

Title

Development implications of Village Savings and Lending Associations in alleviating household poverty: Insights from the Salvation Army Project in Guruve, Zimbabwe

Lilian Tariro Savadye: Lecturer, Women's University in Africa, Manresa Campus, Harare, Zimbabwe. Email: tarirosavadye@gmail.com

Kudzai Mwapaura: Lecturer and Fieldwork Coordinator, Women's University in Africa, Manresa Campus, Harare, Zimbabwe. ORCID: <https://orcid.org/0000-0001-6621-8158>. Email: kudzaimwapaura@gmail.com

Abstract

This study explored the pivotal role of Village Savings and Lending Associations (VSLAs) in alleviating household poverty by focusing on the Salvation Army Project in Guruve, Zimbabwe. Through qualitative data collected from group interviews (GIs) and key informant interviews (KIs), it was revealed that participants utilise loans from VSLAs to start or expand small businesses, which increases their income sources and overall financial stability. The findings indicate that the VSLA programme contributes to poverty reduction through several key mechanisms, including increased income generation activities, enhanced household welfare, improved savings habits, and women empowerment. Increased household welfare is evident, as participants report improved food security, healthcare accessibility, and children's education. VSLA initiatives foster a culture of savings, allowing members to respond effectively to emergencies without resorting to the sale of household assets. Furthermore, the findings highlight the role of VSLAs in empowering women, who often constitute the majority of participants, enabling them to play active roles in household decision-making and financial contributions. This study affirms that VSLA participation is instrumental in driving economic growth among rural households, enhancing their financial resilience, and promoting social equity. The study emphasizes the need for sustained support for VSLA initiatives as efficient instruments for ending poverty and fostering sustainable community development.

Key words

Development, household welfare, income generation, poverty reduction, savings culture, Village Savings and Lending Associations (VSLAs), women's empowerment

Key dates

Submitted March 2025; Accepted May 2025

How to cite this article using ASWDNet style

Savadye L T and Mwapaura K (2025). Development implications of Village Savings and Lending Associations in alleviating household poverty: Insights from the Salvation Army Project in Guruve, Zimbabwe. *People centred – The Journal of Development Administration (JDA)*, 10(1), 1-13. <https://dx.doi.org/10.4314/jda.v10i1.1>

Indexed in



Copyright: Authors
Licensed under a Creative Commons Attribution-Non-commercial 4.0
International License (CC BY-NC 4.0)
Published by the Institute of Development Administration (IDA)
43 St David Road, Hatfield Harare, Zimbabwe.
Email: asw@aficasocialwork.net
www.aficasocialwork.net/jda

Introduction

This Poverty remains a pervasive challenge in many regions of the world, particularly in the rural areas of sub-Saharan Africa, where households often grapple with insufficient resources and limited access to financial services. Development, encompassing both economic growth and social advancement, is vital for addressing these issues, and practical development administration plays a crucial role in implementing sustainable solutions. In Zimbabwe, the need for sustainable poverty alleviation strategies is critical, especially in districts such as Guruve, where economic opportunities are scarce (Murendo et al, 2021; Savadye, 2024). In this context, Village Savings and Lending Associations (VSLAs) have emerged as promising community-based approaches aimed at improving financial inclusion and fostering economic resilience among underserved populations. These initiatives not only promote savings and access to credit but also empower communities to take charge of their economic destinies, thereby contributing to broader development goals and enhancing overall quality of life.

The Guruve District Salvation Army Project is a prime example of how VSLA ideals are put into practice, giving members of the local community a place to pool their resources and give each other credit (Savadye, 2024). To improve household welfare and lower poverty rates, members can gradually increase their savings and obtain loans to start income-generating ventures by pooling resources.

This study investigates the multifaceted role of the VSLA program implemented by the Salvation Army in Guruve, specifically examining how it contributes to poverty reduction through increased income generation, improved savings habits, enhanced household welfare, and women's empowerment. Understanding the dynamics of VSLAs can provide valuable insights for policymakers, development practitioners, and community leaders, aiming to create effective interventions that promote sustainable livelihoods and economic security in rural Zimbabwe. This study aimed to clarify the transformative impact of these relationships on participating homes and communities through the analysis of qualitative data from key informant interviews and group interviews.

Background

Poverty is a multifaceted issue that impacts societies worldwide, with rural areas often suffering the most severe consequences. In the context of development and development administration, poverty is not merely an economic dilemma; it is a complex

interplay of social, political, and geographical factors that require targeted interventions for sustainable solutions. Development involves not only improving economic conditions but also enhancing the quality of life for individuals and communities by addressing basic needs, promoting social equity, and fostering inclusive growth. In Zimbabwe, a country rich in resources yet plagued by economic turmoil, the dimensions of poverty are particularly acute (Murendo et al, 2021; Tendengu, 2024). Economic challenges such as persistently high unemployment rates, skyrocketing inflation, and limited access to financial services have compounded the difficulties faced by low-income households (Tendengu, 2024; Chineka and Mtetwa, 2021; Chikoko et al., 2021). This scenario highlights the critical role of development administration in creating effective policies and frameworks that can address these issues. Development administration entails the planning, organisation, and implementation of development programs aimed at improving societal well-being and economic performance.

Many families in Zimbabwe grapple with the basic struggle of meeting their everyday needs, largely due to the lack of essential financial resources needed for investments in income-generating activities. The absence of affordable credit options and financial literacy plays a significant role in trapping these households in a persistent cycle of poverty (Shumye, 2023). Furthermore, rural communities often lack access to traditional banking services, making it even more challenging for individuals to save or invest in their futures. This situation necessitates a reimagining of development strategies one that focuses on increasing accessibility to financial services, enhancing agricultural production, and promoting education and skill development. For development administration to be effective in mitigating poverty, it must embrace a comprehensive approach that integrates economic empowerment, social protection, and infrastructural development. This means not only developing policies that respond to immediate needs but also establishing long-term strategies that address the root causes of poverty. Community engagement and participatory development processes are essential in this regard, enabling local populations to take ownership of their development paths and ensuring that interventions are contextually relevant.

Innovative community-driven solutions have emerged in response to these challenges, among which Village Savings and Lending Associations (VSLAs) are increasingly recognized for their potential to facilitate financial inclusion and economic empowerment (Savadye, 2024). Originating from the recognition that local savings groups can provide financial services in areas

underserved by formal banking institutions, VSLAs function based on the principles of mutual support, solidarity, and self-management. They enable members to collectively save a portion of their income, access loans at affordable rates, and invest in small businesses, thereby generating income and improving their overall quality of life.

The Salvation Army, a prominent non-governmental organisation (NGO) operating in various regions, has implemented a VSLA programme in the Guruve District of Zimbabwe (Kabonga et al, 2022; Savadye, 2024). This initiative aims to empower local communities by enhancing their financial literacy, promoting savings behaviour, and providing access to capital for income-generating activities. The project is particularly focused on supporting women, who often play a central role in household economies but face significant barriers to financial access and decision-making.

This study aimed to explore the impacts of the VSLA program facilitated by the Salvation Army on poverty reduction in Guruve. This study aimed to provide important insights into the efficacy of VSLAs as a tactic for promoting sustainable development in rural environments by investigating participant experiences and evaluating household welfare and economic empowerment results. These findings are expected to offer a deeper understanding of how community-based financial mechanisms can play a crucial role in transforming lives and building resilient communities in the face of economic adversity.

Literature review

Village Savings and Lending Associations (VSLAs) have gained significant attention as a community-driven approach to financial inclusion and poverty alleviation, particularly in developing countries (Chivasa, 2021; Okello and Mwesigwa, 2022). The mechanism of VSLAs, characterised by self-selected membership, group savings, and mutual lending, provides an accessible way for low-income households to accumulate capital and access credit in the absence of formal banking systems. The scoping literature review question for this study focused on understanding how Village Savings and Lending Associations (VSLAs) can impact household poverty alleviation within the context of the Salvation Army project in Guruve, Zimbabwe. The review question was "How do Village Savings and Lending Associations contribute to alleviating household poverty in the context of the Salvation Army's interventions in Guruve, Zimbabwe?"

The foundational concept of VSLAs rests on principles of microfinance and community empowerment. Literature indicates that VSLAs facilitate savings accumulation and provide

financial services in a context where traditional banking institutions often remain inaccessible due to geographic, economic, and sociocultural barriers (Chineka and Mtetwa, 2021). VSLAs promote economic resilience in communities as well as individual financial stability by enabling members to save modest sums regularly and borrow against these savings for revenue-generating endeavours. As members cultivate trust, reciprocity, and mutual support all of which are essential for the success of such initiatives the theoretical framework of VSLAs highlights the significance of social capital and collective action.

Research has documented various impacts of VSLAs on poverty alleviation, with evidence suggesting that participation in these associations can lead to improved household incomes, increased asset ownership, and enhanced consumption stability. Studies have shown that households engaged in VSLAs often report significant increases in economically productive activities, contributing to community-level economic development (Dawuni, Mabe, Tahidu, 2021; Okello and Mwesigwa, 2022; Chineka and Mtetwa, 2021). Moreover, VSLAs have been linked to greater food security and improved living standards, reinforcing their potential as a viable strategy for poverty alleviation. Notably, several studies highlight how VSLAs empower women by bridging gender gaps in decision-making authority and financial resources, which in turn promotes more gender equity in the community (Charamba et al, 2024; Maganga, 2021; Shaaban, 2022; Shumye, 2023).

A flock of literature is available on the role of VSLA in household poverty alleviation, particularly in Africa, which has been viewed as one of the drivers of sustainable development (Mkandawire, 2024; Okello and Mwesigwa, 2022). The reviewed literature shows that increased income generation is one of the roles played by the VSLA in poverty alleviation. VSLA meetings support the growth of income-generating activities that might help poor rural fellows start their businesses through access to small loans that are available through membership. VSLA members have the opportunity to borrow without collateral, which is the opposite of microfinance schemes and formal institutions. This allows VSLA members to enhance their entrepreneurial opportunities in rural communities. Thus, enhancing the growth of small businesses inevitably leads to an increase in income generation.

Previous research also revealed that VSLA has a pivotal function towards poverty reduction as it leads to increased household welfare (Amponsah, Awunyo-Vitor, Wongnaa, Prah, Sunday and Acheampong, 2023). Literature reviewed from previous studies has shown that VSLA contributes to increased household welfare, such as household

diet, health, and children's education. An increase in household welfare manifests as an improvement in children's education, a change in food consumption patterns, and a shift in household health status. It has been previously noted that people who participate in savings groups can use money in the social fund pool to cater to medical expenses, thereby improving their household welfare.

Participating in a VSLA group can increase households' financial savings. VSLA members are given the chance to improve their savings habits by providing a platform to save (Amponsah et al 2023; Savadye, 2024). These savings groups render the rural poor a platform to save on their earnings, unlike other formal means of saving. They are also the most standardized savings groups, which are flexible and affordable. Prior to joining, VSLA members are motivated to work harder and adopt good work ethics, which positively contribute to their savings habits. VSLA serves to accord the rural poor an opportunity to save, while at the same time, they can benefit from those savings by taking loans from the pool, thereby increasing their savings.

Other studies have found that women's empowerment is also one of the roles played by VSLA in poverty alleviation (Charamba et al, 2024; Maganga, 2021; Shaaban, 2022; Shumye, 2023). Thus, the literature review shows that informal savings groups provide women with services that allow them to participate in activities that reduce dominant patriarchal control in the household. For instance, women's decision-making power in the household, self-esteem, and participation in community development increases through participation in savings groups. This could be one of the driving forces for women to participate in VSLA programs as compared to men. Overall, research has shown that once women are empowered through VSLA programs, it can lead to an overall improvement in household welfare, as women are the main caretakers and better household carers than men.

Theoretical framework

This study adopted the Community-Based Development Theory articulated by Robert Chambers, which asserts that sustainable development is most effective when driven by local community involvement and participation (Chambers, 2012). This theory posits that the individuals most affected by developmental challenges should play a central role in identifying problems, designing solutions, and implementing projects. In the context of rural Zimbabwe, where local knowledge, practices, and resources are essential for addressing poverty and fostering economic resilience, Community-Based

Development Theory offers valuable insights into the mechanisms of Village Savings and Lending Associations (VSLAs).

Community-Based Development (CBD) is characterised as a participatory approach that empowers communities to take ownership of their development processes (Chambers, 2015). This framework emphasizes mobilizing community assets and resources, ensuring that local voices are integral to decision-making. The primary objective of CBD is to improve the livelihoods of community members through collective action, sustainable resource management, and the strengthening of local capacity. CBD promotes contextual solutions that speak to the unique needs and conditions of the community by putting residents at the center of development activities.

Community-Based Development Theory emphasizes that local participation results in solutions that are durable and pertinent to the local context (Chambers, 2014). It recognises that external interventions cannot often fully address the complexities inherent in local challenges. The overarching goal of this approach is to enhance economic resilience, alleviate poverty, and empower communities to manage their own development sustainably. Through this lens, VSLAs can be seen as a facilitator of community-driven initiatives that promote financial literacy and self-reliance.

An essential tenet of Community-Based Development is the ethical imperative to include diverse voices from within the community, particularly marginalized groups such as women. Ethical considerations within the project focus on ensuring that all members have equitable opportunities to participate in and benefit from the VSLAs. By fostering an open and transparent decision-making process, the project aligns with ethical principles of equity and trust, which are vital for building lasting community resilience.

This theoretical framework provided an essential backdrop for exploring the development implications of Village Savings and Lending Associations in alleviating household poverty. Insights drawn from the Salvation Army Project in Guruve, Zimbabwe, illustrate how the principles of Community-Based Development can inform effective strategies for financial inclusion and community empowerment. Through leveraging local resources and fostering participatory governance, VSLAs have the potential to transform economic landscapes and contribute to sustainable development outcomes.

Methodology

The study was conducted in Guruve district, which is situated in the rural areas of Mashonaland Central. The research site is purely rural, where household poverty is relatively high, and is mostly an agrarian society. The district is embedded in rich cultural norms that sometimes limit women's access and participation in the formal economy. The researchers chose a purely qualitative research methodology, which made it possible to capture people's experiences, situations, and backgrounds in line with the understanding of the role of VSLA in household poverty reduction (Alston, 2020). This study adopted a case study research design to better understand the role of VSLA in household poverty reduction in the Salvation Army Guruve Church. A sample of 12 study participants and 2 key informants were selected using convenience sampling and purposive sampling techniques. Among the participants there were 10 females and 2 males.

Data were collected through group interviews, in-depth interviews, and key informant interviews. Two focus groups, each comprising six participants, were conducted. Group Interviews were chosen to allow every participant to share insights and promote interactions (Thompson, 2024). In-depth interviews were conducted with three members who were pioneers of the VSLA programme at the Salvation Army Guruve Church. This helped to provide a clearer understanding of the contributions of VSLA towards household poverty alleviation. Key informant interviews were conducted with two employees of the Salvation Army VSLA project. The key informant interviews helped the researchers obtain expert information and provide in-depth clarity on certain issues of concern, as key informant opinions were crucial in assessing the role of VSLA in poverty reduction in Guruve.

We used its six data analysis steps to do thematic data analysis. The data were organised into themes (Alston, 2020). Initially, researchers immerse themselves in the qualitative data collected from participants, gaining a comprehensive understanding of their experiences with VSLAs. This is followed by generating initial codes that capture significant aspects such as financial access, community support, and empowerment. Next, researchers organise these codes into broader themes, ensuring that they accurately reflect the participants' realities before clearly defining and naming these themes for clarity. Ultimately, the findings are compiled into a report that highlights how VSLAs contribute to poverty alleviation and provides valuable insights for future development initiatives.

In conducting this study ethical considerations were paramount to ensure the integrity and respect for the

participants involved. Prior to the research, informed consent for participation in the study was obtained from all adult participants, ensuring they were fully aware of the study's purpose, procedures, and their right to withdraw at any time without penalty (Alston, 2020; Mwapaura, 2024). The consent was obtained in writing. Additionally, our study was conducted following the ethical guidelines established by the Midlands State University ethics committee and approval from the Salvation Army Guruve Corps. Permission was also obtained from the Salvation Army Guruve Corps, thereby adhering to ethical standards and gaining access to both the research site and the participants, as outlined by Creswell and Creswell (2017). Furthermore, measures were taken to protect participants' privacy and confidentiality throughout the study; personal identifiers were removed from the data, and all collected information was stored securely. These ethical practices not only foster trust between the researcher and the community but also contribute to the overall validity and reliability of the research findings.

Results

Table 1: Distribution of participants by age

AGE (YEARS)	NUMBER OF PARTICIPANTS
18-28	6
29-38	9
39- 48	5
49- 59	3
Total	23

Table 1 shows the disaggregation of study participants by age. The higher number with nine people between the ages of 29-38 years. Followed by the next age range of 18-28 with six participants, followed by 39-48 years age range with five participants and lastly represented by the lowest number two participants were between the ages of (49-59). The age range 29-38 years has the highest number of participants since it is the most economically active group whilst the age range 49-59 years has the smallest age range since they are less economically active compared to the other groups.

Table 2: Biographical profile of key informants

Code	Sex	Experience	Position Held
KI 1	Female	3 years	Facilitator/ secretary (Salvation Army, Guruve Corps)
KI 2	Male	7 years	Livelihoods Coordinator (MWSMECD)
KI 3	Male	2 years	Resident Pastor (Salvation Army, Guruve Corps)

Among the key informants there were two males and one female. When asked about their years of experience facilitating the VSLA programs the key informants have varied years of experience. KI 1 had three years of experience working as the Salvation Army facilitator and accountant for the VSLA program in Guruve. KI 2 has seven years of experience working under the MWSED as the coordinator and KI 3 has one year experience working with VSLA groups as the resident pastor for the Salvation Army church Guruve Corps. Their experience working with VSLA groups helped to substantiate research findings from study participants since they are experts in working with VSLA groups.

It emerged from the study that the VSLA programme implemented by the Salvation Army Church, Guruve Corps, plays a pivotal role in poverty reduction in Guruve District. VSLA plays an active role in poverty reduction, and the roles found in this study include increased income generation activities, increased savings, women's empowerment, and improvement in household welfare. These roles formed the following subthemes:

Increased income generation activities

The findings of the study revealed that one of the major roles played by the VSLA programme on poverty reduction is increased income generation. The VSLA program helps participants source capital to start small enterprises, which can lead to more savings, and hence poverty reduction. This was confirmed by the FGD 1 Participant A, who said:

The VSLA group is helping my family and me to increase our income generation means, I can source

capital through loans from the group so that I can start small projects.

In support of Participant B in FGD 1, also highlighted that

VSLA group is helpful in terms of poverty reduction, through the credit facilities that we get from the group, I managed to buy one grinding mill machine and I am currently operating a business, I also started a chicken rearing project, hence you can see I can have multiple sources of income.

In addition, a Participant C in GI 2 also noted that,

Through the savings group, I have managed to grow my small business, now I own multiple vegetable market stalls and I have also expanded my business to include airtime and drinks at the rank.

Participant D in GI 2 also revealed that one of the roles played by the VSLA program is through an increase in income generation activities. He said,

I managed to open a second-hand clothing business for my wife, it helps us to increase our source of income and increase my usual source of income.

At the same time, another participant in GI 3 said,

I managed to buy a peanut butter-making machine, I am now in the business of peanut butter-making.

The finding that VSLA plays a pivotal role in household poverty reduction through increased income generation activities was confirmed by Key Informant (KI) 3, who noted that the participants of the VSLA program are now small business owners because of the availability of capital provided through loans and credit facilities available to group members. I support KI 2, pointing out the following points:

The participants in the VSLA group are able to increase their income generation activities through the availability of loans in the group's pool of savings.

Increase in household welfare

Increased household welfare has emerged as one of the primary roles played by the VSLA in poverty reduction. When asked about the role of VSLA in poverty reduction, GI participants highlighted that there was increased household welfare through participation in any one of the VSLA groups at the Salvation Army Church, Guruve Corps. The VSLA program helps participants increase their household welfare through increased children's welfare, household health, and children's education, among others. This was particularly said by the GI 2 female participant, who said that:

Through my participation in VSLA, my household welfare has generally improved, my children are now wearing good clothes, and also as a family, we can now afford three meals a day.

In reinforcement, another GI 1 participant highlighted that,

The savings group is helping me a lot in terms of food consumption, I used to spend a lot of money on groceries, but now, due to the grocery savings group, I no longer struggle to put food on my table.

Another participant from GI 3 said that,

VSLA programme has helped me a lot, my children are now well taken care of, and I am now able to cater for their health needs, even purchasing over-the-counter medicine at local pharmacies.

In support, a male participant in GI 1 said that,

I am now able to send my children of school with complete school uniforms and I am managing to pay their fees unlike before my children used to be sent back home from school.

Also, another participant in GI 2 noted that

My household life has changed through the VSLA programme, I am now able to provide for my family.

These findings were corroborated by key informants who noted that there was increased household welfare among participants of the VSLA programme as compared to those who did not participate in VSLA programmes. KI 1 said that

Participants who participate in VSLA programmes are better off than people who are not participating, generally their household welfare has improved a lot, and most households are now able to meet their family's household basic needs such as health, education and food consumption.

KI 2 also confirmed that the participants of the VSLA program at the Salvation Army Gurube Corps managed to improve their household welfare by participating in VSLA. She said that the participants were now able to send their children to school and afford household health care.

Increased savings

Most of the participants in the three group interviews highlighted that one of the most essential roles played by the VSLA programme is increased savings, through VSLA savings pools participants managed to increase their household savings and were now able to use their savings during emergencies rather than selling household assets. In particular, a female participant in GI 1 said:

At the VSLA group we are contributing to a pool of savings which we can use during emergencies. It helped me to develop a savings culture, which is helpful even when I encounter emergencies, I can now rely on savings rather than selling household assets.

A different participant in GI 1 also noted that,

As for me, all I can say is I have managed to learn the art of saving, now I can save money that I can use during emergencies or besides emergencies, I am now able to save money for my children's school fees.

At the same time, a participant in GI 2 said,

The savings groups helped me to keep money safe and use it wisely to the extent that I no longer sell valuable household property, and struggle to meet my needs whenever there is demand.

The findings of the study that VSALS helps members increase their household savings, leading to poverty reduction, were affirmed by key informants who said that participants of the VSLA programme are now able to save money they can use during emergencies. KI 2 said that,

The participants of the VSLA programme learn a culture of saving, they are able to increase their savings they can use during emergencies. As learning the art of saving is important because it helps them to keep valuable assets when they encounter emergencies.

In support of KI1, 1 also confirmed that by participating in the savings group, the Salvation Army VSLA participants have the opportunity to increase their savings since they contribute to a pool of savings that they share at the end of the cycle, and the money would have increased due to interest.

In addition, KI 2 said that,

The VSLA participants can increase their savings as the VSLA programme allows group members to save

Women empowerment

The participants of the VSLA programme at the Salvation Army Gurube Corps revealed that women empowerment is one of the roles played by VSLA in poverty reduction. Women who participate in VSLA are in a better position to stand for themselves than before, now own their business enterprises, and can earn money they can contribute to household welfare. Women generally participate more than men in VSLA programs. In particular, GI 3, one of the participants, noted the following:

Through my participation in the VSLA group, I am now aware of many things, my husband can no

longer take advantage of me, and I am now empowered to make decisions in the household.

Another female participant in GI 3 also highlighted that,

I am now an empowered woman, my husband can now consult me on decision-making since I am now earning my own money, and I have secured my vegetable stall at the market.

The findings that VSLA brings about women's empowerment were corroborated by key informants. In particular, KI2 noted that:

VSLA programmes implicitly perpetuate women's empowerment, as I can say that most of the participants we have are women, they are now empowered to take care of their families. Women can now access credits without collateral because the challenge was that women had no assets to use as collateral to access funds through formal microfinance institutions because they did not have assets they could use as collateral due to the patriarchal system.

KI 1 corroborated that,

With regards to the roles played by VSLA on poverty reduction, I think one of the roles is women empowerment. The VSLA has managed to lessen women's vulnerability by giving them a chance to increase their savings and contribute to their household welfare.

Discussion

This study investigated the pivotal role of Village Savings and Lending Associations (VSLAs) in alleviating poverty, with findings demonstrating that VSLAs significantly contribute to poverty reduction through increased income-generating activities, enhanced household welfare, improved savings habits, and women's empowerment. These outcomes align with existing literature on the impact of VSLAs across Africa, highlighting their effectiveness as community-driven initiatives that foster economic resilience. The capacity for increased income generation is facilitated by loans and credit facilities available to group members, enabling them to either start new small businesses or invest in existing ventures. This diversification of income sources mitigates the risks associated with reliance on a single income stream, ultimately contributing to reduced rural household poverty.

Supporting this assertion, Beyene (2018) noted that participation in VSLAs positively influences members' engagement in trade by providing access to capital through loans. Furthermore, Chinwe et al. (2019) found in a comparable study in Nigeria that the VSLA program significantly bolsters the growth

of small businesses, reinforcing the idea that access to financial resources is a critical component in fostering entrepreneurial activity. Consequently, VSLAs serve as vital instruments for poverty alleviation, enabling members to enhance their economic situations through increased income generation activities.

The discussion of increased household welfare emerges as a significant sub-theme in this study, suggesting that the benefits derived from VSLAs extend beyond mere financial growth. Improved household welfare encompasses aspects such as better access to education, healthcare, and improved living conditions, all of which are essential for the sustainable development of communities. This connection between financial empowerment and overall household well-being underscores the importance of community development methodologies such as those informed by Community-Based Development Theory which advocate for local participation and resource mobilization as essential elements for achieving long-term poverty alleviation (Chambers, 2014). Thus, the evidence presented in this study underscores the multifaceted impact of VSLAs, reinforcing the need for continued investment in community-driven financial initiatives to foster sustainable development and improve the quality of life for rural households.

The findings of this study indicate that participation in Village Savings and Lending Associations (VSLAs) significantly enhances household welfare, which is a crucial dimension of community development as posited by Community-Based Development Theory (Chambers, 2010). Indicators such as improved access to proper family healthcare, increased capacity to fund children's education, and enhanced food consumption patterns serve as concrete signs of development and progress towards poverty eradication. This aligns with the findings of Okello and Mwesigwa (2022), Magali (2022), and Abal and Tom (2022), who similarly established that households engaged in VSLAs experience increased income generation. This income allows families to meet essential expenditure, such as school fees and healthcare costs, while also contributing to an overall improvement in dietary practices.

Another critical theme identified in the study is increased savings, which further underscores the positive impact of VSLA participation on household income. The availability of loans and credit facilities to group members serves as a vital lifeline, providing access to capital that may otherwise be unavailable through formal financial institutions. This access empowers households to initiate small businesses or invest in existing enterprises, thereby diversifying their income sources and mitigating reliance on single income streams. Such

diversification is a key strategy for poverty alleviation, as it enhances economic resilience and adaptability in the face of socio-economic challenges.

In the context of Community-Based Development Theory, the study's results demonstrate the transformative potential of VSLAs. In addition to improving household welfare right away, VSLAs also help create the groundwork for long-term economic stability and poverty alleviation by encouraging local involvement and raising financial knowledge. Group members' capacity to produce several sources of income demonstrates how effective community-driven projects are at empowering households, which in turn supports the more general objectives of collective agency and sustainable development in rural Zimbabwe.

An increase in household welfare emerged as a significant outcome of participation in Village Savings and Lending Associations (VSLAs), highlighting the critical role these groups play in poverty alleviation through the lens of Community Development Theory. The study findings indicate that households engaged in VSLA activities experienced notable improvements in various dimensions of well-being, including healthcare access, children's education, food security, and overall household welfare (Chambers, 2015). Such advancements reflect essential indicators of development, illustrating how enhanced financial inclusion can lead to tangible improvements in quality of life (Mwapaura et al., 2022; Kabonga et al., 2022). The correlation between VSLA participation and increased household welfare aligns with existing literature that emphasizes the positive impact of informal savings groups on economic stability and social development.

These findings are especially compelling when juxtaposed against households that did not participate in VSLAs; the stark contrast in their standards of living underscores the significance of community-driven initiatives in local contexts. The disparities experienced by non-participants serve to reinforce the Community Development Theory's assertion that empowering communities through participatory mechanisms allows for more contextually relevant and sustainable solutions to poverty. By mobilising local resources and leveraging community assets, VSLAs not only provide financial support but also foster a sense of agency among members, leading to a holistic improvement in household conditions and contributing to broader community development goals. Thus, the insights derived from this study underscore the transformative potential of VSLAs as instruments of empowerment and development, illustrating their vital role in enhancing the

economic resilience of households in rural Zimbabwe.

Participation in Village Savings and Lending Associations (VSLAs) significantly enhances household savings, a finding that aligns with the research outcomes of this study. These results corroborate the assertions made by Mwansakilwa et al. (2017), who identified VSLAs as highly standardized and flexible savings groups, offering rural populations a viable platform to save within their means as opposed to relying on formal financial institutions. The VSLA model empowers individuals by fostering a community-driven approach to saving, where peer support plays a critical role. Abal and Tom (2022) noted that the savings behaviors of VSLA participants often improve due to peer pressure, creating a motivating environment that encourages members to contribute regularly to their savings.

The transformative effect of participation in VSLAs is evident in members' ability to establish savings in the form of cash, reinforcing the findings of Care (2017) and Chikoko et al. (2021). This shift in savings habits is vital for poverty alleviation, as it enables participants to utilize their savings during emergencies rather than resorting to the sale of household assets, which often exacerbates their financial vulnerability. The savings culture promoted through the VSLA program not only fosters sound financial habits but also contributes to women's empowerment within the community. Many female participants reported increases in their household savings, illustrating the program's role in enhancing their economic agency.

The motivation derived from group membership encourages individuals to improve their savings practices, shifting their perspectives on spending and financial management. The increased community cohesion and support found within VSLAs allow members to cultivate resilience in the face of economic challenges. As a result, these associations play a critical role in shaping the financial behaviours and resource management strategies of their members, ultimately contributing to poverty reduction and the promotion of sustainable livelihoods (Leach et al, 2025; Kabonga et al, 2022). In summary, VSLAs not only foster savings habits among participants but also empower them to navigate financial emergencies with confidence and stability, reinforcing the core principles of Community-Based Development Theory by highlighting the importance of localized, participatory strategies in addressing poverty.

The research findings highlight a compelling relationship between participation in Village Savings and Lending Associations (VSLAs) and women's empowerment, illustrating a core tenet of

Community Development Theory. The results demonstrate that women actively engaged in VSLA groups experience both financial and social empowerment, significantly enhancing their roles in household decision-making (Chambers, 2014). This aligns with the assertions of Dinbabo and Beyene (2019) and Maganga (2021), who argue that participation in such groups fosters women's ability to contribute meaningfully to familial choices.

Furthermore, as noted by Hernandez (2019) and Magali (2022), women involved in VSLA programs gain greater access to loans without the requirement of collateral, allowing them to maintain control and ownership over household assets. This control not only bolsters their economic security but also positions them as influential decision-makers within their households. The findings suggest that such empowerment serves as a catalyst for breaking the cycle of patriarchal dominance, as women increasingly assert their voices and preferences in family matters.

Importantly, the study illustrates that VSLAs are effective tools for poverty reduction through the empowerment of women. Given that women are often better caregivers than their male counterparts, their enhanced involvement in financial and resource management leads to better outcomes for children and families. The research emphasizes that when women are empowered, their focus typically prioritizes the welfare of their children, thereby contributing to improved household well-being and, ultimately, poverty eradication. This reinforces the principles of Community Development Theory, where local participation and empowerment drive sustainable development and social change (Leach et al., 2025). Thus, the findings underscore the transformative potential of VSLAs not only for individual women but also for the broader community, as their empowerment catalyzes positive shifts in familial and social dynamics.

Implications for development work

The findings from the Village Savings and Lending Associations (VSLAs) study carry significant implications for development initiatives that extend beyond the realm of social work, encompassing all community leaders and professionals engaged in development projects. Firstly, by educating stakeholders about the transformative value of VSLA programs in alleviating poverty, program managers and development professionals can harness these associations as powerful tools for promoting social change and economic empowerment within local communities. Raising awareness and actively engaging potential

participants are crucial steps in maximizing the impact of VSLAs (Anyebe, 2017; Nyama and Mukwada, 2023).

Highlighting the importance of gender inclusion within VSLAs is particularly vital, as it fosters male buy-in and cultivates an environment that is welcoming and supportive of women's participation (Munemo and Mwapaura, 2023; Munemo and Mwapaura, 2024). Creating strategies that actively involve both men and women not only enhances group dynamics but also ensures that insights from diverse perspectives contribute to more effective decision-making processes.

Furthermore, advocating for a robust government policy supporting VSLAs is essential, as it would secure the necessary funding and establish a framework for sustainable implementation over time. Such policy support would legitimise VSLA initiatives and integrate them into broader development agendas, thus increasing their reach and effectiveness.

Ultimately, by prioritizing gender mainstreaming and establishing supportive policy frameworks, development professionals can significantly enhance the effectiveness of VSLAs and ensure that they become instrumental in achieving sustainable development outcomes. This holistic approach not only empowers local communities but also aligns with the principles of Community-Based Development Theory, emphasizing the importance of local involvement and ownership in the development process. Through these strategic actions, VSLAs can play a pivotal role in transforming economic landscapes and fostering resilience in the face of ongoing challenges.

Conclusion

In conclusion, the Village Savings and Lending Association (VSLA) program emerges as a pivotal mechanism for reducing household poverty and fostering sustainable development within rural communities. The findings of this study underscore the significant impact VSLAs have on various dimensions, including women's empowerment, household welfare, savings behavior, and income-generating activities each of which is vital for nurturing resilient communities. Given these extensive benefits, development professionals, government officials, non-governmental organizations, and legislators must prioritise VSLAs in their policy agendas. Strategic formulation and implementation of supportive policies are essential to ensure that VSLAs effectively stimulate economic growth, enhance the financial resilience of rural households, and promote social equity. Ultimately, by investing in and supporting VSLA programs, stakeholders can play a crucial role in

fostering a more prosperous and equitable future for marginalized populations, aligning with the core principles of Community-Based Development Theory that advocate for local empowerment and participatory governance.

References

- Abal, J. A. & Tom, O. (2022). Contribution of Village Saving and Loan Association (VSLA) to Household Welfare Improvement in Kole District-Northern Uganda. *European Journal of Business and Management*, 14, 10-17.
- Alston, M. (2020). *Research for social workers: An introduction to methods*. Routledge.
- Amponsah, D., Awunyo-Vitor, D., Wongnaa, C. A., Prah, S., Sunday, O. A., & Acheampong, P. P. (2023). The impact of women groundnut farmers' participation in Village Savings and Loans Association (VSLA) in Northern Ghana. *Journal of Agriculture and Food Research*, 11, 100481.
- Anyebe, A.A. (2017). An assessment of the relevance of development administration as a system of action in developing nations, *Global Journal of Economic and Business*, 3 (3), 312- 321
- Beyene, N. L. (2018). *Assessment of the Effects of Village Savings and Loan Associations (VSLA) on Poverty Reduction in Hawassa*. Ethiopia, University of Western Cape, South Africa.
- Beyene, N., L. & Dinbabo, F., M. (2019). An empirical evaluation of the link between women's participation in village savings and loan association (VSLA) and poverty reduction in Ethiopia. *In the Journal of reviews in Global economics*, 8, 556-580.
- Charamba, S., Mushunje, M., Mwapaura, K., Simango, T. G., & Risinamhodzi, N. (2024). Climate change and vulnerable groups in Zimbabwe: Implications for social work practice. *Journal of Social Development in Africa*, 39(2), 68-87. <https://dx.doi.org/10.4314/jsda.v39i2.5>
- Chambers, R. (2012). *Revolutions in development inquiry*. Routledge.
- Chambers, R. (2014). *Rural development: Putting the last first*. Routledge.
- Chambers, R. (2015). PRA, PLA and pluralism: Practice and theory. *The SAGE handbook of action research*, 31-46.
- Chikoko, W., Nyabeze, K. and Zvokuomba, K., Mwapaura, K. and Mhizha, S. (2021). The Harmonized Social Cash Transfer Program in Zimbabwe: Achievements and Challenges. *Journal of Economics and Behavioral Studies*, Vol. 13, No. 5, pp. 12-21. [http://doi.org/10.22610/jeb.v13i5\(J\).3234](http://doi.org/10.22610/jeb.v13i5(J).3234).
- Chineka, T. S., & Mtetwa, E. (2021). Savings and Credit Schemes (SCS): Towards an informal sector poverty reduction strategy for Zimbabwe. *African Journal of Social Work*. 11, 403-411.
- Chinwe U. N., Okoye, U. O., Obikeguna, C. Onalu, C. E., Agha, A. A., Ogbu, A. I., Erhunwunse, E. A., Nwanze, A. A., & Okunsanya, T. (2019). An impact study of the Village Savings and Loan Association (VSLA) in Nigeria. *African Population Studies*. 33, 4901-4912.
- Chivasa, N. (2021). Instituting village savings and loan associations scheme through action research in Zimbabwe. *IJAR-International Journal of Action Research*, 16(3), 184-201.
- Creswell, J., W. & Creswell, J., D. (2017). *Research Design; Qualitative, Quantitative and Mixed methods approach*. California: SAGE publications Limitations.
- Dawuni, P., Mabe, F. N., & Tahidu, O. D. (2021). Effects of village savings and loan association on agricultural value productivity in Northern Region of Ghana. *Agricultural Finance Review*, 81(5), 657-674.
- Hernandez, S., M. (2019). *The Impact of microfinance on women's empowerment: Evidence from rural areas of Uganda*, Dortham. North Carolina: Duke University.
- Kabonga, I., and Zvokuomba, K., Musara, E., Chikoko, W., Mwapaura, K., and Nyabeze, K., (2022). Non-governmental organizations' enablers of asset accumulation and poverty reduction in Zimbabwe. *International Social Work (ISW)*. 00(0), 1-7. DOI: <https://doi.org/10.1177/00208728221127658>.
- Leach, M., Mearns, R., & Scoones, I. (2025). Community-based sustainable development: consensus or conflict? *IDS Bulletin*, 56(1A).
- Maganga, A. (2021). Impact of microfinance village savings and loan associations on women's empowerment and resilience against vulnerability in Malawi. *International Journal of Rural Management*, 17(2), 190-212.
- Mkandawire, I. (2024). *Impact analysis of village savings and loans associations on sustainable food security and livelihood strategies in TA Kilipula, Karonga District* (Doctoral dissertation).
- Murendo, C., Murenje, G., Chivenge, P. P., & Mtetwa, R. (2021). Financial inclusion, nutrition and socio-economic status among rural households in Guruve and Mount Darwin Districts, Zimbabwe. *Journal of International Development*, 33(1), 86-108.
- Munemo, W. and Mwapaura K. (2023). 'A burdensome journey': The plight of mothers of children with disabilities in Torwood Community, Kwekwe, Zimbabwe. *Journal of Social Issues in Non-Communicable Conditions & Disability*, 2(2),

63-76.

<https://www.researchgate.net/publication/376271163>

Munemo, W. & Mwapaura, K. (2024). The utility of coping strategies employed by mothers of children with disabilities (MCwDs) in Torwood, Redcliff, Zimbabwe: Implications on development work. *People-centred – The Journal of Development Administration* (JDA), 9(1), 1-10. <https://dx.doi.org/10.4314/jda.v9i1.1>

Mwansakilwa, C., Tembo, G., Zulu, M. M. & Wamulume, M. (2017). Village Savings, Loan Associations and Household Welfare: Evidence from Eastern and Western Zambia. *Journal of African Journal of Agriculture and Resources Economics*, 2, 85-97.

Mwapaura, K. (2024). Key considerations when doing research involving people with disabilities. *Journal of Social Issues in Non-Communicable Conditions & Disability*, 3(2), 309-313

Mwapaura, K., Chikoko, W., Nyabeze, K., Kabonga, I., and Zvokuomba, K. (2022). Provision of Child Protection Services in Zimbabwe: Review of the Human Rights Perspective. *Cogent Social Sciences* (OASS). 8 (1), 2136606, DOI: <https://doi.org/10.1080/23311886.2022.2136606>.

Nyama, V., & Mukwada, G. (2023). Factors affecting citizen participation in local development planning in Murewa District, Zimbabwe. *Journal of Asian and African Studies*, 58(3), 421-437.

Okello, T., & Mwesigwa, D. (2022). Analysing the significance of village savings and loan association (VSLA) to community development in Uganda. *International Journal of Innovative Science, Engineering & Technology*, 9 (6), 393-402.

Savadye, L.T. (2024). *Poverty reduction through village savings and lending associations: Case of the Salvation Army project, Guruve*. Master's degree dissertation submitted to the Midlands State University for the Master of Science in Social Work Degree

Shaaban, S. (2022). Can Village Savings and loans association (VSLA) approach achieve/promote rural sustainable development in the Egyptian community? *Journal of Chinese Economic and Foreign Trade Studies*, 15(3), 332-349.

Shumye, W. (2023). *The Impacts of Village Saving and Loan Association on Women's Economic Empowerment in East Belessa Woreda* (Doctoral dissertation).

Tendengu, T. (2024). Contextual Analysis of poverty in Zimbabwe. *Futures: The Zimbabwe*

Ezekiel Guti University Journal of Leadership, Governance and Development, 23-46.

Thompson, N. (2024). *Understanding social work: Preparing for practice*. Bloomsbury Publishing.