

Appendix I

INETRVIEW GUIDE FOR SACCOS MEMBERS

A: Background Data:

- 1. Respondents Number
- 2. SACCOS Name
- 3. Date of Establishment.....
- 4. Number of members.....
- 5. Location.....

B: Personal data

- 1. Sex:
 - 01. Male ☐
 - 02. Female ☐
- 2. Age
- 3. President:
 - 01. Urban ☐
 - 02. Rural ☐
 - 03. Mixed ☐
- 4. Marital Status
 - 01. Married
 - 02. Not Ever Married
 - 03. Widowed ☐
 - 04. Divorced ☐
 - 05. Separated ☐
 - 06. Deserted ☐
- 5. Family size
 - 01. 0 – 1 ☐
 - 02. 2 – 3 ☐

- | | | |
|-----|-------|--------------------------|
| 03. | 4 – 5 | <input type="checkbox"/> |
| 04. | 6 – 7 | <input type="checkbox"/> |
| 05. | 8 | <input type="checkbox"/> |

6. Level of Education

- | | | |
|-----|----------------------|--------------------------|
| 01. | Primary Incomplete | <input type="checkbox"/> |
| 02. | Completed Primary | <input type="checkbox"/> |
| 03. | Secondary Incomplete | <input type="checkbox"/> |
| 04. | Others (Specify) | <input type="checkbox"/> |

C. Social – Economical Data

1. What is your occupation?

- | | | |
|-----|----------------------------|--------------------------|
| 01. | Farming (Crop Husbandly) | <input type="checkbox"/> |
| 02. | Farming (animal husbandry) | <input type="checkbox"/> |
| 03. | Wage Employment | <input type="checkbox"/> |
| 04. | Business | <input type="checkbox"/> |
| 05. | Others (Specify) | <input type="checkbox"/> |

2. What Other economic activities do you undertake?

- | | |
|------|-------|
| i. | |
| ii. | |
| iii. | |
| iv. | |
| v. | |

3. What is your income per month? (Tshs)

- | | | |
|-----|------------------|--------------------------|
| 01. | < 20,000 | <input type="checkbox"/> |
| 02. | 21,000 – 30,000 | <input type="checkbox"/> |
| 03. | 31,000 – 40, 000 | <input type="checkbox"/> |
| 04. | 41, 000 – 50,000 | <input type="checkbox"/> |
| 05. | 51,000 – 60,000 | <input type="checkbox"/> |

- | | | |
|-----|-----------------|--------------------------|
| 06. | 61,000 – 70,000 | <input type="checkbox"/> |
| 07. | 71,000 – 80,000 | <input type="checkbox"/> |
| 08. | > 80,000 | <input type="checkbox"/> |

4. Do you have any children attending schooling?

- | | | |
|-----|-----|--------------------------|
| 01. | Yes | <input type="checkbox"/> |
| 02. | No | <input type="checkbox"/> |

5. If Yes, How many are they?

- | | | |
|-----|-------|--------------------------|
| 01. | 0 – 1 | <input type="checkbox"/> |
| 02. | 2 – 3 | <input type="checkbox"/> |
| 03. | 4 – 5 | <input type="checkbox"/> |
| 04. | > 5 | <input type="checkbox"/> |

6. If yes, what level are they?

- | | | |
|-----|------------------|--------------------------|
| 01. | Primary | <input type="checkbox"/> |
| 02. | Secondary | <input type="checkbox"/> |
| 03. | University | <input type="checkbox"/> |
| 04. | Others (specify) | <input type="checkbox"/> |

7. Are you able to meet your social and economic obligation in your family?

- | | | |
|-----|-----|--------------------------|
| 01. | Yes | <input type="checkbox"/> |
| 02. | No | <input type="checkbox"/> |

8. What social and economic obligation are you able to meet?

- | | | |
|-----|-----------------------------|--------------------------|
| 01. | Education for your children | <input type="checkbox"/> |
| 02. | Medical care | <input type="checkbox"/> |
| 03. | Rent | <input type="checkbox"/> |
| 04. | Electricity | <input type="checkbox"/> |
| 05. | Food | <input type="checkbox"/> |
| 06. | Shelter | <input type="checkbox"/> |
| 07. | Others (specify) | <input type="checkbox"/> |

D. SACCOS Data

1. How many members was it registered.....
2. When I did you become a SACCOS members?
.....
3. Is your SACCOS registered?
 01. Yes ☐
 02. No ☐
4. When was it registered?
5. What is the current financial position of your SACCOS?
Tshs.....
6. What is the current financial position of your SACCOS for the past five years?
Year 2001 2002 2003 2004 2005
Tshs.....
7. Can you easily define the organization (leadership) structure of your SACCOS
 01. Yes ☐
 02. No ☐
9. If Yes, What is the structure of your SACCOS
.....
10. Do you have any skills and knowledge about bookkeeping?
 - 01 Yes ☐
 - 02 No ☐
11. Does your SACCOS keeps financial Records?
 - 01 Yes ☐
 - 02 No ☐

12 Do you get ant financial reports about your SACCOS?

01 Yes ☐

02 No ☐

13. If Yes, How Often?

01 Once per Year ☐

02 Twice Per Year ☐

03 Thrice Per Year ☐

04 Quarterly ☐

14. How do you monitor the performance of your SACCOS?

.....

15. Who monitor the performance of your SACCOS?

.....

16 How do you evaluate the performance of your SACCOS?

.....

18. Do you have any monitoring and evaluation System?

01 Yes ☐

02 No ☐

19. What are the main tools used in Monitoring and evaluation of
your SACCOS performance?

.....

20. Is the financial performance of your SACCOS audited?

01 Yes ☐

02 No ☐

21. If Yes, How often does auditing take place?
.....

22. If Yes, who conduct the auditing?.....

23. What are the main sources of your capital for SACCOS?

- 01 self-Contribution ☐
- 02 Loan from credit Organization ☐
- 03 Grants from NGOs ☐
- 04 Credits from the Government ☐
- 05 Other Sources (Specify) ☐

24. Do you think that the amount of loan given is adequate for your organization?

- 01 Yes ☐
- 02 No ☐

25. If No, what are the reasons?
.....

26. If your given loan from any credit organization, what is the initial amount given? Tshs.

- 01. 50,000 – 100,000 ☐
- 02. 100,001 – 200,000 ☐
- 03. 200,001 – 300,000 ☐
- 04. 300,001 – 400,000 ☐
- 05. 400,001 – 500,000 ☐
- 06. 500,001 – 1,000,000 ☐
- 07. 1,000,000 + ☐

27. What do you think about the organization structure of your SACCOS?

- 01. Very Good ☐
- 02. Good ☐
- 03. Bad ☐
- 04. Very bad ☐

28. Give an explanation on your response for Q 27 above.....

29. What do you think about the book-keeping system of your organization?

- 01. Very Efficient ☐
- 02. Efficient ☐
- 03. Inefficient ☐
- 04. Very Inefficient ☐

30. Give an Explanation on your response for Q 29 above

31. What do you think about monitoring and evaluation system of your Organization?

- 01. Very Efficient ☐
- 02. Efficient ☐
- 03. Inefficient ☐
- 04. Very inefficient ☐

32. Give an explanation on your response for Q 31

33. What can you say about the performance of your SACCOS?

- 01. Very good ☐
- 02. Good ☐
- 03. Poor ☐
- 04. Very Poor ☐

34. Give an explanation on your response for Q 33

.....

35. What can you say about sustainable of your SACCOS?

01.

Very high

☐
02.

High

☐
03.

Low

☐
04.

Very Low

☐

36. If sustainability of your SACCOS is very high what do you think are the contributing factors?

.....

37. If suitability of your SACCOS is very low what do you think are the contributing factors?

.....

38. Give your general comments on the organization and sustainability parameters of SACCOS being Peoples' Based Organizations (PBOs)

.....

Appendix II
Questionnaires for ACIST and Extension Staff

A. Background Data

- 1. Respondent Number
- 2. Organization
- 3. Date of establishment
- 4. Location

B. Personal Data

- 1. Sex
- 2. Age
- 3. Marital Status
- 4. Level of education
- 5. Designation

C. SACCOS Data

- 1. Is your organization dealing with SACCOS?
 - 01. Yes
 - 02. No
- 2. If it deals with SACCOS How? How many.....
- 3. If your provide credits, what is the minimum amount provided to each group as an initial capital?.....Tshs
- 4. What criteria do your organization follow in providing credit to SACCOS members?
- 5. What is the main conditionality set for credit set for credit provision in your organization?
- 6. What can you say about the organization structure of these SACCOS?
- 7. If you give any consultancy services to SACCOS what are the specific areas?

8. What can you say about the bookkeeping system of SACCOS?
9. Is there any auditing carried out in SACCOS
10. If Yes, in which areas exactly?
11. Do your organizations provide any training to SACCOS Groups?
12. If Yes, in which areas exactly?
13. What can SACCOS say about sustainability of these SACCOS Group?
14. What do you think can guarantee SACCOS prospects and sustainability?
15. What is your general comment on the sustainability and organization of these peoples' based organization (PBOs) i.e. SACCOS

Appendix III

STAFF JOB DESCRIPTION

PROJECT ACIST

1. Project manager

- The over seer of the project sustainability
- The head of the project
- Performs the main faction of management including planning organizing, Directing, Budgeting and motivating
- The financial controller of project
- The main spoken Pearson for the project
- The representative in the meeting of the Board of Directors.

2. Training officers.

- To head all the training programmers
- To development or design training programmers
- To monitor and evaluate training programmers.
- To report to the manager on the training needs.

3. Field officers.

- To undertake training and community needs assessment.
- To collaborate with training officer on the designing training programmes.
- To report to the project manager on the efficiency of the training programmes.
- To help training officer in conducting.

4. Gender officer.

- To assess the gender needs for a target group.
- To identify and collect gender desecrated data.
- To advise the project manager on gender related issues.

- To conduct gender training.

5. Cooperative officers

- To advise the project manager on all issues related to cooperative.
- To identify and collect data related to SACCOs development.
- To conduct training on saving and credits

Appendix IV

PROJECT BUDGET (Estimated)

S/N	item	Cost (Tsh.)
1	community Needs Assessment	120,000.00
2	Stationary	100,000.00
3	Field Survey a Data Collection (fuel)	360,000.00
4	Training Staff (3) @ 200.000	600,000.00
5	research supervision	300,000.00
6	Food for participants (100 @ 20,000/=)	2,000,000.00
7	SACCOS consultant	500,000.00
8	Training venue (hiring)	200,000.00
9	Data Analyst	300,000.00
Total		4,380,000.00

Appendix V

Questions for Monitoring and Evaluation Systems for SACCOS

▪ Background Data

6. SACCOS Name.....
7. Location
8. Type of SACCOS
9. Registration Number
10. Date of Establishment
11. Number of members; Total Male.....Female
12. Evaluation's Monitoring Officer
13. Date of Evaluation or Monit

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▪ Evaluation/Monitoring Data

1. What is being monitored/evaluated
 - i. Activity performance ()
 - ii. Financial Performance ()
 - iii. Human resource ()
2. What is the level of performance?
 - i. Very high ()
 - ii. High ()
 - iii. Low ()
3. What is the trend of performance?
 - i. Increasing ()
 - ii. Decreasing ()
 - iii. Constant ()

4. What are the main problem facing

- i. Activity Performance?.....
- ii. Financial Performance?.....

5. Do you have any supervisor?

01. Yes () 02. No. ()

6. How often are you supervised?

- i. Very Frequently ()
- ii. Frequently ()
- iii. Rarely ()
- iv. Very rarely ()

7. What are main areas which you are suspended

8. Do you face any problems during supervision?

9. How supervision does help you in performing your work?

10. How can productivity in your SACCOS be improved?

Appendix VI
SACCOS PHOTOS
Photo 1: HAMASA FARMERS SACCOS
Paddy Growing

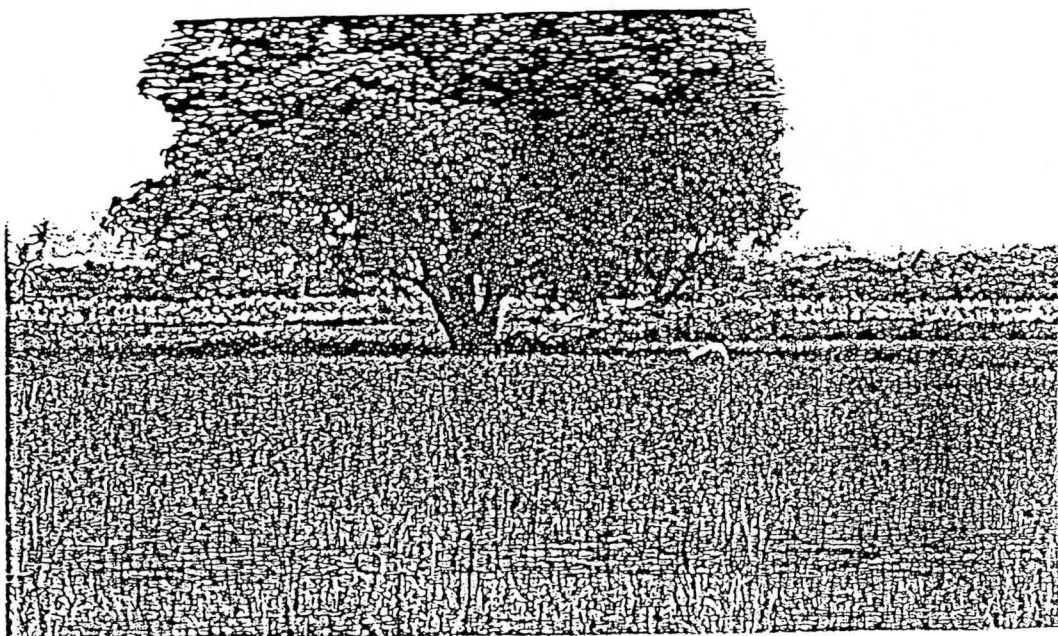


Photo 2: MANAPA SACCOS
Construction of a MINI-HOTEL

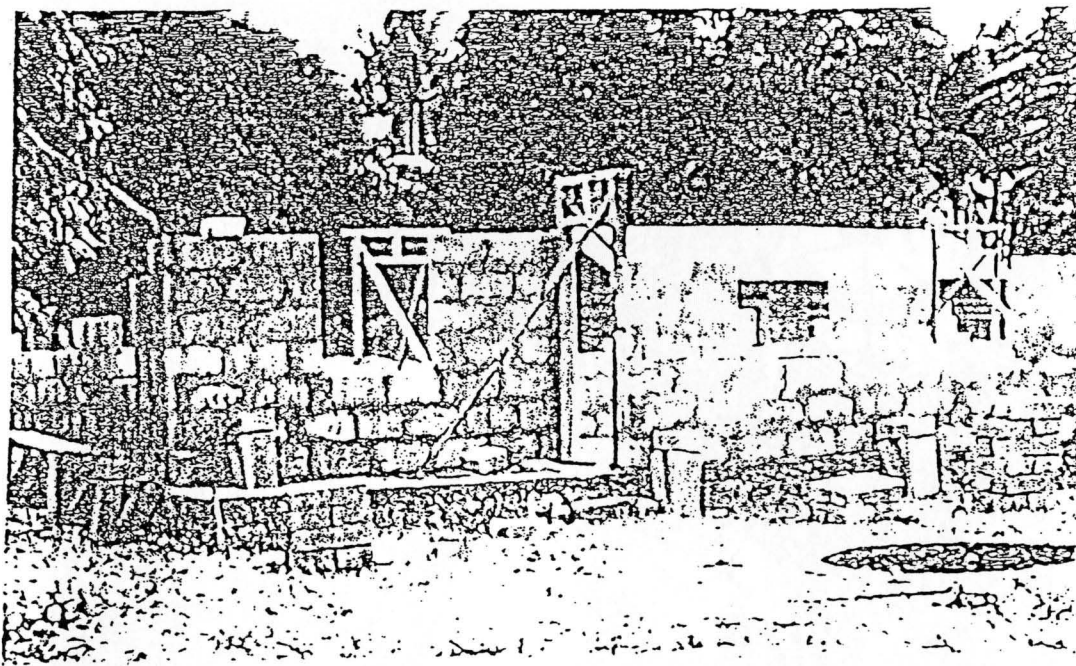
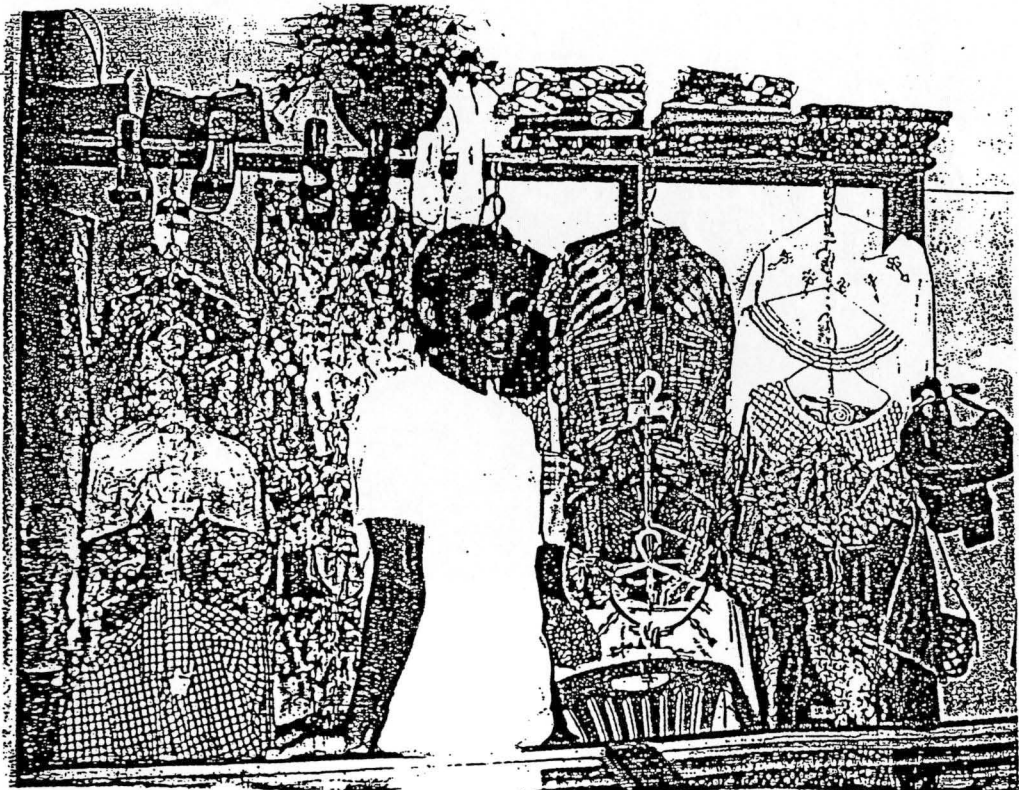


Photo 3: HAMASA FARMERS SACCOS
Glorious farm



Photo 4: MLIMANI NGARASH
Calico Sellino Shop



**Photo 5: MONDULI DISTRICT COUNCIL WORKERS
SACCOS Training elementary Book-keeping**

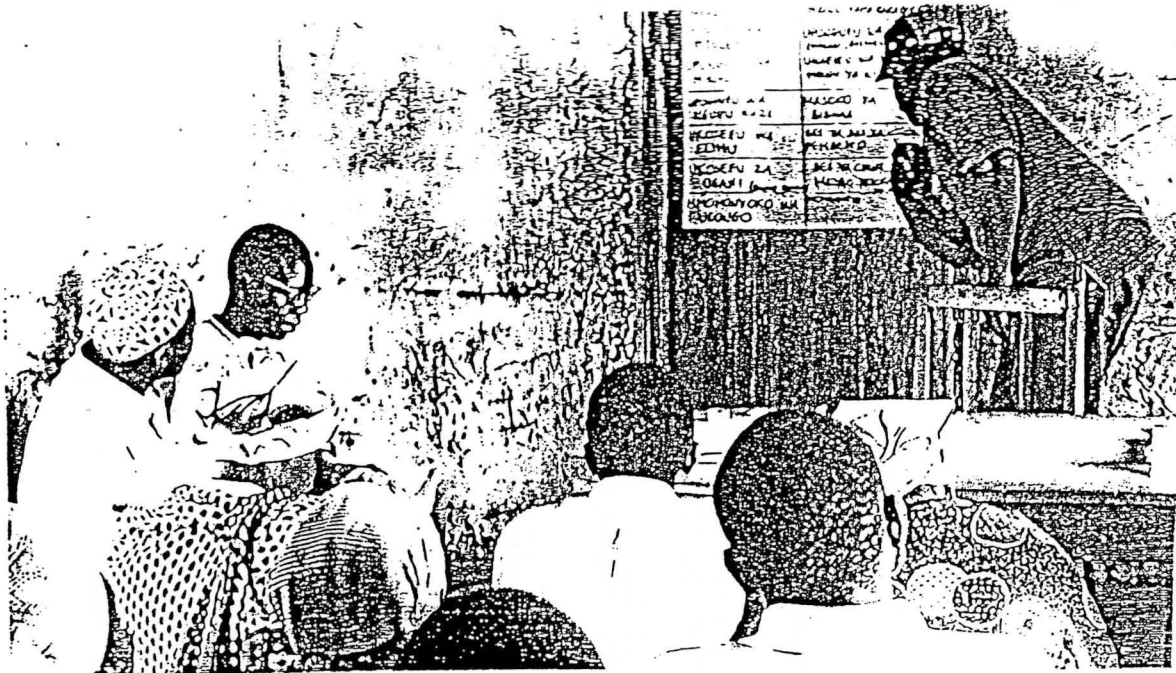
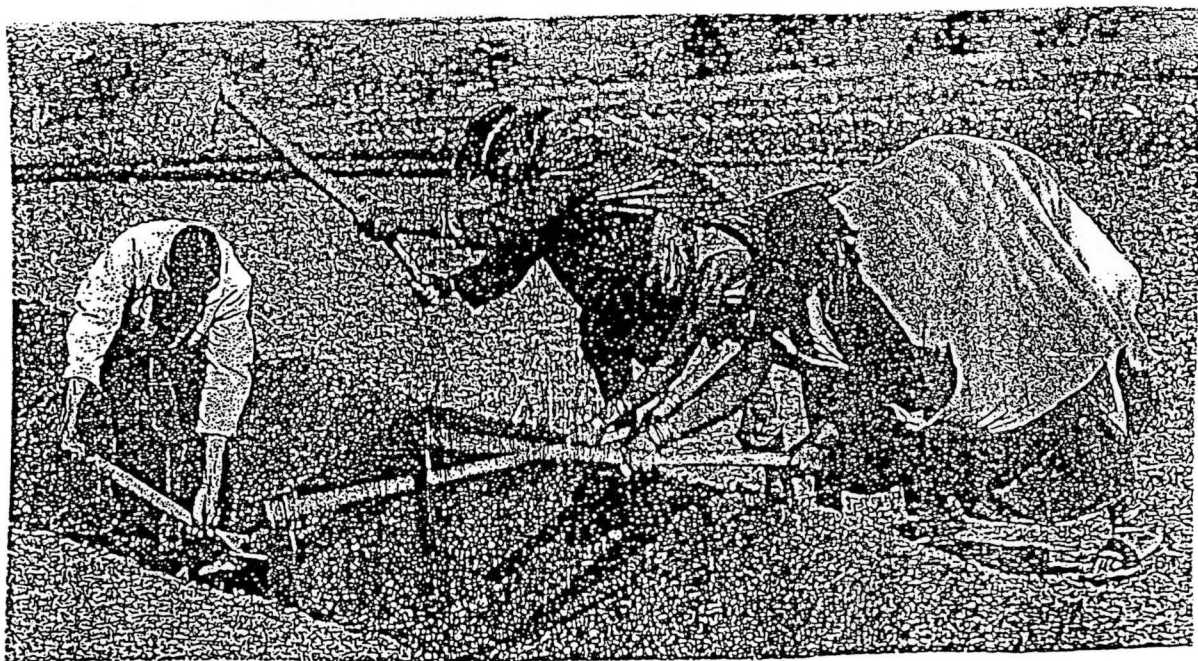
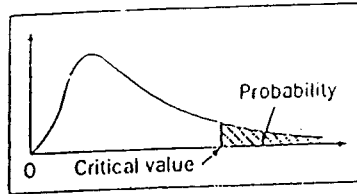


Photo 6: HAMASA FARMERS SACCOS



Appendix VII χ^2 critical Values



Probability	0.250	0.100	0.050	0.025	0.010	0.005	0.001
v							
1	1.32	2.71	3.84	5.02	6.63	7.88	10.8
2	2.77	4.61	5.99	7.38	9.21	10.6	13.8
3	4.11	6.25	7.81	9.35	11.3	12.8	16.3
4	5.39	7.78	9.49	11.1	13.3	14.9	18.5
5	6.63	9.24	11.1	12.8	15.1	16.7	20.5
6	7.84	10.6	12.6	14.4	16.8	18.5	22.5
7	9.04	12.0	14.1	16.0	18.5	20.3	24.3
8	10.2	13.4	15.5	17.5	20.3	22.0	26.1
9	11.4	14.7	16.9	19.0	21.7	23.6	27.9
10	12.5	16.0	18.3	20.5	23.2	25.2	29.6
11	13.7	17.3	19.7	21.9	24.7	26.8	31.3
12	14.8	18.5	21.0	23.3	26.2	28.3	32.9
13	16.0	19.8	22.4	24.7	27.7	29.8	34.5
14	17.1	21.1	23.7	26.1	29.1	31.3	36.1
15	18.2	22.3	25.0	27.5	30.6	32.8	37.7
16	19.4	23.5	26.3	28.8	32.0	34.3	39.3
17	20.5	24.8	27.6	30.2	33.4	35.7	40.8
18	21.6	26.0	28.9	31.5	34.8	37.2	42.3
19	22.7	27.2	30.1	32.9	36.2	38.6	43.8
20	23.8	28.4	31.4	34.2	37.6	40.0	45.3
21	24.9	29.6	32.7	35.5	38.9	41.4	46.8
22	26.0	30.8	33.9	36.8	40.3	42.8	48.3
23	27.1	32.0	35.2	38.1	41.6	44.2	49.7
24	28.2	33.2	36.4	39.4	43.0	45.6	51.2
25	29.3	34.4	37.7	40.6	44.3	46.9	52.6
26	30.4	35.6	38.9	41.9	45.6	48.3	54.1
27	31.5	36.7	40.1	43.2	47.0	49.6	55.5
28	32.6	37.9	41.3	44.5	48.3	51.0	56.9
29	33.7	39.1	42.6	45.7	49.6	52.3	58.3
30	34.8	40.3	43.8	47.0	50.9	53.7	59.7
40	45.6	51.8	55.8	59.3	63.7	66.8	73.4
50	56.3	63.2	67.5	71.4	76.2	79.5	86.7
60	67.0	74.4	79.1	83.3	88.4	92.0	99.6
70	77.6	85.5	90.5	95.0	100	104	112
80	88.1	96.6	102	107	112	116	125
90	98.6	108	113	118	124	128	137
100	109	118	124	130	136	140	149

where v is the number of degrees of freedom.

4. What are the main problem facing
- i. Activity Performance?.....
 - ii. Financial Performance?.....
5. Do you have any supervisor?
01. Yes () 02. No. ()
6. How often are you supervised?
- i. Very Frequently ()
 - ii. Frequently ()
 - iii. Rarely ()
 - iv. Very rarely ()
7. What are main areas which you are suspended
8. Do you face any problems during supervision?
9. How supervision does help you in performing your work?
10. How can productivity in your SACCOS be improved?

**Southern New Hampshire University
And**

The Open University of Tanzania

**The Sustainability of Savings and Credit
Cooperative Societies**

SACCOS

A case of Monduli District-Arusha

Supervisor: Dr. Sinda H. Sinda

By: H. A. Kingu

INTRODUCTION

Background to the Community Based Organization

The Arusha Community Initiatives Support Trust (ACIST) is located in Arusha City, Unga Limited Municipality. It is a Non-Governmental Organization dealing with mobilization of Communities towards rural financing in Monduli and Babati districts

Historical Development of cooperative Societies in Tanzania

Tanzania is among the poorest countries in the World with urban biased financial market development. Whereas developing economies in Latin America and Asia show bank density of 8 to 30 thousands inhabitant per branch, but in sub-Saharan Africa this is in order of 100 to 420 thousands inhabitants (Kashuliza: 1998)

- With the inadequate rural financial market, people are engaged in the informal market which exploits the poor and hence per perpetuating the degree of poverty. To overcome this situation Savings and Credit Cooperative Societies (SACCOS) are among the Micro-Finance Institution (MFIs) operating in Tanzania.
- Others are Financial NGOs, and commercial banks such as Co-operative Bank and Community Banks such as MUCOBA (Mufindi Community Bank) in Iringa region, Mufindi district.
- The introduction and establishment of modern Cooperatives in Tanzania is associated with cash crops economy. As a result early cooperatives institutions flourished in the coffee, cotton and tobacco growing areas of Kilimanjaro, Kagera, Mwanza, and Ruvuma

Community needs assessment Community profile

- *Population Dynamics*
- *Occupation Structure in the District*
- *Physical Quality of Living Index Parameter*
- *Basic Social and Economic Indicators*

THE PROBLEM STATEMENT

- The SACCOS were created to make people especially in rural areas improve their quality of life through operating their savings and credit groups so as to get profit, providing loans which have soft conditions and also supporting different economic activities such as a village projects and women income.

- In Monduli district rural residents live in widespread poverty. They lack adequate capacity to utilize locally available resources such as land and livestock to generate sustainable income; in order to sustain their SACCOS. These rural poor experience low level of physical quality of living index and therefore cannot afford their daily subsistence to the maximum.

THE PROJECT OBJECTIVES

- **The General Objective**
The main objective is to assess the sustainability of SACCO as community based organization.
- **The Specific Objectives**
 - ◆ To assess the performance of SACCOS as in Income Generating Activities groups.
 - ◆ To explore the diversity of economic activities undertaken by SACCOS.
 - ◆ To analyse the gender participation rate of SACCOS
 - ◆ To assess the monitoring and evaluation system used by SACCOS.

LITERATURE REVIEW

■ CONCEPTUAL ANALYSIS

The Conceptual reviews of the Credit scheme have been provided by different authors including the following:-

Virji and Meghji (1987) defines cooperative as the programme which extended money to the people for commercial rather than as a grant in order to commit them to work for income generating profits so as to make them successful and create self sustenance

OBSERVATIONS FROM LITERATURE REVIEW

- All the surveyed literatures admire the critical role of SACCOS in Community Economic Development.
- The SACCOS aim at building new business communities by enhancing capacity in production, ownership, control and access to productive assets.
- The Literatures also provide conceptual theoretical, empirical and policy review

IMPLEMENTATION

METHODOLOGY

It was participatory involving key stakeholders

METHODS OF DATA COLLECTION

- In-person interview
- Observation
- Record review
- Focus group discussion
- Key informant interview

METHODS OF DATA PRESENTATION

- Tabular presentation
- Graphs
- Charts
- Drawing pictures

METHODS OF DATA ANALYSIS

- Association Analysis (Chi-square)
- Regression/Time Series Analysis
- Comparative Analysis (Wilcoxon Mann-Whitney U-test and Charles Spearman Rank Correlation coefficient)

PRODUCTS AND OUTPUTS

Products

- SACCOS members with knowledge and skills in bookkeeping
- Feasible and viable leadership structures
- Diversified income generating activities
- Monitoring and evolution systems

Outputs

- 50 members of SACCOS trained on Bookkeeping
- 50 new identified income generating activities
- 50 group leaders trained on leadership
- 10 samples of ME systems developed.

PROJECT ACTION PLAN

Activity	Responsible	Start Date	End Date	Status	Remarks
1. Conduct baseline survey	Researcher	2010/01/01	2010/01/31	Completed	
2. Develop project proposal	Researcher	2010/02/01	2010/02/28	Completed	
3. Obtain ethical clearance	Researcher	2010/03/01	2010/03/31	Completed	
4. Recruit participants	Researcher	2010/04/01	2010/04/30	Completed	
5. Conduct interviews	Researcher	2010/05/01	2010/05/31	Completed	
6. Analyze data	Researcher	2010/06/01	2010/06/30	Completed	
7. Write report	Researcher	2010/07/01	2010/07/31	Completed	
8. Disseminate findings	Researcher	2010/08/01	2010/08/31	Completed	

THE MAIN OBSERVATION

The questionnaires and interview checklist revealed a variety of observations, which relate to the surveys objectives and research questions:

The instruments were applied to five SACCOS with the following distribution of respondents

The study involved equal number of respondents from each SACCOS, as the average number of members per SACCOS was the same.

It was observed that, SACCOS sustainability is questionable. It can be a short lived Community Economic development (CED) Programme due to a myriad of problems facing these SACCOS.

Its was found that, 95 percent of the SACCOS members argued that, unless the problems facing SACCOS are related the future prospect of SACCOS is uncertain. They mentioned low level of knowledge and skills to handle project as one the main problem with their percentage of response from SACCOS members.

- Low Level of education (57%)
- Inadequate Capital (85%)
- Lack of Adequate personal with skills in financial management and Accounting (95%)
- Lack of proper Monitoring and Evaluation system (60%)
- Inadequate Accessibility to Information Communication Technology (ICT) (60%)

SACCOS PERFORMANCE

Activity performance

- *Activity Diversification*
- *Product differentiation*
- *New Product Development*
- *Gender Participation Ratio (Friedman Chi-square at $\alpha=0.01$ and 4 df, $\chi=0.297$ the calculated value is 38.2 showing gender Gap in participation in SACCOS)*

Financial Performance of SACCOS

- *Financial ratios*
- *Income trend of SACCOS*
- Return on investment
- Cumulative Capital
- Loan product per member

MONITORING EVALUATION AND SUSTAINABILITY

- **Monitoring**
- **Methodology**
- Monitoring was being done continuously in order to detect discrepancy between planned and actual implementation.
- Key people including ACIST Staff, CDO, and Cooperative officer were involved in making sure that the project was in track.
- It is therefore obvious that participatory monitoring approach was a key to the success of the monitoring of the projects.

Key Tools

- Key informants Interviews including SACCOS members
- Site visits for the place where projects were taking place
- Weekly/month financial and activity reports where they were available.
- Direct observation of the activities being done (physical checks)
- A work register
- Time taken to complete the work versus the planed one.

CONCLUSIONS

It is obvious that SACCOS are very basic factors or entities in accelerating Community Economic Development.

It is evident that SACCOS are in principal financial Institution that focus on creating human values through addressing members needs adhering to equality, promotion of self-esteem practicing support to others and

attendance of self-reliance, therefore they should be encouraged and supported by any and all means, otherwise SACCOS will not be sustainable and are going to die a natural death due to a myriad of reasons given in the results obtained. These include lack of adequate capital, low level of education, inaccessibility to ICT and lack of monitoring and evaluation system.

RECOMMENDATIONS

- Proper training on book-keeping system should be provided to the SACCOS members
- The government should maintain a supportive policy regime and establish an appropriate legal, regulatory and supervisory framework for rural micro-leading.
- Promoting Savings mobilization, by the use of appropriate, designed financial technology since the potential capacity of the rural households to save is there.

- Fellow members on part time bases hence inhibiting business growth, income and products development manage all SACCOS.
- There is lack of professional management due to poor level of education
- Lack of product mix and diversity leading into poor revenue, saving deposits, market shares and few cases of specialized production.
- Organization structure of SACCOS should be revised for good governance.

APPRECIATION

THANK YOU VERY MUCH FOR
YOUR ATTENTIVE LISTENING

Figure 1.1
LOCATION
AND
TOPOGRAPHY
OF
MONDULI
DISTRICT

