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# **Impact Assessment of the Village Savings and Loans Association (VSLA) Programme of Mondelez International/Cocoa Life**

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**By**

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## **1. Executive Summary**

This report presents the findings of the impact assessment study of the Village Savings and Loan Associations (VSLA) intervention of the Mondelēz International Cocoa Life Programme. The objective of this impact assessment study was to assess the effectiveness of the village savings and loan associations as a useful model for enhancing cocoa production and productivity as well as promoting women's empowerment. This study also seeks to identify and analyze the extent to which the VSLA is helping to improve women's participation in decision-making processes in their households and communities. This study therefore provides relevant information on the successes, challenges and lessons learnt for enhancing women's economic empowerment and participation in the decision-making processes in their households and communities in the context of the cocoa growing communities of Cocoa Life.

The study used both quantitative and qualitative research methodologies to identify and measure the impact of the VSLA on the participants of the Cocoa Life programme. The study also analyzed and documented the issues that militate against the VSLA programme which need to be addressed to enhance the socio-economic empowerment of the participants of the VSLA. The study used both structured questionnaires and focus group discussions to obtain relevant information from the VSLA participants. The individual level impact assessment used questionnaire-type interviews with a total of 320 VSLA participants consisting of 124 males and 196 females while the group level assessment involved focus group discussions with the VSLA participants in four purposively selected communities of the Cocoa Life programme.

This study found that the VSLA provided loans to the participants within a relatively short period of time and without demand for collateral as opposed to loans from formal financial institutions. Participation in VSLA has also helped to significantly improve the respondents' access to loans with women experiencing the highest improvement in loan access from the VSLA. The frequency of loans taken by both male and female VSLA participants has also increased but women appeared to be accessing more loans compared to the male VSLA participants. This perhaps was because unlike formal financial institutions which demand collateral from the potential loan beneficiaries as guarantee against loan default, the VSLA has no such restrictions from its loan beneficiaries. The study found that the most important reasons for taking loans from the VSLA by both male and female respondents were usually for expanding ongoing businesses or for payment of children's school fees. Furthermore, the VSLA has significantly increased the participants' access to loans for productive investments such as farming and payment of children's school fees as well as for other household expenses. About 95% of the survey respondents consisting of 36% male respondents and 59% of female respondents reported accessing loans after their participation in the VSLA as against 38.5% of the survey respondents including 16.5% males and 22% females who indicated accessing loans prior to their participation in the VSLA. The estimated average loan size per annum from VSLA was GHS2,226.56 and GHS1,907.26 respectively for males and females.

The VSLA programme has also improved the savings culture of the participants by enabling the VSLA participants to contribute weekly or monthly to the group savings. The management of these group savings are done in accordance with the established rules and procedures of the

VSLA that ensures that the, savings are well secured. At the end of the VSLA cycle, VSLA participants received substantial amounts of funds from the share out which they used for various purposes. These included productive investment projects such as farming and paying children's school fees. Participation in the VSLA has thus helped to increase investment resources of the members which could potentially enable the participants to initiate or expand their existing income generating activities.

The study also found that VSLA has helped to improve the living standard and well-being of the VSLA participants and that of their household members. Households' food security, children's education and provision of health care services to the members of the participating households of the VSLA beneficiaries have improved.

The financial literacy skills training provided to the VSLA participants has helped in building the technical and business management capacities of the VSLA participants to engage in income generating activities to enhance their income earning capabilities. The study found positive impacts of this training on the number of VSLA participants engaged in various income generating activities which had contributed in enhancing the average annual household incomes of the VSLA participants.

Participation in the VSLA intervention provided unique opportunity for the participants to save and access micro-loans for other livelihood activities such as investment in income generating activities, paying children's school fees and paying medical expenses etc. The VSLA therefore provided clear opportunity for the participants to improve the overall well-being of their households. Self-reported data from the survey indicates that the VSLA has helped to improve socio-economic status including self-confidence and self-esteem of both male and female VSLA participants.

VSLA payout enabled the participants to access relatively large sums of money for investing in productive or farming activities and for paying children's school fees as well as for handling household emergencies such as payment of medical bills and funeral expenses. In the rural setting, households' ability to mobilize these relatively large sums of money within a relatively short time could have been quite challenging without their participation in the VSLA.

Similar to other communities, the relationships between men and women in the study communities are characterized by the marginalization of women in decision making processes, power sharing and authority in the household and community levels. Survey findings however, indicate that men and women as participants of the VSLA enjoyed equal treatment within their various groups devoid of any overt gender discrimination. Interestingly, women even had an edge over their male counterparts in terms of how their rights and voice is heard in the VSLA. This is mainly the result of the empowerment training programmes that accompany the formation and operations of the VSLA.

The VSLA intervention is however, yet to make any real significant impact in changing the traditional gender roles in the programme communities. The assumption that men are the breadwinners and women are housewives still prevails in the programme communities with insufficient recognition of the contributions of women. These findings are however, not

surprising since cultural beliefs and values are attitudinal and require long time and determined efforts to change. The VSLAs have been operational in the surveyed programme communities for less than four (4) years. It would therefore not be justifiable to expect such perceptions and cultural norms to change in such a short time in the communities. Survey findings however, show there is equality of participation for both women and men in the VSLAs and there was no sense that women were barred from becoming members of the groups.

The findings of this survey show that the participation in the VSLA has improved the social capital of the VSLA participants. About 36.36% of male and 54.86% of female VSLA participants claimed their social status in their communities have improved while 34.7% of males and 55.52% of female respondents also indicate their self-confidence levels have improved. Survey findings show that the VSLA intervention has helped to improve the socio-economic status as well as confidence levels of both male and female participants to participate in decision making processes in their groups, households and community levels. Both male and female VSLA participants claimed they have increased their self-confidence and their ability to speak in public. This perhaps could be because village saving and loan associations provided the opportunity or platform for the participants to save and to be able to access loans for business investment or handling emergency situations such as payment of hospital bills and funeral expenses.

This survey finding is consistent with the findings in the literature on the role of micro-finance programme in improving the social status of their participants. For example, according to Pitt and Khandker 1998, 2003; Khandker 2005; Strauss and Beegle 1996; Hoddinott and Haddad 1994), there is an overwhelming literature which seem to indicate that micro-finance programmes including Village Savings and Loan interventions have a positive social impact on their participants especially in enhancing socio-economic empowerment of women in their communities. Similarly, Mknelly and Dunford (1999) found clients of Lower Pra Rural Bank Credit with Education Programme in Ghana to have significantly increased their incomes while Anyango (2005) also observed that participation in VSLA has helped the VSLA participants in Malawi to improve the livelihoods of its members and contributed to poverty alleviation of the VSLA participants particularly for women who constitute most of the group members.

The survey findings show different opinions of male and female respondents regarding who makes business or investment decisions on the use of Pay out or the loans from the VSLA. While most of the female respondents stated that wives make decisions on the use of Loans, most of their male counterparts indicated that both husbands and wives largely make decisions on the use of Loans for business or investment. Similarly, majority (21.64%) of the male respondents reported that husbands make business or investment decisions on the use of the payout, however, a sizeable proportion (26.90%) of the female respondents stated that these decisions are made by the wives. This perhaps indicates lack of effective consultation and consensus building among the male and female VSLA participants in making decisions on the use of the Loans and Payout for business or investment.

Survey results show that both husbands and wives usually jointly take final decisions on their children's schooling, what to do if a child falls sick, how children should be disciplined and

whether to have another child. Participants of the focus group discussions also indicated that their participation in the VSL has significantly contributed to the enhanced participation of women in the decision-making processes at the household and community levels because of improved confidence levels and self-esteem of the women.

Despite the positive impacts of the VSLA on its participants, the programme would need to effectively promote the linkage of the various VSLAs with formal financial institutions to enable the participants to leverage larger loans for investing into their income generating activities. This will further increase the impacts of the VSLA interventions.

## **2.0 Introduction**

Access to finance remains a major challenge for cocoa farmers especially in terms of their ability to access needed finance for improved adoption of good agricultural practices for sustainable cocoa production in Ghana. Along the different levels of the cocoa value chain, cocoa farmers often face serious financial challenges which negatively affect their determination to improve their livelihoods through the transformation and professionalization of cocoa farming as a business. These financial challenges do not only affect the extent of adoption of good agricultural practices for enhanced cocoa productivity and quality but also negatively affects the farmers' cash incomes from cocoa farming. In the past, this situation was particularly analyzed in relation to male farmers. However, with the recognition of the important roles of women in the cocoa value chain and with their effective participation in cocoa farming, the issue of access to finance is also impacting negatively on women in terms of sustaining and expanding their participation in the cocoa industry. An interesting gender issue arising from this, is that since women use most of their cash incomes on their households, particularly, in ensuring household food security, any challenge that does not enhance the productive capacity of the women has the potential of limiting their efforts of shouldering and enhancing their household food security responsibilities.

These financial challenges often compel cocoa farmers including women to resort to various borrowing options including taking loans from friends, relatives, cocoa purchasing clerks, middlemen and other sources to cater for themselves and their households. These farmers do this in anticipation of repaying the loans with proceeds from their next cocoa harvests. In the rural communities however, accessing such loans could be very challenging and arduous because majority of the farmers especially women who usually do not have direct use-rights to land and other properties lack collateral to take loans from the formal financial institutions. For those few farmers especially the men, who could access formal loans, the interest rates are usually so exorbitant that perpetual indebtedness becomes the lot of many farmers. This situation of the cocoa farmers is very problematic given the relevance of their contributions in the cocoa sector for the national economy.

To help the beneficiary farmers of Mondelez International Cocoa Life to access financial resources to support their cocoa farming and other livelihood activities, Cocoa Life facilitated the formation of Village Savings and Loans Associations (VSLAs). These VSLAs were to help the beneficiaries to build their assets and encourage increased investments in income generation and farming activities through improved access to credit.

These VSLAs are self-managed and capitalized microfinance programmes. The members of these VSL groups save regularly and can borrow from the pool of the savings and repay with interest. VSLAs operate in cycles and at the end of each cycle the accumulated savings and interests from the loans are shared out among members in proportion to each member's deposits. VSLAs thus allow farmers and other community members to save money and gain access to loans when needed. The VSLA model therefore encourages group savings devoid of any

injection of capital from outside the communities. Each VSLA group essentially only require a lock box, three keys and basic financial literacy training of the VSLA participants.

To date, Cocoa Life has facilitated the formation of about 342 VSL groups with 5160 members consisting of 1850 Male and 3310 Female VSLA participants. Members of these VSL groups save on a regular basis which allows for income smoothing for the members. The establishment of these VSL groups encourages a strong savings culture in the community and enables the farmers and the community members to save and access loans from their own savings. VSLA also enables the members to access loans for establishment of income generating activities or to purchase farm inputs. The activities of the VSL groups is based on trust, accountability, and transparency in all transactions. These savings and loan activities therefore bring together community members who trust each other.

Mondelez International Cocoa Life recognized the economic empowerment of women by implementing several additional livelihood interventions including the formation of these Village Savings and Loan Associations to provide opportunities for women in the beneficiary communities to be economically empowered in their communities and in their relationships. This economic empowerment of the women is geared towards promoting gender equality, improving household food security and eradication of poverty in the cocoa growing communities. Economic empowerment of women in the cocoa supply chain is also key to encouraging women to occupy leadership positions in their households and communities.

This study examined the impact of the Village Savings and Loans Associations in advancing the goal of the Cocoa Life in empowering women. This study also provides relevant data for documenting the successes, challenges and lessons learnt in enhancing women's economic empowerment and participation in the decision-making processes in their communities and households.

### **3.0 Significance of the Impact Assessment**

Village Savings and Loan Association model is fast gaining ground in most Sub-Saharan African countries as an innovative means of providing financial services, including loans and savings for the rural poor who lack access to loans from the formal financial institutions. There are however, doubts that these VSLAs have uniform positive impacts in increasing the accessibility of the rural poor to financial resources and hence helping to improve their well-being. Strauss, J. and K. Beegle (1996) for example cited several literatures including Pitt and Khandker (2003); Khandker (2005); Strauss and Beegle (1996); Hoddinott and Haddad (1994) to suggest that VSLA programmes help in providing financial services to the rural poor who lack access to loans from the formal financial institutions besides ensuring the wellbeing of the individuals especially women in their various communities.

Similarly, MkNelly and Dunford (1999) found that clients of Lower Pra Rural Bank Credit with Education Programme in Ghana have increased their incomes by 50% compared to the incomes of non-clients and helped the participants of Lower Pra Rural Bank Credit with Education Programme to diversify their income sources. Anyango (2005) also studied VSLA programme in Malawi and concluded that participation in VSLA has helped to improve the livelihoods of its members and contributed to poverty alleviation, particularly among women who constitute most



of the group members and that the number and magnitude of economic activities have increased because of the participation in the VSLA programme. Barnes (2001) also used control group and a combination of advanced quantitative and qualitative research methodologies to assess Zambuko Trust programme, a microfinance programme in Zimbabwe and observed that Zambuko Trust programme has a positive impact on the education of boys aged 6 to 16 although it has no effect on the education of girls within the client-household.

On the contrary however, a few studies have failed to find positive impacts of participating in microfinance programmes. For example, Masanjala and Tsoka (1997) and Ssendi and Anderson (2009), failed to find any significant positive impact of FINCA-Malawi on living standards and expenditure patterns as well as household assets. Rooyen, Stewart & Wet (2012) also observed that the effectiveness of microfinance including VSLAs in Sub-Saharan Africa was not always a golden bullet for increasing the incomes of the poor and could even in some cases, increase poverty, reduce levels of children's education and disempower women. These observations of Rooyen, Stewart & Wet (2012); Masanjala and Tsoka (1997) and Ssendi and Anderson (2009) and others clearly emphasize the need for systematic review and impact assessment of effectiveness of micro-finance interventions including VSLAs in determining their actual effects on their participants rather than just relying on rhetoric, anecdotal accounts, advocacy research, and unfounded assumptions that these VSLA programmes are helping to increase the well-being of their beneficiaries.

It is imperative therefore to continuously assess the effects of these VSLAs to determine how efficiently and effectively these VSLA models are helping to improve the financial access of the participants. This impact assessment of the VSLA mainly focused on the direct beneficiaries of the VSLA interventions of Mondelēz International Cocoa Life to help document how the model has been able to improve household food security and economic empowerment of women. It was also to assess the differential impacts of the VSLAs on women and men. This study also helped in identifying lessons learnt and challenges in the implementation of the VSLAs in the programme communities which could be useful in improving the design and implementation of the VSLA interventions of Mondelēz International Cocoa Life. The findings of this assessment were also to help understand the effects of VSLA in increasing household food security and empowering women to occupy leadership positions in their households and communities.

#### **4.0 Aim of the Study**

This study sought to assess the effectiveness of the Village Savings and Loan Associations as a useful model for enhancing cocoa production and productivity as well as promoting women's empowerment. The study also sought to identify and analyze the extent to which the VSLA is helping to improve women's participation in decision-making processes in their households and communities in relation to their farming and livelihood initiatives.

#### **5.0 Objectives of the Study**

The specific objectives of the study include:

1. To assess the impact of the formation of the VSLA groups in the context of the Cocoa Life.

2. To examine the extent of usefulness of the VSLA as a financial model for increasing farmers' access to agricultural credit.
3. To analyze the gendered effects of the VSLA intervention in terms of the differences and similarities among women and men.
4. To assess the extent to which the participation of women in the VSLA has enhanced their economic and social well-being as well as their decision-making and leadership capacities in the context of Cocoa Life.
5. To identify the opportunities, outcomes, challenges and lessons learnt from the VSLA based on the contextual experiences and realities within the cocoa growing communities.

## **6.0 Research questions**

The following research questions guided the investigation:

1. What has been the impact of the formation of the VSLA groups within the context of the Cocoa Life?
2. To what extent has the VSLA been a useful model under the Cocoa Life?
3. What has been the gendered effect of the VSLA interventions in terms of the similarities and differences among women and men?
4. To what extent has the participation of women in the VSLA enhanced their economic, and social wellbeing as well as their decision-making and leadership capacities in the context of the Cocoa Life?
5. What opportunities, outcomes, challenges and lessons learnt can be identified from the VSLA based on the contextual experiences and realities within the cocoa growing communities?

## **7.0 Research Methodology**

This study was conducted in the Cocoa Life communities where the VSLAs have been established and are operational. A total sample of 64 communities were randomly selected from the communities with the VSLA groups in Cohort 3 and 4 (Asunafo South, Sekyere East, Ahafo Ano North, Juaboso, Awutu Senya, Nyinahin, Atwima Mponua and Bia West districts) of the Cocoa Life's operational communities. A total of 320 VSLA Participants consisting of 124 males and 196 females of the Cocoa Life's programme were sampled for the study.

The research used both qualitative and quantitative instruments to collect relevant information from the sampled respondents. The use of both quantitative and qualitative methodologies allowed the research team to quantify the impact or outcomes of the VSLA interventions on the beneficiaries and to explain the processes and interventions that led to these impacts/outcomes.

The quantitative method which used structured questionnaires provided answers to the question of whether or not there was any change in the well-being of the VSLA participants due to their participation in the saving groups of the Cocoa Life programme. The quantitative method also helped to explain if the observed changes could plausibly be related to the participation of the VSLA participants. The face to face questionnaire interviews also allowed the research team to quantify the responses of the sampled VSLA Participants. Three focus group discussions were

conducted in each of the four purposively selected VSLA communities. Discussions were held separately with only Women groups, Only Men's groups and mixed group of women and men in each of the selected communities. These focus group discussions largely helped in the interpretation of many of the responses especially those related to gender differentials in participation and experiences.

The research team used both quantitative and qualitative tools and measures to analyze the relevant data collected from the survey respondents. Thorough data editing and cleaning were done before the data was entered into the computer for analysis. SPSS statistical software was used for the data entry and analysis. The research team summarized the information from the focus group discussions into tables to facilitate easy analysis and reporting. The information was then analyzed and synthesized to explain the observed differences (if any) between the responses of the sampled VSLA participants and to determine if the variations in the responses were due to their participation in the VSLA programme.

## 8.0 Research findings

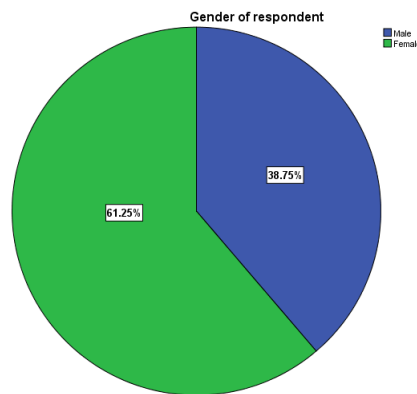
### 8.1 Socio-demographic information of the Respondents

#### 8.1.1 Gender of Respondent

Table 1 below shows the analysis of gender analysis of the respondents. About 39% of the respondents were men while the remaining 61% of the respondents were females.

**Table 1: Gender of Respondents**

Gender	Frequency	Percent
Male	124	38.8
Female	196	61.3
<b>Total</b>	<b>320</b>	<b>100.0</b>

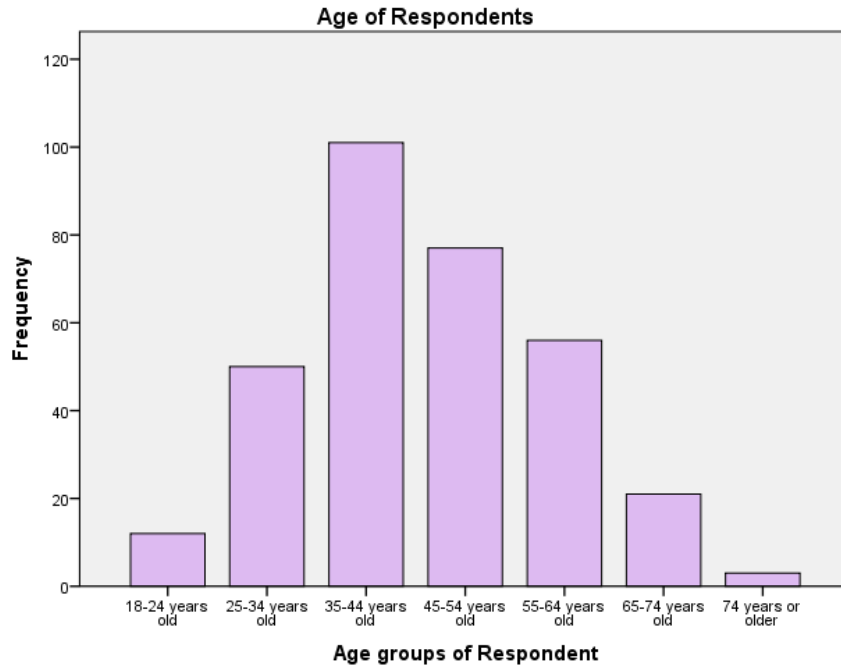


#### 8.1.2 Age of Respondents

Table 2 below shows the age distribution of the respondents. Most of the respondents aged between 35 to 44 years with about 1% of the respondents being 74 years old or older.

**Table 2: Age Groups of Respondents**

	Frequency	Percent
18-24 years old	12	3.8
25-34 years old	50	15.6
35-44 years old	101	31.6
45-54 years old	77	24.1
55-64 years old	56	17.5
65-74 years old	21	6.6
74 years or older	3	0.9
<b>Total</b>	<b>320</b>	<b>100</b>

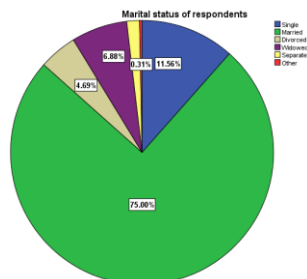


### 8.1.3 Marital Status of Respondents

Table 3 shows the marital status of the respondents. Table 3 shows that about 88.2 percent of the survey respondents have ever married (i.e. married, divorced, separated and widowed) whilst 11.6 percent have never married.

**Table 3: Marital Status of Respondents**

Status	Frequency	Percent
Single	37	11.6
Married	240	75.0
Divorced	15	4.7
Widowed	22	6.9
Separated	5	1.6
Other	1	.3
<b>Total</b>	<b>320</b>	<b>100.0</b>



### 8.1.4 Household size

The survey found the mean household size to be 6.89 (Table 4) as against the national average of 5.0 (GLSS 6). The average number of adults above 16 years in the respondents' household was found to be 3.81 while the average number of children up to 15 years in the respondents' household was estimated to be 3.08.

**Table 4: Household Size of Respondents**

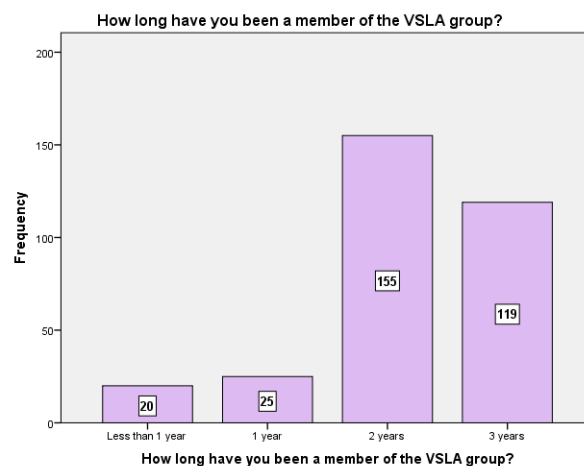
Variable	Category	Frequency	Percentage
Mean Household Size			6.89
Average number of adults > 16 in the household			3.81
Average number of children ≤15 in the household			3.08

### 8.1.5 Years of membership of Respondents in the VSLA group

About 93.4 percent of the survey respondents have participated in the VSL group for one to three years while the rest of the respondents have been in the VSL group for less than a year (Table 5).

**Table 5: Respondents' Years of Participation in VSLA**

How long have you been a member of the VSLA group?			
		Frequency	Percent
Valid	Less than 1 year	20	6.3
	1 year	25	7.8
	2 years	155	48.4
	3 years	119	37.2
	Total	319	99.7
Missing	System	1	.3
Total		320	100.0

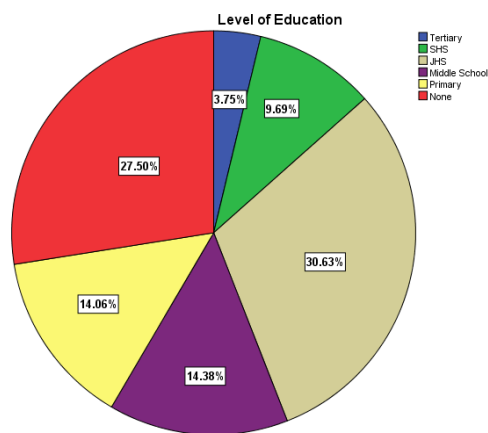


### 8.1.6 Educational Levels of the Respondents

An analysis of educational status of survey respondents provides useful information for determining the skill levels of the respondents for performing the various economic activities that the respondents engage in. The survey data shows that about 41.6% of the survey respondents have never been to school while 45 percent have attained a Middle School Leaving Certificate (MSLC) or Basic Education Certificate Examination (BECE). About 13.5 percent of the survey respondents have acquired Secondary/Senior Secondary School (SSS) or Senior High School (SHS) or a higher level of education (Table 6).

**Table 6: Educational Levels of Respondents**

Level	Frequency	Percent
Tertiary	12	3.8
SHS	31	9.7
JHS	98	30.6
Middle School	46	14.4
Primary	45	14.1
None	88	27.5
Total	320	100.0



### 9.0 Impact on Access to Loan

Table 7 below shows that participation in VSLA has helped to significantly improve the respondents' access to loans with women experiencing the highest improvement in loan access from the VSLA. As can be seen in Table 7 & 8 below the percentage of female VSLA participants accessing loans have increased from 22% to 59% compared to the percentage of their male counterparts which had increased from 16.5% to 36% after participation in the VSLA intervention. The frequency of loans taken by both male and female VSLA participants has also increased but women appeared to be accessing more loans compared to the male VSLA participants. For example, the percentage of female VSLA participants who reported taken loans twice before joining the VSLA have increased from 14.66% to 17.55% an increase of about 3 percentage points while male participants have increased by 2 percentage points from 10.34% to

12.25% after joining the VSLA. Similarly, female VSLA participants who indicated to have taken loans three times, four times and five times or more have increased by 13%, 2% and 25% respectively after participating in the VSLA (Table 8). Similarly, the number of male VSLA participants reporting accessing loans three times, four times, five times or more however, have respectively increased by 2%, 3%, and 11% after participating in the VSLA. This general increase in frequency of loans taken by VSLA participants was because unlike formal financial institutions which demand collaterals from the potential loan beneficiaries as guarantees against loan default, VSLA has no such restrictions from its loan beneficiaries.

**Table 7: Respondents' Access to Loan**

	Before VSLA				After VSLA			
	No. of Respondents Accessing Loan	Percent	No. of Respondents Not Accessing Loan	Percent	No. of Respondents Accessing Loan	Percent	No. of Respondents Not Accessing Loan	Percent
<b>Male</b>	51	16.5	68	22.01	116	36.36	8	2.51
<b>Female</b>	68	22.0	122	39.48	188	58.93	7	2.19
<b>Total</b>	<b>119</b>	<b>38.5</b>	<b>190</b>	<b>61.49</b>	<b>304</b>	<b>95.3</b>	<b>15</b>	<b>4.7</b>

**Table 8: Frequency of Loans Taken by Respondents**

No of Loans taken	Before VSLA				After VSLA				Change			
	Male		Female		Male		Female		Male		Female	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
<b>Once</b>	9	7.76%	13	11.21%	12	3.97%	22	7.28%	<b>3</b>	<b>4.30%</b>	<b>9</b>	<b>4.84%</b>
<b>Twice</b>	12	10.34%	17	14.66%	37	12.25%	53	17.55%	<b>25</b>	<b>12.90%</b>	<b>36</b>	<b>19.35%</b>
<b>Three times</b>	6	5.17%	14	12.07%	9	2.98%	38	12.58%	<b>3</b>	<b>1.61%</b>	<b>24</b>	<b>12.90%</b>
<b>Four time</b>	7	6.03%	9	7.76%	12	3.97%	13	4.30%	<b>5</b>	<b>2.69%</b>	<b>4</b>	<b>2.15%</b>
<b>Five times and more</b>	13	11.21%	16	13.79%	34	11.26%	62	20.53%	<b>21</b>	<b>11.29%</b>	<b>46</b>	<b>24.73%</b>
<b>Total</b>	47	40.52%	69	59.48%	114	37.75%	188	62.25%	<b>67</b>	<b>36.02%</b>	<b>119</b>	<b>63.98%</b>

## 9.1 Main reasons for taking loan from the VSLA

Table 9 below shows the various reasons for taking loans by the survey respondents. According to Table 9, the most important reasons for taking loans from the VSLA by both male and female respondents were usually for expanding ongoing businesses or for payment of children's school fees. The average loan size from VSLA was estimated to be GHS2,226.56 and GHS1,907.26 respectively for Males and females (Table 10).

**Table 9: Reasons for Taking Loans from VSLA**

Reasons for Loans	Male		Female		Total	
	Number	Percent	Number	Percent	Number	Percent
Starting new business	13	4.25	34	11.11	<b>47</b>	8.75
House improvements	10	3.27	11	3.59	<b>21</b>	3.91
Expanding an ongoing business	63	20.59	90	29.41	<b>153</b>	28.49
Medical fees/health	11	3.59	22	7.19	<b>33</b>	6.15
Food/household expense	14	4.58	27	8.82	<b>41</b>	7.64
Children School fees	62	20.26	91	29.74	<b>153</b>	28.49
Repaying debts	8	2.61	10	3.27	<b>18</b>	3.35
Emergency	9	2.94	14	4.58	<b>23</b>	4.28
Household assets	5	1.63	8	2.61	<b>13</b>	2.42
Family celebration/ceremony	1	0.33	4	1.31	<b>5</b>	0.93
Other	12	3.92	18	5.88	<b>30</b>	5.59
<b>Total</b>	<b>116</b>	<b>37.91</b>	<b>190</b>	<b>62.09</b>	<b>306</b>	100.00

**Table 10: Average Loan Sizes taken by Respondents from VSLA**

Gender	No of respondents	Average Amount (GHS)
Male	115	2,226.56
Female	187	1,907.26
<b>Total</b>	<b>302</b>	



## 10. Impact of VSLA on Ability to Engage in Income Generating Activities

As part of the processes for the establishment of the Village Savings and Loan Associations, participants received training in various Income Generating Activities (IGAs) and financial literacy skills. These trainings were to build the capacities of the VSLA participants to engage in income generating activities to enhance their income earning capabilities. This training has indeed impacted positively on the number of VSLA participants engaged in various income generating activities with female VSLA participants benefiting from these technical and business management skills training. As shown in Table 11 below, about 57% of female VSLA participants and 36% of the male VSLA participants reported engaging in income generating activities after participating in the VSLA.

**Table 11: Engagement in income generating activities**

<b>Are you currently engaged in any income generating activities?</b>						
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
	<b>Male</b>		<b>Female</b>		<b>Total</b>	
<b>Yes</b>	114	35.96	181	57.1	295	<b>93.06</b>
<b>No</b>	8	2.52	14	4.42	22	<b>6.94</b>
<b>Total</b>	122	38.48	195	61.52	317	<b>100</b>

About 59% of the respondents consisting of 37.63% female and 21.51% VSLA participants claimed they used savings and loans from the VSLA to set up their income generating activities while the remaining 41% indicated they did not use savings and loans to set up their businesses (Table 12). Further analysis of the survey data shows that this 41% VSLA participants were already running their businesses before the inception of the VSLA.

The most important reported income generating activities engaged in by the respondents were farming (including livestock and poultry keeping) and petty trading. About 47% and 32% of the respondents indicated they respectively used savings and loans from the VSLA to support their farming activities or to engage in petty trading (Table 13). Further analysis of Table 13 shows that about 25% of the male respondents used their savings or loans from the VSLA to support their farming activities while 28% of female VSLA participants used their savings and loans from the VSLA for petty trading. VSLA as a financial model has thus contributed in improving the farmers' access to credit for their agricultural activities and for petty trading which directly or indirectly serve as source income for improving the livelihood and food security of the households of the VSLA participants. Other uses of savings and loans from the VSLA included food processing and sales, dress making or tailoring or hair dressing as well as other activities (Table 13).

**Table 12: Source of Capital for Setting up the Income Generating Activity**

<b>Did you use your saving and loans from VSLA to set-up your income generating activities?</b>						
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
	<b>Male</b>		<b>Female</b>		<b>Total</b>	

<b>Yes</b>	60	21.51	105	37.63	165	59.14
<b>No</b>	51	18.28	63	22.58	114	40.86
<b>Total</b>	111	39.79	168	60.21	279	100

**Table 13: Types of Income Generating Activities Engaged in by Respondents**

What type of Income Generating Activity are you engaged in?	Male	Percent	Female	Percent	Total Number	Percent
Farming (including livestock and poultry keeping)	72	24.57	66	22.53	138	47.1%
Petty trade	13	4.44	82	27.99	95	32.4%
Food processing and sales	2	0.68	24	8.19	26	8.9%
Dress making/Tailoring /Hair Dressing	1	0.34	6	2.05	7	2.4%
Other	16	5.46	11	3.75	27	9.2%
<b>Total</b>	<b>104</b>	<b>35.49</b>	<b>189</b>	<b>64.1</b>	<b>293</b>	<b>100.0%</b>

As can be seen in Table 14 below, about 93% of the respondents consisting of 37.34% males and 55.84% females claimed their income generating activities were making profits. This directly correlates with the respondents' perception of the level of average household annual income after VSLA. As presented in Table 15 below, an overwhelming majority, about 93% of the respondents including 36.16% Males and 56.60% Females reported that their average annual household incomes have improved after participating in the VSLA while 6% of the respondents said their average household annual incomes have remained the same after participating in the VSLA.

**Table 14: State of the Income Generating Activities**

Does your income generating activity make profits?	No of Male	Percent	No. of Female	Percent	Frequency	Percent
Make profits	115	37.34	172	55.84	287	93.2
No profits	3	0.97	9	2.92	12	3.9
Loss	0	0	2	0.65	2	.6
Do not know	2	0.65	5	1.62	7	2.3
<b>Total</b>	<b>120</b>	<b>38.32</b>	<b>188</b>	<b>61.68</b>	<b>308</b>	<b>100.0</b>

**Table 15: Respondents' perception of the Level of Average Household Annual Income after VSLA**

HH Income Level After VSLA	Male		Female		Total	
	Number	Percent	Number	Percent	Number	Percent
Improved	115	36.16	180	56.60	295	92.77
Stayed the same	6	1.88	12	3.77	18	5.66
Worsened	3	0.94	2	0.63	5	1.57
Do Not know	124	38.99	194	61.01	318	100

The profits from the income generating activities which constitute the main source of income for 65% of the respondents' households were mostly used to support the daily household expenses and for saving (Tables 16 & Table 17)

**Table 16: Respondents' Main Source of Household Income**

Is your income generating activity the main source of income for your family?	No of Male	Percent	No of female	Percent	Frequency	Percent
Yes	87	29.49	105	35.59	192	65.1
No	50	16.95	53	17.97	103	34.9
<b>Total</b>	<b>137</b>	<b>46.44</b>	<b>158</b>	<b>53.56</b>	<b>295</b>	<b>100.0</b>

**Table 17: Uses of Profits of the Income Generating Activities**

<i>What do you do with the profit of the income generating activity?</i>	No. Male	Percent	No. Female	Percent	Frequency	Percent
Use in daily household expenses	90	17.05	136	25.76	226	42.8%
Save it	65	12.31	108	20.45	173	32.8%
Reinvest it all in my business	9	1.7	13	2.46	22	4.2%
Reinvest part of it in my business	36	6.82	50	9.47	86	16.3%
Other	9	1.7	12	2.27	21	4.0%
<b>Total</b>	<b>209</b>	<b>39.58</b>	<b>319</b>	<b>60.41</b>	<b>528</b>	<b>100.0%</b>

For those respondents who did not report income generating activity as their main source of income for their households, majority, 78% indicated farming as their other sources of incomes for their households (Table 18).

**Table 18: Other Sources of Household Incomes**

<i>If the IGA was not the main source of income for the family, what other sources of income do you have?</i>	Freq	Percent
Another IGA	12	6.5%
Farming	145	78.0%
Pension	2	1.1%
Government job	9	4.8%
House Rent	6	3.2%
Other	12	6.5%
<b>Total</b>	<b>186</b>	<b>100.0%</b>

Table 19 below shows that only 13% of the respondents with Income Generating Activities consisting of 7% males and 6% females reported registering their businesses with any of the government agencies.

**Table 19: Legal Status of the Income Generating Activities**

<b>Is your income generating activity legally registered?</b>	No. Male	Percent	No. Female	Percent	Frequency	Percent
Yes	23	7.59	19	6.27	42	13.9
No	94	31.02	167	55.12	261	86.1
<b>Total</b>	<b>117</b>	<b>38.61</b>	<b>186</b>	<b>61.39</b>	<b>303</b>	<b>100.0</b>

This indicates that most of this income generating activities were quite small sized businesses or these were just one-person businesses (Table19). Similarly, because most of the respondents of the Income Generating Activities (IGAs) have not registered their businesses with any of the government agencies, it would be a challenge for these IGA participants to have a business bank account which could help them separate their personal activities from the assets of their business activities and hence help to grow their businesses.

Table 20 below shows that average size of capital for both males and females have increased over the years. The initial average size of Capital for IGAs for males rose from GHS 1162 to GHS 3026.96 (an increase of 45%) while that of the female participants increased from GHS 585.17 to GHS 1845.30 (51% increase).

**Table 20: Respondents' Average Size of Capital for IGAs**

	Initial Average Capital for IGAs	Average Current Working Capital for IGAs	
Gender	Average Amount (GHS)	Average Amount (GHS)	% Change
Male	1162	3026.96	45%
Female	585.17	1845.30	51%

## 11. Payout and its Uses by the Respondents

**Table 21** indicates that on the average, each of the Male VSLA participants received an amount of GHS948.57 per cycle as VSLA share out while each female VSLA participants received an amount of GHS 879.48. The VSLA share out received by the male participants is slightly higher than what their female counterparts received by approximately 4%. Similarly, survey findings presented in **Table 22** below also indicates that majority of the respondents (48.84%) used the VSLA payout on payment of school fees. According to **Table 22** below both male and female VSLA participants largely used their payout on payment of school fees. In addition, a sizable proportion 13.62% and 12.29% of females used their payout respectively on productive investment (farming & petty trading) and on household food expenses. About a quarter of the male respondents also claimed they used their pay out on productive investments.

**Table 21: Average Value of VSLA Pay Out by Gender**

	MALES	FEMALES
Mean	GHS948.57	GHS879.48
Mode	GHS700	GHS600

**Table 22: Uses of VSLA Pay out**

Item Description	Male	Percent	Female	Percent	Total	Percent
Food	37	12.29	36	11.96	73	24.25
Medical expenses/health	19	6.31	28	9.30	47	15.61
Paid off debts	5	1.66	21	6.98	26	8.64
Productive investment	41	13.62	74	24.58	115	38.21
School fees	63	20.93	84	27.91	147	48.84
Household asset	13	4.32	14	4.65	27	8.97
Family celebration/ceremony	4	1.33	5	1.66	9	2.99
Gave to spouse	7	2.33	4	1.33	11	3.65
House project/improvements	20	6.64	23	7.64	43	14.29
Lending to another	0	0.00	5	1.66	5	1.66
Savings	17	5.65	18	5.98	35	11.63
Other	13	4.32	14	4.65	27	8.97
<b>Total</b>	<b>115</b>	<b>38.21</b>	<b>186</b>	<b>61.79</b>	<b>301</b>	<b>100.00</b>

## 12. Impact on Gender Relations

Gender relations focused on the relationships that exist between men and women that are socially determined by culture, religion, or social norms of the society. In most rural communities, these relationships between men and women are characterized by the marginalization of women in decision making process and other forms of power sharing in the household and community levels as well as other places of authority. The survey therefore asked survey respondents to indicate their perceptions on how men and women are treated within the VSLA, how VSLA is

helping to change the traditional gender roles of the VSLA participants and the level of involvements of women in the decision-making processes within the VSLA, household and community levels.

Findings of the survey as presented in **Table 23** indicate that both men and women participants of the VSLA enjoyed equal treatment within their various groups which are devoid of any gender discrimination. An overwhelming 94.34% consisting of 38% male respondents and 56% female survey respondents reported that men and women VSLA participants are treated equally with only 2.2% of the survey respondents indicating that women are suppressed by the men while 0.63% of the respondents claimed the men are rather suppressed by the women in the VSLA. Interestingly, women even had an edge over male counterparts in terms of their rights and voices being heard in the VSLA (Table 23).

**Table 23: Nature of Treatment of Men and Women Within the VSLA**

Do you believe women and men are treated equally as members of the VSLA?	Male	Percent	Female	Percent	Total	Percent
Yes. Women and men are treated equally	121	38.05	179	56.29	300	94.34
No. The women are suppressed by men in the VSLA.	1	0.31	6	1.89	7	2.20
No. the men are suppressed by the women in the VSLA	1	0.31	1	0.31	2	0.63
Other	1	0.31	8	2.52	9	2.83
<b>Total</b>	<b>124</b>	<b>38.99</b>	<b>194</b>	<b>61.01</b>	<b>318</b>	<b>100</b>

According to Table 24, Both men and women VSLA participants were of the view that women's rights have increased and the voices of the women were more powerful in the VSLA. An overwhelming 34.9% of men and 54.92% of the women participants reported that women's rights have increased and the voices of women were even more powerful in the VSL than those of the men. Only 2.2% of the survey respondents indicated that they think women in the VSLA are suppressed and expected to live up to their gender.

**Table 24: Rights of Women in the VSLA**

Do you think women are fully heard in the VSLA?	Male	Percent	Female	Percent	Frequency	Percent
Yes. women's rights have increased and their voice is more powerful in the VSL	110	34.92	173	54.92	283	89.8
No. I think that the women in the VSLA are suppressed and expected to live up to their gender	3	0.95	4	1.25	7	2.2
<b>Other</b>	9	2.86	16	5.04	25	7.9
<b>Total</b>	<b>122</b>	<b>38.73</b>	<b>193</b>	<b>61.27</b>	<b>315</b>	<b>100.0</b>

The survey asked respondents to indicate if they believed that through the VSLA intervention the traditional gender roles where for example men are the breadwinners and women as housewives and it could not be the reverse were changing in their communities. The responses as summarized in Table 25 below indicates that majority of the respondents, 61% including 23.27% males and 37.42% females believe there was no such drastic change with only 30% consisting 13.5% males and 16% females claiming that they believe that for now women could work full time, while the men stay at home and look after the children. The respondents however, believe there is a general acceptance that both men and women could combine full time work with household work. These findings are however, not surprising since cultural beliefs and values are attitudinal and require long time and determined efforts to change. VSLA however, have been operational in the surveyed programme communities for less than four years to be able to change these cultural norms in the communities.

**Table 25: State of traditional gender roles**

Do you believe that through the VSLA, traditional gender roles are changing?	Male	Percent	Female	Percent	Total	Percent
Yes: <i>Now women can work full time, while the men stay home and look after the children</i>	43	13.52	51	16.04	94	29.56
No: <i>There is no such drastic change. Rather there is acceptance that both can combine full time work with household work</i>	74	23.27	119	37.42	193	60.69
<i>I think it depends on a family's beliefs and values, so both options could work</i>	7	2.20	18	5.66	25	7.86
Other	0	0.00	6	1.89	6	1.89
<b>Total</b>	<b>124</b>	<b>38.99</b>	<b>194</b>	<b>61.01</b>	<b>318</b>	<b>100.00</b>

Table 26a and Table 26b below show there is equality in social relationships for both women and men VSLA participants and there was no gender disparity in the VSLA. Similarly, both women and men VSLA participants worked hard in the VSLA to achieve their aims regardless of feminine or masculine considerations.

**Table 26a: Table Nature of Social Relationships in the VSLA**

In the VSLA, do women have to present themselves as working harder than men in order to gain respect?	Male	Percent	Female	Percent	Total	Percent
Yes. <i>women have to work harder to be respected</i>	20	6.37	27	8.60	47	14.97
No. <i>it is not true, women and men work hard in the VSLA</i>	101	32.17	157	50.00	258	82.17
Unfortunately, the statement is true, but I disagree with it	0	0.00	1	0.32	1	0.32
Other	2	0.64	6	1.91	8	2.55
<b>Total</b>	<b>123</b>	<b>39.17</b>	<b>191</b>	<b>60.83</b>	<b>314</b>	<b>100.00</b>

**Table 26b: Nature of Social relationships in the VSLA**

As a member of the VSLA, have you been judged/shamed for not being feminine or masculine enough?	Male	Percent	Female	Percent	Total	Percent
Yes	2	0.63	3	0.95	5	1.6
No	118	37.46	188	59.68	306	97.1
Other	2	0.63	2	0.63	4	1.3
<b>Total</b>	<b>122</b>	<b>38.72</b>	<b>193</b>	<b>61.28</b>	<b>315</b>	<b>100.0</b>

### 13. Impact on Welfare and Socio-Economic Status of The VSLA Participants

Because of the inherent challenges associated with direct measurement of the welfare and socio-economic wellbeing of survey participants, the research team included various questions into the face to face interview questionnaire to help in assessing the socio-economic status and wellbeing of the VSLA participants. These questions focused on: household food security, access to healthcare services, social status, children's education, etc. This same approach was used by Pitt and Khandker 1998, 2003; Khandker 2005; Strauss and Beegle 1996; Hoddinott and Haddad 1994 in estimating the welfare and socio-economic well-being of microfinance participants because of the difficulty in directly measuring the welfare or socio-economic wellbeing of VSLA participants in a survey. Based on the self-reported data presented below on children's education; food security and healthcare services, survey findings clearly show improved welfare levels of the VSLA beneficiaries.

#### 13.1 Impact on Children's Education

Investment in children's education is an important determinant of social and economic prospects of the children as well as the prospects of their parents. Parent's ability to support the education of their children is therefore an important indicator of a household's well-being. This is because despite free education of the children at the Senior High School level, parents still make substantial financial contribution towards the education of their children both at the basic school level and the Senior High School level in terms of provision of other essential educational

materials such as text books to their children. The survey asked the respondents to indicate the amount they spent on their children’s education including payment of fees, uniforms, books, or other materials during the last 12 months preceding the data collection. The results indicate that respondents spent on average an amount of GH¢1290 annually on their children’s education. About 81% of the respondents indicate paying these educational expenses with the payout or loans from the VSLA.

### 13.2 Impact on Household Food Security

Households are said to be food secured when all the household members have physical and economic access to adequate amounts of nutritious, safe, and culturally appropriate food to maintain a healthy and active life at all times. The survey asked the respondents to indicate their subjective perceptions about the state of their household food security (variety, quantity and quality of food) since joining the VSLA. The table below indicates that both male and female respondents were of the view that their household food security has improved due to their participation in the VSLA.

**Table 27: State of Household Food Security**

<i>Has household diet improved (variety, quantity and quality of food) since joining the VSLA?</i>	<b>Male</b>		<b>Female</b>		<b>Total</b>	
	Number	Percent	Number	Percent	Number	Percent
Improved	112	35	167	52.19	279	87.19
Worsened	1	0.31	2	0.63	3	0.94
Stayed the same	10	3.13	25	7.81	35	10.94
Do Not know	1	0.31	2	0.63	3	0.94
<b>Total</b>	<b>124</b>	<b>38.75</b>	<b>196</b>	<b>61.25</b>	<b>320</b>	<b>100.0</b>

Prior to the VSLA introduction, the survey respondents were at different household welfare levels and living standards. The results as presented in the Table 27 above clearly showed that the welfare of VSLA’s participants has changed in terms of the state of their household food security as an overwhelming 87% of respondents including 35% males and 52% females claimed their households’ food security have improved while 10.94% said their households’ food security have remained the same.

Survey findings presented in Table 28 further supported the assertions of the respondents that their households’ food security have largely improved following their participation in the VSLA. The respondents were asked to indicate how frequently their households have experienced problem in satisfying their food needs in the past 12 months. The responses as summarized in Table 28 shows the majority, 51% reporting that they had never experienced any problem in satisfying their household food needs in the past 12 months with only 48% of the respondents reporting their households sometimes experienced problems in satisfying their food needs.

**Table 28: Household Food Security**

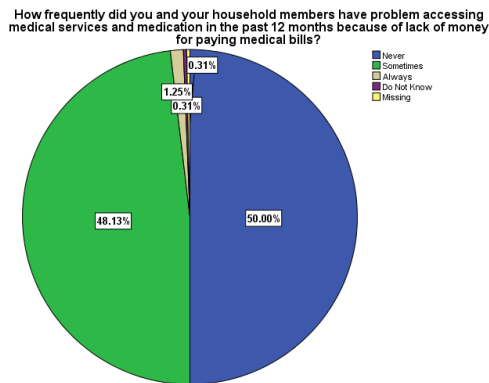
<i>How frequently did you and your household have problem with satisfying food needs in the past 12 months?</i>	<b>Male</b>	<b>Percent</b>	<b>Female</b>	<b>Percent</b>	<b>Total</b>	<b>Valid Percent</b>
Never	73	22.96	90	28.30	163	51.3
Sometimes	49	15.41	105	33.02	154	48.4
Always	0	0	1	0.31	1	0.3
<b>Total</b>	<b>122</b>	<b>38.37</b>	<b>196</b>	<b>61.63</b>	<b>318</b>	<b>100.0</b>

### 13.3 Impact on Healthcare Services

Self-reported data presented in Table 29 below indicate that the health of the VSLA Participants have improved. About a half (50%) of the VSLA participants indicate that they have not experienced any challenge in accessing healthcare services in the past 12 months prior to the survey interview because of lack of money for paying medical bills while 48% of the respondents reported that their household members sometimes have problem accessing medical services and medication in the past 12 months because of lack of money for paying medical bills (Table 29).

**Table 29: Problems accessing medical services and medication**

<i>How frequently did you and your household members have problem accessing medical services and medication in the past 12 months because of lack of money for paying medical bills?</i>	Male	Percent	Female	Percent	Frequency	Valid Percent
Never	67	21.00	93	29.15	160	50.2
Sometimes	56	17.55	98	30.72	154	48.3
Always	0	0	4	1.25	4	1.3
Do Not Know	0	0	1	0.31	1	.3
<b>Total</b>	<b>123</b>	<b>38.55</b>	<b>196</b>	<b>61.45</b>	<b>319</b>	<b>100.0</b>

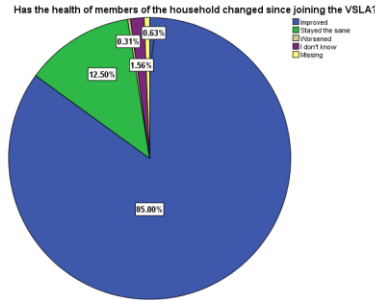


This assertion was corroborated by the findings presented in Table 30 below. According to Table 30, a vast percentage (85.5%) of the respondents believed and claimed their health status have improved while 12.6% indicated their health conditions have stayed the same in the past year with only 0.3% of the respondents indicating their health status have worsened.

**Table 30: Health Status of household members since joining the VSLA**

<i>Has the health of members of the household changed since joining the VSLA?</i>	Frequency	Valid Percent
Improved	272	85.5
Stayed the same	40	12.6
Worsened	1	.3
I don't know	5	1.6
Total	318	100.0





Similarly, comparison of household healthcare expenses before and after VSLA shows that households expenditure on household health care services has increased from an average of GHS 988 prior to the respondents' participation in the VLA to GHS 1502 after participation in the VSLA. This indicates about 21 percentage point increase in households' expenditure on households' healthcare service due to their participation in the VSLA. This shows that participation in the VSL have helped the participants of the VSLA in meeting their HealthCare needs.

This self-reported increase in household's expenditure on household health care services due to their participation in the VSLA is not surprising. This is because, despite the establishment of the National Health Insurance Scheme in Ghana, out-of-pocket costs and delayed care due to the inability to pay continue to be some of the essential factors that inhibit healthcare service affordability for the rural households. This is because most of these rural households have not registered with the scheme despite that most of these rural households could not easily afford to pay the cost of the healthcare services.

#### 14. Impact on Social Capital

Social capital refers to the nature of interrelationships that exist between members of a given community or associations. According to Christiaan Grootaert, Deepa Narayan, Veronica Nyhan Jones & Michael Woolcock (2003), these personal relationships and networks often engender the sharing of useful information, innovative ideas, and future opportunities which could inure to the benefits of the persons involved in these relations and networks. Because of the set of shared values, social capital allows individuals in such groups to work together effectively to achieve a common purpose. In identifying and estimating the impact of the social capital of the VSLA participants, the survey asked the respondents to provide their subjective perceptions on their status in the community before and after joining the VSLA, their self-confidence levels, membership in community-based organizations, associations, networks or political parties, command of respect within the VSLA, public speaking and the leadership positions they occupied (if any). The findings presented in Tables 31 & Table 32 show that the participation in the VSLA has led to improved social capital of the VSLA participants. According to Tables 31 & Tables 32, about 91% of both male and female VSLA participants claimed their social status in their communities have improved while 90% also indicate their self-confidence levels have improved. This survey finding is consistent with the findings in the literature on the role of micro-finance programme in improving the social status of their participants. For example, according to Pitt and Khandker 1998, 2003; Khandker 2005; Strauss and Beegle 1996; Hoddinott and Haddad 1994), there is an overwhelming literature which seem to indicate that microfinance

programmes including Village Savings and Loan interventions have a positive social impact on their participants especially in enhancing socio-economic empowerment of women in their communities.

**Table 31: Status of the Respondents in the Community**

<i>Has your status in the community changed since joining VSLA?</i>	Male		Female		Total	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Improved	116	36.36	175	54.86	291	91.22
Stayed the same	8	2.51	15	4.7	23	7.21
Worsened	0	0	0	0	0	0
I don't know	0	0	5	1.57	5	1.58
<b>Total</b>	<b>124</b>	<b>38.87</b>	<b>195</b>	<b>61.13</b>	<b>319</b>	<b>100</b>

Survey findings show that the VSLA intervention has helped to improve the socio-economic status as well as confidence levels of both men and female participants to participate in decision making processes in their groups, households and community levels. Both male and female VSLA participants claimed they have increased their Self-confidence and their ability to speak in public. This perhaps could be because village saving and loan associations provided the opportunity or platform for the participants to save and to be able to access loans for business investment or handling emergency situations such payment of hospital bills and funeral expenses.

**Table 32: Confidence Levels of Respondents**

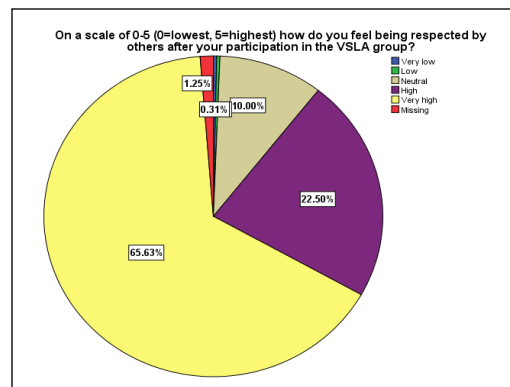
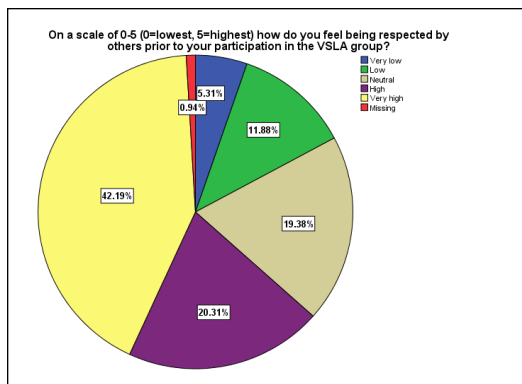
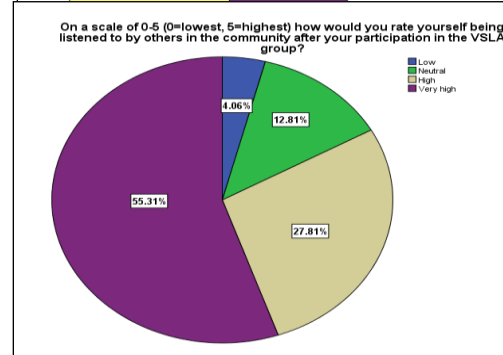
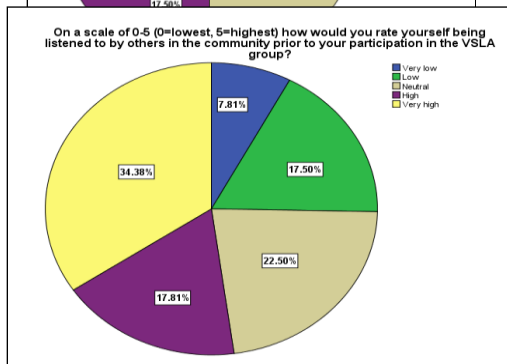
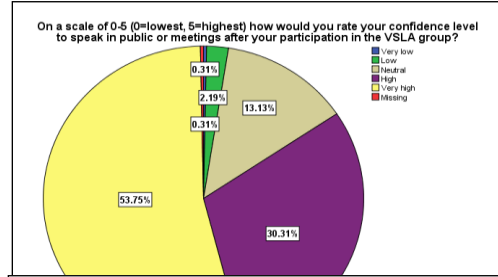
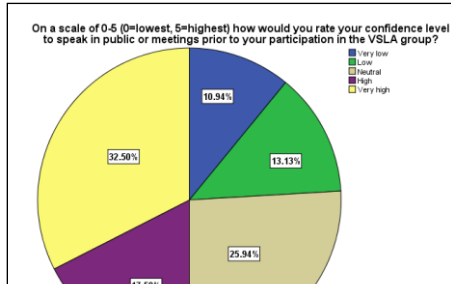
<i>Has your self-confidence changed since joining VSLA?</i>	Male		Female		Total	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Improved	110	34.70	176	55.52	286	90.22
Stayed the same	13	4.10	12	3.79	25	7.89
Worsened	0	0	0	0	0	0
I don't know	1	0.32	5	1.58	6	1.89
<b>Total</b>	<b>124</b>	<b>39.12</b>	<b>193</b>	<b>60.88</b>	<b>317</b>	<b>100</b>

The survey asked respondents to rate themselves on a scale of 0-5 (*0=lowest, 5=highest*) in terms of their confidence levels to speak in public or meetings, their subjective perceptions of being listened to by others in the community and how they felt being respected by others in their communities before and after their participation in the VSLA. The results as summarized in Table 33 clearly show about 54% of the respondents rating themselves very high in terms of their confidence levels and their ability to speak in public or community meetings due to their participation in the VSLA as against 33% of the respondents who rated themselves very high in terms of their confidence levels and their ability to speak in public or community meetings prior to their participation in VSLA. Similarly, about 67% of the respondents have also claimed they felt being very highly respected by others in the community after participating in the VSLA as compared to 43% of the respondents who rated themselves very high prior to their participation in the VSLA.

**Table 33: Respondents' Perceptions of their Social Status**

<i>Rating On a scale of 0-5 (0=lowest, 5=highest)</i>	<b>Before Participation in VSLA</b>					<b>After Participation in VSLA</b>				
	Very low	Low	Neutral	High	Very high	Very low	Low	Neutral	High	Very high
<b>Percentage Rating by Respondents</b>	%	%	%	%	%	%	%	%	%	%
How would you rate your confidence level to speak in public or meetings?	10.9	13.1	25.9	17.5	32.5	0.3	2.2	13.2	30.4	53.9
How would you rate yourself being listened to by others in the	0.3	2.2	13.2	30.4	53.9	7.8	17.5	22.5	17.8	34.4

community?											
How do you feel being respected by others?	5.4	12.0	19.6	20.5	42.6	0.3	0.3	10.1	22.8	66.5	



### 15. Impact on Decision Making on Use of Loans and Pay Out for business/investment

Survey findings show that male and female respondents have different opinions on who makes decisions on the use of Loans and Payout for business/investment. While the majority (27.49%) of the female respondents stated that wives make decisions on the use of Loans, their male counterparts indicated that both husbands and wives largely make decisions on the use of Loans for business or investment (Table 34).

**Table 34: Who makes Decisions on Use of Loans and Pay Out for business/investment**

	Use of Loan for business/investment decisions		Use of Pay Out for business/investment decisions	
	Male	Female	Male	Female
Husband	32 (15.16%)	8 (3.79%)	27 (21.64%)	5 (2.92%)
Wife	3 (1.42%)	58 (27.49%)	3 (1.75%)	46 (26.90%)

Both	36 (17.06%)	32 (15.16%)	33 (19.30%)	30 (17.54%)
Other	10 (4.74%)	32 (15.16%)	8 (4.68%)	19 (11.11%)
<b>Total</b>	<b>211 (100%)</b>		<b>171 (100%)</b>	

There is also disagreement among the male and female respondents on who makes business or investment decisions on the use of Payout. While the majority (21.64%) of the male respondents claimed husbands make business or investment decisions on the use of the payout, a sizeable proportion (26.90%) of the female respondents stated that these decisions are made by the wives (Table 34). This indicates lack of effective consultation and consensus building among the male and female VSLA participants in making decisions on the use of the Loans and Payout for business or investment.

### 16. Impact on Individual Welfare and involvement of Women in community activities

The survey asked respondents to indicate who in their households has the final word on decisions that concern the household members and within their families, who usually has the final say on decisions about their children regarding: any decisions about children’s schooling, what to do if a child falls sick, how children should be disciplined and whether to have another child. The results as summarized in Table 35 and Table 36 clearly show that these decisions are mostly taken jointly by the husbands and wives. According to Table 35, About 44.3% and 38.6% of the respondents reported that Respondent or husband or partner jointly and respondents alone respectively usually have the final word on decisions that concern the household members. As can be seen in Table 36 below, survey respondents were unanimous that decisions about children’s schooling; what to do if a child falls sick; how children should be disciplined and whether to have another child are jointly taken by the respondent and the husbands with their partners.

Results of the focus group discussions with the participants seems to corroborate and reinforced these findings. Participants of the focus group discussions indicated that their participation in the VSL has significantly contributed to the enhanced participation of women in the decision-making processes at the household and community levels because of improved confidence levels and self-esteem of the women.

**Table 35: Who has the final word on decisions that concern the household members**

<i>Who in your family usually has the final word on decisions that concern the household members?</i>		Male	Percent	Female	Percent	Total	Percent	Valid Percent
Valid	Respondent	68	21.52	72	22.78	140	43.8	44.3
	Husband or partner	6	1.9	42	13.29	48	15.0	15.2
	Respondent or husband or partner jointly	44	13.92	78	24.68	122	38.1	38.6
	Someone else	4	1.27	1	0.32	5	1.6	1.6
	Respondent and someone else jointly	1	0.32	0	0	1	.3	.3
	<b>Total</b>	<b>123</b>	<b>38.93</b>	<b>193</b>	<b>61.07</b>	<b>316</b>	<b>98.8</b>	<b>100.0</b>

**Table 36: Family Member with Final Decision-Making Power on Children in the household**

	<i>Respondent</i>	<i>Husband/partner</i>	<i>Respondent &amp; husband/partner jointly</i>	<i>Someone else</i>	<i>Respondent &amp; someone else jointly</i>	<i>Decision not made /not applicable</i>	<i>Total</i>
Any decisions about children’s schooling?	35.3%	8.7%	54.8%	.6%	3%	.3%	100%
What to do if a child falls	35.0%	8.9%	54.6%	.3%	6%	3%	100%

sick? Medical							
How children should be disciplined? Discipline	36.7%	11.3%	49.2%	1.6%	.6%	.6%	100%
Whether to have another child? Another child	22.1%	12.5%	46.8%	1.4%	1.1%	16.1%	100%

## **17. Summary of Findings**

The fundamental reason for the establishment of the VSLA was to improve farmers access to credit and ensure the socio-economic empowerments of the VSLA participants, particularly the women participants. This study was to among other things assess the effectiveness of village savings and loan associations as a useful model for enhancing cocoa production and productivity as well as promoting women's empowerment. This study was also to identify and analyze the extent to which the VSLA is helping to improve women participation in decision-making processes in their households and communities in relation to their farming and livelihood initiatives. And to identify and assess the extent to which the participation of women in the VSLA has enhanced their economic and social wellbeing as well as their decision-making and leadership capacities in the context of the Cocoa Life as well as identify the opportunities, outcomes, challenges (if any) and lessons learnt from the VSLA based on the contextual experiences and realities within the cocoa growing communities.

The study found that VSLA has significantly helped to improve living standard and wellbeing of the VSLA participants and that of their household members. Through the participation in the VSLA, households' food security, children's education and provision of health care services to the members of the participating households of the VSLA beneficiaries have improved. VSLA has significantly increased the participants' access to loans for productive investments such as farming and payment of children's school fees as well as for other household expenses. There was also an increase in frequency of loans taken by VSLA participants apparently because unlike formal financial institutions which demand collaterals from the potential loan beneficiaries as guarantees against loan default, VSLA has no such restrictions from its loan beneficiaries.

The financial literacy skills training provided to the VSLA participants has helped in building the technical and business management capacities of the VSLA participants to engage in income generating activities to enhance their income earning capabilities. This training has indeed impacted positively on the number of VSLA participants engaged in various income generating activities leading to enhanced average household incomes of the VSLA beneficiaries.

The VSLA intervention provided unique opportunity for the participants to save and able to access micro-loans for other livelihood activities such as investment in income generating activities, paying children's school fees and paying medical expenses etc. The VSLA therefore provided clear opportunity for the participants to improve the overall well-being of their households. This, in turn, helped to improve socio-economic status including self-confidence and self-esteem of both male and female VSLA participants.

VSLA Pay out enables the participants to access relatively large sums of money for investing in productive or farming activities and for paying children's school fees as well as for handling household emergencies such as payment of medical bills and funeral expenses. In the rural settings, households' ability to mobilize these relatively large sums of money within a relatively short time could have been quite challenging without their participation in the VSLA.

In most rural communities, the relationships between men and women are characterized by the marginalization of women in decision making process and other forms of power sharing in the household and community levels as well as other places of authority. Survey findings however, indicate that men and women participants of the VSLA enjoyed equal treatment within their various groups which are devoid of any gender discrimination. Interestingly, women even had an edge over male counterparts in terms of their rights and voices being heard in the VSLA.

The VSLA intervention is however, yet to make any significant change on the traditional gender roles in the programme communities for example; any change in the status quo where men are the breadwinners and women regarded as housewives and not the reverse. These findings are however, not surprising since cultural beliefs and values are attitudinal and require long time and determined efforts to change. VSLA however, have been operational in the surveyed programme communities for less than four years to be able to change these cultural norms in the communities. Survey findings however, show there is equality in social relationships for both women and men VSLA participants and there was no gender disparity in the VSLA. Similarly, both women and men VSLA Participants worked hard in the VSLA to achieve their aims regardless of feminine or masculine considerations.

This survey findings show that the participation in the VSLA has led to improved social capital of the VSLA participants. About 91% of both male and female VSLA participants claimed their social status in their communities have improved while 90% also indicate their self-confidence levels have improved. Survey findings show that the VSLA intervention has helped to improve the socio-economic status as well as confidence levels of both male and female participants to participate in decision making processes in their groups, households and community levels. Both male and female VSLA participants claimed they have increased their self-confidence and their ability to speak in public. This perhaps could be because village saving and loan associations provided the opportunity or platform for the participants to save and to be able to access loans for business investment or handling emergency situations such payment of hospital bills and funeral expenses. This finding is consistent with the findings in the literature on the role of micro-finance programme in improving the social status of their participants. For example, according to Pitt and Khandker 1998, 2003; Khandker 2005; Strauss and Beegle 1996; Hoddinott and Haddad 1994), there is an overwhelming literature which seem to indicate that microfinance programmes including Village Savings and Loan interventions have a positive social impact on their participants especially in enhancing socio-economic empowerment of women in their communities.

The results of the survey show about 54% of the respondents rating themselves very high in terms of their confidence levels and their ability to speak in public or community meetings due to their participation in the VSLA as against 33% of the respondents who rated themselves very high in terms of their confidence levels and their ability to speak in public or community meetings prior to their participation in VSLA. Similarly, about 67% of the respondents have also claimed they felt being very highly respected by others in the community after participating in the VSLA as compared to 43% of the respondents who rated themselves very high prior to their participation in the VSLA.

The survey findings indicate disagreement among the male and female respondents on who makes business or investment decisions on the use of Pay Out or the loans from VSLA. This indicates lack of effective consultation and consensus building among the male and female VSLA participants in making decisions on the use of the Loans and Pay Out for business or investment.

Survey results show that both husbands and wives usually jointly take final decisions on their children's schooling, what to do if a child falls sick, how children should be disciplined and whether to have another child. Results of the focus group discussions with the participants seems to corroborate and reinforced these findings. Participants of the focus group discussions indicated that their participation in the VSL has significantly contributed to the enhanced participation of women in the decision-making processes at the household and community levels because of improved confidence levels and self-esteem of the women.

In a focus group discussion with the VSLA participants, they noted that even though their access to loans have significantly improved due to their participation in the VSLA, the quantum of the loans they were able to access from the VSLA were quite small and unable to effectively support the expansion of their income generating activities. This is quite understandable because of the high demand for loans from the VSLA.

## **18. Conclusion and Recommendation**

Participation in the VSLA has enhanced timely and easy access to loans for its beneficiaries for investing into productive business activities and for paying school fees of children of the VSLA participants. Even though the primary objective of the VSLA was to help members to have easy access to financial services, it has also contributed to enhancing the savings culture of the VSLA participants. VSLA participants reported that they were virtually unable to save prior to the inception of the VSLA in their communities because of several monetary challenges and several competing demands facing them in their communities. According to the VSLA participants surveyed, apart from the benefits of the loans from the VSLA, the savings have provided them with an opportunity to improve their livelihoods and overall well-being of their households. The VSLA model has helped to build self-confidence and self-esteem among the members of the VSLA. This VSLA model likely to engender loan repayments among the participants by promoting the participants' sense of liability and responsibility within the VSLA. VSLA has thus proven to be a useful financial model not just for increasing farmer's access to agricultural credit but also enabling the farmers to access funds to support their household expenditure.

This study found a positive impact on household incomes of the VSLA participants as well as improvements in household food security, health status, children's education, and the role of women in decision making processes at household and community levels. Similarly, the study observed that households' expenditure on healthcare services of VSLA participants have increased and thus indicating that VSL have helped the participants of the VSLA in meeting their HealthCare needs.

VSLA participants however, mentioned some issues or challenges they faced in their VSLA and income generating activities. This includes their inability to access bigger loans from the VSLA to help them improve on their income generating activities. Despite the positive impacts of the



VSLA on the participants, the programme would need to effectively promote the linkage of the various VSLAs with financial institutions to enable the participants to leverage larger loans for investing into their income generating activities. This will further increase the impacts of the VSLA interventions.

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