member. (CIDA, 1999).

3.4.4 Village Community Bank (VICOBA) in Tanzania

VICOBA model which exist today in Tanzania originated in Niger under the name of MMD model (Masa Masu Dabaru). The model was later exported to Zimbabwe, Mozambique, Uganda and Eritrea. It was later modified and adapted in Tanzania Mainland by Social and Economic Development Initiation of Tanzania (SEDIT) staff in the year 2002 and thus named Village Community Banks (VICOBA) (SEDIT Report, 2008).

The VICOBA is a village savings and loans scheme based on groups of between 25-30 people saving together and lending to individuals within the group. Training and

capacity building is the main component of the programme. The model is based on a yearlong training and follow up cycle. The first four months a field trainer guides the group through a number of topics ranging from savings and credit group responsibility and business planning, after which they can start to borrow from the collective savings in order to start their own SME (SEDIT Report 2008).

SEDIT provides technical skills to group members through training. Members are equipped with knowledge on the meaning and importance of a VICOBA group, meaning and importance of VICOBA group leadership committee, rules and regulations, conflict resolution skills, saving and credit operations guidelines, any cross cutting issues relevant to each particular community such as HIV/AIDS and finally entrepreneurship skills (SEDIT Report 2008).

Community development practice, implanted in decades of welfare and social policy, frequently deals with programs aiming to reduce poverty based on individual deficiency theories. Explicitly or implicitly, individual deficiencies have been an easy policy approach not always carefully explored as they get implemented. The key initiatives today are to push poor into work as a primary goal, what Maskovsky calls the “workist consensus.”

Indeed this move is accompanied by an increasing emphasis on “self-help” strategies for the poor to pull themselves from poverty, strategies encouraged by the elimination of other forms of assistance (Maskovsky, 2001:472-3). Earned income tax credits are one aspect of the strategy to assure that the poor work even at below living-wage jobs.

However, from a community development perspective, addressing poverty by focusing on individual characteristics and bad choices raise fundamental conflicts in philosophy and in what is known to succeed. The compassion of community development shies away from blaming the individual, and individual level programs are usually embedded in community efforts by the very nature of community development. Thus, anti-poverty programs in community development tend to oppose strategies that punish or try to change individuals as a solution to poverty, though working with individual needs and abilities is a constant objective. This tension runs through all anti-poverty programs.

3.4.5 Income Generation

The Meaning of Income Generation Income generation takes many forms. Originally it was a term used only by economists to explain the details of a nation's economy. However, it is now quite widely used to cover a range of productive activities by people in the community. Income generation simply means gaining or increasing income.

There are three ways income can be generated. Firstly, income generation does not always mean the immediate getting of money, although in the end we use money to place a measurable value on the goods and services people produce. An example of income generation which does not lead to getting money would be a situation where a productive person produces enough food to feed him or her and the family. Skills have been used to meet immediate needs and thus savings have been achieved. A money value can be placed on the food produced and so the food can be seen as income. A second way a person can generate income is by astute investment of

existing resources. An example would be development of a piece of land through planting a crop for sale. The money gained is income. An indirect form of investment is to bank savings or to purchase part ownership (shares) in a productive enterprise such as a business. Money generated from such investments is income. A third way to generate income is for people to use their skills by serving another person who pays for the use of those skills. (UNESCO 1993)

3.5 Policy Reviews

Legally, MFIs in Tanzania are not allowed to mobilize savings but many of the NGO-MFIs engage in the mobilization of “savings” in the guise of “loan insurance funds”. All provide loans to ongoing businesses and only very few provide start-up capital. None of them directly provide loans for other purposes such as consumption, education or health. Some provide credit to women only. In any case, some 77% of all the loans from NGO-MFIs are received by women (J.M.L Kilonde, 2002).

In order to put into operation microfinance the need for having guiding framework is essential. To this effect, in Tanzania the National Microfinance policy was established in the year 2000 in order to guide the establishment and operations of Micro finance institutions (The National Microfinance Policy in 2000).

Tanzania Government has formulated policies, which have negative and positive impact to development of formal and informal financial institutions. Formal financial institutions include commercial banks while the informal category comprises SACCOS, Savings and Credit Associations (SACAs), and a host of CBOs, NGOs, and Village Cooperative Banks (VICOBA). The formal and informal financial

institution aim at eradicating poverty by ensuring community people have access to capital for purpose of improving their economic activities such as agriculture and commercial.

3.5.1 National Microfinance Policy 2000

The National Microfinance policy 2000 is the policy guided by the vision of formation of microfinance institution throughout the country. The policy allows the wide range of institution to be involved in the provision of services including specialized and non-specialized banks, non-bank financial institution, rural community banks, cooperative banks, SACCOS and NGO's. The National Microfinance Policy covers all policy aspects related to the financial instruments and institutions relevant to rural finance.

The policy is a framework that lays out the principles guiding the operations of the microfinance systems, as it covers the provision of financial services to households, small scale farmer and micro enterprises in urban and rural areas. Also the policy emphasizes the capacity building to microfinance institutions. The capacity building should emphasize on bringing the microfinance to the level at which they can operate at quality services and profitable operations.

Although the policy has been able to explain various things it is considered to be outdated policy. This policy needs a thorough review to provide clear objectives that address a conducive business environment for small entities and informal institutions such as Village Community Banks.

3.5.2 Cooperative Policy 2002

The policy provides for the formation, making a constitution, registration and operation of cooperative societies and for other matters incidental to or otherwise connected with those purposes. The policy intended to provide a framework for the restructured co-operatives to operate on the basis of independent, voluntary and economically viable principles; and ensure co-operatives are member-controlled private organizations, which respect the principles of good management.

The Cooperative Policy has repositioned government commitment to support cooperatives which are owned and managed by their members by creating a conducive environment for their development into competitive entities in the context of a market economy. The policy recognizes economic groups as important initiatives towards membership based cooperatives and emphasises business minded leadership in running the cooperatives. In the context of rural finance, the Cooperative

The policy also emphasize on the cooperative education and training. The Government realizes it is important to educate people in cooperative values. When the free market was introduced, co-operators had insufficient knowledge about how to operate under the new conditions. As a result cooperatives have not been able to compete effectively in the new system.

The policy emphasizes the importance and promotion of cooperative education, which will aim to: Develop enlightened and responsible cooperative leaders who can maintain cooperative values and operate efficient business enterprises. Improve the

management, business and entrepreneurial skills of cooperative employees and committee members. Ensure that cooperative members are informed and aware of the nature of cooperative economic activities, their duties and responsibilities and the benefits cooperative membership brings.

3.5.3 National Trade Policy 2003

The National Trade Policy 2003 is the policy, which does not clearly address and accommodate the small business entities. The policy objectives are mainly based on economic globalization, international trade, formal economy and export. The main objective of the Trade Policy is to promote a diversified and competitive export sector and to enhance efficient production so as to achieve a long term current account balance. This policy needs to be reviewed to accommodate the strategies for business formalization and create incentives for the newly formalized small businesses.

3.5.4 SMEs Development Policy 2003

The SMEs Development Policy 2003 is the only policy that has addressed the constraints on business formalization and the problems faced by the small entities. The policy objectives highlight the importance of introducing and enabling legal and regulatory framework to simplify business registration and licensing procedures together with the simplified tax system and tax incentives to small businesses. This policy also needs to be reviewed to expand the objectives to enhance the business environment for small entities and create clear incentives for the growth of newly formalized businesses.

3.5.5 Business Formalization Program (MKURABITA) 2004

Business Formalization Program as known in Kiswahili as Mpango wa Kurasimisha Rasilimali na Biashara za wanyonge Tanzania (MKURABITA) is an initiative that was established by the Government of Tanzania in October 2004, with the objective of transforming property and business assets in the informal sector into legally held and formally operated entities in the formal sector of the economy. The objective is to build an architecture of property and business rules that will bring together, standardize the prevailing local customary arrangements merge them with improved laws on properties (real estate) and business to produce a hybrid that will apply to all Tanzanians.

The development objective is to empower the targeted beneficiaries to access capital using their assets as loan collateral and operate in the expanded market using the legally acceptable business forms and institutionalized networks. The implementation of MKURABITA's specific interventions mined into important sectorial programs such as the Agriculture Sector Development Program, Small and Medium Scale Enterprises Development Program, Legal Sector Reform Program, financial sector development initiatives and several other community driven development initiatives.

3.5.6 Millennium Development Goals

The Millennium Development Goals (MDGs) aim to eradicating extreme poverty, reducing child mortality rates, fighting disease epidemics such as AIDS, developing a global partnership for development, achieve universal primary education, promote gender equality, empower women, improve maternal health and ensure

environmental sustainability. The aim of the Millennium Development Goals (MDGs) is to encourage development by improving social and economic conditions in the world's poorest countries. The MDGs focus on three major areas of human development (humanity), bolstering human capital, improving infrastructure, and increasing social, economic and political rights.

3.5.7 National Strategy for Growth and Reduction of Poverty (NSGRP)

Human capability, survival and well being are among the National Strategy for Growth and Reduction of Poverty (NSGRP) - MKUKUTA strategies where issues like social security, health insurance, vulnerable groups like orphans, PLWHIV/AIDS, elders and disabled are provided with, afforded with and accessed with quality food and services like education, information, health, water, prevention and treatments and social protection programs. The MKUKUTA is informed by Vision 2025 and committed to the achievement of the Millennium Development Goals (MDGs).

The Second National Strategy for Growth and Reduction of Poverty II (NSGRP II or MKUKUTA II in its Kiswahili acronym) is a continuation of the government and commitment to accelerate economic growth and fight against poverty. It is a successor to the first National Strategy for Growth and Reduction of Poverty implemented from 2005/06 to 2009/10. Mkukuta II emphasize on the growth GDP to all sectors. It promote conducive and enabling business environment by reducing the cost of doing business, including business environment, legal and regulatory reform, easing registration and license requirements in order to promote both

domestic and foreign investors, improving market facilities and business infrastructure for small scale operators.

To ensure that there is reduction of income poverty the government has provided various strategies which include expansion and strengthen the role of financial markets, banking sector and capital market in enabling growth, mobilize financing for marginalized groups to access soft loans. Avail technological information (e.g. ICT) and support to entrepreneurs to enhance productivity and profitability of SMEs. Avail capital, credit and other supporting services for SMEs. Improve manufacturing supporting systems, including financing and marketing infrastructure improve access to agricultural financing.

Also MKUKUTA II emphasizes improving the business climate, improving the business environment further by reduce cost of doing business for both large scale manufacturers and SMEs. Availing capital, credit guarantees to the private sector, and other supporting services, especially for SMEs, through implementation of various empowerment policies, promoting agro processing in order to deepen value addition, including SMEs. Provisional of technological information to entrepreneurs for purpose of enable them to compete in local, regional and international markets.

3.6 Literature Review Summary

Village Community Bank is basically a saving and credit association incorporating informal financial institutions structures with modern financial institutions. Village Community Bank model was adopted in Tanzania as a result of the success of similar project operating in Niger. This model was called MMD (Mata Masu Dabara)

meaning women in the move. The Niger model was started by CARE international and targets women exclusively. The goal of MMD was to provide assistance to the rural poor communities with simple credit facilities so as to enable them, initiate and operate family income generating activities. In other hand the goal of VICOBA is more or less the same as the goal of MMD of mobilizing the resources from the members of poor community for purpose of enabling them to obtain soft loan for operating income generating activities.

In spite of mobilizing the resources, training is part and parcel of all community lending model. Through training group members obtain knowledge on better use and management of the resource obtained. The training also changes the behavior of member on how to conduct and manage business. Various policy for formal and informal microfinance institution have been imposed to SMEs. But many people do not know policy opportunities available to them for their development.

According Kihongo (2005) VICOBA approach with its origin from Niger under the name MATA MASU DUBARA began in 2002. For decades, governments and donor agencies have been trying to establish viable financial systems to meet the productive needs of the populations in the rural and peri-urban across Africa. Ndemanyiswa A. Mbise (2003) introducing VICOBA project, observed that in Tanzania (and Africa) many poor communities have since time immemorial been using a variety of indigenous micro financing facilities in order to meet the economic pressures of their lives. Traditional African models had long realized the power of economic unity. Traditional models have the advantage of easiness to apply to communities, as it is already accept Table and practiced though not to modern economic standards. Bank

models have difficulty in being accepted as in most cases are complicated to the uneducated poor. Some of these natural and indigenous micro finance facilities include burial associations, rotational saving and credit, UPATU and lotteries in all its various forms. In the face of this poor track record for creating viable financial services, CARE Niger developed and implemented the MutaMasuDubara program, a self-managed system of the purest form of financial intermediation (William J. Grant 2002).

The government of Tanzania believes in microfinance as a tool for poverty reduction and observed this slow development and established a National Microfinance Policy to facilitate the development of a sustainable microfinance industry. In the National Microfinance Policy they state the need of microfinance and that those financial services can contribute to poverty reduction as well as improve income distribution (URT 2000). Commercial banks are still mostly located in urban areas, leaving SACCOS (Savings and Credit Cooperative Societies) and informal financial institutions, e.g. VICOBA (Ward Community Bank) as the most important microfinance institutions (MFIs) in rural areas (Bee 2007).

The Tanzania's PRSP (URT, 2000) defines poverty to include "income" and "non income" human development attributes. Income poverty refers to lack of minimum income that is required to sustain a person's basic needs of food, shelter and clothing. Income Poverty is described to be: largely a rural phenomenon, a factor of subsistence agriculture where the poor are concentrated, also widespread and increasing in urban communities, afflicting more intensely the youth, the elderly and persons in large households, having different impacts between men and women;

while female-headed households are not necessarily poorer than male-headed households, women are generally perceived to be poorer than men. Non-income poverty on the other side is a function of access to livelihood enhancing factors including aspects of social services like access to education, health, nutrition, clean and safe drinking water, social wellbeing and vulnerability to diseases.

Empirical evidences on diversification of income sources in rural areas have been shown by various authors. For example, Ellis (2005) found that in sub-Saharan Africa, a range of 30% to 50% reliance on non-farm income sources is common; but it may attain 80% to 90% in southern Africa. He also states that in south Asia, on average roughly 60% of rural households' incomes are from non-farm sources. However, this proportion varies widely between, for example, landless households and those with access to land for farming. In sub-Saharan Africa reliance on agriculture tends to diminish continuously as income levels rise, i.e. the more diverse the income portfolio, the better-off is the rural household, (Barrett et al. (2001) and Davis et al. (2010)).

Income Generation interventions attempt to address poverty, unemployment, and lack of economic opportunities to increase participants' ability to generate income and secure livelihoods. These interventions can take a wide variety of forms, including microcredit programs that provide small loans to individuals or groups who would not normally qualify for loans from conventional financial institutions. Microcredit is one form of microfinance, which involves the provision of a wider range of financial services, such as access to savings, credit, and insurance to poor people. In addition to microcredit, other income generation interventions focus on

business and vocational skills training for participants, either for positions within existing industries or to develop small businesses of their own. Both microcredit and vocational skills training programs may include additional components not related to income generation, such as health education, women's empowerment, critical thinking, and communication skills. Many also have strong social support components (Kennedy et al 2004).

Promoters of income generating groups

Many development projects are increasing facilitating the formation of these groups. For example, Lema and Kapange (2006) state that agricultural development projects have acted as catalysts toward formation and working with groups in various ways, often building on indigenous, mostly informal ward producers' groups. It is increasingly the policy and practice of Municipal development service providers to work with groups. At national level, various policy documents on promotion of community based groups or socioeconomic groups are available. They include: Cooperative Development Policy (1996), Community Development Policy (1996), Agriculture and Livestock Policy (1997), and Agricultural Sector Development Strategy (2001).

According to the National Micro-Finance policy among other things the importance of microfinance in Tanzania has increased due to the following reasons:

- (i) The majority of Tanzanians, whose incomes are very low, access to financial services offers the possibility of managing scarce household and enterprise resources more efficiently, protection against risks, provision for the future, and taking advantage of investment opportunity etc.

- (ii) Savings services from the MFIs benefits the low-income people.
- (iii) Credit services can perform as the same as savings and can help some enterprises and families to make some important investment.
- (iv) To reduce the increasing poverty this is prevalent in the rural and urban settings.
- (v) It addresses the financial needs of major sector of Tanzanian population.

The operation of microfinance in form of SACCOS is made under the Cooperative Societies Act, 2003 which became operational in February, 2004. The Act provides for the formation, making a constitution, registration and operation of cooperative societies and for other matters incidental to or otherwise connected with those purposes.

A credit society means a registered society whose principal objects are to encourage thrift among its members and to create a source of credit to its members at fair and reasonable rate of interest. The Registrar of cooperatives may register financial cooperatives, microfinance institutions, and cooperative banks whose primary activities are to mobilize savings and furnish secured and unsecured loans or credit to households, smallholder producers and market entrepreneur, micro-enterprises in rural and urban areas (Cooperative Societies Act 2003 section 22b).

VICOBA approach with its origin from Niger under the name MMD (MATA MASU DUBARA) began in 2002 as a pilot project at Ukonga Mazizini and Kisarawe. For decades, governments and donor agencies have been trying to establish viable financial systems to meet the productive needs of the populations in the rural and

peri-urban across a rich area. Ndemaniswa A. Mbise (2003) introducing VICOBA project, observed that in Tanzania (and Africa) many poor communities have since time immemorial been using a variety of indigenous micro financing facilities in order to meet the economic pressures of their lives. Traditional African models had long realized the power of economic unity.

Traditional models have the advantage of easiness to apply to communities, as it is already acceptable and practiced though not to modern economic standards. Bank models have difficulty in being accepted as in most cases are complicated to the uneducated poor. Some of these natural and indigenous micro finance facilities include burial associations, rotational saving and credit, UPATU and lotteries in all its various forms. In the face of this poor track record for creating viable financial services, CARE Niger developed and implemented the Muta Masu Dubara (MMD) program, a self managed system of the purest form of financial intermediation (William J. Grant & 2002).

The MMD model is the one which resembles VICOBA model. The MMD is one of the best examples of completely decentralized financial organization which is really a movement rather than a single organization as it moves ahead with each group member. It provides them with desired savings and credit services and because it is self funded, managed by members, no leakage/outflow of funds, all benefits accrue to the group, then it enhance the members to respect the rules of the group which in turn make the repayment to some groups up to 100% (W Grant, J & Allen C. Hugh, 2002).

Gabrielle Athmer (2003), through CGAP study on the alternative institutional approach in rural Africa using the MMD (CARE-Niger) and Ophavela (CARE-Mozambique) approach found that the two have proved successful in rural areas, with wide and deep outreach and considerable impact. The approach, which is accepted by the target group, responds to poor clients' demand for savings and credit services that enables them to manage risk.

They also, besides the financial needs, also address the social components of poverty and strengthen the social capital of the client groups. The approach is inherently bottom-up, the savings and credit groups are owned by its members and gain independence after a period of training. In Niger, an associative movement consisting of savings and credit groups is emerging that addresses broader developmental issues. Most importantly in Niger, the approach contributes to women's empowerment.

Legally, MFIs in Tanzania are not allowed to mobilise savings but many of the NGO-MFIs engage in the mobilisation of "savings" in the guise of "loan insurance funds". All provide loans to ongoing businesses and only very few provide start-up capital. None of them directly provide loans for other purposes such as consumption, education or health. Some provide credit to women only. In any case, some 77% of all the loans from NGO-MFIs are received by women (J.M.L Kilonde, 2002).

In order to put into operation microfinance the need for having guiding framework is essential. To this effect, in Tanzania the National Microfinance policy was

established in the year 2000 in order to guide the establishment and operations of Micro finance institutions (The National Microfinance Policy in 2000).

The national microfinance policy provided for commercial basis operations of microfinance institutions. The document further made it clear that those social based microfinance institutions such as SACCOS, NGO's and other service providers were 'free to develop microfinance services on the basis of their own internal objectives, whether profit, poverty alleviation, self help or other motivations'. This broad framework for operating microfinance gives a positive approach Regulated and Licensed which includes Commercial banks, regional cooperatives banks and rural banks (community banks).

Registered and Regulated providers which includes SACCOS and Registered but unregulated and unsupervised providers of microfinance including financial NGOs, Savings and Credit Associations (SACAs). In providing innovation in best practices and learning from the experience of other countries or institutions. It also provides the beneficiaries with a wide range of choice of microfinance products.

Microfinance operations need registration, supervision and regulation. However according to the study by B. Randhawa & J. Gallardo (2003), in Tanzania microfinance operations fall in one of the following three categories of Microfinance providers:

According to the National Micro-Finance policy among other things the importance of microfinance in Tanzania has increased due to the following reasons:

- (i) The majority of Tanzanians, whose incomes are very low, access to financial services offers the possibility of managing scarce household and enterprise resources more efficiently, protection against risks, provision for the future, and taking advantage of investment opportunity etc.
- (ii) Savings services from the MFIs benefits the low-income people and credit services can perform as the same as savings and can help some enterprises and families to make some important investment.
- (iii) To reduce the increasing poverty which is prevalent in the rural and urban settings and it addresses the financial needs of major sector of Tanzanian population.
- (iv) The operation of microfinance in form of SACCOS is made under the Cooperative Societies Act, 2003 which became operational in February, 2004. The Act provides for the formation, making a constitution, registration and operation of cooperative societies and for other matters incidental to or otherwise connected with those purposes.

A credit society means a registered society whose principal objects are to encourage thrift among its members and to create a source of credit to its members at fair and reasonable rate of interest. The Registrar of cooperatives may register financial cooperatives, microfinance institutions, and cooperative banks whose primary activities are to mobilize savings and furnish secured and unsecured loans or credit to households, smallholder producers and market entrepreneur, micro-enterprises in rural and urban areas (Cooperative Societies Act 2003 section 22b).

From the discussion in theoretical, empirical and policy literature reviews, most of the scholars and researchers insisted on the significant need of microfinance as a key tool to those employed in informal sector for wealth empowerment. However access to credit by itself is not enough to solve the problem of poverty through informal sector rather create a relief towards poverty alleviation. Now due to the fact that establishment of VICOBA project envisaged the same goals and objectives it is important to assess the impact on whether there is significance change to the assisted groups and individuals towards income poverty eradication at the grassroots level.

Also find out whether through this model the VICOBA project and project financed business may both operate sustainably. It has been found that credit can enhance undertaking of informal sector activities but credit itself is not sufficient to create success of life to micro-business operators. This leads to the other impacts of microfinance through this project, which may contribute to sustainable development of business for poverty reduction.

Also the literature provides the empirical evidence of inadequate impact assessment conducted to microfinance models and accepted by the community to be the means for income poverty reduction in Tanzania, rather it has been clear that models like Grameen for PRIDE and FINCA are not poor friendly in terms of policies, methodologies, interest rates, types of training and products offered and assumption that repayment and access to credit service is the indication for success of the model. But the high exit rate due to difficult credit conditions from these program models evidence the weakness of that belief. Therefore the impact assessment for VICOBA project shall recommend whether it can be an alternative for the poor to solve the

problems of high dropout rate and the unfavorable credit conditions experienced in Grameen model.

The Policy review also found that the Microfinance Policy Framework in Tanzania provides enough ground for microfinance actors to play. However both UYACODE a promoter and WCRP a financier organization operate microfinance as one of their many programs and this creates a problem in case of expansion in future. This leads to the need to assess the impact of increasing share capital and recommend whether it is important to establish viable and independent project which may operate under the Microfinance Policy framework more sustainably as a Microfinance Institution or organization and or as saving and Credit cooperative Society (SACCOS). This research study also intends to contribute to the impact assessment on microfinance by comparing different models, which has not been done adequately in Tanzania.

Therefore the empirical and policy literature reviews, most of the authors and researchers insisted on the significant need of microfinance as a key tool to those employed in informal sector for poverty reduction. However access to credit by itself is not enough to solve the problem of poverty through informal sector rather create a relief towards poverty alleviation. Now due to the fact that establishment of VICOBA project envisaged the same goals and objectives it is important to assess the contribution of VICOBA sustainability on whether there is significance change to community economy empowerment towards income poverty eradication at the grassroots level.

CHAPTER FOUR

PROJECT IMPLEMENTATION

4.1 Introduction

This chapter aim to provide the implementation of the project. This includes activities that have been implemented and resources used to accomplish the planned activities. The chapter provides information about output of the project, project planning, staffing pattern and the tentative budget of the activities to be implemented in the project. Implementation plan is a plan design that indicates the Table of activities, resources required to implement the project and responsible persons who will execute the activities. Also the implementation plan shows the sequence of activities and time that will be implemented.

4.2 Project Implementation

Table 13: Project Implementation

ACTIVITY	STEPWISE IMPLIMENTATION	RESOURCES
1.Community mobilization	Creation of awareness on the significant of brick production project for increase of community income generation	<ul style="list-style-type: none"> • Ward Community meetings (ward members will be sensitized on the importance of them to engage on the project as a part to let them to increase their income generation hence rise of ward and community development) • Leaflets (providing education/knowledge on VICOBA process) • Funds (to support meeting costs such as ward community advertisement, entertainments)
2. Training	(i) Conducting	<ul style="list-style-type: none"> • Funds (to support food and training)

	training to trainers of trainees	allowances) <ul style="list-style-type: none"> • Ward community member (people who to be trained) • Stationeries (pens, notebooks, projector and flipchart)
	(ii) conducting training to ward members who are to participate on VICOBA project	<ul style="list-style-type: none"> • funds (to support food and training allowances) • stationeries (pens, notebooks and flipchart) • ward community members (ward members to be trained)
3. Project center location	Selection of center area for project implementation process	<ul style="list-style-type: none"> • site/land (use for project activities) • transport (transportation of member from one place to another during sitting project center) • funds (payment of transport, allowance and project site)
4. Monitoring process	Supervision of community members on VICOBA	<ul style="list-style-type: none"> • Transport(moving expertise from their place to project site) • Project expertise (people with more experience and skills on VICOBA initiated process techniques to supervise other ward community members)
5. Evaluation	Evaluation of project outcome products	<ul style="list-style-type: none"> • Project expertise (people with more experience and skills on VICOBA initiated process techniques to evaluate project development and to provide the result of the project) and suggest interventions that could improve production.
6. Project reporting	Writing of project development outcomes status and its challenges	<ul style="list-style-type: none"> • Stationeries (ream, pen, laptop and notebooks) • Fund (to support stationary payment, transport and communication cost [phone and internet])

4.3 Products and Output of the Project

A product and output of the project is the result of the project after the inputs or resources have been used to accomplish various activities, which have been undertaken. This project has various activities that will produce a number of outputs at the end of the project. The project will provide training to group leaders and group members. Therefore this project has the following outputs:

- (i) Twenty one (21) VICOBA group leader trained on Leadership skills.
- (ii) One hundred and eighty (180) VICOBA group members trained on entrepreneurship, business and financial management skills.

The project aim to increase the income generation to Mbagala community by using simple techniques of self savings through NGUZO VICOBA Mbagala ward and other place near Mbagala ward, the following is the project products and outputs.

4.4 Project Planning

Table 14: Project Planning

Phase	Activity	Intervention	Participants
Planning	Registration of members	Agreement	Community members
	Provision of skills and knowledge on money behavior and savings	Train	
	Center selection	Discussion and field survey on where to be centers for project implementation	VICOBA Member
Implementation	Provision VICOBA facilities; for community members	Compilation of list of Volunteers	Selected community members to be trained.
	Skill up gradation (Accounting and management)	To delegate persons for training VICOBA advanced techniques	

Operations	Provision of Contributions (Every week)	Collection of money from all member and sensitization of community members about project benefits	
	Stakeholders to be advocated and lobbied	Supportive material resource contribution from stakeholders and contributing capital to run VICOBA and monitoring the project	Community and stakeholders
	Equipping project members with skill and knowledge on VICOBA.	Operating the training and continuous monitoring and evaluation Technology support	Support to the project implementation for longer operations.

4.4.1 Community Benefits Plan

Table 15: Community Benefits Plan

Benefit	Beneficiaries	Locations	Time Period
i. Increase of household income	Mbagala Community members	At Mbagala Ward	July 2016 onwards
ii. Provision of basic techniques, skill and knowledge on consumption and saving	Mbagala Community members	At Mbagala Ward	July 2016 onwards
iii. Self-Employment opportunity	Mbagala Community members	At Mbagala Ward	July 2016 onwards
iv. Availability financial institution	Mbagala Community members	At Mbagala Ward	July 2016 onwards

4.4.2 Implementation Plan

Table 16: Logical Framework Analysis Matrix

Objective 1: To mobilize community to participate on VICOBA					
Outputs	Activities	Indicators	Methods of Verification	Responsible	Assumption
1.1. 1500 total of the community members attended the ward meetings	To conduct community awareness	List of attendant attended the ward meetings per ward	respondents number in the register	Mbagala Ward Community leaders members and CDO and CED student	community members willingness and interest to be organized and formulate VICOBA
1.2. Advocacy meeting conducted	To demonstrate the way VICOBA are performed	at least each Ward to have one strong VICOBA	field and expert report	Project coordinator, community members, CDO and CED student	community member would be participate in demonstration
Objective 2: To facilitate Training for community trainees member on techniques VICOBA					
Outputs	Activities	Indicators	Methods of Verification	Responsible	Assumption
Train for trainers and of trainees community members	1. To conduct training for the 6 community trainers	Training report list of participants	trainer report	Project Coordinate, CED student & Mbagala ward community members	community member will active participate
	2. To facilitate training for the community members	Training report list of participants			
Objective 3: To implement Project phase one activities					
Outputs	Activities	Indicators	Methods of Verification	Responsible	Assumption
About 5 Strong VICOBA were initiated from four Mbagala sub wards	To collect and make transaction on member of VICOBA	Have strong VICOBA in savings	field visit report	Project manager CED student & Mbagala ward community members	VICOBA will increase accordingly

4.4.3 Project Pnputs

The project aims to increase income generation and improve the wealthy of community, which involve personnel, micro business and savings. The inputs are

those resources which are needed to accomplish the proposed project activities. The resources include funds, time, material and Human resources. Time required to accomplish the project is One year where by the first six month will be for doing community need assessment and training while the last six month is for monitoring and evaluation. The amount of money required for the project is Tshs. 2, 596,000/=. Therefore the following is the inputs required to accomplish each objective of the project of capacity building of VICOBA groups in Mbagala Ward Ward.

Objective one was to train 21 group leaders about leadership and group management knowledge. To achieve this objective the human resource is important. The human resources required are facilitator to facilitate the training to VICOBA group leaders. Financial resources are important to accomplish the objective. The financial resources needed for this objective is money to pay facilitators and materials required in the training.

Therefore Tshs. 80,000/= were used to pay two facilitator from Community Development department and Tshs. 65,000/= were used to produce handout, Tshs. 10,000/= were used for transport, Tshs.10,000/= were used purchase training material (flip chart, marker pen and masking tape) and Tshs. 10,000 was used for refreshments. Time is an important input to complete this objective. For this objective 2 days are required to provide training to group leaders.

Objective number two was to train 180 group members about entrepreneurship skills. In order to achieve this objective the human resources was important. The human resources required are facilitator to facilitate the training to VICOBA group

members. The financial resource is important to accomplish the objective. The financial resources needed for this objective is money to pay facilitators and materials required in the training such as handouts, flip chart, marker pen and masking tape.

Therefore Tshs 1,440,000/= were used to pay four facilitator for 18 days. Tshs. 468,000/= were used to produce handouts, Tshs. 90,000/= were used for transport, Tshs. 23,000/= to purchase training materials (flip chart, marker pen and masking tape) and Tshs. 70,000 was used for refreshments. Time is an important input to complete the various activities under this objective. For this objective 3 sessions is enough to provide training to each VICOBA groups. Therefore 18 days were required to provide training to six VICOBA group members.

4.4.4 Project Staffing Patterns

This section provides the guide that help to operationalise the activities during implementation which involve location of staffs and assign the task. The staffing pattern of this project was designed depending on technical capacity of the staff. Staffing pattern is the process of defining what job needs to be done, how many staff will be needed to accomplish the stated jobs and the necessary qualification required to successfully perform in each position.

The project will be carried out for Mbagala community with the whole of Mbagala ward, the ward comprises. The project was conducted under the Mbagala ward community where people with various qualifications such as skills and knowledge on VICOBA practice and those with ability and willingness to learn and support was

involved. To project staffing for capacity building of VICOBA group require competent staff with relevant skill concerning entrepreneurship, business and financial management. Therefore in the case of this project four facilitators were required during training period. The Facilitator included

- (i) One Community Development Officers.
- (ii) Four Cooperative Officers

4.4.5 Project Budget

Project budget is the costs prediction of particular activities of the project. Those costs include labour cost, material cost and other related expenses. The cost of implementing the project is approximated to be Tanzania shillings 2,758,000/= as indicated in the Table 13 below. The inputs required to accomplish the objective include stationery, Venue, training manuals/materials and the money for transport of facilitator and researcher.

Table 17: Project Budget

Activity	Input Needed	Units	Quantity	Unit Costs	Total Costs	Sources of Project Financing
Training of 21 group leaders about leadership and group management skills	Handouts	Piece	25	3000	75,000	Researcher
	Trainer allowance	Days	5	20,000	100,000	Researcher
	Flip chart	Pieces	1	10,000	10,000	Researcher
	Marker pen	Box	1	4,000	4,000	Researcher
	Masking Tape	Piece	2	1000	2,000	Researcher
	Transport	Days	2	5,000	10,000	Researcher
	Refreshments	Lump sum			10,000	Researcher
Sub total					211,000	
To train 180 group members	Handouts	Piece	180	3,000	540,000	Researcher
	Flip chart	Pieces	3	10,000	30,000	Researcher

Activity	Input Needed	Units	Quantity	Unit Costs	Total Costs	Sources of Project Financing
about entrepreneurship skill, business and financial management	Marker pen	Box	1	3,000	3,000	Researcher
	Masking Tape	Piece	4	1000	4,000	Researcher
	Training allowance	Days	20	80,000	1,600,000	Researcher
	Transport	Days	18	5,000	90,000	Researcher
	Refreshments	Lump sum			70,000	Researcher
Sub total					2,337,000	
To conduct participatory monitoring and evaluation of the project activities	Transport	Days	15	5,000	75,000	Researcher
	Refreshments	Lump sum			25,000	Researcher
Sub total					100,000	
Writing Project Report and Binding	Stationary	Set	1	250,000	250,000	Researcher
	Internet time	Hours	100	2000	200,000	Researcher
Sub Total					450,000	
10% of budget for contingency					18,7800	Research
Grand Total					3,207,800	

Source: Research findings, (2016)

4.5 Project Planning

Project planning is a discipline for stating how a project will be accomplished within certain timeframe and budget. Project planning is the plan that involves various activities that have been implemented in the project. Chart No 2 shows project Implementation plan.

Chart No. 1: Project Implementation Plan

Activities	Project month June 2016												Resources needed	Person responsible
	1	2	3	4	5	6	7	8	9	10	11	12		
1. Training of 21 group leaders about leadership and group management skills.													Venue, Training manual/materials Transport	CED student/VIC OBA leaders.
2. To train 180 group members about entrepreneurship skill, business and financial management													Venue, Training manual/materials Transport	CED student, Community development staff and Cooperative staff

Source: Researcher Findings (2016)

4.5.1 Implementation plan – Logical Framework Matrix (LFM)

Logical Framework Matrix (LFM) involves the analysis and documentation of objectives and output/results, what shall be done to achieve the objectives (the activities), how (the means) and the potential assumptions. (Ngailo, 2010)

Table 18: Logical Frame Work Matrix

Project Description	Objectively Verifiable Indicators (OVI)	Means of Verification	Assumptions
Goal: Provision of knowledge to Village community Bank group members about entrepreneurship skills and group management skills	Number of Village community Banks equipped with entrepreneurship skills.	Project report	Willingness of members to attend training Availability of logistics and training materials
Specific objective 1. To Train 21 group leaders on leadership and group	21 group leaders trained by June 2016	Training report	Willingness of members to attend training Availability of

Project Description	Objectively Verifiable Indicators (OVI)	Means of Verification	Assumptions
management skills.			logistics and training materials
2. To Train 180 group members on entrepreneurship skills.	180 group member trained by June 2016	Training report	Willingness of members to attend training Availability of logistics and training materials
Output 1. Twenty one VICOBA group leaders trained on Leadership skills.	21 group leaders attended the training	Training report	Willingness of members to attend training. Availability of logistics and training materials
3. One eighty VICOBA group members trained on entrepreneurship, business and financial management skills.	Number of group member attended the training	Training report	Willingness of members to attend training. Availability of logistics and training materials
Activities 1. Training of 21 group leaders about leadership and group management skills	Leaders trained on leadership and group management skills	Training report	Willingness of members to attend training. Availability of logistics and training materials
3. To train 180 group members about entrepreneurship skill, business and financial management	Group members trained on entrepreneurship and how to build entrepreneurship culture, simple book keeping, business management and financial management	Training report	Willingness of members to attend training. Availability of logistics and training materials

Source: Researcher Findings (2016)

4.5.2 Project Implementation

The project implemented was for the purpose of building the capacity of the Village Community Bank in Mbagala Ward Project by conducting various training.

4.5.3 Project implementation Report

The implementation of the activities started in February 2016 by conducting training to Village Community Bank group leaders and group members as narrated below:

Table 19: Project Implementation Gantt chart

S/N	ACTVITIES	PERIOD
1.	Community awareness	July 2016
2.	Registration	Last two weeks of July 2016
3.	Train	August 2016
4.	Location setting	First week of September 2016
5.	Raw material mobilization	September 2016
6.	First stage on VICOPA initiative	October 2016
7.	Monitoring and evaluation	Last week of October and first week of November 2016
8.	Reporting	First week of December 2016

4.5.3.1 Training of 21 Group Leaders about Leadership and Group

Management Skills

Two days training was conducted to twenty one (6) Village Community Bank group leader from six group of Mahusiano, Mshikamano, Utu wema, Upendo, Tupendane and Tulipamwinga. The training obtained was concerning leadership skills which included style of leadership, quality of the good leader, How to lead the income generating groups and group conflict management.

Chart No. 2: Project Implementation Gantt Chart

Activities	Duration (2016)									
	J	F	M	A	M	J	J	A	S	
Conducting need assessment of Village Community Bank.	■									
Training of 21 group leaders about leadership and group management skills		■								
Training 180 group members about entrepreneurships, business management and financial management			■	■	■					
To conduct Monitoring and evaluation		■	■	■	■	■	■			
Project writing, presentation and submission								■	■	■

Source: Researcher Findings (2016)

4.5.3.2 Training of Members about Entrepreneurship Skill, Business and

Financial Management

180 Village Community Bank group members from six group of Nguzo, Jipemoyo, Utu wema, Upendo, Tupendane and Mwalimu obtained training about entrepreneurships and how to build entrepreneurship culture, recording income and expenditure of the business, calculation of profit and loss, how to use profit and selling and buying on credit. Each group was trained for three days therefore to complete training to all groups took eighteen days. Appendix 16 shows the training details.

CHAPTER FIVE

MONITORING, EVALUATION AND SUSTAINABILITY

5.1 Introduction

This Chapter provides information of the process of monitoring and evaluation during implementation period, after project has been implemented and sustainability plan of the project. Monitoring plan was prepared before the project was implemented while the actual plan shows various methods used to collect project information and analysis. Also the project evaluation was planned before implementation, during implementation and after implementation.

5.2 Participatory Monitoring

Participatory monitoring is the regular, systematic and purposeful observation and recording of the activities taking place in a project. Is the way in which project are measured, managed and kept on track according to plans. Monitoring involves the collection, analysis, communication and use of information about the project progress (Ngailo 2010). Participatory monitoring involves day-to-day follow up of the project activities to ensure that the activities have been done as planned by Village Community Bank groups and researcher.

The participatory monitoring is a systematic recording and periodic analysis of the information that has been chosen and recorded by insiders in the help of outsiders. Participatory monitoring was intended to monitor all project activities which included mobilizing the Mbagala ward community on importance of engaging on VICOBA as a part to increase income so as to improve their living standard hence

community development, this was done in collaboration with the Municipal community development officers, ward leaders to ensuring the community involvement, preparation of training materials engaging community development officers and project coordinator, as training facilitator to train Mbagala ward community members on VICOBA techniques, monitoring of training techniques, preparation and implementation of the project activities including monitoring sheet together with project committee conduct formative evaluation of the project with the project coordinator after one months of the project implementation, conduct a summative evaluation of the project together with the project committee during the end of the project phase one and conduct phase two implementation strategy workshop to project community with other key stakeholders in the project.

The objective of the participatory monitoring is to highlight strength and weaknesses in project implementation so that necessary changes can be made to improve performance of the project. Also it is involving keeping track of recording activities information on a daily, weekly, monthly or seasonal basis and analyze the information monitored to obtain important feedback which can be used in the future during participatory Evaluation.

5.2.1 Monitoring Information System

Monitoring information system is a system designed to collect and report information on a project and project activities to enable a manager to plan, monitor and evaluate the operations and performance of the project (CEDPA, 1994). The monitoring information systems of this project were arranged in such away the information collected from the site where activities, was taking place. The

Chairmen, Secretary of each VICOBA groups together with researcher are responsible of data collection at the place where the training activities is conducted. The data collection forms for entrepreneurship, financial and business management skills training is designed and given to trainer to fill in the information while they are on the act of the training. The tool for data collections facilitate well the work and information collected processed and analyzed.

Monitoring information system based on the monthly recording process relating to the implementation of project activities, it included Mbagala ward leaders participated in mobilizing Mbagala ward community members agreed to join to the project and ready to participate on implementation of project, provided with good information for project monitoring process. In this case monitoring information such as number of the activities implemented when the project started and its continuation and there on giving monitoring information, which shows, VICOBA is scheduled. Preparing files that provide information on participatory monitoring so as monitoring team can see and read through.

5.2.2 Participatory Monitoring Methods Used

Two participatory methods were applied in monitoring the project implementation. These included field visiting and focused group discussion. They were taken as the primary data sources whereby data collected directly. Field visiting was used to observe the progress of the project implementation activities by the Mbagala community members and its project results. Focused group discussion was applied to consider time as important element so as to share project implementation experience with community members were asked as to whether every activity was implemented

according to the plan and if there was a need to reserve the implementation plan. During the discussion every member was given an opportunity to evaluate how time was used in project operation and hence responses were recorded for further analysis.

5.2.2.1 Review Records

Monitoring information was gathered through various records in order to verify number of people trained in leadership training, entrepreneurship, business and financial skills. Record review was useful for determining and understanding of trainees, contents and usefulness of the material provided during training and ability of trainee's to understand the contents. Attendance register helped in monitoring team to know the number of people participated in the training. Participation in group and final training evaluation was used to know if the trainees understood the training contents.

5.2.2.2 Visits

The researcher physically visited the group member's business place and observes if participants have been able to apply various techniques, which were obtained during the training.

5.2.2.3 Meetings

Meetings were also used in monitoring process whereby researcher attended group meetings to discuss with members concerning their business progress.

5.2.3 Monitoring Questions

In order to monitor the project implementation the following questions were formulated.

- (i) Which project have been implemented in your VICOBA groups this year 2016
- (ii) Was training obtained concerning entrepreneurship, business and financial management useful to your business?
- (iii) If the training was not useful, why?
- (iv) Which knowledge have you acquired that you did not have before?

5.2.3.1 Finding and Analysis

During discussion conducted in VICOBA group meeting to obtain the clear picture of the training conducted concerning the entrepreneurship skills, business and financial management. The group members admit that the skills obtained have changed their business behaviour. Before obtaining the training they were doing the business without recording the business transactions, therefore they were not sure if their business was profitable or not. But after the training they are able to record all the business income and expenditure which help them to calculate the profit and loss in their business.

Also through the group work activities during the training and final evaluation after training reveals that training about entrepreneurship skills, business and financial management was useful to their business. 17%(90) of the trainees admit to understand the training contents. The researcher visited the VICOBA group member's business place and observes if participants have been able to apply various techniques, which were obtained during the training. The researcher has noted that: some of group members have two exercise books, one for recording the income and

expenditure and another one for recording buying and selling on credit. Some have one exercise book whereby all transaction of income and expenditure and buying and selling on credit are recorded.

Also 35.5%(90) trainees have acquired various knowledge of recording income and expenditure, calculation of profit and loss, How to use the profit and buying, selling on credit. 25.8%(90) trainees have been able to calculate profit and loss of their small business. 16.1%(90) trainee have obtained skills about recording income and expenditure of their business. 12.9%(90) trainees have been able to plan for their profit obtained from the business.

Participatory monitoring was planned so as to monitor project objectives, implemented activities, project results and project inputs assessment as the action plan implemented as a result and whether the project stakeholder were kept informed of the progress, challenges and lessons learnt during the implementation. Table below indicate participatory plan as agreed by the team involved in project execution and implementation.

Mbagala community member participating in the project implementation process shows ownership of the project, and as we evaluate the project it help to collect confirmation on the effectiveness of a project and to identify ways to improve a project so as to determine what works and what does not works and why evaluating future needs and improving the usefulness of project output and outcomes, also it help to compare a project with other projects.

Table 20: Participatory Monitoring Plan

Objectives	Output	Activities	Indicators	Data sources	Methods	Responsible	Time frame
1.To mobilize community to participate in VICOBA activities	1. 1900 community members attended the ward meetings	1.To conduct community awareness	List of attendant during the ward meetings	Ward records	Meetings	Mbagala Ward Community leaders members, community development officers & CED student	July 2016
2.To facilitate Training to the trainees and community member on VICOBA techniques	1.Four days train to trainers of the trainees and two weeks training to community members	1.To conduct training to the 10 community trainers 2. To facilitate training to the community members	Training report and list of participants	Mentor progressive report	Project coordinator progressive report	Project manager CED student & Mbagala ward community members	August 2016
4. To implement Project phase one	1. About 15,000 VICOBA were produced in four Mbagala sub wards	1. Four Mbagala sub wards to initiate VICOBA	Number of the VICOBA initiated from each four Mbagala sub wards	Sub wards project reports	Use of VICOBA in improving man income generation.	Community development officers and CED student & project coordinator	October 2016
5. Monitoring activities	Carrying out three to five field supervision monitoring	To conduct field monitoring supervision to four Mbagala	Number of field supervision attended	Field report	Field visiting	Community development officers, ward leaders and project coordinator	October 2016
6. Project reporting writing	Two project reports were produced	To write two project activities reports	Number of the project reports produced	Community implementation reports	Data recording	Project coordinator	January 2016

Sources: Field Survey (2016)

Participatory evaluation was conducted by focusing on project goal which target group were based on initiatives through VICOBA activity to improve their income that enable household to support their children with school requirements, food, clothing and good shelter and increase wealth in general.

5.3 Participatory Evaluation

Participatory evaluation is project evaluation, which involves beneficiaries, stakeholders and development partners to evaluate the objective achievement in terms of quality, efficiency and effectiveness. Participatory evaluation of capacity building of VICOBA group in Mbagala Ward involved VICOBA group leaders and government leaders so as to make sure the objective of project is achieved.

Evaluation is a systematic investigative collection of information that can help to determine whether a project is proceeding as planned and whether it is meeting its stated program goals and project objectives according to the proposed timeline. During evaluation data are examined to determine if current operations are satisfactory or if some modification might be needed (Ngailo, 2010).

Data collection methods and technique were used such as interview, checklist, observation and group discussion to find out whether the project is on schedule. Focused group discussions were conducted to beneficiaries using a checklist. Individual interview with the selected individuals and direct observation as means of data collection were also engaged with the purpose of having a wide variety of information on the progress and achievement of the activities and its objectives.

Based on participatory evaluation implementation the following results were observed:

- (i) Objectives three were hardly achieved through beneficiaries' participation in accomplishing the activities, which were planned. Still there are a lot to be done as far as fourth objective is concerned.
- (ii) VICOBA project were implemented as the most of the Mbagala community member started project phase one on their respective project locations and a success in adapting different advantages for individual saving that now are taking place locally instead on project location
- (iii) A project performance promise household income improvement as members continue implementation and request loans to increase which enables them to run the project effectiveness and getting any opportunity in the area. This would improve live standard in the future.

5.3.1 Project Evaluation Summary

During evaluation three major project objectives were examined using several performance indicators for each objective. Expected outcomes and actual outcomes were also examined and noted in detail during the midterm evaluation implementation which was conducted in November 2016. Table indicates the project evaluation summary based on the project goal. Objectives, performance indicators, expected outcomes and actual outcomes.

Table 21: Project Evaluation Summary

Objective	Output	Activity	Performance indicator	Expected outcomes	Actual outcome
1.To mobilize community of Mbagala Ward	1.A total of 1900 community members attended ward meetings	To conduct community awareness	1.Number of participant that were lobbied and advocated	Positive responses	Mbagala ward community were mobilized
2. To facilitate Training for the trainers and community trainees member on techniques of VICOPA	1. One week train for trainers of the trainees and two weeks training for community members	1.To conduct training for the 10 community trainers 2. To facilitate training for the 350 community members	1.Number of the training sessions conducted 2.Number of the community member who attended to the training	Community members were start VICOPA with techniques skills	Mbagala ward community members were trained
3.To implement Project phase one activities	1. About 30 VICOPA were construct from four Mbagala wards	1. Four Mbagala wards to produce 30 VICOPA	Number of the ward completed project implementation	Almost all project located were initiated	All targeted no of VICOPA were initiated timely
4.Monitoring activities	Three to five project field supervision monitoring	To conduct project field supervision monitoring	Number of the field visit reports	Five field supervision monitoring were conducted	About four field supervision monitoring were completed
5.Project reporting writing	Three project reports were produced	To write three project activities reports	Number of the report produced	Three project report were produced	All project report were submitted

Source: Field Survey (2016)

5.3.2 Performance Indicators

The basis of the project evaluation is the outputs, outcome and impact of project which was identified during the planning stage. Thus the evaluation begins at the start of a project with the collection of the baseline information. The baseline information gives us the important information which is later compared with follow up information to see how much things have been changed. The evaluation minimizes the cost of project and increases project efficiency by identifying the weakness or duplication in order to make improvement.

The evaluation can be done using two stages which is formative evaluation and summative evaluation. The purpose of formative evaluation usually assesses initial and ongoing project activities while the summative evaluation is to assess the quality and impact of a fully implemented project. Therefore for the purpose of the project the formative evaluation will be conducted to capture the outcome of the project because summative use long time to see the change behavior of the people in business.

The performance indicators are variable that shows to what extent changes are resulted from the project. The indicator help to measuring what actually happened in terms of quantity, quality and timelines against what planned, progress in achieving outputs and outcomes, show relevance, performance and effectiveness of the project as well as progress towards meeting its output and outcomes. Based on the project objective and project goal performance indicators, indicators were developed as shown in the Table below:

Table 22: Performance Indicators

Objective	Output	Activity	Resources needed	Performance indicators
1.To mobilize Mbagala community	1.A total of 1900 community members attended ward meetings	1.Outsources experts 2.To conduct community awareness	Facilitators allowance	1.Number of participant advocated
	2. One week advocacy meeting developed and two weeks training trainees	1.To training 10 trainers 2.To train 150 Mbagala ward community members	Stationary facilitators allowance	1. list of trainers 2. List of trainees
2. To facilitate Training for the trainers and community trainees member on techniques of VICOBA initiated	1. One week days train for trainers of the trainees and two weeks training for community members	1.To conduct training for the 10 community trainers 2. To facilitate training to the community members	Stationary facilitators allowance and food refreshment	1. Number of the training sessions conducted 2. Number of the community attended to the training
3. To implement Project phase one activities	1. About 30 VICOBA were developed from five Mbagala sub wards	1. The ward produce one stronger VICOBA	1.Funds 2.Facilitator allowance 3.Transport	1. Number of the VICOBA initiated
4.Monitoring activities	Carrying out three to five field supervision monitoring	To conduct field monitoring supervision to four Mbagala	Transportation Facilitator allowance	Number of the field visit report
5. Project reporting writing	Two project reports were produced	To write two project activities reports	Stationary	Number of the report produced

5.3.4 Participatory Evaluation Method

5.3.4.1 Group Discussion

The group discussions were is conducted to evaluate the reaction of group members, to understand their business progress. Through discussion people were able to

express their feeling about actual implementation after training. The focus group discussions were done by Community development facilitator, cooperative facilitator and CED student.

5.3.4.2 Evaluation Question

The following is the evaluation questions

- (i) Did the project meet the stated goals and objective?
- (ii) What is the main strength and weakness of the project?
- (iii) Were the objectives achieved in time?

5.3.4.3 Evaluation Results

Through the Focus group discussion it shows that the VICOBA groups were happy with the outcome of the project whereby group leaders and group members were capacitated with leadership and group management skills, entrepreneurship skills, financial and business management skills. The outcome of the skills obtained include proper recording of income and expenditure of the business, calculation of the business profit and loss, How to use the profit and buying and selling on credit.

5.4 Project Sustainability

Sustainability can be defined as the ability of a project to maintain its operations, services and benefits during its projected life time. Also Ngailo (2010) defines the project sustainability as the ability of the project to generate the required results after the project come to an end or after the project sponsors have finished their duty to financing or providing the technical assistance to the project. Project sustainability is the capacity of a project to continue functioning being supported by its own sources,

even when external sources of funding have gone dry. The project strategy is creating awareness and enhancing capacity of stakeholders on income generation initiatives, participatory planning of interventions and by using local resources available all these created a sense of ownership of supported intervention.

These initiatives would be expressed more in ways of household income generating. According to the nature and design of this project Mbagala ward community members it is jointly owned by the community people and the government. This project has been implemented with full support of beneficiaries because they were involved in the formulation of the project up to implementation of the project. This made them to build their sense of ownership, accountability, transparency and public awareness. Due to that the group members will be committed to continue after the end of the project.

Therefore a sustainable project is one and only that can distribute benefits to the target community for a prolonged period of time after the main support has come to an end however sustainability of this project can be observed under the following aspects and the achievements of these initiatives needed investigation and creativity changing variation and addition of different sustainable initiatives.

5.4.1 Community Project Sustainability

The sustainability of VICOBA project at Mbagala ward is most likely to be maintainable since community members are willing and are equipped with skill on VICOBA towards project implementation. The project involve local government authority which includes Municipal community development office, Mbagala ward

chairperson, ward executive secretary has been well trained on proper VICOBA techniques, monitoring and evaluation on project mechanisms. Thus establishment of VICOBA it would enable the community to increase their income and enable them to run other socio-economic activities due to availability of capital from surplus generated income. The community participation in identifying, designing, planning, implementation, monitoring and evaluation of the project is the key issue that creates sense of ownership that leads to sustainability of the project.

5.4.2 Institutional Sustainability Plan

Mbagala ward leaders and Temeke Municipal council on the other hand is working with community members in mobilizing and sensitizing other community members to view the project as their own and it is for the aim of reducing economic difficulties. The council also planned to train more Mbagala community members on the importance of income generation and there on save money for future through local government authority, hence gain support and participation of the community.

5.4.3 Financial Sustainability

Continued implementation of the project requires availability of funds to buy training material and to cover transport cost. The VICOBA group leaders assisted by Community Development officer and Cooperative Officer mobilize resources so that the training is availed to other VICOBA group leaders and group members who were not covered by the project but require such training.

5.4.4 Political Sustainability

Political sustainability of the project is considered in the project where the Ward Councilor and the District Council were consulted and agreed with need for such

training from the beginning of the project. There is a noble environment for relations existing between local government and community members at Mbagala ward thus promote the engagement of the community with full support from different angle of administration. Since the project is well known by the local government authorities, local leader and even the councilors in the area it is much easier to get support from the government whenever possible. The project utilizes an opportunity of functioning with different people. Thus the policy status in Tanzania for many years have ensures political sustainability of the project.

CHAPTER SIX

CONCLUSION AND RECOMMENDATION

6.1 Introduction

This chapter provides the conclusion and recommendations of the participatory need assessment, literature review, project implementation, participatory monitoring, evaluation and sustainability of the project. Research was conducted in Mbagala in March 2015 where Community Needs Assessment purposely done to identify problems encountered in VICOBA groups in Mbagala. It was through the identified problem the project of Capacity Building of Village Community Banks groups was implemented.

This chapter is very important due to the fact that it presents all summary of findings of participatory assessment which undertaken this project. Participatory assessment is the way of involving targeted group to identify their problems and propose solution to the problem concern. This chapter consists of the summary of the literature review based much on various findings about the concerns of community problem and ways applied to solve them from different perspectives.

6.2 Conclusions

From the Participatory Need Assessment conducted to VICOBA groups in Mbagala Ward the researcher came out with the following conclusion. The VICOBA groups identify various problem which include inadequate entrepreneurship skills, inadequate capital to expand the business, poverty, high prices of agriculture inputs, high Local Authority taxes and lack of ready market for some of their products.

Therefore various stakeholders are needed to address the VICOBA group problems mention above.

The researcher decided to assisting VICOBA group members to tackle the problem of inadequate entrepreneurship skills by conducting training sessions to VICOBA group leaders and group members. Through training the VICOBA groups will perform better to their small business they are performing and thereafter ineffective use of their resources.

Training is the one of the tools, which can be used as a change agent in entrepreneurs. Training is important tool for growth of MSEs. Through training owners of business can acquire networks, technology, and new and better business management. Better performance of the small business depends on the business knowledge you have to effective and efficiently utilize the resources obtained from the financial institutions. Provision of credit alone without business skills will hinder the performance of enterprises.

Different literatures have been explained about Village Community Banks groups, which are common phenomena in Tanzania and not restricted to Mbagala Ward alone. Other African countries are also practicing the community lending model to empower their people financially, economically and socially. Participatory monitoring and evaluation was done during and after training to ensure that the VICOBA group members obtained the required skills. During training session group discussion and training evaluation were conducted to ensure each group member has understood the training contents. Group meetings and visits were done by the

researcher to ensure that the VICOBA group members are practically use skills obtained from the training.

6.3 Recommendations

The following are recommendations

- (i) The design and implementation of any project should be done in participatory way with beneficiaries for purpose of build sense of ownership, sense of accountability and responsibility. All this will result in effective and efficient implementation of the project. Also the implementation of project will build capacity of the beneficiaries to implement other projects.
- (ii) The process of formulation up to implement of project took short time. Therefore it was not easy to assess fully the impact of training in business development. Therefore we recommend for other similar projects to be implemented for at least one to two years.
- (iii) Sustainability of the project is important in making sure that the project continues after the completion of the project. To sustain any project it is recommended that adequate implementation strategies be initiated and built in all projects before the end of the project period.

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APPENDICES

Appendix 1: Questionnaire for VICOBA Members

A Introduction

Dear, Sir/Madam, I am, here for the research purpose on Challenges in performance group women entrepreneurs in small business loans at Mbagala ward in Temeke district, Dar es Salaam. All questions and all information provided will strictly be treated confidentially and it is for research purpose only and not otherwise.

Thanks.

Questionnaire number.....Date

Mtaa.....

Name of interviewers..... Division.....

Name of respondent.....

B. Background information

Please circle where appropriate.

1. Sex of respondent. Female=1 Male=2
2. What is your age?
3. Marital status Single=1 Married=2 Divorce=3
Widow=4 Separated=5
4. Education level None =1 Adult = 2 Primary = 3
Secondary = 4 Others (specify) = 5
5. How many people live in your house?
6. How many children do you have?
7. Are they all schooling? Yes=1 No=2
8. If no, explain why?

C. Economic Aspect

9. What is your major economic activity? Farming = 1 Livestock keeping (specify) = 2
Both 1 and 2 = 3 Civil servant = 4
Non-farm business (specify) = 5
10. Which year did you start that activity?
11. If Non farm business, what is the type of business?

D. Problem being faced by women entrepreneurs in village community bank

12. Have you ever heard about VICOBA?
 Yes =1 No = 2
 If yes, where?
13. What influence you to join the VICOBA?
14. How many members from your family are in VICOBA groups?
15. How many are you in a group?
16. How long have you been a VICOBA member?
17. Have you benefited from VICOBA?
 Yes =1 No = 2
 If yes, how?
19. Is the VICOBA helpful to people with respect to social aspects that is education health and culture?
 Yes = 1 No = 2
 If yes, how?.....
 If no, why?
21. Had you receive the loan from VICOBA as an individual or as a group?
 Alone=1 Group=2
22. Are the terms/conditions of getting loans from VICOBA an obstacle to the people who want to secure loans?
 Yes = 1 No = 2
 If yes, Why?
23. How much money did you as a member of VICOBA have to save to become eligible for borrowing?
24. Was there any collateral for the loan?
 Yes = 1 No =2
 If yes, which ones?
25. How much money had you received individually as a loan? Tshs.....

26. What was the aim of the loan?
27. Was it enough for your business requirements?
 More than enough=1 Enough=2
 Not enough=3 Others (specify) =4
28. Have you ever used a portion of the loan for other activities?
 Yes = 1 No = 2
29. What are the penalties given to loan beneficiaries for late repayment?
30. How do you plan to spend your dividends?
31. In what way does your partner benefit from your VICOBA membership?
32. In your opinion do you think VICOBA is priority?
 Yes = 1 No = 2
33. If no, what were your priorities?
34. In your experience and understanding, do you see any improvement in your activities after joining and getting service from VICOBA?
35. Do you think credit has increased your total average profit per month?
 Yes = 1 No = 2
 If yes, How?
 Very little = 1 Little = 2 Average = 3 Very much = 4
36. Can you tell me why other people are not joining VICOBA?
37. What is your opinion for those who do not pay loan in due time?

THANK YOU

Appendix 2: Questionnaire for Non- VICOBA Members

A. Introduction

Dear, Sir/Madam, I am here for the research purpose. All questions and all information provided will strictly be treated confidentially. Thanks.

Questionnaire number.....Date

Name of interviewer

Mtaa.....Division.....

Name of respondent

B. Background information

Please tick (v) where appropriate.

1. Sex of respondent. Female=1 Male=2
2. What is your age?
3. Marital status Single=1 Married=2
Divorce=3 Widow=4 Separated=5
4. Education level of respondent. Non=1 Adult = 2 Primary = 3
Secondary = 4 Others (specify) = 6

C. Household background

5. Household composition

S/N	Name	Sex	Date of birth	Relationship with Respondent	Main occupation
1.					
2.					
3.					
4.					
5.					

6. Does your children schooling?
Yes=1 No=2

If no, explain why?

D. Income generation activities in relations to economic growth

8. What is your major economic activity?
 Farming = 1 Livestock keeping (specify) = 2
 Both 1 and 2 = 3 Civil servant = 4
 Non-farm business (specify) = 5
9. Which year did you start that activity?
10. What is your average income level per month (Tshs)?
11. Had you receive any loan from anywhere for the activities?
 Yes = 1 No = 2
 If yes, where?
 If no, why?
12. Was it enough for your requirements?
 Yes = 1 No = 2
13. Can you recall of the amount of capital you have when starting this activity?
 Yes = 1 Don t remember = 2
 If yes, how much?
14. Where did you get capital?
 Friends = 1 Donor = 2 others (specify) = 3
15. How did you spend the profit from your business?
16. Does the income generated cover household basic needs?
 Yes = 1 No = 2
 If yes, what are the basic needs?
 (i)
 (ii)
 (iii)
 (iv)
 If no, why?
17. What are the challenges facing your micro business?

E. Challenges in accessing loan from financial institution

18. Are you aware of existence of Microfinance institutions in your area?

Yes = 1 No = 2

If yes, mention some.

- (i)
- (ii)
- (iii)
- (iv)

19. Do you have membership to any Microfinance institution?

Yes = 1 No = 2

If yes, mention

- (i)
- (ii)
- (iii)
- (iv)

If no, why?

20. Have you ever heard about VICOBA?

Yes = 1 No = 2

If yes, where?

21. Do you think VICOBA can help in alleviate income poverty?

22. In your opinion do you think VICOBA is priority?

Yes = 1 No = 2

If yes, why are you not a member?

- (i)
- (ii)
- (iii)
- (iv)

If no, what were your priorities?

23. Can you tell me why are you not joining VICOBA?

THANK YOU FOR YOUR COOPERATION

Appendix 3: Check List for Focus Group Discussion

Check list to be used in a research on the Contribution of VICOBA in challenges facing women entrepreneurs using village community bank. The information provided will be used in writing a Master s thesis.

1. What are the major economic activities in your area?
2. Which of the above mentioned economic activities are the most important and why?
3. What kind of household is regarded as being poor/rich in this village?
4. What is the status of poverty in your area?
5. How would you describe income poverty in your area?
6. What is your general view of VICOBA activities in your area?
7. Does VICOBA in your area have the potential of reducing one's poverty?
8. Are there any community initiated actions to address VICOBA issues? If none why?
9. When you compare men and women who participate most in VICOBA activities?
10. On what items do most households spend their income from VICOBA?
11. Do you think VICOBA activities could interfere with community culture and beliefs?
12. What are the procedures for joining VICOBA groups?
13. What problems do VICOBA members encounter in VICOBA procedures?
14. What is definition of a poor person in your community?
15. How can the poor in your area get out of their poverty?
16. Based on your personal view indicate your reaction to the following Statements:-

Respondents View on VICOBA activities

	Agree	Strongly Agree	Can't Decide	Disagree	Strongly Disagree
People should join VICOBA to improve their life standards					
VICOBA is a very good way of alleviating poverty in a society					
The Government should set a policy to force people join VICOBA activities in their areas					
VICOBA should be for women only because they show more interest.					
The Government should provide funds for VICOBA to be sustainable in the future					

THANK YOU VERY MUCH FOR YOUR COOPERATION.

Appendix 4: PLATES

Plate 1: VICOBA leadership of VICOBA group in Mbagala Ward listen to researcher topic on provision of skills and knowledge on money behaviours and savings.



Plate 2: Different VICOBA groups of five people who attended five days of training on monitoring and evaluation of VICOBA project so as to trickledown the problem of low income generation activities at Mbagala Ward.



Plate 3: The training of VICOBA leader ship on how to operate VICOBA with the theme of improving seif saving and reduce the gap of low income generation.



Plate 4: Different VICOBA groups of five people who attended five days training of self-savings skills after Community Needs Assessment at Mbagala Ward.